

Matthias Gaertner, CFO

12 November 2020



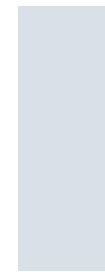
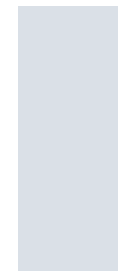
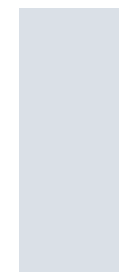
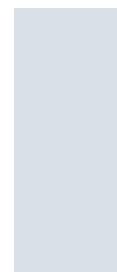
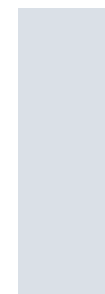
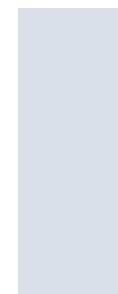
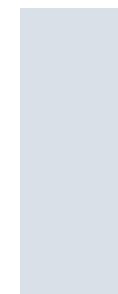
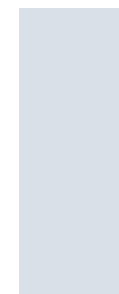
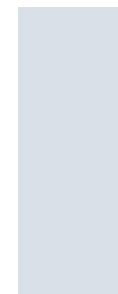
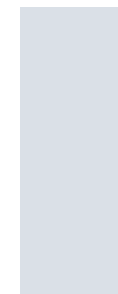
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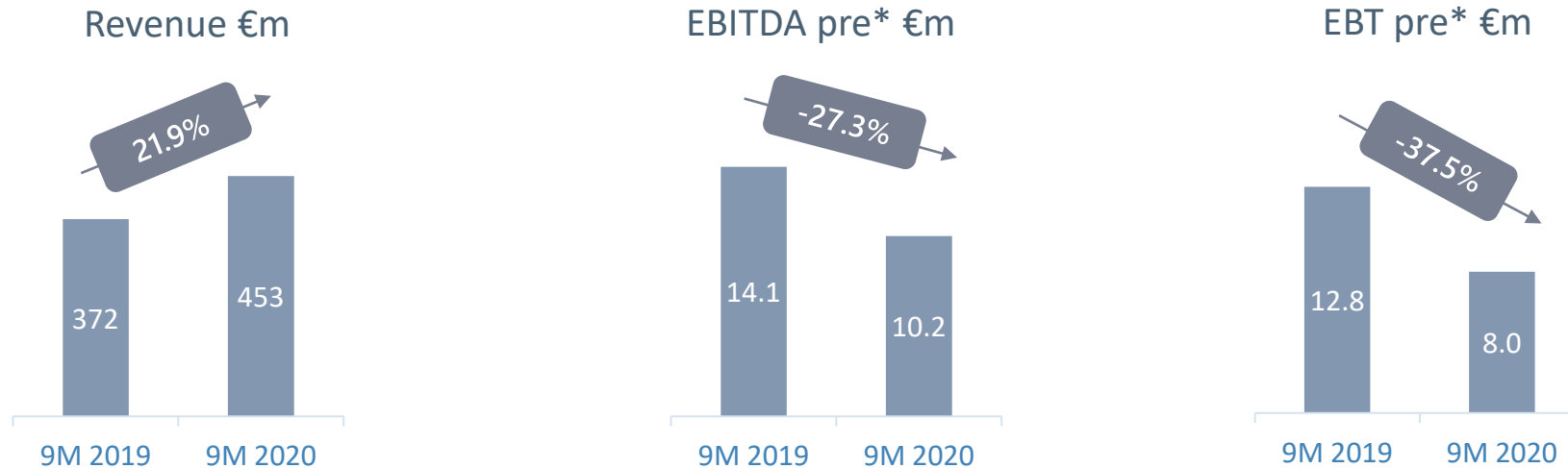


Highlights 2020 year-to-date – Growth strategy on track

OPERATIONS	<p><u>Growth strategy on track</u></p> <ul style="list-style-type: none">• Pharmaceutical Supply:<ul style="list-style-type: none">• continues to be a clear growth driver, however, growth weakened at lower margins as a result of the COVID-19 pandemic• new indication: hemophilia• Patient-specific Therapies:<ul style="list-style-type: none">• performance on track• acquisition of Kölsche Blister GmbH - attractive new service “blistering”, driver of additional new customers• new building rented in Berlin: manufacturing capacity can be tripled• Administrative units consolidated at new premises in Berlin-Mitte• mediosconnect: digital platform to manage order and billing processes• Since 21 Sep 20: member of the SDAX
MANAGEMENT	<ul style="list-style-type: none">• Matthias Gärtner, CFO, to be additionally appointed as CEO effective 1 Jan 2021 – successor of Manfred Schneider; Executive Board: only three members• Advisory Board to be founded in 2021 with Manfred Schneider in a leading role
FINANCIALS	<ul style="list-style-type: none">• Revenue and earnings show growth in comparison to Q2 2020; however, results are lower compared to 9M 2019 due to ongoing COVID-19 effects• Solid liquidity: various capital measures to finance organic and inorganic growth• Guidance 2020 confirmed

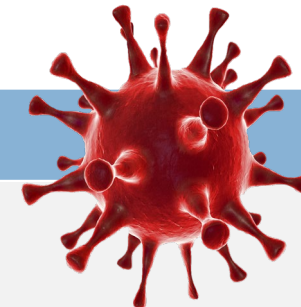
Dynamic growth despite COVID-19 Pandemic

Continuation of growth strategy: Business model intact



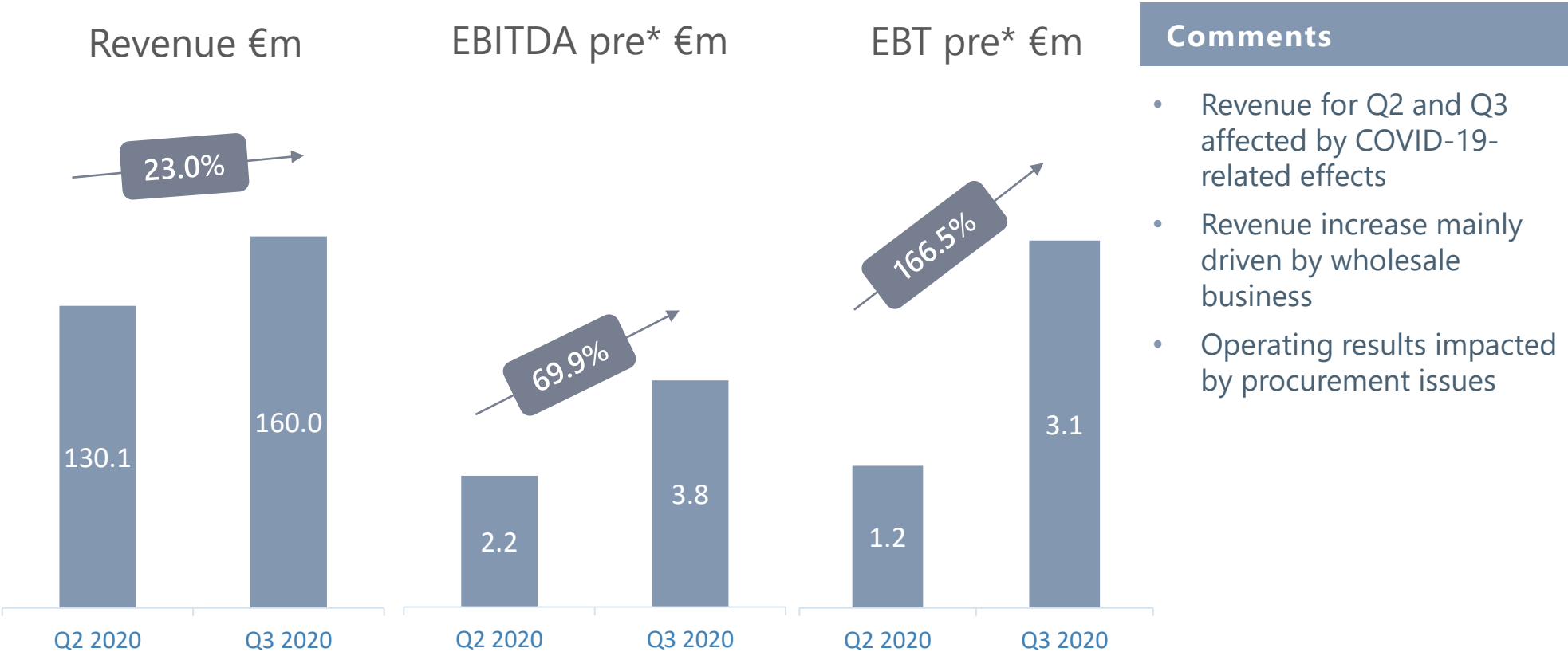
Corona-related effects continued in the second half of the year

- First quarter saw extensive stockpiling of pharmaceuticals
- March 2020: Introduction of an order – quota system – by the Federal Institute for Drugs and Medical Devices (BfArM)
- Increased difficulty to obtain medicines at accustomed purchase prices – resort to additional suppliers necessary
- Growing competition between EU countries regarding supply of pharmaceuticals, especially those that are higher-priced



* EBITDA and EBT without extraordinary expenses: adjusted for extraordinary expenses for stock options, M&A activities and amortization of the customer base

Q3 2020 vs. Q2 2020: Overview Key Figures



Comments

- Revenue for Q2 and Q3 affected by COVID-19-related effects
- Revenue increase mainly driven by wholesale business
- Operating results impacted by procurement issues

* EBITDA and EBT without extraordinary expenses: adjusted for extraordinary expenses for stock options, M&A activities and amortization of the customer base

Business model intact: Proven growth strategy in place with growth prospects

VERTICAL GROWTH DRIVER



Grow customer base and partner network

- **Currently** ~330 pharmacies covered
- Cover ~500 pharmacies **mid-term**
- Cover ~1,000 pharmacies **long-term**



HORIZONTAL GROWTH DRIVER



Extend product range and expand to further indication areas

- **Currently** >650 specialty pharma drugs offered
- **Extend** offering to ~1,000 specialty pharma drugs
- Increase of manufacturing capacities



PROFITABILITY DRIVER



Leverage economies of scale




- Margin expansion from increased utilization of existing capacities
- **Shift** from wholesale to compounding business by increasing the share of **blistered** products


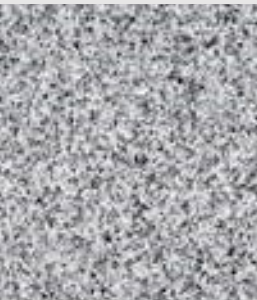
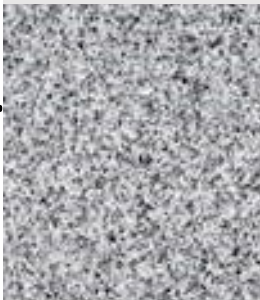


Disciplined buy & build approach to accelerate growth strategy

New management structure effective 1 January 2021

Executive Board		
Chairman	COO	CINO
		
Matthias Gärtner	Mi-Young Miehler	Christoph Pruß

Supervisory Board		
Chairman	Deputy Chairman	Member
		
Dr. Yann Samson	Joachim Messner	Klaus J. Buß

Advisory Board: establishment in 2021		
Member	Member	Member
		
Manfred Schneider		

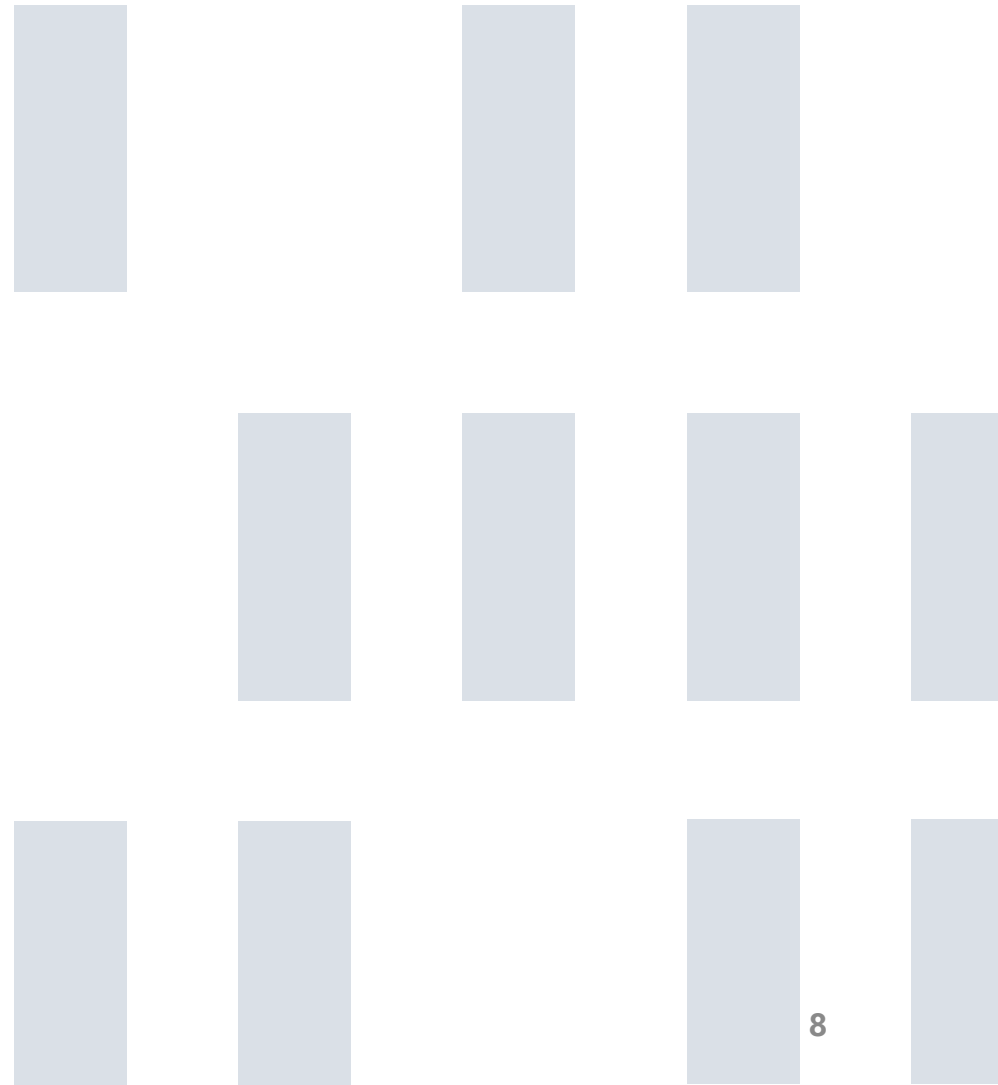
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9M 2020 Group: Financials affected by COVID-19-effects

In € million	9M 2020	9M 2019	Δ%	Comments
Revenue	452.9	371.7	21.9	<ul style="list-style-type: none"> Strong revenue growth, Pharmaceutical Supply key contributor (Kölsche Blister included with €3.5m revenue for Q2 & Q3)
COGS* <i>ratio in % of revenue</i>	426.7 94.2%	348.1 93.7%	22.6	
Personnel expenses	10.6	7.5	40.8	<ul style="list-style-type: none"> Growth investments: prepared start of new indication 'hemophilia' and introduction of e-prescription significantly reflected in personnel expenses
Other expenses	6.8	4.7	45.5	
EBITDA pre**	10.2	14.1	-27.3	<ul style="list-style-type: none"> Other expenses including legal and consulting costs
EBT pre**	8.0	12.8	-37.5	
EPS (€), undiluted	0.28	0.55	-49.1	<ul style="list-style-type: none"> Earnings decrease as a result of ongoing COVID-19 pandemic: <ul style="list-style-type: none"> higher purchase prices due to quota order and limited availability of drugs Inventories mainly driven by the new indication hemophilia Increase of cash & cash equivalents resulting from capital increase and positive operating cash flow
CF from operating activities	6.9	4.0	72.9	
CF from financing activities	51.9	-0.5	n/a	
In € million	30 Sep 2020	31 Dec 2019	Δ%	
Inventories	32.1	16.1	99.7	
Cash & cash equivalents	67.3	15.6	>100.0	
Equity <i>ratio in %</i>	140.0 67.0%	81.6 70.0%	71.5%	

* COGS Costs of goods sold

** EBITDA and EBT without extraordinary expenses: adjusted for extraordinary expenses for stock options, M&A activities and amortization of the customer base

9M 2020 Segments – Growth driven by wholesale business

In € million	Pharmaceutical Supply		Patient-specific Therapies		Internal Services and IFRS consolidation		Group	
	9M 2020	9M 2019	9M 2020	9M 2019	9M 2020	9M 2019	9M 2020	9M 2019
Revenue (external) Delta (y-o-y in %)	406.0 21.6%	333.9	46.5 23.8%	37.6	0.3 >100%	0.2	452.9 21.9%	371.7
COGS* ratio (% of revenue)	97.3%	96.4%	71.5%	75.0%	0.0%	3.8%	94.2%	93.7%
EBITDA pre* margin (% of revenue)	6.0 1.5%	8.5 2.6%	4.3 9.3%	4.6 12.3%	-0.1 -20.3%	0.9 >100%	10.2 2.3%	14.1 3.8%
EBT pre* margin (% of revenue)	5.0 1.2%	8.1 2.4%	3.5 7.6%	4.0 10.7%	-0.5 <-100%	0.7 >100%	8.0 1.8%	12.8 3.4%

Comments

- Initially planned **COGS ratio** for the **Pharmaceutical Supply** segment for 2020 at 96.3%; for the first nine months (9M) of the year actual ratio at 97.3% => 1 percentage point worse reflecting a decline in earnings of €4.1m in 9M 2020
- Weaker EBITDA pre* margin for the **Patient-specific Therapies** due to internal cost allocation of investments for future growth (M&A, personnel expenses) and consolidation of Kölsche Blister
 - Excluding these mentioned costs EBITDA pre* margin improved (15.3% for 9M 2019 vs. 16.8% for 9M 2020)

* EBITDA and EBT without extraordinary expenses: adjusted for extraordinary expenses for stock options, M&A and amortization of the customer base

Financing Power – Strong financial position to invest in future growth

As of 30 September	In € million	Comments
Syndicated loan	62.5	Organic growth <ul style="list-style-type: none"> High single-digit million € range to be invested in own labs
Thereof called/drawn	-1.5	
Cash & cash equivalents	67.3	External growth <ul style="list-style-type: none"> M&A strategy: focus on compounding business or specialized wholesalers
Total liquidity	approx. 128.3	

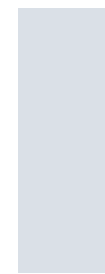
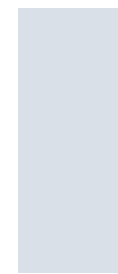
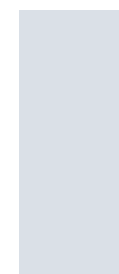
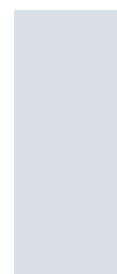
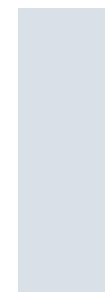
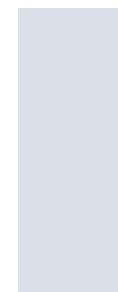
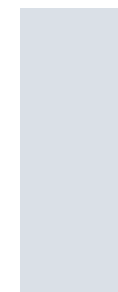
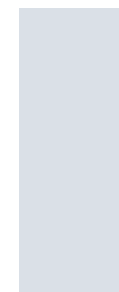
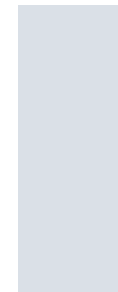
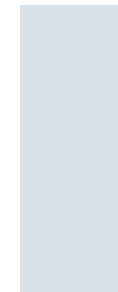
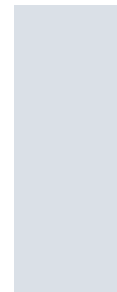
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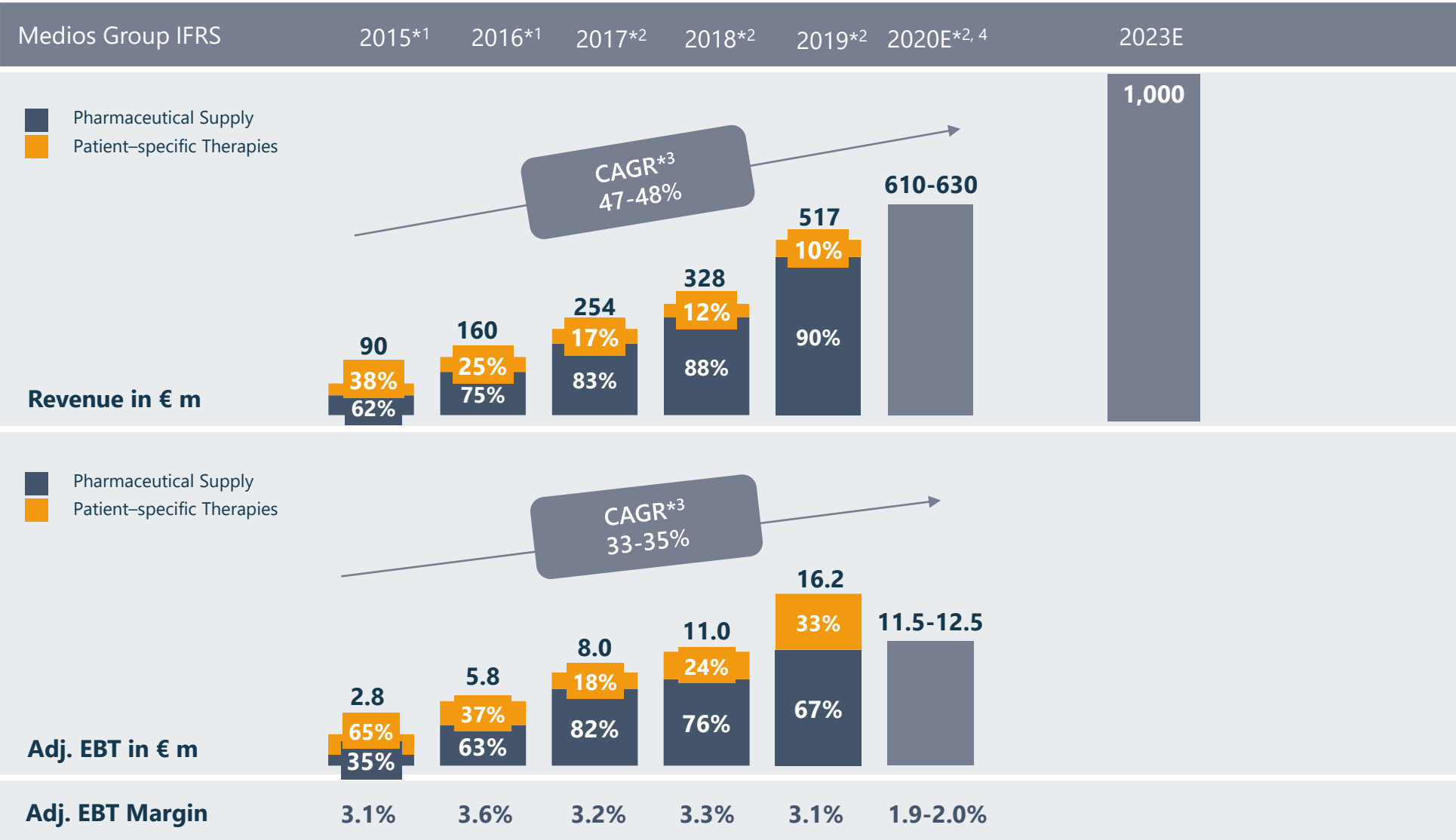
Guidance for full-year 2020 confirmed

In € million	2020e
Group revenue	610 - 630
Adj. EBITDA*	14.0 – 15.0
Adj. EBT*	11.5 – 12.5
Adj. EBT* margin (in %)	1.9 – 2.0

Reach the 1 billion € revenue mark by 2023 at the latest

* EBITDA and EBT without extraordinary expenses: adjusted for extraordinary expenses for stock options, M&A and amortization of the customer base

Proven financial track with strong profitable growth



*1 2015 and 2016 pro-forma; *2 Adjusted for extraordinary expenses for stock options, M&A and amortization of the customer base; *3CAGR = Compound Annual Growth Rate; *4 Adjusted at 5 Aug 2020

Goals for 2021 – Ongoing growth strategy

- **Organic growth**

- Expansion of manufacturing capacities – completion of new laboratories in Berlin
- Further establishment of “blistering” in Germany
- Expansion of partner network of specialized pharmacies
- Preparation of e-prescriptions launch on 1 January 2022 (legally required)
- Further market integration through innovative digital trading platform „**mediosconnect**”
- Further expansion and diversification of indication areas

- **M&A Strategy** with focus on **compounding** or **specialized wholesalers**

Medios is well prepared for growth and a successful future!



Q3 2020 Group: Financials

In € million	Q3 2020	Q3 2019	Δ%	Comments
Revenue	160.0	143.2	11.8	<ul style="list-style-type: none"> • Strong revenue growth, Pharmaceutical Supply key contributor (Kölsche Blister included with the second & third quarter) • Growth investments: prepare new indication 'hemophilia' and introduction of e-prescription significantly reflected in personnel expenses • Earnings decrease as a result of COVID-19 pandemic: <ul style="list-style-type: none"> • higher purchase prices due to quota order and limited availability of drugs • Decrease of cash & cash equivalents resulting from repayment of syndicated loan used short-term
COGS* <i>ratio in % of revenue</i>	151.3 94.5%	134.1 93.7%	12.8	
Personnel expenses	3.8	2.7	42.0	
Other expenses	2.1	1.5	45.4	
EBITDA pre**	3.8	6.4	-41.0	
EBT pre**	3.1	6.0	-47.7	
EPS (€), undiluted	0.07	0.27	-74.1	
CF from operating activities	0.0	2.9	-99.1	
CF from financing activities	-18.2	-0.2	n/a	

In € million	30 Sep 2020	31 Dec 2019	Δ%
Inventories	32.1	16.1	99.7
Cash & cash equivalents	67.3	15.6	>100.0
Equity <i>ratio in %</i>	140.0 67.0%	81.6 70.0%	71.5%

* COGS Costs of goods sold | ** EBITDA and EBT without extraordinary expenses: adjusted for extraordinary expenses for stock options, M&A and amortization of the customer base

Q3 2020 Segments – Growth driven by wholesale business

In € million	Pharmaceutical Supply		Patient-specific Therapies		Internal Services and IFRS consolidation		Group	
	Q3 2020	Q3 2019	Q3 2020	Q3 2019	Q3 2020	Q3 2019	Q3 2020	Q3 2019
Revenue (external) Delta (y-o-y in %)	144.0 11.0%	129.7	15.9 18.7%	13.4	0.1 27.7%	0.1	160.0 11.8%	143.2
COGS* ratio (% of revenue)	97.4%	96.5%	72.8%	72.5%	0.0%	2.2%	94.5%	93.7%
EBITDA pre* margin (% of revenue)	1.8 1.3%	3.2 2.5%	1.4 8.9%	1.8 13.5%	0.5 >100%	1.4 >100%	3.8 2.4%	6.4 4.5%
EBT pre* margin (% of revenue)	1.5 1.0%	3.0 2.3%	1.1 7.1%	1.7 12.6%	0.5 >100%	1.2 >100%	3.1 2.0%	6.0 4.2%

Comments

- Initially planned **COGS ratio** for the **Pharmaceutical Supply** segment for 2020 at 96.3%; for the first 3rd quarter of the year actual ratio at 97.4% => 1 percentage point worse reflecting a decline in earnings of €1.4m in Q3 2020
- Weaker EBITDA pre* margin for the **Patient-specific Therapies** due to internal cost allocation of investments for future growth (M&A, personnel expenses) and consolidation of Kölsche Blister
 - Excluding these mentioned costs EBITDA pre* margin almost unchanged (17.7% for Q3 2019 vs. 17.8% for Q3 2020)

* EBITDA and EBT without extraordinary expenses: adjusted for extraordinary expenses for stock options, M&A and amortization of the customer base

Consolidated statement of comprehensive income 9M/Q3 2020 impacted by COVID-19 pandemic and additional one-time effects

In € thousand	9M 2020	9M 2019	Q3 2020	Q3 2019
Revenue	452,900	371,679	160,015	143,172
Change in stocks of finished goods and work-in-progress	45	462	32	440
Work performed and capitalized	17	97	0	-326
Other income	287	1,191	102	962
Cost of materials	426,723	348,091	151,283	134,113
Personnel expenses	10,631	7,548	3,784	2,666
Other expenses	6,839	4,701	2,109	1,451
Earnings before interest, taxes, depreciation and amortization (EBITDA)	9,057	13,089	2,972	6,019
Depreciation and amortization	2,568	1,623	947	519
Earnings before interest and taxes (EBIT)	6,488	11,466	2,025	5,500
Financial expenses	527	121	224	52
Financial income	15	13	1	8
Consolidated earnings before taxes (EBT)	5,976	11,358	1,802	5,457
Taxes	1,707	3,399	702	1,470
Consolidated earnings after taxes	4,269	7,958	1,101	3,987
Total consolidated earnings	4,269	7,958	1,101	3,987

Consolidated Balance Sheets 9M 2020

ASSETS		
In € thousand	30/09/2020	31/12/2019
Non-current assets	45,548	37,136
Intangible assets	34,391	31,260
Property, plant and equipment	4,797	2,549
Right of use	6,139	3,045
Financial assets	220	283
Current assets	163,398	79,431
Inventories	32,064	16,053
Trade receivables	57,048	42,805
Other assets	6,839	4,787
Income tax receivables	191	165
Cash and cash equivalents	67,256	15,622
Balance sheet total	208,945	116,567

LIABILITIES		
In € thousand	30/09/2020	31/12/2019
Equity		
Subscribed capital	16,085	14,564
Capital reserves	103,828	51,273
Accumulated Group Result	20,058	15,789
Attrib. to shareholders in the parent company	139,972	81,627
Liabilities		
Non-current liabilities	11,659	6,253
Financial Liabilities	6,578	2,577
Other provisions	968	0
Deferred tax liabilities	4,113	3,676
Current liabilities	57,314	28,688
Other provisions	388	501
Trade payables	48,987	12,882
Financial liabilities	1,236	3,664
Income tax liabilities	2,786	7,577
Other liabilities	3,918	4,064
Total liabilities	68,974	34,941
Balance sheet total	208,945	116,567

Consolidated cash flow statement 9M/Q3 2020

In € thousand	9M 2020	9M 2019	Q3 2020	Q3 2019
Cash flow from operating activities				
Net income for the year	4,269	7,958	1,101	3,987
Depreciation and amortization on non-current assets	2,568	1,623	947	519
Decrease/increase in provisions	-114	-50	-6	81
Other non-cash expenses	584	998	195	356
Increase in inventories, trade receivables and other assets not attributable to investment or financing activities	-30,857	-13,744	-26,053	-1,993
Decrease/increase in trade payables and other liabilities not attributable to investment or financing activities	34,835	4,337	29,489	-495
Financial result	512	108	223	43
Income/expenses from the disposal of assets	-1	-865	0	-865
Income tax expense	1,707	3,399	702	1,049
Income tax payments	-6,557	253	-6,570	253
Net cash inflow/outflow from operating activities	6,947	4,018	28	2,935
Cash flow from investment activities				
Payments made for investments in intangible assets	-1,203	-1,496	-532	-1,381
Payments made for investments in property, plant and equipment	-1,937	-810	-393	104
Payments from disposals of tangible fixed assets	15	4,183	4	4,183
Payments from disposals of non-current financial assets	62	54	21	54
Payments for additions to the consolidated group	-1,163	0	0	0
Interest received	15	13	1	8
Net cash outflow from investment activities	-4,210	1,943	-899	2,967
Cash flow from financing activities				
Proceeds from equity injections	51,991	0	-19	0
Proceeds from financial liabilities	19,000	0	0	0
Outflows from the repayment of financial liabilities	-17,500	0	-17,500	0
Interest paid	-735	-137	-308	-68
Repayments of the leasing liabilities	-881	-349	-356	-88
Net cash inflow from financing activities	51,875	-487	-18,182	-155
Net change in cash and cash equivalents	54,611	5,474	-19,054	5,747
Cash and cash equivalents at the beginning of the period	12,645	11,772	86,310	11,499
Cash and cash equivalents at the end of the period	67,256	17,246	67,256	17,246

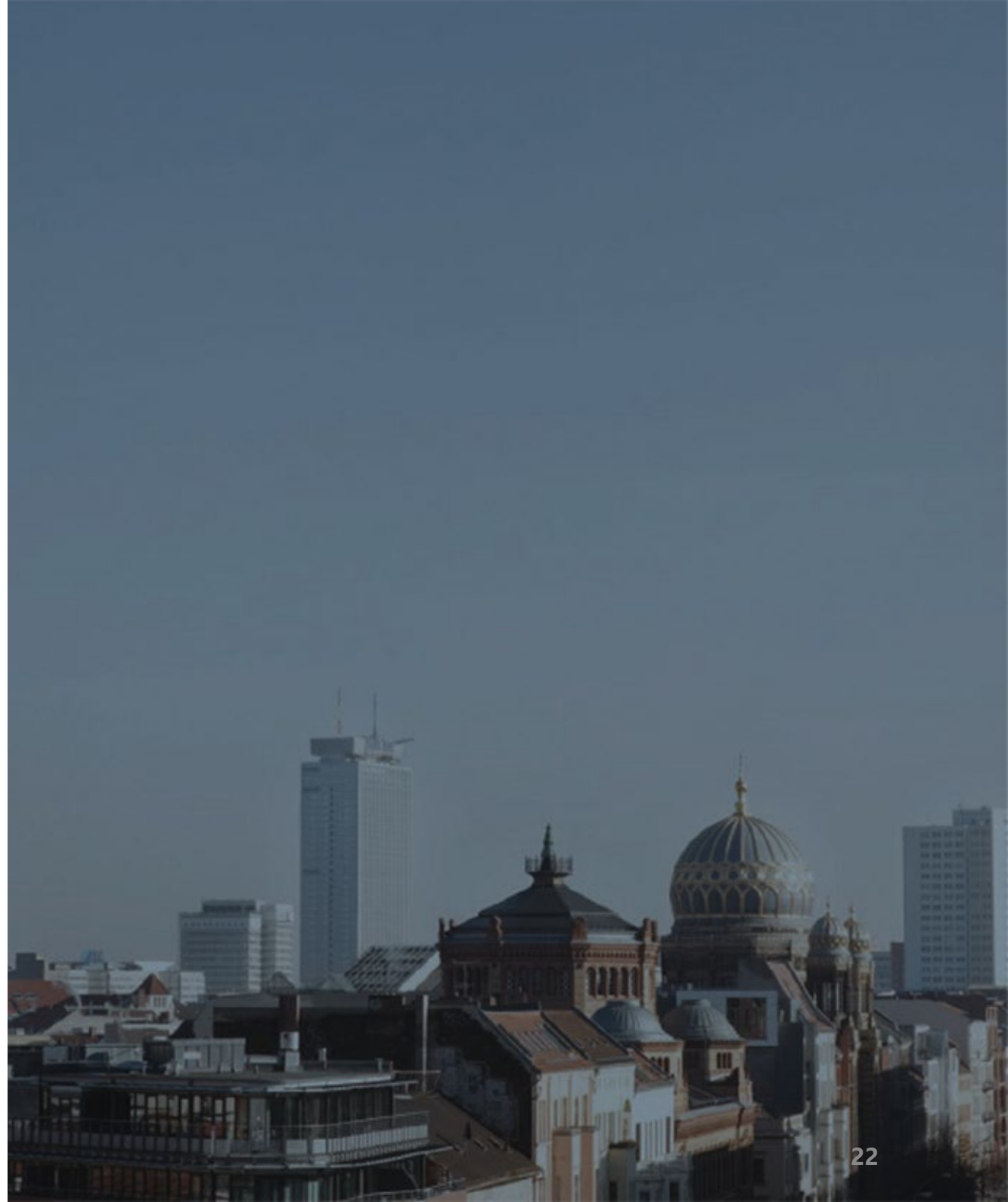
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Matthias Gaertner, CFO

12 November 2020

