



Full Year 2021 Results

Matthias Gaertner (CEO), Falk Neukirch (CFO)

March 29, 2022

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Highlights to date: Record FY 2021, sustainable growth story

Operations	<p>Ongoing progress in strategy implementation</p> <ul style="list-style-type: none">• Two game-changing acquisitions: Cranach Pharma (PS) & NewCo Pharma (PST)• Continuous screening of M&A targets: focus on compounding, internationalization, new segment <p>Pharmaceutical Supply (PS):</p> <ul style="list-style-type: none">• Integration of Cranach Pharma completed: leveraging synergy potentials & cross-selling opportunities <p>Patient-specific Therapies (PST):</p> <ul style="list-style-type: none">• Set-up of further GMP-certified labs in Berlin well-advanced• Significant increase of PST capacity will be enabled by new labs in Berlin and further NewCo Pharma labs <p>Services</p> <ul style="list-style-type: none">• Digital platform mediosconnect in four German Federal states, and in 3 indications
Financials	<ul style="list-style-type: none">• Record year: sales more than doubled (inorganic & organic growth), disproportionate profitability increase; solid balance sheet; strong operating CF• Medios exits the SDAX index (Sep 2021)• Successful capital increase to finance acquisition of NewCo Pharma GmbH
Governance	<ul style="list-style-type: none">• New fourth member in each Board: Executive Board with new CFO; Supervisory Board• Audit committee & Remuneration and Nomination committee implemented• Publication of ESG strategy 2025

Recent two game-changing acquisitions

Acquisition of Cranach Pharma GmbH

- Activities across Germany
- Well established wholesale of specialty pharma drugs; GDP¹-compliant
- >170 specialized pharmacy customers, nationwide
- Complementary product mix

Rationale for acquisition

- Strengthening Medios' position as a competence partner for independent specialized pharmacies
- Expansion of partner-network of specialized pharmacies
- Tapping the potential of Specialty Pharma indications: neurology, endocrinology and hemophilia
- Strongly accelerates Medios growth



Acquisition of NewCo Pharma GmbH

- Strong foothold in Western and South-Western Germany
- 5 compounding facilities with >200,000 preparations
- Strong wholesale business supporting attractive purchasing conditions for PST² business
- Focus on oncology and other parenteral therapies

Rationale for acquisition

- Significantly strengthening Medios' higher margin segment PST – perfect fit
- Expansion of partner-network by 50 additional specialized pharmacies
- Tapping the potential of Specialty Pharma indications/services: pain management, clinical trial supply
- Strongly accelerates Medios growth



Acquisition of NewCo Pharma - Transaction summary

Acquisition

- 100% of NewCo Pharma Group
- Among the leading Patient-Specific Therapies providers; focus on Western and South-Western Germany

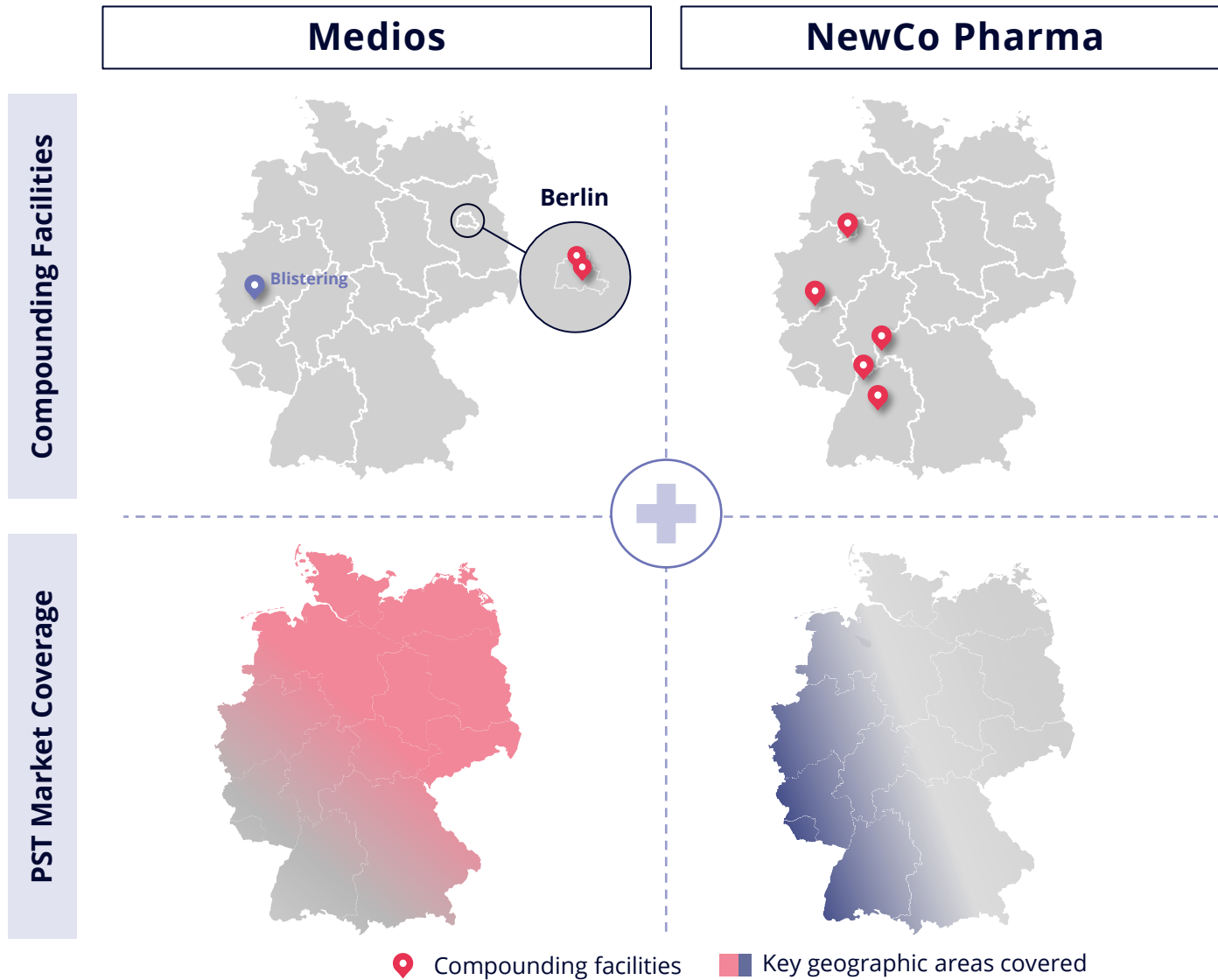
Size & Purchase price

- ~ €118m purchase price
- Purchase price/EBITDA multiple: ~ 8

Financing

- Shares: ~ €32.7m¹ - 924,233 new issued shares subject to a lock-up of 12 months (50%) and 24 months (50%)
- Cash component: €85.2m

Leading Specialty Pharma provider with nationwide market coverage



- **Around 50** specialized Tier 1 partner pharmacies added to Medios network
- Portfolio of compounding preparations **extended**
- Compounding volume and capacity **expanded**
- **Increased capability** to supply **any time-critical** drug to **any specialized pharmacy in Germany**
- Around **320,000** individualized preparations manufactured in 2021 (Medios including NewCo)
- **Compounding capacities** late summer 2022: around **500k - 600k** preparations including new labs in Berlin

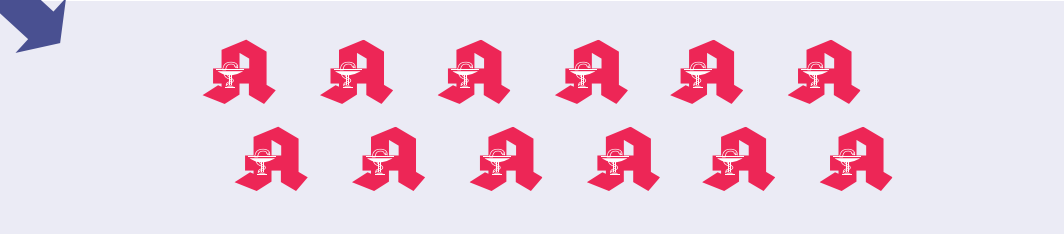
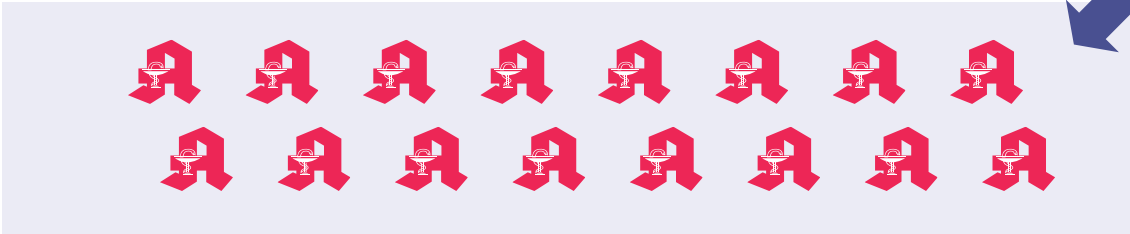
Significant cross-selling potential in terms of products / clients

- Oncology
- Ophthalmology
- Antibiotics
- Hemophilia
- Neurology
- HIV
- Autoimmunology
- Parenteral Nutrition
- Infusions (cytostatic, antibody, etc.)
- Patient-specific blistering

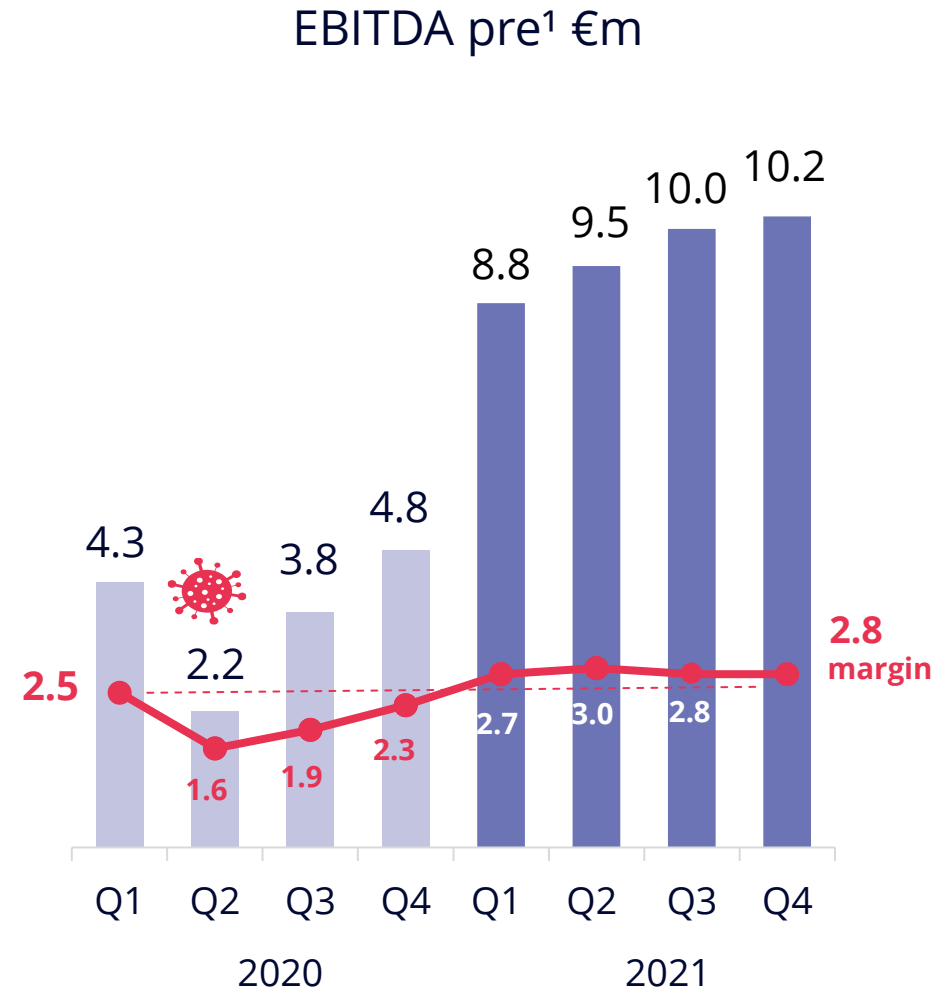
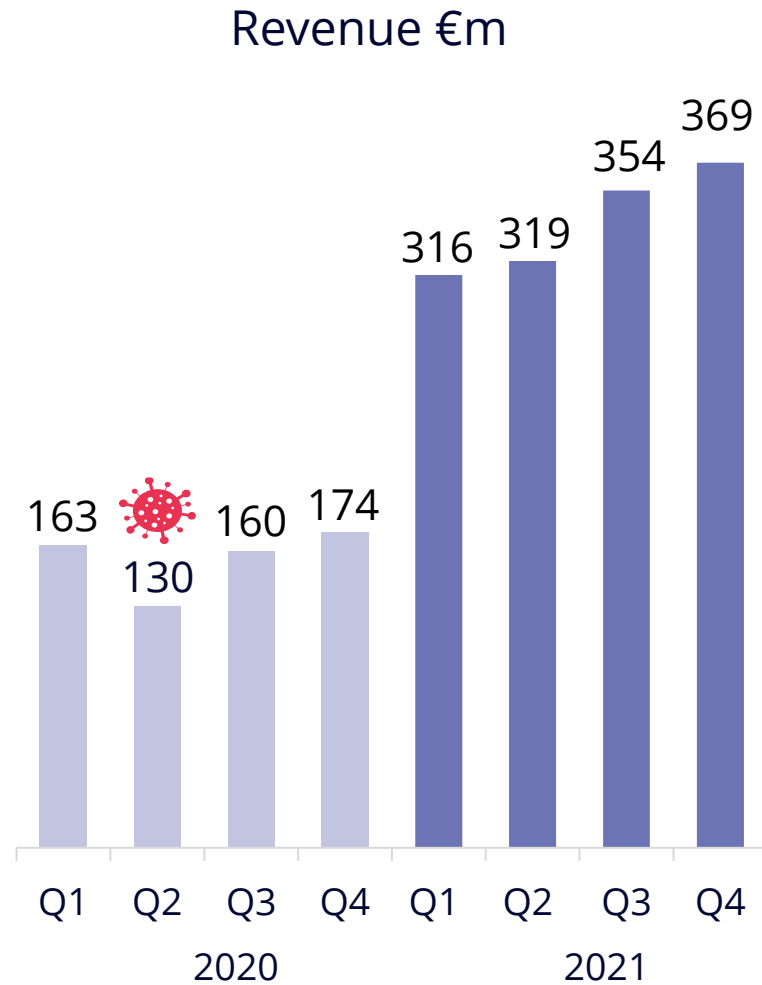
- Pain Management
- Compounding materials
- Infusions (oncology, others)
- Clinical trial supply

Medios
(including Cranach Pharma and Kölsche Blister)
~ 550 specialized pharmacies

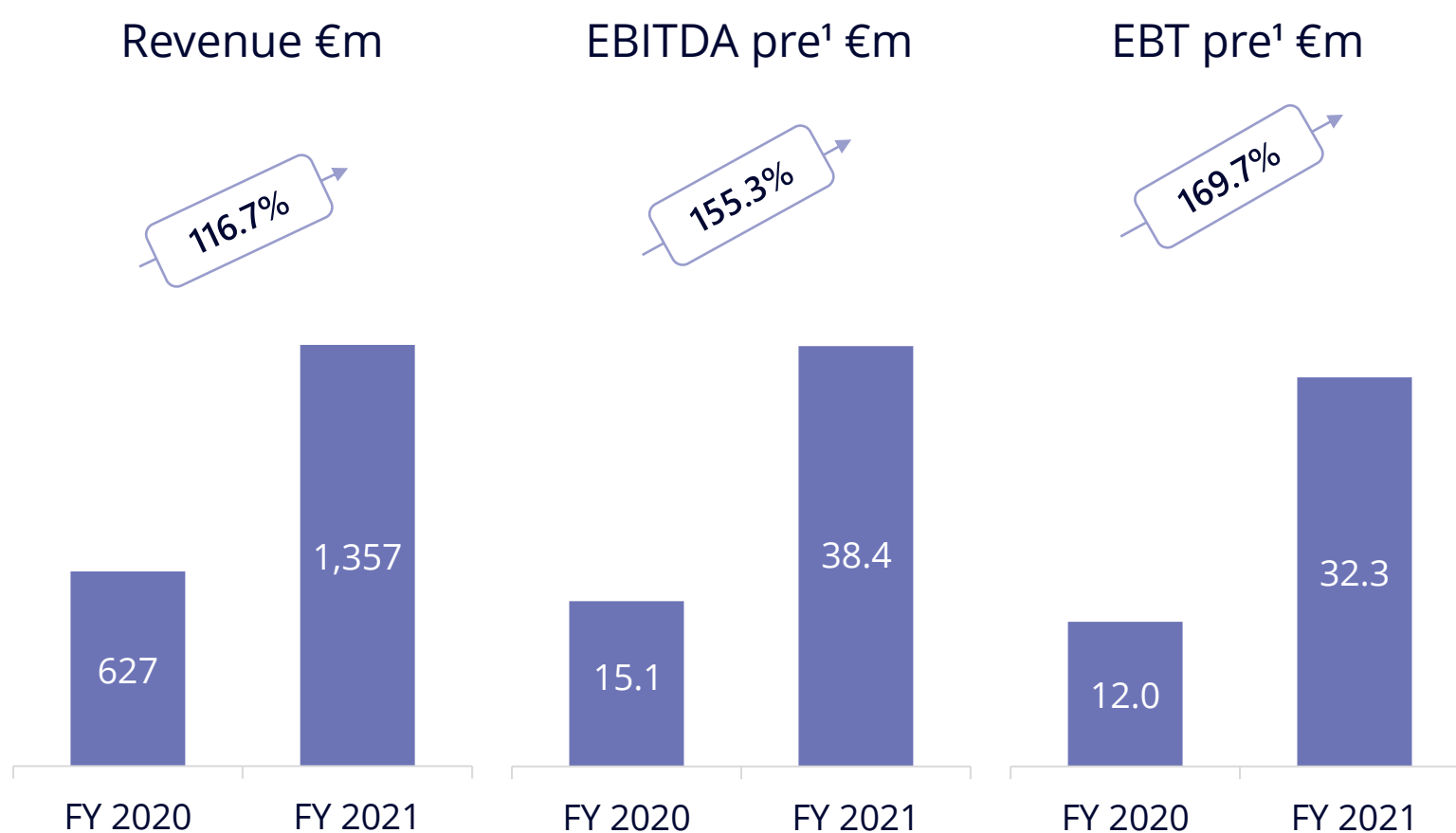
NewCo Pharma
~ 50 specialized pharmacies
in Northern, Western, South-Western Germany



Quarterly recovery after Q2 2020 Corona-related revenue & sales decline



Dynamic growth: driven by acquisition of Cranach Pharma



Comments

- Guidance 2021:
 - Revenue guidance exceeded
 - EBITDA pre within guidance range
 - EBT pre slightly above guidance range

Ambitious ESG strategy 2025:

34 targets, realized through 65 measures using 57 different KPIs

Status Quo

- ✓ 12/21: Publication of Medios' ESG strategy 2025: **57** external and internal **KPIs** to track progress of activities; first data 2021 included in the *Nonfinancial Consolidated Statement* based on the GRI¹ Standards framework
- ✓ Sustainability committee established – chair: CEO
- ✓ Extension Supervisory Board to 4 members
- ✓ Establishment of an Audit Committee and a Committee for Remuneration & Nomination
- ✓ Participant of UN Global Compact

Since March 2021 Medios has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labor, the environment and anti-corruption.



Future

2022

- Implement IT-based ESG-platform
- Increased number of ESG-ratings and improved grades
- ...

2023 and beyond

- Sustainability reporting in full accordance with GRI¹ for FY 2022
- Achieve climate neutrality at own sites in FY 2023
- Supplier Code of Conduct and assessment of suppliers
- ...

Ratings by



More to come...

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FY 2021 – Financials

In € million	FY 2021	FY 2020	Δ%	Comments
Revenue	1,357.4	626,5	116.7	<ul style="list-style-type: none"> • Revenue more than doubled: mainly inorganic growth • Lower gross margin due to weighting effect: over-proportional increase of PS³ • EBITDA pre outperformed revenue growth: substantial increase of conversion rate • PPA amortization: €11.9m and write-downs on goodwill of €1.6m of Kölsche Blister • Jump of operating CF driven by good operational performance and normalized inventories compared to end of 2020 • Capex more than doubled to around €12.8m as a result of setting up new labs in Berlin (€8.9m) • Cash & cash equivalents <ul style="list-style-type: none"> • Strong operating CF: €61.5m • Capital increase of €73.3m • Cash inflow from Cranach Pharma: €30m
Gross profit (<i>Revenue-Cost of materials</i>) gross margin in %	70.1 5.2%	38.1 6.1%	84.2	
EBITDA pre ¹	38,4	15,1	155.3	
Conversion rate in % (<i>EBITDA pre/gross profit</i>)	54.8	39.6	15.2 ¹	
EBT pre ²	32.3	12.0	169.7	
EPS (€), undiluted	0.37	0.36	2.8	
CF from operating activities	61.5	-38.1	-261.4	
Free cash flow	78.9	-44.0	-279.3	
In € million	Dec 31, 2021	Dec 31, 2020		
Inventories	36.5	35.3	3.3	
Cash & cash equivalents	168.4	19.8	751.2	
Equity ratio in %	394.2 75.2%	142,4 73.2%	176.8	

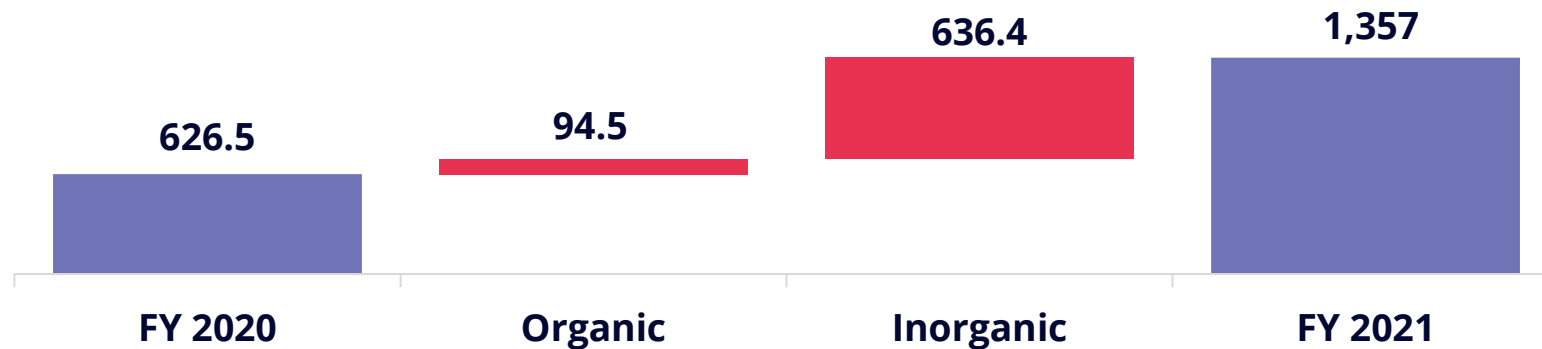
FY 2021 – Record year driven by strong inorganic and organic growth

FY YoY Revenue in €m	FY 2020	Organic	Inorganic	FY 2021
Pharmaceutical Supply	564.3	95.3	635.0	1,294.5
thereof Cranach Pharma ¹	0.0	0.0	635.5	635.5
Patient-specific Therapies	61.9	-1.1	1.4	62.2
thereof Koelsche Blister	5.4	-0.9	1.4	5.9
Services	0.4	0.2	0.0	0.6
Medios Group total	626.5	94.5	636.4	1,357.4
Medios Group total in %		15.1%	101.6%	116.7%

Comments

- Organic growth 15% yoy
- Flat compounding revenue (PST) strategically driven; as a result, improved EBITDA pre & EBT pre

Revenue bridge

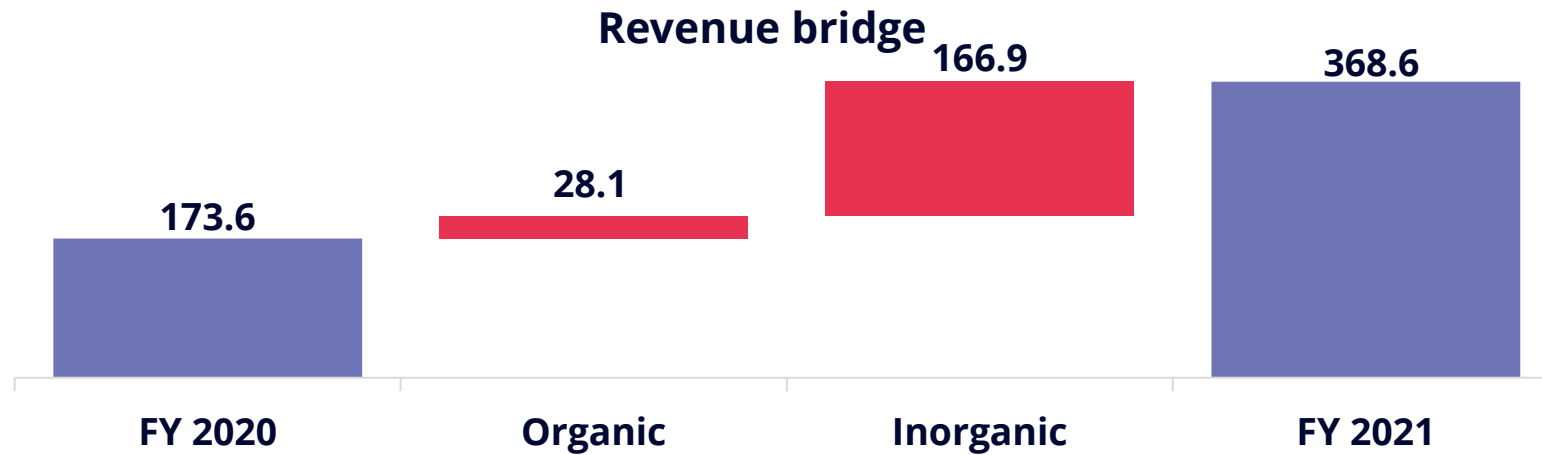


Q4 2021 – Revenue-bridge per segment

Q4 YoY Revenue in €m	Q4 2020	Organic	Inorganic	Q4 2021
Pharmaceutical Supply	158.2	27.7	166.9	352.8
thereof Cranach Pharma ¹	0	0	166.9	166.9
Patient-specific Therapies	15.3	0.4	0	15.7
thereof Koelsche Blister	1.8	-0.4	0	1.4
Services	0.1	0.1	0	0.2
Medios Group total	173,6	28.1	166.9	368.6
Medios Group total in %		16.2%	96.1%	112.3%

Comments

- Around 16% organic growth in Q4 2021 supported by synergy effects



FY 2021 – Substantial improvement of earnings margins

In € million	Pharmaceutical Supply		Patient-specific Therapies		Internal Services and IFRS consolidation		Group	
	FY 2021	FY 2020	FY 2021	FY 2020	FYM 2021	FY 2020	FY 2021	FY 2020
Revenue (external) <i>delta (y-o-y in %)</i>	1,295 129.4%	564.3	62.2 0.6%	61.9	0.7 58.8	0.4	1,357 116.7%	626.5
EBITDA pre ¹ <i>margin (% of revenue)</i>	33.7 2.5%	9.6 1.6%	7.9 10.6%	5.9 9.0%	-3.2 -37.9%	-0.5 -6.7%	38.4 2.8%	15.1 2.4%
EBT pre ¹ <i>margin (% of revenue)</i>	30.5 2.3%	8.2 1.4%	6.8 9.1%	4.7 7.2%	-5.0 -59.5%	-0.9 -12.0%	32.3 2.4%	12.0 1.9%

Comments

- Revenue for Patient-specific Therapies almost unchanged; however, earnings rose disproportionately – driven by a successful strategy focusing on high margin but low revenue indications
- EBITDA pre margin improvement for both segments

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Forecast FY 2022

In € million	2022F ¹	2021P ³	Growth %
Group revenue	1,450 – 1,600	1,357.4	6.8 – 17.9
EBITDA pre ² <i>margin (% of revenue)</i>	52 – 58 3.6	38.4 2.8	35.3 – 50.9

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

Main Assumptions for 2022

- + External growth will be substantially driven by the acquisition of NewCo Pharma
- + Synergy effects as a result of the integration of the acquisitions 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., rising inflation, supply chain bottlenecks, geopolitical tensions / Ukraine conflict, COVID-related effects, integration effort might be underestimated
- Increased overhead costs due to NewCo integration
- Validation and commissioning of new labs in Berlin accompanied by higher # of employees

Wider forecast bandwidths due to higher planning uncertainties

Growth strategy - Clear plan for overall growth

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
- Direct **“blistering”** on high-priced drugs, and increase market acceptance of **personalized medication packaging**

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**

Medios is well prepared for growth and a successful future!

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Key figures (1/2)

in € thousand	FY 2021	FY 2020	Δ in %	Q4 2021	Q4 2020	Δ in %
Revenue	1,357,408	626,543	116.7	368,643	173,644	112.3
Pharmaceutical Supply	1,294,531	564,252	129.4	352,786	158,208	123.0
Patient-Specific Therapies	62,230	61,883	0.6	15,685	15,339	2.3
Services	648	408	58.8	171	97	76.3
EBITDA	34,635	13,093	164.5	7,438	4,036	84.3
<i>Margin (in % of Revenue)</i>	2.6	2.1		2.0	2.3	
EBITDA without extraordinary expenses*	38,435	15,054	155.3	10,299	4,819	112.3
<i>Margin (in % of Revenue)</i>	2.8	2.4		2.8	2.8	
Pharmaceutical Supply	33,673	9,641	249.3	9,865	3,682	167.9
Patient-Specific Therapies	7,928	5,938	33.5	1,945	1,598	21.7
Services	-3,166	-525	503.5	-1,582	-462	242.4
EBT	13,576	8,901	52.5	-1,183	2,924	-140.5
<i>Margin (in % of Revenue)</i>	1.0	1.4		-0.3	1.7	
EBT without extraordinary expenses*	32,317	11,985	169.6	7,964	3,972	100.5
<i>Margin (in % of Revenue)</i>	2.4	1.9		2.2	2.3	
Pharmaceutical Supply	30,695	8,183	275.1	9,430	3,231	191.9
Patient-Specific Therapies	6,788	4,745	43.1	1,676	1,217	37.7
Services	-4,970	-943	427.0	-2,946	-476	518.9
Comprehensive income before minority interests	7,402	5,525	34.0	-2,488	1,255	-298.2

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

Key figures (2/2)

in € thousand	FY 2021	FY 2020	Δ in %	Q4 2021	Q4 2020	Δ in %
Earnings per share (in €)						
Undiluted	0.37	0.36	2.8	-0.13	0.08	-262.5
Diluted	0.37	0.35	5.7	-0.11	0.08	-237.5
Investments (CAPEX)	12,821	4,862	163.7	3,873	1,722	124.9
Cash flow from operating activities	61,520	-38,115	-261.4	21,161	-45,062	-147.0
*Extraordinary expenses	18,741	3,084	507.7	9,146	1,048	772.7
Expenses from stock options ^{1,2}	2,996	1,1158	158.7	2,146	574	273.9
Other M&A expenses ^{1,2}	805	802	0.4	645	209	208.6
Amortization of customer base ²	11,851	653	>1,000	3,793	150	>1,000
Financial expenses M&A ²	1,472	471	212.5	945	115	721.7
Write-off goodwill ²	1,617	0	n/a	1,617	0	n/a
	Sep 30, 2021	Dec 31, 2020	Δ in %			
Full-time employees	301	279	7.9			
Balance sheet total						
Equity	394,164	194,537	176.8			
<i>Equity ratio (in %)</i>	75.2%	73.2%				

Consolidated statement of comprehensive income

In € thousand	FY 2021	FY 2020	Q4 2021	Q4 2020
Revenue	1,357,408	626,543	368,643	173,644
Change in stocks of finished goods and work-in-progress	-19	-7	-19	-52
Work performed and capitalized	1,117	352	712	334
Other income	1,616	468	1,251	181
Cost of materials	1,290,028	589,309	350,256	162,586
Personnel expenses	22,055	15,295	7,926	4,664
Other expenses	13,405	9,660	4,968	2,820
Earnings before interest, taxes, depreciation and amortization (EBITDA)	34,635	13,093	7,438	4,036
Depreciation and amortization	19,374	3,551	7,778	983
Earnings before interest and taxes (EBIT)	15,261	9,542	-340	3,054
Financial expenses	1,727	671	874	136
Financial income	43	30	31	15
Consolidated earnings before taxes (EBT)	13,576	8,901	-1,183	2,931
Taxes	6,174	3,376	1,305	1,676
Consolidated earnings after taxes	7,402	5,525	-2,488	1,255
Total consolidated earnings	7,402	5,525	-2,488	1,255

Consolidated balance sheets FY 2021

Assets In € thousand	Dec 31, 21	Dec 31,20
Non-current assets	223,473	58,232
Intangible assets	192,861	35,237
Property, plant and equipment	13,713	5,337
Right of use	16,209	17,269
Financial assets	690	390
Current assets	300,669	136,305
Inventories	36,471	35,310
Trade receivables	87,770	74,789
Other assets	5,852	6,394
Income tax receivables	2,144	24
Cash and cash equivalents	168,431	19,788
Balance sheet total	524,142	194,537

Liabilities In € thousand	Dec 31, 21	Dec 31, 20
Equity		
Subscribed capital	22,881	16,085
Capital reserves	342,567	105,026
Accumulated Group Result	28,716	21,314
Attrib. to shareholders in the parent company	394,164	142,425
Liabilities		
Non-current liabilities	36,212	21,484
Financial liabilities	15,290	16,647
Other provisions	1,040	1,039
Deferred tax liabilities	19,882	3,798
Current liabilities	93,766	30,628
Other provisions	687	512
Trade payables	32,321	22,398
Financial liabilities	34,420	2,587
Income tax liabilities	10,900	2,613
Other liabilities	15,438	2,517
Total liabilities	129,978	52,112
Balance sheet total	524,142	194,537

Consolidated cash flow statement FY/Q4 2021 (1/2)

In € thousand	FY 2021	FY 2020	Q4 2021	Q4 2020
Cash flow from operating activities				
Net income for the year	7,402	5,525	-2,488	1,255
Depreciation and amortization on non-current assets	19,374	3,551	7,778	983
Decrease/increase in provisions	-937	11	-836	125
Other non-cash expenses	2,996	1,158	2,146	574
Increase in inventories, trade receivables and other assets not attributable to investment or financing activities	34,759	-51,428	18,695	-20,571
Decrease/increase in trade payables and other liabilities not attributable to investment or financing activities	-4,260	6,846	-4,798	-27,989
Financial result	1,684	641	843	129
Income/expenses from the disposal of assets	-23	-1	-17	0
Income tax expense	6,174	3,376	1,305	1,669
Income tax payments	-5,649	-7,794	-1,467	1,237
Net cash inflow/outflow from operating activities	61,520	-38,115	21,161	-45,062

Consolidated cash flow statement FY/Q4 2021 (2/2)

In € thousand	FY 2021	FY 2020	Q4 2021	Q4 2020
Cash flow from investment activities				
Payments made for investments in intangible assets	-2,922	-2,142	-972	-847
Payments made for investments in property, plant and equipment	-9,899	-2,720	-2,901	-783
Payments from disposals of tangible fixed assets	42	15	27	0
Payments from disposals of non-current financial assets	102	101	25	39
Payments for additions to the consolidated group	29,972	-1,163	0	0
Interest received	43	30	31	15
Net cash outflow from investment activities	17,364	-5,879	-3,790	-1,577
Cash flow from financing activities				
Proceeds from equity injections	76,071	53,450	76,071	0
Payments for issuing costs for the capital increase	-2,763	-1,787	-2,422	-328
Proceeds from financial liabilities	30,000	19,000	0	0
Outflows from the repayment of financial liabilities	-30,141	-17,500	-3,150	0
Interest paid	-1,329	-847	-563	-112
Repayments of the leasing liabilities	-2,097	-1,179	-572	-298
Net cash inflow from financing activities	69,759	51,137	69,364	-738
Net change in cash and cash equivalents	148,643	7,143	86,735	-47,468
Cash and cash equivalents at the beginning of the period	19,788	12,645	81,696	67,256
Cash and cash equivalents at the end of the period	168,431	19,788	168,431	19,788

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