



# **Half-Year Financial Report** as of June 30, 2022



## Key financials (IFRS)

| 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 (as % of revenue)</i>               | <i>3.4</i>        | <i>2.8</i>        |               | <i>3.4</i>     | <i>2.9</i>     |              |
| <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 (as % of revenue)</i>               | <i>3.6</i>        | <i>2.9</i>        |               | <i>3.6</i>     | <i>3.0</i>     |              |
| 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 (as % of revenue)</i>               | <i>2.0</i>        | <i>1.6</i>        |               | <i>2.1</i>     | <i>1.7</i>     |              |
| <b>Comprehensive income after tax</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>  |
| <b>Earnings per share (in €)</b>              |                   |                   |               |                |                |              |
| Undiluted                                     | 0.42              | 0.32              | 31.3          | 0.21           | 0.17           | 23.5         |
| Diluted                                       | 0.42              | 0.31              | 35.7          | 0.21           | 0.17           | 23.5         |
| <b>Capital expenditure</b>                    | <b>2,864</b>      | <b>5,760</b>      | <b>-50.3</b>  | <b>721</b>     | <b>3,131</b>   | <b>-77.0</b> |
| <b>Cash flow from operating activities</b>    | <b>9,931</b>      | <b>29,654</b>     | <b>-66.5</b>  | <b>12,459</b>  | <b>8,254</b>   | <b>51.0</b>  |
| <b>Cash flow from investing activities</b>    | <b>-84,490</b>    | <b>24,313</b>     | <b>-447.5</b> | <b>-3,202</b>  | <b>-3,099</b>  | <b>3.3</b>   |
| <b>Free cash flow</b>                         | <b>-74,559</b>    | <b>53,968</b>     | <b>-238.2</b> | <b>9,258</b>   | <b>5,155</b>   | <b>79.6</b>  |
| <b>*Extraordinary expenses</b>                | <b>1,667</b>      | <b>668</b>        | <b>149.6</b>  | <b>817</b>     | <b>345</b>     | <b>136.6</b> |
| Expenses for stock options <sup>1</sup>       | 1,375             | 586               | 134.6         | 688            | 264            | 160.6        |
| Other M&A expenses <sup>1</sup>               | 292               | 82                | 258.0         | 130            | 82             | 58.9         |
|   | <b>06/30/2022</b> | <b>06/30/2021</b> | <b>Δ in %</b> |                |                |              |
| <b>Employees (number)</b>                     | <b>517</b>        | <b>302</b>        | <b>71.2</b>   |                |                |              |
|   | <b>06/30/2022</b> | <b>12/31/2021</b> | <b>Δ in %</b> |                |                |              |
| <b>Total assets</b>                           | <b>619,299</b>    | <b>524,142</b>    | <b>18.2</b>   |                |                |              |
| Equity  | 438,193           | 394,164           | 11.2          |                |                |              |
| <i>Equity ratio (as %)</i>                    | <i>70.8</i>       | <i>75.2</i>       |               |                |                |              |

Key performance indicator (KPI): figures used to manage the company's success

<sup>1</sup>related to EBITDA

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## Highlights

### First half: Growth and earnings achieve new record levels

- Revenue increase of around 25%: strong inorganic growth and organic growth rate of 9%
- Earnings margins of the entire Medios Group increased significantly and sustainably
- Operating cash flow positive again at €12.5 million in Q2 2022 and at €10 million for first two quarters as a whole following a negative Q1 2022
- Medios share: Re-inclusion in the SDAX
- Forecast for fiscal year 2022 confirmed despite ongoing global uncertainties, sales expected to be in upper range of guidance

### Successful growth strategy

- Successful acquisition of **NewCo Pharma GmbH (NewCo Pharma Group)**: Significant strengthening of market position in the field of **Patient-Specific Therapies**
- Substantial expansion of manufacturing capacities for the segment **Patient-Specific Therapies** segment through new laboratories in Berlin and the inclusion of the laboratories of NewCo Pharma Group.
- Further acquisitions aimed at **internationalization** and entry into **additional segments**
- Further development of the **mediosconnect** digital platform

### Sustainable corporate governance

- Successful Annual General Meeting on June 21, 2022
  - Modernization of the Articles of Association
  - Approval of the creation of a new Stock Option Plan 2022 and the corresponding Conditional Capital 2022
  - Approval of the compensation report for the Board of Management
- Further progress in implementing the ESG Strategy 2025 published at the end of 2021

## Group interim management report as of June 30, 2022

### Important events in the first half of 2022

#### Successful completion of the acquisition of the NewCo Pharma Group

NewCo Pharma Group became part of the Medios Group on **January 10, 2022**. The merger with NewCo Pharma Group enables Medios to significantly strengthen the Patient-Specific Therapies segment, in particular, and therefore substantially and sustainably increase profit margins across the entire Medios Group.

In addition, Medios is expanding its nationwide presence in Germany with the five regional manufacturers of NewCo Pharma Group. It is now possible to supply pharmacies nearly all over Germany with patient-specific therapies within a very short time frame via the newly expanded network of compounding facilities. By virtue of the merger with NewCo Pharma Group, the network of specialist partner pharmacies has also grown to roughly 600. Through the integration of capacity at the NewCo Pharma Group, the production of specially tailored intravenous solutions and other parenterals will almost triple and is expected to expand to over 320,000 units in the 2022 financial year. Moreover, the acquisition facilitates additional synergies in purchasing and the manufacturing of drugs for clinical studies.

The purchase price of approx. €120.5 million was partly settled in the form of 924,233 new Medios shares that were created as part of a capital increase from authorized capital against contributions in kind. The new shares are subject to staggered lock-out periods of up to 24 months. The purchase price was also settled with a cash contribution in the amount of €85.2 million in January 2022, which was largely financed by the capital increase carried out December 3, 2021. The final payment of €2.5 million has been made in the second quarter of 2022.

#### Progress in the rollout of the innovative trading platform mediosconnect

In the first quarter of 2022, Medios made further progress in the rollout of mediosconnect, a digital trading platform for personalized drugs, which is now available in five German federal states. More than 30 new practices were acquired as users and the number of orders placed via mediosconnect increased by around 20%.

#### Implementation of the sustainability strategy 2025 underway

In December 2021, Medios published its first sustainability strategy. The implementation period is scheduled to run until 2025. In the first quarter of the year, the implementation of a software-based platform was started. This software is in

particular designed to simplify sustainability management and to facilitate the collection and analysis of ESG data. In addition, a digital whistleblowing system was established and a project to improve transport logistics was initiated. Progress in terms of the strategy's implementation will be outlined annually in the Nonfinancial Consolidated Statement of Medios AG.

### Start of Coverage by Bryan, Garnier & Co

On **February 11, 2022**, Bryan, Garnier & Co began covering Medios AG. In addition to Bryan, Garnier & Co, Medios continues to be covered by Berenberg, Deutsche Bank, Jefferies, Kepler Cheuvreux, Metzler Capital Markets, and Warburg.

### Re-entry into the SDAX

The Medios share was included again in the Deutsche Börse SDAX selection index with effect from **June 20, 2022**. This was done as part of an unscheduled change in the indices announced by Deutsche Börse shortly beforehand. The SDAX comprises the 70 largest companies measured by market capitalization in the Prime Standard below the MDAX.

### Successful Annual General Meeting

Medios successfully held its virtual Annual General Meeting 2022 on June 21. The agenda included 14 items. A total of around 80.44% of the share capital was represented. The agenda items included Corporate Governance topics such as the approval of the compensation report and the transfer of the Company's registered office from Hamburg to Berlin. In addition, the Annual General Meeting approved the creation of a new Stock Option Plan 2022 and the corresponding Conditional Capital 2022. The Management's proposals for the creation of new Authorized Capital and an authorization to issue convertible- /warrant bonds were not adopted. All resolutions were filed for entry in the Commercial Register.

## Economic report

### Macroeconomic environment

After global production increased significantly in the second half of 2021 as a result of the recovery from the COVID-19 crisis, the positive development was curbed substantially due to new negative shocks in the first six months of 2022, according to data from the Institute for the World Economy (IfW). This loss of momentum resulted, firstly, from the COVID-19 pandemic producing new negative impacts. Secondly, Russia's invasion of Ukraine had a negative effect on global production as the already high inflation intensified further while goods shortages increased again.

Consequently, global production in the first quarter of 2022 only rose at a rate of 0.6% (seasonally adjusted) compared to the previous quarter, which was slower than before the COVID-19 crisis.

Rising inflation is causing real wages to drop significantly in many countries across the world and this has a dampening effect on private consumption. Given the heavy inflation pressure, central banks have tightened their monetary policies or reinforced existing ones. The outlooks for the global economy have deteriorated significantly against this backdrop, which has led the IfW to forecast only a 3.0% increase in global production for 2022 as a whole. In spring 2022, the IfW experts still expected global production to increase by 3.5% throughout the year as a whole.

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### Macroeconomic development in Germany

The German economy's development remains volatile according to the IfW, which is attributable to the high inflation and comes despite the recovery in the service sector and full order books at manufacturing companies. The high inflation is significantly reducing the purchasing power of disposable household income and therefore resulting in declining consumption. On top of that, there are severe constraints on the supply of goods as a result of the war in Ukraine. However, the IfW expects that there will be initial signs of recovery in the second half of 2022 as soon as prices stop rising as rapidly and supply difficulties have lessened substantially. The gross domestic product (GDP) for 2022 as a whole should therefore rise by 2.1% year over year. This expectation is in line with the forecast issued by the IfW in spring 2022. Inflation this year, at 7.4%, will reach the highest level that it has had since German reunification. The IfW's experts further assume that the labor market will continue recovering. For instance, nominal wages should see a strong increase for reasons including the historic peak in labor shortages. According to the IfW, however, the expected increase of just under 5% in 2022 as a whole will lag behind the rate of inflation.

IfW experts expect that government budget deficits will shrink since revenues will increase significantly and pandemic-related expenditure will subside.

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### Development of the health care market

Measured in terms of revenue, the pharmacy market in Germany grew in the first quarter of 2022. According to IQVIA, revenue increased by 7.1% to €11.3 billion in the period from the beginning of January to the end of March compared to the same period last year.

Prescription drugs accounted for roughly 86% of this revenue, the largest share, followed by over-the-counter (OTC) products (13%). Revenue generated from prescription drugs increased by 6.0%, while revenue from OTC drugs rose by 14.5%.

In terms of unit sales, the pharmacy market also posted growth in the first quarter of 2022. Compared to the same period last year, the number of units sold increased by 14.9% to 426.7m units. Prescription drugs recorded a 5.6% increase in sales volumes, while the number of OTC drugs sold rose by 23.6% too.

### Introduction of e-prescriptions starting in the third quarter of 2022

Under Germany's Greater Security for Pharmaceutical Supply Act ("Gesetz für mehr Sicherheit in der Arzneimittelversorgung"; GSAV), e-prescriptions will progressively begin to roll out in two selected regions on September 1, 2022. The aim of the rollout is to establish a transition into a routine so that e-prescriptions can achieve nationwide coverage as soon as possible. Once gematik has determined if the first stage has been successful, it is intended to complete a mandatory rollout three months later in the two selected regions and in six further states progressively.

However, the process for prescribing cytostatics and the accompanying medication for them will be exempt from the planned mandatory application of e-prescriptions and will be tested as part of a standalone process. A separate test phase is planned to start in late 2022 for this.

## Business performance

### Medios Group situation

#### Earnings

The Medios Group's revenue increased significantly in the first half of 2022 compared to the same period of the previous year. The Medios Group generated revenues of €792.2 million, an increase of €157.3 million, or 25%, compared to the same period last year (previous year: €634.9 million).

The integration of the NewCo Pharma Group was the biggest driver of growth. In the Pharmaceutical Supply segment, external revenue increased by €78.9 million, or 13.1%, to €682.5 million compared with the same period last year (previous year: €603.6 million). €27.1 million or 34.3% of this increase was attributable to companies within the NewCo Pharma Group. The Patient-Specific Therapies segment grew



significantly year over year in percentage terms. In this segment, external revenue grew by €78.4 million to €109.5 million (previous year: €31.0 million). This corresponds to growth of 252.6%. €75.3 million or 96.0% of this growth was attributable to the inclusion of the NewCo Pharma Group. In the Services segment, revenue decreased by €0.1 million to €0.2 million.

All of the company's revenues were generated almost exclusively within the Federal Republic of Germany. In line with the company's revenue growth, the number of pharmacies supplied rose to roughly 600.

Gross proceeds during the reporting period came to €53.4 million after €32.4 million in the prior-year period, making for a gross margin of 6.7% (previous year: 5.1%). The gross margin in the Pharmaceutical Supply segment increased slightly from 3.3% in the previous year to 3.4% in the current year. In the Patient-Specific Therapies segment, the gross margin moved down to 21.7%, compared to 32.4% the year before. The lower gross margin in the Patient-Specific Therapies segment is mainly the result of a slightly lower gross margin in the NewCo Pharma Group that is based on the product mix.

The acquisition of the NewCo Pharma Group is the main factor responsible for the increased number of employees, who now counted 517 as at June 30, 2022 (302 employees as at June 30, 2021).

Accordingly, labor costs increased by €7.0 million to €16.3 million year over year (first half of 2021: €9.3 million). Of this amount, €4.8 million was attributable to the NewCo Pharma Group, while expenses for Executive Board and employee stock options caused a €0.8 million non-cash increase in labor expenses (total expenses during the reporting period: €1.4 million).

Other operating expenses totaled €10.3 million during the reporting period, compared with €5.6 million in the first half of 2021. The inclusion of the NewCo Pharma Group contributed €3.4 million to this increase. In particular, the increase in rented space resulted in increased energy costs as well as a €0.3 million increase in ancillary rental costs for the old companies in the Medios Group. Other cost increases resulted from expenses for strategy and integration consulting which added up to €0.3 million in the first six months of 2022. Consolidated earnings before interest, taxes, depreciation, and amortization adjusted for non-recurring expenses (EBITDA before non-recurring items, also referred to as EBITDA pre) totaled €28.5 million in the first half of 2022, compared with €18.3 million in the same period last year; €11.0 million of these earnings were attributable to the NewCo Pharma Group.

EBITDA pre in the Pharmaceutical Supply segment increased from €15.2 million in the first half of 2021 to €17.5 million during the reporting period for reasons including the integration of the NewCo Pharma Group.

EBITDA pre in the Patient-Specific Therapies segment increased to €13.2 million in the first six months of 2022, compared with €4.0 million in the prior-year period. The first-time inclusion of the NewCo Pharma Group also had a significant influence in the increased earnings, contributing €9.0 million. The Services segment achieved EBITDA pre of –€2.2 million primarily as a result of increased labor expenses and due to additional rented spaces for central functions. This compares with –€0.9 million in the same period last year.

There were non-recurring items for stock options at an amount of €1.4 million (previous year: €0.6 million) and for other expenses at an amount of €0.3 million due to M&A activities (previous year: €0.1 million).

## Financial position

**Cash flow from operating activities** in the first half of 2022 came in at €9.9 million (previous year: €29.7 million) and experienced negative influences from one-time items. The buildup of inventories in the Pharmaceutical Supply segment served as preparation for expected price changes in the second half of 2022 and had an impact on the operating cash flow during the reporting period. There are effects expected for the second half of 2022 to offset this accordingly. Moreover, payroll tax and social security contributions of €7.6 million that Medios had withheld from stock option beneficiaries in late 2021 to pass on for tax payments on their behalf were paid out back in the first quarter of 2022. This approach had a one-time impact on the operating cash flow during the reporting period.

**Cash flow from investing activities** during the reporting period amounted to –€84.5 million (previous year: +€24.3 million). The purchase of the NewCo Pharma Group attracted cash outflows of €87.8 million, which made for a net outflow of €81.7 million when counted against the cash and cash equivalents of approximately €6.0 million acquired from the NewCo Pharma Group. Investments in intangible assets and property, plant, and equipment resulted in an outflow of €2.8 million, which was largely driven by the establishment of new production laboratories in Berlin.

The **cash flow from financing activities** for the first six months of 2022 was –€15.6 million (prior-year period: €1.3 million) and mainly resulted from the

€9.8 million repayment of the shareholder loans of NewCo Pharma GmbH as a consequence of its acquisition by Medios AG. A scheduled repayment was made at an amount of €3.2 million in connection with the group's syndicated loan. The remaining liability for this loan is therefore now €22.1 million.

### Net asset position

Total assets as of June 30, 2022, increased by €95.2 million compared with the annual financial statements for 2021 and now stand at €619.3 million (previous year: €524.1 million). The increase in total assets is primarily due to the first-time consolidation of the NewCo Pharma Group with effect from January 1, 2022, and the further expansion of business operations.

Intangible assets increased particularly as a result of the acquisition of the NewCo Pharma Group. Alongside the goodwill regarding the NewCo Pharma Group in the amount of €72.0 million, the associated customer base is recognized at €32.8 million. The increase in property, plant, and equipment is mainly based on the inclusion of the NewCo Pharma Group and the further expansion of the new Medios laboratories in the Berlin region. The expansion of business activities due to the integration of the NewCo Pharma Group and a temporarily higher inventory buildup for strategic reasons led to an increase in inventories from €36.5 million as at December 31, 2021, to €72.2 million as at June 30, 2022. The value of trade accounts receivable increased accordingly, growing from €87.8 million to €122.7 million. The cash outflow for the payment of the purchase price for the NewCo Pharma Group and the repayment of the shareholder loan group were the main reasons for the decline in cash and cash equivalents from €168.4 million as at December 31, 2021, to €78.3 million as at June 30, 2022.

Equity increased by €34.1 million as a result of the capital increase in kind in connection with the acquisition of NewCo Pharma GmbH and by a further €10.0 million in line with the net income for the period. Equity as at June 30, 2022, therefore amounted to €438.2 million (previous year: €394.2 million). As such, the equity ratio had changed from 75.2% to 70.8% as of June 30, 2022. Non-current liabilities increased by €8.8 million, particularly as a result of accounting for deferred taxes from the capitalization of customer relationships in connection with the initial consolidation of NewCo Pharma GmbH. In line with the change in inventories and trade accounts receivable, the expansion in business activities resulting from the acquisition of the NewCo Pharma Group also led to an increase in trade accounts payable from €32.3 million as at December 31, 2021, to €76.7 million as at June 30, 2022.

## Supplementary report

On August 1 the company announced that the Supervisory Board of Medios AG and the Chief Executive Officer (CEO) Matthias Gaertner have agreed to extend the existing Executive Board contract prematurely until January 31, 2025. Matthias Gaertner has been a member of the Executive Board since September 2015 and CEO since January 2021. As a result, Medios relies on continuity and stability in the company's management body.

## Risk and opportunities report

### COVID-19 pandemic, Ukraine war, risks, opportunities

The company does not have knowledge of anything that would result in a change to the statements regarding the group's performance in the 2022 financial year as made in the last group management report as of December 31, 2021. The statements made in the 2021 annual report regarding the business model's opportunities and risks therefore remain unchanged. This also applies to the statements made in connection with the COVID-19 pandemic.

The Executive Board currently maintains its assumption that the war in Ukraine will not have any significant impacts on the business operations of the Medios Group. An initial risk evaluation carried out at the start of the year as well as the business development so far confirm that the Medios Group's procurement and sales markets have not been directly affected by the war. The core operational processes at Medios AG are not directly dependent on gas deliveries and measures are also being prepared to take effect if there is a temporary disruption of electricity supply, which is currently not assessed as likely. The assessment is based on the premise that the war will not have any sustained economic impacts on a global scale and will have a more moderate impact on the Medios Group's procurement and sales markets instead. In the event of an extended war with global implications, it cannot continue to be ruled out that there might be risks affecting the Medios Group's business. Furthermore, the latest simulations and sensitivity analyses show that the current inflation tendencies will not lead to a strong or existential impact on Medios AG's profit.

To date, no risks have been identified that, either individually or in combination with other risks, could jeopardize the continued existence of Medios AG. Additional risks and opportunities of which we are not aware or that we currently consider immaterial could have an adverse effect on the business activities of the Medios Group.

## Guidance

Medios AG confirms its forecast for the 2022 financial year despite ongoing global uncertainties. The company expects sales to reach the upper end of the range of € 1.45 - 1.6 billion (increase of up to 17.9 % compared to 2021). For EBITDA pre<sup>1</sup>, a range of € 52 - 58 million is still expected (increase of 35.3 % to 50.9 % compared to 2021). Due to the known global uncertainties and possible regulatory changes, it is currently not possible to narrow this down further.

<sup>1</sup> EBITDA is defined as net earnings for the period before interest, income taxes, depreciation and amortization. EBITDA pre is adjusted for extraordinary expenses for stock options and M&A activities.

Berlin, August 11, 2022

Medios AG

Executive Board

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## Group financial interim statement as of June 30, 2022

### Statement of comprehensive income

| 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> |
| Change in stocks of finished goods and work-in-progress                      | 42             | 31             | 37.4        | 23             | -53            | -143.1      |
| Work performed and capitalized   | 435            | 269            | 61.6        | 289            | 206            | 40.2        |
| Other income   | 992            | 235            | 323.1       | 603            | 96             | 530.0       |
| Cost of materials  | 740,214        | 603,042        | 22.8        | 372,914        | 302,669        | 23.2        |
| Personnel expenses   | 16,303         | 9,262          | 76.0        | 8,074          | 4,654          | 73.5        |
| Other expenses   | 10,344         | 5,570          | 85.7        | 5,650          | 2,832          | 99.5        |
| <b>Earnings before interest, tax, depreciation and amortization (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> |
| Depreciation and amortization  | 10,695         | 7,673          | 39.4        | 5,256          | 3,838          | 36.9        |
| <b>Operating profit/loss (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> |
| Financial expenses   | 609            | 581            | 4.9         | 332            | 312            | 6.5         |
| Financial income   | 36             | 7              | 386.8       | 19             | 6              | 240.5       |
| <b>Consolidated earnings before tax (EBT)</b>                                | <b>15,520</b>  | <b>9,341</b>   | <b>66.2</b> | <b>7,932</b>   | <b>4,967</b>   | <b>59.7</b> |
| Tax  | 5,548          | 3,068          | 80.8        | 2,998          | 1,535          | 95.4        |
| <b>Consolidated earnings after tax</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> |
| <b>Total consolidated earnings</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> |
| Basic earnings per share (in €)  | 0.42           | 0.32           | 31.3        | 0.21           | 0.17           | 23.5        |
| Diluted earnings per share (in €)  | 0.42           | 0.31           | 35.5        | 0.21           | 0.17           | 23.5        |

## Consolidated balance sheet

| Assets<br>in € thousand                                   | 06/30/2022     | 12/31/2021     | Δ in %      |
|---|----------------|----------------|-------------|
| <b>Non-current assets</b>                                 | <b>331,387</b> | <b>223,473</b> | <b>48.3</b> |
| Intangible assets   | 292,603        | 192,861        | 51.7        |
| Property, plant and equipment                             | 21,296         | 13,713         | 55.3        |
| Right of use  | 16,654         | 16,209         | 2.7         |
| Financial assets  | 835            | 690            | 21.0        |
| <b>Current assets</b>                                     | <b>287,912</b> | <b>300,669</b> | <b>-4.2</b> |
| Inventories   | 72,196         | 36,471         | 98.0        |
| Trade receivables   | 122,695        | 87,770         | 39.8        |
| Other assets  | 8,712          | 5,852          | 48.9        |
| Income tax receivables                                    | 6,057          | 2,144          | 182.5       |
| Cash and cash equivalents                                 | 78,252         | 168,431        | -53.5       |
| <b>Balance sheet total</b>                                | <b>619,299</b> | <b>524,142</b> | <b>18.2</b> |
| <b>Liabilities</b>  |                |                |             |
| <b>Equity</b>   |                |                |             |
| Subscribed capital  | 23,806         | 22,881         | 4.0         |
| Capital reserves  | 375,699        | 342,567        | 9.7         |
| Accumulated Group's net income                            | 38,688         | 28,716         | 34.7        |
| <b>Attributable to shareholders in the parent company</b> | <b>438,193</b> | <b>394,164</b> | <b>11.2</b> |
| <b>Liabilities</b>  |                |                |             |
| <b>Non-current liabilities</b>                            | <b>44,976</b>  | <b>36,212</b>  | <b>24.2</b> |
| Financial liabilities                                     | 15,755         | 15,290         | 3.0         |
| Other accrued liabilities                                 | 1,002          | 1,040          | -3.6        |
| Deferred tax liabilities                                  | 28,220         | 19,882         | 41.9        |
| <b>Current liabilities</b>                                | <b>136,130</b> | <b>93,766</b>  | <b>45.2</b> |
| Other provisions  | 897            | 687            | 30.5        |
| Trade payables  | 76,708         | 32,321         | 137.3       |
| Financial liabilities                                     | 27,791         | 34,420         | -19.3       |
| Income tax liabilities                                    | 17,870         | 10,900         | 64.0        |
| Other liabilities   | 12,852         | 15,438         | -16.8       |
| Advances received   | 12             | 0              | n/a         |
| <b>Total liabilities</b>                                  | <b>181,106</b> | <b>129,978</b> | <b>39.3</b> |
| <b>Balance sheet total</b>                                | <b>619,299</b> | <b>524,142</b> | <b>18.2</b> |



**Consolidated cash flow statement**

| in € thousand  | H1 2022        | H1 2021       | Δ in %        | Q2 2022       | Q2 2021       | Δ in %      |
|--|----------------|---------------|---------------|---------------|---------------|-------------|
| <b>Cash flow from operating activities</b>   |                |               |               |               |               |             |
| Net income for the period  | 9,972          | 6,273         | 59.0          | 4,934         | 3,432         | 43.7        |
| Depreciation and amortization on non-current assets  | 10,695         | 7,673         | 39.4          | 5,256         | 3,838         | 36.9        |
| Decrease/increase in provisions  | -212           | 55            | -486.1        | 0             | 110           | -100.3      |
| Other non-cash expenses  | 1,375          | 586           | 134.6         | 688           | 264           | 160.6       |
| Increase in inventories, trade receivables and other assets not attributable to investment or financing activities | -45,488        | 19,132        | -337.8        | -12,831       | 6,303         | -303.6      |
| Decrease/increase in trade payables and other liabilities not attributable to investment or financing activities   | 35,153         | -4,904        | -816.8        | 14,376        | -6,079        | -336.5      |
| Financial result   | 573            | 573           | 0.0           | 313           | 306           | 2.2         |
| Income/expenses from the disposal of assets  | -3             | -6            | -61.1         | 0             | 0             | n/a         |
| Income tax expense   | 5,548          | 3,068         | 80.8          | 2,998         | 1,535         | 95.4        |
| Income tax payments  | -7,683         | -2,796        | 174.8         | -3,274        | -1,456        | 124.9       |
| <b>Net cash inflow from operating activities</b>   | <b>9,931</b>   | <b>29,654</b> | <b>-66.5</b>  | <b>12,459</b> | <b>8,254</b>  | <b>51.0</b> |
| <b>Cash flow from investment activities</b>  |                |               |               |               |               |             |
| Payments made for investments in intangible assets   | -443           | -1,003        | -55.9         | -224          | -563          | -60.2       |
| Payments from disposals of intangible assets   | 0              | 250           | -100.0        | 0             | 0             | n/a         |
| Payments made for investments in property, plant and equipment   | -2,422         | -4,757        | -49.1         | -497          | -2,567        | -80.7       |
| Payments from disposals of tangible fixed assets   | 5              | 16            | -68.0         | 0             | 0             | n/a         |
| Payments from the disposal of long-term financial items  | 57             | 52            | 9.3           | 35            | 26            | 35.1        |
| Payments for additions to the scope of consolidation   | -81,724        | 29,972        | -372.7        | -2,534        | 0             | n/a         |
| Payments from disposals from the scope of consolidation  | 0              | -224          | -100.0        | 0             | 0             | n/a         |
| Interest received  | 36             | 7             | 386.8         | 19            | 6             | 240.5       |
| <b>Net cash inflow from investment activities</b>  | <b>-84,490</b> | <b>24,313</b> | <b>-447.5</b> | <b>-3,202</b> | <b>-3,099</b> | <b>3.3</b>  |

| in € thousand   | H1 2022        | H1 2021       | Δ in %          | Q2 2022       | Q2 2021       | Δ in %     |
|---|----------------|---------------|-----------------|---------------|---------------|------------|
| <b>Cash flow from financing activities</b>                |                |               |                 |               |               |            |
| Payments for issuing costs for the capital increase       | -53            | -202          | -73.8           | -4            | -183          | -97.9      |
| Proceeds from financial liabilities                       | 0              | 30,000        | -100.0          | 0             | 0             | n/a        |
| Cash outflows from the repayment of financial liabilities | -13,316        | -26,991       | -50.7           | -3,500        | -3,150        | 11.1       |
| Interest paid   | -859           | -542          | 58.4            | -303          | -377          | -19.7      |
| Repayments of lease liabilities                           | -1,392         | -947          | 47.0            | -652          | -558          | 16.7       |
| <b>Net cash inflow from financing activities</b>          | <b>-15,620</b> | <b>1,318</b>  | <b>-1,285.2</b> | <b>-4,458</b> | <b>-4,268</b> | <b>4.5</b> |
| Net change in cash and cash equivalents                   | -90,179        | 55,285        | -263.1          | 4,799         | 887           | 441.3      |
| Cash and cash equivalents at the beginning of the period  | 168,431        | 19,788        | 751.2           | 73,452        | 74,186        | -1.0       |
| <b>Cash and cash equivalents at the end of the period</b> | <b>78,252</b>  | <b>75,073</b> | <b>4.2</b>      | <b>78,252</b> | <b>75,073</b> | <b>4.2</b> |

## Consolidated statement of changes in equity

|   | Subscribed capital | Capital reserves | Accumulated total consolidated earnings | Attributable to shareholders in the parent company | Equity         |
|---|--------------------|------------------|---|--|----------------|
| in € thousand                                       |                    |                  |   |  |                |
| <b>As at 01/01/2021</b>                             | <b>16,085</b>      | <b>105,026</b>   | <b>21,314</b>                           | <b>142,425</b>                                     | <b>142,425</b> |
| Net profit for H1 2021                              | 0                  | 0                | 6,273                                   | 6,273  | 6,273          |
| Share-based payments                                | 0                  | 586              | 0                                       | 586  | 586            |
| Capital increase                                    | 4,180              | 163,020          | 0                                       | 167,200  | 167,200        |
| Transaction costs and tax from the capital increase | 0                  | -202             | 0                                       | -202   | -202           |
| <b>As at 06/30/2021</b>                             | <b>20,265</b>      | <b>268,431</b>   | <b>27,587</b>                           | <b>316,282</b>                                     | <b>316,282</b> |
| <b>As at 01/01/2022</b>                             | <b>22,881</b>      | <b>342,567</b>   | <b>28,716</b>                           | <b>394,164</b>                                     | <b>394,164</b> |
| Net profit for H1 2022                              | 0                  | 0                | 9,972                                   | 9,972  | 9,972          |
| Share-based payments                                | 0                  | 1,375            | 0                                       | 1,375  | 1,375          |
| Capital increase                                    | 924                | 31,794           | 0                                       | 32,718   | 32,718         |
| Transaction costs and tax from the capital increase | 0                  | -37              | 0                                       | -37  | -37            |
| <b>As at 06/30/2022</b>                             | <b>23,806</b>      | <b>375,699</b>   | <b>38,688</b>                           | <b>438,193</b>                                     | <b>438,193</b> |

## Selected notes to the consolidated financial statements

based on IFRS for the period from January 1 to June 30, 2022

### General

Medios AG (hereinafter also the “Company”, “Medios”, or, in connection with its subsidiaries, the “Medios Group”) is a joint-stock company under German law. Medios AG is Germany's first listed specialty pharmaceutical company and is listed in the SDAX selection index. The Company's shares are listed in the Regulated Market on the Frankfurt Stock Exchange (Prime Standard). Furthermore, the shares are admitted to the open market on the Düsseldorf and Stuttgart stock exchanges. Medios AG is the parent company of the Medios Group and is registered at the Hamburg district court under the number HRB 70680.

The Company is legally based in Hamburg; its business address is Heidestrasse 9, 10557 Berlin, Germany.

The consolidated interim financial statements are presented in € (€), the reporting Company's functional currency. Figures are presented in thousands of € (€ thousand) unless otherwise stated. Readers should be aware that the use of rounded amounts and percentages may result in discrepancies within individual tables due to the nature of the commercial rounding method. This also applies to the totals and subtotals presented in the interim consolidated financial statements.

The consolidated statement of comprehensive income is prepared according to the total cost method of accounting. The first half of the financial year used by Medios AG and the consolidated subsidiaries included in the interim consolidated financial statements is equivalent to the first half of the calendar year; the Company and its subsidiaries have existed as a Group since August 31, 2016.

### Business activities and scope of consolidation

Medios AG is the leading provider of Specialty Pharma solutions in Germany. Medios, as a competence partner and expert, covers all relevant aspects of the supply chain in this field – from pharmaceutical supply to the manufacture of patient-specific therapies, including blistering (dispensing of individually dosed tablets). Our focus is on providing patients with the best possible care through specialized pharmacies. Generally speaking, specialty pharmaceuticals are high-priced medications for rare and chronic diseases. Many of the newly developed therapies for these kinds of conditions are personalized. They include, for example, infusions that are formulated and produced on the basis of parameters such as body weight and body surface area. Demand for these therapies is rising all the time. Patient-specific treatment requires

considerable expertise. Specialty pharma will continue to significantly change the future of the health care system.

Medios offers its partners a platform, enabling them to connect and learn from each other. As an open supply network, Medios currently cooperates with some 600 of the altogether roughly 1,000 independent specialty-pharma pharmacies nationally. The aim of Medios is to ensure the best comprehensive patient provision through partnerships and communication between the various market actors, thereby contributing to the sustainable and transparent supply of medication.

Medios is active in the following fields in particular:

### Pharmaceutical Supply

#### Focus of business activities:

- Pharmaceutical wholesale involving finished specialty-pharma products

#### Indications:

- Oncology
- Neurology
- Autoimmunology
- Ophthalmology
- Infectiology
- Hemophilia: 24-hour on-call hemophilia service

### Patient-Specific Therapies

#### Focus of business activities:

- Pharmaceutical manufacturing of patient-specific preparations

#### Product range for various indications:

- Infusions of cytostatics
- Antibody treatments
- Antiviral and antibiotic preparations
- Parenteral nutrition solutions
- Clinical IMPs
- Pain therapy

in compliance with the highest international quality standards (good manufacturing practices, GMP)

Medios also operates an internal **Services** business unit. Its role includes acting as the holding company for the Medios Group and developing software and infrastructure solutions for the Medios Group. This includes the digital platform mediosconnect,

which connects physicians, health insurance companies, and specialized pharmacies and serves as an ordering and billing portal. Medios AG, the Group's parent company, is Germany's first listed specialty-pharma company.

| <b>The companies that have been consolidated are as follows:</b> | <b>Included in scope of consolidation</b> |
|--|---|
| <b>Pharmaceutical Supply segment</b>                             |   |
| Medios Pharma GmbH, Berlin                                       | 100%                                      |
| Cranach Pharma GmbH, Hamburg                                     | 100%                                      |
| Logopharma Pharmagroßhandel GmbH, Mannheim                       | 100%                                      |
| hvd medical GmbH, Friedrichsthal                                 | 100%                                      |
| <b>Patient-Specific Therapies segment</b>                        |   |
| Medios Manufaktur GmbH, Berlin                                   | 100%                                      |
| Medios Individual GmbH, Berlin                                   | 100%                                      |
| Kölsche Blister GmbH, Cologne                                    | 100%                                      |
| NewCo Pharma GmbH, Mannheim                                      | 100%                                      |
| Fortuna Herstellung GmbH, Mannheim                               | 100%                                      |
| cas central compounding baden-württemberg GmbH, Magstadt         | 100%                                      |
| Rheinische Compounding GmbH, Bonn                                | 100%                                      |
| Rhein Main Compounding GmbH, Aschaffenburg                       | 100%                                      |
| Onko Service GmbH & Co. KG, Osnabrück                            | 100%                                      |
| Onko Service Beteiligungs GmbH, Osnabrück                        | 100%                                      |
| <b>Services segment</b>  |   |
| Medios AG, Berlin  | 100%                                      |
| Medios Digital GmbH, Berlin                                      | 100%                                      |

As of June 30, 2022, the Medios Group, including Medios AG, therefore consisted of 16 companies. All subsidiaries controlled by Medios AG were fully consolidated.

## **Basis of preparation of the condensed interim consolidated financial statements**

The condensed interim consolidated financial statements for the period from January 1 to June 30, 2022, were prepared in accordance with IAS 34 Interim Financial Reporting. These condensed interim consolidated financial statements do not include all the information required for end-of-financial-year financial statements and should be read in connection with the consolidated financial statements for the period ending on December 31, 2021. These interim consolidated financial statements have neither been audited nor reviewed by an auditor. The accounting and valuation methods applied in the preparation of these condensed interim consolidated financial statements correspond to the methods applied during the preparation of the last consolidated financial statements as of December 31, 2021. The interim consolidated financial statements as of June 30, 2022, have been prepared in accordance with IFRS as adopted by the EU. All standards mandatory for adoption have been incorporated. The Group declined to voluntarily adopt standards prior to their implementation date.

The amended standards that must be adopted for the first time starting in 2022 have, at most, an immaterial effect on the interim consolidated financial statements of Medios AG.

## Significant events in the first half of 2022

### Acquisition of the NewCo Pharma Group

On November 25, 2021, the Medios Group contractually acquired 100% of shares in NewCo Pharma GmbH and 49% of shares in Fortuna Herstellung GmbH (“the NewCo Pharma Group”). With the acquisition of the entire NewCo Pharma Group, Medios AG intends to strengthen its market position in the area of pharmaceutical manufacturing, in particular by expanding its business activities in the Patient-Specific Therapies segment throughout Germany, as well as by significantly improving the profit margins of the entire Medios Group.

The Bundeskartellamt granted its approval for the planned takeover of the NewCo Pharma Group on December 14, 2021. With the completion of all closing conditions and actions stipulated in the purchase agreement, the date January 10, 2022, was set as the acquisition cutoff date.

As consideration, the seller received 924,233 new shares from Medios AG by way of a capital increase against contributions in kind (equivalent value: €32.7 million) and a preliminary cash component in the amount of €85.2m as well as an additional final cash component in the amount of €2.5 million. This was not conditional consideration.

The basis for determining the acquired (reported) assets and liabilities was the consolidated financial statements of the NewCo Pharma Group, including the 49% interest in Fortuna Herstellung GmbH, as of December 31, 2021, prepared in accordance with the German Commercial Code (HGB). The determination of goodwill in accordance with IFRS 3 was done based on the IFRS net assets as at the time of acquisition.

No impairments have thus far been applied to the acquired receivables, as – in accordance with the experience of previous years – there have been no defaults.

The value of the customer relationships recognized as of their acquisition date was calculated using the residual value method. Customer relationships constitute by far the largest share of the hidden reserves identified and measured.

Furthermore, a contingent liability of €0.95 million was recognized during the remeasurement of liabilities. This relates to the residual purchase price for the acquisition of the oncological business of a pharmacy from March 2021 that was agreed as an earn-out component subject to conditions precedent. Subject to the terms of the contract, this amount is payable in three tranches (2022: €0.35 million, 2023: €0.3 million, and 2024: €0.3 million). As the maturity of the purchase price payment is contractually linked to the continuation of the business relationship with the Fortuna pharmacy and there are no indications for any intended



termination/cancellation, the earn-out was recognized in full as a contingent liability.

The goodwill resulting from the difference between the consideration given and the revalued net assets primarily represents the value of the expected revenue and cost synergies from the acquisition of the business and the industry expertise of the management team.

NewCo Pharma Group, determination of IFRS net assets and goodwill as at December 31, 2021

| <b>Main groups of assets and liabilities recognized</b> | <b>Carrying amount</b> | <b>Revaluation assets and liabilities recognized</b> | <b>Carrying amount at initial consolidation</b> |
|---|------------------------|--|---|
| <b>In € thousand</b>                                    |                        |  |   |
| Intangible assets                                       | 5,241                  | 1,442  | 6,683   |
| Customer relationships                                  | 0                      | 34,939   | 34,939  |
| Inventories   | 8,447                  | 0  | 8,447   |
| Receivables and other assets                            | 18,323                 | 0  | 18,323  |
| Cash and cash equivalents                               | 6,038                  | 0  | 6,038   |
| Deferred taxes  | 656                    | 291  | 947   |
| <b>Total assets</b>                                     | <b>38,705</b>          | <b>36,672</b>  | <b>75,377</b>                                   |
| Deferred tax liabilities                                | 0                      | 11,374   | 11,374  |
| Provisions  | 4,760                  | 0  | 4,760   |
| Payables  | 9,832                  | 950  | 10,782  |
| <b>Total liabilities</b>                                | <b>14,592</b>          | <b>12,324</b>  | <b>26,916</b>                                   |
| <b>Fair value of net assets</b>                         |                        |  | <b>48,461</b>                                   |
| Consideration transferred pursuant to IFRS 3            |                        |  | 120,480   |
| <b>Goodwill</b>   |                        |  | <b>72,018</b>                                   |

## Impact of the COVID-19 pandemic

For information on the impact of the COVID-19 pandemic, please refer to the statements made in the Group Management Report and Notes to the Consolidated Financial Statements as of December 31, 2021, and the explanations in the report on risks and opportunities.

## Notes to the consolidated balance sheet

In connection with the acquisition of NewCo Pharma GmbH, the new shares to be issued were created from authorized capital as part of an equity offering for contributions in kind. As a result, Medios AG's capital stock increased from €22,881,490 to €23,805,723.

## Remarks on the consolidated cash flow statement

The consolidated statement of cash flows shows how the Medios Group's cash and cash equivalents changed over the course of the reporting year as a result of cash inflows and outflows. In this context, a distinction is made between cash flows from operating activities, investing activities, and financing activities. The cash and cash equivalents disclosed in the consolidated statement of cash flows consist exclusively of liquid funds.

## Segment report

At the Medios Group, segment reporting results from the management of business activities. The division of the company's business segments corresponds to the internal organizational structure and reporting to the Executive or Supervisory Board. At the Medios Group, segment performance is measured on the basis of revenues and EBITDA before non-recurring items (EBITDA pre<sup>1</sup>).

The Medios Group is divided into the Pharmaceutical Supply segment, the Patient-Specific Therapies segment, and the Services segment. The segments differ in terms of their respective business activities. Transactions between segments are accounted for in accordance with IFRS accounting principles. No operating segments have been aggregated.

The activities of the Medios Group extend almost exclusively to Germany, with revenues from other European countries being immaterial to the Group's overall revenue. The business activities of the segments can be summarized as follows:

- From a legal perspective, the **Pharmaceutical Supply business**, with its focus on specialty pharmaceuticals, is consolidated in Medios Pharma GmbH and Cranach Pharma GmbH and, as of this financial year, in Logopharma Pharmagroßhandel

GmbH and hvd medical GmbH. This focus on specialty pharmaceuticals means that it nearly exclusively distributes drugs for chronic and/or rare diseases that are usually high-priced. This represents approximately 1,000 out of 100,000 different pharmaceutical products available in Germany. With this systematic and clear focus, Medios clearly differentiates itself from full-range pharmaceutical wholesalers.

- **Patient-Specific Therapies** comprises the production of medications on behalf of pharmacies and, legally, is based within the companies Medios Manufaktur GmbH, Medios Individual GmbH, and Kölsche Blister GmbH and, as of this financial year, within the NewCo pharmaceutical companies NewCo Pharma GmbH, Fortuna Herstellung GmbH, cas central compounding baden-württemberg GmbH, Rheinische Compounding GmbH, Rhein Main Compounding GmbH, Onko Service GmbH & Co. KG, and Onko Service Beteiligungs GmbH. Patient-Specific Therapies include, for example, infusions that are formulated and produced on the basis of individual disease patterns and individual parameters such as body weight and body surface area. This means that the batch size per produced formulation is always exactly one. Production takes place under the highest possible quality standards – usually GMP (Good Manufacturing Practice).
- **Services** comprises all of the Group's other activities, in particular the planning and managing of the group of companies, the performance of central, pan-Group functions such as invoicing, controlling, human resources and IT; and investor relations. In addition, this segment drives the Medios Group's development of software and infrastructure solutions. This includes the digital platform mediosconnect, which connects physicians, health insurance companies, and specialized pharmacies and serves as an ordering and billing portal.

Revenue and segment results for the first half of 2022 are broken down as follows:

| in € thousand                                | Pharmaceutical Supply |                | Patient-Specific Therapies |               | Services      |              | Elimination    |                | Group          |                |
|--|-----------------------|----------------|----------------------------|---------------|---------------|--------------|----------------|----------------|----------------|----------------|
|  | H1 2022               | H1 2021        | H1 2022                    | H1 2021       | H1 2022       | H1 2021      | H1 2022        | H1 2021        | H1 2022        | H1 2021        |
| Revenue - external                           | 682,456               | 603,560        | 109,484                    | 31,047        | 238           | 320          | 0              | 0              | 792,179        | 634,927        |
| Revenue - internal                           | 32,462                | 15,682         | 24,148                     | 3,843         | 3,807         | 3,724        | -60,417        | -23,249        | 0              | 0              |
| <b>Total segment revenue</b>                 | <b>714,919</b>        | <b>619,242</b> | <b>133,632</b>             | <b>34,889</b> | <b>4,046</b>  | <b>4,044</b> | <b>-60,417</b> | <b>-23,249</b> | <b>792,179</b> | <b>634,927</b> |
| Cost of materials                            | 691,103               | 598,555        | 105,209                    | 23,895        | 0             | 2            | -56,098        | -19,409        | 740,214        | 603,042        |
| Gross profit                                 | 24,204                | 20,740         | 29,011                     | 11,292        | 4,540         | 4,227        | -4,319         | -3,840         | 53,435         | 32,419         |
| <i>Gross profit margin (in % of Revenue)</i> | <i>3.4</i>            | <i>3.3</i>     | <i>21.7</i>                | <i>32.4</i>   | <i>112.2</i>  | <i>104.5</i> | <i>7.1</i>     | <i>16.5</i>    | <i>6.7</i>     | <i>5.1</i>     |
| EBITDA                                       | 17,106                | 15,117         | 13,106                     | 3,885         | -3,423        | -1,414       | 0              | 0              | 26,788         | 17,587         |
| <i>Margin (in % of Revenue)</i>              | <i>2.4</i>            | <i>2.4</i>     | <i>9.8</i>                 | <i>11.1</i>   | <i>-84.6</i>  | <i>-35.0</i> | <i>0</i>       | <i>0</i>       | <i>3.4</i>     | <i>2.8</i>     |
| <b>EBITDA before special items</b>           | <b>17,456</b>         | <b>15,248</b>  | <b>13,246</b>              | <b>3,953</b>  | <b>-2,247</b> | <b>-946</b>  | <b>0</b>       | <b>0</b>       | <b>28,456</b>  | <b>18,255</b>  |
| <i>Margin (in % of Revenue)</i>              | <i>2.4</i>            | <i>2.5</i>     | <i>9.9</i>                 | <i>11.3</i>   | <i>-55.5</i>  | <i>-23.4</i> | <i>0</i>       | <i>0</i>       | <i>3.6</i>     | <i>2.9</i>     |
| Depreciation and amortization                | 5,442                 | 5,473          | 3,922                      | 819           | 1,331         | 1,380        | 0              | 0              | 10,695         | 7,673          |
| Financial result                             | -1,143                | -1,247         | -233                       | -53           | 804           | 727          | 0              | 0              | -573           | -574           |
| EBT  | 10,520                | 8,397          | 8,950                      | 3,012         | -3,950        | -2,068       | 0              | 0              | 15,520         | 9,341          |
| <i>Margin (in % of Revenue)</i>              | <i>1.5</i>            | <i>1.4</i>     | <i>6.7</i>                 | <i>8.6</i>    | <i>-97.6</i>  | <i>-51.1</i> | <i>0</i>       | <i>0</i>       | <i>2.0</i>     | <i>1.5</i>     |
| Income tax expense (-) / income (+)          | -554                  | -1,870         | -1,881                     | 209           | -3,113        | -1,407       | 0              | 0              | -5,548         | -3,068         |
| Earnings after taxes                         | 9,966                 | 6,526          | 7,069                      | 3,221         | -7,063        | -3,474       | 0              | 0              | 9,972          | 6,273          |

EBITDA pre<sup>1</sup> items is reconciled to earnings before income taxes (EBITDA) as follows:

| in € thousand   | H1 2022       | H1 2021       |
|---|---------------|---------------|
| <b>EBITDA before special items</b>                                    | <b>28,456</b> | <b>18,255</b> |
| Expenses from stock options   | -1,375        | -586          |
| Other M&A expenses  | -292          | -82           |
| <b>Operating result before depreciation and amortization (EBITDA)</b> | <b>26,788</b> | <b>17,587</b> |

## Other information

### Contingent Liabilities

Until March 27, 2020, Medios Pharma GmbH (MP) maintained business relations with a pharmacy, which, in turn, maintained business relations with a wholesaler.

On December 1, 2020, insolvency proceedings were opened against the assets of the wholesaler, gradually leading to failure of the business relations and financial difficulties at the pharmacy. As of December 31, 2021, receivables against the pharmacy in the amount of €1.0 million were still outstanding against goods supplied. A repayment schedule until September 30, 2026, has been agreed in respect of this receivable and has been satisfied up until the time that this report was published.

During the course of 2021, the insolvency administrator of the wholesaler, from the standpoint of an appeal, requested that the pharmacy make a significant repayment, which could, in turn, prompt insolvency proceedings of its own and impact Medios. In the event of insolvency of the pharmacy, there would be a maximum recovery risk against Medios Pharma under insolvency law of €7.3 million. To avert consequential insolvency and therefore further losses, Medios AG has decided to grant the pharmacy a secured bridging loan in the amount of €1 million, which the pharmacy may use to fund a settlement with the insolvency administrator of the wholesaler. At the time of preparation of the financial statements, negotiations on the bridging loan were well advanced, but not yet finalized and the amount had not yet been paid out.

In light of the change to the underlying conditions in the 2021 financial year, the existing and not additionally secured receivables from the pharmacy as of December 31, 2021, as recognized in the other assets, were written down 100%. This accounting treatment has been retained unchanged at the time that this interim report was prepared.

## Financial instruments

With the exception of non-current financial assets, all financial instruments have short remaining terms or are available in the form of cash and cash equivalents. As a result, their carrying values correspond at least approximately to their respective fair values. €10.1 thousand of the financial instruments are categorized as fair value through profit or loss based on factoring agreements. All remaining financial instruments are categorized as amortized cost.

## Transactions with related parties

A related entity or person, as defined by IAS 24, is an entity or person that has the ability, directly or indirectly, to control or exercise significant influence over the other party. Detailed information on related entities and related parties in key positions is provided in the notes to the consolidated financial statements in the 2021 annual report. Transactions with related parties primarily involve the provision of goods and services as well as management and holding activities.

The following tables show the material transactions with related parties in the reporting period:

| in € thousand            | Income<br>H1 2022 | Expenditure<br>H1 2022 | Receivables<br>06/30/2022 | Liabilities<br>06/30/2022 |
|--------------------------|-------------------|------------------------|---------------------------|---------------------------|
| Tangaroa Management GmbH | 0                 | 19                     | 0                         | 0                         |
| Tangaroa GmbH & Co. KG   | 11                | 16                     | 14                        | 0                         |
| Messner Rechtsanwälte    | 0                 | 0                      | 0                         | 2                         |
| Michelle Gaertner        | 0                 | 6                      | 0                         | 0                         |
| Floriani Apotheke        | 964               | 97,776                 | 73                        | 4,668                     |
| Cranach Apotheke         | 1,544             | 154                    | 474                       | 40                        |
| <b>Total</b>             | <b>2,519</b>      | <b>97,965</b>          | <b>561</b>                | <b>4,708</b>              |

| in € thousand            | Income<br>H1 2021 | Expenditure<br>H1 2021 | Receivables<br>06/30/2021 | Liabilities<br>06/30/2021 |
|--------------------------|-------------------|------------------------|---------------------------|---------------------------|
| Tangaroa Management GmbH | 0                 | 10                     | 0                         | 0                         |
| Tangaroa GmbH & Co. KG   | 11                | 58                     | 1                         | 0                         |
| Messner Rechtsanwälte    | 0                 | 18                     | 0                         | 0                         |
| Floriani Apotheke        | 1,079             | 67,115                 | 144                       | 6                         |
| Cranach Apotheke         | 2,780             | 910                    | 1,044                     | 417                       |
| <b>Total</b>             | <b>3,869</b>      | <b>68,112</b>          | <b>1,188</b>              | <b>423</b>                |

Tangaroa Management GmbH and Tangaroa GmbH & Co. KG have no longer been controlling companies since the 2021 financial year.

### Earnings per share

Earnings per share is calculated by dividing the consolidated net income attributable to the shareholders of Medios AG by the weighted average number of shares outstanding in the reporting period.

| Calculation of earnings per share   | H1 2022     | H1 2021     |
|---|-------------|-------------|
| Share in consolidated profit attributable to the shareholders of the parent company (in € thousand) | 9.972       | 6,273       |
| Weighted average number of ordinary shares (in thousands)   | 23,719      | 19,803      |
| <b>Undiluted earnings per share (in €)</b>  | <b>0.42</b> | <b>0.32</b> |



| Adjustment made in calculating the diluted earnings per share   | H1 2022     | H1 2021     |
|---|-------------|-------------|
| Weighted average number of common shares (in thousands)   | 23,719      | 19,803      |
| 2018 and 2022 stock programs (no. of shares in thousands)   | 109         | 556         |
| Weighted average of no-par-value shares used as a denominator for calculating the diluted earnings per share (in thousands) | 23,828      | 16,007      |
| <b>Diluted earnings per share (in €)</b>  | <b>0.42</b> | <b>0.31</b> |

### Events after the balance sheet date

Events after the end of the reporting period are presented in the **Supplementary Report** section of the interim Group management report.

### Declaration on the German Corporate Governance Code

The Executive Board and Supervisory Board of Medios AG have both issued a declaration of compliance with the German Corporate Governance Code as required by Section 161 of the German Stock Corporation Act (AktG) and made it permanently available to shareholders on the Medios AG website in the Investor Relations section <https://medios.ag/en/investor-relations/corporate-governance>.

## **Responsibility statement of the company's legal representatives**

We hereby declare that to the best of our knowledge, a true and fair view of the net assets, financial position and results of operations of the Group is provided in accordance with the applicable accounting standards for half-yearly financial reporting in the consolidated interim financial statements and in the interim Group management report and that business performance including the business results and the situation of the Group are presented in a way that gives a true and fair view of the actual opportunities and risks of the expected performance of the Group during the remainder of the financial year.

Berlin, August 11, 2022

### **Matthias Gaertner**

Chairman of the Executive Board (CEO)

### **Falk Neukirch**

Chief Financial Officer (CFO)

### **Mi-Young Miehler**

Board Member (COO)

### **Christoph Prußeit**

Board Member (CINO)

## Imprint

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The financial reports of the Medios Group can be downloaded from the company's website in German and English.

#### Contact

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### Concept

Kirchhoff Consult AG

### Advice and forward-looking statements

This half-year financial report should be read in conjunction with the annual report for the 2021 financial year. The latter provides a comprehensive presentation of our business activities and explanations of the financial KPIs that are used.

This financial report contains forward-looking statements that are based on current assumptions and assessments made by the management of Medios AG. Forward-looking statements are marked by the usage of words such as expect, intend, plan, predict, assume, believe, assess, and similar formulations. These statements must not be seen as guarantees that the associated expectations will prove to be correct. Future developments and the results achieved by Medios AG are dependent on a range of risks and uncertainties and may therefore vary significantly from the forward-looking statements. A number of these factors cannot be influenced by Medios AG and not be precisely estimated in advance. Such factors include, though are not limited to, the future economic environment and the behaviors of competitors and other market stakeholders. There are no plans to update the forward-looking statements and Medios does not assume any special obligation to do so.

Rounding may mean that some figures in this financial report do not add up exactly to the sum indicated and that the percentages disclosed may not precisely reflect the absolute values that they pertain to.

This is an English translation of the original German financial report. If and to the extent that the different versions vary from each other, the German version of the document will have precedence over the English translation.

For technical reasons, there may be deviations between the data provided in this financial report and the accounting records or documents published based on statutory provisions.

This financial report contains supplementary financial indicators that are not precisely defined in relevant accounting frameworks and that are or could be alternative key performance indicators. For an assessment of the assets, finances, and earnings of Medios AG, these supplementary financial indicators should not be viewed in isolation or as an alternative to the financial indicators that have been calculated in accordance with relevant accounting frameworks and are presented in the consolidated financial statements. Other businesses that present or report on alternative financial indicators of a similar name may calculate these indicators differently.

In the event of any inconsistencies between the German and the English wording, the German wording shall prevail.

