



Q3/9M 2023 Results

Matthias Gaertner, CEO

Falk Neukirch, CFO

November 14, 2023

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Highlights 9M 2023

Operations

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

Financials

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

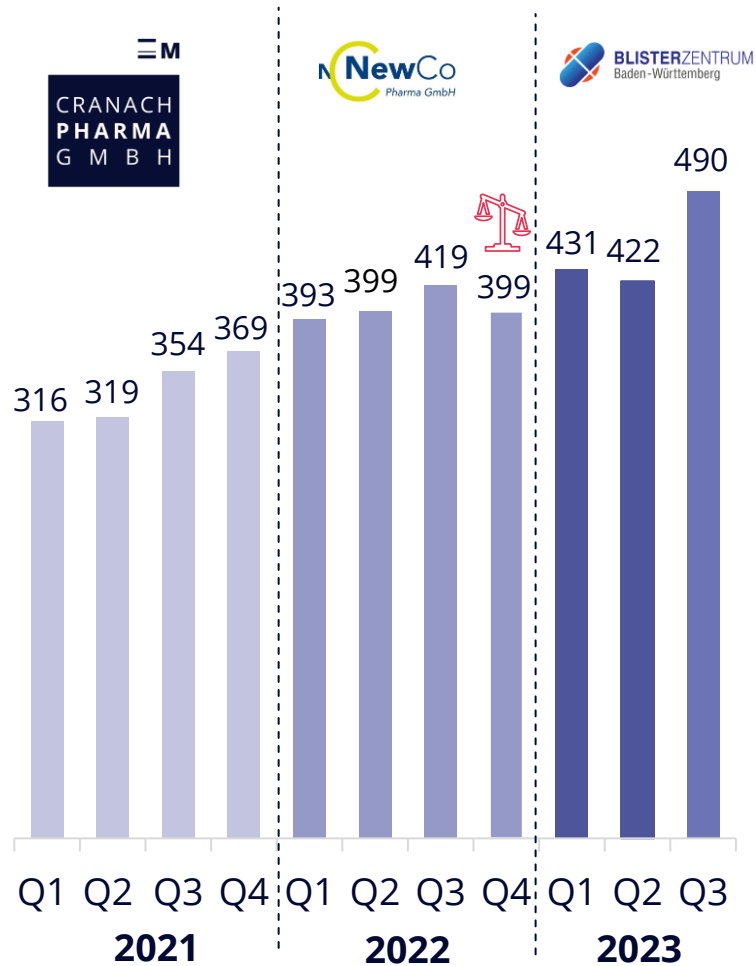
Strategy including ESG

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

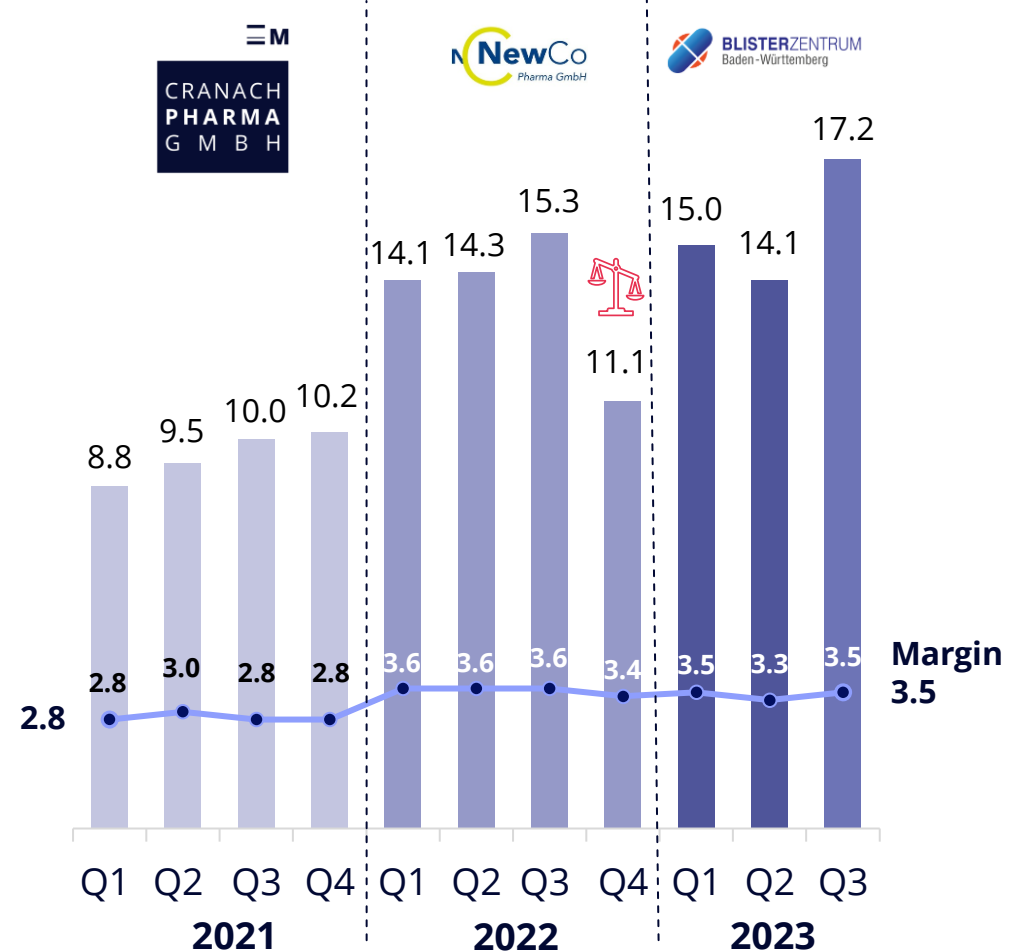
¹ Corporate Sustainability Reporting Directive | ² Awarded by: 1. Business Magazin DUP UNTERNEHMER/Deutsches Innovationsinstitut für Nachhaltigkeit und Digitalisierung, 2. Focus/DEUTSCHLAND TEST, 3. Bundesverband Mergers & Acquisitions

YoY & QoQ - Excellent revenue and EBITDA pre growth

Revenue in €m

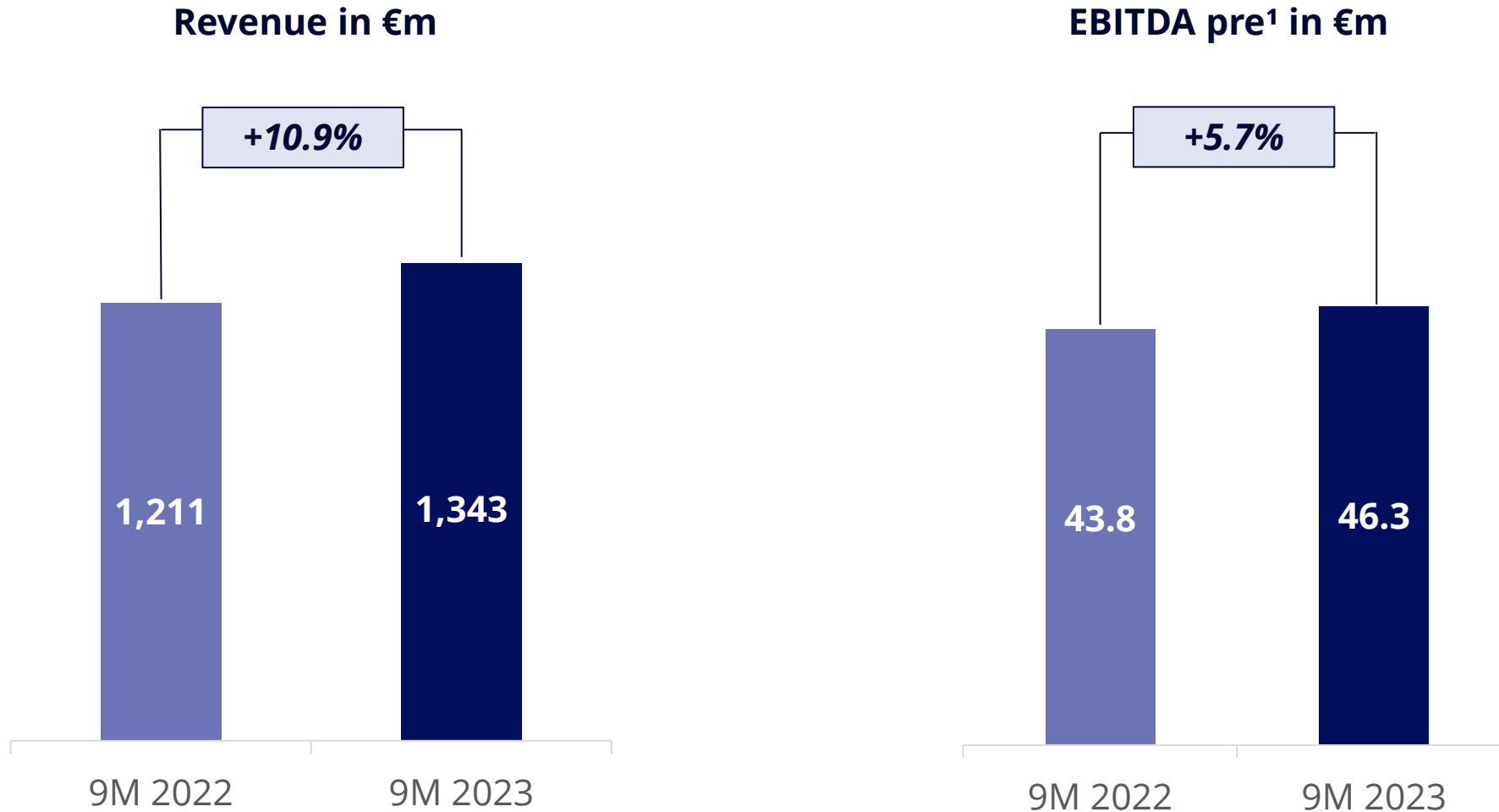


EBITDA pre¹ €m



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

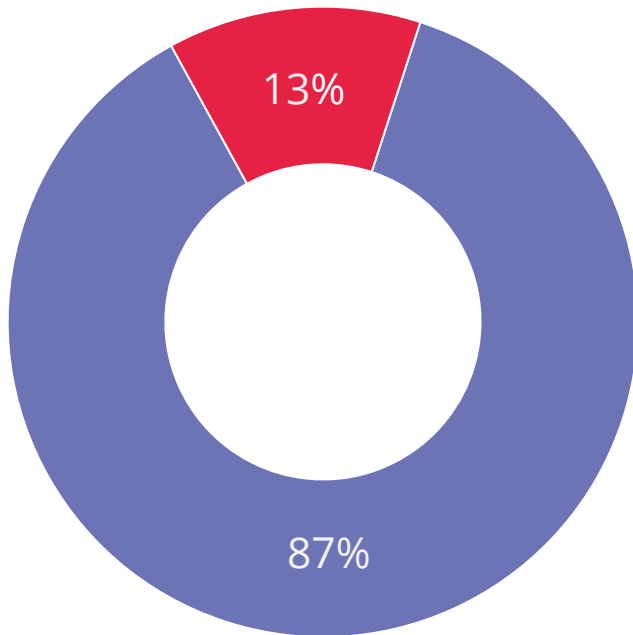
Continuous and sustainable growth YoY



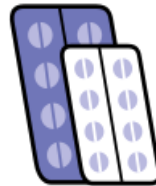
¹ EBITDA pre is adjusted for special charges for stock options and expenses for M&A activities as well as from 2023 additionally for one-time performance-based payments for the acquisition of compounding volumes

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

Revenue by segment²

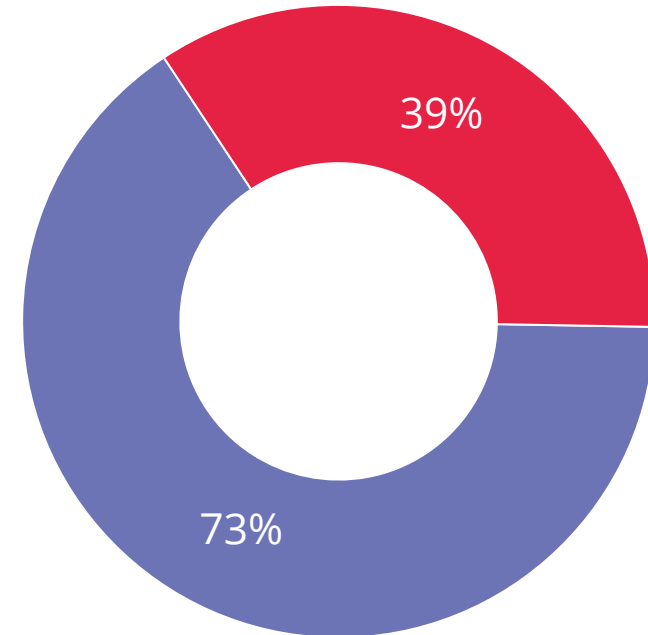


Patient-Specific Therapies (PST)



Pharmaceutical Supply (PS)

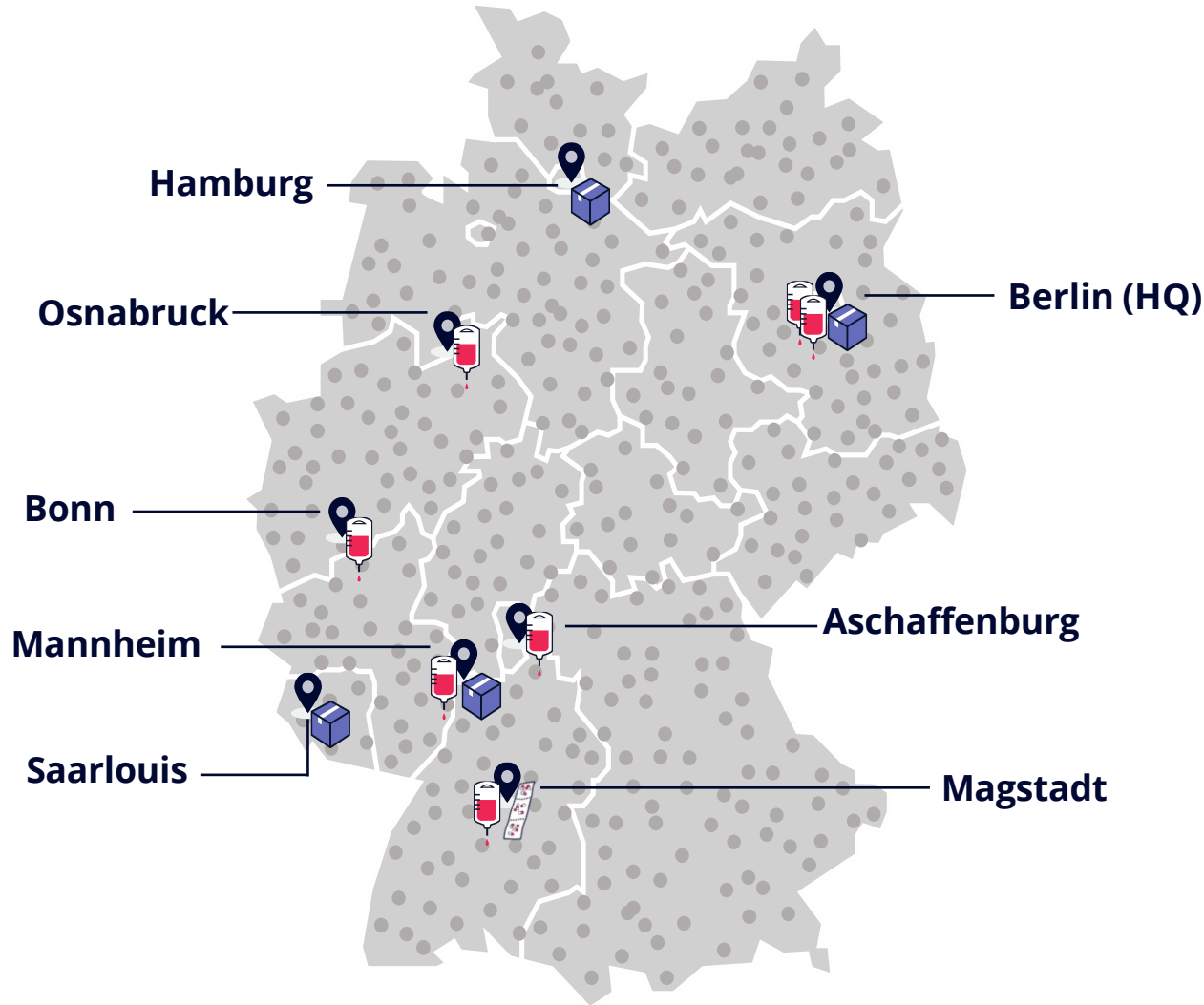
EBITDA pre¹ by segment²



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

² Including the segment "Services": Revenue = 0.04% | EBITDA pre = -11.4%

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



- 7 GMP¹ **labs**/ 1 blistering **lab**
- 2 central / 2 regional **warehouses**
- Innovative IT-based platform **mediosconnect** in **5 federal states**
- Around **750 specialized partner pharmacies**
- Around **330,000 individualized preparations** manufactured in 2022
- Goal for 2023: around **400,000 preparations**, depending on indication areas

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9M 2023 – Financials

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

Comments

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

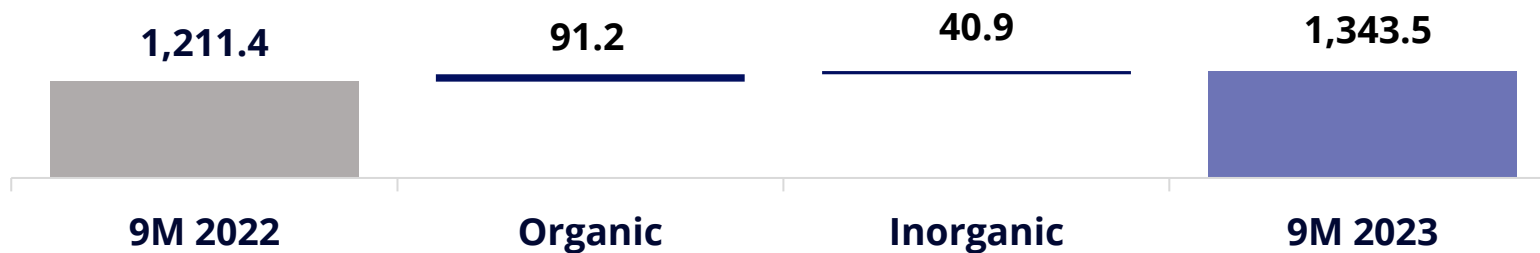
9M 2023 – Ongoing organic and inorganic revenue growth

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

Comments

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

Revenue bridge



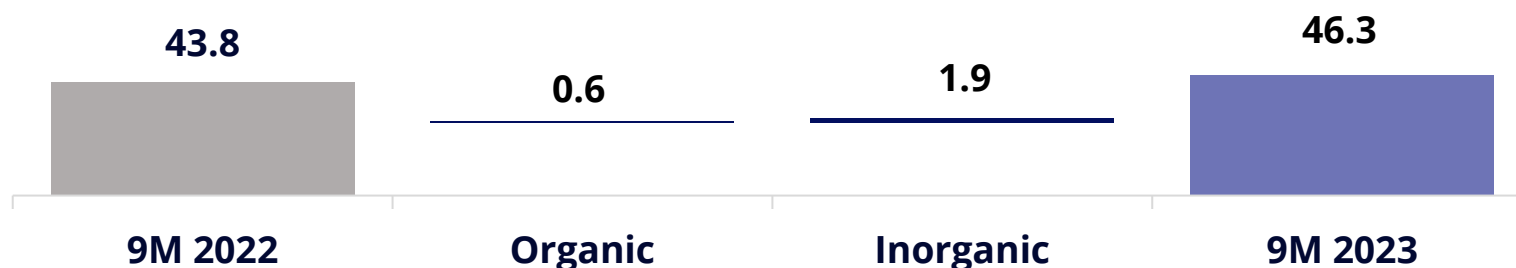
9M 2023 – Ongoing organic and inorganic EBITDA pre growth

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

Comments

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

EBITDA pre¹ bridge



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

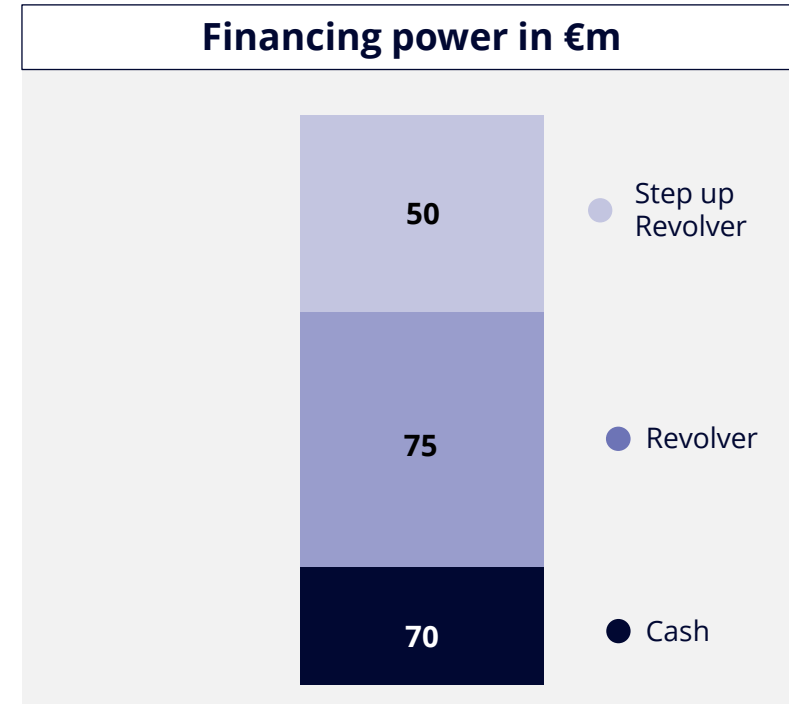
In € million	Pharmaceutical Supply 'PS'		Patient-specific Therapies 'PST'		Services		IFRS consolidation		Group	
	9M 23	9M 22	9M 23	9M 22	9M 23	9M 22	9M 23	9M 22	9M 23	9M 22
Total segment revenue <i>delta (yoy in %)</i>	1,271.8 15.9%	1,097.0	201.3 -0.4%	202.1	6.7 11.3%	6.0	-136.4 45.6%	-93.7	1,343.5 10.9%	1,211.4
Revenue - external <i>delta (yoy in %)</i>	1,168.0 11.8%	1,044.4	175.0 5.0%	166.6	0.5 26.7%	0.4	n/a	n/a	1,343.5 10.9%	1,211.4
EBITDA pre¹ <i>margin (% of revenue - total)</i>	33.7 2.6%	28.2 2.6%	17.8 8.9%	19.3 9.6%	-5.3 -79.0%	-3.8 -63.1%	n/a	n/a	46.3 3.4%	43.8 3.6%
<i>margin (% of revenue - external)</i>	2.9%	2.7%	10.2%	11.6%	<-100.0%	<-100.0%			3.4%	3.6%

Ongoing strong financing power – to invest in future growth

Available and future funds

- Approx. **€+37m annual** operating cash flow in 2023
- Approx. **€-5m** annual operating capex need
- Approx. **€70m** available cash end of Sep 2023
- Revolving credit facility **€75m**: Drawn loans fully repaid – RCF fully available
- Covenants RCF: Net leverage **potential up to 3**

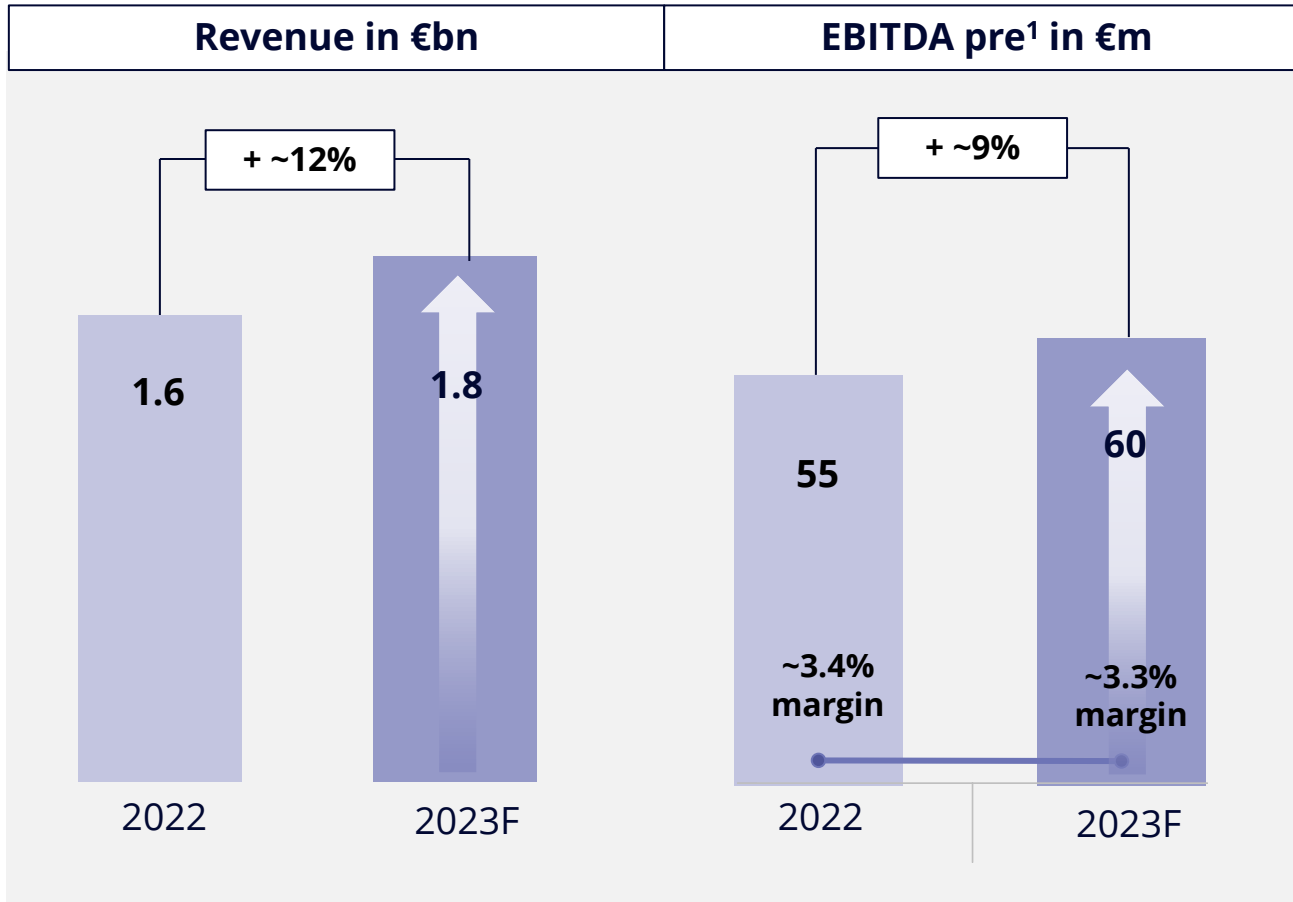
Financing power in €m



Financial scope large enough for organic and inorganic growth

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Narrowed guidance for FY 2023



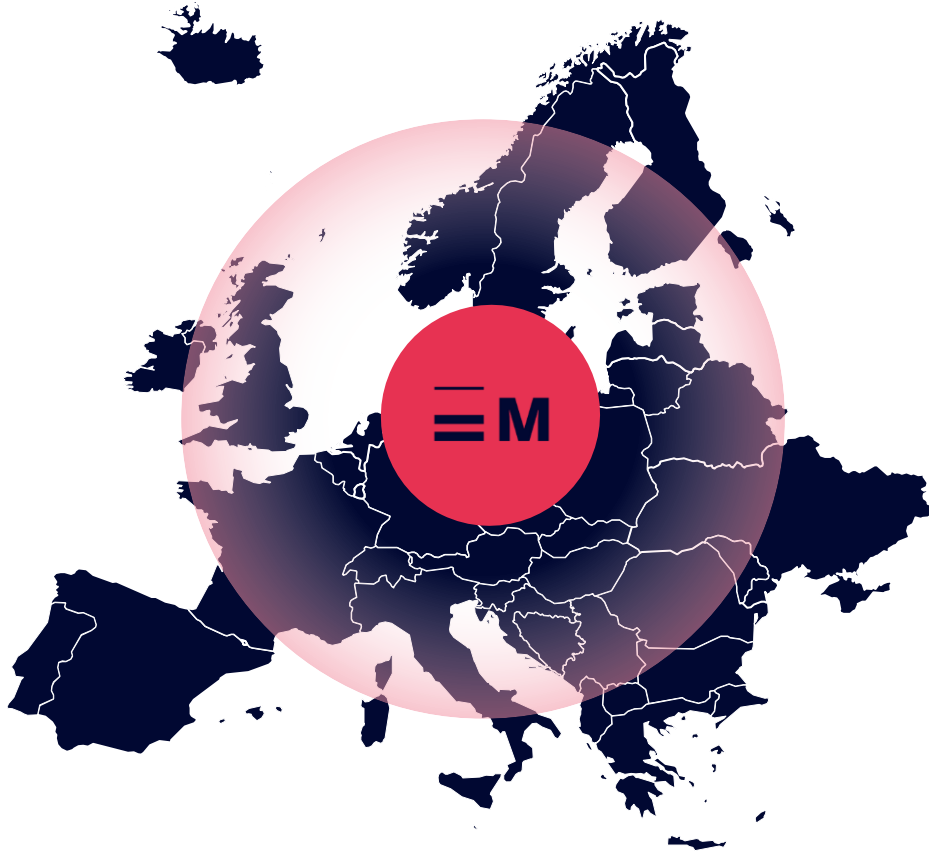
Comments

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

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



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



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

Profile M&A targets

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

Conclusion 9M 2023

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

Growth story well on track

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

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

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

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

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

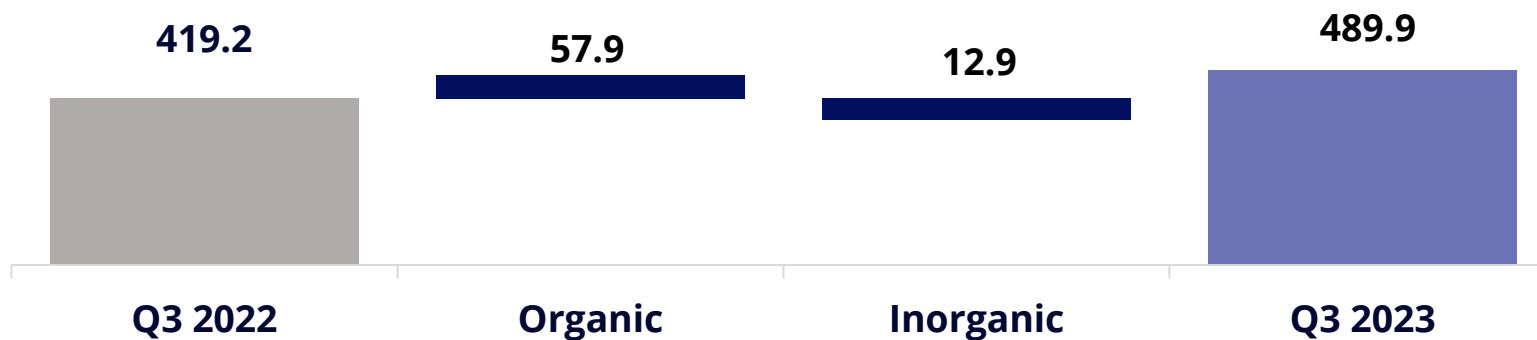
Q3 2023 – Record quarter driven by organic growth in PS segment

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

Comments

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

Revenue bridge



Q3 2023 – Record quarter driven by organic growth

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

Comments

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

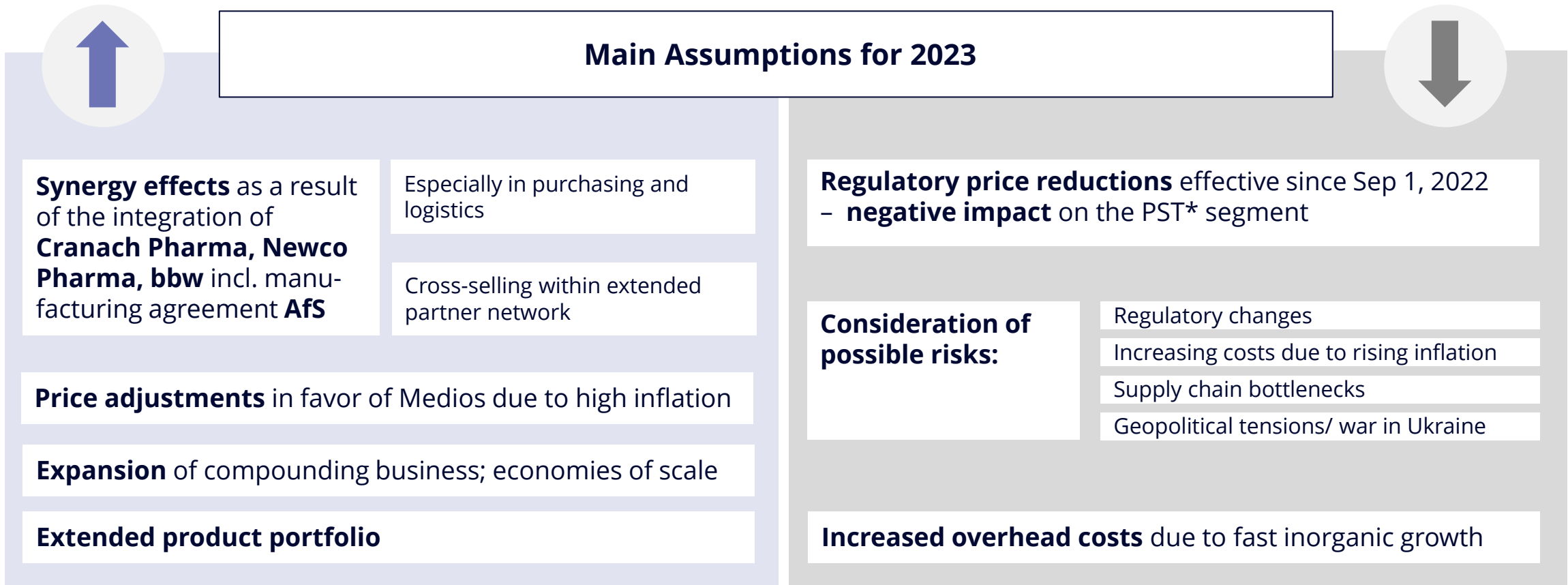
EBITDA pre¹ bridge



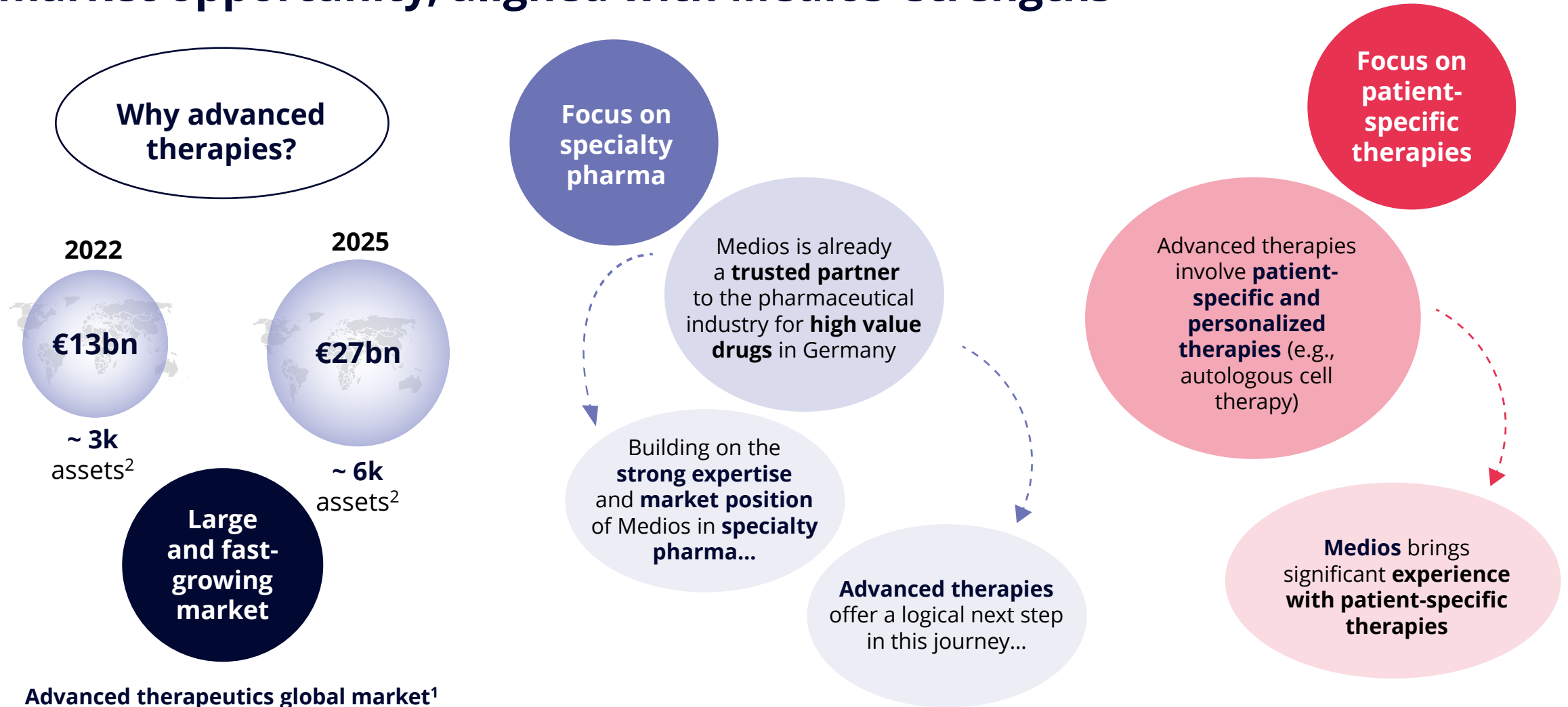
Q3 2023 – Strong financials driven by PS segment

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

Guidance FY 2023 narrowed – Main assumptions



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



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