



Full Year 2022 Results

Matthias Gaertner, CEO

Falk Neukirch, CFO

March 30, 2023

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Highlights FY 2022

Operations

- Overall successful year despite ongoing global crisis and uncertainties
- Significant strengthening of the **PST segment** through acquisitions of NewCo Pharma GmbH (January 2022)
- Setting the course for 2023: Agreement on **sterile manufacturing** collaboration with *Apotheken für Spezialversorgungen OHG (Afs)* as part of the acquisition of bbw as of January 2023

Financials

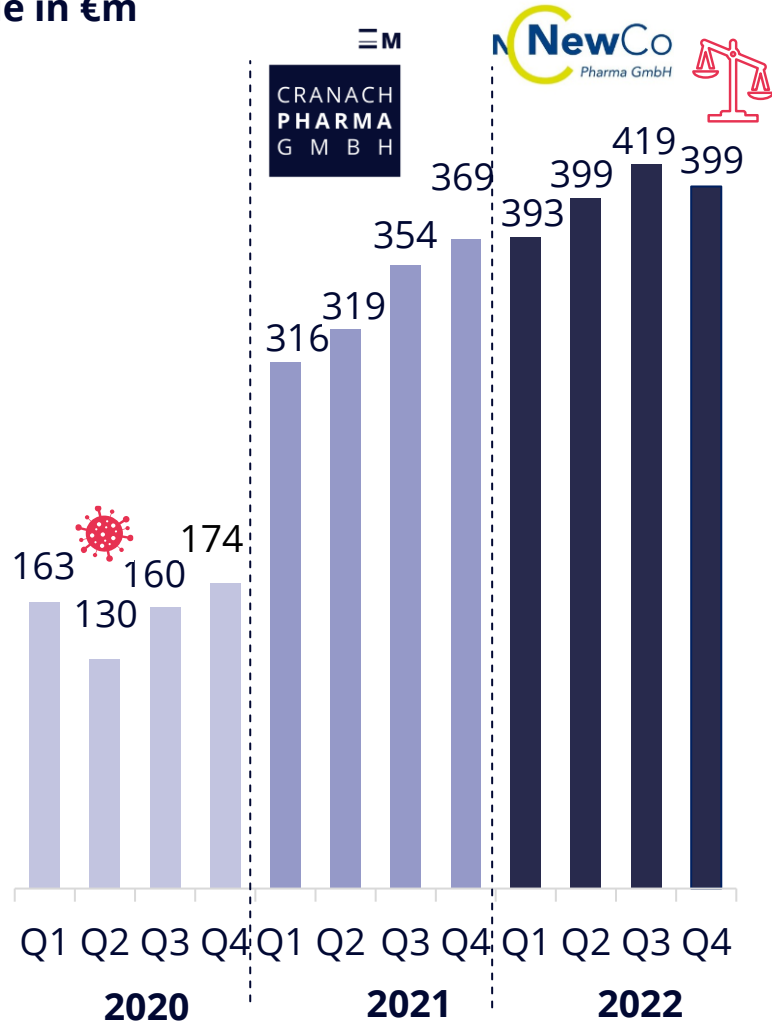
- Revenue of €1.6bn; EBITDA pre of €55m for FY 2022: **guidance met**
- EBITDA pre margin increased to 3.4% (2.8% FY 2022)
- Strong positive operating cash flow
- EPS more than doubled
- Ongoing growth in 2023 with expected revenue of up to €1.8bn, EBITDA pre of up to €63m

Strategy

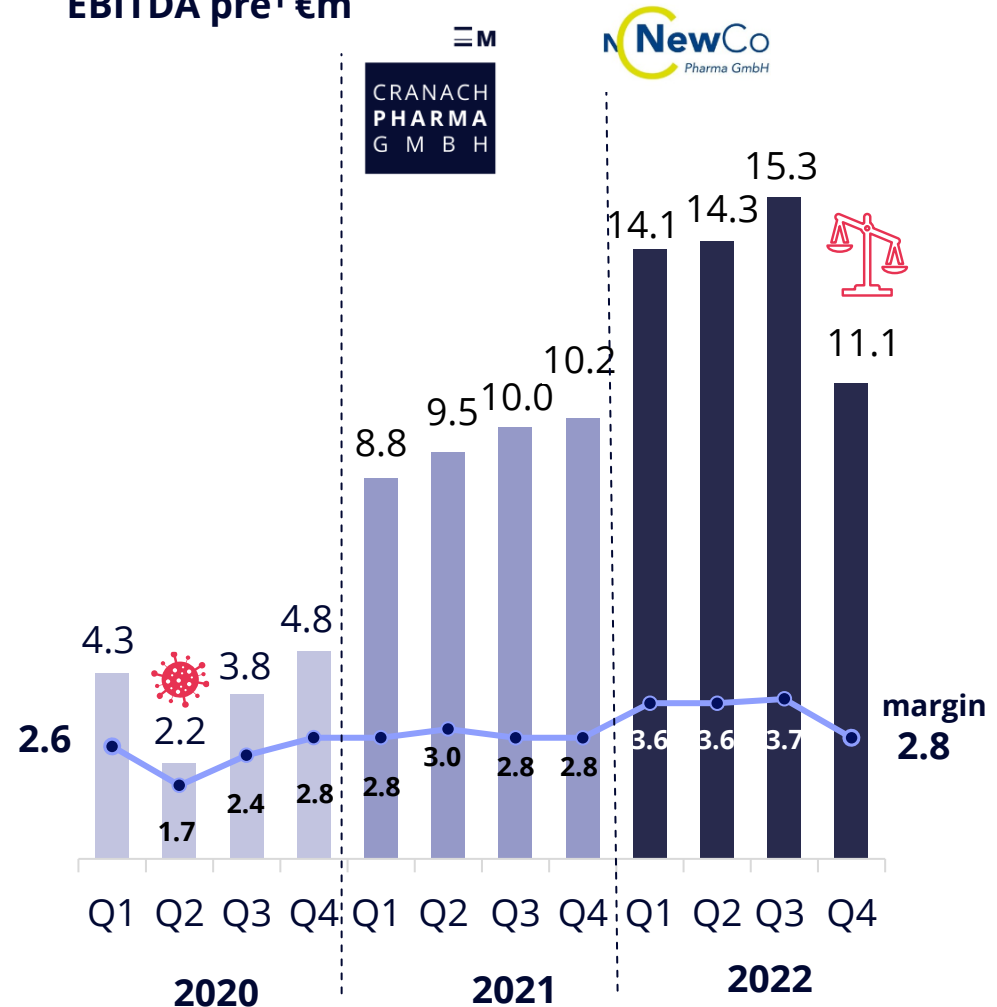
- Implementation of ESG strategy on track; ongoing improvements of ESG-ratings
- Implementation of the extended **growth strategy 2025** - Internationally well experienced senior manager joined Medios to push internationalization of Medios
- Extend operational business by parenteral nutrition for prematurely-born babies

Q-on-Q growth impacted in Q4 by regulatory changes

Revenue in €m

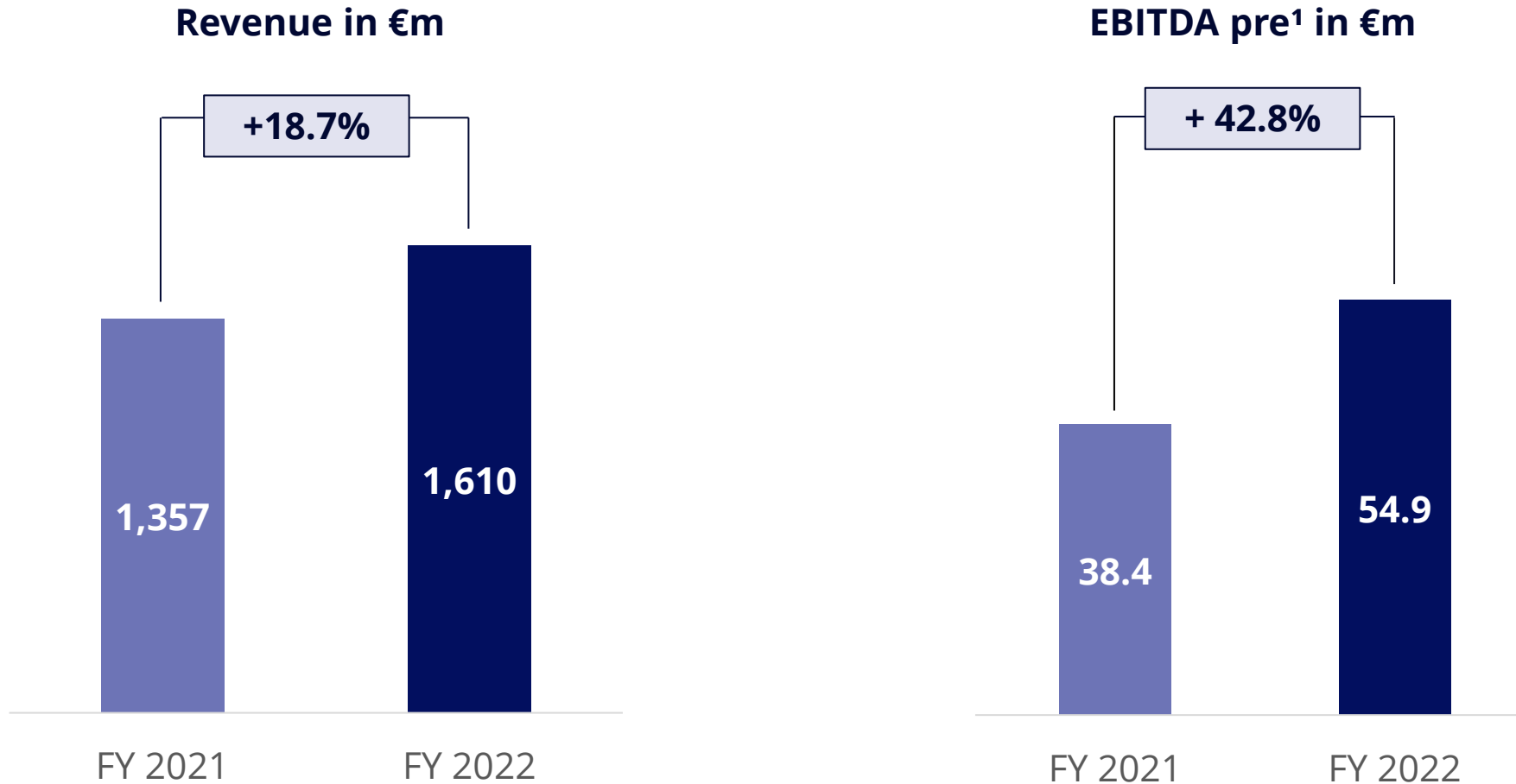


EBITDA pre¹ €m



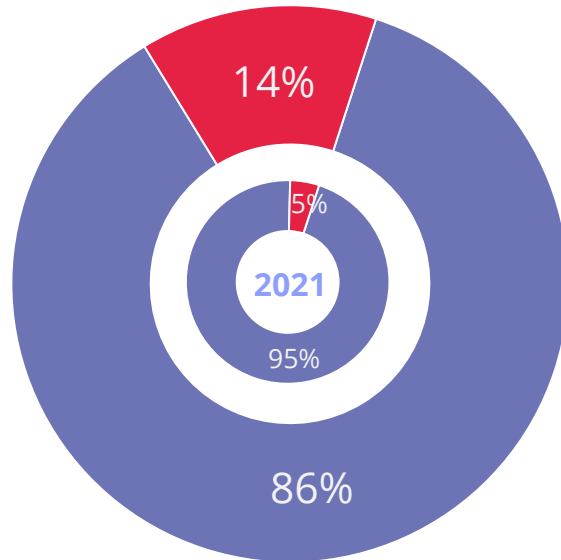
¹ EBITDA pre is adjusted for special charges for stock options and expenses for M&A activities as well as from 2023 additionally for one-time performance-based payments for the acquisition of manufacturing volumes

Continuous and sustainable growth with significantly improved margin

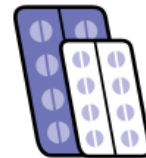


Split by operative segments FY 2022 vs- FY 2021: Significant rise of PST

Revenue by segment

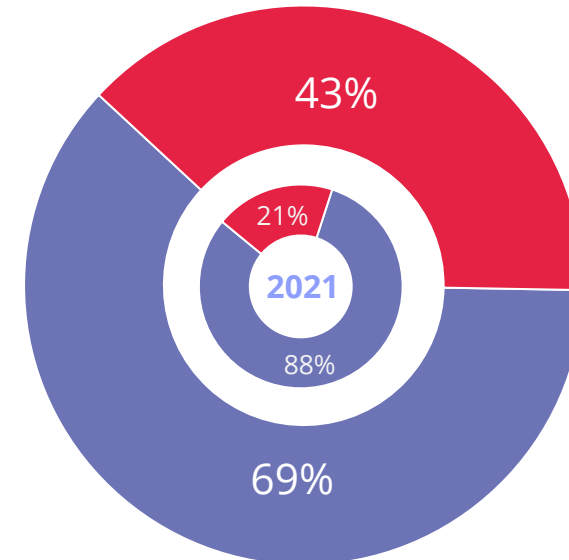


Patient-specific Therapies (PST)



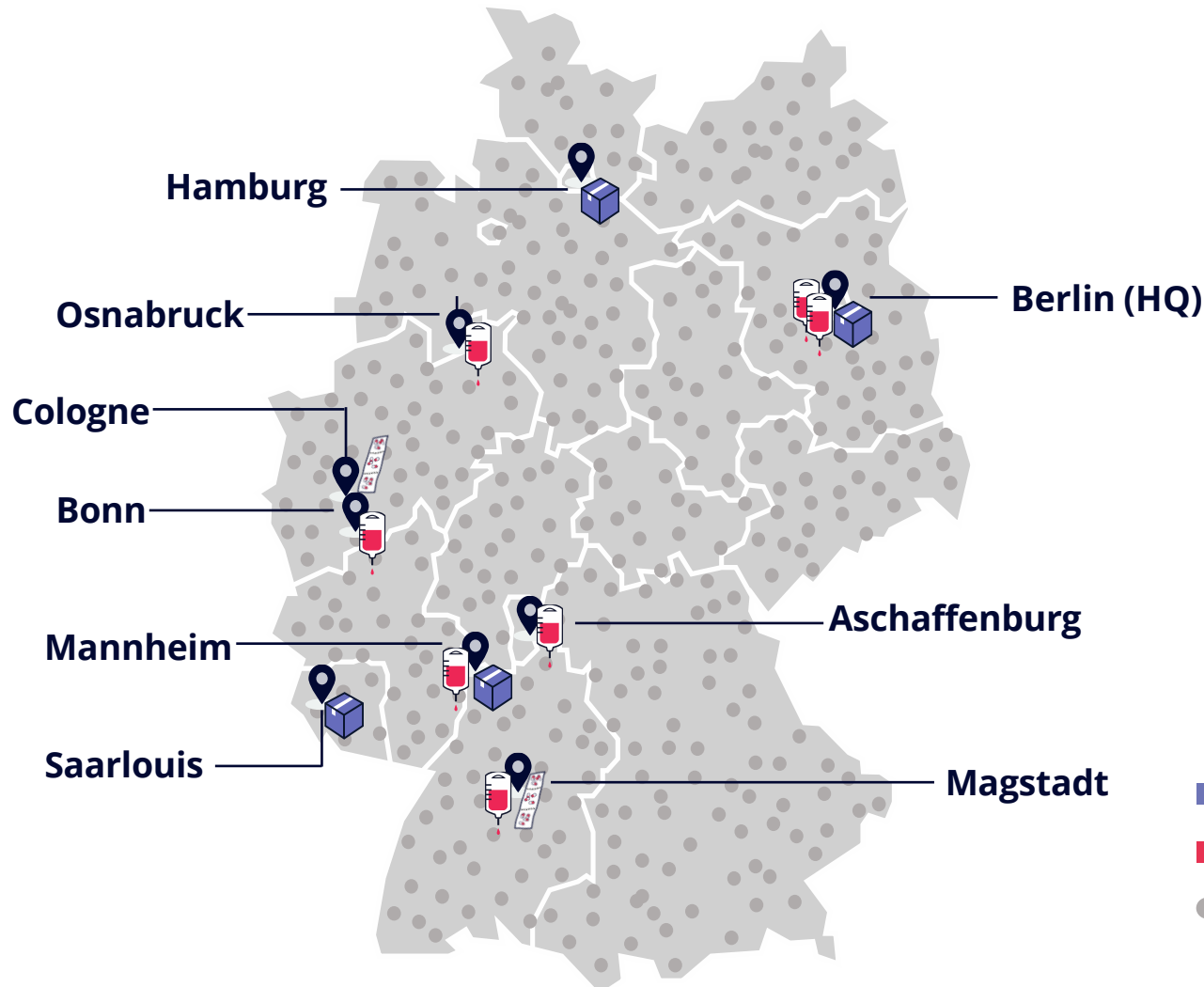
Pharmaceutical Supply (PS)

EBITDA pre¹ by segment



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 manufacturing volumes

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



- 7 GMP¹ / 2 blistering **labs**
- 2 central / 2 regional **warehouses**
- Innovative IT-based platform **mediosconnect** in 5 federal states
- Around 700 **specialized partner pharmacies**
- Around **330,000 individualized preparations** manufactured in 2022
- Goal for 2023: > **400,000 preparations**

Implementing our ESG strategy 2025



Structural set-up, organization, responsibilities

ESG strategy published

- 34 aims realized through 65 measures

ESG committee established

- Chaired by CEO
- Members of management, Executive Board and Supervisory Board ensure interlocking of ESG and corporate strategy

ESG software implemented

- development measured against more than 60 internal and external KPI



Steady improvement, sharpen our goals through measure control

Accomplishments and goals

- **E:** Energy efficiency improvements through move to new, state of the art logistics center and laboratories
- **S:** Maintain high proportion of women among employees (2022: 53 %) and in leadership positions (2022: 50 %)
- **G:** Change to a digital whistleblowing system for internal use has taken place, to be made accessible to external parties e. g. suppliers in 2023

Rating improvements

- ISS ESG, Gaia, MSCI, Sustainalytics, S&P Global

ESG is integrated in our corporate strategy

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FY 2022 – Financials

| In € million | FY 2022 | FY 2021 | Δ% |
|---|----------------|----------------|--------|
| Revenue | 1,610.8 | 1,357.4 | 18.7% |
| Gross profit ¹ <i>gross margin in %</i> | 108.9 6.8% | 70.1 5.2% | 55.4% |
| EBITDA pre ² <i>margin in %</i> | 54.9 3.4% | 38.4 2.8% | 42.8% |
| Conversion rate in % (<i>EBITDA pre/gross profit</i>) | 50.4% | 54.8% | -8.1% |
| EBIT | 29.0 | 15.3 | 89.8% |
| EPS (€), undiluted | 0.77 | 0.37 | >100% |
| CF from operating activities | 37.1 | 61.5 | -39.7% |
| CF from investing activities | -86.5 | 17.4 | >-100% |
| CF from financing activities | -39.8 | 69.8 | >-100% |
| In € million | 31 Dec 2022 | 31 Dec 2021 | Δ% |
| Inventories | 50.0 | 36.5 | 37.2% |
| Cash & cash equivalents | 79.2 | 168.4 | -53.0% |
| Equity <i>ratio in %</i> | 448.0 77.8% | 394.2 75.2% | 13.7% |

Comments

- **Revenue growth** driven by NewCo Pharma integration: inorganic (+15.3%) & organic (+3.4%)
- Disproportionate increase of **gross and EBITDA pre margins** due to higher portion of PST share
- **Regulatory price changes** in PST segment effective from Sep 2022 hit FY-EBITDA pre and EPS; EBITDA-effect for FY 2022: €-3.6m, mainly in Q4 2022
- **Operating CF** mainly burdened by one-time effects: payment of retained taxes and social contributions for SOPs
- **Investing CF** dominated by **cash component** for NewCo acquisition (€88m) and further operational investments (€5m) mainly in the new manufacturing site in Berlin
- Decrease in **cash & cash equivalents** mainly a result of the cash component for NewCo acquisition, the repayment of former shareholder loans of NewCo group and the repayment of the syndicated loan (€25.2m)

¹ Gross profit = Revenue ÷ Cost of materials | ² 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 manufacturing volumes

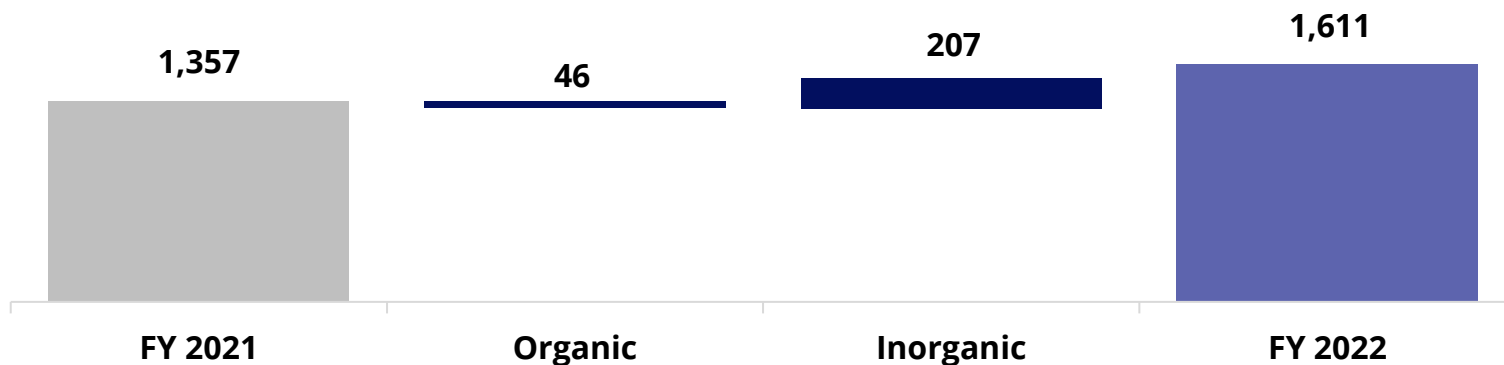
FY 2022 – Ongoing organic and inorganic revenue growth

| FY YoY revenue in €m | FY 2021 | Organic | Inorganic | FY 2022 |
|----------------------------------|----------------|--------------|----------------|-----------------|
| Pharmaceutical Supply (PS) | 1,294.5 | 40.2 3.1% | 55.6 4.2% | 1,390.3 7.4% |
| Patient-specific Therapies (PST) | 62.2 | 6.0 9.6% | 151.8 >100% | 220.0 >100% |
| Services | 0.6 | -0.1 | | 0.5 |
| Medios Group total | 1,357.4 | 46.0 | 207.4 | 1,610.8 |
| <i>Medios Group total in %</i> | | <i>3.4%</i> | <i>15.3%</i> | <i>18.7%</i> |

Comments

- **Inorganic Growth** (+15.3%; €+207.4m) driven by NewCo acquisition
- 3.4% **organic growth** (€+46.0m)

Revenue bridge



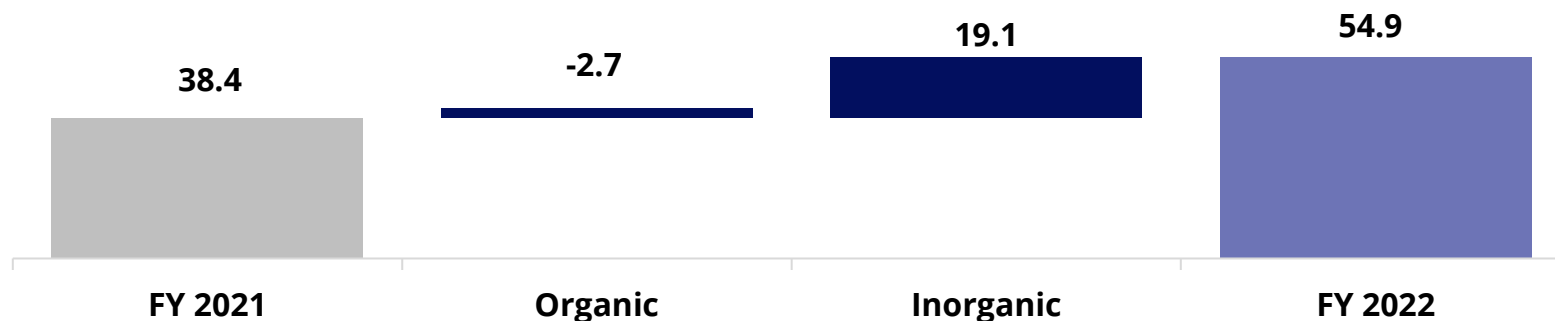
FY 2022 – EBITDA pre¹ driven by acquisition of NewCo Pharma

| FY YoY EBITDA pre ¹ in €m | FY 2021 | Organic | Inorganic | FY 2022 |
|--------------------------------------|-------------|--------------|---------------|---------------|
| Pharmaceutical Supply (PS) | 33.7 | 0.4 1.2% | 3.9 11.6% | 38.0 12.8% |
| Patient-specific Therapies (PST) | 7.9 | 0.5 6.3% | 15.2 >100% | 23.7 >100% |
| Services | -3.2 | -3.6 | 0.0 | -6.8 |
| Medios Group total | 38.4 | -2.7 | 19.1 | 54.9 |
| <i>Medios Group total in %</i> | | <i>-7.0%</i> | <i>49.7%</i> | <i>43.0%</i> |

Comments

- **EBITDA pre of PS and PST segments** grew mainly inorganically
- Acquisition of NewCo Pharma led to EBITDA pre¹ contribution of €19,1m (€15.2m in PST; €3.9m in PS)
- **Services** reflects integration efforts as well as strategy projects combined with increased needs for central functions

EBITDA pre¹ bridge



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

| | Pharmaceutical Supply 'PS' | | Patient-specific Therapies 'PST' | | Internal Services and IFRS consolidation | | Group | |
|---|----------------------------|----------------------------|----------------------------------|----------------------------|--|----------------------------|----------------------------|----------------------------|
| In € million | FY 2022 | FY 2021 | FY 2022 | FY 2021 | FY 2022 | FY 2021 | FY 2022 | FY 2021 |
| Total segment revenue <i>delta (y-o-y in %)</i> | 1,461.7 10.2% | 1,326.1 | 267.3 258.4% | 74.6 | -118.2 173.3% | -43.2 | 1,610.8 18.7% | 1,357.4 |
| Revenue - external <i>delta (y-o-y in %)</i> | 1,390.3 7.4% | 1,294.5 | 220.0 253.5% | 62.2 | 0.5 -20.0% | 0.6 | 1,610.8 18.7% | 1,357.4 |
| EBITDA pre¹ <i>margin (% of revenue - total)</i> | 38.0 2.6% | 33.7 2.5% | 23.7 8.9% | 7.9 10.6% | -6.8 5.8% | -3.2 7.3% | 54.9 3.4% | 38.4 2.8% |
| <i>margin (% of revenue - external)</i> | 2.7% | 2.6% | 10.8% | 12.7% | -131.2% | -488.7% | 3.4% | 2.8% |

Strong financing power – to invest in future growth

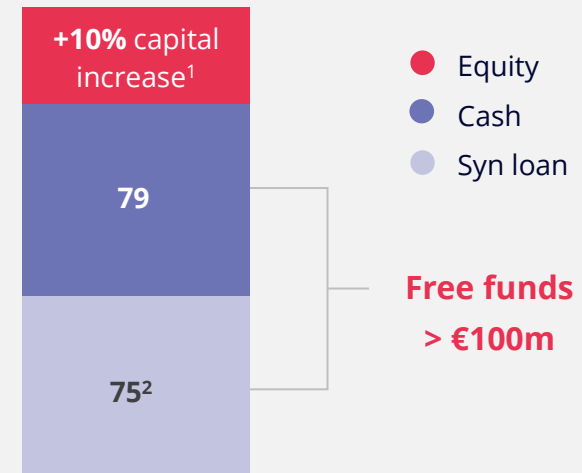
Available and future funds

- Approx. **€+37m annual** operating cash flow
- Approx. **€-5m** annual operating capex need (recently accomplished manufacturing capacity just validated)
- Approx. **€79m** available cash end of Dec 22
- Syn loan **€75m²**; still available € 50m, RCF* structure, 5 years plus term and credit amount extension option

Free funds of > €100m now on hand!

Additionally aspired: 10% capital increase of registered share capital (subject to decision in the following AGM)

Financing power in €m



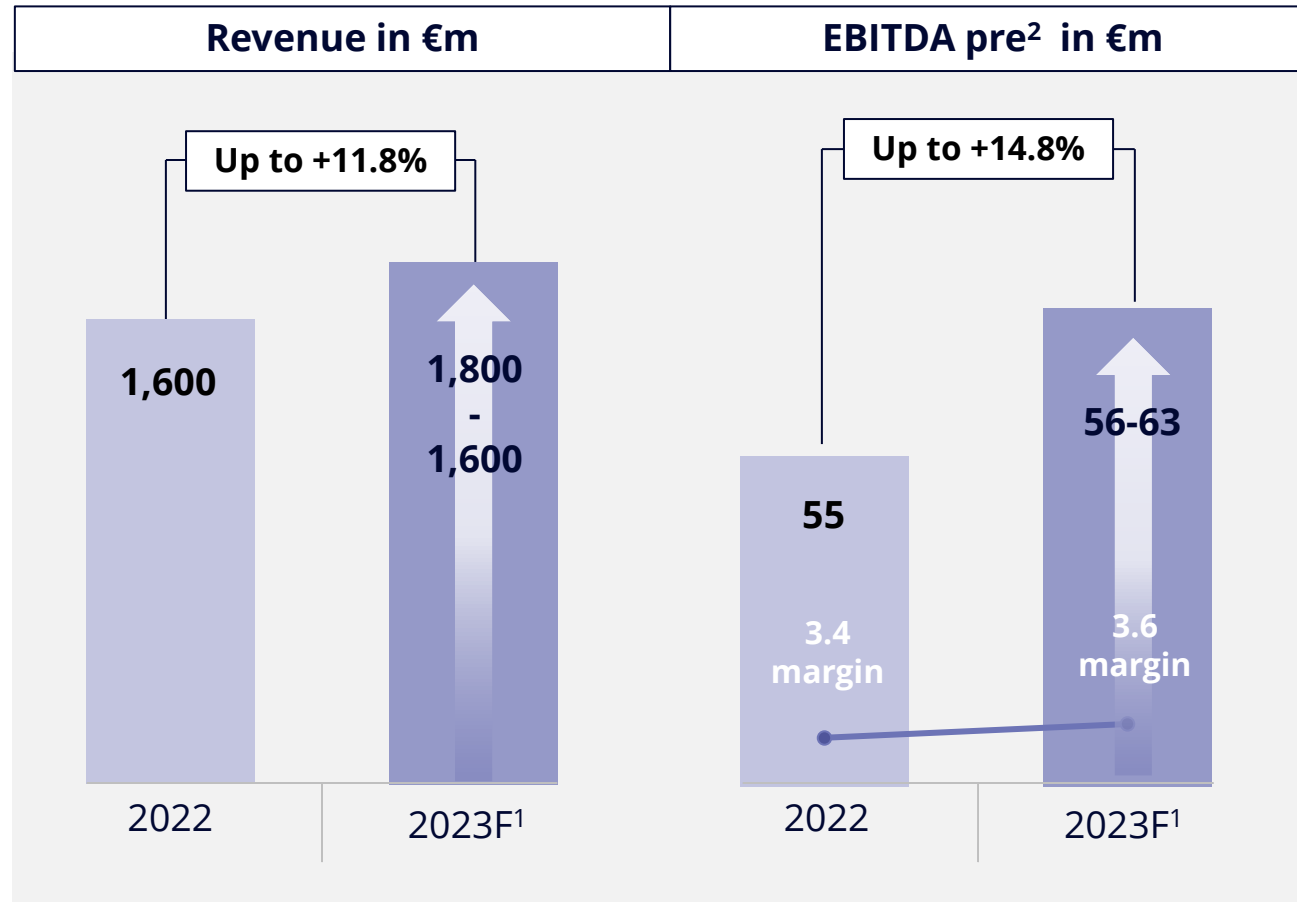
¹ subject to decision in the following AGM

² of which €25m were drawn for the acquisition of bbw at the beginning of 2023

Financial scope large enough for organic and inorganic growth

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Guidance FY 2023 (1/2) – Ongoing growth story



Comments

- **Revenue¹ expected** to reach **range of €1.6-1.8bn in 2023** (growth up to 11.8% compared to 2022)
- **EBITDA pre¹ expected** to reach range of €56-63m in 2023 (growth up to 14.8% compared to 2022)

Guidance FY 2023 (2/2) – Main assumptions



Main Assumptions for 2023 as of March 2023



Synergy effects as a result of the integration of **Cranach Pharma, Newco Pharma, bbw** incl. manufacturing agreement **AfS**

Especially in purchasing and logistics

Cross-selling within extended partner network

Price adjustments in favor of Medios due to high inflation

Expansion of compounding business; economies of scale

Extended product portfolio

Regulatory price reduction effective since Sep 1, 2022, for certain cytostatic drugs – **negative impact** on the PST* segment

Consideration of possible risks:

Regulatory changes

Increasing costs due to rising inflation

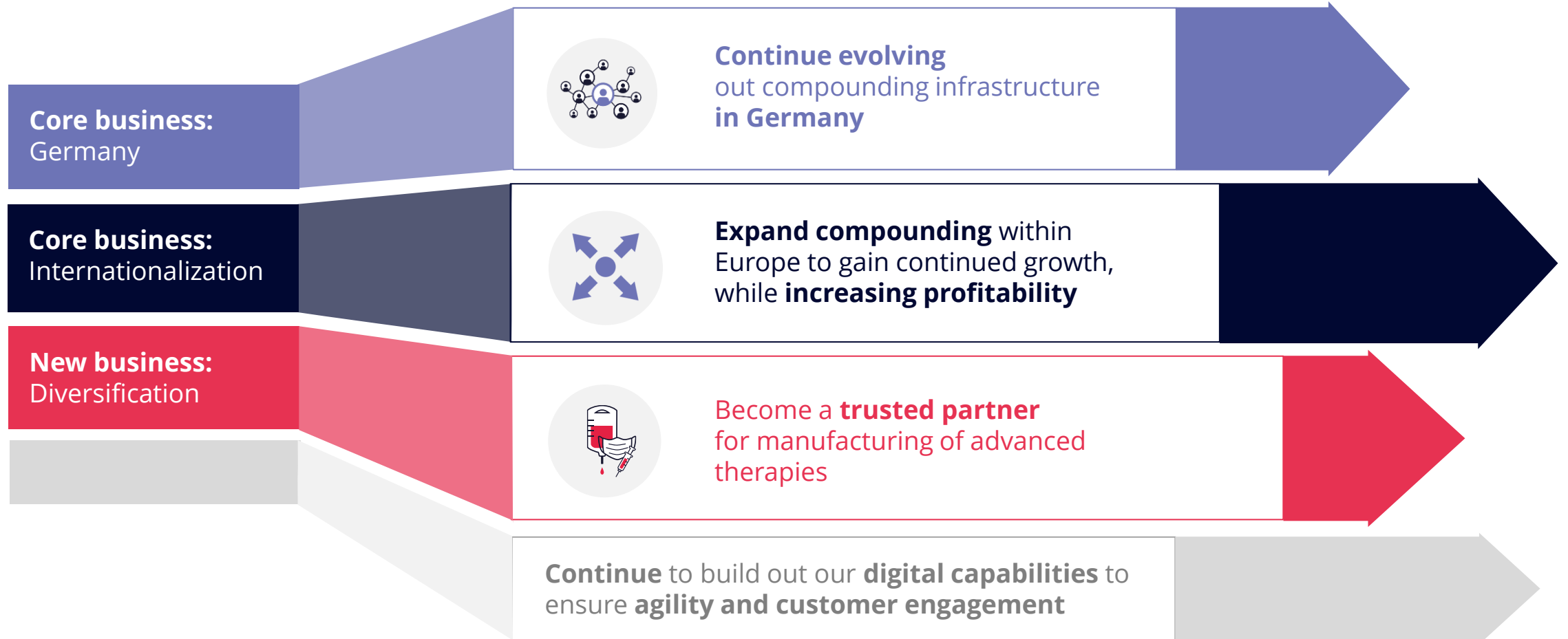
Supply chain bottlenecks

Geopolitical tensions/ war in Ukraine

COVID-related effects

Increased overhead costs due to increasing network, fast growth

Our strategic priorities moving forward



Prioritised markets are growing markets with attractive gross margins



The **gross margins** in the prioritised markets range from **10% - 60%**

The **segment growth** rate in the prioritised markets ranges from **5% - 65%**

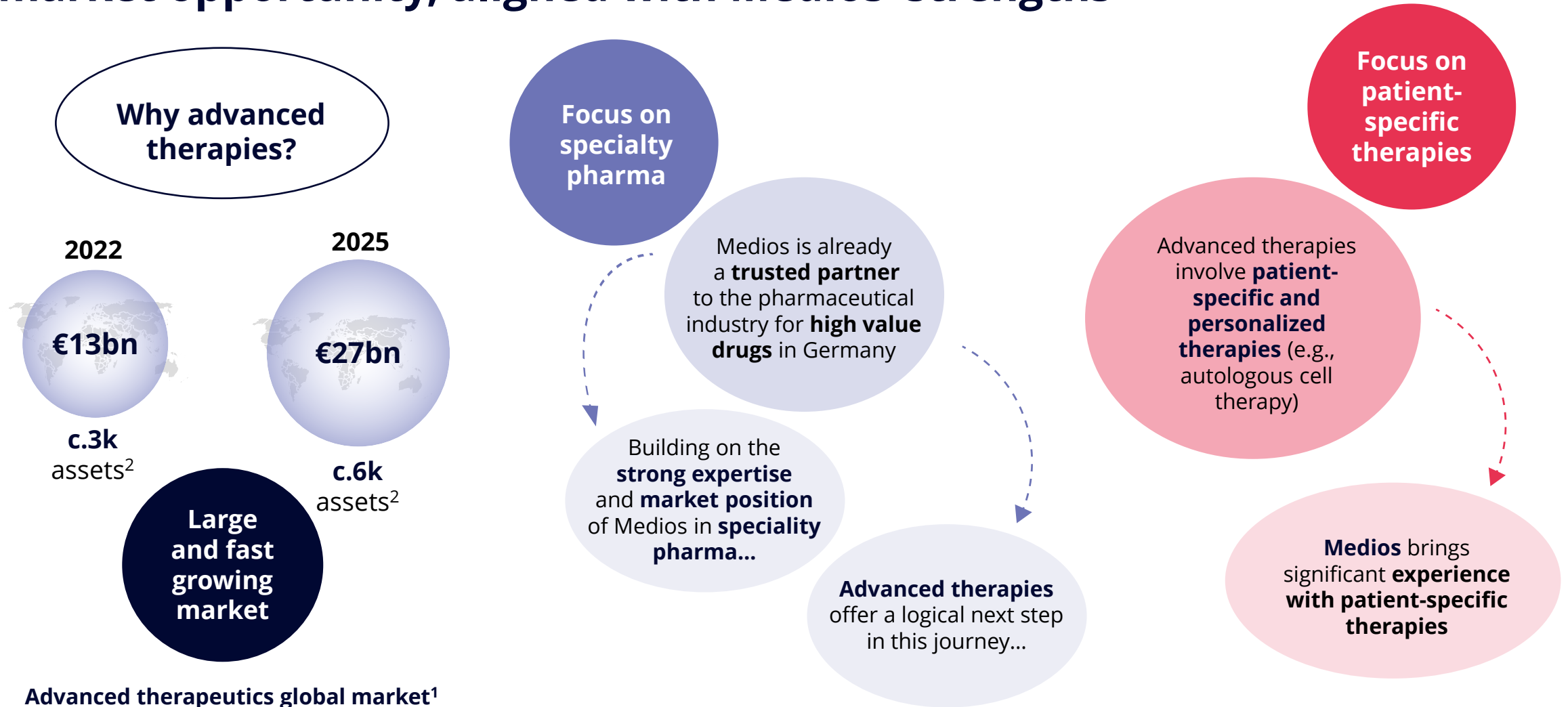


The prioritised markets have a **total population** of **c.106m** and a total specialty pharma spending of **c.€17bn**



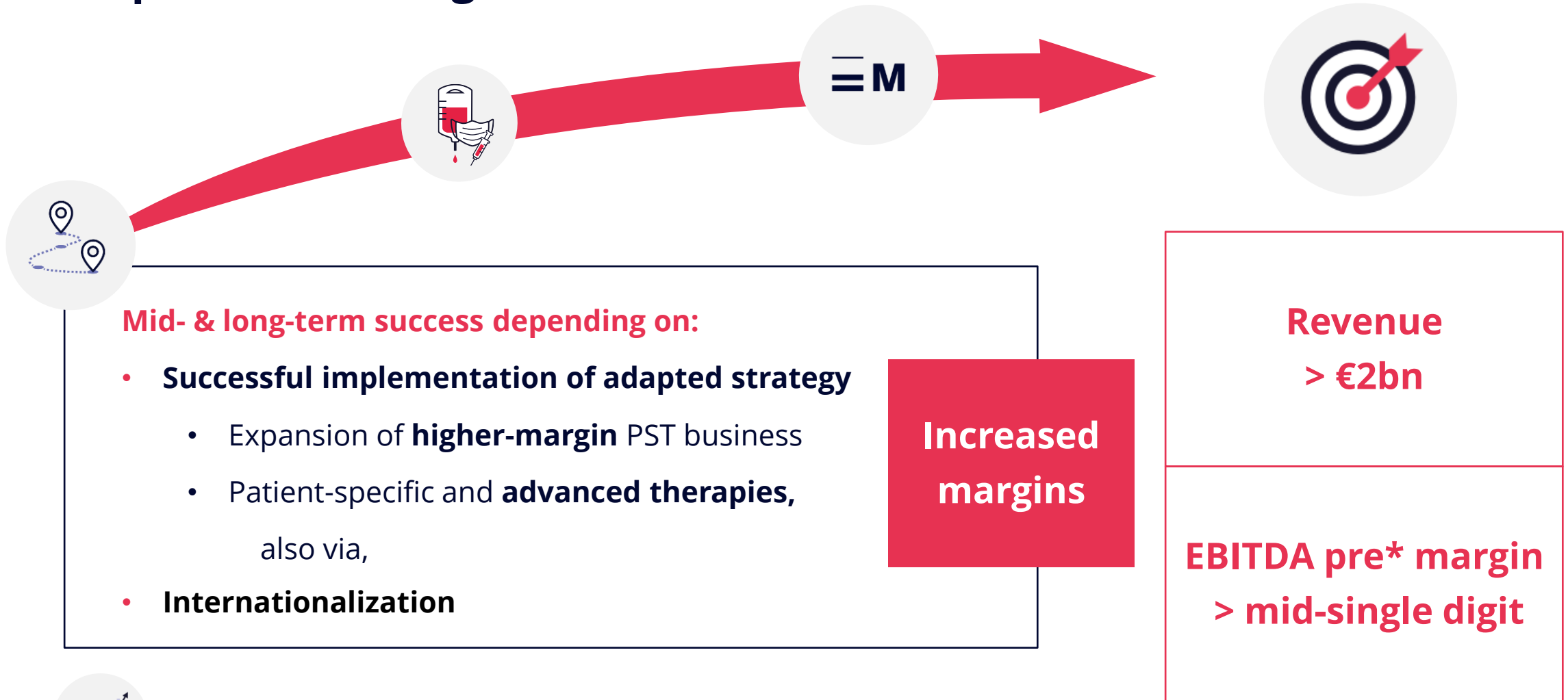
The **total compounding market size** in the prioritised markets is estimated to be **c.€2bn**

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



Advanced therapeutics global market¹

Group Mid-term targets 2025-2027



Growth drivers: organic, M&A, economies of scale, cost efficiencies

* 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 manufacturing volumes

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Key figures (1/2)

in € thousand

| | FY 2022 | FY 2021 | Δ in % | Q4 2022 | Q4 2021 | Δ in % |
|---|-----------|-----------|--------|---------|---------|---------|
| Revenue | 1,610,777 | 1,357,408 | 18.7 | 399,380 | 368,643 | 8.3 |
| Pharmaceutical Supply | 1,390,296 | 1,294,531 | 7.4 | 345,914 | 352,786 | -1.9 |
| Patient-Specific Therapies | 219,962 | 62,230 | 253.5 | 53,337 | 15,685 | 240.0 |
| Services | 518 | 648 | -20.1 | 130 | 171 | -24.3 |
| EBITDA | 51,214 | 34,635 | 47.9 | 10,124 | 7,438 | 36.1 |
| <i>Margin (in % of Revenue)</i> | 3.2 | 2.6 | | 2.5 | 2.0 | |
| EBITDA pre* | 54,875 | 38,435 | 42.8 | 11,115 | 10,229 | 8.7 |
| <i>Margin (in % of Revenue)</i> | 3.4 | 2.8 | | 2.8 | 2.8 | |
| Pharmaceutical Supply | 38,011 | 33,673 | 12.9 | 9,809 | 9,865 | -0.6 |
| Patient-Specific Therapies | 23,665 | 7,928 | 198.5 | 4,326 | 1,945 | 122.4 |
| Services | -6,801 | -3,166 | 114.8 | -3,020 | -1,582 | 90.9 |
| EBIT | 28,966 | 15,261 | 89.8 | 3,996 | -340 | -1274.8 |
| <i>Margin (in % of Revenue)</i> | 1.8 | 1.1 | | 1.0 | -0.1 | |
| Comprehensive income before minority interests | 18,329 | 7,402 | 147.6 | 2,478 | -2,488 | -199.6 |

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

Key figures (2/2)

| in € thousand | FY 2022 | FY 2021 | Δ in % | Q4 2022 | Q4 2021 | Δ in % |
|--|---------------------|---------------------|---------------|----------------|----------------|---------------|
| Earnings per share (in €) | | | | | | |
| Undiluted | 0.77 | 0.37 | 108.1 | 0.10 | -0.13 | -23.1 |
| Diluted | 0.77 | 0.37 | 108.1 | 0.10 | -0.11 | -9.1 |
| Investments (CAPEX) | 5,064 | 12,821 | -60.5 | 1,488 | 3,873 | -61.1 |
| Cash flow from operating activities | 37,123 | 61,530 | -39.7 | 19,245 | 21,091 | -8.8 |
| *Extraordinary expenses | 3,660 | 3,801 | -3.7 | 992 | 2,791 | -64.5 |
| Expenses from stock options ¹ | 2,870 | 2,996 | -4.2 | 807 | 2,146 | -62.4 |
| Other M&A expenses ¹ | 790 | 805 | -1.9 | 185 | 645 | -71.4 |
| | Dec 31, 2022 | Dec 31, 2021 | Δ in % | | | |
| Employees (heads) | 531 | 301 | 71.8 | | | |
| Balance sheet total | 575,958 | 524,142 | 9.9 | | | |
| Equity | 448,045 | 394,164 | 13.7 | | | |
| <i>Equity ratio (in %)</i> | 77.8 | 75.2 | 3.1 | | | |

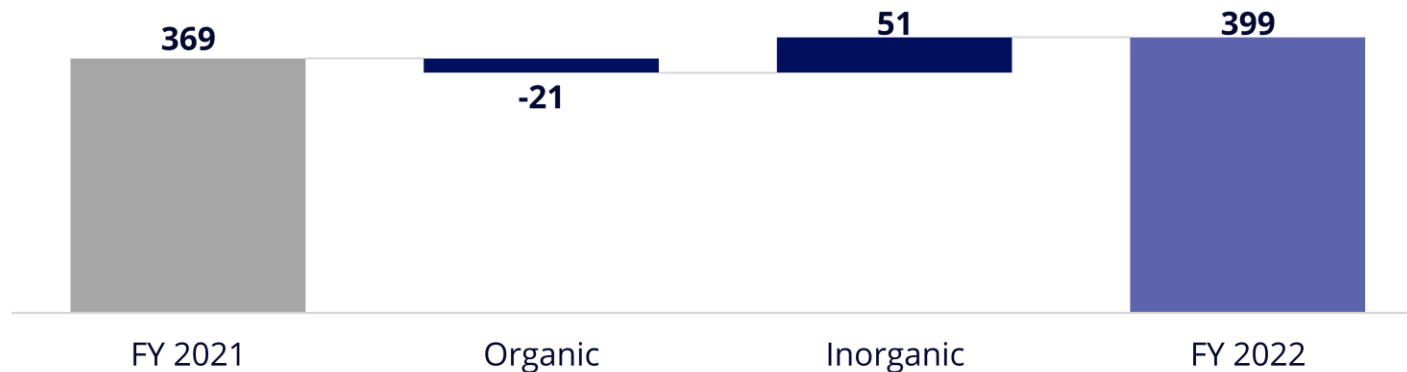
Q4 2022 – Ongoing organic and inorganic revenue growth

| Q4 YoY revenue in €m | Q4 2021 | Organic | Inorganic | Q4 2022 |
|--------------------------------|--------------|--------------|--------------|--------------|
| Pharmaceutical Supply | 352.8 | -21.7 | 14.9 | 345.9 |
| Patient-specific Therapies | 15.7 | 1.1 | 36.5 | 53.3 |
| Services | 0.2 | 0.0 | - | 0.1 |
| Medios Group total | 368.6 | -20.7 | 51.4 | 399.4 |
| <i>Medios Group total in %</i> | | <i>-5.6%</i> | <i>13.9%</i> | <i>8.3%</i> |

Comments

- **Inorganic Growth** (+14%; €+51.4m) driven by NewCo acquisition

Revenue bridge



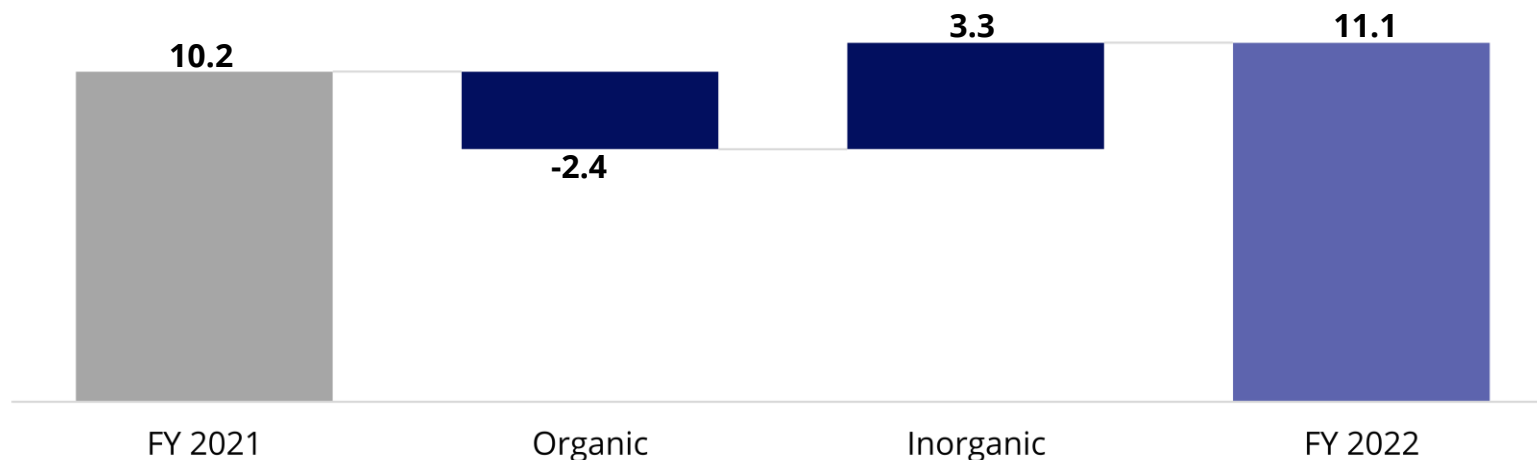
Q4 2022 – EBITDA pre¹ driven by acquisition of NewCo Pharma

| Q4 YoY EBITDA pre ¹ in €m | Q4 2021 | Organic | Inorganic | Q4 2022 |
|--------------------------------------|-------------|---------------|--------------|-------------|
| Pharmaceutical Supply | 9.9 | -0.9 | 0.8 | 9.8 |
| Patient-specific Therapies | 1.9 | -0.1 | 2.5 | 4.3 |
| Services | -1.6 | -1.4 | 0 | -3.0 |
| Medios Group total | 10.2 | -2.4 | 3.3 | 11.1 |
| <i>Medios Group total in %</i> | | <i>-23.3%</i> | <i>32.0%</i> | <i>8.7%</i> |

Comments

- **EBITDA pre of PS and PST segments** grew exclusively inorganically
- Acquisition of NewCo Pharma led to EBITDA pre¹ contribution of €3.3m (€2.5m in PST; €0.8m in PS)
- **Services** reflects integration efforts as well as strategy projects combined with increased needs for central functions

EBITDA pre¹ bridge



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 manufacturing volumes

Q4 2022 – Impacted by regulatory changes

| In € million | Pharmaceutical Supply 'PS' | | Patient-specific Therapies 'PST' | | Internal Services and IFRS consolidation | | Group | |
|---|----------------------------|---------------------------|----------------------------------|---------------------------|--|-----------------------------|----------------------------|----------------------------|
| | Q4 2022 | Q4 2021 | Q4 2022 | Q4 2021 | Q4 2022 | Q4 2021 | Q4 2022 | Q4 2021 |
| Total segment revenue <i>delta (y-o-y in %)</i> | 364.7 1.1% | 360.8 | 65.2 221.0% | 20.3 | -30.5 144.9% | -12.4 | 399.4 8.3% | 368.6 |
| Revenue - external <i>delta (y-o-y in %)</i> | 345.9 -2.0% | 352.8 | 53.3 240.0% | 15.7 | 0.1 -24.3% | 0.2 | 399.4 8.3% | 368.6 |
| EBITDA pre¹ <i>margin (% of revenue - total)</i> | 9.8 2.7% | 9.9 2.7% | 4.3 6.6% | 1.9 9.4% | -3.0 9.8% | -1.6 12.9% | 11.1 2.8% | 10.2 2.8% |
| <i>margin (% of revenue - external)</i> | 2.8% | 2.8% | 8.1% | 12.1% | -300% | -800% | 2.8% | 2.8% |

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Matthias Gaertner, CEO

Falk Neukirch, CFO

March 30, 2023