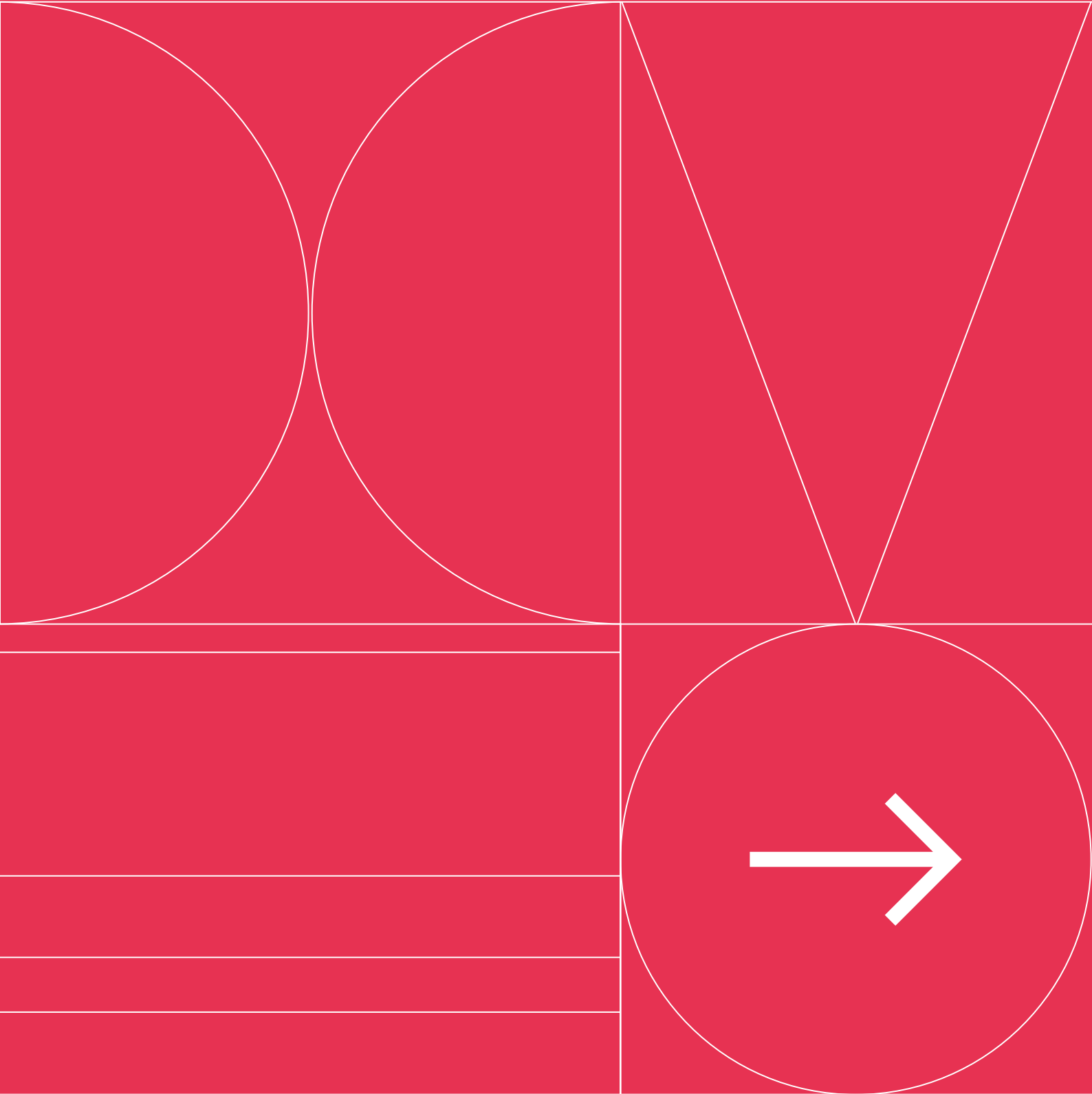


Group Quarterly Statement

as of March 31, 2024



Quarterly statement as of March 31, 2024

Medios AG records further revenue growth in the first quarter of 2024 and confirms full-year guidance

- Revenue increases by 5.8% to €456.2 million in the first quarter
- Cash flow from operating activities increases to €43.4 million
- Closing of the Ceban acquisition planned for May 2024
- Guidance 2024 confirmed: Significant increase in revenue and margin expected

Medios AG ("Medios"), the leading provider of Specialty Pharma solutions in Germany, confirms its guidance for the 2024 financial year after a solid first quarter. Revenue increased by 5.8% year-on-year to €456.2 million in the period from January to March 2024 (previous year: €431.2 million). At €15.1 million (previous year: €15.0 million), EBITDA pre reached the level of the same quarter of the previous year. As a result, the EBITDA pre margin of 3.3% (previous year: 3.5%) was slightly lower than in the same period of the previous year. Cash flow from operating activities improved significantly.

Significant events in the reporting period

Acquisition of the Dutch market leader for pharmaceutical compounding services

Medios announced the acquisition of Ceban Pharmaceuticals B.V. ("Ceban") on **March 18, 2024**. Ceban is a fast-growing, leading pharmaceutical compounding platform with operations in the Netherlands, Belgium and Spain. In 2023, Ceban is expected to generate revenue of approximately €160m and an adjusted EBITDA of approximately €29m, which corresponds to an adjusted EBITDA margin of approximately 18%. The acquisition is an important step in Medios' growth strategy, which aims to build the leading European Specialty Pharma platform. Through the acquisition, Medios is well positioned to benefit from the strong growth in home care, clinics and hospitals in the Netherlands and Belgium. The closing of the transaction is subject to the fulfillment of customary closing conditions. The transaction is expected to be completed in May 2024.

Ceban is the market leader in pharmaceutical compounding in the Netherlands, among the top 3 in Belgium and among the top 5 in Spain. The company supplies around 3,300 pharmacies and more than 200 hospitals and has its own pharmacy chain with 23 pharmacies in the Netherlands.

Ceban covers the entire value chain – from the procurement of APIs (Active Pharmaceutical Ingredients) to the sterile and non-sterile compounding of pharmaceuticals and the supply of public and hospital pharmacies through to homecare services for patients at home. The company has long-standing relationships with players along the entire value chain and is well positioned to benefit from the rapidly growing demand for pharmaceutical compounding by clinics, pharmacies and hospitals.

Medios will acquire a 100% stake in Ceban Pharmaceuticals B.V. from funds managed by Bencis. The purchase price to be paid for the transaction includes a cash component of €235.3m and 1.7 million new Medios shares. The newly issued shares will be subject to a strict hard lock-up period of 24 months.

The purchase price will be financed by Medios from existing cash and an already committed credit line. The 1.7 million new shares will be issued from authorized capital in return for a non-cash contribution.

Contracts with members of the Executive Board

On **February 1, 2024**, the Supervisory Board of Medios AG resolved to extend the existing Executive Board contracts of Mi-Young Miehler (Chief Operating Officer / COO) and Christoph Prußeit (Chief Innovation Officer / CINO) ahead of schedule until January 31, 2026 and July 31, 2027 respectively. Mi-Young Miehler has been a member of the Executive Board since July 1, 2017 and is responsible for the Pharmaceutical Supply business segment as well as for the departments Marketing & Corporate Communications, Human Resources and Post Merger Integration. Christoph Prußeit has been a member of the Executive Board since January 1, 2019 and is responsible for the departments IT, IT Security and Project Management as well as Digital Innovation, Public Affairs and Privacy. He is also responsible for the Patient-Specific Therapies business segment.

The Supervisory Board of Medios AG has appointed Constantijn van Rietschoten as further member to the Company's Executive Board with effect from **May 1, 2024**. In his new role as Chief International Markets, van Rietschoten, who has been Head of International Business Development at Medios since April 2023, will assume responsibility for the entire international business and its further development. He has been appointed as a member of the Executive Board until April 30, 2027.

Earnings, financial and asset situation of the Medios Group

EARNINGS OF THE MEDIOS GROUP (IFRS)

In the first three months of the 2024 financial year, consolidated revenue at Medios Group increased by €25.0 m or 5.8% to €456.2 m compared to the same period of the previous year. Revenue was generated almost exclusively within the Federal Republic of Germany, as in the previous year.

In the first quarter, the Pharmaceutical Supply segment generated external revenue of €401.0m (previous year: €368.1m), which corresponds to an increase of €32.9m or 8.9% compared to the same period of the previous year. External revenue in the Patient-Specific Therapies segment decreased by €7.9m or 12.5% year on year to €55.1m (previous year: €62.9m), with around €3.5m of this decline attributable to the sale of Kölsche Blister GmbH in June 2023. In addition, regulatory price adjustments in the areas of gastroenterology and oncology as well as higher performance-related expenses for the acquisition of compounding volumes had a negative impact on revenue in the first quarter. External revenue of €0.1m (previous year: €0.2m) was generated in the Services segment.

Gross profit for the Group amounted to € 27.6 m in the reporting period, compared to €27.8m in the same period of the previous year, which corresponds to a decrease of €0.2m or 0.9% and a gross profit margin of 6.1% (previous year: 6.5%).

In the Pharmaceutical Supply segment, gross profit rose by €1.1m to €15.0m (previous year: €13.9m), which corresponds to a significant increase of 7.9%. At 3.4%, the gross profit margin was largely on the same level as in the previous year (previous year: 3.5%). In the Patient-Specific Therapies segment, gross profit fell, driven by revenue, by € 1.6 m or 11.1% to €12.5m (previous year: €14.0m), with €0.7m of this decline attributable to the sale and resulting deconsolidation of Kölsche Blister GmbH. The gross profit margin increased by 2.5 percentage points from 18.5% to 21.0% compared to the same period in the previous year, which was also due to higher other operating income and the increase in the manufacture of ophthalmic products.

The Group's personnel costs fell by a total of €0.4m or 4.2% year-on-year to €8.6m (previous year: €9.0m), which is mainly due to the change in the scope of consolidation in the previous year. Non-cash expenses for stock option programs included in personnel expenses amounted to €0.3m in the first quarter (previous year: €0.4m).

The Group's other operating expenses amounted to €7.3m in the first quarter of 2024, an increase of €1.7m or 30.2% compared to the previous year (previous year: €5.6m). This development was mainly due to a €1.2m increase in legal and consulting costs (previous year: €0.6m), which were mainly incurred as part of the acquisition process for Ceban

Pharmaceuticals B.V. Due to the sale of Kölsche Blister GmbH, other operating expenses fell by €0.2m compared to the previous year.

The Group's earnings before interest, taxes, depreciation and amortization (EBITDA) fell by €1.6m or 11.7% compared to the previous year and is reconciled as follows to the consolidated earnings before interest, taxes, depreciation and amortization (EBITDA pre) adjusted for special items:

in € thousand	Q1 2024	Q1 2023
EBITDA	11,733	13,293
Expenses from Stock Option Programs	277	367
Other M&A expenses	1,607	161
Performance-based payments for the transfer of compounding volumes	1,418	1,130
ERP implementation costs	41	0
EBITDA pre¹	15,076	14,952

¹ adjusted for special items

EBITDA pre of the Medios Group increased by €0.1m or 0.8% compared to the same period of the previous year.

The operating segment Pharmaceutical Supply contributed EBITDA pre of €11.0m to Group EBITDA pre and achieved an increase in earnings of €0.9m or 9.0% compared to the previous year (previous year: €10.1m). EBITDA pre adjusted for special items in the Patient-Specific Therapies operating segment decreased by €0.6million or 9.4% year-on-year to €5.9m (previous year: €6.6m), which is mainly due to regulatory price adjustments. The sale of Kölsche Blister GmbH had no significant effect on the change in EBITDA pre compared to the previous year. EBITDA pre in the Services business segment amounted to €-1.9m and is essentially unchanged compared to the same period of the previous year (previous year: €-1.7m).

Depreciation and amortization in the first quarter of 2024 amounted to €5.2m and thus remained largely unchanged compared to the same period of the previous year (previous year: €5.3m).

The Medios Group's financial result decreased by €0.3m compared to the same period of the previous year to €-0.7m (previous year: €-0.4m) and mainly includes interest expenses for utilized tranches of the existing syndicated loan and commitment interest for the secured bridge financing.

FINANCIAL SITUATION OF THE MEDIOS GROUP (IFRS)

Cash and cash equivalents amounted to €112.7m as of March 31, 2024 (December 31, 2023: €71.0m) and mainly consisted of freely available bank balances. The increase in cash and cash equivalents of €41.7m compared to the end of 2023 is attributable to the following significant cash flows:

Cash flow from operating activities amounted to €43.4m in the first quarter of 2024 (Q1 2023: €-25.3 m) and mainly resulted from the positive operating result of €11.7m and a reporting date-related increase in trade payables of €31.4m, while inventories and trade receivables remained almost unchanged compared to the end of 2023.

Cash flow from investing activities amounted to €-0.4m in the first quarter of 2024 (Q1 2023: €-17.2m) and mainly resulted from investments in property, plant and equipment.

Cash flow from financing activities amounted to €-1.3m in the first quarter of 2024 (Q1 2023: €-24.1m) and mainly resulted from interest paid in the amount of €0.4 m as well as repayments of financial liabilities in the amount of €0.3m and financial liabilities from rental agreements in the amount of €0.6m.

ASSET SITUATION OF THE MEDIOS GROUP (IFRS)

The Group's total assets as at March 31, 2024 increased by €36.1m to €630.8m compared to December 31, 2023 (December 31, 2023: €594.8m), which is mainly due to an increase in current assets and current liabilities.

Intangible assets decreased by a total of €3.9m as of 31 March 2024 compared to December 31, 2023, which is attributable to the amortization of customer bases and other intangible assets in the amount of €3.7m.

Property, plant and equipment and capitalized right-of-use assets from rental agreements decreased compared to December 31, 2023 due to scheduled depreciation in the amount of €1.5m.

Current assets increased by €40.8m to €310.0m (December 31, 2023: €269.2m). As of the reporting date, this is mainly due to a significant increase in cash and cash equivalents of €41.7m to €112.7m (December 31, 2023: €71.0m). Other assets decreased by €1.4m compared to the end of 2023.

Equity amounted to €473.1m as of March 31, 2024, which corresponds to an increase of €4.3m compared to the end of 2023 (December 31, 2023: €468.8m). The equity ratio was 75.0% as of March 31, 2024 (December 31, 2023: 78.8%).

Positive outlook for the 2024 financial year

The Executive Board expects revenue of €1.9bn to €2.1bn and EBITDA pre of €82m to €91m for 2024. This expectation is based on the assumption that the acquisition of Ceban Pharmaceuticals B.V. will be completed by the beginning of May 2024 and that the Group will be fully consolidated from this date. The forecast is based on a number of assumptions about the future. If key assumptions do not materialize, an adjustment of the forecast cannot be ruled out. The extraordinary expenses adjusted in the EBITDA pre-forecast for 2024 include expenses for share options and for M&A, expenses for the introduction of an ERP system and performance-related payments for the acquisition of compounding volumes in 2024 in the amount of €5.7m.

In the medium term, the market share in the area of patient-specific therapies in particular is to be further expanded, thereby increasing the profitability of the entire Medios Group. Accordingly, Medios is aiming for consolidated revenue of more than €2bn and an EBITDA pre-margin at least in the mid-single-digit range in the medium term.

EBITDA is defined as consolidated earnings before interest, taxes, depreciation and amortization. EBITDA pre is adjusted for special charges for stock options and expenses for M&A activities as well as for performance-related payments for the acquisition of compounding volumes and, from 2024, for expenses for the introduction of an ERP system.

Key financials (IFRS)

		Q1 2024	Q1 2023	Δ in %
Revenue	€ thousand	456,224	431,238	5.8
Pharmaceutical Supply	€ thousand	401,042	368,144	8.9
Patient-Specific Therapies	€ thousand	55,061	62,937	-12.5
Services	€ thousand	121	158	-23.3
EBITDA	€ thousand	11,733	13,293	-11.7
Margin (in % of revenue)	%	2.6	3.1	-16.1
EBITDA, adjusted for special items¹	€ thousand	15,076	14,952	0.8
Margin (in % of revenue)	%	3.3	3.5	-5.7
Pharmaceutical Supply	€ thousand	11,037	10,125	9.0
Patient-Specific Therapies	€ thousand	5,939	6,555	-9.4
Services	€ thousand	-1,899	-1,729	9.8
EBIT	€ thousand	6,530	8,017	-18.5
Margin (in % of revenue)	%	1.4	1.9	-26.3
Consolidated net income after income taxes	€ thousand	3,992	4,829	-17.3
Earnings per share				
Undiluted	€	0.17	0.20	-16.2
Diluted	€	0.17	0.20	-16.2
Capital Expenditures (CapEx)	€ thousand	466	275	69.5
Cash flow from operating activities	€ thousand	43,385	-25,338	n/a
Free Cashflow (before M&A) ²	€ thousand	42,919	-25,613	n/a
Cash flow from investing activities	€ thousand	-390	-17,249	-97.7
Employees as of 03/31	number	500	546	
Employees³ (average)	number	482	530	
		Mar, 31, 2024	Dec, 31, 2023	
Total assets	€ thousand	630,817	594,753	6.1
Equity	€ thousand	473,076	468,807	0.9
Equity ratio	%	75.0	78.8	-4.8
		Q1 2024	Q1 2023	
1 Extraordinary expenses	€ thousand	3,343	1,659	
Expenses from stock options	€ thousand	277	367	
Other M&A expenses	€ thousand	1,607	161	
Performance-related payments for the acquisition of compounding volumes	€ thousand	1,418	1,130	
ERP implementation costs	€ thousand	41	0	

² Calculated from cash flow from operating activities less investments (CapEx)

³ Employees excluding Executive Board, managing directors and trainees

Consolidated statement of comprehensive income

in € thousand	Q1 2024	Q1 2023	Δ in %
Revenue	456,224	431,238	5.8
Change in stocks of finished goods and work in progress	-11	54	<-100.0
Other income	1,205	274	>100.0
Cost of materials	429,791	403,688	6.5
Personnel expenses	8,631	9,008	-4.2
Other expenses	7,263	5,577	30.2
Earnings before interest, tax, depreciation and amortization (EBITDA)	11,733	13,293	-11.7
Depreciation and amortization	5,203	5,277	-1.4
Operating profit/loss (EBIT)	6,530	8,017	-18.5
Financial expenses	707	452	56.4
Financial income	36	12	>100.0
Financial result	-671	-440	52.5
Consolidated earnings before tax (EBT)	5,859	7,576	-22.7
Income tax	1,867	2,747	-32.0
Consolidated earnings after tax	3,992	4,829	-17.3
Total consolidated earnings			
Undiluted earnings per share (in €)	0.17	0.20	-16.2
Diluted earnings per share (in €)	0.17	0.20	-16.2

Consolidated balance sheet

Assets

in € thousand	03/31/2024	12/31/2023	Δ in %
Non-current assets	320,830	325,560	-1.5
Intangible assets	283,930	287,800	-1.3
Property, plant and equipment	21,307	21,686	-1.7
Rights of use as lessee	14,981	15,427	-2.9
Financial assets	612	647	-5.4
Current assets	309,987	269,193	15.2
Inventories	59,126	59,325	-0.3
Trade receivables	125,165	124,759	0.3
Other assets	10,192	11,604	-12.2
Income tax receivables	2,768	2,465	12.3
Cash and cash equivalents	112,736	71,040	58.7
Total assets	630,817	594,753	6.1

Liabilities

Equity			
Subscribed capital	23,806	23,806	0.0
Capital reserves	379,423	379,146	0.1
Accumulated consolidated net income	69,847	65,855	6.1
Attributable to shareholders in the parent company	473,076	468,807	0.9
Liabilities			
Non-current liabilities	41,149	42,715	-3.7
Financial liabilities	14,182	14,655	-3.2
Other accrued liabilities	3,891	3,848	1.1
Deferred tax liabilities	23,077	24,212	-4.7
Current liabilities	116,591	83,230	40.1
Other provisions	781	965	-19.1
Trade payables	84,287	52,839	59.5
Financial liabilities	2,845	2,794	1.8
Income tax liabilities	15,331	13,367	14.7
Other liabilities	13,347	11,615	14.9
Advance payments received	0	1,649	-100.0
Total liabilities	157,741	125,946	25.2
Total assets	630,817	594,753	6.1

Consolidated Statement of cash flows

in € thousand	Q1 2024	Q1 2023	Δ in %
Cash flow from operating activities			
Net income for the year	3,992	4,829	-17.3
Depreciation and amortization	5,203	5,277	-1.4
Increase/decrease in provisions	-184	-86	>100.0
Other non-cash expenses	277	367	-24.5
Increase/decrease in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	1,188	-45,031	n/a
Increase/decrease in Liabilities from trade payables and other liabilities that are not Investment or financing activities	31,530	9,618	>100.0
Financial result	671	441	52.2
Income/losses from the disposal of assets	183	0	n/a
Income tax expense	1,867	2,747	-32.0
Income tax payments	-1,342	-3,500	-61.7
Net cash inflow/outflow from operating activities	43,385	-25,338	n/a
Cash flow from investing activities			
Payments made for investments in intangible assets	-12	-45	-73.3
Payments made for investments in property, plant and equipment	-454	-230	97.4
Proceeds from the disposal of tangible fixed assets	5	3	66.7
Proceeds from finance lease	35	25	40.0
Payments for additions to the scope of consolidation	0	-17,014	-100.0
Interest received	36	12	>100.0
Net cash outflow from investing activities	-390	-17,249	-97.7
Cash flow from financing activities			
Proceeds from financial liabilities	8,000	25,000	-68.0
Cash outflows from the repayment of financial liabilities	-8,300	0	n/a
Interest paid	-363	-307	18.2
Repayments of lease liabilities	-636	-594	7.1
Net cash inflow/outflow from financing activities	-1,299	24,100	n/a
Net change in cash and cash equivalents	41,696	-18,488	n/a
Cash and cash equivalents at the end of the reporting period	71,040	79,213	-10.3
Cash and cash equivalents at the end of the reporting period	112,736	60,725	85.7

Consolidated statement of changes in equity

in € thousand	Subscribed capital	Capital reserve	Accumulated total consolidated earnings	Attributable to shareholders in the parent company	Equity
Status as of 01/01/2023	23,806	377,194	47,045	448,045	448,045
Net profit for 2022	0	0	4,829	4,829	4,829
Share-based payments	0	367	0	367	367
Capital increase	0	0	0	0	0
Transaction costs from capital increase	0	0	0	0	0
Status as of 03/31/2023	23,806	377,561	51,874	453,241	453,241
Status as of 01/01/2024	23,806	379,146	65,855	468,807	468,807
Net profit for 2023	0	0	3,992	3,992	3,992
Share-based payments	0	277	0	277	277
Capital increase	0	0	0	0	0
Transaction costs from capital increase	0	0	0	0	0
Status as of 03/31/2024	23,806	379,423	69,847	473,076	473,076

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