



Q1 2021 Results

Matthias Gaertner CEO/CFO

May 11, 2021

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Highlights – Record quarter: Next level reached

Operations

Ongoing progress in strategy implementation

- Exploit synergy potentials and cross-selling opportunities: Led to an expansion of the network from 330 to around 500 specialized partner pharmacies
- Look for M&A targets: focus on compounding and digitalization

Pharmaceutical Supply:

- Growth driven by acquisition of Cranach Pharma GmbH – specialized pharmaceutical wholesaler
- Significant expansion of product and indication portfolio (e.g., hemophilia)

Patient-specific Therapies:

- Work started on the establishment of further GMP-certified laboratories and optimization of logistics to be finalized by the end of 2021 to be able up to triple production in the mid-term

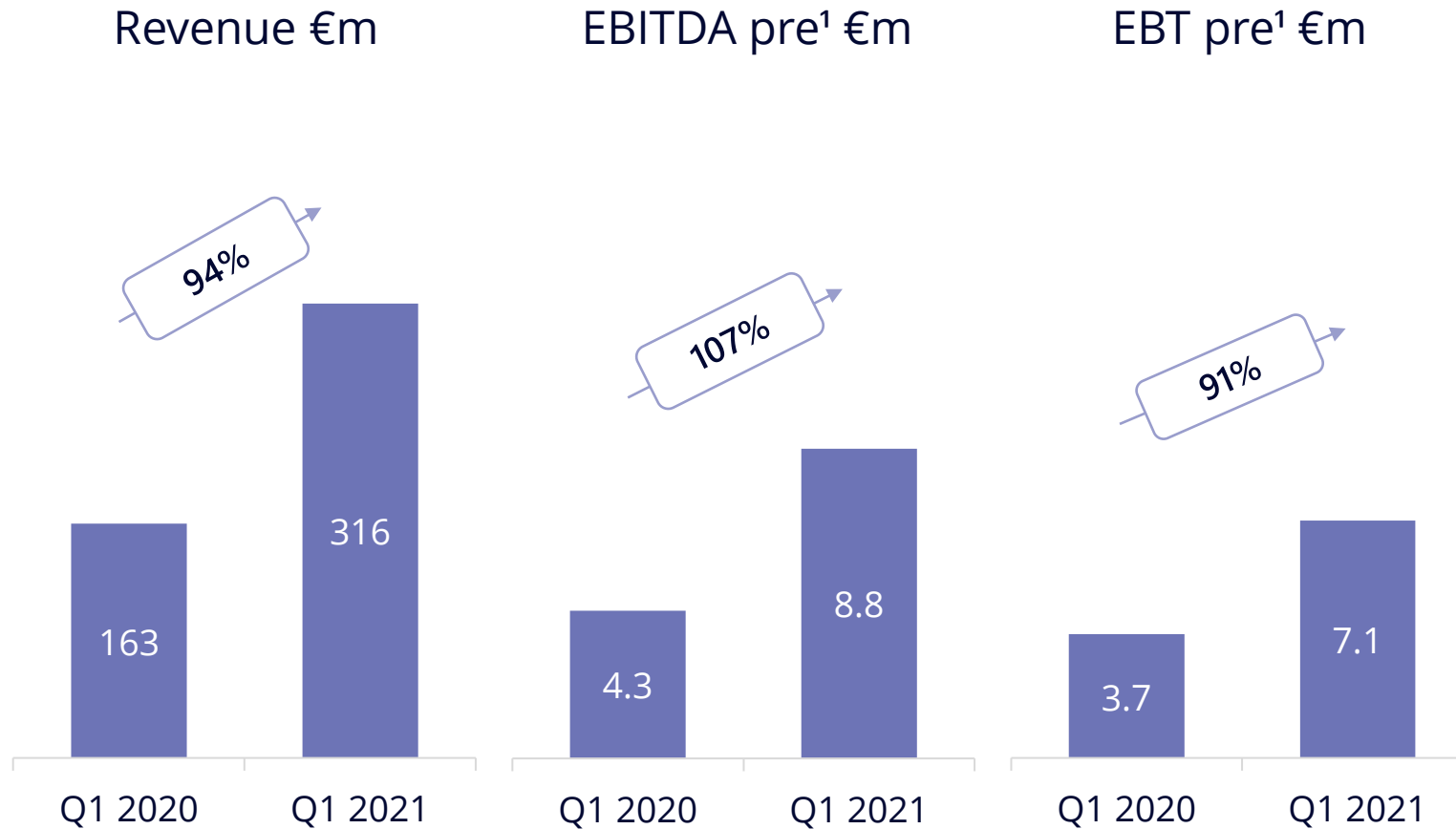
Services

- mediosconnect: innovative digital platform to manage order and billing processes; ongoing activities to establish an e-prescription-compatible platform: therewith first enabler in specialty pharma


Financials

- Record high of all KPIs: strong operational quarter
- Positive operating cash flow at a record high
- Integration of Cranach Pharma GmbH into the Medios Group reflected in financials

Q1 2021 – Record quarter in Medios' history

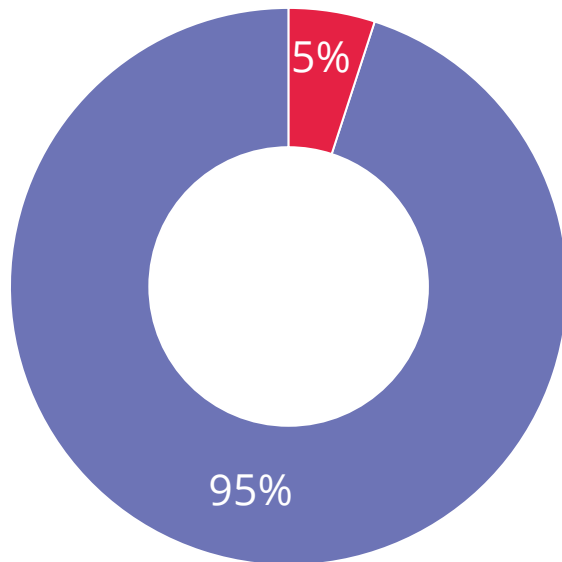


Comments

-  Weaker but persistent Corona effects
- Quota system still ongoing – effects reflected in margins
- Growing competition between EU countries regarding supply of pharmaceuticals, especially those that are higher-priced

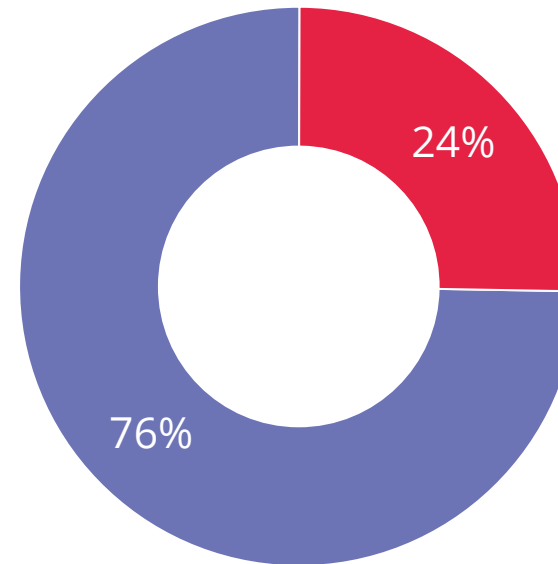
Q1 2021 – Split by segments

Revenue by segment^{1, 2}



- Pharmaceutical Supply
- Patient-specific Therapies

EBITDA pre by segment²



- Pharmaceutical Supply
- Patient-specific Therapies

ESG strategy well under way

Status Quo

- Code of conduct published end of 2020 
- For the first time publication of “voluntary report” based on CSR-RUG¹ 
- Website: ESG Section established 
- Participant of UN Global Compact 
 - Since March 2021 Medios has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment and anti-corruption.



Future

- Implementation of ESG targets in the compensation system of the Executive Board
- Develop and establish ESG strategy, focus on:
 - Environmental concerns
 - Employee matters
 - Social issues
 - Respect for human rights
 - Fight against corruption and bribery
- Increased number of ratings and improved grades

Q4 2020

Q2 2021

Q4 2021...

Ratings by



More to come...

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Q1 2021 – Record quarter driven by external growth

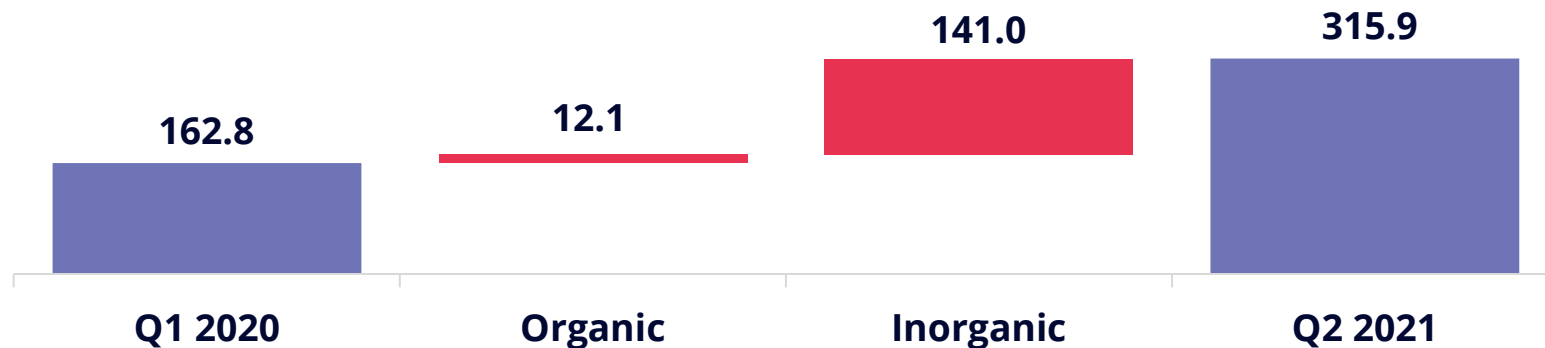
In € million	Q1 2021	Q1 2020	Δ%	Comments
Revenue	315.9	162.8	94.0	<ul style="list-style-type: none"> • Strong revenue growth driven by inorganic growth of Pharmaceutical Supply as key contributor • Disproportionate increase of personnel & other expenses due to lean structure of Cranach Pharma • Earnings still impacted by ongoing COVID-19 effects • For the first time depreciation of “customer relationships” (€2.1m/quarter) of Cranach Pharma reflected in EPS • Jump of operating CF due to improved earnings and WC • Cash & cash equivalents <ul style="list-style-type: none"> • Cash inflow from Cranach Pharma • Additional draw of the syndicated loan (credit line) • Strong operating CF
COGS ¹ <i>ratio in % of revenue</i>	300.4 95.1	153.8 94.5	95.3	
Personnel expenses	4.6	3.2	45.9	
Other expenses	2.7	1.9	41.9	
EBITDA pre ²	8.8	4.3	106.5	
EBT pre ²	7.1	3.7	90.7	
EPS (€), undiluted	0.15	0.15	-6.7	
CF from operating activities	21.4	-10.5	<-100.0	
CF from financing activities	5.6	-0.9	<-100.0	

In € million	31 Mar 2021	31 Dec 2020	
Inventories	46.6	35.3	31.8
Cash & cash equivalents	74.2	19.8	>100.0
Equity <i>ratio in %</i>	312.8 68.9	142.4 73.2	>100.0

Q1 2021 – Record quarter driven by external growth

Q1 YoY Revenue in €m	Q1 2020	Organic	Inorganic	Q1 2021	Comments
Pharmaceutical Supply	148.2	11.8	139.6	299.6	<ul style="list-style-type: none"> Compared to a very strong previous year Q1 2020 as a result of stockpiling due to COVID-19 pandemic Successful integration of both acquisitions; inorganic growth strongly supported by synergy effects
thereof Cranach Pharma	0	0	139.6	139.6	
Patient-specific Therapies	14.5	0.2	1.4	16.1	
thereof Kölsche Blister	0	0	1.4	1.4	
Services	0.1	0	0	0.1	
Medios Group total	162.8	12.1	141.0	315.9	
Medios Group total in %		7.4%	86.6%	94.0%	

Net sales bridge



Q1 2021 - Improved margins in both segments

	Pharmaceutical Supply		Patient-specific Therapies		Internal Services and IFRS consolidation		Group	
In € million	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020
Revenue (total)	307.8	156.1	17.2	15.7	-9.2	-9.0	315.9	162.8
• Thereof external revenue	299.6	148.2	16.1	14.5	0.1	0.1	315.9	162.8
<i>delta (y-o-y in %)</i>	102.2		11.0		90.9		94.0	
COGS ¹	298.2	152.0	11.5	10.9	-9.3	-9.1	300.4	153.8
<i>ratio (% of revenue)</i>	96.9	97.4	66.8	69.3	101.4	100.8	95.1	94.5
EBITDA pre ²	7.0	2.3	2.2	1.8	-0.4	0.1	8.8	4.3
<i>margin (% of revenue)</i>	2.3	1.5	12.9	11.7	4.5	-1.1	2.8	2.6
EBT pre ²	5.7	2.0	1.9	1.6	-0.6	0.1	7.1	3.7
<i>margin (% of revenue)</i>	1.9	1.3	11.2	10.4	6.1	-0.8	2.2	2.3

Comments

- Pharmaceutical: COGS-ratio improved by 0.5%
- Significant margin improvement for both
- Clear positive synergy effects from successful integration of acquired companies

Financing power- Strong financial position to invest in future growth

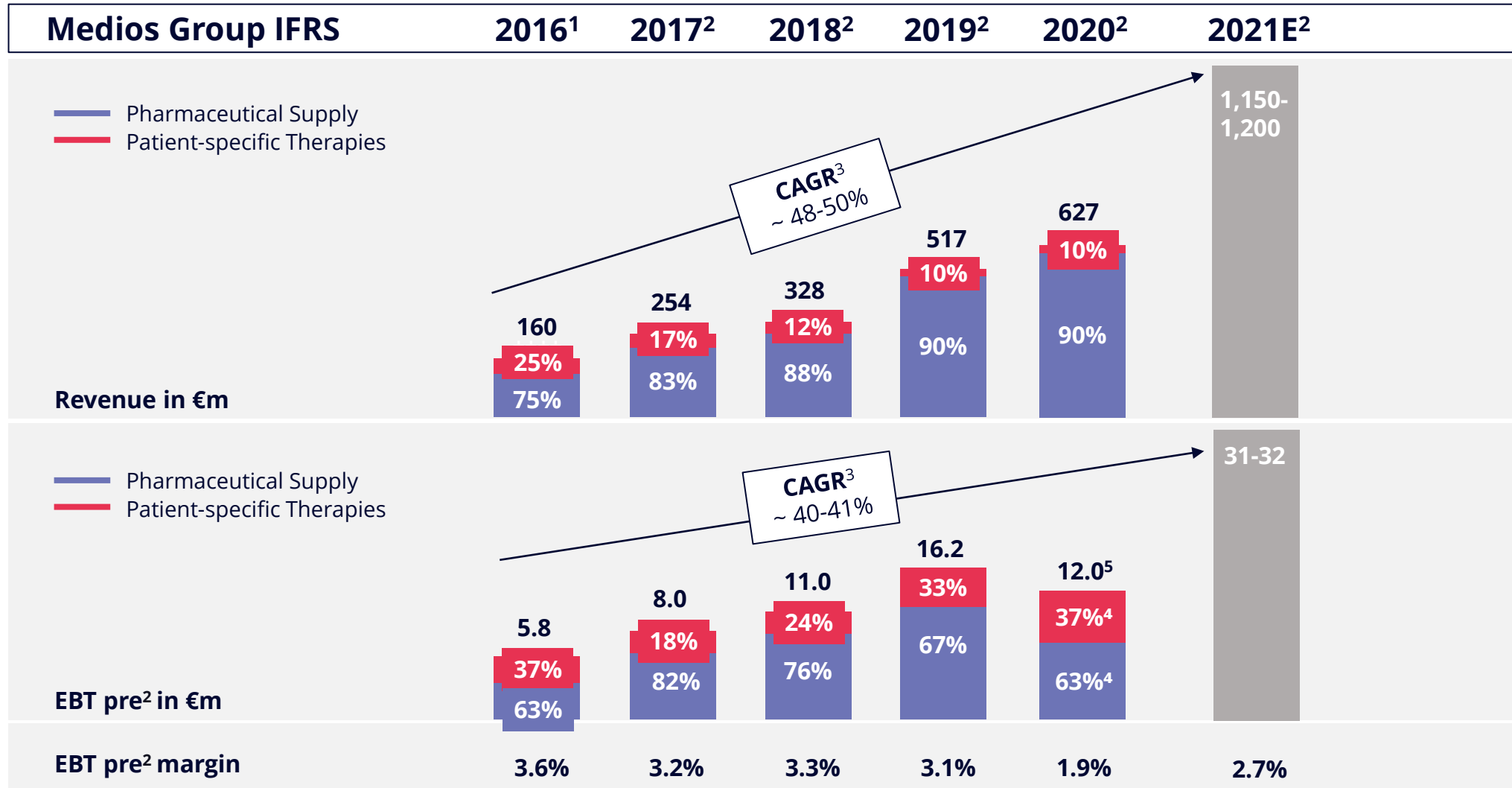
As of March 31, 2021	In € million	Liquidity to be used for...
Syndicated loan	62.5	Organic growth
Thereof called	-31.5	<ul style="list-style-type: none"> • Up to €10 million to be invested in new labs
Cash & cash equivalents	74.2	External growth
Total liquidity	105.2	<ul style="list-style-type: none"> • M&A strategy: focus on compounding business and digitalization

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Forecast – Nearly doubling of revenue and jump in earnings

In € million	2021F ¹	2020	Growth %	Main Assumptions
Group revenue	1,150 – 1,200	626.0	84 – 92	<ul style="list-style-type: none"> + External growth will be substantially driven by the acquisitions of Cranach Pharma, and Kölsche Blister; additional acquisitions planned + Synergy effects as a result of the mergers: <ul style="list-style-type: none"> • Especially in purchasing and logistics • Cross-selling within partner network + Increase of compounding business + Extended product portfolio: e.g., hemophilia - Still ongoing COVID-19-related effects - Increased HQ costs due to projects and a higher # of employees
EBITDA pre ² <i>margin (% of revenue)</i>	38 – 39 3.3	15.1 2.4	152 – 159	
EBT pre ² <i>margin (% of revenue)</i>	31 – 32 2.7	12.0 1.9	158 - 166	

Proven financial track with strong profitable growth



¹ 2016 pro-forma; ² Adjusted for extraordinary expenses for stock options, M&A and amortization of the customer base;

³ CAGR = Compound Annual Growth Rate ⁴ Split excluding the segment "Services" ⁵ Including the segment "Services"

Good plan for organic growth and M&A

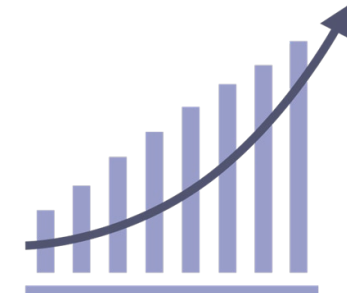
Organic growth

- Establish new labs in Berlin by the end of 2021– to be able to **triple manufacturing capacities**
- Expand “blistering” focusing on high-priced drugs
- Enlarge partner network of specialized pharmacies
- Foster market integration through innovative **digital trading platform** mediosconnect
 - E-prescription – launch on January 1, 2022¹
- Expansion and ongoing diversification of indication areas
- Exploit **cross-selling** opportunities

Inorganic growth

- Ongoing M&A focusing on
 - **Compounding** - increase in capacities for enhanced production of individualized preparations and additional indications
 - **Digitalization** – liaise with partners

medios  Connect



Medios is well prepared for growth and a successful future!

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Appendix

Key figures

in € thousand	Q1 2021	Q1 2020	Δ in %
Revenue	315,908	162,834	94.0
Pharmaceutical Supply	299,628	148,217	>100.0
Patient-Specific Therapies	16,134	14,541	11.0
Services	145	76	90.9
EBITDA	8,476	4,066	>100.0
<i>Margin (in % of Revenue)</i>	2.7	2.5	
EBITDA without extraordinary expenses*	8,798	4,261	>100.0
<i>Margin (in % of Revenue)</i>	2.8	2.6	
Pharmaceutical Supply	6,996	2,317	>100.0
Patient-Specific Therapies	2,220	1,847	20.2
Services	-418	97	<-100.0
EBT	4,374	3,373	29.7
<i>Margin (in % of Revenue)</i>	1.4	2.1	
EBT without extraordinary expenses*	7,093	3,719	90.7
<i>Margin (in % of Revenue)</i>	2.2	2.3	
Pharmaceutical Supply	5,714	2,019	>100.0
Patient-Specific Therapies	1,940	1,633	18.8
Services	-561	67	<-100.0
Comprehensive income before minority interests	2,841	2,310	23.0

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

in € thousand	Q1 2021	Q1 2020	Δ in %
Earnings per share (in €)			
Undiluted	0.15	0.15	0.0
Diluted	0.14	0.15	-6.7
Investments (CAPEX)	2,629	1,033	>100.0
Cash flow from operating activities	21,401	-10,463	<-100.0
Full-time employees (average)	307	191	60.7
*Extraordinary expenses			
Expenses from stock options ¹	322	195	65.5
Other M&A expenses ¹	0	0	n/a
Amortization of customer base ^{1,2}	2,217	152	>100.0
Financial expenses M&A ^{1,2}	180	0	n/a
Extraordinary expenses, total	2,719	347	>100.0
Balance sheet total	453,906	194,537	>100.0
Equity (as of December 31)	312,769	142,425	>100.0
<i>Equity ratio (as of December 31)</i>	68.9	73.2	

¹ related to EBITDA; ² related to EBT

Consolidated statement of comprehensive income

In € thousand	Q1 2021	Q1 2020
Revenue	315,908	162,834
Change in stocks of finished goods and work-in-progress	0,084	0,031
Work performed and capitalized	0,063	0,000
Other income	0,139	0,092
Cost of materials	300,373	153,804
Personnel expenses	4,608	3,158
Other expenses	2,738	1,929
Earnings before interest, taxes, depreciation and amortization (EBITDA)	8,476	4,066
Depreciation and amortization	3,835	0,627
Earnings before interest and taxes (EBIT)	4,641	3,439
Financial expenses	0,269	0,072
Financial income	0,002	0,006
Consolidated earnings before taxes (EBT)	4,374	3,373
Taxes	1,533	1,062
Consolidated earnings after taxes	2,841	2,310
Total consolidated earnings	2,841	2,310

Consolidated balance sheets

Assets in € thousand	Mar 31, 2021	FY 2020
Non-current assets	227,572	58,232
Intangible assets	202,976	35,237
Property, plant and equipment	7,123	5,337
Right of use	17,110	17,269
Financial assets	0,364	0,390
Current assets	226,334	136,305
Inventories	46,553	35,310
Trade receivables	103,551	74,789
Other assets	2,002	6,394
Income tax receivables	0,041	0,024
Cash and cash equivalents	74,186	19,788
Balance sheet total	453,906	194,537

Liabilities in € thousand	Mar 31, 2021	FY 2020
Equity		
Subscribed capital	20,265	16,085
Capital reserves	267,810	104,487
Accumulated Group Result	24,693	21,853
Attrib. to shareholders in the parent company	312,769	142,425
Liabilities		
Non-current liabilities	77,853	21,484
Financial liabilities	53,388	16,647
Other provisions	2,027	1,039
Deferred tax liabilities	22,438	3,798
Current liabilities	63,285	30,628
Other provisions	0,551	0,512
Trade payables	47,959	22,398
Financial liabilities	2,797	2,587
Income tax liabilities	6,743	2,613
Other liabilities	5,235	2,517
Total liabilities	141,138	52,112
Balance sheet total	453,906	194,537

Consolidated cash flow statement Q1 2021 (1/2)

In € thousand	Q1 2021	Q1 2020
Cash flow from operating activities		
Net income for the year	2,841	2,310
Depreciation and amortization on non-current assets	3,835	0,627
Decrease/increase in provisions	-0,055	-0,161
Other non-cash expenses	0,322	0,195
Increase in inventories, trade receivables and other assets not attributable to investment or financing activities	12,829	-26,465
Decrease/increase in trade payables and other liabilities not attributable to investment or financing activities	1,175	11,902
Financial result	0,267	0,059
Income/expenses from the disposal of assets	-0,006	0,000
Income tax expense	1,533	1,069
Income tax payments	-1,340	0,000
Net cash inflow/outflow from operating activities	21,401	-10,463

Consolidated cash flow statement Q1 2021 (2/2)

In € thousand	Q1 2021	Q1 2020
Cash flow from investment activities		
Payments made for investments in intangible assets	-0,440	-0,236
Payments from disposals of intangible assets	0,250	0,000
Payments made for investments in property, plant and equipment	-2,189	-0,796
Payments from disposals of tangible fixed assets	0,016	0,000
Payments from disposals of non-current financial assets	0,026	0,021
Payments for additions to the consolidated group	29,972	-1,163
Payments from disposals from the consolidated Group	-0,224	0,000
Interest received	0,002	0,006
Net cash outflow from investment activities	27,412	-2,169
Cash flow from financing activities		
Proceeds from equity injections	0,000	0,000
Payments for issuing costs for the capital increase	-0,019	0,000
Proceeds from financial liabilities	30,000	0,000
Outflows from the repayment of financial liabilities	-23,841	-0,400
Interest paid	-0,166	-0,358
Repayments of the leasing liabilities	-0,389	-0,172
Net cash inflow from financing activities	5,586	-0,930
Net change in cash and cash equivalents	54,399	-13,562
Cash and cash equivalents at the beginning of the period	19,788	12,645
Cash and cash equivalents at the end of the period	74,186	-0,917

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Matthias Gaertner CEO/CFO

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