

Q1 2024 Results

Matthias Gaertner, CEO

Falk Neukirch, CFO

May 07, 2024



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1. **Executive summary**
 2. Financial overview
 3. Guidance 2024, growth story
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Highlights Q1 2024

Financials

Solid Group financials for **Q1 2024** driven by PS business:

- **Revenue increase** of 5.8% to c. €456m; **EBITDA pre increased** by 0.8% to €15.1m
- **Strong operating CF** due to positive operating result and actively managed working capital on the reporting date
- **Guidance 2024 confirmed¹**: Revenue range between €1.9bn - €2.1bn, EBITDA pre range between €82m - €91m

Strategy including ESG

- **ESG-Reporting** Q1 2024: Publication of Nonfinancial consolidated statement 2023 including elements according to CSRD² and EU Taxonomy
- **New member of the Executive Board** appointed for **international business** effective May 1, 2024 and extension of two Executive Board contracts
- **Signing of Ceban Acquisition** 03/2024^{3, 4}: Milestone in building the leading European Specialty Pharma platform

Snapshot Ceban Pharmaceuticals

Ceban Pharmaceuticals



Founded
2004



Headquarters
Breda, Netherlands



Employees
~600

Financials 2023E

~€160m
Revenue

~€29m
EBITDA adj.

~18%
EBITDA
margin adj.

Market position per country*



Netherlands
Market leading



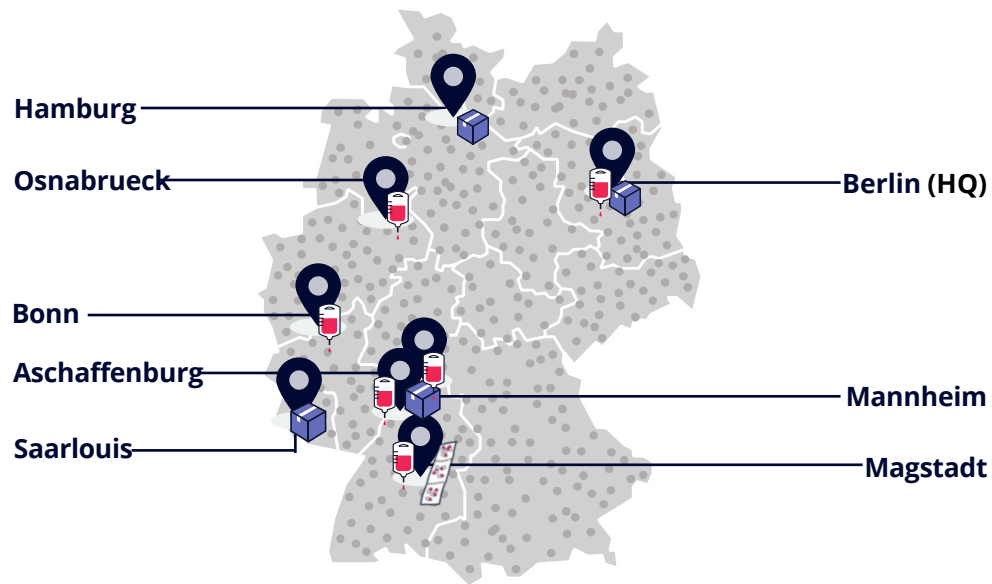
Belgium
#2



Spain
#5

- **Leading full-service compounding services platform**
- **Diversified business model** covering the full compounding value chain:
 - Compounding Services (non-sterile and sterile)
 - API Services
 - Chain of pharmacies (23 pharmacies operating under 'Medsen' brand)
- **Operating 4 well-invested GMP-compliant facilities**
 - 2 in the Netherlands: non-sterile and sterile compounding
 - 1 in Belgium: API repacking and (non)sterile compounding
 - 1 in Spain: API repacking
- Services **>200 hospitals & clinics**, and **>3,300 retail pharmacies**
- Realised an **organic revenue CAGR of ~10% (2021-2023E)**
- **Highly committed management team** with strong track record

Excellent geographic coverage through a market leading German and strong European network



Germany

- **6 GMP labs**/ 1 blistering lab; 2 central / 2 regional warehouses
- Around 800 specialized partner pharmacies
- FY 2023: Around 400,000 individualized preparations

With the acquisition of Ceban*, Medios will have a **leading position** in **Specialty Pharma compounding** in Europe

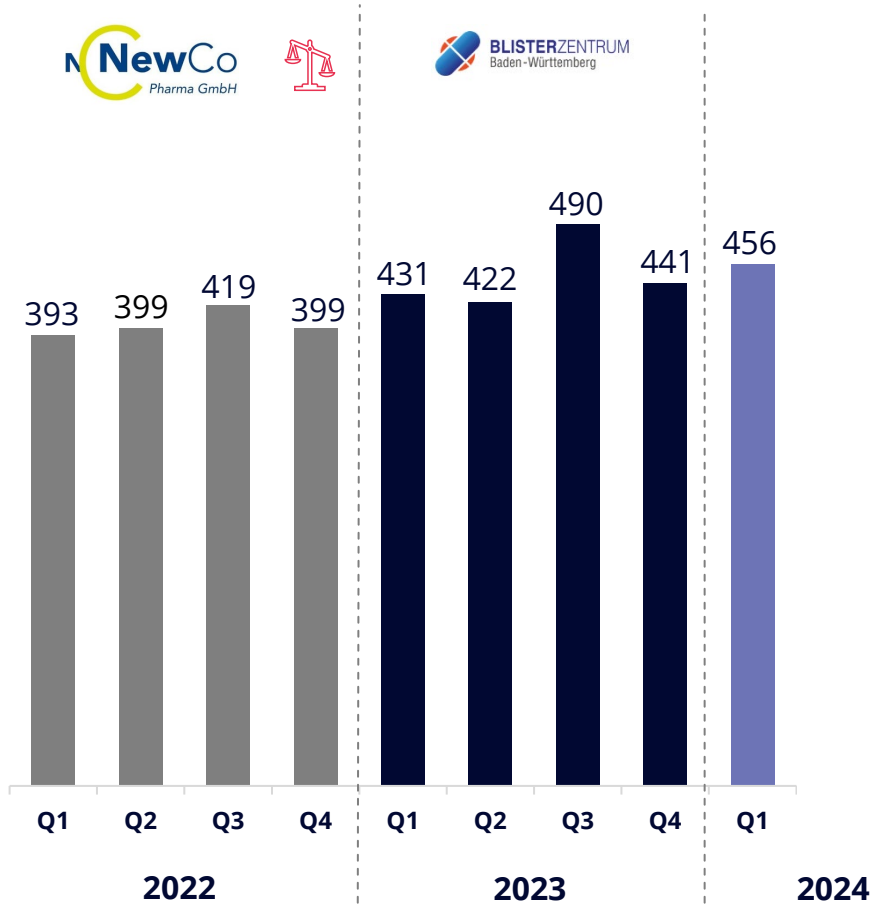


Europe: Germany, Netherlands, Belgium, Spain

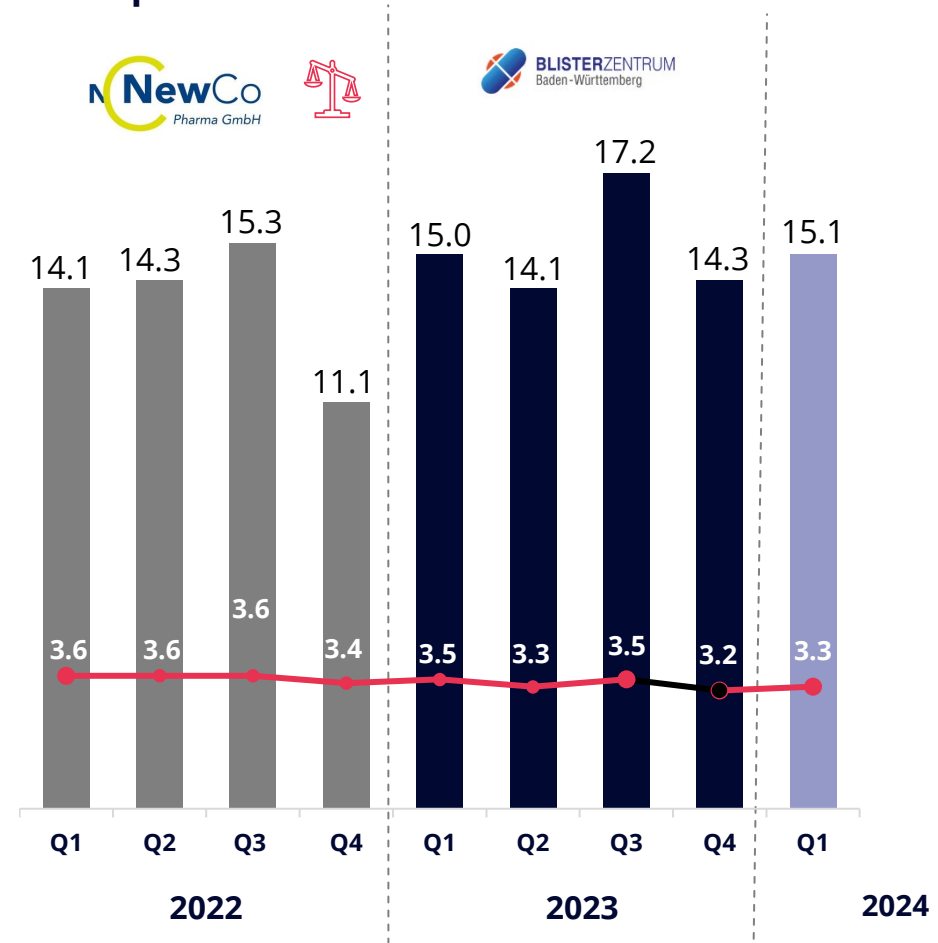
- **10 GMP-(compliant) labs**
- Around 800 specialized partner pharmacies in DE, 23 **own** pharmacies in NL and additional 3,300 partner pharmacies, >200 hospitals across Europe
- > 1 million individualized preparations

QoQ – Revenue and EBITDA pre growth

Revenue (€m)

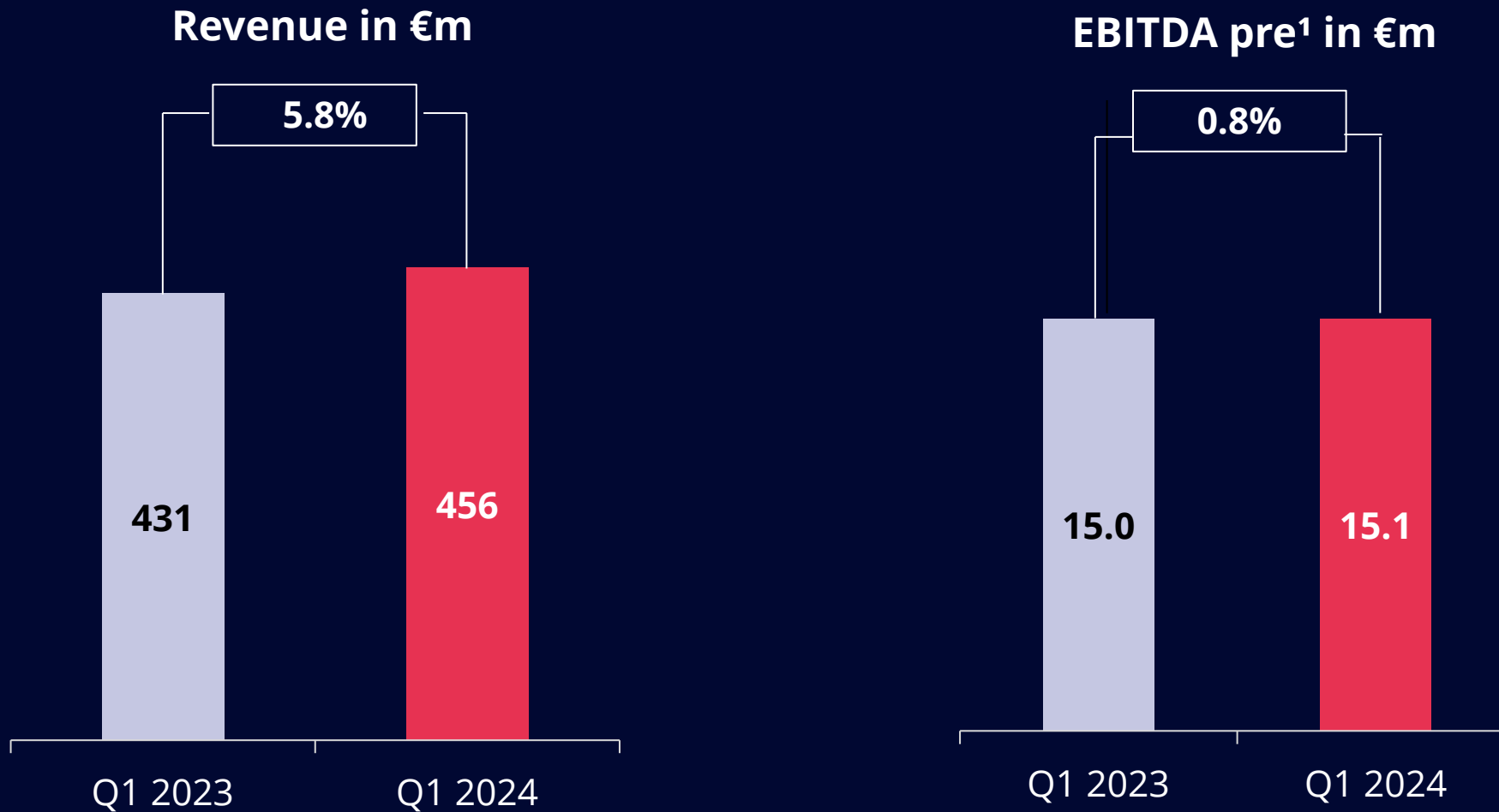


EBITDA pre¹ €m



¹ EBITDA is defined as consolidated earnings before interest, taxes, depreciation and amortization. EBITDA pre is adjusted for special charges for stock options, expenses for M&A activities and for performance-based payments for the acquisition of compounding volumes as well as from 2024 expenses for ERP-System implementation

YoY: Continuous revenue growth





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Q1 2024 – Solid Group financials and strong operating CF

In € million	Q1 2024	Q1 2023	Δ in %	Comments
Revenue	456.2	431.2	5.8%	<ul style="list-style-type: none"> • Revenue driven by PS segment • Gross profit almost flat; growth in PS segment consumed by lower gross profit of PST due to deconsolidation of KB, regulatory headwinds, and higher performance-based payments • EBITDA pre almost stable; margin impacted by the same effects as described for gross profit above except for the performance based payments (adjusted) and the deconsolidation of KB (almost no EBITDA impact) • Strong operating CF of €43.4m mainly due to positive operating result and actively managed working capital on the reporting date; consequently, strong free CF • Investing CF of €-0.4m mainly resulted from investments in property, plant and equipment whereas Q1 2023 was dominated by acquisition of bbw (€19.2m) • Financing CF of €-1.3m reflects interest payments (€-0.4 m) mainly provision rates for a bridge loan for the acquisition of CEBAN (€200 m), €-0.3m repayments of financial liabilities and €-0.6m financial liabilities from rental agreements • Increase in cash & cash equivalents , resulting from the positive operating cashflow
Gross profit ¹	27.6	27.9	-0.9%	
<i>gross margin in %</i>	6.1%	6.5%	-6.3%	
EBITDA pre ²	15.1	15.0	0.8%	
<i>margin in %</i>	3.3%	3.5%	-5.7%	
Conversion rate in % (<i>EBITDA pre/gross profit</i>)	54.6%	53.6%	1.9%	
EBIT	6.5	8.0	-18.5%	
EPS (€), undiluted	0.17	0.20	-16.2%	
CF from operating activities	43.4	-25.4	<-100.0%	
CF from investing activities	-0.4	-17.2	-97.7%	
CF from financing activities	-1.3	24.1	<-100.0%	
Free cash flow ³ (before M&A)	42.9	-25.6	<-100.0%	
	31 Mar 2024	31 Dec 2023	Δ in %	
Inventories	59.1	59.3	-0.3%	
Cash & cash equivalents	112.7	71.0	58.7%	
Equity	473.0	468.8	0.9%	
<i>ratio in %</i>	75.0%	78.8%	-4.8%	

¹ Gross profit = Revenue - Cost of materials | ²EBITDA is defined as consolidated earnings before interest, taxes, depreciation and amortization. EBITDA pre is adjusted for special charges for stock options, expenses for M&A activities and for performance-based payments for the acquisition of compounding volumes as well as from 2024 expenses for ERP-System implementation | ³ Calculated as follows: Operating CF less CAPEX | KB Kölsche Blister

Q1 2024 – Strong PS business; PST impacted by regulatory effects

	Pharmaceutical Supply 'PS'		Patient-specific Therapies 'PST'		Internal Services		IFRS consolidation		Group	
FY YoY in € million	Q1 24	Q1 23	Q1 24	Q1 23	Q1 24	Q1 23	Q1 24	Q1 23	Q1 24	Q1 23
Total segment revenue delta (yoy in %)	436.3 8.6%	401.9	59.2 -22.0%	75.9	2.7 26.3%	2.1	-42.0 28.8%	-48.7	456.2 5.8%	431.2
Revenue – external delta (yoy in %)	401.0 8.9%	368.1	55.0 -12.5%	62.9	0.1 -23.3%	0.2	n/a	n/a	456.2 5.8%	431.2
EBITDA pre*	11.0	10.1	5.9	6.6	-1.9	-1.7	n/a	n/a	15.1	15.0
margin (% of revenue – total)	2.5%	2.5%	10.0%	8.6%	-71.6%	-82.3%			3.3%	3.5%
margin (% of revenue – external)	2.8%	2.8%	10.8%	10.4%	<-100.0%	<-100.0%			3.3%	3.5%

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



1. Executive summary

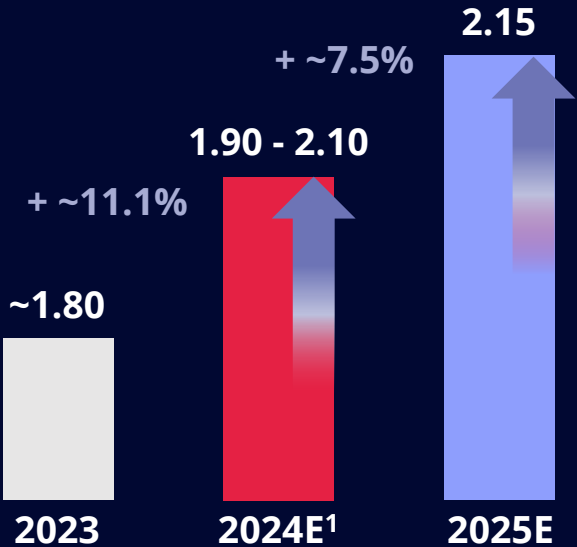
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3. Guidance 2024, growth story

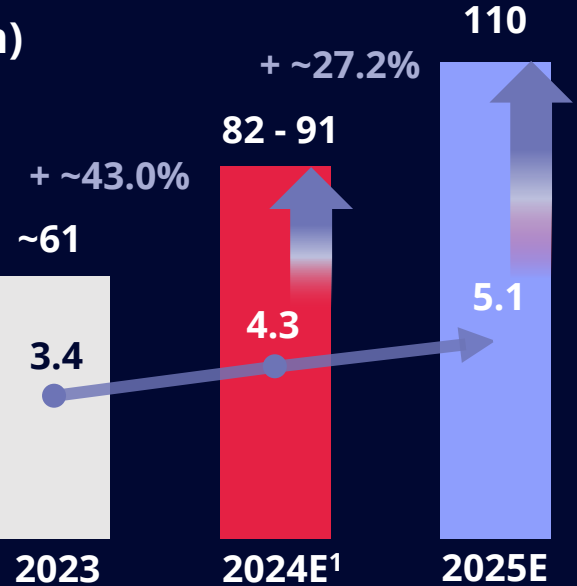
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Guidance 2024, mid-term outlook 2025

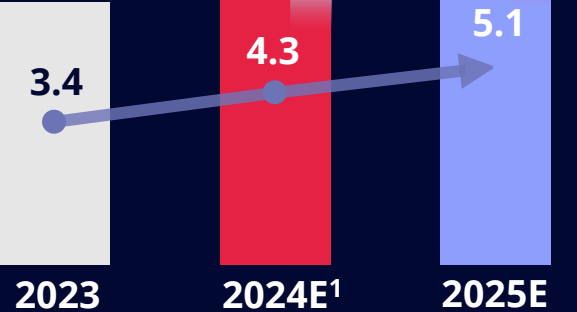
Revenue (€bn)



EBITDA pre* (€m)



Margin (%)



¹ Graphics based on mean value for 2024

Guidance 2024 & growth story

New Group: Significant revenue & EBITDA pre* increase expected

Guidance FY2023 met

Guidance FY 2024 based on:

- Ceban expected to be fully consolidated beginning of May, 2024
- EBITDA pre* adjusted by certain one-off-expenses
- EBITDA pre* not adjusted by integration costs

■	Medios
■	New Medios Group: M +
■	New Medios Group: M +

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

Clear strategy to build the leading European Specialty Pharma Platform



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Ceban: Transformative and value enhancing acquisition

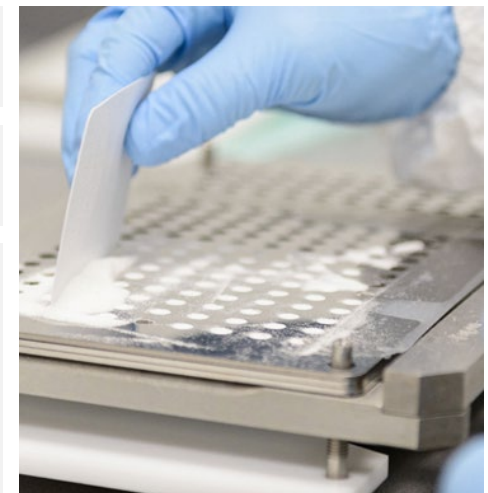
Internationalization	<ul style="list-style-type: none">• First step in Medios internationalization• Immediate market entry into three European countries: NL, BE, ES• A leading position in compounding in Northwestern Europe
European Platform	<ul style="list-style-type: none">• First building block to establish the leading European compounding platform• One-stop-shop on international scale• Improve healthcare and maintain accessibility for patients across Europe
Product diversification	<ul style="list-style-type: none">• Expanding the value chain through 23 own pharmacies in NL• Entry into high-margin segment of APIs• Also covering high-margin non-sterile business
Substantial synergies	<ul style="list-style-type: none">• Significant international cross-selling opportunities across borders for API• International sourcing expertise to fight drug shortages
Attractive purchase price	<ul style="list-style-type: none">• Purchase price comprises a cash component of €235.3m and 1.7m Medios shares (~€23.9m*):• Only small portion of equity-linked financing• Attractive multiple• Immediately accretive to EBITDA pre and EBITDA pre margin

Ceban operates synergistic positions across the compounding value chain

	Compounding Services	API Services	Pharmacies
Description	<ul style="list-style-type: none"> Tailor-made medication compounded at GMP-compliant facilities for pharmacies, hospitals, clinics, and homecare Compounding facilities: <ul style="list-style-type: none"> Breda, NL: Sterile and non-sterile compounding Oostrum, NL: Sterile compounding Wilrijk, BE: Non-sterile and sterile compounding 	<ul style="list-style-type: none"> Sourcing, repacking and distributing APIs and excipients to pharmacies and hospitals compounding in-house Repacking facilities: <ul style="list-style-type: none"> Wilrijk, BE Barcelona, ES 	<ul style="list-style-type: none"> 23 owned pharmacies across the Netherlands under the "Medsen" chain Automated digital services, including 24h dispensing machines
Revenue breakdown	~45%	~15%	~40%
Presence	Netherlands, Belgium	Belgium, Spain	Netherlands
Synergies with Compounding Services		<ul style="list-style-type: none"> ✓ Timely access to APIs ✓ Strong supply chain ✓ In-depth relationships with pharmacies, hospitals and clinics ✓ Starting point for Compounding Services 	<ul style="list-style-type: none"> ✓ Providing insight in market demand and dynamics ✓ Negotiation power over wholesalers ✓ Access to other pharmacies through sale of dispensing machines ✓ Flexibility in distribution

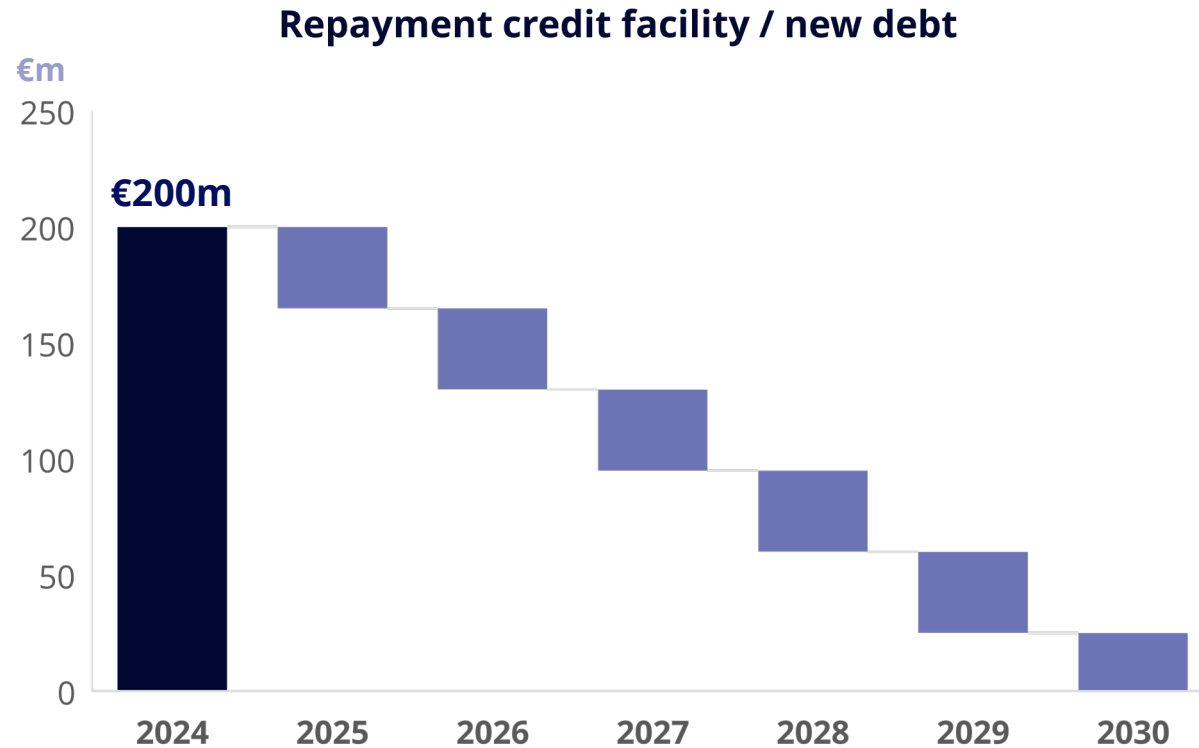


Repacking of APIs, Belgium



Capsule filling, the Netherlands

Debt financing and repayment



Financing of Ceban acquisition and available funds

- Bridge loan of 200m€ to be replaced by syndicate loan or bond by end of 2024
- expected **positive** annual **free cash flow after interest payments** (c. €30-40m) fully available for redemption of credit facility starting from 2025
- **Revolving credit facility of up to €75m** available to finance growth of other segments; maximum net leverage **of 3 restricting**

Key figures (1/2)

in € thousand	Q1 2024	Q1 2023	Δ in %
Revenue	456,224	431,238	5.8%
Pharmaceutical Supply	401,042	368,144	8.9%
Patient-Specific Therapies	55,061	62,937	-12.5%
Services	121	158	-23.4%
EBITDA	11,733	13,293	-11.7%
<i>Margin (in % of Revenue)</i>	2.6%	3.1%	-16.1%
EBITDA pre¹	15,076	14,952	0.8%
<i>Margin (in % of Revenue)</i>	3.3%	3.5%	-5.7%
Pharmaceutical Supply	11,037	10,125	9.0%
Patient-Specific Therapies	5,939	6,555	-9.4%
Services	-1,889	-1,729	9.8%
EBIT	6,530	8,017	-18.5%
<i>Margin (in % of Revenue)</i>	1.4%	1.9%	-26.3%
Comprehensive income before minority interests	3,992	4,829	-17.3%

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

Key figures (2/2)

in € thousand	Q1 2024	Q1 2023	Δ in %
Earnings per share (in €)			
Undiluted	0.17	0.20	-16.2%
Diluted	0.17	0.20	-16.2%
Investments (CAPEX)	466	275	69.5%
Cash flow from operating activities	43,385	-25,338	<-100.0%
Free cash flow³ (before M&A)	42,919	-25,613	<-100.0%
Extraordinary expenses	3,343	1,659	>100.0%
Expenses from stock options ¹	277	367	-24.6%
Other M&A expenses ¹	1,607	161	>100.0%
Performance-related expenses for the acquisition of manufactur. volumes	1,418	1,130	25.5%
ERP implementation costs	41	n/a	n/a
Full-time employees as of 31 March	500	546	8.4%
Employees (average)²	482	530	9.1%
	Mar 31, 2024	Dec 31, 2023	Δ in %
Total assets	630,817	594,753	6.1%
Equity	473,076	468,807	0.9%
<i>Equity ratio (in %)</i>	75.0%	78.8%	-4.8%

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MEDIOS

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Q1 2024 Results

Matthias Gaertner, CEO

Falk Neukirch, CFO

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