



**MPH** Health  
Care AG  
INTERIM REPORT

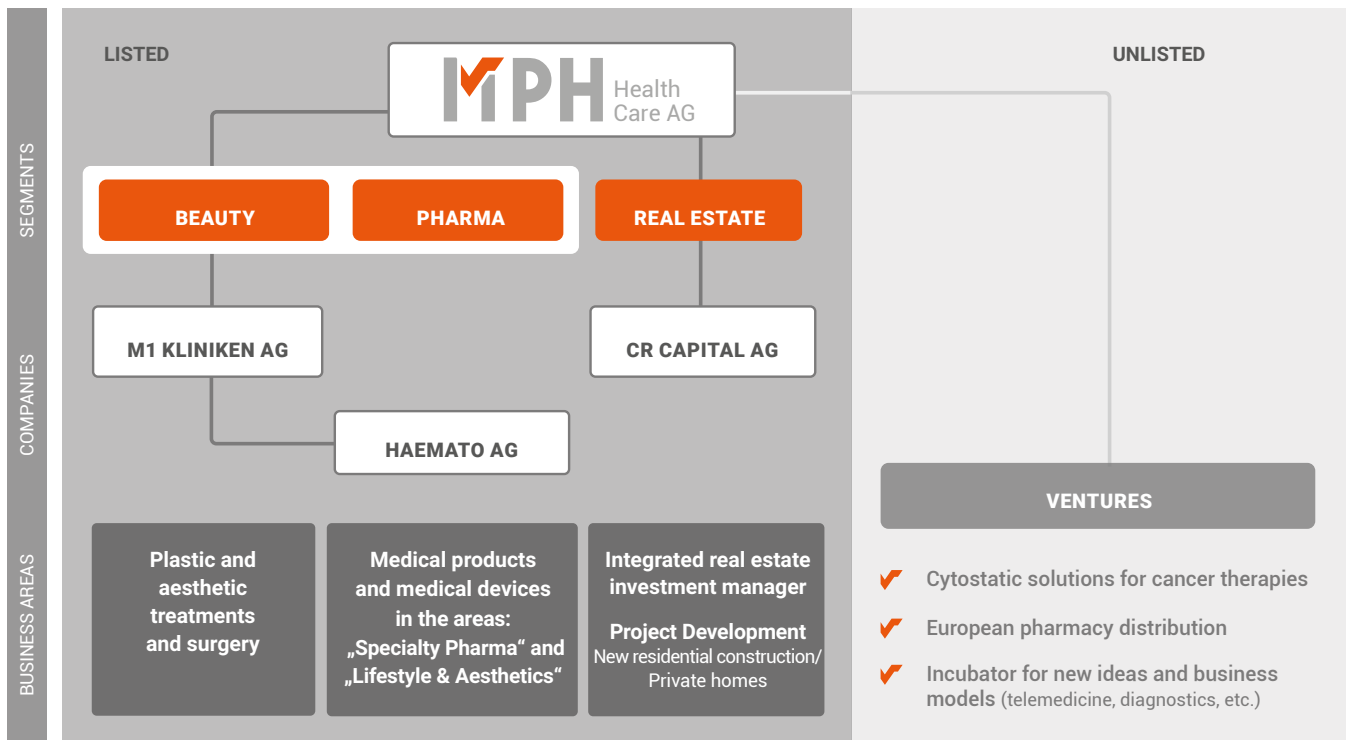
**2022**

## Guiding principle

As an investment company, the strategic focus of MPH Health Care AG's activities is on companies from the high-growth segments of the health care market and the real estate industry. The health care market (served by MPH's investments, among others) includes both the segments financed by health insurance companies („first healthcare market“) and the privately financed segments (so-called „second healthcare market“). Considering the demographic development in Germany and Europe, we assume that the first and second health care markets will continue to grow in the coming years. A society that is getting older due to increasing life expectancy needs a stable supply of medication over a longer period of time. In addition, health and body awareness and the demand for medical-aesthetic services are increasing in old age. MPH wants to exploit the resulting potential by working in partnership with its portfolio companies.

The aim is to generate profitable growth in the companies through active further development, thereby increasing the value of the respective portfolio company itself and the enterprise value of MPH Health Care AG. However, MPH Health Care AG is not exclusively focused on the health care and real estate markets. There are also investment opportunities in other high-growth sectors, we would like to exploit and expand upon.

## KEY AREAS OF MPH Health Care AG



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## Dear Shareholders, Ladies and Gentlemen

the German economy is moving through difficult times in 2022. The buoyant forces from the lifting of pandemic restrictions, the aftermath of the Corona crisis and the shockwaves from the war in Ukraine are creating opposing economic dynamics. Actually, Germany should be in a post-Corona boom these weeks. At least that's what most economic experts promised at the beginning of this year. But since then the world has changed. Russia has launched a war on Ukraine, the price of gas has skyrocketed to historic highs, inflation is marching towards double-digit rates and material shortages have worsened. In addition, central banks have begun to tighten the monetary reins. Consequently, there is no sign of a post-Corona boom. Instead, the German economy is on its way into recession.

Unfortunately, the share prices of MPH Health Care AG's listed investments have not been spared from these restrictive developments. Due to the (non-cash) fair value measurement of the investments as at the reporting date of June 30, 2022, MPH posted an **after-tax loss** (in accordance with IFRS accounting) of EUR 36.0 million, compared with an after-tax profit of EUR 23.5 million for the same period in the previous year.

In the first six months of 2022, operating income decreased from EUR 24.5 million to EUR 0.3 million due to the lack of fair value gains on financial assets.

**Equity** decreased by 18.7% to EUR 156.3 million compared to 31.12.2021. The **equity ratio** decreased only very slightly from 97.1 % as of December 31, 2021 to 96.8% as of June 30, 2022 and still represents a very high value and is thus an expression of MPH's healthy capital structure.

The **net asset value** (NAV) per share has decreased year-over-year from EUR 52.49 to EUR 36.51 as of June 30, 2022.

Due to the current uncertainties caused by the Ukraine crisis, rising inflation and increasing energy prices, our listed investment **M1 Kliniken AG** decided at its Annual General Meeting on July 13, 2022 not to pay a dividend in order to strengthen liquidity. The Annual General Meeting of the second listed investment **CR Capital AG** took place on May 31, 2022. As a result of the satisfactory business and earnings development in 2021, it was decided to increase the dividend from EUR 1.50 to EUR 2.50 per dividend-bearing share. As in the previous year, the tax-free dividend can be received in cash or in the form of shares in the company at a subscription price of EUR 17.50. This is at the discretion of the shareholders.

In order to have sufficient liquidity for further growth and expansion of the investments, the Annual General Meeting of MPH Health Care AG on July 14, 2022 decided not to distribute a **dividend** and to carry forward the balance sheet profit for the 2021 financial year in full.

The operational development of our two listed investments in the first half of 2022 is satisfactory and in line with expectations.

### **M1 Kliniken AG**

IFRS consolidated revenues in the first half of 2022 amounted to EUR 138.7 million after EUR 164.9 million in the first half of 2021. However, it should be noted that the „Trading“ segment included one-off special effects in the previous year from sales of COVID rapid antigen tests worth nearly 25 million. These sales could not be repeated in the current financial year. Compared to the first half of 2020, sales in the „Trade“ segment increased by 4.5%.

The „Beauty“ segment contributed EUR 27.9 million to sales - an increase of over 15% compared to the previous year's value. It became clear that Corona and all the measures associated with it do not have a lasting negative impact on the „Beauty“ segment. Thus, M1 was able to increase the number of beauty treatments performed in the past 1st half of 2022 by 16% compared to the previous year to now 189,000 treatments (previous year 163,000). M1 Kliniken AG continues to grow and opened four new locations in Germany and abroad in the first half of 2022 and has a practice network of 50 locations as of June 30, 2022. Further locations in Germany and abroad are in preparation.

The operating result (EBIT) for the reporting period totals EUR 4.5 million. In the previous year, the M1 Group achieved an EBIT of EUR 7.1 million, whereas the relatively high earnings contribution of the COVID antigen rapid tests in the first half of 2021 must be taken into account.

### **CR Capital AG**

Our second direct listed investment, CR Capital A, also continued on its successful path in the first half of 2022 and continued to grow profitably. CR Capital AG is an investment company with focus on investing in innovative and high-growth technology companies. The purpose of the company is not operational business, but rather the targeted selection of company investments and their development. CR Capital prefers to develop companies with significant earnings and value growth potential in the area of sustainable business.

In the first half of 2022, CR Capital was able to increase its total operating performance (including income from investments) by around 9% from EUR 63.5 million to EUR 69.0 million. The result from ordinary activities (EBITDA) also increased by around 9% from EUR 62.4 million to EUR 67.7 million. The equity ratio is stable at over 97%.

The first half of 2022 has been positive for our investments and they continue to develop steadily. The two segments „Health Care“ and „Real Estate“ have proven to be crisis-resistant. With the selection of the investment focus, MPH has diversified the risk in two growth markets. I am confident that this will once again have a positive effect on MPH's share price in the future. I would like to express my sincere appreciation for the commitment of the employees of the MPH Group and wish everyone involved continued good health. I would also like to thank the Supervisory Board for this constructive cooperation during the reporting period.

Berlin, August 2022

Patrick Brenske  
(Management Board)

## Net Asset Value of MPH

Net Asset Value	30.06.2022 in EUR	30.06.2021 in EUR
Equity	156,309,868	224,720,188
Equity per share	36.51	52.49

<b>MPH</b> as of 30.06.2022	Number of stocks / shares pieces	Share price <sup>1)</sup> 30.06.2022 in EUR	Market value in EUR	Fair value in EUR
M1 Kliniken AG	12,240,898	5.20	63,652,670	
HAEMATO AG	11,718	21.20	248,422	
CR Capital AG	2,327,955	29.90	69,605,855	
<b>TOTAL</b>				
<b>Market price of valued shares</b>			<b>133,506,946</b>	<b>133,506,946</b>
Unlisted companies shareholdings				23,661,907
<b>TOTAL Fair Value valued shares</b>				<b>157,168,852</b>
Liquid funds				1,494,508
Other assets				2,766,903
<b>Application of funds (assets)</b>				<b>161,430,263</b>
Equity				156,309,868
Interest-bearing liabilities				4,016,205
Other liabilities				1,104,190
<b>Source of funds (liabilities)</b>				<b>161,430,263</b>

## Company Portfolio Overview

	01.01. - 30.06.2022 in kEUR		01.01. - 30.06.2021 in kEUR	
Accounting according to IFRS	Sales	EBITDA	Sales	EBITDA
M1 Kliniken AG	139,000	7,400	164,880	9,866
HAEMATO AG	120,972	5,057	151,525	7,986
CR Capital AG	68,997 <sup>2)</sup>	67,708	63,530 <sup>2)</sup>	62,447

1) Xetra closing price; 2) Total income including income from participations

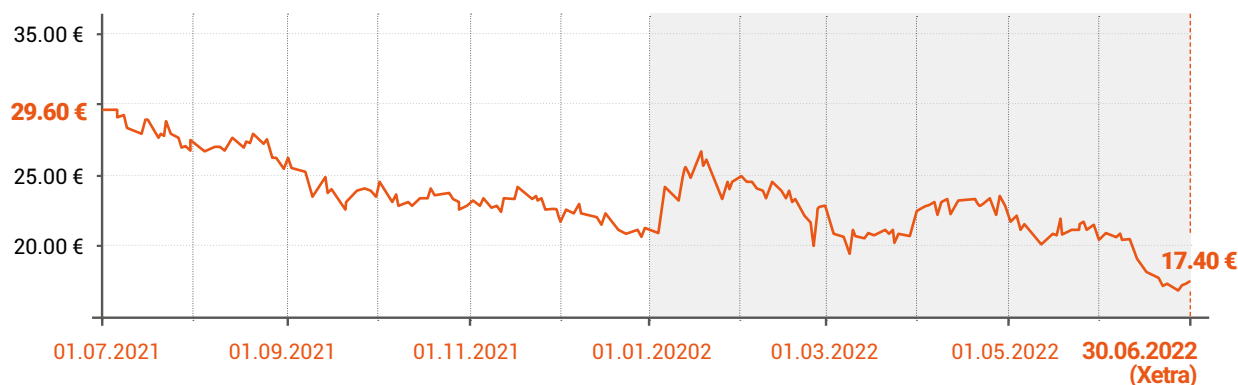
Class of shares	Bearer shares
Number of shares	4,281,384
WKN / ISIN	A289V0 / DE000A289V03
Ticker symbol	93M1
Market places	Xetra, Frankfurt, Stuttgart, Dusseldorf, Berlin, Munich, Hamburg, Tradegate
Market segments	Open Market an der Börse Frankfurt
Designated Sponsor, Listing Partner	Oddo Seydler Bank AG
Market capitalization	EUR 74.5m (as of 30.06.2022 - Xetra)
Coverage	GBC AG, First Berlin Equity Research GmbH

A recession is looming in the USA and Germany. A number of leading indicators point to a global economic downturn - especially in the world's three largest economies. The International Monetary Fund (IMF) is already casting a dark picture of the state of the global economy. In its latest forecast, the IMF has once again highlighted the precarious global economic situation. „A tentative recovery in 2021 will be followed by increasingly gloomy developments in 2022,“ the new IMF report states. Accordingly, the economists now only expect global economic growth of 3.2%. That is 0.4 percentage points less than assumed in April. The new forecast primarily reflects the slowdown in growth in the world's three largest economies - the United States, China and the Eurozone. One of the main causes of weak growth in the US is prices, which continue to rise due to ongoing problems in supply chains and the Ukraine war. In June, for example, the inflation rate jumped unexpectedly sharp from 8.6% to 9.1%. This was the highest level since November 1981. <sup>1</sup>

In Germany, too, the economic situation is becoming more critical. Here, the high energy prices and the and the threat of gas shortages are putting additional pressure on the economy, as Germany is much more dependent on Russian gas than other countries. The news that the Russian state-owned company Gazprom wants to further reduce deliveries to Germany via the Nord Stream 1 pipeline only recently caused a stir again. Should Russia completely stop gas deliveries in the short term, Germany will in all likelihood slide into recession. A number of leading indicators are already pointing to an economic slowdown as well. The Ifo Institute's business climate index, for example, fell by 3.6 points in July compared to the previous month to 88.6 points. This marked the lowest level in two years. <sup>2</sup>

The Xetra closing price of the MPH share fell from EUR 29.60 on July 1, 2021 to EUR 17.40 on June 30, 2022 as a result of the stock market turbulence caused by the Corona pandemic and the Ukraine crisis; this corresponds to a decline of around 40%.

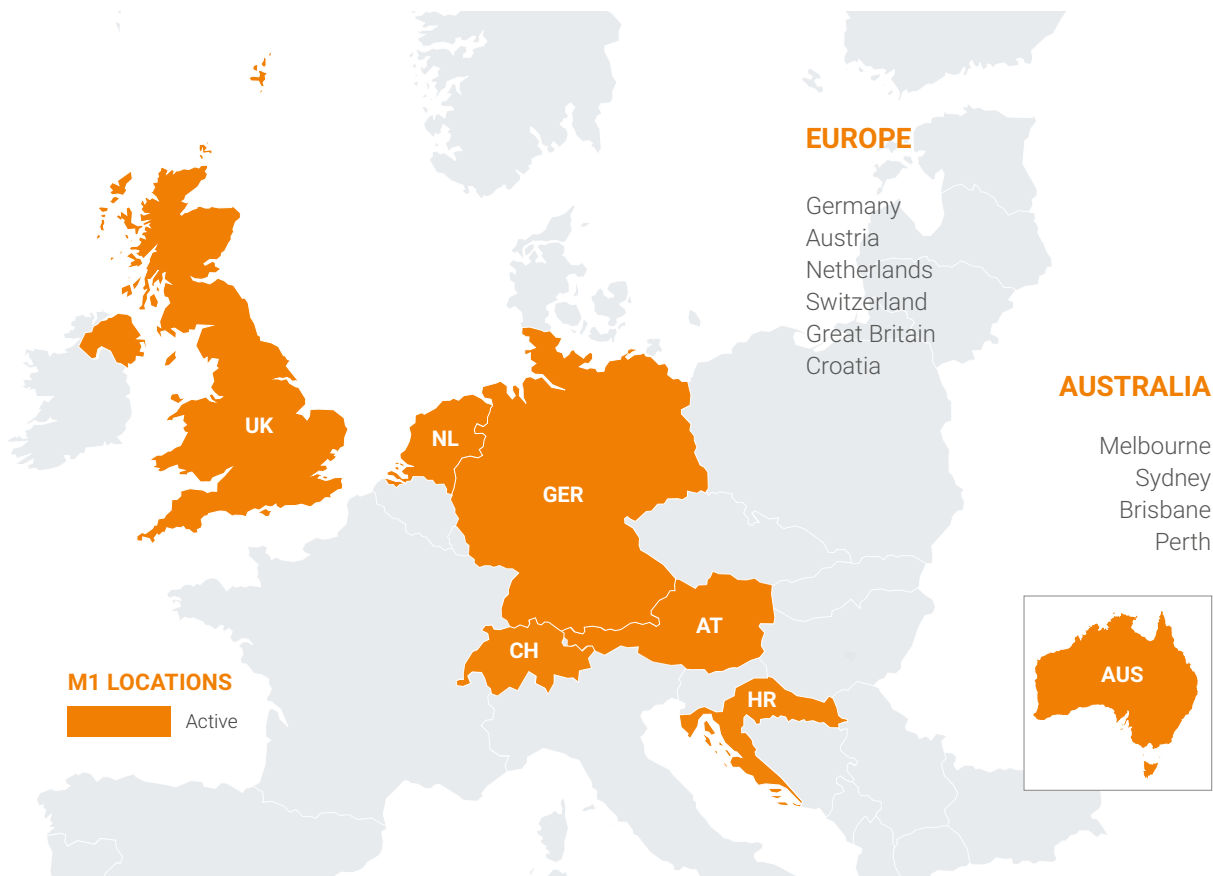
The net asset value (NAV) of MPH Health Care AG was EUR 36.51 per share as of June 30, 2022 (previous year EUR 52.49 per share); this corresponds to a decrease of 43.8%, resulting from the fair value measurement of the share prices of the listed investments as of the reporting date on June 30, 2022. Despite the current decline in the share price, MPH's future prospects are considered positive, which is also reflected in the current rating of the analyst institutions. Thus, the analysts of First Berlin have given the price target for MPH at EUR 67.00 on June 27, 2022 and GBC Research at EUR 70.72 on June 2, 2022.





M1 Kliniken AG is the leading provider of health services in the field of beauty medicine in Germany. In the aesthetic and surgical areas, the group of companies offers products and services with the highest quality standards. Under the brand name „M1 Med Beauty“, aesthetic medical treatments are currently offered in more than 50 specialist centres. The M1 Schlossklinik for plastic and aesthetic surgery in Berlin, equipped with six operating theatres and 35 beds, is one of the largest and most modern facilities of its kind in Europe.

Since the end of 2018, M1 has been pushing ahead with its international expansion and is currently also operating in Austria, Switzerland, the Netherlands, Great Britain, Croatia and Australia. With its investment in HAEMATO AG, since the middle of 2020, M1 Kliniken AG is also in a position to exploit sales and earnings potential of treatment products in the medical-aesthetic field.



M1 Kliniken AG was able to continue its growth course in the first half of 2022 and open four new specialist centres despite the Corona-related restrictions. Further sites in Germany and abroad are planned for the second half of 2022 and significant sales growth is still expected for the following years. Growth-related scale effects and synergies in the value chain will sustainably secure price leadership.





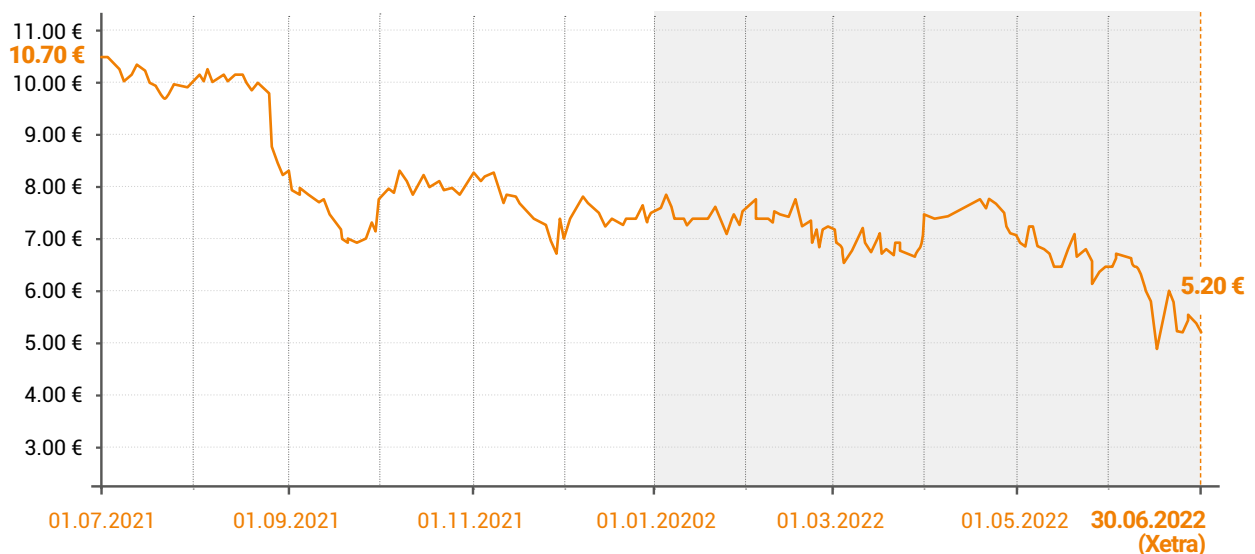
In the first half of 2022, IFRS group sales (including the full consolidation of HAEMATO AG) decreased from EUR 164.9m to EUR 138.7m, taking into account that the previous year included special effects from sales of COVID antigen rapid tests, which could not be repeated so far due to the weakening pandemic situation. The „Beauty“ segment accounted for a share of sales of EUR 27.9m - an increase of a good 15% over the previous year's value. The number of treatments carried out also increased to the same extent, rising by over 15% to 189,000 in the past half year.

The result from operating activities (EBITDA) fell from EUR 9.9m to EUR 7.4m. The share price of the M1 Kliniken AG as of June 30, 2022 was EUR 5.20, 51% lower than at the same time last year (EUR 10.70).

### COMPANY FIGURES

as of 30.06.2022

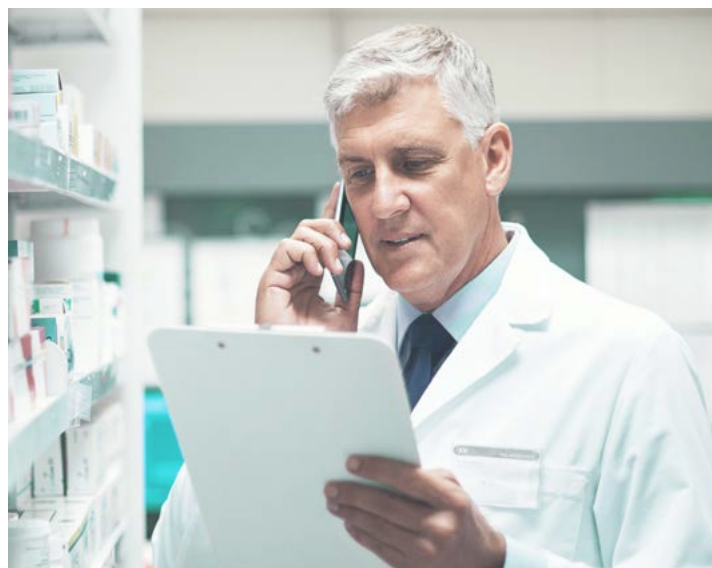
Class of shares	Bearer shares
Number of shares	19,643,403
WKN / ISIN	A0STSQ / DE000A0STSQ8
Ticker symbol	M12
Market places	Frankfurt, Xetra, Dusseldorf, Stuttgart, Berlin, Hanover, Hamburg, Munich, Tradegate
Market segments	Open Market - Frankfurt Stock Exchange
Designated Sponsor, Listing Partner	Kepler Cheuvreux
Coverage	Bankhaus Metzler, First Berlin, M.M.Warburg & Co
Market capitalization	EUR 102.1m (as of 30.06.2022 - Xetra)





HAEMATO AG (as a subgroup of M1 Kliniken AG) is a listed pharmaceutical company with a wholesale and manufacturing licence. The company focuses on the growth markets of high-priced special pharmaceuticals in the indication areas of oncology and HIV as well as in the areas of rheumatism, neurology and cardiovascular diseases. With direct access to around 6,000 pharmacies in Germany and Austria, HAEMATO contributes to ensuring that every patient benefits from the latest, innovative therapies and thus makes an active contribution to reducing costs in the German health care system. As a result of the Corona pandemic, business activities were expanded to the area of „medical products“ and in particular COVID-19 diagnostics (PCR and antigen rapid tests).

With effect from 1 January 2021, M1 Aesthetics GmbH was acquired and consolidated for the first time. With this acquisition, the product portfolio was expanded to include medicines and medical devices for use in aesthetic medicine as well as cosmetic products. These activities are now bundled in the new segment „Lifestyle and Aesthetics“, which is characterised by a more profitable gross margin. HAEMATO AG has been a subgroup of M1 Kliniken AG since the 2020 financial year.



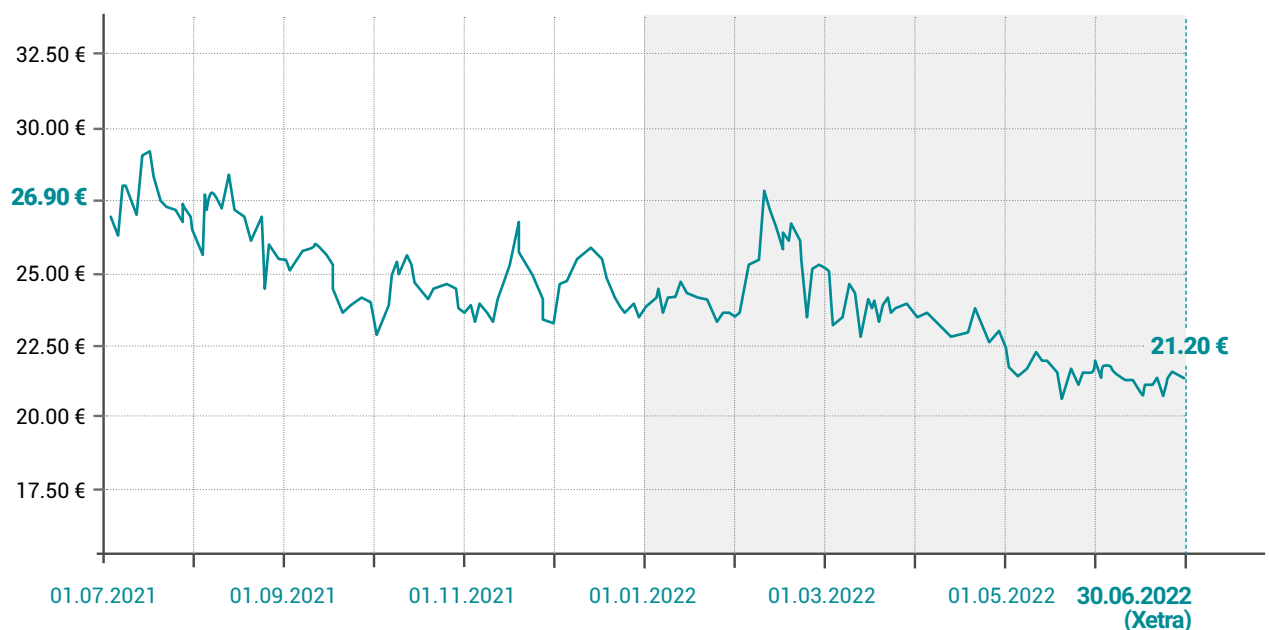


In the first half of 2022, group sales fell by around 20% to EUR 121.0m due to the loss of the special effects from the Corona test business in the previous year. Earnings before interest, taxes, depreciation and amortisation (EBITDA) fell from EUR 7.9m to EUR 5.1m. As of June 30, 2022, the share price of HAEMATO was 21% lower than at the same time in the previous year, at EUR 21.20.

## COMPANY FIGURES

as of 30.06.2022

Class of shares	Bearer shares
Number of shares	5,229,307
WKN / ISIN	A289VV / DE000A289VV1
Ticker symbol	HAEK
Market places	Xetra, Frankfurt, Stuttgart, Hamburg, Berlin, Munich, Tradegate, Dusseldorf
Market segments	Open Market - Frankfurt Stock Exchange
Designated Sponsor, Listing Partner	ICF Kursmakler AG
Coverage	GBC AG, First Berlin Equity Research GmbH, Warburg Research
Market capitalization	EUR 110.9m (as of 30.06.2022 – Xetra)



# CR CAPITAL AG

CR Capital AG invests as an integrated investment manager in innovative companies along the real estate value chain and has developed into a real estate investment house in recent years.

CR Capital AG invests in companies that offer affordable housing and attractive investment opportunities in the **real estate** sector. With its investments, the company consistently focuses on the further development of the areas of climate-efficient sustainable affordable housing in the regions of Berlin, Brandenburg and Leipzig, thus creating a holistic investment concept with added value for its shareholders. The focus of the business activities is on the creation of high-quality residential properties in solid construction at affordable prices. In doing so, CR Capital AG relies on ecological construction methods and benefits from just-in-time production, efficient construction costs, short property holding periods and the scalability of the business model. Due to the closed value chain, a high degree of market independence is also achieved.

The investment **TERRABAU GmbH** is a focused and innovative project developer that has developed a technology for standardised production. This enables housing to be delivered quickly, affordably and at the best quality. TERRABAU focuses exclusively on project planning and the construction of real estate. Customers include both private owners and corporate clients. In addition to terraced houses and semi-detached houses, TERRABAU's product range also includes social housing, where demand continues to be high.

With the new establishment of the equity investments **Solartec GmbH** and **Greentec GmbH** at the end of 2021, CR Capital is adding innovative technology companies to its portfolio and opening up further market potential in the area of sustainable energy generation and storage as well as environmentally friendly building materials production. In doing so, it is consistently pursuing its philosophy of developing products of the highest quality at the best price.

The subsidiary Solartec is expected to participate in the booming photovoltaic business and the demand for technologies in the field of energy generation and storage. In the B2B business, Solartec designs, optimises and assembles systems for climate-neutral energy generation. In doing so, Solartec includes the entire energy management system of a property in its analyses. Solartec develops individual overall concepts that have a significantly higher efficiency than the market standard and can be manufactured at lower costs than comparable products.

The subsidiary Greentec is focused on the resource-efficient use of steel as a material (so-called „green steel“). With the types of construction it creates, Greentec is offering a sustainable building material as an alternative to conventional concrete and is significantly optimising the manufacturing processes.

The subsidiary **CR Opportunities GmbH** offers security-oriented and high-yield investment opportunities for small investors. For example, the company offers a bond with a fixed distribution of 9.5 % p. a.

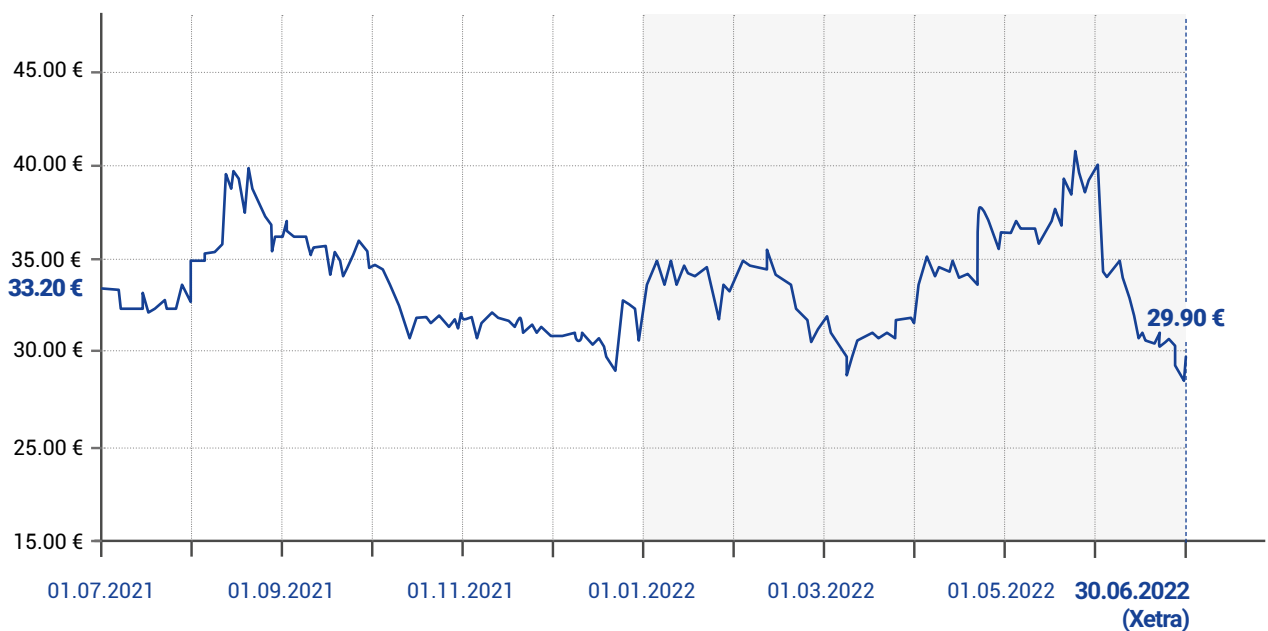
Innovative solar roof tiles for sustainable house building



# CR CAPITAL AG

In the first half of 2022, total operating performance increased by 8.6% to EUR 69.0m. The result from operating activities (EBITDA) increased by 8.4% to EUR 67.7m. The equity ratio is stable at more than 97%. As of June 30, 2022, the share price of the CR Capital was EUR 29.90, 9.7% lower than at the same time last year.

COMPANY FIGURES	as of 30.06.2022	as of 31.12.2021
Class of shares	Bearer shares	Bearer shares
Number of shares	4,064,594	3,811,370
WKN / ISIN	A2GS62 / DE000A2GS625	
Ticker symbol	CRZK	
Market places	Xetra, Frankfurt, Tradegate, Dusseldorf, Stuttgart, Munich, Berlin	
Market segments	Open Market - Frankfurt Stock Exchange	
Designated Sponsor, Listing Partner	Oddo BHF AG, Hauk Aufhäuser Lampe Privatbank AG	
Coverage	First Berlin, Hauk & Aufhäuser, GBC AG	
Market capitalization	EUR 121.5m (as of 30.06.2022 - Xetra)	







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# Interim Group Management Report

## 1. Business model of the company

MPH Health Care AG is a Berlin-based investment and holding company listed on the Frankfurt Stock Exchange (Basic Board). Its business activity consists of investing in companies with the aim of long-term asset growth.

The strategic focus of its activities lies on the acquisition and development of companies and company shares, particularly in growth segments of the health care market and the pharmaceutical industry. This includes both insurance-financed („first“ health care market) and privately financed segments (so-called „second“ health care market). In addition, MPH also exploits potential from other high-growth sectors outside these markets, such as the real estate industry. The aim is to generate profitable growth in the portfolio companies through active further development, thus promoting MPH's corporate value.

## 2. Economic report

In the first half of 2022 MPH Health Care AG held a majority stake in two listed investments (M1 Kliniken AG and CR Capital AG). The majority shares in the listed investment HAEMATO AG were contributed to M1 Kliniken AG with effect from July 1, 2020 as part of a capital increase through contributions in kind. HAEMATO AG thus now represents an indirect shareholding. In addition, MPH holds minor direct shares in HAEMATO AG to the amount of 0.2%. Compared to the previous year, the stock market value of the investments as at June 30, 2022 has decreased by EUR 70.8m to EUR 133.5m due to the fair value measurement of the share prices of these investments as of the reporting date.

Due to the continuing uncertainties about the further course of the pandemic and the uncertain economic outlook due to the increase in energy prices, the investment M1 Kliniken AG has opted again this year, for reasons of prudence, not to distribute a dividend and has decided to carry forward the full amount of the result for the financial year 2021. This will strengthen liquidity and enable further growth to be financed. At the Annual General Meeting on May 31, 2022, the investment CR Capital AG decided to distribute a dividend of EUR 2.50 per share.

As a result of the strategic decisions, MPH Health Care AG also decided at its annual general meeting on July 14, 2022 to carry forward its balance sheet profit for the 2021 financial year in full and not to pay a dividend.

### 2.1 Global economic environment

The recovery of the global economy has slowed down in light of new negative (economic and political) shocks. After a strong increase in global output in the second half of 2021, the recovery from the Corona crisis lost much of its momentum after the turn of the year. The key factors here were new disruptions from the pandemic and Russia's attack on Ukraine. As a result, inflation, which was



already strong, increased further and supply shortages resumed. In the first quarter of 2022, global production increased at a rate of only 0.6% (seasonally adjusted quarter-on-quarter), slower than the average of the years before the Corona crisis. Although global industrial production increased again on a quarterly average, it declined in the course of the year. The IfW indicator for global economic activity, calculated on the basis of sentiment indicators from 42 countries and based primarily on surveys for the manufacturing sector, fell significantly in recent months and also suggests only a modest increase in global economic activity for the second quarter. <sup>3</sup>

Supply shortages and logistical problems have recently become significant again. In China, regional lockdowns have been enforced increasingly since January as the government maintains its strict zero-COVID policy. As a result, tensions in the global production networks increased again after a gradual easing had become apparent in autumn and winter. Thus, congestion at the major seaports widened again, initially mainly in China, but more recently also in Europe. Particularly in Europe, there were also disruptions in the production chains as a result of the war in Ukraine and the sanctions imposed on Russia, which particularly affected the automotive industry. Accordingly, industrial production declined significantly in March, especially in China and in Europe, while it remained on an upward trend in other areas, such as the United States. According to the figures of the „CPB Netherlands Bureau for Economic Policy Analysis“, world trade was robust until March, but is expected to show a noticeable decline in the spring. The basic economic trend in the advanced economies (G7 countries) has weakened. Gross domestic product in the major advanced economies declined slightly in the first quarter. <sup>4</sup>

Under the impact of the war in Ukraine, commodity prices have once again risen significantly temporarily. Commodity prices had already risen sharply throughout the course of last year. The strong increase in demand due to the economic situation met with a reduced supply of oil - and natural gas in Europe. Although commodity prices are mostly off their peaks again, they are expected to remain high in the forecast period. The price of Brent oil fell temporarily from a maximum of over 130 US dollars per barrel to values around 100 dollars. The inflation surge in the advanced economies is not only due to energy prices. The rise in consumer prices worldwide has picked up sharply in recent months. In many advanced economies, long-term highs have been reached. In May 2022, inflation was 8.6% in the United States, 8.1% in the Eurozone and as high as 9.0% in the United Kingdom (April). Forecasts for inflation have increased not only because of currently stronger-than-expected consumer price inflation, but also because of the high momentum in producer prices, which reaches consumer prices with a delay. Monetary policy is now being tightened almost everywhere, but the expected interest rate hikes are (still) moderate compared to the extent of inflation. Further interest rate increases are foreseeable, the Kiel Institute for the World Economy expects a rise to 3% at the end of this year. In addition, the Fed has decided to withdraw funding from the financial sector by significantly reducing its holdings of securities, acquired in recent years to stimulate the economy. <sup>5</sup>

## 2.2 Economic forecast for Germany

Also in Germany, after the robust start to the year, there are signs of a significant slowdown in expansion compared to the spring forecast. The impact of the fourth pandemic wave apparently had less of an effect on economic activity in Germany in the first quarter than was assumed in the spring forecast of the Kiel Institute for the World Economy. Instead of a significant decline, gross domestic product even showed a slight increase. With the exception of manufacturing as well as energy and water industry, there was an increase in gross value added in all sectors. However, additional negative factors are affecting the overall economic picture. For example, the supply shortages, which are particularly hard on industrial activity, are proving to be more persistent, partly because new lockdown

measures in China have caused new disruptions in the meantime. Furthermore, private households are experiencing a stronger decline in purchasing power. This is due to the current increase in inflation, which is weighing on private consumption. Overall, the Kiel Institute for the World Economy continues to expect a 2.1% increase in gross domestic product for the current year. The forecast for the coming year was decreased slightly by 0.2 percentage points to 3.3%.<sup>6</sup>

Added gross value is likely to increase in the summer months despite fierce headwinds. Overall, however, the pace of expansion will be much slower than the Kiel Institute for the World Economy had expected in its spring forecast. For example, contrary to expectations, a slight recovery has already begun in the first quarter in the service industries. These industries were particularly affected by the pandemic, so that the catch-up potential for the summer months is lower. In addition, consumer prices have risen stronger than forecast in spring, so that the momentum in the consumer-related service sectors will probably be lower in view of the weakened real disposable incomes. Leading indicators point to a weak development in the second quarter. Retail sales and industrial production in April were noticeably below the level of the first quarter. As supply shortages ease, production in the manufacturing sector is picking up rapidly. In the consumer-related service sectors, the recovery will continue despite high inflation. Leading indicators, such as mobility data or online bookings, point to a strong recovery in the second quarter in sectors that have been particularly affected by the pandemic. According to these indicators, turnover in the hospitality industry alone is likely to have been about 30% higher in May 2022 than in the first quarter. In contrast, value added in the trade sector is likely to decline; this is indicated in particular by the weak retail sales in April.<sup>7</sup>

The export business (foreign trade) continues to be determined by supply shortages. In the first quarter, exports declined as expected due to Russia's invasion of Ukraine. Deliveries to Russia, which accounted for 2% of total export volume before the outbreak of the war, fell by around 60% in March compared to the previous month. Furthermore, a lack of deliveries of intermediate products from the war countries burdened production and exports, especially in the automotive sector. In the current quarter, exports are expected to have risen moderately. The IfW Kiel anticipates an increase in exports of 3.4% in the current year, followed by 6.5% in 2023. Imports are temporarily displaying quite little momentum. In the first quarter, the recovery in imports slowed down. Fewer goods - mainly capital goods - have been purchased from abroad compared to the final quarter of last year. On the other hand, imports of services rose very strongly and thus prevented a decline in imports overall. Overall, imports are expected to rise by 6.6% in 2022. For 2023, the Kiel Institute expects an increase of 5.6%.<sup>8</sup>

The corona situation complicates the diagnosis of production possibilities. The economic development in Germany depends largely on the production level that is possible with normal utilisation of the overall economic production capacities. The risk situation has hardly changed since the spring. There are still no signs of an end to the war in Ukraine and the associated impairment of economic activity. In addition to the generally higher uncertainty, these risks are due primarily to the rise in commodity prices, the sanctions regime and political destabilisation in poorer countries as a result of a lack of agricultural commodity deliveries. Compared to the situation in March, however, the risk of an insufficient gas supply in the coming winter has been slightly mitigated, as there has been no complete interruption of Russian deliveries so far and thus higher storage levels are already being obtained again. In addition, progress was made on future landings of liquefied natural gas. The infectious disease outbreak and the political response to it also continue to pose a risk to economic activity, especially in the coming winter half-year. Furthermore, the assumption of overcoming supply shortages remains a significant forecasting risk.<sup>9</sup>

## 2.3 Health care and pharmaceutical market in Germany

The core markets of the business activities of the holdings M1 Kliniken AG and the subgroup HAEMATO AG are the health care and pharmaceutical markets in Germany. The health care sector is and will remain one of the most important markets of the future, which will continue to be shaped by global trends. These include, among other things, demographic developments (increasing life expectancy), rising demand for health products and health services, etc. In addition to rising incomes and medical advances, the ageing of society is a major reason for the increase in health spending, which drives the health industry's share of gross domestic product.

The health care industry is made up of many sectors. The core area, also called the first health care market, comprises the area of „classic“ health care, which is largely financed by statutory health insurance (SHI) and private health insurance (PHI) including long-term care insurance. The second health market includes all privately financed health-related products and services; it essentially comprises over-the-counter medicines and individual health care services (incl. outpatient and inpatient medical interventions, fitness and wellness, health tourism and - in part - the areas of sport/leisure, nutrition and housing).<sup>10</sup>

In addition to the demographic development, medical-technical progress and rising incomes in private households, the growing ‚social acceptance‘ of beauty medical treatments ensures that products and services of the medical-aesthetic market are more and more in demand. Society, which is getting older and staying fit longer, wants to look its felt age. According to surveys by ISAPS (International Society of Aesthetic Plastic Surgery), the number of cosmetic treatments performed worldwide fell to around 24.5 million in 2020, compared to around 25 million in 2019. This development is unexpected, as a large number of clinics and practices were closed for several months in the spring of 2020 as part of the Corona lockdowns. Accordingly, after the end of the shutdowns, there were considerable catch-up effects in a market that continued to grow overall.

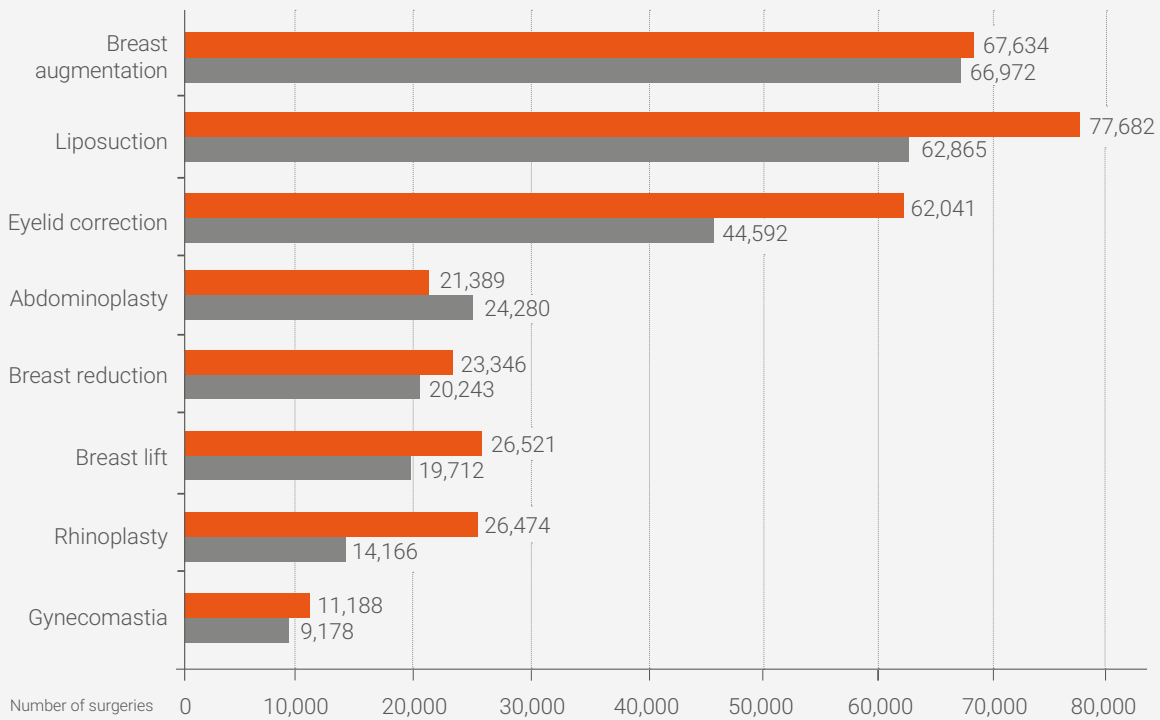
ISAPS has not yet published the quantitative development of the market for plastic aesthetic treatments in 2021 and the corresponding figures for the first half of 2022. However, it can be assumed that the number of procedures has continued to grow - also in light of the fact that holiday trips and other similar activities were often only possible to a very limited extent in the summer of 2021, which meant that a high level of purchasing power was available in the market.

More than 85% of the patients are women. The main applications are breast augmentations/lifts and liposuction in the surgical field as well as filler treatments with hyaluronic acid and injections with botulinum toxin. This is also reflected in the specialised range of treatments offered by M1 Kliniken AG.

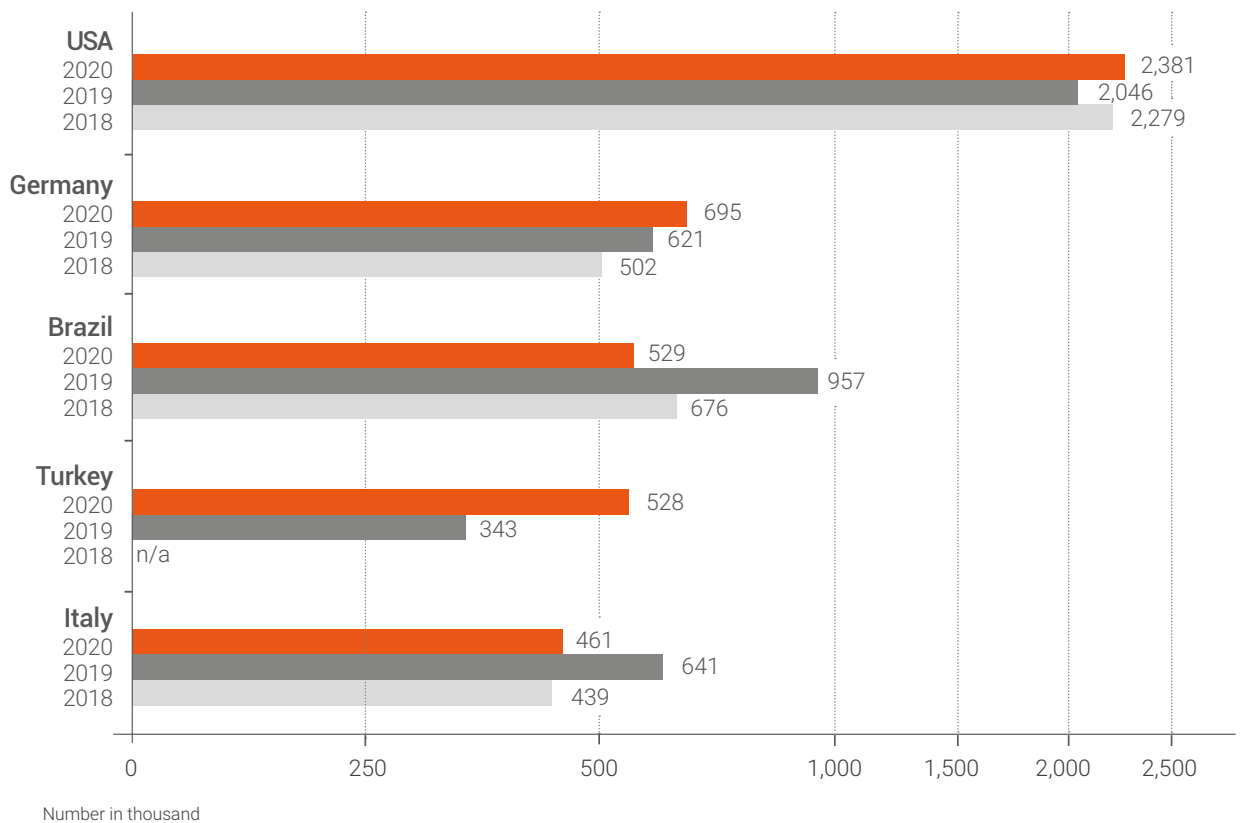
According to ISAPS surveys, Germany is the leading market for medical aesthetic treatments in Europe, with more than 1.1 million procedures in 2020, alongside Italy. Other large markets for plastic aesthetic treatments are in France, Spain and Great Britain.

The pharmaceutical industry continues to be of great importance for growth, employment and innovation effects in Germany. The monthly development of the German pharmaceutical market (pharmacy and clinic) shows a clear recovery in the first months of 2022 compared to the same quarter of the previous year, which was marked by the pandemic.

**The most performed cosmetic surgeries in Germany 2019 vs. 2020 (ISAPS 2022)**



**Number of injectable treatments worldwide compared to previous years (ISAPS 2022)**



In the first quarter of 2022 (more recent figures were not available at the time of reporting), turnover with medicinal products in the entire pharmaceutical market (pharmacy and clinic) rose by 6.2 % to EUR 13.6bn. Sales increased by 3.6%, a total of more than 25bn counting units (capsules, strokes, sachets, etc.) were dispensed to patients. It is difficult to compare the recent development (1st quarter) in the context of the COVID-19 pandemic. In the pharmacy market, the increase could be explained by a normalisation of prescription and consumption behaviour at a high level. In the hospital sector, the increase in sales by unit of count in January suggests a certain catch-up effect (back-log), but it fades away in the following months. <sup>11</sup>

## 2.4 Real estate industry in Germany

The core market of CR Capital AG's business activities is the German real estate market.

Currently, the construction industry is struggling with the impact of the war in Ukraine. Due to this situation and in view of the high level of uncertainty regarding the further development of the geopolitical framework conditions, the Main Association of the German Construction Industry has corrected its economic forecast for the current year downwards for the „Construction Industry Day“ (19 May 2022). For this year, the industry expects real construction-related turnover in the main construction sector to develop between zero and minus two percent (forecast at the end of 2021: +1.5 %).<sup>12</sup>

Due to high construction prices and a lack of capacity, the target of the Federal Government to build 400,000 new homes per year cannot be achieved this year and next year according to the construction industry. „We assume that we will create around 320,000 flats this year,“ said HBD chief executive Tim-Oliver Müller in Berlin on Wednesday. This is particularly due to the industry's production acceleration, which takes longer than expected according to the federal government's high targets.<sup>13</sup>

## 3. Business development and position of the company

### 3.1. Business development

As an investment company, the strategic focus of our activities is on companies in high-growth sectors of the health care market. This includes both insurance-financed and privately financed sectors.

In accordance with IFRS 10.27, MPH Health Care AG is an investment company that does not have to consolidate its subsidiaries (investments). All investments were measured at fair value through profit or loss in accordance with IFRS 9.

In the first half of 2022, earnings from investments amounted to EUR 250,000. Due to the uncertain situation worldwide with regard to the course of the Corona pandemic, the crisis in Ukraine and the looming recession as well as the associated risks, income from investments of M1 Kliniken AG are not expected in the financial year 2022. CR Capital AG, whose business segment is hardly affected by

the current situation, will distribute part of its profits as it did last year. MPH expects CR Capital AG to pay a dividend of EUR 2.50 per share at the beginning of the second half of 2022, which will benefit the company as a stock dividend. HAEMATO AG made a distribution to its shareholders again in 2021, after having gone without a dividend payment for two years. A dividend for the previous financial year of EUR 1.10 per share will also be paid in 2022. The respective general meetings will not take place until the second half of 2022.

### 3.2. Earnings situation of the MPH Group (IFRS)

In accordance with IFRS 10.27, MPH Health Care AG is an investment company that does not consolidate its subsidiaries (investments). All investments were measured at fair value through profit or loss in accordance with IFRS 9.

As of June 30, 2022, the net loss for the year totals kEUR 35,995 (previous year's profit: kEUR 23,457). This mainly includes the results from the fair value measurement of the investments at the reporting date, which does not affect liquidity. Especially in the second quarter of 2022, with the beginning of the instability in and around Ukraine, there was a noticeable weakening on the stock markets and thus also in the valuation of the listed investments.

### 3.3. Financial position of the MPH Group (IFRS)

The **financial position** can be described as very stable. MPH's financial management is geared towards always settling liabilities within the payment period and collecting receivables within the payment terms.

Our **capital structure** is good. Compared to December 31, 2021, equity decreased from kEUR 192,307 to kEUR 156,312 as of June 30, 2022. Equity ratio decreased slightly from 97.1% to 96.8% compared to the previous year.

**Cash and cash equivalents** amount to kEUR 1,495 (previous year: kEUR 1,843). Other short-term financial assets amount to kEUR 2,655 (previous year: kEUR 2,599).

**Other short-term financial liabilities** increased slightly from kEUR 4,011 to kEUR 4,031 compared to December 31, 2021.

**Financial liabilities** represent 2.5% of the balance sheet total. MPH utilises the credit lines granted by various banks to promote business success. The credit lines granted to our participations are significantly higher than the average credit lines used.

**Trade account payables** can always be settled within the payment targets.

**Long-term investments** are 99.4% covered by our equity. The liquidity situation is satisfactory.

MPH did not make any investments in participations in the first half of 2022 given the uncertain political and geopolitical situation. On the other hand, no sales of participations or shares in them were made either. There were no significant investments in tangible assets and no plans to do so in the short term.

The financial development of the MPH Investment Company in the reporting period is as follows, based on the cash flow statement with indirect calculation of cash flows from operating activities:

Cash flows from:	01.01. - 30.06.2022	01.01. - 30.06.2021
	kEUR	kEUR
Operating activities	-533	-616
Investment	250	4,464
Financing activity	-3,084	-107
<b>Total cash flow</b>	<b>-3,367</b>	<b>3,740</b>
Liabilities due at any time (balance)	3,019	-3,207

### 3.4. Net assets of the MPH Group (IFRS)

The net asset position of MPH is good. The net assets of MPH Health Care AG mainly consist of long-term financial assets measured at Fair Value amounting to kEUR 157,169 as of June 30, 2022 (previous year: kEUR 193,502). Other short-term financial assets amount to kEUR 2,655 as of June 30, 2022 (previous year: kEUR 2,599). Cash and cash equivalents amount to kEUR 1,495 as of June 30, 2022 (previous year: kEUR 1,843).

Overall, our economic situation can be described as good.

## 4. Forecast report

We evaluate the medium-term development of MPH Health Care AG as positive.

The business sectors of investments continue to offer attractive growth potential. The demand for off-patent and patent-protected drugs and the production of medications for therapies for cancer, HIV and other chronic diseases is steadily increasing. MPH benefits from this indirectly through M1 Kliniken AG's majority shareholding in HAEMATO AG. Beauty lifestyle services for private payers are in vogue and continue to grow in popularity.

Due to the prevailing uncertainties in Ukraine, the global threat of recession and the continuing risks related to the coronavirus, we anticipate a slight decline in revenues but rising EBIT margins for the investment in M1 Kliniken AG in the financial year 2022. CR Capital AG should not be affected

by the previously mentioned risks and should continue on its growth path. However, we are currently unable to make a statement on the development of the companies' valuation on the capital market. The mentioned risks cannot be sufficiently assessed at this time. We assume that our investments have a solid catch-up potential in the medium term. It will be reflected in the share prices of our investments.

We will always be in a position to meet our payment obligations on time in the future.

## 5. Economic Outlook

Russia's attack on Ukraine and China's strict no-COVID policy have aggravated the already strong inflation worldwide and led to an increase in supply shortages. Real wages are falling significantly in many countries, slowing private consumption. In many cases, however, it is possible to fall back on additional savings that were created during the pandemic. Considering the high inflationary pressure, central banks have embarked on a course of monetary tightening or have made it more stringent. Given this situation, the prospects for the global economy have become noticeably weaker. The IfW Institute for the World Economy in Kiel now expects global production to increase by only 3.0% this year and 3.2% next year (calculated on the basis of purchasing power parities). This means that the IfW's forecast of March 2022 has been lowered by 0.5 and 0.4% respectively.<sup>14</sup>

The Kiel Institute for the World Economy (IfW) therefore expects the global economy to expand only moderately this year and the next after the strong increase last year. Due to high inflation, real wages are declining in the advanced economies and in many emerging markets. The weakening purchasing power of labour income is holding back private consumption, even though income from profits is increasing and savings accumulated during pandemic periods are probably being used in part to finance consumer spending. The tightening of monetary policy is also having a slowing effect, resulting not only in higher interest rates but also in a decline in asset values.<sup>15</sup>

In July 2022, the sentiment in the German economy has clouded over more than expected. The ifo Business Climate Index fell to 88.6 points in July, down from 92.2 points in June. This is the lowest value since June 2020. Companies expect business to deteriorate considerably in the coming months. They were also less satisfied with their current business situation. „High energy prices and the threat of gas shortages are weighing on the economy. Germany is on the threshold of recession,“ said ifo President Clemens Fuest. The ifo Business Climate is considered Germany's most important leading economic indicator. The index fell sharply in the manufacturing sector. Pessimism about the coming months has reached its highest level since April 2020. This applies to almost all industrial sectors. Companies also assessed their current situation as worse. New incoming orders declined slightly for the first time in two years. In the service sector, the business climate deteriorated considerably. Expectations in particular dropped. After great optimism recently, the sentiment also turned in the tourism sector and the hospitality industry. Although the service providers' assessment of the current situation deteriorated, the indicator remains at a high level. In the trade sector, the indicator fell again significantly. Traders were less satisfied with current business. The concerns with regard to the coming months are increasing. Currently, there is no retail sector that is optimistic about the future.



In the construction industry, too, the business climate deteriorated noticeably after a brief recovery in the previous month. The assessments of the current situation fell to their lowest level since April 2016. Expectations are also characterised by great pessimism. <sup>16</sup>

The economic barometer of the German Institute for Economic Research (DIW Berlin) dropped to 71.8 points in July. This means it is far below the 100-point threshold for the third quarter, indicating average growth in the German economy. By way of comparison, the index level for the second quarter was most recently still above 90 points. The energy crisis in particular continues to slow down the German economy with ongoing concerns about gas shortages and even higher energy prices. In addition, the problems in the global supply chains are only easing slowly. Contrary to what was hoped for in winter, the war in Ukraine and the Chinese Corona crisis have led to further supply shortages. These factors are also weighing on the global economy and in some cases leading to enormous inflation rates. This is slowing down the demand for German export goods. Thus, in the wake of weak exports and skyrocketing import prices for energy, the German trade balance was negative in May for the first time in a long time. „The export-oriented and energy-intensive German growth model is currently reaching its limits,“ says DIW economic expert Guido Baldi. „Compared to the previous months, the Group Interim Management Report barometer value has once again dropped significantly and indicates that the German economy will decline in the third quarter of this year.“ German industry in particular is suffering from the weakening global economy. The problems of the previous months remain - the order situation is tight and the level of orders on hand, which is still high, can only be processed slowly because of the disrupted supply chains and the resulting lack of preliminary products. Further difficulties could be added in the coming months. „German industry is looking to the future with concern,“ says Laura Pagenhardt, DIW economic expert. „In addition to the ongoing supply shortage of materials, the approaching winter and the potentially restricted gas supply are now leading to uncertainties in terms of planning for the production of goods“ <sup>17</sup>

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## **IFRS Interim Financial Statement**

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## IFRS Balance sheet - Assets

as of June 30, 2022

	◀ 30.06.2022 EUR	◀ 31.12.2021 EUR
Liquid funds	1,494,508	1,843,029
Inventories	1,620	0
Other short-term financial assets	2,655,337	2,598,698
Other short-term assets	78,983	10,892
Income tax receivables	0	0
<b>Short-term assets</b>	<b>4,230,447</b>	<b>4,452,618</b>
Intangible assets	4	4
Fixed assets	30,959	41,482
Financial assets	157,168,852	193,502,399
<b>Long-term assets</b>	<b>157,199,816</b>	<b>193,543,884</b>
<b>▶ TOTAL ASSETS</b>	<b>161,430,263</b>	<b>197,996,502</b>

## IFRS Balance sheet - Liabilities

as of June 30, 2022

	◀ 30.06.2022 EUR	◀ 31.12.2021 EUR
Short-term accruals	74,839	100,946
Trade account payables	35,565	50,922
Short-term leasing liabilities	15,625	17,443
Other short-term financial liabilities	4,031,445	4,011,053
Other short-term liabilities	19,188	19,758
<b>Short-term liabilities</b>	<b>4,176,663</b>	<b>4,200,121</b>
Long-term leasing liabilities	14,675	21,857
Other long-term financial liabilities	0	0
Deferred tax liabilities	926,714	1,467,775
<b>Long-term liabilities</b>	<b>941,389</b>	<b>1,489,632</b>
Subscribed capital	4,281,384	4,281,384
Capital reserve	41,220,633	41,220,633
Retained earnings	110,810,194	146,804,732
<b>Equity</b>	<b>156,312,212</b>	<b>192,306,749</b>
<b>▶ TOTAL LIABILITIES</b>	<b>161,430,263</b>	<b>197,996,502</b>

## IFRS Profit and loss statement

as of June 30, 2022

	◀ 30.06.2022 EUR	◀ 30.06.2021 EUR
<b>Operating income</b>	<b>266,559</b>	<b>24,458,407</b>
Fair value gain on valuation of financial investments	0	23,824,148
Net profit from the sale of investments	0	617,485
Income from investments	250,000	0
Other operating income	16,559	16,774
<b>Operating expenses</b>	<b>-36,756,588</b>	<b>-597,515</b>
Fair value loss on valuation of financial assets	-36,333,547	0
Financial expenses	0	-199,989
Administrative expenses	-423,042	-397,526
<b>Result from operating activities   EBITDA</b>	<b>-36,490,029</b>	<b>23,860,891</b>
Depreciation and amortisation	-10,522	-7,866
<b>Operating result   EBIT</b>	<b>-36,500,551</b>	<b>23,853,026</b>
<b>Financial result</b>	<b>-35,049</b>	<b>-65,450</b>
Other interest and similar income	40,000	40,000
Interest and similar expenses	-75,049	-105,451
<b>Earnings before taxes   EBT</b>	<b>-36,535,600</b>	<b>23,787,575</b>
Taxes on income and earnings	541,062	-330,188
<b>Result for the period</b>	<b>-35,994,538</b>	<b>23,457,387</b>

## IFRS Cash flow statement

as of June 30, 2022

	◀ 30.06.2022 EUR	◀ 30.06.2021 EUR
<b>Result for the period</b>	<b>-35,994,538</b>	<b>23,457,387</b>
Depreciation and amortisation of fixed assets	10,522	7,866
Increase / decrease in short-term accruals	-26,107	-20,000
Increase / decrease due to fair value measurement	36,333,547	-23,824,148
Increase / decrease in inventories	-1,620	-1,710
Change in trade account receivables and other assets	-124,730	1,548,128
Change in trade account payables and other liabilities	-14,472	-8,367
Profit / loss from the disposal of fixed assets	0	-617,485
Interest expenses / income	75,049	85,450
Other investment income	-250,000	-1,612,010
Income tax expense / income	-541,062	330,188
Income tax payments	1	38,440
<b>Cash flow from operating activities</b>	<b>-533,410</b>	<b>-616,260</b>
Payments for investments in tangible fixed assets	0	-1,741
Proceeds from disposals of financial assets	0	3,994,169
Payments for investments in financial assets	0	-1,160,703
Interest paid	0	20,000
Income from investments	250,000	1,612,010
<b>Cash flow from investing activities</b>	<b>250,000</b>	<b>4,463,735</b>
Change in liabilities to banks	-3,000,000	0
Interest expenses	-74,545	-105,362
Repayment of rights of use	-9,504	-2,052
<b>Cash flow from financing activities</b>	<b>-3,084,049</b>	<b>-107,414</b>
<b>Net cash flow</b>	<b>-3,367,459</b>	<b>3,740,060</b>
Cash and cash equivalents at the beginning of the period	845,762	-4,228,431
Liabilities due at any time at the beginning of the period	997,267	4,597,089
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,843,029</b>	<b>368,658</b>
Cash and cash equivalents at the end of the period	-2,521,697	-488,371
Liabilities due at any time at the end of the period	4,016,205	1,390,212
<b>Cash and cash equivalents at the end of the period</b>	<b>1,494,508</b>	<b>901,841</b>
<b>Change in cash and cash equivalents</b>	<b>-348,521</b>	<b>533,183</b>

## IFRS Statement of changes in equity

as of June 30, 2022

	Subscribed capital EUR	Capital reserve EUR	Retained earnings EUR	Equity EUR
January 1, 2021	4,281,384	41,220,633	155,760,784	201,262,801
Net profit for the year	0	0	-8,956,052	-8,956,052
December 31, 2021	4,281,384	41,220,633	146,804,732	192,306,749
January 1, 2022	4,281,384	41,220,633	146,804,732	192,306,749
Net profit for the year	0	0	-35,994,538	-35,994,538
June 30, 2022	4,281,384	41,220,633	110,810,194	156,312,212





## **IFRS Shortened Annex (notes)**

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# IFRS Shortened Annex

as of 30.06.2022 unaudited

## 1. General information

MPH Health Care AG was founded in the 2008. The company is registered in the Commercial Register of the Berlin-Charlottenburg District Court under HRB 116425 and has its registered office at Grünauer Straße 5, 12557 Berlin. MPH Health Care AG is an investment company within the scope of IFRS 10.27. Its business activity consists of investing in companies with the objective of capital growth.

The interim consolidated financial statements of MPH Health Care AG for the period from January 1 to June 30, 2022 have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), taking into account IAS 34 „Interim Financial Reporting“ as applicable in the European Union. According to IAS 34, there is no obligation for interim reporting. The report was prepared voluntarily. The figures are unaudited.

With regard to the accounting, valuation and consolidation methods applied as well as the execution of the optional rights contained in the IFRS, we refer to the notes to the consolidated financial statements as of December 31, 2021.

## 2. Scope of consolidation

There were no changes in the reporting period. In accordance with the provisions of IFRS 10.31, the subsidiaries are not consolidated, but the shares are measured at fair value through profit or loss in accordance with IFRS 9. We refer to our presentation in the consolidated financial statements as of December 31, 2021.

## 3. Selected information on the consolidated balance sheet and consolidated income statement

**Cash and cash equivalents** totalled kEUR 1,495 (31.12.2021: kEUR 1,843). They mainly comprise bank balances and are recognised at their nominal values.

**Other short-term financial assets** totalled kEUR 2,655 (31.12.2021: kEUR 2,599), are mainly short-term receivables from affiliated companies.

**Other long-term financial assets**, which amount to kEUR 157,169 (31.12.2021: kEUR 193,502), include equity instruments in listed companies and other investments. These financial assets are recognised at fair value both at the time of initial recognition and at subsequent measurement.

**Other short-term financial liabilities** mainly include short-term liabilities to banks. As of June 30, 2022, they amount to kEUR 4,031 (December 31, 2021: kEUR 4,011).

The **operating income** mainly includes the profits of the financial assets valued at fair value through profit or loss on the reporting date as well as income from investments.

The **net profit** from investments represents the realised profit from the disposal of shares in financial assets. The profit is calculated on the basis of the difference between the financial assets valued at fair value on the previous balance sheet date and the proceeds from the sale of these shares.

**Operating expenses** mainly include the losses of the financial assets measured at fair value through profit or loss on the reporting date as well as administrative expenses and financial expenses.

**Sales accruals** are recognised in financial expenses. Shares of the investments held by MPH in financial assets are purchased or sold on a situational basis. Expenses are recognised for the settlement with the service providers.

**Administrative expenses**, which totalled kEUR 423 (30.06.2021: kEUR 397), include a large number of individual items such as advertising and travel expenses, legal and consulting costs, personnel expenses, external services, Supervisory Board fees, etc.

The **financial result** primarily reflects income and expenses from interest.

## 4. Dividends

No dividends were distributed by MPH Health Care AG for the 2021 financial year up to the reporting date of June 30, 2022.

## 5. Contingent liabilities and other financial commitments

MPH Health Care AG is liable to HYPO NOE Gruppe Bank AG as a joint borrower with HAEMATO AG in connection with further promissory note loans of EUR 3.0m. This loan was fully utilised by MPH Health Care AG until its redemption on 28 May 2022.

We estimate the utilisation from contingent liabilities to be low due to the current creditworthiness and the previous payment behaviour of the beneficiaries. We have no recognisable indications that would require a different assessment.

Other financial obligations are within the scope of normal business transactions.

## 6. Significant events after 30.06.2022

In accordance with the decision on the utilisation of the balance sheet profit 2021 at the Annual General Meeting on July 14, 2022, no dividend was distributed for the financial year 2021 and the balance sheet profit was carried forward in full to the new account.

There were no other significant events after June 30, 2022.

Berlin, August 2022

Patrick Brenske  
(Management Board)



## Further Information

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## 1. Information about members

### Management Board

<u>Family name</u>	<u>First name</u>	<u>Profession</u>	<u>Power of representation</u>
Brenske	Patrick	Merchant (Master of Banking & Finance)	Sole power of representation

### Board of Supervisors

<u>Family name</u>	<u>First name</u>	<u>Function</u>	<u>Profession</u>
Grosse	Andrea	Chairwoman	Lawyer
Zimdars	Uwe	Deputy Chairman	Business consultant
Prof. Dr. Dr. Meck	Sabine	Member	University lecturer and science journalist

## 2. Glossary

### Cash flow

An economic measure that says something about a company's liquidity. Represents the inflow of liquid funds during a period.

### Consolidation

Consolidation means the compilation of the net assets, financial position and results of operations of individual companies belonging to a group into consolidated financial statements.

### DAX

The DAX is the most important German stock index. The 30 largest and highest-volume German shares are listed in this stock exchange directory.

### Dividend

The profit per share of a stock corporation that is distributed to the shareholders.

### Earnings per share

Earnings per share are calculated by dividing consolidated net income by the weighted average number of shares. This is calculated in accordance with IAS 33.

### EBIT

earnings before interest and taxes. Says something about a company's operating profit over a certain period of time.

### EBITDA

Earnings before interest, taxes, depreciation and amortization: Earnings before interest and taxes are added to earnings before interest and taxes.

### Equity method

A method of accounting for certain long-term investments in the financial statements of a company that holds an interest in the voting capital of another company.

### Face amount

The nominal value or par value of a share is the value at which the share participates in the share capital. In the case of fixed-interest securities, the nominal value indicates the amount of debt to be interest-bearing.

### Fair value

Fair value is the amount for which knowledgeable and willing parties would be willing to exchange an asset or settle a liability under normal market conditions.

### Fiscal policy

All fiscal policy measures taken by the state to steer economic development through public revenue and expenditure.

### IfW

The Institute for the World Economy at the University of Kiel (IfW) in Kiel is a centre of global economic research. It is one of the six leading German economic research institutes.

### IMF, OECD

The International Monetary Fund and the Organisation for Economic Cooperation and Development are international organisations committed to lending and monitoring monetary policy (IMF) and democracy and the market economy (OECD).

### KfW

„Kreditanstalt für Wiederaufbau“ (funding bank)

### Licensing

An official approval required to offer, distribute or supply an industrially manufactured, ready-to-use drug.

### NAV - Net Asset Value

The net asset value is the value of all tangible and intangible assets of an enterprise less liabilities. This intrinsic value is intended to reflect the fundamental value of the company, but makes no statements about hidden reserves or future prospects of the company.

### Net profit

Balance of net income for the financial year, profit or loss carried forward and appropriation of earnings.

### Neurology / Oncology

Science dealing with diseases of the nervous system / cancer and their medical treatment.

### Patent-free active ingredients

Patent free active ingredients are also called generics. A generic is a drug that is a copy of a drug already on the market under brand names with the same active ingredient. Generics are therapeutically equivalent to the original preparation.

### Patent-protected active substances

Branded drugs, which are marketed by the patent holder on the one hand and which are purchased more cost-effectively within the EU member states as EU imported drugs based on the legal basis of import.

### Rating

A rating is a systematic, qualitative assessment of economic entities or financial instruments with regard to their creditworthiness.

### 3. Sources

- 1 Cf. [www.manager-magazin.de/politik/weltwirtschaft/konjunktur-in-deutschland-und-den-usa-droht-eine-rezession-a-6d41cabb-6fdc-472b-9f38-420d5593310b](https://www.manager-magazin.de/politik/weltwirtschaft/konjunktur-in-deutschland-und-den-usa-droht-eine-rezession-a-6d41cabb-6fdc-472b-9f38-420d5593310b), p. 1
- 2 Cf. ebenda, p. 3
- 3 Cf. Kieler Konjunkturberichte Nr. 91/2022 „Weltwirtschaft im Sommer 2022, p. 2-3
- 4 Cf. Kieler Konjunkturberichte Nr. 91/2022 „Weltwirtschaft im Sommer 2022, p. 3
- 5 Cf. Kieler Konjunkturberichte Nr. 91/2022 „Weltwirtschaft im Sommer 2022, pp. 4-8
- 6 Cf. Kieler Konjunkturberichte Nr. 92/2022 „Deutsche Wirtschaft im Sommer 2022, pp. 2-3
- 7 Cf. Kieler Konjunkturberichte Nr. 92/2022 „Deutsche Wirtschaft im Sommer 2022, pp. 4-5
- 8 Cf. Kieler Konjunkturberichte Nr. 92/2022 „Deutsche Wirtschaft im Sommer 2022, p. 6
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- 15 Cf. Kieler Konjunkturberichte Nr. 91/2022 „Weltwirtschaft im Sommer 2022, pp. 4-8
- 16 Cf. ifo Geschäftsklima Deutschland: „Ergebnisse der ifo Konjunkturumfragen im Juli 2022“, p. 1
- 17 Cf. DIW-Konjunkturbarometer Juli, Pressemitteilung vom 27. Juli 2022



## 4. Imprint

**MPH** Health Care AG  
Grünauer Straße 5  
D-12557 Berlin

Tel: +49 (0) 30 863 21 45 – 60  
Fax: +49 (0) 30 863 21 45 – 69

E-Mail: [info@mph-ag.de](mailto:info@mph-ag.de)  
Web: [www.mph-ag.de](http://www.mph-ag.de)

### **Management Board:**

Patrick Brenske

### **Board of Supervisors:**

**Chairwoman:**  
Andrea Grosse

**Deputy chairman:**  
Uwe Zimdars

**Member:**  
Prof. Dr. Dr. Sabine Meck

**Registry court:** Amtsgericht Charlottenburg  
**Registry number:** HRB 116425 B

### **Concept, design and realisation:**

**MPH** Health Care AG  
Investor Relations

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Fotolia  
Adobe Stock



MPH Health Care AG  
Grünauer Str. 5  
D-12557 Berlin

phone: +49 (0) 30 863 21 45 – 60  
fax: +49 (0) 30 863 21 45 – 69

email: [info@mph-ag.de](mailto:info@mph-ag.de)  
web: [www.mph-ag.de](http://www.mph-ag.de)