

## Quarterly Statement February to April 2021

### The first three months at a glance

- Total operating performance and revenue have increased again
- Profit after tax (before significant one-off effects) above previous year
- Further reduction in net debt compared with the first quarter of 2020/21

Key figures of PHOENIX Pharmahandel GmbH & Co KG (consolidated)		1st quarter 2020/21	1st quarter 2021/22
Total operating performance	in EUR m	9,225.0	9,309.1
Revenue	in EUR m	7,244.3	7,313.2
Total income	in EUR m	773.4	751.9
EBITDA before significant one-off effects	in EUR m	158.6	167.2
EBITDA	in EUR m	169.5	134.5
EBIT	in EUR m	98.4	64.0
Profit before tax	in EUR m	81.3	50.0
Profit after tax before significant one-off effects	in EUR m	48.5	61.3
Profit after tax	in EUR m	57.3	37.4

		30 April 2020	31 January 2021	30 April 2021
Equity	in EUR m	3,153.4	3,168.9	3,209.1
Equity ratio	in %	31.8	30.6	31.8
Net debt	in EUR m	2,225.9	1,798.9	2,054.7

## Business development

PHOENIX continued its growth in the first three months of 2021/22 (February to April 2021). Compared to the first quarter of 2020/21, which was significantly impacted by the COVID-19 pandemic, total operating performance rose by 0.9 per cent to €9.3 billion. This comprises revenue and handled volume. Adjusted for foreign exchange rate effects, total operating performance grew by 0.3 per cent. The healthcare provider, which is active in 27 European countries, saw its revenue grow by €68.9 million (1.0 per cent) to €7.3 billion. Adjusted for foreign exchange rate effects, revenue grew by 0.6 per cent.

## Results

Earnings before interest, taxes, depreciation and amortisation (EBITDA) declined from €169.5 million to €134.5 million. In connection with COVID-19, non-recurring income for increased pharmacy funding of €10.9 million was recognised in the first quarter of 2020/21 and costs related to measurement of inventories of €32.7 million were recognised in the first quarter of 2021/22. Adjusted for these one-off effects, EBITDA increased by 5.4 per cent, or €8.6 million to €167.2 million compared with the same period of the previous year.

An EBITDA figure adjusted for interest from customers, and expenses related to ABS and factoring (adjusted EBITDA) came to €136.7 million (comparative period: €172.6 million) and is calculated as follows:

EUR k	1st quarter 2020/21	1st quarter 2021/22	Change	Change in %
EBITDA	169,522	134,509	-35,013	-20.7
Interest from customers	2,651	1,656	-995	-37.5
Factoring fees	420	553	133	31.7
<b>Adjusted EBITDA</b>	<b>172,593</b>	<b>136,718</b>	<b>-35,875</b>	<b>-20.8</b>

Profit after tax declined from €57.3 million to €37.4 million. Profit after tax before significant COVID-19 one-off effects grew by 26.4 per cent, representing an increase of €12.8 million to €61.3 million.

## Financial position

Equity rose by €40.2 million compared with 31 January 2021. The currency translation difference on total assets, which is presented within equity, amounted to €-129.8 million (31 January 2021: €-132.5 million). The equity ratio as of 30 April 2021 was 31.8 per cent (31 January 2021: 30.6 per cent).

Cash flow from operating activities came to €-166.6 million (comparative period: €-44.0 million). This number was largely affected by a higher increase of €144.4 million in working capital compared with the same period of the previous year. Cash flow from investing activities amounted to €-34.5 million and was €-49.5 million in the comparative period.

According to the calculation below, net debt increased by €255.9 million compared with 31 January 2021 to €2,054.7 million:

EUR k	31 January 2021	30 April 2021	Change	Change in %
+ Financial liabilities (non-current)	1,317,147	1,326,739	9,592	0.7
- Derivative financial instruments (non-current)	-91	-78	13	-14.3
+ Financial liabilities (current)	891,239	908,467	17,228	1.9
- Derivative financial instruments (current)	-2,433	-1,136	1,297	-53.3
- Cash and cash equivalents	-818,030	-593,298	224,732	-27.5
+ Receivables sold in the course of factoring and ABS transactions	458,286	461,279	2,993	0.7
- Factoring receivables	-23,408	-23,670	-262	1.1
- Receivables from ABS programmes	-23,853	-23,582	271	-1.1
<b>Net debt</b>	<b>1,798,857</b>	<b>2,054,721</b>	<b>255,864</b>	<b>14.2</b>

## Risks and opportunities

The opportunities and risks of significance to us are described extensively in our annual report for fiscal year 2020/21. The risks and opportunities presented in that report are still essentially relevant.

## Forecast

For fiscal year 2021/22, the PHOENIX group expects to further expand its market position in Europe through organic growth and acquisitions and thereby increase revenue slightly above the level of growth on the European pharmaceutical markets.

For fiscal year 2021/22, we expect profit before tax to be slightly above the level seen in 2020/21.

We also expect a slight increase in the equity ratio.

Mannheim, 18 June 2021

The Management Board of the unlimited partner

PHOENIX Verwaltungs GmbH



**Financial information**

**for the first three  
months of 2021/22**

## CONSOLIDATED INCOME STATEMENT

for the first three months of 2021/22

EUR k	1st quarter 2020/21	1st quarter 2021/22
<b>Revenue</b>	<b>7,244,339</b>	<b>7,313,201</b>
Cost of purchased goods and services	-6,477,750	-6,570,094
<b>Gross profit</b>	<b>766,589</b>	<b>743,107</b>
Other operating income	6,773	8,832
Personnel expenses	-392,635	-398,128
Other operating expenses	-211,418	-219,433
Result from associates and joint ventures	176	93
Result from other investments	37	38
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>169,522</b>	<b>134,509</b>
Amortisation of intangible assets and depreciation of property, plant and equipment	-71,107	-70,509
<b>Earnings before interest and taxes (EBIT)</b>	<b>98,415</b>	<b>64,000</b>
Interest income	4,059	3,814
Interest expenses	-16,977	-16,735
Other financial result	-4,166	-1,124
<b>Financial result</b>	<b>-17,084</b>	<b>-14,045</b>
<b>Profit before tax</b>	<b>81,331</b>	<b>49,955</b>
Income taxes	-23,993	-12,539
<b>Profit after tax</b>	<b>57,338</b>	<b>37,416</b>
thereof attributable to non-controlling interests	8,568	7,087
thereof attributable to owners of the parent company	48,770	30,329

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as of 30 April 2021

## ASSETS

EUR k	31 January 2021	30 April 2021
<b>Non-current assets</b>		
Intangible assets	1,832,680	1,845,903
Property, plant and equipment	1,737,674	1,741,138
Investment property	6,595	6,565
Investments in associates and joint ventures	6,114	6,062
Trade receivables	277	53
Other financial assets	107,997	103,536
Deferred tax assets	94,770	91,598
Income tax receivables	12	12
	<b>3,786,119</b>	<b>3,794,867</b>
<b>Current assets</b>		
Inventories	2,747,563	2,647,389
Trade receivables	2,712,486	2,751,629
Income tax receivables	16,679	12,955
Other receivables and other financial assets	116,995	128,760
Other assets	137,693	155,998
Cash and cash equivalents	818,030	593,298
	<b>6,549,446</b>	<b>6,290,029</b>
Non-current assets held for sale	4,569	3,825
<b>Total assets</b>	<b>10,340,134</b>	<b>10,088,721</b>

## EQUITY AND LIABILITIES

EUR k	31 January 2021	30 April 2021
<b>Equity</b>		
Unlimited and limited partners' capital	851,000	851,000
Reserves	2,347,497	2,377,466
Accumulated other comprehensive income	-328,407	-322,916
<b>Equity attributable to the shareholders of the parent company</b>	<b>2,870,090</b>	<b>2,905,550</b>
Non-controlling interests	298,826	303,518
	<b>3,168,916</b>	<b>3,209,068</b>
<b>Non-current liabilities</b>		
Financial liabilities	1,317,147	1,326,739
Trade payables	303	215
Provisions for pensions and similar obligations	272,374	271,697
Other non-current provisions	5,558	1,941
Deferred tax liabilities	128,211	135,619
Other non-current liabilities	1,463	1,643
	<b>1,725,056</b>	<b>1,737,854</b>
<b>Current liabilities</b>		
Financial liabilities	891,239	908,467
Trade payables	4,091,032	3,777,956
Other provisions	43,829	43,161
Income tax liabilities	35,299	34,207
Other liabilities	384,763	378,008
	<b>5,446,162</b>	<b>5,141,799</b>
Liabilities directly associated with assets held for sale	0	0
<b>Total equity and liabilities</b>	<b>10,340,134</b>	<b>10,088,721</b>



## CONSOLIDATED STATEMENT OF CASH FLOWS

for the first three months of 2021 / 22

EUR k	30 April 2020	30 April 2021
<b>Profit after tax</b>	<b>57,338</b>	<b>37,416</b>
Income taxes	23,993	12,539
<b>Profit before tax</b>	<b>81,331</b>	<b>49,955</b>
Adjustments for:		
Interest expenses and interest income	12,918	12,921
Amortisation/depreciation/impairment/write-ups of intangible assets, property, plant and equipment and investment property	71,107	70,509
Result from associates and other investments	-213	-131
Net result from the disposal of assets related to investing activities	741	427
Other non-cash expense and income	27,197	74,330
	<b>193,081</b>	<b>208,011</b>
Interest paid	-12,070	-12,072
Interest received	3,317	3,722
Income taxes paid	-11,990	-2,160
Dividends received	36	38
<b>Result before change in assets and liabilities</b>	<b>172,374</b>	<b>197,539</b>
Changes in assets and liabilities, net of effects of changes in the scope of consolidation and other non-cash transactions:		
Change in non-current provisions	-8,859	-12,274
<b>Result before change in operating assets and liabilities</b>	<b>163,515</b>	<b>185,265</b>
Change in inventories	-267,328	73,170
Change in trade receivables	-90,612	-45,664
Change in trade payables	156,509	-286,805
	<b>-201,431</b>	<b>-259,299</b>
Change in other assets and liabilities not related to investing or financing activities	-6,041	-92,553
<b>Change in operating assets and liabilities</b>	<b>-207,472</b>	<b>-351,852</b>
<b>Cash flow from operating activities</b>	<b>-43,957</b>	<b>-166,587</b>
Acquisition of consolidated companies and business units, net of cash acquired	-10,939	-6,600
Capital expenditures for intangible assets, property, plant and equipment, and investment property	-42,046	-31,756
Investment in other financial assets and non-current assets	-308	0
<b>Cash outflows for investments</b>	<b>-53,293</b>	<b>-38,356</b>

EUR k	30 April 2020	30 April 2021
Cash received from the sale of consolidated companies and business units, net of cash disposed	555	0
Cash received from disposal of intangible assets, property, plant and equipment and investment property	2,605	2,759
Proceeds from other financial assets and non-current assets	636	1,062
<b>Cash inflows from realised investments and divestments</b>	<b>3,796</b>	<b>3,821</b>
<b>Cash flow from investing activities</b>	<b>-49,497</b>	<b>-34,535</b>
<b>Cash available for financing activities</b>	<b>-93,454</b>	<b>-201,122</b>
Acquisition of additional shares in already consolidated subsidiaries	0	-182
Proceeds from disposal of interests in subsidiaries without loss of control	0	14
Dividends paid to non-controlling interests	-2,088	-2,584
Proceeds from bond issuance and bank loans	429	1,412
Repayment of bonds and bank loans	-30,940	-33,123
Change in bank loans which have a maturity period of 3 months or less	117,252	75,912
Proceeds from the issue of loans from shareholders in the parent company	16,200	0
Repayment of loans from shareholders in the parent company	-500	-1,160
Change in ABS/factoring liabilities	21,187	-31,141
Change in finance lease liabilities	-44,127	-32,403
Change in other financial liabilities	-15,698	200
<b>Cash flow from financing activities</b>	<b>61,715</b>	<b>-23,055</b>
<b>Changes in cash and cash equivalents</b>	<b>-31,739</b>	<b>-224,177</b>
Effect of exchange rate changes on cash and cash equivalents	-1,464	-555
Cash and cash equivalents at the beginning of the period	245,986	818,030
Cash and cash equivalents at the end of the period	212,783	593,298
<b>Cash and cash equivalents presented in the balance sheet at the end of the period</b>	<b>212,783</b>	<b>593,298</b>

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## **Financial calendar**

**23 September 2021:** Half-year Report February to July 2021

**16 December 2021:** Quarterly Statement February to October 2021

## **Further information about the PHOENIX group | [www.phoenixgroup.eu](http://www.phoenixgroup.eu)**

The PHOENIX group, headquartered in Mannheim, is a leading healthcare provider in Europe. Active in 27 countries, the company offers unique geographical coverage throughout Europe, making a vital contribution to comprehensive healthcare with more than 39,000 employees. The PHOENIX group's vision is to be the best integrated healthcare provider - wherever it is active.