

# HALF YEAR REPORT 2019

## HAEMATO AG



HAEMATO AG ▼





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# 1. FOREWORD

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Dear Shareholders,  
dear Sir or Madam,

The business result for the first six months of 2019 has proven to be very unsatisfactory for us. Sales of mEUR 94.0 were 35 % down in comparison to the same period of the previous year. The EBIT amounts to only kEUR 708.

Many causes can be described. Among other things, customers lost trust with regard to the import market due to long-term negative media coverage of Lunapharm GmbH and the declining development of previously significant revenue drivers of our specialty pharmaceuticals market.

Several successor products have been launched on the market in place of some of these top sales products. At this early stage, these products are not available to us in terms of the usual quantity and ROI and this situation can, in our view, continue till the third quarter of 2019.

The execution of the framework agreement between the Central Association of Statutory Health and Nursing Insurance Funds and the German Association of Pharmacists on 07/01/2019 has concluded negative discussions about import quota which have lasted for months. As another factor, the passing of the bill for more safety in the supply of pharmaceuticals also contributed to this (end of June 2019). With this new law, a new regulation for the distribution of pharmaceutical imports

in German pharmacies was introduced. As new drugs will be introduced into the market, more and more new approvals were applied for. This will gradually have a positive effect on the further development of sales depending on the respective approval period (4 to 12 months).

As a further measure, we have reacted to this unsatisfactory development by increasing the number of staff in the sales and procurement departments. We streamlined processes and the total number of employees was reduced by 12 % despite new hires in strategically important areas (procurement, sales, IT, product development). In order to optimize the parallel import sector, we also plan to get involved in the narcotics sector in the future. We have already acquired the required license. The infrastructure which will be necessary for the implementation of according projects (high-security warehouse, logistics) is currently under construction.

The permission to import and trade narcotics enables us to also offer cannabis-based medication (medicinal cannabis) to our customers. Since 2017, doctors are allowed to prescribe cannabis flowers and extracts which have been categorized as „BTM“ (narcotics). Because cannabis is considered a so-called prescription drug, pharmacists can generate greater added value out of those products. The health insurance funds cover the costs for approx. 60 % of the prescriptions. Because of these developments, the German market became very attractive for medicinal cannabis products. Because we mainly focus on the areas of oncology and neurology, we can potentially serve 70 % of the market directly.

The market for medicinal cannabis grew by 70 % last year and is expected to grow to approximately mEUR 200 by 2023. We anticipate sustained market growth because the range of applications for medicinal cannabis has not yet been sufficiently explored. The substitution of opiates and opioids would already significantly contribute to broaden the market. During the first six months of 2019 we were able to improve the margin percentage in comparison to the same period of the previous year. Furthermore, we will continue to invest in the optimization of processes, digitization, the development of new business areas and product developments.

We appreciate your confidence in our business.

Uwe Zimdars  
(Executive Board)

Daniel Kracht  
(Executive Board)



## 2. COMPANY PROFILE

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The HAEMATO AG is a listed pharmaceutical company based in Berlin. The company is located in an area of approx. 4,200 m<sup>2</sup> (for commercial activities and production) and has 171 employees.

Business activities are mainly oriented towards the growing markets for patent-free and patent-protected drugs in the insurance-financed market. The focus lays on the cost-intensive therapeutic areas of oncology, HIV/AIDS, neurology, rheumatology and other chronic diseases.

Our specialty pharmaceutical product portfolio already includes more than 1,000 approved original EU pharmaceuticals. Privately financed products for aesthetic treatments are as well part of the portfolio. HAEMATO's targeted markets are Germany and Austria. Further target markets are in the planning stage.

Our clients include pharmacies, wholesalers, doctors and clinics. More than 16 wholesalers and 6,000 pharmacies are already part of our regular customer base.

By parallel importing and distributing high-quality original EU drugs at favorable prices, we actively contribute in an efficient drug supply and cost reduction for health insurance companies. Due to continuous cooperation with doctors and pharmacists annual savings of mEUR 240 can be directly achieved when it comes to prescriptions and delivery costs.

The demand for inexpensive, high-quality medications which meet the requirements for reliable and comprehensive medical care will continue to rise in the following years because of the increasing life expectancy of the population. Furthermore, the product portfolio of the company is going to expand regarding the growing anesthetic market for years to come.



## 3. KEY FIGURES OF HAEMATO AG

During the period under review the HAEMATO AG achieved sales of mEUR 94.0 and the result before interest and taxes (EBIT) amounted to mEUR 0.7. On 06/30/2019, the price of the HAEMATO AG share was around 17 % lower than it was the case on the second quarter of 2018. In July 2019, a payout of EUR 0.10 per share was made for the financial year 2018.

### KEY FIGURES (IFRS) IN EUR

Consolidated statement of comprehensive income	01/01 - 06/30/2019	01/01 - 06/30/2018
Revenues	94,008,943	143,744,956
EBIT	707,795	3,378,686
Net profit for the period	-2,101,252	5,044,536
Consolidated balance sheet	06/30/2019	12/31/2018
Current assets	61,337,308	60,684,356
Non-current assets	54,273,076	55,832,045
Equity capital	73,575,091	75,676,343
Liabilities	42,035,293	40,840,058
Balance sheet total	115,610,384	116,516,401
Equity ratio	63.6 %	65.0 %
Dividend payment	2,286,715*	6,594,000**

\* in QIII 2019 (10 ct/Aktie)

\*\* in QIII 2018 (30 ct/Aktie)

### KEY FIGURES OF THE SHARE

Class of shares	Bearer shares
Stock capital	22,867,154 EUR
Number of shares	22,867,154 pieces
WKN / ISIN	619070 / DE0006190705
Icon	HAE
Trading venues	Xetra, Frankfurt, Stuttgart, Hamburg, Berlin
Listing	Frankfurter Wertpapierbörse
First trading day	12/05/2005
Exchange segment	Entry Standard (Open Market)
Designated Sponsor, Listing Partner	ICF Kursmakler AG
Specialist	ODDO SEYDLER BANK AG
Coverage	GBC AG, First Berlin Equity Research GmbH



### XETRA PRICE PERFORMANCE OF THE HAEMATO SHARE





## 4. CONSOLIDATED INTERIM MANAGEMENT REPORT

### 4.1 Economic environment

#### 4.1.1 Overall economy

Global economic growth lost momentum at the end of 2018. The economic growth in the euro zone has also weakened. In the second quarter of 2019, the gross domestic product (GDP) of the single currency area grew by only 0.2 % in comparison to the previous quarter. The inflation rate in the single currency area slowed sharply to its lowest level, i. e. 1.1 %, since February 2018.

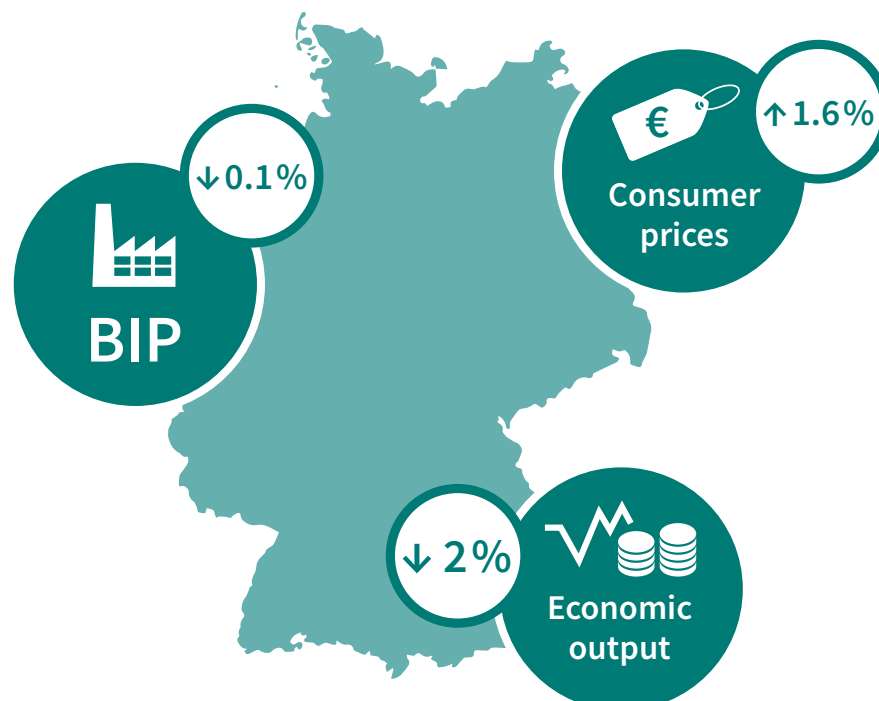
The European unemployment rate is at its lowest level for 11 years. In June, this value fell by 0.1 % and was therefore seasonally adjusted at 7.5 %.<sup>1</sup>

The German economy is being confronted with several crises in a difficult international environment. Trade disputes have increased recently and the prospects for an orderly Brexit have not improved. In addition, geopolitical crises are curbing world trade and the global economy. After a good start to 2019, the gross domestic product (GDP) weakened slightly in the second quarter by 0.1 % (according to adjusted price).<sup>2</sup>

In the second quarter, the economic performance of German industry fell by almost 2 %. Additionally, the economic development was slowed down by foreign trade. In the second quarter, exports of goods and services fell more sharply than imports compared with the same quarter of the previous year.<sup>3</sup>

However, the momentum of the economy remains intact. The rising employment and income growth of private households and fiscal policy stimuli continue to have a supporting effect.<sup>4</sup>

Consumer prices in Germany are rising more strongly again. In June, prices for goods and services rose by 1.6 % in comparison to the same month of the previous year.<sup>5</sup>







SAFELY  
CONTROLLED

## 4.1.2 Pharmaceutical market

The pharmaceutical industry is an essential component of the health care system in Germany. With a turnover of over bEUR 43 and around 130,900 employees, this industry is also an important economic factor and employer.<sup>6</sup> The pharmaceutical industry significantly supports the medical progress, disease treatment and the quality of life of patients in Europe. It substantially contributes to the added value of the domestic locations and is actively committed to strengthening them as business, production, research and study locations.<sup>7</sup>

The global pharmaceutical market amounted to bUSD 934.8 in 2017 and will reach bUSD 1,170 in 2021. This corresponds to an economic growth of 5.8 % which was reported in a pharmaceutical market research released by The Business Research Company.<sup>8</sup>

In the months January to March 2019, the German pharmaceutical market (both hospital and pharmacies) grew by 5 % and had a turnover of 11 billion Euros. The largest turnover and volume share in the overall market was reached in the pharmacy sector. 14 % of the total turnover was accounted for by the hospital sector. The sales in the outpatient care market generated a 2 % higher increase than the pharmacy market. The higher increase in the hospital market can be related to the introduction of new special therapies for serious illnesses.<sup>9</sup>

In the first three months of 2019 the overall retail market turnover totalled 9.2 billion Euros and was thus 5 % higher than in the previous year period. The largest turnover share was generated by medicines available on prescription, which has risen by 6 %.

The highest increase was recorded for antineoplastic agents (+29 %). The following preparation groups also achieved a double-digit growth rate: antineoplastic protein kinase inhibitors (+12 %), MAB antineoplastic agents (+20 %), direct factor Xa-Inhibitors (+17 %) and cytostatic hormone antagonists (+13 %).<sup>10</sup>

In the first quarter of 2019, the leading ten preparation groups in the hospital market recorded a growth of 9 %. The entire stationary sector generated a turnover of 1.5 billion Euros. The largest part of this amount (54 %) was constituted by the ten leading preparation groups.

At the beginning of last year a new therapy for the treatment of multiple sclerosis (MS) was introduced, thus leading to a significant growth in medicines against MS (64 %).<sup>11</sup> In the first quarter of 2019, the turnover for medicines available on prescription increased by 6 % to 7.9 billion Euros.<sup>12</sup>

During this period, the SHI expenditures on pharmaceuticals amounted to 10.1 billion Euros, thus showing an increase of +3 %. The volume of pharmaceuticals dispensed to patients decreased by 3 % to 179 million packages. Background analyzes of the volume development in the first quarter of 2019 have shown that the leading preparation groups in the SHI market recorded declines in the single-digit range (e.g. analgesics -5 %, non-steroidal anti-inflammatory drugs -4 %, anti-ulcer therapeutics -3 %, diabetes tests -7 %).<sup>13</sup> In the first three months of 2019, the additional SHI expenditures on pharmaceuticals amounted to 324 million Euros.<sup>14</sup>

The development within individual market segments differed significantly: patent-protected medicines increased by 13 % in turnover and by 7 % in sales, partly as a result of new therapies being established.

Unprotected originals and second suppliers recorded a decrease of 12 % and 8 %, respectively. The turnover of the generics and biosimilars increased by an average of 5 %, however decreases in turnover related to contractual discounts have to be taken into account.<sup>15</sup>

Some innovative medications are priced differently in separate countries of the EEA. Parallel imports profits from these price differences. According to EFPIA, parallel imports of medicines can be considered as an attractive and growing market volume in Germany, the United Kingdom, the Netherlands, Ireland and the Scandinavian countries in particular. In Germany, parallel imports in 2017 accounted for approx. 8.5 % of total sales in the pharmaceutical market.<sup>16</sup>



The UK is very likely to leave the European Union. So far, the United Kingdom has been acting as a hub of the European Single Market for pharmaceuticals. The BREXIT decision and the debate about the withdrawal from the EU have led to a radical change regarding parallel imports of drugs in Europe.<sup>17</sup>

The modification of the import clause - while the bill for more safety in the supply of pharmaceuticals (GSAV) was being passed - will also significantly change the flow of drugs to Germany. The new import clause came into force with the GSAV on 07/01/2019. The key change concerns in particular high-priced medicines which exceed 300 Euros. Compared to the previous 15/15 clause, the new law results in fewer savings on expensive drugs.<sup>18</sup>





## 4.2 Economic situation

### 4.2.1 Net assets, financial position and profit situation (IFRS)

#### a. Assets position of the HAEMATO Group

The positive **asset situation** of the HAEMATO Group did not change in comparison to the previous year.

On 06/30/2019, our **liquidity position** has improved significantly. As of 06/30/2019, cash and cash equivalents amounted to kEUR 9,485 compared to kEUR 5,599 on 12/31/2018. This represents an increase in cash and cash equivalents of kEUR 3,886.

As of June 30, 2019, our **inventories** could be reduced by kEUR 4,054 to kEUR 40,322 (12/31/2018: kEUR 44,377).

Within the first half of 2019, **trade receivables** increased from kEUR 7,320 to kEUR 8,547 as of 06/30/2019.

**Non-current assets** decreased from kEUR 55,832 as of 12/31/2018 to kEUR 54,273 as of 06/30/2019.

**Property, plant and equipment** increased from kEUR 1,047 to kEUR 2,203 as of 06/30/2019, in particular due to the capitalization of rights-of-use in accordance with IFRS 16 "Lease Agreements", which have to be applied as of 01/01/2019.

At the same time, the value of **non-current financial assets** has decreased, mainly due to the valuation of financial assets in accordance with IFRS 9. The changes in the values of Level 1 assets allocated to the category "at fair value through profit or loss" are the decisive factor for the reduction of kEUR 2,495 from kEUR 15,972 as of 12/31/2018 to kEUR 13,477 as of 06/30/2019.

#### b. Financial position of the HAEMATO Group

Our financial position is very stable. Our financial management aims to settle liabilities within deadlines and to collect receivables within the payment period.

Our **capital structure** is well positioned. Our equity decreased slightly by 2.8 % to kEUR 73,575 as of 06/30/2019 (previous year: kEUR 75,676).

The **equity ratio** was 63.64 % as of 06/30/2019 in comparison to 64.95 % as of 12/31/2018.

As of the reporting date, our **trade payables** amounted to kEUR 12,520 as of 06/30/2019 (12/31/2018: kEUR 8,469).

Other **current liabilities** were reduced to kEUR 5,778. The decrease by kEUR 1,902 on 12/31/2018 to the amount of kEUR 7,680 can be ascribed to the lower utilization of current account loans.

The **current and non-current leasing liabilities** to be reported for the first time in accordance with IFRS 16 amounted to kEUR 1,268.

**Reimbursement liabilities** from customer contracts in accordance with IFRS 15 amount to kEUR 5,910 and have decreased by kEUR 2,044 in comparison to 12/31/2018.



### c. Profit position of the HAEMATO Group

The business development in the first half of 2019 showed a decline in sales compared to the same period of the previous year, which is also reflected in the lower gross profit in comparison to the same period of the previous year.

The reduction in sales in the first half of 2019 to kEUR 94,009 corresponds to a decline of 34.6 %. In the same period of the previous year, sales amounted to kEUR 143,745.

The **cost of sales ratio** improved from 92.69 % in the first half of 2018 to 92.02 % in the first half of 2019.

The **personnel cost ratio** rose from 2.15 % in the same period of the previous year to 3.15 % in the current reporting period due to the significantly lower starting point of sales, with absolute personnel expenses being kEUR 132 lower than in the previous year.

**Other operating expenses** amounted to kEUR 3,125 and thus decreased by 22.8 % (previous year: kEUR 4,047).

The **depreciation** amounted to kEUR 977 and therefore was kEUR 247 higher than in the first half of 2018; this corresponds to an increase of 33.8 %. This happened due to the depreciation regarding the rights-of-use according to the leasing agreements which have been capitalized in accordance with IFRS 16.

The **operating result (EBIT)** as of 06/30/2019 amounted to kEUR 708. The financial result which was reported in the first half of 2019 is essentially characterized by the valuation of financial assets at market and stock exchange prices on the reporting date. A depreciation of kEUR 2,499 had to be made on undisclosed reserves of financial assets.

Our economic situation cannot be compared to the positive results of the previous years, but can certainly be considered as adequate.

## 4.3 Prospects

Global economic growth continued to lose momentum at the end of 2018 and is projected to weaken in 2019 but to stabilize again in the medium term. The slowdown was particularly visible in the manufacturing sector, which led to a sharp decline in world trade. Factors such as increased global uncertainty, trade disputes, financial tensions in some emerging markets and signs of a slowdown of economic growth in the Chinese market have contributed to the slowdown in global growth and world trade.<sup>19</sup> Europe's economy however is expected to further grow in 2019.

According to macroeconomic projections by the experts of the euro system of December 2018 for the euro zone, the real annual GDP is projected to increase by 1.7 % in 2019, by 1.5 % in 2020, and by 1.5 % in 2021. In comparison to the macroeconomic projections of September 2018 which have been prepared by experts at the European Central Bank (ECB), the outlook for the real GDP growth for 2018 and 2019 has been corrected slightly downwards.<sup>20</sup>

The momentum of the German economy is being slowed down mainly by the external economic environment. The undeniably weakening global economy and the slowdown in world trade continue to pose high risks for economic growth.<sup>21</sup>

Based on demographic changes, the industry data provider Evaluate Pharma (EP) forecasts an average annual sales growth rate of 6.4 % for the global pharmaceutical market until 2024. This forecast is mainly based on the following factors: **Orphan drugs** (drugs for rare diseases with fewer than 200,000 patients), whose global revenues are expected to double by 2024 to bUSD 250, **innovations** (mainly in immuno-oncology) and **development in emerging markets**.<sup>22</sup> The Association of Research-Based Pharmaceutical Companies e.V. (vfa) announced that at least 30 drugs with a new active substance will be introduced in Germany in 2019. Regarding many new drugs, Europe-wide approval has also been applied for or already received, so that these could be introduced to the market before the end of this year.<sup>23</sup>

In 2019, approximately one third of the new pharmaceuticals will again be directed against cancer. Up to four drugs for lung cancer could enter the market in 2019.<sup>24</sup>

Since February 2019, patients have been even better protected against counterfeit medications. According to EU Directive 2011/62/EU, effective since 02/09/2019, medicines contain new anti-counterfeiting protection.

Pharmaceutical manufacturers must provide the packages of all their prescription medicines with additional safety features. By those means, pharmacies and hospitals can check the authenticity of the product.

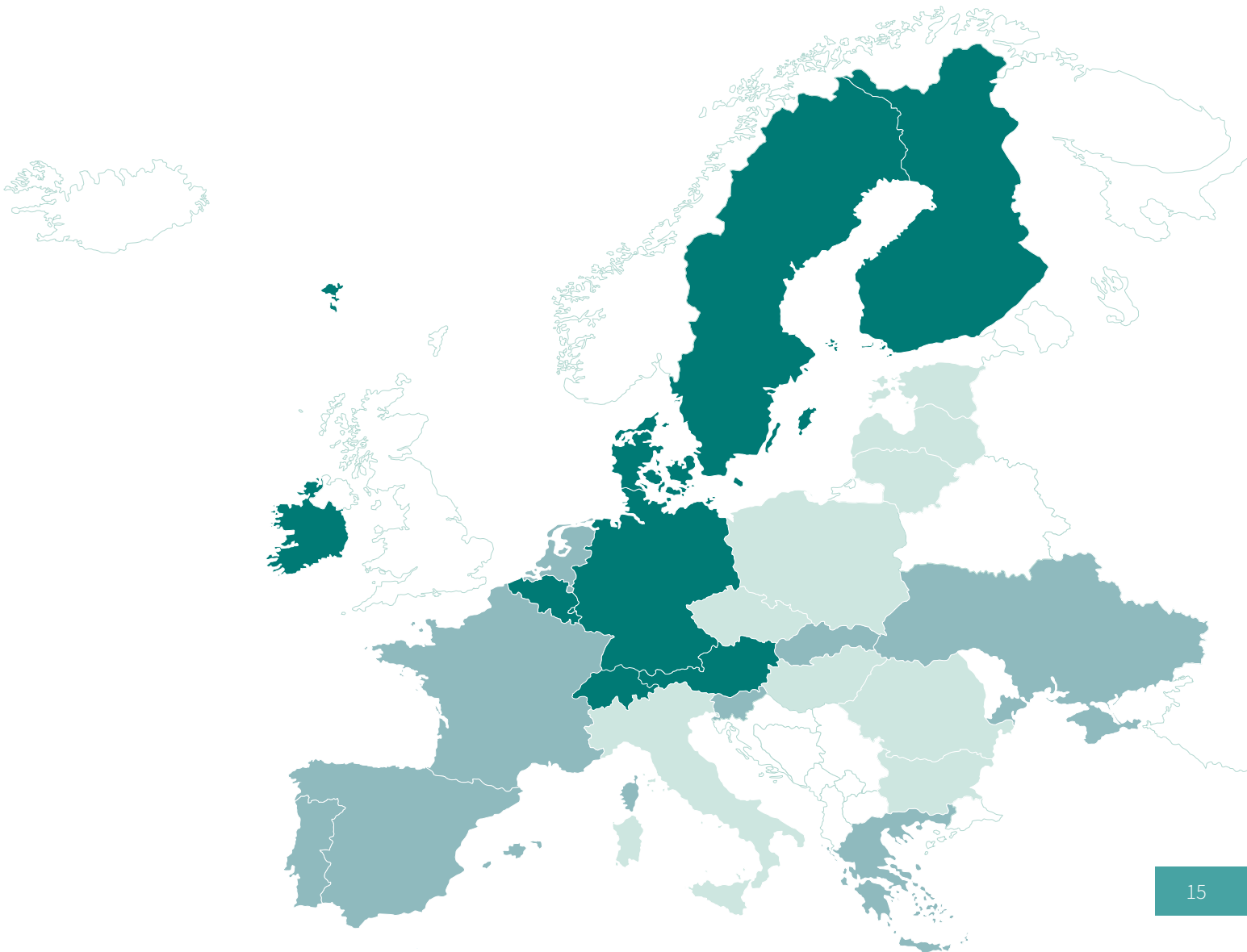
The security system "securPharm", which includes manufacturers, wholesalers, pharmacies and clinics, started operations in February 2019.<sup>23</sup>

The prospects of the German pharmaceutical industry for 2021 is also optimistic, according to a recent industry report by the portal Statista. An annual average growth rate of 2.7 % is anticipated, so that the pharmaceutical industry's turnover in 2021 is expected to amount to 54.3 billion Euros.<sup>25</sup> The IMS Institute for Healthcare Informatics anticipates an average annual growth in the German pharmaceutical market of 2 % to 5 % within the years from 2016 to 2021.<sup>26</sup>





The HAEMATO Group believes that it is well prepared for the future regarding a continued high demand for cost-effective medicines, savings efforts by health insurers and demographically induced higher demand for drugs. The future focus of HAEMATO will continue to shift towards the segment of specialty pharmaceuticals, which has been growing above average for years. We can directly access 4,800 pharmacies in Germany and 1350 pharmacies in Austria and therefore we will still be able to grow in this sector. Furthermore, HAEMATO Med will develop pharmaceutical, medical and medical technology products for aesthetic surgery and cosmetic dermatology.



## 5. CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 5.1 Consolidated interim balance sheet - Assets

According to IFRS

	06/30/2019 EUR	12/31/2018 EUR
Cash and cash equivalents	9,485,394	5,599,318
Trade receivables	8,547,323	7,320,190
Inventories	40,322,443	44,376,931
Other current financial assets	2,241,682	2,889,402
Other current assets	412,831	456,907
Income tax recivables	327,635	41,607
<b>Current assets</b>	<b>61,337,308</b>	<b>60,684,356</b>
Intangible assets	38,457,510	38,677,024
Tangible assets	2,203,164	1,046,831
Other non-current financial assets	13,477,311	15,972,700
Other non-current assets	135,091	135,490
<b>Non-current assets</b>	<b>54,273,076</b>	<b>55,832,045</b>
<b>Total assets</b>	<b>115,610,384</b>	<b>116,516,401</b>



## 5.2 Consolidated interim balance sheet– Liabilities & Equity

According to IFRS

	06/30/2019 EUR	12/31/2018 EUR
Current accruals	370,280	360,474
Income tax liabilities	683,057	683,057
Trade payables	12,519,666	8,469,399
Current leasing liabilities	507,043	0
Other current financial liabilities	5,777,864	7,679,875
Other current liabilities	239,617	335,734
Contractual and refund liabilities	5,909,706	7,954,140
<b>Current liabilities</b>	<b>26,007,232</b>	<b>25,482,678</b>
Non-current accruals	25,579	25,579
Non-current leasing liabilities	761,437	0
Other non-current financial liabilities	15,000,000	15,000,000
Deferred tax liabilities	241,045	331,801
<b>Non-current liabilities</b>	<b>16,028,061</b>	<b>15,357,380</b>
Share capital	22,867,154	22,867,154
Own shares acquired	-17,201	-17,201
Capital reserve	22,367,791	22,367,791
Capital reserve for own shares	-85,799	-85,799
Retained earnings	28,443,146	30,544,398
<b>Equity</b>	<b>73,575,091</b>	<b>75,676,343</b>
<b>Total liabilities &amp; equity</b>	<b>115,610,384</b>	<b>116,516,401</b>



## 5.3 Consolidated statement of comprehensive income

According to IFRS

	06/30/2019 EUR	06/30/2018 EUR
<b>Revenues</b>	<b>94,008,943</b>	<b>143,744,956</b>
Increase or decrease in finished and unfinished goods	0	-984
Other operating income	264,034	738,848
Cost of materials	-86,503,590	-133,236,453
Personnel expenses	-2,959,295	-3,091,206
Other operating expenses	-3,125,386	-4,046,570
<b>Result from ordinary business activities   EBITDA</b>	<b>1,684,706</b>	<b>4,108,591</b>
Depreciation	-976,911	-729,905
<b>Operating result   EBIT</b>	<b>707,795</b>	<b>3,378,686</b>
Other interests and similar income	4,602	0
Interests and similar income	-355,922	-723,441
Appreciation from measurement of financial assets	3,947	3,105,895
Depreciation from measurement of financial assets	-2,499,335	0
<b>Financial result</b>	<b>-2,846,709</b>	<b>2,382,454</b>
<b>Earnings before tax   EBT</b>	<b>-2,138,914</b>	<b>5,761,140</b>
Taxes on income and earnings	39,775	-714,964
Other taxes	-2,113	-1,639
<b>Net profit</b>	<b>-2,101,252</b>	<b>5,044,536</b>
Undiluted earnings per share (in EUR)	-0.09	0.23

## 5.4 Consolidated cash flow statement

According to IFRS

	06/30/2019 EUR	06/30/2018 EUR
<b>Cash flow from operating activities</b>	<b>6,265,874</b>	<b>1,675,815</b>
Net profit for the period	-2,101,252	5,044,536
Depreciation of fixed assets	976,911	729,905
Increase / decrease in non-current accruals	9,807	-291,314
Increase / decrease of fair values	2,495,389	-3,105,895
Increase / decrease in inventories	4,054,488	6,980,813
Increase / decrease in trade receivables and other assets	-535,000	-3,405,229
Increase / decrease in trade payables and other liabilities	1,393,652	-4,581,600
Profit / loss on disposal of fixed assets	-2,659	-546,350
Interest expense / income	351,320	723,441
Income tax expense / income	-39,775	714,964
Income tax payments	-337,008	-587,456
<b>Cash flow from investing activities</b>	<b>-387,479</b>	<b>6,447,762</b>
Proceeds from the disposal of intangible fixed assets	0	1,617
Payments for investments in intangible fixed assets	-374,714	-465,016
Proceeds from the disposal of fixed assets	58,870	0
Payments for investment in fixed assets	-76,237	-93,389
Proceeds from the disposals of financial assets	0	7,004,550
Interest earnings	4,602	0
<b>Cash flow from financing activities</b>	<b>-1,974,797</b>	<b>-30,320</b>
Changes in liabilities to banks	-1,368,425	693,121
Interest charges	-334,299	-723,441
Right-of-use payments	-272,073	0
<b>Net cash flow</b>	<b>3,903,598</b>	<b>8,093,257</b>
Cash funds at the beginning of the period	1,623,323	6,469,565
Liabilities payable on the demand at the beginning of the period	3,975,995	0
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5,599,318</b>	<b>6,469,565</b>
Cash funds at the end of the period	5,526,921	14,562,823
Liabilities payable on the demand at the end of the period	3,958,473	0
<b>Cash and cash equivalents at the end of the period</b>	<b>9,485,394</b>	<b>14,562,823</b>
<b>Changes cash and cash equivalents</b>	<b>3,886,076</b>	<b>8,093,257</b>

## 5.5 Consolidated statement of changes in equity

According to IFRS

	Share capital TEUR	Own shares acquired TEUR	Capital reserve TEUR
01/01/2018	21,980,000	0	17,954,030
Net profit for period	0	0	0
06/30/2018	21,980,000	0	17,954,030
01/01/2019	22,867,154	-17,201	22,367,791
Net profit for period	0	0	0
06/30/2019	22,867,154	-17,201	22,367,791

	Capital reserves for own shares TEUR	Retained earnings TEUR	Equity capital TEUR
01/01/2018	0	30,861,938	70,795,969
Net profit for period	0	5,044,536	5,044,536
06/30/2018	0	35,906,475	75,840,505
01/01/2019	-85,799	30,544,398	75,676,343
Net profit for period	0	-2,101,252	-2,101,252
06/30/2019	-85,799	28,443,146	73,575,091





SAFELY  
MANUFACTURED

## 6. CONDENSED NOTES

as of 06/30/2019 (unaudited)

### General information

The HAEMATO AG was founded on 05/10/1993. The Company is entered in the commercial register of the Berlin-Charlottenburg Local Court under HRB 88633 and has its registered office in Berlin. The business address is Lilienthalstr. 5 c, 12529 Schönefeld. Its parent company is MPH Health Care AG.

### The HAEMATO Group is active in the pharmaceutical sector.

The condensed consolidated interim financial statements of HAEMATO AG 01/01/2019 to 06/30/2019 have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB). The rules of the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) for the European Union were applied according to the IAS 34 "Interim Financial Reporting". The condensed interim consolidated financial statements were prepared on a voluntary basis. The figures have not been audited.

The figures for the current reporting period and for the previous year are given in EUR.

With regard to the accounting, valuation and consolidation methods applied and the execution of the options according to the IFRS, we refer to the notes to the consolidated financial statements of 12/31/2018.

### Scope of consolidation

There were no changes in the scope of consolidation in comparison to the previous year. We therefore refer to the scope of consolidation of the audited consolidated financial statements of HAEMATO AG as of 12/31/2018.

### Selected information on the consolidated balance sheet and consolidated statement of comprehensive income

**Cash and cash equivalents**, which amount to kEUR 9,485 (12/31/2018: kEUR 5,599) mainly comprise bank balances and are recorded at their nominal values.

**Trade receivables** of kEUR 8,547 (12/31/2018: kEUR 7,320) are measured using the effective interest method at amortized cost less any impairment losses.

**Inventories** with a carrying amount of kEUR 40,322 (12/31/2018: kEUR 44,377) include finished goods valued at cost for purchase and production. In accordance with IAS 2, all costs incurred in connection with the acquisition of the respective inventories were included.

There were no external capital costs to be capitalized. The application of IAS 11 is not relevant.

In 2019, HAEMATO AG will capitalize rights-of-use for the first time according to IFRS 16. IFRS 16 is a uniform accounting model in which lessees are required to account for all lease agreements and lease liabilities for outstanding rental payments. The rights-of-use are reported under **property, plant and equipment**. The term is measured over the term of the lease and will be depreciated accordingly. The lease liability will be reduced and discounted according to the lease payments which have been made.

Lease liabilities include purchase options, contract extension options and termination options. Application simplifications with regard to low-value assets or short-term leases are not used. We used the modified retrospective method as we have been applying IFRS 16 for the first time. As of 01/01/2019, kEUR 1,519 in rights of use were capitalized at the time of the first application, which decreased by kEUR 260 to kEUR 1,259 as of 06/30/2019. On the other hand, leasing liabilities amounted to kEUR 1,268 06/30/2019. The effect on the result is – kEUR 10.



**Other non-current financial assets** totaling kEUR 13,477 (12/31/2018: kEUR 15,973) include shares in listed companies and other equity investments. These financial assets were allocated to the category “Financial assets at fair value through profit or loss”. The market value was determined on the basis of quoted, unadjusted prices on active markets for these or identical assets on the reporting date.

**Current financial liabilities** mainly comprise liabilities to banks, amount to kEUR 5,778 (12/31/2018: kEUR 6,656) and are carried at amortized cost using the effective interest method.

**Other current liabilities** amount to kEUR 240 (12/31/2018: kEUR 336). This balance sheet item mainly includes tax liabilities as of 06/30/2019.

**Current lease liabilities** of kEUR 507 and **non-current lease liabilities** of kEUR 761,4 were recognized for the first time in 2019 as an offsetting item to the rights of use according to IFR 16, which must be applied as of 2019.

The **contractual and refund liabilities** contain obligations from sales transactions that represent financial instruments. A refund obligation arises if HAEMATO receives a consideration from a customer and expects that this consideration will be fully or partially refunded to the customer. A refund liability is assessed at the amount of the consideration that the company is not expected to receive and which is therefore not included in the transaction price.

Depending on their category, income and expenses from the assessment of financial assets and liabilities which are valued at fair value according to IFRS 9 must be recognized in profit or loss in the income statement or, if the option is exercised, in other comprehensive income at the time of acquisition. Previously, the valuations recognized in profit or loss at HAEMATO AG were reported under other operating income or other operating expenses and were explained in the notes to the consolidated financial statements. As of fiscal 2019 (for the first time as part of the interim report as of 06/30/2019), the income or expenses resulting from the assessment will be reported

in the financial result. The figures from the previous year (as of 12/31/2018) have been adjusted accordingly.

### Contingent liabilities and other financial obligations

HAEMATO PHARM GmbH is jointly and severally liable to the Investitionsbank des Landes Brandenburg with HAEMATO AG to secure the receivables from the subsidy relationship between ILB and Simgen GmbH, which has been merged into the HAEMATO PHARM GmbH to the amount of kEUR 214,440 (maximum liability guarantee). Furthermore, HAEMATO PHARM GmbH is jointly and severally liable to the Investitionsbank des Landes Brandenburg together with MPH Health Care AG for securing the receivables from the subsidy relationship between ILB and HAEMATO PHARM GmbH in the amount of kEUR 1,478,4 (maximum liability guarantee).

HAEMATO AG is liable to HYPO NOE Gruppe Bank AG as a joint borrower with MPH Health Care AG in connection with a mEUR 7 promissory note loan. This loan was disbursed to MPH Health Care AG and used in full.

HAEMATO AG is liable to HYPO NOE Gruppe Bank AG as a joint borrower with MPH Health Care AG in connection with a mEUR 7 promissory note loan. This loan was disbursed to MPH Health Care AG and used in full.

HAEMATO AG is liable to Raiffeisenlandesbank Niederösterreich-Wien AG as joint borrower with MPH Health Care AG in connection with another mEUR 4 promissory note loan.

This loan was disbursed to MPH Health Care AG and used in full. In view of the current creditworthiness and payment history of the beneficiaries, we consider the contingent liabilities to be low. We do not have any evidence that a different assessment will be required.

Other financial obligations are in line with normal business transactions.

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### **Significant events after 06/30/2019**

In accordance with the resolution passed at the Annual General Meeting on 07/10/2019, on 07/15/2019, a dividend of EUR 0.10 per common share was distributed for fiscal year 2018 according to the resolution on the appropriation of net retained profits 2018.

There were no other significant events after 06/30/2019.

Schönefeld, dated 08/16/2019.

Uwe Zimdars  
(Executive Board)

Daniel Kracht  
(Executive Board)





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## 7. MORE INFORMATION

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### 7.1 Statements concerning the members of corporate bodies

#### Executive Board

Last name	First name	Function	Power of representation	Occupation
Zimdars	Uwe	CEO	jointly authorized to represent	Merchant
Kracht	Daniel	CFO	jointly authorized to represent	Merchant

#### Supervisory Board

Last name	First name	Function	Occupation
Grosse	Andrea	Chairwoman	Lawyer
Prof. Dr. Dr. Meck	Sabine	Deputy Chairwoman	University teacher, psychotherapist and science journalist
Dr. Braun	Marion	Member	Medical doctor



## 7.2 Glossary

### **Net profit**

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

### **BtM**

abbreviation for Betäubungsmittel (narcotic drugs)

### **Cash Flow**

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

### **Dividends**

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

### **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: Depreciation & amortization are added to earnings before interest and taxes.

### **EFPIA**

abbreviation for European federation of Pharmaceutical Industries and Associations

### **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.

### **SHI**

abbreviation for the Social Health Insurance

### **GSAV**

abbreviation for Gesetz für mehr Sicherheit in der Arzneimittelversorgung (Act for More Safety in the Supply of Pharmaceuticals)

### **Patent**

In application to the pharmaceutical market: Industrial property right for a newly developed active pharmaceutical ingredient; In the EU, market exclusivity is limited to 20 years.

### **Oncology**

Science that deals with cancer

### **Licensing**

An official authorisation required to offer, distribute or supply an industrially manufactured, ready-to-use medicinal product

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## 7.3 List of references

- 1 Cf. Eurostat: 128/2019 – 14. August 2019
- 2 Cf. Statistisches Bundesamt: Pressemitteilung Nr. 304 vom 14. August 2019
- 3 Cf. Statistisches Bundesamt: Pressemitteilung Nr. 304 vom 14. August 2019
- 4 Cf. IMK Report 148: Starke Inlandsnachfrage bewahrt Deutschland vor Rezession, Die konjunkturelle Lage in Deutschland zur Jahresmitte 2019, Juni 2019, S. 1
- 5 Cf. Statista, Statistik ID:1045 - Inflationsrate in Deutschland von Juli 2018 bis Juli 2019 (gegenüber Vorjahresmonat)
- 6 Cf. BPI, Pharma-Daten 2018, S.9
- 7 Cf. efpia: The Pharmaceutical Industry in Figures, 2017, S. 4
- 8 The Growing Pharmaceuticals Market: Expert Forecasts and Analysis, 16.05.2018
- 9 Cf. IQVIA Marktbericht: Entwicklung des deutschen Pharmamarktes im ersten Quartal 2019, S. 10
- 10 Cf. IQVIA Marktbericht: Entwicklung des deutschen Pharmamarktes im ersten Quartal 2019, S. 4
- 11 Cf. IQVIA Marktbericht: Entwicklung des deutschen Pharmamarktes im ersten Quartal 2019, S. 13
- 12 Cf. IQVIA Marktbericht: Entwicklung des deutschen Pharmamarktes im ersten Quartal 2019, S. 10
- 13 Cf. IQVIA Marktbericht: Entwicklung des deutschen Pharmamarktes im ersten Quartal 2019, S. 27
- 14 Cf. IQVIA Marktbericht: Entwicklung des deutschen Pharmamarktes im ersten Quartal 2019, S. 28
- 15 Cf. IQVIA Marktbericht: Entwicklung des deutschen Pharmamarktes im ersten Quartal 2019, S. 29
- 16 Cf. Statista, Statistik ID: 200928 - Umsatzanteil von Parallelimporten auf Pharmamärkten ausgewählter europäischer Länder in den Jahren 2013 bis 2017
- 17 Cf. IQVIA FLASHLIGHT 72. Ausgabe – April 2019, S.4
- 18 Cf. [www.apomio.de/Brexit](http://www.apomio.de/Brexit) und Importklausel verändern den Parallelimport von Arzneimitteln!, 22.05.2019
- 19 Cf. EZB, Wirtschaftsbericht, Ausgabe 2/2019, S.3-4
- 20 Cf. EZB, Wirtschaftsbericht, Ausgabe 8/2018, S. 23-24
- 21 Cf. Bundesfinanzministerium, Monatsberichte/2019/01/Kapitel 4-Wirtschafts und Finanzlage
- 22 Cf. Scope ratings, Pharma Outlook 2019, 3.12.2018, S.1
- 23 Cf. vfa, Ausblick auf 2019: Neue Medikamente können die Versorgung vieler Patienten verbessern, 02.01.2019
- 24 Cf. PharmaTec, Ausblick auf 2019, 14.01.2019
- 25 Cf. Statista Branchenreport: Herstellung von pharmazeutischen Erzeugnissen, Juli 2017, S. 12



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## 7.4 Imprint & Contact

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### **Executive Board**

Uwe Zimdars, Daniel Kracht

### **Investor Relations**

Inquiries to: ir@haemato.ag

### **Supervisory Board**

Chairwoman: Andrea Grosse

Deputy Chairwoman: Prof. Dr. Dr. Sabine Meck

Member: Dr. med. Marion Braun

### **Seat**

Berlin, Amtsgericht Charlottenburg, HRB 88633 B

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

HAEMATO AG

### **Photos**

HAEMATO AG, Adobe Stock, Pexels



A young woman with long, wavy blonde hair and blue eyes is smiling warmly. She is wearing a white lab coat over a purple top with a white lace collar. She is handing a white plastic bag to a customer. The bag has the text 'Mit Sicherheit HAEMATO pharm' printed on it. The background shows shelves in a pharmacy with various products and informational brochures.

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REMAINS AFFORDABLE

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