



Eckert & Ziegler
Contributing to saving lives



QUARTERLY REPORT III

1 July to 30 September 2021

KEY DATA

		1-9/2020	1-9/2021	Change
Sales	€ million	126.9	131.0	+3%
Return on revenue before tax	%	20	30	+10%
EBITDA	€ million	34.8	47.8	+37%
EBIT	€ million	26.3	40.3	+54%
EBT	€ million	25.6	39.6	+55%
Net income before other shareholder's interests	€ million	17.9	29.3	+64%
Profit	€ million	17.7	29.2	+65%
Earnings per share (basic)	€	0.86	1.41	+64%
Operational cash flow	€ million	17.6	20.8	+18%
Depreciation and amortization on non-current assets	€ million	8.6	7.5	-13%
Staff as end of period	Persons	825	841	+2%

Q3

MILESTONES

ACQUISITION IN BRAZIL

The takeover of Ambientis Radioproteção, based in São Paulo, Brazil, strengthens Eckert & Ziegler's presence in South America. The business with annual sales in the low single-digit million range and 24 employees have been integrated into EZBIS's Special Transportation Business Unit. Ambientis has 25 years of experience in radiation protection services and holds Brazil's and LATAM's only ISO-17025 certified counting laboratory.



MANUFACTURING AUTHORIZATION FOR THORIUM AND LUTETIUM COMPOUNDS

The Lower Saxony authorities have granted manufacturing authorization under the Medicines Act for several thorium and lutetium preparations. This authorization enables Eckert & Ziegler to supply its customers in the pharmaceutical industry with therapeutic radioisotopes for clinical trials and beyond. The radioisotopes are the central active ingredients in a series of innovative cancer drugs that are currently being tested in advanced phases by numerous drug manufacturers.



TECHNETIUM-99 DELIVERY IN BRAZIL
 Eckert & Ziegler has started the delivery of Technetium-99 generators in Brazil. The subsidiary Eckert & Ziegler Brasil Comercial Ltda. had recently received a license from the Brazilian health authority ANVISA as the first and only private company to import and distribute technetium generators. Two leading hospitals in the greater Sao Paulo area are among the first customers, and further orders have already been placed.

NANTES UNIVERSITY HOSPITAL DOSES FIRST PATIENTS WITH NOVEL GA-68 IMAGING AGENT

The Centre Hospitalier Universitaire de Nantes has started to dose first patients with PENTIXAFOR, an innovative imaging compound for the initial staging of cancer patients with symptomatic multiple myelomas. The Ga-68 based radio-diagnostic promises to significantly improve the patient management for early forms of the disease by identifying the optimal therapeutic alternative.



A. GROUP INTERIM MANAGEMENT REPORT

A.1 EARNINGS PERFORMANCE

In the first nine months of 2021, the Eckert & Ziegler Group once again generated a record result with a net profit of € 29.2 million or € 1.41 per share. Thus, after nine months, the result for the entire year 2020 has already been significantly exceeded. Compared to the same period of the previous year, the Group result increased significantly by € 11.5 million or 65%.

Even though a large part of this growth is based on income from the sale of the tumor equipment business, the development of the operating business in both segments is also extremely encouraging.

This becomes evident when analyzing the operating result, which increased from € 27.1 million in the previous year to currently € 37.8 million. Slightly more than half of the increase of € 10.7 million compared with the first nine months of 2020 (€ 6.3 million) resulted from the increase in the difference between other operating income and expenses, while a further € 4.4 million was attributable to improvements in the operating result.

Revenue

At the end of September 2021, consolidated sales amounted to € 131.0 million, up € 4.1 million or 3% on the previous year's level of € 126.9 million. Adjusted for the tumor irradiation business, which has been sold in the meantime, sales increased from € 116.5 million to € 126.0 million, i.e. € 9.5 million or 8%.

The breakdown by segment shows an increase in sales in both operating segments.

The Medical segment increased its sales revenue by a total of € 1.4 million or 2% to € 61.6 million. In nominal terms, the increase in sales is relatively small, although it should be noted that the comparative figures for the previous year still include the sales revenues of the tumor equipment division. The sales lost due to the deconsolidation of this division were fully compensated and additional growth was generated. The main growth driver continues to be the pharmaceutical radioisotope business, while sales in plant engineering, laboratory equipment and project business also increased.

The Isotope Products segment generated sales of € 73.1 million, an increase of € 3.5 million or around 5% compared with the first nine months of 2020. Following the slumps in connection with the covid and oil crises last year, the segment was thus able to grow again as expected.

Earnings (net profit for the period)

The Group's record earnings of € 29.2 million, or € 1.41 per share, are mainly attributable to earnings improvements in the two operating segments, Medical and Isotope Products, as well as to a one-off effect from the sale of the tumor equipment business in the Medical segment.

The Medical segment increased its earnings by € 7.9 million year-on-year to € 21.7 million. One-off effects, primarily the deconsolidation of the tumor equipment business in 2021 and the sale of the Belgian site in 2020, contributed around 5.9 million to the improvement in the segment's earnings. Adjusted for the non-recurring effect, the segment's net profit amounted to € 12.4 million and was thus approximately € 2.0 million or around 20% higher than the result for the first nine months of the previous year adjusted for non-recurring effects.

The Isotope Products segment also generated an increase in earnings (before minorities) by around € 2.2 million year-on-year to € 7.3 million. In addition to a recovery in sales and the associated contribution margins, an improved financial result was achieved in the first nine months of 2021. In the previous year, the financial result was mainly impacted by loan write-downs in connection with the weakness of the Brazilian real.

The Group's third segment, the holding company, closed the third quarter with an almost balanced result (before minority interests), compared with a loss of around € 1.1 million in the previous year. The improvement in earnings compared to the same period of the previous year is mainly due to dividend payments received from associated companies, which did not occur in the previous year.

A.2 FINANCIAL POSITION

Balance

The balance sheet total at the end of September 2021 increased compared with the annual financial statements for 2020 and amounts to € 333 million (previous year: € 292 million).

On the assets side, the increase is primarily reflected in an increase in goodwill from € 32.4 million to € 54.1 million. The significant increase is mainly due to the preliminary purchase price allocation for Pentixapharm GmbH, which was acquired in April 2021. The increase in other intangible assets to € 11.8 million (previous year: € 9.0 million) is largely due to the capitalization of development costs for a project at Pentixapharm GmbH in accordance with IAS 38.

Shares in associated companies, which increased by € 7.8 million, also showed a significant rise. This increase is mainly due to the first-time at-equity consolidation of BEBIG Medical GmbH. As a consequence of the sale of the HDR business in the Medical segment, the companies concerned were initially deconsolidated in full. The remaining 49% interest held by the Group was subsequently accounted for as investments in associated companies. This item was offset by repayments in connection with the investment in the Americium Consortium LLC joint venture and the transition from at-equity to full consolidation for the shares in Pentixapharm GmbH.

Trade receivables increased by € 0.8 million and inventories by € 6.9 million. By contrast, assets held for sale decreased by € 12.3 million compared with the balance sheet as of December 31, 2020, as the corresponding sale of the HDR unit was realized in March 2021.

The changes on the liabilities side mainly relate to lease liabilities, which increased by € 1.1 million, partly due to the conclusion of a new long-term lease agreement. Deferred tax liabilities and income tax liabilities increased by a total of € 3.3 million, while non-current and current provisions rose by € 1.4 million. Liabilities directly associated with assets held for sale decreased by € 3.0 million (again in connection with the sale of the HDR business).

Equity increased by € 36.6 million to € 185.5 million as of September 30, 2021. The increase resulted primarily from the net profit for the period of € 29.2 million, the use of treasury shares for employee compensation and company acquisitions of € 9.9 million, the currency differences of € 2.7 million reported in equity and from non-controlling interests accounted for 3.9 million. The distribution of a dividend to the shareholders of Eckert & Ziegler AG amounting to € 9.3 million had an opposite effect. The equity ratio increased from 51% to 56%.

Liquidity

At € 20.8 million the operating cash flow is € 3.2 million higher than the figure for the same period in the previous year of € 17.6 million. The main reason for this was the higher profit for the period. In contrast, around € 2.4 million more was used to build up receivables and inventories in the first nine months of 2021 than in the same period of the previous year. This was offset by the increase in non-current provisions and liabilities of around € 1.6 million and the change in other current and non-current receivables and liabilities of € 1.2 million.

In the investing activity, the total cash outflow amounted to € 5.0 million, compared with € 9.3 million in the previous year. At € 9.8 million, approximately double the amount of the previous year (€ 4.9 million) was used for the acquisition of fixed assets. The Group received a total of € 10.4 million from the sale of shares in consolidated companies after deduction of the cash transferred on the sale; there were no such sales in the previous year. Cash and cash equivalents of € 7.9 million (previous year: € 0.0 million) were used for acquisitions. In addition, € 0.1 million has been paid to date in 2021 for the acquisition of shares in associated companies (previous year: € 4.4 million). In connection with the winding up of the Americium Consortium LLC joint venture, the Group received repayments of € 0.8 million (previous year € 0.9 million) in the first nine months of 2021. The Group received a further € 1.6 million from dividends paid by associated companies.

In the cash flow from financing activities, € 9.3 million (previous year: € 8.8 million) was used for the payment of dividends to the shareholders of Eckert & Ziegler. In the same period of the previous year, a dividend payment of € 0.3 million was also made to minority shareholders. Financial resources amounting to € 2.8 million (previous year: € 2.6 million) were used for the repayment of loan and lease liabilities, including interest payments.

In total, cash and cash equivalents as of September 30, 2021 increased by € 5.0 million compared with the end of 2020 to € 92.5 million.

A.3 OUTLOOK

With around € 29 million, the Eckert & Ziegler Group achieved a result at the end of the third quarter of 2021 that exceeded original expectations. In the ad-hoc announcement published on July 27, 2021, the Executive Board had already increased the target value for net income from initially € 29 million to € 35 million, which corresponds to an EPS of around € 1.70. Sales are still expected to remain at the previous year's level of around € 180 million. On the basis of the figures for the first nine months, the Executive Board confirms the announced sales and earnings forecast.

A.4 RISIKS AND OPPORTUNITIES

In the Annual Report 2020, we described risks that could have a significant adverse impact on our business, net assets, financial position and results of operations, as well as on our reputation. The main opportunities and the structure of our risk management system were also described.

Additional risks and opportunities of which we are not aware or which we currently consider immaterial could also affect our business. At present, no risks have been identified that individually or in combination with other risks could jeopardize our continued existence.

A.5 ADDITIONAL INFORMATION

Employees

As of September 30, 2021, the Eckert & Ziegler Group employed 841 people worldwide. Compared to the previous year (December 31, 2020), the number of employees has thus increased slightly.

B. INTERIM CONSOLIDATED FINANCIAL STATEMENTS

B.1 CONSOLIDATED INCOME STATEMENT OF PROFIT OR LOSS

€ thousand	Quarterly Report III 1–9/2020	Quarterly Report III 1–9/2021
Revenues	126,894	131,023
Cost of sales	–67,118	–61,526
Gross profit on sales	59,776	69,497
Selling expenses	–15,260	–16,367
General and administrative expenses	–18,852	–23,079
Impairment/reversals in accordance with IFRS 9	0	–64
Other operating income	4,632	12,601
Other operating expenses	–3,194	–4,822
Profit from operations	27,102	37,766
Results from shares measured at equity	238	1,824
Other financial results	–1,057	753
Earnings before interest and taxes (EBIT)	26,283	40,343
Interest received	170	100
Interest paid	–842	–829
Profit before tax	25,611	39,614
Income tax expense	–7,718	–10,291
Net income/ loss from continuing operations	17,893	29,323
Profit (-)/loss (+) attributable to minority interests	–169	–85
Profit attributable to the shareholders of Eckert & Ziegler AG	17,724	29,238
Earnings per share		
Basic	0.86	1,41
Diluted	0.86	1,41
Average number of shares in circulation (basic)	20,590	20,676
Average number of shares in circulation (diluted)	20,590	20,676

B.2 GROUP STATEMENT OF COMPREHENSIVE INCOME

€ thousand	Quarterly Report III 1–9/2020	Quarterly Report III 1–9/2021
Profit for the period	17,893	29,323
Of which attributable to shareholders of Eckert & Ziegler AG	17,724	29,238
Of which attributable to other shareholders	169	85
Items that could subsequently be reclassified into the income statement if certain conditions are met		
Adjustment of balancing item from the currency translation of foreign subsidiaries	-759	2,949
In die Gewinn- und Verlustrechnung umgebuchter Betrag	0	-246
Adjustment of amount recorded in shareholders' equity (Currency translation)	-759	2,703
Items that will not be reclassified to profit or loss in the future		
Profit from equity instruments designated at fair value through other comprehensive income	0	184
Deferred taxes	0	-55
Net profit from equity instruments designated at fair value through other comprehensive income	0	129
Total of value adjustments recorded in shareholders' equity	-759	2,832
Total from net income and value adjustments recorded in shareholders' equity	17,134	32,155
Of which attributable to shareholders of Eckert & Ziegler AG	17,025	32,076
Of which attributable to other shareholders	109	79

B.3 GROUP BALANCE SHEETS

€ thousand	Dec 31, 2020	Sep 30, 2021
ASSETS		
Non current assets		
Goodwill	32,448	54,099
Other intangible assets	8,974	11,756
Property, plant and equipment	38,016	41,140
Rights of use (IFRS 16)	19,845	20,766
Investments valued according to the equity method	6,895	14,692
Deferred tax	11,898	13,823
Other non-current assets	1,085	1,172
Total non-current assets	119,161	157,448
Current assets		
Cash and cash equivalents	87,475	92,533
Securities	1,135	1,220
Trade accounts receivable	28,199	29,009
Inventories	33,574	40,517
Income tax receivables	3,027	3,047
Other current assets	5,452	5,987
Assets held for sale	13,980	1,667
Total current assets	172,842	173,980
Total assets	292,003	331,428
EQUITY AND LIABILITIES		
Capital and reserves		
Subscribed capital	21,172	21,172
Capital reserves	54,188	62,615
Retained earnings	83,722	103,637
Other reserves	-5,740	-2,902
Own shares	-5,519	-4,018
Portion of equity attributable to the shareholders of Eckert & Ziegler AG	147,823	180,504
Minority interests	1,096	5,033
Total shareholders' equity	148,919	185,537
Non-current liabilities		
Long-term debt, less current portion	2	0
Long-term lease obligations (IFRS 16)	17,852	18,595
Deferred income from grants and other deferred income	1,727	1,704
Deferred tax	2,210	4,039
Retirement benefit obligations	14,443	14,398
Other provisions	55,743	57,151
Other non-current liabilities	1,983	2,325
Total non current liabilities	93,960	98,212
Current liabilities		
Short-term debt and current portion of long-term debt	4	10
Current portion of lease obligations (IFRS 16)	2,545	2,902
Trade accounts payable	5,020	4,146
Advance payments received	8,620	9,726
Deferred income from grants and other deferred income	38	23
Income tax liabilities	6,899	8,338
Other current provisions	4,062	4,078
Other current liabilities	18,672	18,197
Liabilities directly related to assets held for sale	3,264	259
Total current liabilities	49,124	47,679
Total equity and liabilities	292,003	331,428

B.4 GROUP STATEMENT OF CASH FLOWS

€ thousand	Quarterly Report III 1-9/2020	Quarterly Report III 1-9/2021
Cash flows from operating activities:		
Profit for the period	17,893	29,323
Adjustments for:		
Depreciation and value impairments	8,551	7,512
Net interest income [interest expense (+)/income (-)]	672	729
Income tax expense	7,718	10,291
Income tax payments	-9,710	-9,298
Non-cash release of deferred income from grants	-61	-38
Gains (-)/losses on the disposal of non-current assets	-11	0
Profit/loss from the sale of shares in consolidated companies	0	-10,737
Change in the non-current provisions, other non-current liabilities	-19	1,625
Change in other non-current assets and receivables	-778	-123
Miscellaneous	-1,900	-797
Changes in current assets and liabilities:		
Receivables	-844	-933
Inventories	-4,232	-6,547
Accruals, other current assets	-2,381	-472
Change in the current liabilities and provisions	2,750	277
Cash inflows generated from operating activities	17,648	20,811
Cash flows from investing activities:		
Outflows for intangible assets and property, plant and equipment	-4,891	-9,841
Income from the sale of shares in consolidated companies (less cash and cash equivalents transferred)	0	10,391
Cash outflows for acquisitions (net of cash acquired)	0	-7,942
Purchases and sales of securities	-901	0
Expenses for the acquisition of investments	-4,381	-70
Cash flow from associated companies	877	2,483
Cash outflows from investing activities	-9,296	-4,979
Cash flows from financing activities:		
Paid dividends	-8,751	-9,323
Distribution of shares of third parties	-337	0
Outflows for the repayment of loans and lease liabilities	-2,032	-2,169
Interest received	74	53
Interest paid	-631	-720
Cash outflows from financing activities	-11,677	-12,160
Effect of exchange rates on cash and cash equivalents	-733	1,386
Increase/reduction in cash and cash equivalents	-4,058	5,058
Cash and cash equivalents at beginning of period	78,922	87,475
Cash and cash equivalents at end of period	74,864	92,533

B.5 STATEMENTS OF SHAREHOLDERS' EQUITY

	Subscribed capital				Cumulative other equity items						
	Number Piece	Nominal value	Capital reserve	Retained reserves	Unrealized profit securities	Unrealized profit pension commit- ments	Foreign currency exchange differences	Own shares	Equity attributable to share- holders' equity	Minority shares	Group share- holders' equity
		€ thousand	€ thousand	€ thousand							
As of January 1, 2020	5,292,983	5,293	53,763	85,468	-3,930	0	3,120	-5,519	138,195	1,246	139,441
Total of expenditures and income directly entered in equity	0	0	0	0	-606	162	-4,486	0	-4,930	-31	-4,961
Net profit for the year	0	0	0	22,884	0	0	0	0	22,884	227	23,111
Total income for the period	0	0	0	22,884	-606	162	-4,486	0	17,954	196	18,150
Dividends paid/resolved	0	0	0	-8,751	0	0	0	0	-8,751	-346	-9,097
Capital increase/stock split	15,878,949	15,879	0	-15,879	0	0	0	0	0	0	0
Share-based payment	0	0	425	0	0	0	0	0	425	0	425
As of December 31, 2020	21,171,932	21,172	54,188	83,722	-4,536	162	-1,366	-5,519	147,823	1,096	148,919
As of January 1, 2021	21,171,932	21,172	54,188	83,722	-4,536	162	-1,366	-5,519	147,823	1,096	148,919
Total income and expenses directly recognized in equity	0	0	0	0	0	129	2,573	0	2,838	-6	2,832
Consolidated net income	0	0	0	29,238	0	0	0	0	29,238	85	29,323
Consolidated comprehensive income	0	0	0	29,238	0	129	2,573	0	32,076	79	32,155
Dividend payment or resolution	0	0	0	-9,323	0	0	0	0	-9,323	0	-9,323
Acquisition-related minority interests	0	0	0	0	0	0	0	0	0	3,858	3,858
Stock-based compensation	0	0	380	0	0	0	0	287	667	0	667
Use of treasury shares for acquisitions	0	0	8,047	0	0	0	0	1,214	9,261	0	9,261
As of September 30, 2021	21,171,932	21,172	62,615	103,637	-4,536	291	1,343	-4,018	180,504	5,033	185,537

B.6 NOTES TO THE CONSOLIDATED HALF-YEAR STATEMENTS

General information

These interim consolidated financial statements as of September 30, 2021 comprise the financial statements of Eckert & Ziegler Strahlen- und Medizintechnik AG and its subsidiaries (hereinafter also referred to as “Eckert & Ziegler AG”).

Accounting policies

The interim consolidated financial statements of Eckert & Ziegler AG as of September 30, 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable to interim financial reporting. All standards of the International Accounting Standards Board (IASB), London, applicable in the EU on the reporting date, as well as the valid interpretations of the International Financial Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC) have been taken into account. The interim financial statements should be read in conjunction with the consolidated financial statements of Eckert & Ziegler AG as of December 31, 2020. The accounting and valuation methods explained in the notes to the 2020 consolidated financial statements have been applied unchanged.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. The actual values may differ from the estimates. Significant assumptions and estimates are made with regard to useful lives, recoverable amounts of non-current assets, the realizability of receivables and the recognition and measurement of provisions. Due to rounding, it is possible that individual figures do not add up exactly to the totals given.

This interim report contains all necessary information and adjustments required for a true and fair view of the net assets, financial position, and results of operations of Eckert & Ziegler AG as of the interim reporting date. The results for the current fiscal year do not necessarily allow conclusions to be drawn about the development of future results.

Scope of consolidated financial statements

The consolidated financial statements of Eckert & Ziegler AG include all companies in which Eckert & Ziegler AG is able to influence the financial and business policies (control concept), whether directly or indirectly.

Acquisitions and disposals of companies

Effective January 1, 2021, the Eckert & Ziegler Group sold all its shares in GSG International GmbH, Freienbach, Switzerland and IPS International Processing Services, Halsbrücke, Germany. The two companies jointly processed an order from Switzerland for the reprocessing of components for the purpose of volume-reducing disposal of residual materials containing natural radionuclides. Neither company contributed significantly to Group sales or earnings in the previous year.

On March 24, 2021, Eckert & Ziegler BEBIG GmbH sold its tumor irradiation equipment (HDR) business to the Chinese company TCL Healthcare Equipment (Shanghai) Co., Ltd. (TCL). In a first step, it sold 51% of the shares in BEBIG Medical GmbH, into which it had previously spun off the HDR business, to TCL. For the remaining 49% of the shares in BEBIG Medical GmbH, TCL received a call option until the beginning of 2024 and Eckert & Ziegler received a put option to TCL thereafter. The purchase price upon exercise of the call option is fixed in accordance with the purchase price provision of the agreement; the purchase price upon exercise of the put option may be higher depending on the development of EBITDA of BEBIG Medical GmbH. The HDR business that was spun off generated sales of around € 11 million in the previous year.

On April 16, 2021, Eckert & Ziegler Strahlen- und Medizintechnik AG acquired a majority shareholding in the Würzburg-based drug developer, Pentixapharm GmbH. As part of this transaction, Eckert & Ziegler AG acquired various share packages from the founders of Pentixapharm GmbH in return for a cash payment and the transfer of shares in Eckert & Ziegler AG. Following completion of the transaction, Eckert & Ziegler AG currently holds around 83% of the shares in Pentixapharm GmbH. The management of Pentixapharm GmbH, which holds the remaining 17% of the shares, was also granted put options on the remaining shares as part of the sale of shares.

Due to the complex valuation issues and the proximity of the acquisition to the balance sheet date, the purchase price allocation for the acquisition of Pentixapharm GmbH has initially been made only provisionally and on a conservative basis in these interim consolidated financial statements in accordance with the provisions of IFRS 3. The provisional purchase price allocation will be replaced by a final purchase price allocation within 12 months of the acquisition date at the latest.

As of July 31, 2021, Eckert & Ziegler has acquired Ambientis Radioproteção, based in São Paulo, Brazil, through its Brazilian subsidiary Eckert & Ziegler Brasil Isotope Solutions Ltda. The company, which has annual sales in the low single-digit million range and 24 employees, disposes of extensive experience and approvals in the field of measurement technology and logistics for radioactive substances. Ambientis is the only ISO 17025-certified measurement laboratory in Brazil and South America. The acquisition is a further milestone in the company's growth strategy in South America, one of the most dynamic healthcare markets in the world. The created synergies will help to increase market opportunities not only for the industrial segment, but also for the radiopharma and nuclear medicine businesses in the region.

Currency translation

The financial statements of companies outside the European Economic and Monetary Union are translated based on the functional currency concept. The following exchange rates were used for currency translation:

Country	Currency	Exchange rate on 09/30/2021	Exchange rate on 12/31/2020	Average exchange rate 01/01–09/30/2021	Average exchange rate 01/01–09/30/2020
USA	USD	1.1579	1.1708	1.1960	1.1252
CZ	CZK	25.4950	27.2330	25.7374	26.3766
GB	GBP	0.8605	0.9124	0.8836	0.8849
BR	BRL	6.2631	6.6308	6.3755	5.7060
CH	CHF	1.0830	1.0804	1.0904	1.0680
CN	CNY	7.4847	–	7.6007	–

Equity and treasury stock

As of September 30, 2021, Eckert & Ziegler AG held 415,656 of its own shares, representing 2.0% of the company's share capital. In the first nine months of 2021, 128,000 treasury shares were used for the acquisition of shares in Pentixapharm GmbH. 38,300 treasury shares were used for employee compensation.

Segment information

SEGMENT REPORT – Income statement

€ thousand	Isotope Products		Medical		Holding		Elimination		Total	
	Q3/2021	Q3/2020	Q3/2021	Q3/2020	Q3/2021	Q3/2020	Q3/2021	Q3/2020	Q3/2021	Q3/2020
Sales to external customers	69,445	66,802	61,529	60,088	49	4	0	0	131,023	126,894
Sales to other segments	3,645	2,775	43	90	5,611	5,460	-9,299	-8,325	0	0
Total segment sales	73,090	69,577	61,572	60,178	5,660	5,464	-9,299	-8,325	131,023	126,894
Result from investments valued at equity	-117	0	50	0	1,891	0	0	0	1,824	223
Segment profit before interest and profit taxes (EBIT)	11,051	7,696	29,019	19,397	273	-808	0	0	40,343	26,284
Interest expenses and revenues	-468	-422	-159	-152	-102	-99	0	0	-729	-672
Income tax expense	-2,869	-2,216	-7,192	-5,535	-230	34	0	0	-10,291	-7,718
Profit before minority interests	7,714	5,058	21,668	13,709	-59	-873	0	0	29,323	17,892

SEGMENT REPORT – Balance sheet

€ thousand	Isotope Products		Medical		Holding		Total	
	Q3/2021	Q3/2020	Q3/2021	Q3/2020	Q3/2021	Q3/2020	Q3/2021	Q3/2020
Segmental assets	167,338	171,417	121,539	108,695	161,168	111,739	450,045	391,851
Elimination of inter-segmental shares, equity investments and receivables							-118,617	-110,107
Consolidated total assets							331,428	281,744
Segmental liabilities	-93,049	-92,048	-43,403	-50,844	-34,993	-5,580	-171,445	-148,472
Elimination of intersegmental liabilities							25,557	14,318
Consolidated liabilities							-145,891	-134,154
Investments in associated companies	3,156	3,522	11,536	858	0	0	14,692	4,410
Investments (without acquisitions)	2,522	1,198	4,500	1,516	2,819	480	9,841	3,194
Depreciation and amortization incl. RoU according to IFRS 16	-4,054	-4,120	-2,498	-3,823	-960	-608	-7,512	-8,551
Impairments	-41	0	-3	0	0	0	-44	0

Material transactions with related parties

With regard to material transactions with related parties, we refer to the disclosures in the consolidated financial statements for the year ended December 31, 2020.

Disclosures on financial instruments

Financial assets measured at fair value as of September 30, 2021, mainly include the following:

- contingent receivables from the sale of shares in OctreoPharm Sciences GmbH amounting to € 240 thousand (unchanged from December 31, 2020). The fair value of these receivables is determined based on the estimated probability of occurrence for individual milestones from the development project of OctreoPharm Sciences GmbH.
- short-term securities (equity instruments of listed companies), amounting to € 1,220 thousand (€ 1,135 thousand as of December 31, 2020), the fair value of which was determined on the basis of quoted, unadjusted prices in active markets for these assets.

Financial liabilities measured at fair value as of September 30, 2021, mainly include the following:

- Liabilities from contingent purchase price payments from business combinations within the meaning of IFRS 3 amounting to € 25 thousand (unchanged as of December 31, 2020). The fair value of these liabilities is determined on the basis of the agreed conditions for variable purchase price determination and taking into account the estimated probability of occurrence of these conditions.

The fair value of cash and cash equivalents, current receivables, trade payables and other current trade payables and other receivables approximates their carrying amount. This is mainly due to the short maturity of such instruments.

The Group determines the fair value of liabilities to banks and other financial liabilities that have a fixed interest rate (different from the market interest rate) by discounting the expected future cash flows at the current market interest rate applicable to similar financial liabilities with comparable remaining maturities. As the term of the loan liabilities is predominantly short-term, discounting has only a marginal effect.

Events after the balance sheet date

In October 2021, Eckert & Ziegler Strahlen- und Medizintechnik AG acquired a property with a 5,000 square meter production hall located at the north eastern city limit of Berlin from the Berlin Senate as part of a 66-year leasehold agreement. At this site, the company will concentrate its business with all phases of contract development and contract manufacturing of components for cancer drugs and diagnostic radiopharmaceuticals. Over the next few years, up to € 10 million will be invested in the complete renovation of the building, the construction of modern laboratories and clean rooms in accordance with the requirements of good manufacturing practice (GMP), and the creation of new jobs. Due to its proximity to a thermal power station, the new site is expected to meet highest energy efficiencies.

C. ADDITIONAL INFORMATION

C.1 RESPONSIBILITY STATEMENT BY THE STATUTORY REPRESENTATIVES (BALANCE SHEET OATH)

To the best of our knowledge, and in accordance with the applicable reporting principles for interim reporting, we hereby certify that the consolidated interim financial statements give a true and fair view of the financial position, performance and cash flows of the Group, and the group interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the current financial year.

Berlin, 8 November 2021



Dr Andreas Eckert
Chairman of the Executive Board



Dr Harald Hasselmann
Member of the Executive Board



Dr Lutz Helmke
Member of the Executive Board

FINANCIAL CALENDAR

November 09, 2021	Quarterly Report III/2021
November 22–23, 2021	German Equity Forum (virtual)
March 30, 2022	Annual Financial Statement 2021
May 12, 2022	Quarterly Report I/2022
June 1, 2022	Annual General Meeting
August 11, 2022	Quarterly Report II/2022
November 14, 2022	Quarterly Report III/2022

Subject to changes

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