Eckert & Ziegler

Contributing to saving lives

HALF-YEAR FINANCIAL REPORT

1 January to 30 June 2021

KEY DATA

		01–06/2020	01–06/2021	Change
Sales	€ million	83.6	89.5	+7%
Return on revenue before tax	%	22	32	+49%
EBITDA	€ million	24.2	34.5	+43%
EBIT	€ million	18.7	29.5	+58%
EBT	€ million	18.3	29.0	+59%
Net income before other shareholder's interests	€ million	12.9	22.3	+73%
Profit	€ million	12.7	22.3	+75%
Earnings per share (basic)	€	0.62	1.08	+75%
Operational cash flow	€ million	0.6	7.2	+1.151%
Depreciation and amortization on non-current assets	€ million	5.5	5.0	–8%
Staff as end of period	Persons	828	814	–2%

MILESTONES

Q2

LONG-TERM SUPPLY AGREEMENT WITH SIRTEX MEDICAL ON YTTRIUM-90 FOR TREATING LIVER CANCER

The long-term supply agreement for the use of EZAG's Yttrium-90 in Sirtex SIR-Spheres®Y-90 resin microspheres for liver cancer has an initial term of five years and guarantees Eckert & Ziegler a substantial share of Sirtex's rising global demand.

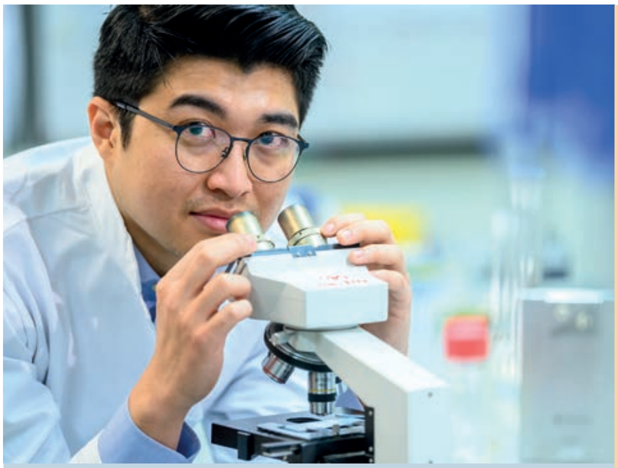
MAJORITY STAKE IN DRUG DEVELOPER PENTIXAPHARM

Eckert & Ziegler acquires several share packages from the founders of the drug developer Pentixapharm GmbH. Together with another internal share transfer, Eckert & Ziegler will directly hold a total of about 83% of the shares in the Würzburg-based company as of closing of the transactions.

PENTIXAPHARM

NEW CGMP FACILITY FOR RADIOPHARMACEUTICAL SERVICES IN BERLIN

The production site in Berlin is being expanded to include a new production facility for the contract manufacturing of radiopharmaceuticals. This new cGMP clean room suite with a total area of around 270 m^2 will be a 21 CFR 211 compliant, radiopharmaceutical manufacturing facility dedicated to late stage investigational and commercial stage radiopharmaceuticals and be operational from the first quarter of 2022.



EXCLUSIVE DISTRIBUTION RIGHTS FOR PROSTATE CANCER DIAGNOSTIC FROM TELIX PHARMACEUTICALS

Australian Telix Pharmaceuticals (Telix) grants Eckert & Ziegler exclusive distribution rights for Illuccix® in Germany. Illuccix® is a preparation for imaging prostate cancer with positron emission tomography (PET), currently under review for regulatory approval in multiple markets worldwide, including Germany. In addition, the two companies will work closely together on the commercialization of GalliaPharm® (^{68}Ge/^{68}Ga generator) and Illuccix® in the United States.

MYELO THERAPEUTICS RECEIVES ADDITIONAL FUNDING FOR PHARMACEUTICAL DEVELOPMENT

Myelo Therapeutics GmbH, an affiliated company of Eckert & Ziegler, has received additional funding from NIAD, a branch of the U.S. Food and Drug Administration, for the development of its drug component Myelo001.

TECHNETIUM GENERATORS IN BRAZIL

The Brazilian Health Authority has granted Eckert & Ziegler a license to import and distribute technetium generators. This is the second license ever granted for this product in Brazil and the first to be granted to a private company.

Thanks to the Regulatory Affairs team in Brasil for this exciting accomplishment!

A. GROUP INTERIM MANAGEMENT REPORT

A.1 EARNINGS PERFORMANCE

In the first half of 2021, the Eckert & Ziegler Group generated a new record result with a net profit of € 22.3 million or € 1.08 per share. After six months, the result for the year 2020 as a whole has thus already been almost achieved. Compared to the same period of the previous year, Group earnings increased significantly by € 9.4 million or 73%.

Although a large part of this growth is due to income from the sale of the tumor irradiation business, the development of the operating business in both segments continues to be extremely encouraging.

The increase is evident when analyzing the operating result, which rose from € 19.0 million in the previous year to currently € 29.4 million. Approximately half of the increase of € 10.4 million compared with the first half of 2020 (€ 5.4 million) resulted from the increase in the balance of other operating income and expenses, while a further € 5.0 million was due to improvements in the operating result.

Revenue

At the end of June 2021, consolidated sales amounted to € 89.5 million, up € 5.9 million or 7% on the previous year's level of € 83.6 million.

The breakdown by segment shows a strong increase in sales in both operating segments:

Despite the deconsolidation of the tumor irradiation business and the subsequent loss of this revenue, the Medical segment increased its revenue by a total of € 3.2 million or 8% to € 41.5 million. The main growth driver continues to be the pharmaceutical radioisotope business, while sales of plant engineering, laboratory equipment and project business also increased.

The Isotope Products segment generated sales of € 50.3 million, € 3.2 million or around 7% higher than in the first six 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)

Record half-year earnings of the Group of € 22.3 million, or € 1.08 per share, were due to improved earnings in the two operating segments, Medical and Isotope Products, as well as to a one-time effect from the sale of the tumor equipment business in the Medical segment. This was partially offset by increased R&D expenses, which were recorded in the holding company.

The Medical segment increased its earnings by € 8.8 million compared with the first half of 2020 to € 18.5 million. One-time effects, primarily the deconsolidation of the tumor irradiation business in 2021 and the sale of the Belgian site in 2020, contributed around € 6.1 million to the improvement in the segment's earnings. Adjusted for the one-off effect at the end of the first half of the year, the segment's net profit amounted to € 9.1 million and was thus approximately € 2.7 million or more than 40% higher than in the same period of the previous year adjusted for one-off effects.

The Isotope Products segment also increased its earnings (before minorities) by around € 2.5 million compared with the first half of 2020 to € 6.1 million. In addition to a recovery in sales and the associated contribution margins, an improved financial result was also achieved in the first half of 2021. In the previous year, this was mainly impacted by loan write-offs in connection with the weakness of the Brazilian real.

The Group's third segment, the Holding, closed the first half of the year with a loss (before minorities) of € 2.3 million, compared with a nearly balanced result in the previous year. The deterioration in earnings compared to the same period of the previous year is mainly due to the research and development expenses in connection with the investment in Pentixapharm GmbH, which had not yet been incurred in the previous year.

A.2 FINANCIAL POSITION

Balance sheet

The balance sheet total at the end of June 2021 has increased compared with the 2020 financial statements and now amounts to € 321 million (previous year: € 292 million).

On the assets side, the growth is primarily reflected in an increase in goodwill from € 32.4 million to € 54.6 million. The significant jump was mainly due to the preliminary purchase price allocation for Pentixapharm GmbH, which was acquired in April 2021.

There was also a strong increase in shares in associated companies, which rose by € 7.8 million. This increase is mainly due to the first-time at-equity consolidation of BEBIG Medical GmbH. In connection with 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 associates. 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 € 5.1 million and inventories by € 5.9 million. By contrast, assets held for sale decreased in full by € 14.0 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 € 1.8 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 € 2.4 million, while non-current and current provisions rose by € 1.3 million. Liabilities directly associated with assets held for sale decreased by € 3.3 million (again in connection with the sale of the HDR business).

Equity increased by € 28.3 million to € 177.2 million as of June 30, 2021. The increase was mainly due to the net profit for the period of € 22.3 million, the use of treasury shares for employee compensation and company acquisitions of € 10.1 million, and the currency differences recognized in equity of € 1.3 million. The distribution of a dividend to the shareholders of Eckert & Ziegler AG in the amount of € 9.3 million had the opposite effect. Equity ratio increased from 51% to 55%.

Liquidity

The operating cash flow of € 7.2 million was significantly higher than the figure of € 0.6 million for the same period of the previous year. The main reason for this was the higher profit for the period. In addition, around € 2.8 million less was used to build up receivables and inventories as well as current assets and current liabilities in the first half of 2021 than in the same period of the previous year.

The cash flow from investing activities showed a positive balance of € 0.3 million in the first six months of 2021, compared with a cash outflow of € 7.6 million in this area in the previous year. At € 3.0 million, roughly the same amount of funds was used for the acquisition of non-current assets as in the same period of the previous year (€ 3.2 million). The Group received a total of € 10.4 million from the sale of shares in consolidated companies after deduction of the cash transferred on sale; there were no such sales in the previous year. Cash and cash equivalents of € 7.8 million (previous year: € 0.0 million) were used for acquisitions. In addition, € 0.1 million has been paid so far in 2021 for the acquisition of shares in associated companies (previous year: € 4.4 million). In connection with the settlement of the Americium Consortium LLC joint venture, the Group received repayments of € 0.8 million in the first six months of 2021.

Cash flow for financing activities included € 9.3 million (previous year: € 8.8 million) for the payment of dividends to the shareholders of Eckert & Ziegler. In the first half of the previous year, a dividend payment of € 0.3 million was also made to minority shareholders. Financial resources amounting to € 1.9 million (previous year: € 1.7 million) were used for the repayment of loan and leasing liabilities, including interest payments.

In total, cash and cash equivalents as of June 30, 2021, decreased slightly by € 2.9 million compared with the end of 2020 to € 84.6 million.

A.3 OUTLOOK

The Eckert & Ziegler Group has achieved a result of around € 22 million in the first half of 2021, which is higher than originally expected. The Executive Board therefore expects the Group result to exceed the forecast published at the beginning of the year for net income in fiscal year 2021 by around 20%. As already published in the ad-hoc release of July 27, 2021, the Executive Board is therefore increasing the target for net income from € 29 million to now € 35 million, which corresponds to EPS of around € 1.70. Sales are still expected to remain at the previous year's level of around € 180 million.

A.4 RISKS 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 our reputation. The most significant 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 adversely affect our business. At present, no risks have been identified that individually or in combination with other risks could threaten our viability as a going concern.

A.5 ADDITIONAL INFORMATION

Employees

As of June 30, 2021, the Eckert & Ziegler Group had 814 employees worldwide. Compared to the previous year (December 31, 2020), the number of employees has thus decreased due to the deconsolidation of the tumor irradiation business.

B. INTERIM CONSOLIDATED FINANCIAL STATEMENTS

B.1 CONSOLIDATED INCOME STATEMENT OF PROFIT OR LOSS

€ thousand	6-month report 01–06/2020	6-month report 01–06/2021
Revenues	**83,621**	**89,497**
Cost of sales	– 42,705	– 41,413
Gross profit on sales	**40,916**	**48,084**
Selling expenses	– 10,438	– 11,099
General and administrative expenses	– 13,684	– 15,157
Impairment/reversals in accordance with IFRS 9	0	– 44
Other operating income	4,401	11,446
Other operating expenses	– 2,228	– 3,856
Profit from operations	**18,967**	**29,373**
Results from shares measured at equity	223	– 273
Other financial results	– 500	403
Earnings before interest and taxes (EBIT)	**18,690**	**29,504**
Interest received	54	82
Interest paid	– 478	– 537
Profit before tax	**18,266**	**29,049**
Income tax expense	– 5,415	– 6,758
Net income/loss from continuing operations	**12,851**	**22,291**
Profit (–)/loss (+) attributable to minority interests	158	26
Profit attributable to the shareholders of Eckert & Ziegler AG	**12,693**	**22,265**
Earnings per share		
Basic	**0.62**	**1.08**
Diluted	**0.62**	**1.08**
Average number of shares in circulation (basic)	20,590	20,634
Average number of shares in circulation (diluted)	20,590	20,634

B.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ thousand	6-month report 01–06/2020	6-month report 01–06/2021
Profit for the period	**12,851**	**22,291**
of which attributable to shareholders of Eckert & Ziegler AG	12,693	22,265
of which attributable to other shareholders	158	26
Items that could subsequently be reclassified into the income statement if certain conditions are met	– 792	1,544
Adjustment of balancing item from the currency translation of foreign subsidiaries	0	– 246
Amount reposted to income statement	– 792	1,298
Currency differences from the translation of foreign operations		
Items that will not be reclassified to the profit or loss statement in the future	**0**	**156**
Profit from equity instruments designated at fair value through other comprehensive income	0	– 47
Deferred taxes	0	109
Net profit from equity instruments designated at fair value through other comprehensive income	**0**	**0**
Change in actuarial profits (+)/losses (–) from defined benefit pension commitments	0	0
Deferred taxes	0	0
Net loss from revaluation of defined benefit obligation	**0**	**109**
Other comprehensive income after taxes	**– 792**	**1,407**
Consolidated comprehensive income	**12,059**	**23,698**
of which attributable to shareholders of Eckert & Ziegler AG	11,960	23,657
of which attributable to non-controlling interests	99	41

B.3 CONSOLIDATED BALANCE SHEET

€ thousand	Dec 31, 2020	June 30, 2021
ASSETS		
Non current assets		
Goodwill	32,448	54,582
Other intangible assets	8,974	9,761
Property, plant and equipment	38,016	39,204
Rights of use (IFRS 16)	19,845	21,551
Investments in affiliates or joint ventures	6,895	14,723
Deferred tax assets	11,898	13,640
Other non-current assets	1,085	1,099
Total non-current assets	**119,161**	**154,560**
Current assets		
Cash and cash equivalents	87,475	84,563
Securities	1,135	1,191
Trade accounts receivable	28,199	33,310
Inventories	33,574	39,447
Income tax receivables	3,027	2,946
Other current assets	5,452	5,354
Non-current assets held for sale and disposal groups	13,980	0
Total current assets	**172,842**	**166,811**
Total assets	**292,003**	**321,371**
EQUITY AND LIABILITIES		
Shareholder's equity		
Subscribed capital	21,172	21,172
Capital reserves	54,188	63,251
Retained earnings	83,722	96,664
Other reserves	– 5,740	– 4,348
Own shares	– 5,519	– 4,027
Portion of equity attributable to the shareholders of Eckert & Ziegler AG	**147,823**	**172,212**
Minority interests	1,096	4,995
Total shareholders' equity	**148,919**	**177,207**
Non-current liabilities		
Long-term debt	2	0
Long-term lease obligations (IFRS 16)	17,852	19,329
Deferred income from grants and other deferred income	1,727	1,707
Deferred tax liabilities	2,210	3,468
Retirement benefit obligations	14,443	14,397
Other non-current provisions	55,743	56,860
Other non-current liabilities	1,983	1,980
Total non-current liabilities	**93,960**	**97,741**
Current liabilities		
Short-term debt	4	0
Current portion of lease obligations (IFRS 16)	2,545	2,887
Trade accounts payable	5,020	3,650
Advance payments received	8,620	10,073
Deferred income from grants and other deferred income (current)	38	28
Income tax liabilities	6,899	8,042
Other current provisions	4,062	4,234
Other current liabilities	18,672	17,509
Liabilities directly associated with assets and disposal groups held for sale assets and disposal groups	3,264	0
Total current liabilities	**49,124**	**46,423**
Total equity and liabilities	**292,003**	**321,371**

B.4 CONSOLIDATED CASH-FLOW STATEMENT

€ thousand	6-month report 01/01/2020 – 06/30/2020	**6-month report 01/01/2021 – 06/30/2021**
Cash flows from operating activities:		
Profit for the period	12,851	22,291
Adjustments for:		
Depreciation and value impairments	5,460	5,037
Net interest income [interest expense (+)/income (–)]	424	455
Income tax expense	5,415	6,758
Income tax payments	– 7,050	– 6,202
Non-cash release of deferred income from grants	– 41	– 30
Gains (–)/losses on the disposal of non-current assets	– 11	0
Profit/loss from sale of securities	0	0
Profit/loss from sale of shares in consolidated companies	0	– 10,737
Change in non-current provisions, other non-current liabilities	1,080	1,419
Change in other non-current assets and receivables	– 778	7
Other non-cash items	– 3,001	– 2,648
Changes in current assets and liabilities:		
Receivables	– 5,257	– 4,208
Inventories	– 2,212	– 5,223
Change in other current assets	– 1,566	195
Change in current liabilities and provisions	– 4,742	– 1,757
Cash inflows generated from operating activities	**572**	**7,157**
Cash flows from investing activities:		
Outflows for intangible assets and property, plant and equipment	– 3,194	– 2,981
Income from the sale of shares in consolidated companies (less cash and cash equivalents transferred)	0	10,391
Expenses for acquisitions (less cash and cash equivalents transferred)	0	– 7,838
Expenses for the acquisition of shareholdings	– 4,381	– 70
Income from investments	0	834
Cash inflows/outflows from investing activities	**– 7,575**	**336**
Cash flows from financing activities:		
Dividends paid	– 8,751	– 9,323
Dividend paid to minority shareholders	– 337	0
Cash outflows for repayment of loans and lease liabilities	– 1,341	– 1,494
Interest received	54	61
Interest paid	– 401	– 465
Cash outflows from financing activities	**– 10,776**	**– 11,221**
Effect of exchange rates on cash and cash equivalents	– 310	816
Increase/reduction in cash and cash equivalents	**– 18,089**	**– 2,912**
Cash and cash equivalents at beginning of period	**78,922**	**87,475**
Cash and cash equivalents at end of period	**60,833**	**84,563**

B.5 CONSOLIDATED STATEMENT OF SHAREHOLDERS EQUITY

	Subscribed capital				Cumulative other equity items						
	Number	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
	Piece	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand
Balance 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**
Balance 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	109	1,283	0	1,392	15	1,407
Consolidated net income	0	0	0	22,265	0	0	0	0	22,265	26	22,291
Consolidated comprehensive income	0	0	0	22,265	0	109	1,283	0	23,657	41	23,698
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	516	0	0	0	0	278	794	0	794
Use of treasury shares for acquisitions	0	0	8,047	0	0	0	0	1,214	9,261	0	9,261
As of June 30, 2021	**21,171,932**	**21,172**	**62,751**	**96,664**	**– 4,536**	**271**	**– 83**	**– 4,027**	**172,212**	**4,995**	**177,207**

B.6 NOTES TO THE CONSOLIDATED HALF-YEAR STATEMENTS

General information

These interim consolidated financial statements as of June 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 June 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.

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 06/30/2021	Exchange rate on 12/31/2020	Average exchange rate 01/01–06/30/2021	Average exchange rate 01/01–06/30/2020
USA	USD	1.1725	1.2271	1.2048	1.1027
CZ	CZK	26.1430	26.2420	26.0702	25.6313
GB	GBP	0.8521	0.8990	0.8739	0.8623
BR	BRL	6.7409	6.3735	6.5990	4.9167
CH	CHF	1.1070	1.0802	1.0913	1.0668

Equity and treasury stock

As of June 30, 2021, Eckert & Ziegler AG held 424.656 of its own shares, representing 2.0% of the company's share capital. In the first half of 2021, 128,000 treasury shares were used for the acquisition of shares in Pentixapharm GmbH. 29,300 treasury shares were used for employee compensation.

Segment information

SEGMENT REPORT – INCOME STATEMENT

	Isotope Products		Medical		Holding		Elimination		Total	
€ thousand	Q2/2021	Q2/2020	Q2/2021	Q2/2020	Q2/2021	Q2/2020	Q2/2021	Q2/2020	Q2/2021	Q2/2020
Sales to external customers	47,899	45,328	41,507	38,289	90	4	0	0	89,497	83,621
Sales to other segments	2,405	1,772	30	86	3,657	3,646	– 6,092	– 5,504	0	0
Total segment sales	50,305	47,100	41,537	38,375	3,747	3,650	– 6,092	– 5,504	89,497	83,621
Result from investments valued at equity	– 64	0	0	223	–209	0	0	0	– 273	223
Segment profit before interest and profit taxes (EBIT)	8,525	5,542	23,506	13,535	– 2,528	– 386	0	–	29,504	18,690
Interest expenses and revenues	– 240	– 270	– 106	– 105	– 110	– 49	0		– 455	– 424
Income tax expense	– 2,185	– 1,655	– 4,904	– 3,713	331	– 47	0	–	– 6,758	– 5,414
Profit before minority interests	6,100	3,617	18,497	9,717	– 2,306	– 482	0		22,291	12,853

SEGMENT REPORT – BALANCE SHEET

	Isotope Products		Medical		Holding		Total	
€ thousand	**Q2/2021**	Q2/2020	**Q2/2021**	Q2/2020	**Q2/2021**	Q2/2020	**Q2/2021**	Q2/2020
Segmental assets	163,310	170,721	120,023	96,137	139,540	111,466	422,873	378,324
Elimination of inter-segmental shares, equity investments and receivables							– 101,502	– 110,107
Consolidated total assets							**321,371**	**268,217**
Segmental liabilities	– 91,581	– 91,279	– 57,348	– 42,280	– 15,391	– 2,967	– 164,320	– 136,525
Elimination of intersegmental liabilities							20,156	10,790
Consolidated liabilities							**– 144,164**	**– 125,735**
Investments in associated companies	3,186	3,982	11,536	858	0	0	14,723	4,840
Investments (without acquisitions)	1,466	1,198	1,075	1,516	439	480	2,981	3,194
Depreciation and amortization incl. RoU according to IFRS 16	– 2,766	– 2,688	– 1,646	– 2,440	– 625	– 332	– 5,037	– 5,460
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 June 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 € 1,192 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 June 30, 2021, mainly include the following:

- derivative financial liabilities from an interest rate swap in the amount of € 14 thousand (unchanged from December 31, 2020). Market prices are determined for this swap at which the swap can be terminated at any time.
- liabilities from contingent purchase price payments from business combinations as defined by 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

Effective July 31, 2021, Eckert & Ziegler Brasil Isotope Solutions Ltda acquired Ambientis Radioproteção, based in São Paulo, Brazil. The company, with annual sales in the low single-digit million range and 24 employees, has extensive experience and licenses in the field of measurement technology and logistics for radioactive substances and is the only ISO 17025-certified measurement laboratory in Brazil and South America. The synergies created by the acquisition will increase market opportunities for both the industrial segment and the radiopharma and nuclear medicine segments in the region.

On August 9, 2021, Eckert & Ziegler Radiopharma GmbH received a manufacturing license from the authorities in Lower Saxony for several thorium and lutetium compounds in accordance with the German Medicines Act. The licenses enable 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 novel cancer drugs that are currently being tested in advanced phases by numerous drug manufacturers.

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, August 12, 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

C.2 REVIEW CERTIFICATE

To Eckert & Ziegler Strahlen- und Medizintechnik AG

We have reviewed the half-year consolidated financial statements – comprising the consolidated balance sheet, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows as well as the condensed notes – together with the interim group management report of Eckert & Ziegler Strahlen- und Medizintechnik AG, Berlin, for the period from 1 January 2021 to 30 June 2021 that are part of the half-year financial report according to section 115 WpHG ["Wertpapierhandelsgesetz"/"German Securities Trading Act"]. The preparation of the half-year consolidated financial statements in accordance with the IFRS for the Interim Financial Reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the half-year consolidated financial statements and on the interim group management report based on our review. We performed our review of the half-year consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude, through critical evaluation, with a certain level of assurance, that the half-year consolidated financial statements have not been prepared, in all material respects, in accordance with the IFRS for the Interim Financial Reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the half-year consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS for the Interim Financial Reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Berlin, 12. August 2021

BDO AG | Wirtschaftsprüfungsgesellschaft

gez. Pfeiffer (Wirtschaftsprüfer)
(German Public Auditor)

gez. Nekhin (Wirtschaftsprüfer)
(German Public Auditor)

FINANCIAL CALENDAR

August 12, 2021	Half-Year Financial Report 2021
September 2–3, 2021	Hauck & Aufhäuser Stockpicker Summit
November 9, 2021	Quarterly Report III/2021
November 22–23, 2021	German Equity Forum (virtual)

Subject to changes

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