HALF-YEAR FINANCIAL REPORT

1 January to 30 June 2022

Eckert & Ziegler
Contributing to saving lives

KEY DATA

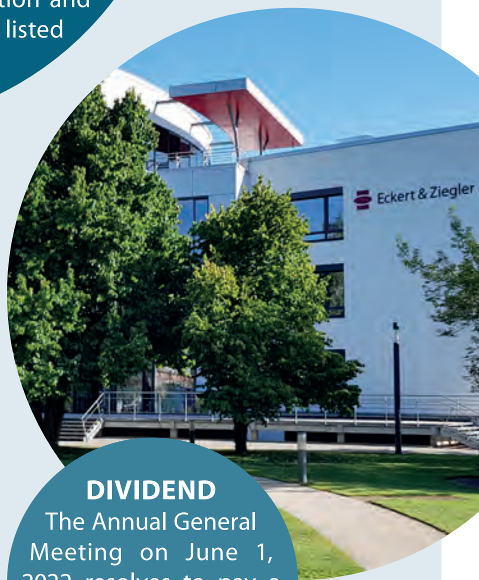
		1–6/2021*	1–6/2022	Change
Sales	€ million	89.5	106.8	+19%
Return on revenue before tax	%	32	22	–31%
EBITDA	€ million	34.2	29.3	–14%
EBIT	€ million	29.4	24.4	–17%
EBT	€ million	28.9	23.9	–17%
Net income before other shareholder's interests	€ million	22.2	15.7	–29%
Profit	€ million	22.2	15.4	–31%
Earnings per share (basic)	€	1.07	0.74	–31%
Operational cash flow	€ million	6.8	5.3	–22%
Depreciation and amortization on non-current assets	€ million	4.8	4.9	–2%
Staff as end of period	Persons	814	957	+14%

** adjusted due to restatement; see Notes to the interim consolidated financial statements*

MILESTONES Q2 2022

30 YEARS ECKERT & ZIEGLER

Eckert & Ziegler celebrated its 30th anniversary in June with around 300 employees and guests from politics and business. In 1992, Berlin-Brandenburgische Isotopentechnik GmbH (BEBIG), based in Berlin-Buch, was founded out of the former assets of a GDR institute. The small company with two employees turned into the nucleus of a global market leader for radiation and medical technology that is now listed on the stock exchange.



COOPERATION WITH CZECH RESEARCH CENTER TO PRODUCE PHARMACEUTICAL ALPHA RADIOISOTOPES

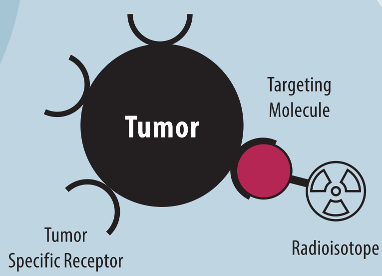
The long-term cooperation agreement with the Nuclear Physics Institute of the Czech Academy of Sciences (Ústav jaderné fyziky, UJF) envisions Eckert & Ziegler to provide the UJF research center with several million euros for investments in equipment and hot cells, as well as radium-226 as a starting material for experiments and irradiations. In return, the Eckert & Ziegler group gets exclusive access to the capacities of a pilot unit and joint rights to the process steps developed for a large-scale Ac-225 commercial production.

DIVIDEND

The Annual General Meeting on June 1, 2022 resolves to pay a dividend of €0.50 (previous year: €0.45) per dividend-bearing share.

RADBOUD UNIVERSITY MEDICAL CENTER TO IMAGE FIRST PATIENT WITH PENTIXAFOR

Radboud University Medical Center in Nijmegen, one of the largest centres of excellence in the Netherlands for adrenal diseases, treated the first patient with primary aldosteronism with the Ga-68-based diagnostic PENTIXAFOR as part of the CASTUS study. PENTIXAFOR is a Ga-68-based PET radiodiagnostic and an innovative imaging PET tracer that targets the chemokine-4 receptor (CXCR4). It is used to diagnose various oncological and inflammatory diseases.



A. GROUP INTERIM MANAGEMENT REPORT

A.1 EARNINGS PERFORMANCE

In the first half of 2022, the Eckert & Ziegler Group achieved its target with a net profit of € 15.4 million. Compared to the same period of the previous year, Group profit thus fell by € 6.8 million. The decrease resulted from the sale and associated deconsolidation of the tumor irradiation device division, which generated non-recurring income of approximately € 9.4 million as of June 2021. Adjusted for this non-recurring effect, net income attributable to shareholders increased by around 20% year-on-year from € 12.8 million to € 15.4 million. In addition to favorable exchange rates, increased sales in the Isotope Products segment with industrial products and radiopharmaceuticals contributed to this rise in earnings.

Revenue

Overall, consolidated sales at the end of June 2022 amounted to € 106.8 million, up € 17.3 million or 19% on the previous year's level of € 89.5 million.

The breakdown by segment shows a different development:

At € 41.7 million, sales in the Medical segment in the first half of the year were at the same level as in the previous year (€ 41.5 million). However, taking into account the loss of € 1.1 million in revenue due to the deconsolidation of the tumor equipment business, the revenue level was slightly higher than in the previous year.

The Isotope Products segment generated sales of € 68.2 million, an increase of € 17.9 million (36%) compared to the first six months of 2021. All main product groups contributed to this good performance. The development of oil and gas prices is boosting the exploration activities of energy companies and, as a consequence, the demand for measuring components. Around € 4.7 million of the increase is attributable to the acquisition of the Argentine company Tecnonuclear SA, while € 3.7 million was due to a favorable US dollar exchange rate (14% on average between the first half of 2021 and 2022).

Earnings (net profit for the period)

At € 15.4 million, the Group's six-month earnings were € 0.74 per share, down € 6.8 million or 30% on the previous year.

In the Medical segment, net income of € 7.6 million was thus € 10.9 million lower than in the first half of the previous year. Adjusted for the effect of the sale of the tumor irradiation device business (€ 9.4 million) and the expenses (around € 1.4 million) in connection with the start-up of the production site in Boston, USA, and the preparations for the site in Jintan, China, the segment's operating result was on the same level as the previous year.

In the Isotope Products segment, earnings (before minorities) increased by € 3.3 million to € 9.2 million compared with the first half of 2021. Higher contribution margins were generated compared to the first half of the previous year due to the increase in sales combined with a favorable product mix.

The Others segment, which includes the holding company and Pentixapharm GmbH, closed the first half of the year with a result (before minority interests) of € –1.1 million (previous year: € –2.2 million).

A.2 FINANCIAL POSITION

Balance sheet

Total assets at the end of June 2022 increased by € 20.2 million compared to the annual financial statements for 2021 and now amount to € 367.9 million (previous year: € 347.7 million).

On the assets side, tangible assets increased by € 13.3 million to € 75.1 million. This increase is mainly due to investments in production sites in the USA, China and Germany (€ 6.9 million), the first-time consolidation of Tecnonuclear SA (€ 1.6 million) and the acquisition of the property in Argentina (€ 0.4 million).

Investments in associated companies decreased by a total of € 0.2 million to € 14.9 million. This results from the first-time at-equity consolidation of the shares in Atom Mines LLC, Texas USA in the amount of € 0.8 million and a planned repayment of equity at Americium Consortium LLC in the amount of € 0.9 million.

Compared to December 31, 2021, goodwill increased by € 7.2 million to € 40.8 million. The preliminary purchase price allocation for Tecnonuclear SA, Argentina, accounted for € 5.9 million of this increase.

Other intangible assets increased by € 5.5 million. This was mainly due to the acquisition of the shares in Atom Mines LLC, USA. The difference between the purchase price and the pro rata equity amounting to € 3.7 million was measured as an economic benefit for the future and thus recognized as an intangible asset.

Trade accounts receivable increased by € 7.8 million and inventories by € 5.7 million. These increases are mainly attributable to the first-time consolidation of Tecnonuclear SA, Argentina. As a result of the sale of Wolf-Medizintechnik GmbH in June 2022, assets held for sale decreased by € 4.1 million compared to the balance sheet as of December 31, 2021, to € 0.0 million.

The changes on the liabilities side mainly relate to liabilities from loans and other liabilities.

The change in current and non-current loan liabilities is due to the restructuring of a short-term USD loan of the equivalent of € 7.1 million taken out at the time of the purchase of the property in Wilmington, MA (USA) into a non-current and a current part. The short-term part in the amount of approximately 2.2 million US dollars was repaid in June. In 2022, a new long-term loan of € 9.0 million was taken out with Deutsche Bank and a new long-term loan of € 1.0 million with Commerzbank.

The change in other liabilities mainly relates to the purchase price payments still to be made for the acquisition of Tecnonuclear SA, Argentina, of which € 1.4 million is current and € 2.8 million is non-current, and to the purchase price payments still to be made for the acquisition of the remaining shares in Pentixapharm GmbH amounting to € 8.0 million.

Equity increased by € 0.2 million to € 192.7 million as of June 30, 2022. The increase resulted primarily from the net profit for the period of € 15.7 million including minority interests, as well as currency translation differences of € 3.2 million recognized in equity, reduced by a dividend payment of € 10.7 million including minority interests. With the acquisition of the remaining shares in Pentixapharm GmbH, 3.7 million shares were acquired from the previous minority shareholders; the difference to the purchase price of € 8.0 million was booked against the consolidated profit carried forward. The equity ratio decreased from 55.4% to 52.4%.

Liquidity

The cash inflow from operating activities amounted to € 5.3 million. In the same period of the previous year, a cash inflow of € 6.8 million was realized.

The cash outflow from investing activities amounted to € 19.2 million. The figures for the first half of 2022 reflect the implementation of the communicated corporate strategy. Whereas € 10.4 million was invested in the previous year, expenditure on intangible assets, property, plant and equipment and acquisitions rose to € 21.3 million this year. In the context of the settlement of the Americium Consortium LLC joint venture, the Group received a repayment of € 0.9 million. Securities were sold in the amount of € 1.2 million. From the sale of shares in Wolf-Medizintechnik GmbH, the Eckert & Ziegler Group received € 0.8 million after deduction of the cash transferred on the sale. Last year, the Group received a total of € 10.4 million from the sale of shares in consolidated companies in the tumor irradiation device division after deduction of the cash transferred on the sale.

Regarding the cash flow from financing activities, € 10.4 million (previous year: € 9.3 million) was used for the payment of dividends to the shareholders of Eckert & Ziegler. In addition, a dividend payment of € 0.3 million was made to minority shareholders in the first half of the year. During the period, the Group raised € 17.2 million; financial resources amounting to € 11.2 million (previous year: € 1.9 million) were used for the repayment of credit line and leasing liabilities, including interest payments.

Overall, cash and cash equivalents as of June 30, 2022 are down € 16.5 million on the end of 2021 to € 77.2 million.

To finance its growth strategy, the Group uses its own liquidity as well as increasingly external financing using a mix of long-term loans and short-term cash credit lines, which can be applied flexibly depending on requirements and use. In an environment of rising interest rates, a focus has been placed in recent months on securing the Group's financing for the coming periods.

As of June 30, 2022, the Group has approximately € 17.0 million in cash credit lines that have not been drawn down and approximately € 30.0 million in long-term loan commitments, of which € 15.5 million have been drawn down as of June 30, 2022.

A.3 OUTLOOK

The results for the first half of 2022 are in line with the Executive Board's expectations.

In the ad hoc announcement of July 5, 2022, the Executive Board lowered the profit forecast for fiscal year 2022 from € 38 million to € 27 million. Due to stalled negotiations and under the impression of a further slowdown in the international economy, the Executive Board considered the probability of being able to generate extraordinary income of € 14.3 million from the sale or revaluation of assets in this calendar year to be now less than 50%. At the same time, the Executive Board increased its profit forecast for the revolving business from the original € 24 million to € 27 million and continues to expect an increase in sales to around € 200 million.

A.4 RISKS AND OPPORTUNITIES

In the Annual Report 2021 we described risks that could have a significant negative 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 jeopardize our continued existence.

A.5 ADDITIONAL INFORMATION

Employees

As of June 30, 2022, the Eckert & Ziegler Group had 957 employees worldwide. Compared to the previous year (December 31, 2021: 866 employees), the number of employees continued to increase. The increase results primarily from the acquisition of Tecnonuclear SA, Argentina, which accounted for 76 employees as of June 30, 2022.

B. INTERIM CONSOLIDATED FINANCIAL STATEMENTS

B.1 CONSOLIDATED INCOME STATEMENT OF PROFIT OR LOSS

€ thousand	6-month report 01–06/2021*	6-month report 01–06/2022
Revenues	**89,497**	**106,837**
Cost of sales	–41,413	–51,508
Gross profit on sales	**48,084**	**55,329**
Selling expenses	–11,099	–12,822
General and administrative expenses	–15,284	–17,587
Impairment/reversals in accordance with IFRS 9	–44	–39
Other operating income	11,446	752
Other operating expenses	–3,856	–2,885
Profit from operations	**29,246**	**22,747**
Results from shares measured at equity	–273	–106
Other financial results	403	1,754
Earnings before interest and taxes (EBIT)	**29,377**	**24,395**
Interest received	82	53
Interest paid	–537	–570
Profit before tax	**28,922**	**23,878**
Income tax expense	–6,731	–8,168
Net income/loss from continuing operations	**22,191**	**15,710**
Profit (–)/loss (+) attributable to minority interests	26	303
Profit attributable to the shareholders of Eckert & Ziegler AG	**22,165**	**15,407**
Earnings per share		
Basic	1.07	0.74
Diluted	1.07	0.74
Average number of shares in circulation (basic)	20,634	20,760
Average number of shares in circulation (diluted)	20,634	20,812

** adjusted due to restatement; see Notes to the interim consolidated financial statements*

B.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ thousand	6-month report 01–06/2021	**6-month report 01–06/2022**
Profit for the period	**22,191**	**15,710**
of which attributable to shareholders of Eckert & Ziegler AG	22,165	15,407
of which attributable to other shareholders	26	303
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	1,544	3,214
Amount reposted to income statement	–246	0
Currency differences from the translation of foreign operations	**1,298**	**3,214**
Items that will not be reclassified to the profit or loss statement in the future		
Earnings from equity instruments designated at fair value through other comprehensive income	156	–387
Deferred taxes	–47	0
Net earnings from equity instruments designated at fair value through other comprehensive income	**109**	**–387**
Other comprehensive income after taxes	**1,407**	**2,827**
Consolidated comprehensive income	**23,598**	**18,537**
of which attributable to shareholders of Eckert & Ziegler AG	23,557	18,228
of which attributable to non-controlling interests	41	309

B.3 CONSOLIDATED BALANCE SHEET

€ thousand	Dec 31, 2021	June 30, 2022
ASSETS		
Non current assets		
Goodwill	33,610	40,796
Other intangible assets	27,821	33,272
Property, plant and equipment	61,871	75,121
Rights of use (IFRS 16)	19,300	19,425
Investments in affiliates or joint ventures	15,086	14,877
Deferred tax assets	11,170	12,245
Other non-current assets	1,271	1,601
Total non-current assets	**170,129**	**197,337**
Current assets		
Cash and cash equivalents	93,659	77,166
Securities	1,358	56
Trade accounts receivable	31,880	39,648
Inventories	37,356	43,087
Income tax receivables	2,860	5,237
Other current assets	6,348	5,351
Non-current assets held for sale and disposal groups	4,139	0
Total current assets	**177,600**	**170,545**
Total assets	**347,729**	**367,882**
EQUITY AND LIABILITIES		
Shareholder's equity		
Subscribed capital	21,172	21,172
Capital reserves	66,162	66,488
Retained earnings	106,223	106,975
Other reserves	–2,223	596
Own shares	–3,942	–3,874
Portion of equity attributable to the shareholders of Eckert & Ziegler AG	**187,392**	**191,357**
Minority interests	5,134	1,357
Total shareholders' equity	**192,526**	**192,714**
Non-current liabilities		
Long-term debt	0	15,545
Long-term lease obligations (IFRS 16)	16,836	17,070
Deferred income from grants and other deferred income	2,452	2,436
Deferred tax liabilities	2,228	2,285
Retirement benefit obligations	13,044	13,031
Other non-current provisions	59,836	63,279
Other non-current liabilities	358	3,257
Total non-current liabilities	**94,754**	**116,903**
Current liabilities		
Short-term debt	7,074	12
Current portion of lease obligations (IFRS 16)	3,056	3,056
Trade accounts payable	5,578	4,660
Advance payments received	11,644	11,042
Deferred income from grants and other deferred income (current)	38	28
Income tax liabilities	6,144	6,982
Other current provisions	3,590	3,884
Other current liabilities	22,573	28,601
Liabilities directly associated with assets and disposal groups held for sale assets and disposal groups	752	
Total current liabilities	**60,449**	**58,265**
Total equity and liabilities	**347,729**	**367,882**

B.4 CONSOLIDATED CASH-FLOW STATEMENT

€ thousand	6-month report 01/01/2021–06/30/2021*	6-month report 01/01/2022–06/30/2022
Cash flows from operating activities:		
Profit for the period	22,191	15,710
Adjustments for:		
Depreciation and value impairments	4,787	4,936
Net interest income [interest expense (+)/income (–)]	455	517
Income tax expense	6,731	8,168
Income tax payments	–6,202	–10,914
Non-cash release of deferred income from grants	–30	–26
Gains (–)/losses on the disposal of non-current assets	–10,737	–460
Change in non-current provisions, other non-current liabilities	1,419	1,586
Change in other non-current assets and receivables	7	–290
Other non-cash items	–848	–732
Changes in current assets and liabilities:		
Receivables	–4,208	–5,522
Inventories	–5,223	–4,811
Change in other current assets	195	758
Change in current liabilities and provisions	–1,757	–3,622
Cash inflows generated from operating activities	**6,780**	**5,298**
Cash flows from investing activities:		
Outflows for intangible assets and property, plant and equipment	–2,604	–14,559
Income from the sale of intangible assets and property, plant and equipment	0	5
Income from the sale of shares in consolidated companies (less cash and cash equivalents transferred)	10,391	794
Expenses for acquisitions (less cash and cash equivalents transferred)	–7,838	–6,691
Expenses for the acquisition of shareholdings	–70	–787
Income from investments	834	892
Income from the sale of securities	0	1,178
Cash inflows/outflows from investing activities	**713**	**–19,169**
Cash flows from financing activities:		
Dividends paid	–9,323	–10,382
Dividend paid to minority shareholders	0	–359
Payments from taking out loans	0	17,183
Cash outflows for repayment of loans and lease liabilities	–1,494	–10,702
Interest received	61	53
Interest paid	–465	–494
Cash outflows from financing activities	**–11,221**	**–4,702**
Effect of exchange rates on cash and cash equivalents	816	2,079
Increase/reduction in cash and cash equivalents	**–2,912**	**–16,493**
Cash and cash equivalents at beginning of period	**87,475**	**93,659**
Cash and cash equivalents at end of period	**84,563**	**77,166**

** adjusted due to restatement; see Notes to the interim consolidated financial statements*

B.5 CONSOLIDATED STATEMENT OF SHAREHOLDERS EQUITY

	Subscribed capital				Cumulative other equity items						
amounts in € thousand except number of shares	Number	Nominal value	Capital reserve	Retained reserves	Unrealized profit securities	Unrealized profit pension commit-ments	Foreign currency exchange differences	Own shares	Equity attributable to sharehol-ders' equity	Minority shares	Group sharehol-ders' equity
Balance as of January 1, 2021	**21,171,932**	**21,172**	**54,188**	**81,019**	**–4,536**	**162**	**–1,223**	**–5,519**	**145,263**	**1,096**	**146,359**
Total of expenditures and income directly entered in equity	0	0	0	0	939	225	2,210	0	3,374	69	3,443
Net profit for the year	0	0	0	34,527	0	0	0	0	34,527	130	34,657
Total income for the period	0	0	0	34,527	939	225	2,210	0	37,901	199	38,100
Dividends paid/resolved	0	0	0	–9,323	0	0	0	0	–9,323	0	–9,323
Minority interest in acquisitions	0	0	0	0	0	0	0	0	0	3,839	3,839
Share-based payment	0	0	3,927	0	0	0	0	363	4,290	0	4,290
Use of treasury shares for acquisition	0	0	8,047	0	0	0	0	1,214	9,261	0	9,261
As of December 31, 2021	**21,171,932**	**21,172**	**66,162**	**106,223**	**–3,597**	**387**	**987**	**–3,942**	**187,392**	**5,134**	**192,526**
Balance as of January 1, 2022	**21,171,932**	**21,172**	**66,162**	**106,223**	**–3,597**	**387**	**987**	**–3,942**	**187,392**	**5,134**	**192,526**
Total income and expenses directly recognized in equity	0	0	0	0	0	–387	3,206	0	2,819	6	2,825
Consolidated net income	0	0	0	15,407	0	0	0		15,407	303	15,710
Consolidated comprehensive income	0	0	0	15,407	0	–387	3,206	0	18,226	309	18,535
Dividend payment or resolution	0	0	0	–10,382	0	0	0	0	–10,382	–359	–10,741
Acquisition of non-controlling shares	0	0	0	–4,273	0	0	0	0	–4,273	–3,727	–8,000
Stock-based compensation	0	0	326	0	0	0	0	68	394	0	394
As of June 30, 2022	**21,171,932**	**21,172**	**66,488**	**106,975**	**–3,597**	**0**	**4,193**	**–3,874**	**191,357**	**1,357**	**192,714**

B.6 NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

General information

These interim consolidated financial statements as of June 30, 2022 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, 2022 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 balance sheet 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, 2021. The accounting and valuation methods explained in the notes to the 2021 consolidated financial statements have been applied unchanged.

For the preparation of the consolidated financial statements in accordance with IFRS, it is necessary to make estimates and assumptions that have an effect on the amount and disclosure of the assets and liabilities, income and expenses reported in the balance sheet. The actual values may differ from the estimates. Significant assumptions and estimates are made with regard to periods of use, recoverable amounts of non-current assets, the realizability of receivables and the recognition and measurement of provisions. Due to rounding, some figures may not add up precisely to the totals provided.

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

In April 2021, the IFRS Interpretation Committee issued its agenda decision on the accounting for customization costs in cloud-based software solutions (Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38)). As a result of this final decision, the Company changed its previous accounting policy regarding the accounting for customization costs.

Since 2018, costs related to the initial setup and configuration of a new ERP system running as a cloud solution have been capitalized as internally generated intangible assets in accordance with IAS 38.57. In the Agenda Decision, the IFRS IC clarified that, as a rule, customizing costs can only be capitalized as intangible assets if the software concerned is controlled by the reporting entity as an intangible asset and is consequently also capitalized.

The clarification of the IFRS IC provided new insights into the application of the regulations in this respect, which ensure improved presentation. In this context, the customizing costs were retrospectively recognized as expenses of the respective financial year. The comparative amounts for the first half of 2021 have been adjusted as if the customizing costs had already been recognized as an expense in the respective year in 2021 and previous years. The adjusted and original amounts in the income statement and cash flow statement for the first half of 2021 are shown in the following table:

	Q2/2021		
€ thousand	before adjustment	adjustment	after adjustment
Income Statement			
General and administrative expenses	–15,157	–127	–15,284
Operating income	29,373	–127	29,246
Earnings before interest and taxes (EBIT)	29,504	–127	29,377
Earnings before taxes (EBT)	29,049	–127	28,922
Income taxes	–6,758	27	–6,731
Group earnings	22,291	–100	22,191
Profit attributable to the shareholders of Eckert & Ziegler AG	22,265	–100	22,165
Earnings per share			
Basic (€ per share)	1.08	–0.01	1.07
Diluted (€ per share)	1.08	–0.01	1.07
Cashflow			
Group earnings	22,291	–100	22,191
Adjustment for:			
Depreciation and amortization	5,037	–250	4,787
Income tax expense	6,758	–27	6,731
Cash inflow from operating activities	7,157	–377	6,780
Expenses for intangible assets and property, plant and equipment	–2,981	377	–2,604
Cash inflow from investing activities	336	377	713
Increase in cash and cash equivalents	–2,912	–	–2,912

Scope of consolidated financial statements

The consolidated financial statements of Eckert & Ziegler AG include all companies in which Eckert & Ziegler AG has the direct or indirect possibility of determining the financial and business policy (control concept).

Acquisitions and disposals of companies

Tecnonuclear SA, Argentina

On January 3, 2022, Eckert & Ziegler acquired 100% of the shares in the Argentine nuclear medicine specialist Tecnonuclear S.A., a manufacturer of technetium-99 generators and a portfolio of related biomolecules. Together with the generators, these generic tracers are often referred to as SPECT diagnostics. They represent the most widely used class of nuclear medicine products worldwide for the detection of cancer and cardiovascular abnormalities. Tecnonuclear, based in Buenos Aires, had 65 employees at the time of acquisition and generated sales of approximately $10 million in 2021. The products were previously distributed by Eckert & Ziegler in Brazil, where they are sold together with the generators as consumables for single-photon emission computed tomography (SPECT). Currently, around 25 million patients are examined annually with SPECT diagnostics, representing a global market volume of around USD 1.7 billion. With the emergence of new proprietary SPECT tracers, demand is expected to grow dynamically and reach a volume of approximately USD 2.7 billion in 2027. The purchase price of USD 12.8 million was primarily based on Tecnonuclear's profitability and was paid in full from Eckert & Ziegler's cash flow in the first step in the amount of USD 8.1 million. The remaining amount of USD 4.7 million will be paid over the next 3 years. The transaction was carried out without external financing. As of June 30, 2022, the difference between the purchase price and the equity of Tecnonuclear SA, amounting to € 5.9 million, was recognized as goodwill on the basis of a preliminary purchase price allocation. This preliminary purchase price allocation will be replaced by a final purchase price allocation by the end of the year.

As inflation in the last three years has cumulatively exceeded 100% in Argentina, Argentina is treated as a hyperinflationary economy under IAS 29, with the effect that all balance sheet and income statement items are regularly adjusted to reflect the high inflation.

Atom Mines LLC, USA

On January 10, 2022, Eckert & Ziegler Radiopharma GmbH acquired 18.5% of the shares in Atom Mines LLC, Texas USA. Atom Mines LLC is a manufacturer of ytterbium with whom Eckert & Ziegler Radiopharma GmbH has concluded an exclusive long-term supply agreement for ytterbium-176. The agreement has a strategic dimension, as cancer therapies based on lutetium-177 have proven to be highly effective, but the worldwide supply of the indispensable precursor ytterbium-176 has so far been measured in grams per year. A new production process, co-financed by Eckert & Ziegler and developed by Atom Mines, is now expected to solve this bottleneck: the first samples delivered met the relevant quality criteria, in particular isotopic purity. Eckert & Ziegler will thus be in a position to offer lutetium-177 in large quantities to pharmaceutical companies around the world and beyond for hundreds of thousands of patients per year. A total of USD 5.0 million was agreed as purchase price for the shares in Atom Mines LLC and for an exclusive supply contract for ytterbium-176, of which USD 3.4 million has already been paid. Atom Mines LLC is consolidated “at equity”. The difference between the total purchase price and the pro rata acquired equity of the company was recognized as an intangible asset.

Pentixapharm GmbH, Würzburg

On April 7, 2022, Eckert & Ziegler Strahlen-und Medizintechnik AG acquired the remaining 9.37% of the shares in Pentixapharm GmbH, Würzburg. The purchase price for this transaction amounts to €8.0 million, which is due in the short term. The difference between the purchase price and the value of the non-controlling interests acquired was booked against the consolidated profit carried forward.

Wolf-Medizintechnik GmbH, St. Gangloff, Thüringen

In June 2022, all shares held in Wolf-Medizintechnik GmbH (WOMED) were sold to BEBIG Medical GmbH, Berlin. The assets and liabilities of WOMED were already recognized as assets and liabilities held for sale in the 2021 annual financial statements. Wolf-Medizintechnik GmbH was deconsolidated as of June 30, 2022.

Currency translation

The financial statements of companies outside the European Monetary Union are translated using the functional currency concept. The following exchange rates have been used for currency translation purposes:

Country	Currency	Exchange rate on 06/30/2022	Exchange rate on 12/31/2021	Average exchange rate 01/01–06/30/2022	Average exchange rate 01/01–06/30/2021
USA	USD	1.0387	1.1326	1.0558	1.2048
Czech Republic	CZK	24.7390	24.8580	24.7196	26.0702
Great Britain	GBP	0.8582	0.8403	0.8578	0.8739
Brazil	BRL	5.4229	6.3101	5.3315	6.5990
Switzerland	CHF	0.9960	1.0301	1.0241	1.0913
China	CNY	6.9624	7.1947	7.0711	–
Argentina	ARS	131.2536	–	129.7725	–

Equity and treasury stock

As of June 30, 2022, Eckert & Ziegler AG held 408,506 of its own shares. This corresponds to a share of 1.93% of the company’s share capital.

Segment information

SEGMENT REPORT – INCOME STATEMENT

	Isotope Products		Medical		Holding		Elimination		Total	
€ thousand	Q2/2022	Q2/2021	Q2/2022	Q2/2021	Q2/2022	Q2/2021	Q2/2022	Q2/2021	Q2/2022	Q2/2021
Sales to external customers	65,353	47,899	41,469	41,507	15	90	0	0	106,837	89,497
Sales to other segments	2,832	2,405	198	30	0	0	–3,030	–2,435	0	0
Total segment sales	68,185	50,305	41,667	41,537	15	90	–3,030	–2,435	106,837	89,497
Result from investments valued at equity	–115	–64	9	0	0	–209	0	0	–106	–273
Segment profit before interest and profit taxes (EBIT)	13,403	8,301	12,420	23,506	–1,428	–2,430	0	0	24,395	29,377
Interest expenses and revenues	–272	–240	–170	–106	–75	–110	0	0	–517	–455
Income tax expense	–3,908	–2,129	–4,617	–4,904	357	302	0	0	–8,168	–6,731
Profit before minority interests	9,223	5,932	7,633	18,497	–1,146	–2,238	0	0	15,710	22,191

SEGMENT REPORT – BALANCE SHEET

	Isotope Products		Medical		Holding		Total	
€ thousand	Q2/2022	Q2/2021	Q2/2022	Q2/2021	Q2/2022	Q2/2021	Q2/2022	Q2/2021
Segmental assets	194,256	163,310	138,488	120,023	162,401	139,540	495,145	422,873
Elimination of inter-segmental shares, equity investments and receivables							–127,263	–101,502
Consolidated total assets							**367,882**	**321,371**
Segmental liabilities	–107,322	–91,581	–76,224	–57,348	–27,910	–15,391	–211,456	–164,320
Elimination of intersegmental liabilities							36,288	20,156
Consolidated liabilities							**–175,168**	**–144,164**
Investments in associated companies	2,570	3,186	12,307	11,536	0	0	14,877	14,723
Investments (without acquisitions)	3,273	1,090	9,219	1,075	2,067	439	14,559	2,604
Depreciation and amortization incl. RoU according to IFRS 16	–2,899	–2,613	–1,446	–1,646	–591	–528	–4,936	–4,787
Impairments	–37	–41	–2	–3	0	0	–39	–44

Material transactions with related parties

With regard to significant related party transactions, we refer to the disclosures in the consolidated financial statements as of December 31, 2021.

Disclosures on financial instruments

As of June 30, 2022, financial assets measured at fair value mainly include the following:

- conditional receivables from the sale of shares in OctreoPharm Sciences GmbH amounting to € 240 thousand (unchanged as of December 31, 2021). The fair value of these receivables is determined on the basis of the estimated probability of occurrence of individual milestones from the development project.
- short-term securities (equity instruments of listed companies), amounting to € 56 thousand (€ 1,358 thousand as of December 31, 2021), the fair value of which was determined on the basis of quoted, unadjusted prices in active markets for these assets.
- derivative financial assets from an interest rate cap in the amount of € 320 thousand. The Group has hedged a € 20.0 million loan over 5 years with variable interest rates based on the 3-month Euribor by an interest rate cap. Like the loan, this interest rate cap has a nominal amount of € 20 million, a duration of 5 years with a similar repayment structure. The strike rate is 1.5% based on 3-month Euribor.

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

- Liabilities from contingent purchase price payments from the business combinations as defined by IFRS 3 in the amount of € 25 thousand (unchanged as of December 31, 2021). 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 bear interest at a fixed rate (different from the market rate) by discounting the expected future cash flows at the current market interest rate applicable to similar financial liabilities with comparable remaining maturities.

Events after the balance sheet date

There were no events after the balance sheet date that had a significant impact on the net assets, financial position or results of operations of the Group.

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 financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group 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 financial year.

Berlin, 11 August 2022

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 2022 to 30 June 2022 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, 11 August 2022

BDO AG | Wirtschaftsprüfungsgesellschaft

gez. Pfeiffer (Wirtschaftsprüfer) (German Public Auditor)	gez. Nekhin (Wirtschaftsprüfer) (German Public Auditor)

FINANCIAL CALENDAR

August 11, 2022	Quarterly Report II/2022
November 14, 2022	Quarterly Report III/2022
November 28–30, 2022	Equity forum Frankfurt

Subject to changes

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