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CONSOLIDATED INTERIM REPORT
IN ACCORDANCE WITH IFRS
1 JANUARY – 30 JUNE 2022

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Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Consolidated interim report H1 2022

in accordance with IFRS
from 1 January to 30 June 2022

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A

Foreword by the group management

Ladies and gentlemen,

after more than two years of the pandemic, we must now say that COVID-19 has become part of our everyday life. Thanks to numerous innovations, the pragmatic, supportive cooperation of many players and the tireless efforts of healthcare workers, we are now able to combat the virus with vaccinations and treatment options and shape the new normal. The effects of Russia's war of aggression are also being felt and are leading to new challenges. Nevertheless, our Asklepios team, as an integral part of the German healthcare system, has also done and continues to do an extraordinary job in these challenging times. We would like to take this opportunity to thank you, our employees, once again.

The lessons we have learned from the past two years are clear. Today, more than ever, our healthcare system needs a fresh start and must not remain in pandemic mode. Otherwise, we will miss the opportunity to embed crucial trends in the DNA of our healthcare system. Alongside digitalisation and outpatient treatment, these include the structural reform of the hospital market. Sustainable regulatory frameworks and ensuring medical care security are also crucial. While the structural underfunding of the healthcare system must end, hospitals must not be crushed by over-regulation and excessive bureaucracy. Only in this way can patients receive the best possible treatment in the long term.

We are proud that the Asklepios clinics are the right place for this. In the first half of 2022, we have made our infrastructure even more efficient with the completion of the new, state-of-the-art and fully automated central warehouse in Bad Oldesloe. In addition to our own hospitals, other healthcare providers, purchasing groups, individual hospitals and rehabilitation clinics can also be supplied from our central warehouse. Our patients can also be supplied with remedies and aids from directly from there around the clock immediately after they leave hospital. Our central warehouse is thus creating supply security and ensuring a reliable supply.

While we are steadily getting a better grip on the pandemic, the world has been confronted since this February with Russia's war of aggression, which has brought unbelievable suffering to the people on the ground and, moreover, led to geopolitical developments that were unimaginable for many only a short time ago. We would like to extend our deepest sympathy to the victims, refugees and those affected in Ukraine.

The consequences of the war in Ukraine have also had a noticeable impact on everyday life in our clinics, with rising energy costs and high inflation overall now limiting our scope for action in caring for patients. Hospital operating costs are currently rising almost daily. By contrast, funding from health insurance companies is fixed well in advance and is also capped. The current financing system thus prevents a flexible response to such fluctuations and does not come close to reflecting actual cost developments. We at Asklepios achieved a solid development of our consolidated profit in the first half of the year, and the same applies to revenue. However, we can also see that the challenges for our company are also growing every day.

In the short term, clinics in Germany need to compensate for inflation in order to avoid falling into a fatal economic downward spiral. To ensure that the German healthcare system remains resilient in the long term and that high-quality care for patients can be guaranteed in the future, far-reaching structural reforms are also needed. For this reason, we are calling for a reform of hospital financing and immediate compensation for inflation.

As an experienced practice partner, Asklepios is happy to share its experience in this area. We are certain that politicians and hospitals can face this challenge together.

Kind regards
Hamburg, 25 August 2022

Kai Hankeln
CEO

Hafid Rifi
CFO

Joachim Gemmel
COO

Dr. Sara Sheikzadeh
CMO

Marco Walker
COO



B

Key figures of the Asklepios Group

Group key figures		6 months 2022	6 months 2022	Changes in %
Number of patients		1,749,734	1,447,999	+20.8
Cost weight		298,202	300,185	-0.7
Number of beds		30,677	31,414	-2.3
Employees (full-time equivalents)		49,788	48,621	+2.4
Net cash from operating activities	EUR million	124.4	261.7	-52.5
Revenue	EUR million	2,608.9	2,526.4	+3.3
EBITDA	EUR million	240.7	231.2	+4.1
EBITDA margin in %		9.2	9.2	
EBIT	EUR million	81.0	79.1	+2.4
EBIT margin in %		3.1	3.1	
EAT	EUR million	55.1	43.0	+28.4
Operating EAT margin in %		2.1	1.7	
Investments in property, plant and equipment and intangible assets (own funds) ¹	EUR million	81.9	110.6	-25.9
Own funds ratio in %		68.8	75.3	

		30 June 2022	31 Dec. 2021	
Total assets	EUR million	6,719.1	6,572.3	+2.2
Equity	EUR million	1,932.4	1,746.9	+10.6
Equity ratio in %		28.8	26.6	
Financial liabilities ²	EUR million	2,178.4	2,179.0	-0.0
Cash and cash equivalents	EUR million	614.9	647.2	-5.0
Short-term time deposits	EUR million	202.0	167.0	+21.0
Net debt	EUR million	1,361.5	1,364.8	-0.2
Net debt ratio ²		3.1x	3.1x	
Interest coverage factor (EBITDA/net interest income)		10.7x	10.0x	

¹ In relation to investments at hospital locations² Adjusted for IFRS 16 effects



Business performance in the first half of 2022

From January to June 2022, Asklepios Kliniken treated a total of 1,749,734 patients (6M 2021: 1,447,999) in its health-care facilities.

The Asklepios Group generated revenue of EUR 2,608.9 million in the first half of 2022 (6M 2021: EUR 2,526.4 million). In the first six months of 2022, EBITDA was up 4.1% on the same period of the previous year at EUR 240.7 million (6M 2021: EUR 231.2 million). The operating EBITDA margin was 9.2% (6M 2021: 9.2%). The staff costs ratio was on par with the previous year at 66.5% (6M 2021: 66.7%). Absolute staff costs rose by EUR 48.6 million, resulting from the 2.4% increase in our headcount to 49,788 (6M 2021: 48,621) as well as collective bargaining increases. The cost of materials ratio was 24.3% in the first half of 2022, slightly above the previous year (6M 2021: 24.1%). The other expenses ratio was also slightly above the previous year's level at 8.6% (6M 2021: 8.5%).

Overall, consolidated net income (EAT) for January to June 2022 amounted to EUR 55.1 million, which is higher than in the same period of the previous year (6M 2021: EUR 43.0 million). The return on revenue was impacted by depreciation, amortisation and impairment of EUR 159.7 million (6M 2021: EUR 152.1 million) and negative net interest income of EUR 22.5 million (6M 2021: EUR 21.1 million). Income from equity investments amounted to EUR 10.1 million (6M 2021: EUR 1.5 million). The EAT margin improved to 2.1% (6M 2021: 1.7%).

Net cash flow from operating activities came to EUR 124.4 million in the first half of 2022 (6M 2021: EUR 261.7 million). Investments including subsidiaries amounted to EUR 118.9 million (6M 2021: EUR 146.8 million). At EUR 81.9 million, the share of own funds was 68.8% in the first half of 2022 (6M 2021: 75.3%).

The Group's net debt amounted to EUR 1,361.5 million as at 30 June 2022 (31 December 2021: EUR 1,364.8 million). The ratio of net debt to EBITDA adjusted for IFRS 16 Leases for the past 12 months was 3.1x (31 December 2021: 3.1x). Cash and cash equivalents came to EUR 614.9 million (31 December 2021: EUR 647.2 million) and unused credit facilities totalled EUR 768.8 million as at 30 June 2022. With financial reserves of EUR 1,383.7 million that can be realised in the short term, the Group has sufficient funds for liquidity reserves as well as to fund further corporate growth.





D

Net assets, financial position and results of operations

1. Business performance and results of operations

	6 months 2022		6 months 2021	
	EUR million	%	EUR million	%
Revenue	2,608.9	100.0	2,526.4	100.0
Other operating income	225.7	8.6	214.8	8.5
Cost of materials	-633.5	-24.3	-608.8	-24.1
Staff costs	-1,734.7	-66.5	-1,686.1	-66.7
Other operating expenses	-225.7	-8.6	-215.2	-8.5
EBITDA	240.7	9.2	231.2	9.2
Depreciation, amortisation and impairment	-159.7	-6.1	-152.1	-6.0
EBIT	81.0	3.1	79.1	3.1
Income from equity investments	10.1	0.4	1.5	0.1
Net interest expenses	-22.5	-0.9	-21.1	-0.8
Income taxes	-13.4	-0.5	-16.5	-0.7
Result from discontinued operations	-0.1	-0.0	0.0	0.0
Consolidated net income (EAT)	55.1	2.1	43.0	1.7

The Asklepios Group generated consolidated revenue of EUR 2,608.9 million in the first six months of 2022 (6M 2021: EUR 2,526.4 million), representing revenue growth of 3.3%.

Of the revenue, 78.6% (6M 2021: 87.0%) was generated in acute care hospitals and 21.4% (6M 2021: 13.0%) in post-acute and rehabilitation clinics as well as other social welfare facilities.

Other operating income of EUR 225.7 million (6M 2021: EUR 214.8 million) includes income from services provided by ancillary operations, rental and leasing, insurance reimbursements, income from the transfer of use and income from clinical studies and research projects.



Development of case numbers	6 months 2022	6 months 2021	Absolute Change	Relative Change
No. of inpatient cases	368,729	351,161	+17,568	+5.0%
No. of outpatient cases	1,381,005	1,096,838	+284,167	+25.9%
Number of patients	1,749,734	1,447,999	+301,735	+20.8%
Number of cost weights	298,202	300,185	-1,983	-0.7%
Number of beds	30,677	31,414	-737	-2.3%

In the first six months of 2022, a total of 1,749,734 (6M 2021: 1,447,999) patients visited the Asklepios Group's facilities. The number of inpatient cases increased by a total of 5.0% to 368,729 (6M 2021: 351,161), while outpatient case numbers rose by 25.9% to 1,381,005 (6M 2021: 1,096,838).

The number of cost weights decreased to 298,202 (6M 2021: 300,185). Average inpatient care case income amounted to EUR 6,157.4 (6M 2021: EUR 6,279.5). Corrected for the share of flat-rate allowances for keeping capacity available and the care surcharge, average case income comes to EUR 5,596.9 (6M 2021: 5,765,2).

The individual ratios of cost and earnings to revenue developed as follows:

	6 months 2022	6 months 2021
	%	%
Cost of materials ratio	24.3	24.1
Staff costs ratio	66.5	66.7
Other expenses ratio	8.6	8.5
EBITDA	9.2	9.2
Depreciation and amortisation expense ratio	6.1	6.0
EBIT	3.1	3.1
EAT	2.1	1.7

The absolute cost of materials rose by EUR 24.7 million or 4.1% – disproportionate to revenue – from EUR 608.8 million to EUR 633.5 million. The main drivers for the creased cost materials included the increased medical demand for medicines, medical and nursing consumables as well as anaesthesia and surgical supplies, and a service-related increase in costs for implants and transplants. There were also higher expenses for water, energy and fuel. Due to the factors described above, the cost of materials ratio increased by 0.2 percentage points to 24.3% compared to the first six months of 2021 (6M 2021: 24.1%).

Absolute staff costs climbed by EUR 48.6 million or 2.9% to EUR 1,734.7 million, while the staff costs ratio fell slightly from 66.7% to 66.5%. Overall, the absolute increase in staff costs resulted from the rise in the average number of full-time employees as well as from general wage increases.

Other operating expenses rose by 4.9% to EUR 225.7 million (6M 2021: EUR 215.2 million). The ratio to revenue was 8.6% (6M 2021: 8.5%).

Operating EBITDA amounted to EUR 240.7 million in the first half of 2022 and was EUR 9.5 million above the corresponding period of the previous year (6M 2021: EUR 231.2 million). The EBITDA margin remained at the previous year's level of 9.2% (6M 2021: 9.2%).

The depreciation and amortisation expense ratio was 6.1% and thus slightly above the level of the same period of the previous year (6M 2021: 6.0%).

The EBIT of EUR 81.0 million achieved in the first six months of 2022 meant a margin of 3.1% (6M 2021: EUR 79.1 million or 3.1%).

Net investment income amounted to EUR 10.1 million (6M 2021: EUR 1.5 million).

Negative net interest income of EUR 22.5 million was below the previous year's level (6M 2021: EUR 21.1 million). Interest income fell to EUR 0.7 million (6M 2021: EUR 2.0 million). Interest expenses amounted to EUR 23.2 million in the financial year (6M 2021: EUR 23.1 million).

Income tax expenses dropped from EUR 16.5 million in the previous year to EUR 13.4 million.

Overall, consolidated net income (EAT) rose from EUR 43.0 million to EUR 55.1 million in the first six months of 2022 compared to the same period of the previous year. The EAT margin totalled 2.1% in the first six months of 2022 and thus improved compared to the same period of the previous year (6M 2021: 1.7%).



2. Financial position and net assets

As a financially conservative company, the Group's financing profile is fundamentally geared towards the long term. Accordingly, the underlying loan volumes are also largely hedged against interest rate risks on a long-term basis. The operational management of cash and cash equivalents and the procurement of funds for the Group companies is carried out by Asklepios Kliniken GmbH & Co. KGaA. The basis for this is the careful and creditworthy investment of cash and cash equivalents through a broad diversification via banks of the major German deposit protection systems.

In addition to cash and cash equivalents of EUR 614.9 million (31 December 2021: EUR 647.2 million), the Group continues to have unutilised credit facilities of around EUR 768.8 million at its disposal (31 December 2021: EUR 788.9 million). The high internal financing power and the relatively moderate level of net debt protect the Group from further financial market risks.

Financial liabilities amounted to EUR 2,588.6 million (31 December 2021: EUR 2,609.1 million). Financial liabilities mainly comprise the Schuldschein loan agreements and registered bonds amounting to EUR 2,063.5 million.

EUR million	30 June 2022	31 Dec. 2021
Financial liabilities	2,588.6	2,609.1
Cash and cash equivalents	614.9	647.2
Short-term time deposits	202.0	167.0
Net financial debt	1,771.7	1,794.9
EBITDA LTM	513.0	503.4
Net debt ratio	3.5x	3.6x
Net debt ratio excluding effects from the application of IFRS 16 Leases	3.1x	3.1x

The net debt ratio (net financial debt/EBITDA LTM) was 3.5x and improved compared to the previous year (31 December 2021: 3.6x). The decrease in the debt ratio compared to previous years is due to the acquisition financing for the acquisition of Rhön-Klinikum AG as well as IFRS 16 accounting effects. The improvement also results from the comparatively higher EBITDA LTM and the increase in cash and cash

equivalents. Adjusted for IFRS 16 Leases, the net debt ratio is 3.1x (31 December 2021: 3.1x) and is thus within the internal guidelines, which stipulate a maximum gearing ratio of 3.5x.

The interest coverage factor (EBITDA/net interest income) is 10.7x (31 December 2021: 10.0x).





Summarised statement of financial position	30 June 2022		31 Dec. 2021	
	EUR million	%	EUR million	%
Non-current assets	4,123.1	61.4	4,216.6	64.2
Current liabilities	2,585.6	38.5	2,340.6	35.6
Assets held for sale	10.4	0.2	15.0	0.2
ASSETS	6,719.1	100.0	6,572.3	100.0
Equity	1,932.4	28.8	1,746.9	26.6
Non-current liabilities and provisions	2,988.5	44.5	3,179.0	48.4
Current liabilities and provisions	1,795.5	26.7	1,636.8	24.9
Debts associated with assets held for sale	2.6	0.0	9.6	0.1
EQUITY AND LIABILITIES	6,719.1	100.0	6,572.3	100.0

The Group's accounting and financing structures are sound. As at 31 December 2021, non-current assets are financed at a rate of over 100% with matching maturities by equity or long-term borrowings.

Non-current assets decreased by EUR 93.5 million to EUR 4,123.1 million compared to the same period of the previous year. The decline in the first six months is particularly attributable to the scheduled depreciation of property, plant and equipment.

Equity amounted to EUR 1,932.4 million and was higher than the previous year's figure (31 December 2021: EUR 1,746.9 million). Due to the absolute increase in equity, the equity ratio increased to 28.8% (31 December 2021: 26.6%). Asklepios has permanent interest-free and redemption-free access to subsidies of around EUR 1,196.7 million (31 December 2021: EUR 1,221.4 million). As these subsidies will fall due for repayment only in the hypothetical event of no longer being included in the hospital plan, these funds are in effect similar to equity.

Days sales outstanding (trade receivables turnover rate x 365 days/total revenue) increased to 55.1 days in the first half of the year (31 December 2021: 52.4 days).

Non-current liabilities amounted to EUR 2,988.5 million (31 December 2021: EUR 3,179.0 million). These comprise pension provisions, other non-current provisions, financial liabilities and other liabilities due in more than one year, and deferred taxes. Non-current financial liabilities include the Schuldschein loan agreements and registered bonds in the amount of EUR 2,063.5 million.

Internal financing capability is still at a good level. Cash flow from operating activities was influenced by the stable EBITDA figure of EUR 240.7 million (previous year: EUR 231.2 million). Capital expenditure on equipment and new buildings for our hospitals was financed by cash flow from operating activities.

The following table shows the change in cash and cash equivalents over the course of the year:

EUR million	6 months 2022	6 months 2021
EBITDA	240.7	231.2
Cash flow from operating activities	124.4	261.7
Cash flow from investing activities	-108.6	-61.0
Cash flow from financing activities	-48.1	-42.1
Change in cash and cash equivalents	-32.3	158.7
Cash and cash equivalents on 1 January	647.2	548.5
Cash and cash equivalents on 30 June	614.9	707.2

Cash and cash equivalents changed by EUR -32.3 million to EUR 614.9 million as at 30 June 2022. Operating cash flow amounted to EUR 124.4 million (6M 2021: EUR 261.7 million).

The operating cash flow is offset by a cash outflow from investing activities of EUR 108.6 million (6M 2021: EUR 61.0 million). Payments for investing activities essentially comprise investments in fixed assets.

Financing activities resulted in a cash outflow of EUR 48.1 million (6M 2021: cash outflow of EUR 42.1 million).



3. Capital expenditure

Capital expenditure was as follows in the first six months of 2022:

	Capital expenditure in H1 2022		
	Total in EUR million	Of which subsidised	Internal financing ratio
Intangible assets	18.0	0.5	97.2%
Land and buildings	7.9	1.0	87.3%
Technical equipment	2.2	0.5	77.3%
Operating and office equipment	40.7	20.2	50.4%
Assets under construction	50.4	14.8	70.6%
Total	118.9	37.0	68.9%

The majority of capital expenditure in the financial year related to the following locations:

Location	Capital expenditure in EUR million
Universitätsklinikum Marburg	5.2
Klinik Harburg (Hamburg)	5.1
Rhön Klinikum AG Bad Neustadt	4.0
Klinik Nord (Hamburg)	3.0
Universitätsklinikum Gießen	2.6
Zentralklinik Bad Berka	2.3
Klinik St. Georg (Hamburg)	1.9
Klinikum Frankfurt (Oder)	1.9
Samedi GmbH (Berlin)	1.9
Klinikum Müritzz	1.6

After deducting subsidised capital expenditure, net capital expenditure amounted to EUR 81.9 million (6M 2021: EUR 110.6 million) or 3.1% of revenue (6M 2021: 4.4%). Capital expenditure is fully financed by cash flow from operating activities. Without deducting subsidies, capital expenditure amounted to EUR 118.9 million (6M 2021: EUR 146.9 million). At EUR 85.1 million, expenditure for maintenance and servicing was up on the same period of the previous year (6M 2021: EUR 83.0 million). Expressed as a percentage of revenue, 3.3% was invested in ongoing maintenance and servicing (6M 2021: 3.3%). Asklepios thus used 6.4% of revenue for internally financed capital expenditure and maintenance work (6M 2021: 7.7%).



E

Forecast and report on risks and opportunities

1. Risk management, report on risks and opportunities

For basic explanations of the existing risk management system and the unchanged opportunities and risks of the Group, we refer in detail to the presentation in the 2021 Annual Report.

2. Forecast

Business development in the first half of 2022 was influenced by the continuing coronavirus pandemic and the impact of Russia's war of aggression on Ukraine. The geopolitical developments resulting from this have severely disrupted supply chains. The overall high inflation has additionally led to a significant increase in the general price level.

In the further course of the financial year, Asklepios sees a possible adverse impact on business development from persistently high inflation and the uncertain energy supply situation. However, in addition to cost increases, regulatory decisions such as the structural reform of the hospital market will also have a significant impact. In view of the major economic challenges facing the entire healthcare system, Asklepios is urging rapid, unbureaucratic decisions to ease the burden on German hospitals.





Consolidated income statement

EUR '000	6 months 2022	6 months 2021
Revenue	2,608,881	2,526,439
Other operating income	225,651	214,792
	2,834,532	2,741,231
Cost of materials	633,454	608,842
Staff costs	1,734,702	1,686,052
Other operating expenses	225,659	215,150
Operating result/EBITDA¹	240,718	231,186
Depreciation, amortisation and impairment		
of intangible assets, of financial assets and property, plant and equipment, and of right-of-use assets	159,731	152,113
Operating result/EBIT²	80,987	79,073
Income from equity investments	10,104	1,504
Net investment income	10,104	1,504
Interest and similar income	713	1,966
Interest and similar expenses	-23,216	-23,075
Net interest expenses	-22,502	-21,109
Net finance costs	-12,398	-19,605
Earnings before income taxes	68,589	59,468
Income taxes	-13,366	-16,507
Result from discontinued operations	-73	0
Consolidated net income for the period	55,149	42,961
<i>of which attributable to the parent company</i>	42,933	40,965
<i>of which attributable to non-controlling interests</i>	12,216	1,996

¹ Operating earnings before interest, taxes and depreciation and amortisation

² Operating earnings before interest and taxes



II

Consolidated statement of comprehensive income

EUR '000	6 months 2022	6 months 2021
Consolidated net profit	55,149	42,961
Total changes in value reclassified to profit or loss	0	0
Change in actuarial gains (+)/losses (-) from defined benefit pension commitments and similar obligations	165,412	59,676
Income taxes	-31,489	-10,208
Total changes in value not reclassified to profit or loss	133,922	49,469
Other comprehensive income (net of tax)	133,922	49,469
Total comprehensive income	189,072	92,430
<i>of which attributable to the parent company</i>	<i>139,737</i>	<i>76,947</i>
<i>of which attributable to non-controlling interests</i>	<i>49,335</i>	<i>15,483</i>

III

Consolidated statement of cash flows

EUR '000	6 months 2022	6 months 2021
Consolidated net profit	55,149	42,960
Gross cash flow (EBITDA)	240,717	231,185
Cash flow from operating activities/net cash flow	124,419	261,740
Cash flow from investing activities	-108,594	-60,989
Cash flow from financing activities	-48,105	-42,090
Change in cash and cash equivalents	-32,280	158,660
Cash and cash equivalents as at 1 January	647,204	548,491
Cash and cash equivalents as at 30 June	614,924	707,151





IV

Consolidated statement of financial position

EUR '000	30 June 2022	31 Dec. 2021
ASSETS		
Non-current assets		
Intangible assets	1,078,888	1,082,487
Property, plant and equipment	2,432,696	2,478,387
Right of use assets	384,180	405,317
Investments accounted for using the equity method	49,213	43,437
Financial assets	11,684	9,328
Receivables under German Hospital Financing Act	66,733	67,430
Other financial assets	1,374	1,670
Trade receivables	246	533
Other assets	84	61
Deferred taxes	97,956	127,981
Total non-current assets	4,12,3054	4,216,631
Current liabilities		
Inventories	1,167,77	1,158,80
Receivables under German Hospital Financing Act	153,193	115,536
Trade receivables	787,118	738,709
Current income tax assets	25,737	19,321
Other financial assets	825,707	679,867
Other assets	62,147	24,087
Cash and cash equivalents	614,925	647,204
Total current assets	2,585,604	2,340,603
Assets held for sale	10,414	15,040
Total assets	6,719,073	6,572,274





EUR '000	30 June 2022	31 Dec. 2021
EQUITY AND LIABILITIES		
Equity attributable to the parent company		
Issued capital	101	101
Reserves	1,267,633	1,088,616
Consolidated net profit	43,342	82,459
Non-controlling interests	621,348	575,681
Total equity	1,932,424	1,746,857
Non-current liabilities		
Trade payables	84	59
Financial liabilities	2,020,764	2,021,357
Lease liabilities ¹	341,674	362,454
Pensions and similar obligations	168,461	330,729
Other provisions	308,703	314,892
Liabilities under German Hospital Financing Act	39,358	39,543
Deferred taxes	55,026	54,231
Other financial liabilities	46,285	47,149
Other liabilities	8,158	8,617
Total non-current liabilities	2,988,514	3,179,032
Current liabilities		
Trade payables	97,507	115,644
Financial liabilities	157,628	157,623
Lease liabilities	68,474	67,631
Pensions and similar obligations	3,801	7,827
Other provisions	439,503	389,625
Current income tax liabilities	25,921	26,201
Liabilities under German Hospital Financing Act	339,362	265,868
Other financial liabilities	209,116	209,465
Other liabilities	454,175	396,920
Total current liabilities	1,795,486	1,636,804
Debts associated with assets held for sale	2,649	9,580
Total equity and liabilities	6,719,073	6,572,274





V

Consolidated statement of changes in equity

EUR '000	Equity attributable to the parent company				Total	Non-controlling interests	Equity
	Issued capital	Capital reserves	Retained earnings	Consolidated net profit			
As at 1 January 2021	101	243,162	895,315	-86,822	1,051,756	540,794	1,592,550
Net income	0	0	0	40,965	40,965	1,996	42,961
Other comprehensive income	0	0	35,982	0	35,982	13,487	49,469
Total comprehensive income	0	0	35,982	40,965	76,947	15,483	92,430
Withdrawal	0	0	0	0	0	0	0
Payment obligations and distributions	0	0	0	0	0	-253	-253
Changes in the consolidated group	0	0	16	0	16	-16	0
Change in equity interests in consolidated companies	0	0	0	0	0	0	0
Changes due to Group restructuring	0	0	0	0	0	0	0
Allocation to reserves	0	0	-86,822	86,822	0	0	0
Other changes	0	0	-1,911	0	-1,911	-2	-1,913
Total transactions recognised directly in equity	0	0	-88,717	86,822	-1,895	-271	-2,166
As at 30 June 2021	101	243,162	842,580	40,965	1,126,808	556,006	1,682,814
As at 1 January 2022	101	24,3162	845,454	82,459	1,171,175	575,681	1,746,857
Net income	0	0	0	42,933	42,933	12,216	55,149
Other comprehensive income	0	0	96,804	0	96,804	37,119	133,922
Total comprehensive income	0	0	96,804	42,933	139,737	49,335	189,072
Payment obligations and distributions	0	0	0	0	0	-40	-40
Changes in the consolidated group	0	0	-413	408	-5	-24	-29
Change in equity interests in consolidated companies	0	0	77	0	77	-3,373	-3,296
Allocation to reserves	0	0	82,459	-82,459	0	0	0
Other changes	0	0	90	0	90	-232	-142
Total transactions recognised directly in equity	0	0	82,214	-82,051	163	-3,669	-3,506
As at 30 June 2022	101	243,162	1,024,472	43,341	1,311,076	621,348	1,932,424



Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Notes to the consolidated financial statements for H1 2022

in accordance with International Financial Reporting Standards

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I

Basis of the consolidated financial statements

Group structure: principles and business segments

The name of the company is Asklepios Kliniken GmbH & Co. KGaA, Rübenkamp 226, Hamburg, Germany (hereinafter also referred to as "AKG", "the Group" or "the company"), and it is entered in the commercial register at the Hamburg Local Court under HRB 149532. The company was formed on 7 June 2004.

Asklepios Kliniken GmbH & Co. KGaA and its subsidiaries operate predominantly on the German market in the clinical acute care and rehabilitation sectors and, to a very limited extent, in the nursing sector. The purpose of the company is the acquisition and operation of healthcare facilities and the provision of consulting services.

The Group operates facilities in numerous federal states in Germany. The Group structure is geared towards regional differences in terms of personnel and company law. The operating entities are essentially the Asklepios hospitals of AKG in which investments are held directly and the equity

investments of the sub-group financial statements included in the consolidated financial statements, Asklepios Kliniken Hamburg GmbH, Hamburg (74.9% equity investment); Medi-Clin AG, Offenburg (52.73% equity investment); and Rhön-Klinikum AG, Bad Neustadt an der Saale (93.82% equity investment), included in the consolidated financial statements since 1 July 2020.

Asklepios acquired a further 0.11% of shares in Rhön-Klinikum AG, Bad Neustadt an der Saale in the second quarter of 2022. The company also sold 74.90% of its shares in Care-Bridge GmbH, Bonn, and 75.12% of its shares in Zentralinstitut für Transfusionsmedizin GmbH, Hamburg.

The Group also has selected foreign operations. They relate almost exclusively to the investment in Greece (Athens Medical Center S.A.), Mind District Holding BV in the Netherlands, which operates in the e-mental health sector, and Pulso Europe BV in Belgium.

II

Accounting principles

1. Regulations applied

These interim consolidated financial statements as at 30 June 2022 were prepared in accordance with the provisions of IAS 34 and Section 315e (3) of the German Commercial Code (HGB) in accordance with the provisions of the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board valid as at the reporting date and recognised by the European Union in the versions that are mandatory from 2022 onwards for the results of the first six months of 2022.

The interim consolidated financial statements do not contain all the information required for consolidated financial statements at the end of the financial year and should therefore be read in conjunction with the consolidated financial statements as at 31 December 2021.

For the preparation of the interim consolidated financial statements, the accounting and valuation methods presented in detail in the 2021 consolidated financial statements were continued unchanged. For details, please refer to the relevant explanations.





2. New standards and standards to be applied for the first time

Subsequent revisions or amendments to IFRS standards and interpretations came into effect on 1 January 2022, but have no material impact on the figures and disclosures presented in the company's interim consolidated financial statements at the date of initial application, other than as described in the accounting policies:

- Amendments to IFRS 3: Reference to the Conceptual Framework
- Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to IAS 16: Property, Plant and Equipment – Proceeds before Intended Use
- Annual Improvements to IFRSs (2018– 2020 Cycle) with amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41

The following overview shows IFRS/IAS standards and interpretations that have only been endorsed by the European Union in this financial year:

Endorsed:	Publication	Effective Date
Amendments to IAS 1: Disclosure of Accounting Policies	February 2021	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	February 2021	1 January 2023

The following overview shows IFRS/IAS standards and interpretations that have not yet been endorsed:

Endorsed:	Publication	Effective Date
Amendments to IAS 1: Classification of Liabilities as Current or Non-current, including postponement of the date of initial application published in July 2020	January 2020	1 January 2023
Amendments to IAS 12: narrowing the scope of the initial recognition exemption	May 2021	1 January 2023
Amendments to IFRS 17: expedients for entities that first apply IFRS 9 and IFRS 17 at the same time	December 2021	1 January 2023

3. Disclosure

Assets and liabilities and expenses and income are offset in accordance with IAS 1.32 in conjunction with IAS 1.33 when this is explicitly required or permitted in a standard or interpretation and reflects the substance of the transaction.



III

Consolidated group

In addition to Asklepios Kliniken GmbH & Co. KGaA as the ultimate parent company, the consolidated group also includes the subsidiaries directly or indirectly controlled by AKG. The Group controls a subsidiary when it is exposed to variable returns from its investment in the subsidiary or has rights to these returns and has the ability to use its power over the subsidiary to affect these returns. The subsidiaries are consolidated from the day the Group obtains control. The subsidiaries are deconsolidated when the Group loses control.

Associates are entities over which the Group has significant influence but no control. Investments in associates are generally accounted for using the equity method and initially recognised at cost. The share of the Group in associates contains the goodwill incurred on acquisition.

As of 30 June 2022, Asklepios operates a total of around 170 healthcare facilities such as hospitals, nursing homes, medical centres or community health centre companies.

IV

Accounting and valuation methods

1. Goodwill and investments accounted for using the equity method

Goodwill impairment and the carrying amounts of investments accounted for using the equity method is tested once a year on 30 September of the respective year. A review is also carried out if circumstances indicate that the value could be impaired. The basic assumptions for determining the recoverable amount were explained in the consolidated financial statements as at 31 December 2021.

2. Sensitivity regarding the changes in the assumptions made

With respect to the determination of the value in use of the cash-generating units to which goodwill is allocated and the assumptions used in the determination of the provisions, there were no significant matters subject to estimation in this consolidated interim report, with the exception of the assumptions and estimates regarding the interest rate of the defined benefit pension obligations resulting from the termination of a pension agreement with a pension institution and the change in the interest rate for pension provisions.





V

Selected notes to the consolidated income statement

1. Revenue

Revenue breaks down by business segment as follows:

EUR million	6 months 2022	6 months 2021
Clinical acute care	2,050.9	2,196.9
Post-acute and rehabilitation clinics	516.9	273.3
Social and welfare facilities	17.7	8.1
Miscellaneous	23.4	48.1
Total	2,608.9	2,526.4

Revenue is generated from the provision of services.

2. Other operating income

Other operating income is broken down as follows:

EUR million	6 months 2022	6 months 2021
Income from services	91.8	93.6
Income from ancillary, additional and other operations	42.9	39.0
Income from cost reimbursements	23.6	21.8
Income from other grants Miscellaneous	11.4	9.1
Miscellaneous	55.9	51.3
Total	225.7	214.8

The main item under income from services is income from pharmacy sales of EUR 78.5 million (6M 2021: EUR 76.8 million). Income from ancillary, additional and other operations includes rental income of EUR 10.2 million (6M 2021: EUR 9.7 million).

3. Other operating expenses

Other operating expenses relate to:

EUR million	6 months 2022	6 months 2021
Maintenance and servicing	85.1	83.0
Taxes, dues and insurance	29.8	29.2
Contributions, consulting and audit fees	21.9	21.0
Other administrative and IT expenses	14.8	15.5
Office supplies, postage and telephone charges	13.6	14.3
Advertising and travel expenses	9.1	6.8
Training expenses	8.6	6.3
Rental expenditure	8.7	7.7
Miscellaneous	34.1	31.5
Total	225.7	215.2

4. Net finance costs

The financial result breaks down as follows:

EUR million	6 months 2022	6 months 2021
Net investment income	10.1	1.5
Interest and similar income	0.7	2.0
Interest and similar expenses	-23.2	-23.1
Net finance costs	-12.4	-19.6

5. Income taxes

Income taxes break down as follows:

EUR million	6 months 2022	6 months 2021
Current income taxes	-14.1	-10.5
Deferred income taxes	0.7	-6.0
Total	-13.4	-16.5



VI

Notes to the consolidated statement of cash flows

Cash and cash equivalents changed by EUR 32.3 million to EUR 614.9 million in the first half of 2022 compared to 31 December 2021. Operating cash flow amounted to EUR 124.4 million (6M 2021: EUR 261.7 million).

The operating cash flow is offset by a cash outflow from investing activities of EUR 108.6 million (6M 2021: cash outflow of EUR 61.0 million). Payments for investing activities essentially comprise investments in fixed assets.

Financing activities resulted in a cash outflow of EUR 48.1 million (6M 2021: cash outflow of EUR 42.1 million). Cash flow from financing activities was influenced mainly by the repayment of financial liabilities from right-of-use assets.





VII Selected notes on items of the consolidated statement of financial position

1. Intangible assets

2022 EUR '000	Goodwill	Other intangible assets	Advance payments on intangible assets	Total
Cost / As at 1 Jan. 2022	885,466	419,401	8,651	1,313,518
Changes in consolidated group	0	-1,603	-551	-2,154
Additions/investments similar to acquisitions	1,537	13,175	2,509	17,221
Disposals	0	-7,310	-122	-7,432
Reclassification	297	4,813	-332	4,778
Reclassification as per IFRS 5	0	0	0	0
As at 30 June 2022	887,300	428,476	10,155	1,325,931
Cumulative depreciation / As at 1 Jan. 2022	-14,133	-213,762	-3,138	-231,033
Changes in consolidated group	0	0	0	0
Amortisation and impairment for the financial year	-144	-23,805	0	-23,949
Reclassifications	0	0	0	0
Amortisation and impairment on disposals	0	7,937	0	7,937
Reclassification as per IFRS 5	0	2	0	2
As at 30 June 2022	-14,277	-229,628	-3,138	-247,043
Residual carrying amounts / As at 30 June 2022	873,023	198,848	7,017	1,078,888

2021 EUR '000	Goodwill	Other intangible assets	Advance payments on intangible assets	Total
Cost / As at 1 Jan. 2021	875,382	387,859	7,690	1,270,931
Changes in consolidated group	442	8	0	450
Additions/investments similar to acquisitions	10,749	31,018	2,499	44,266
Disposals	-487	-2,101	-33	-2,621
Reclassification	0	4,503	-1,494	3,009
Reclassification as per IFRS 5	-620	-1,886	-10	-2,516
As at 31 Dec. 2021	885,466	419,401	8,651	1,313,520
Cumulative depreciation / As at 1 Jan. 2021	-14,600	-168,208	-3,138	-185,946
Changes in consolidated group	0	-8	0	-8
Amortisation and impairment for the financial year	-288	-47,659	0	-47,947
Reclassifications	0	-3	0	-3
Amortisation and impairment on disposals	135	260	0	395
Reclassification as per IFRS 5	620	1,856	0	2,476
As at 31 Dec. 2021	-14,133	-213,762	-3,138	-231,033
Residual carrying amounts / As at 31 Dec. 2021	871,333	205,640	5,513	1,082,487



2. Property, plant and equipment

2022 EUR '000	Land Build- ings including buildings on third- party land	Technical equipment and machinery	Operating and office equipment	Assets under construction	Total
Cost / As at 1 Jan. 2022	2,933,087	209,958	863,074	216,320	4,222,439
Changes in consolidated group	0	0	-90	0	-90
Additions	6,889	1,662	20,518	35,586	64,655
Disposals	-2,796	-1,493	-19,952	-17	-24,257
Reclassification	11,128	1,347	4,053	-21,263	-4,735
Reclassification as per IFRS 5	0	0	-36	0	-36
As at 30 June 2022	2,948,308	211,474	867,567	230,626	4,257,974
Cumulative depreciation / As at 1 Jan. 2022	-1,067,084	-118,674	-549,651	-8,642	-1,744,051
Changes in consolidated group	0	0	53	0	53
Depreciation for the financial year	-53,328	-7,080	-45,263	0	-105,671
Depreciation on disposals	3,078	1,493	19,580	0	24,151
Reclassifications	203	-27	-219	0	-43
Reclassification as per IFRS 5	0	0	285	0	285
As at 30 June 2022	-1,117,132	-124,288	-575,216	-8,642	-1,825,278
Residual carrying amounts / As at 30 June 2022	1,831,176	87,186	292,351	221,984	2,432,696

2021 EUR '000	Land Build- ings including buildings on third- party land	Technical equipment and machinery	Operating and office equipment	Assets under construction	Total
Cost / As at 1 Jan. 2021	2,832,635	206,754	815,368	235,927	4,090,684
Changes in consolidated group	0	35	16	0	51
Additions	40,622	4,407	62,493	90,421	197,943
Disposals	-10,396	-431	-20,335	-1,346	-32,508
Reclassification	83,257	8,406	14,010	-108,682	-3,009
Reclassification as per IFRS 5	-13,030	-9,213	-8,478	0	-30,721
As at 31 Dec. 2021	2,933,088	209,958	863,074	216,320	4,222,439
Cumulative depreciation / As at 1 Jan. 2021	-978,911	-113,444	-484,586	-6,172	-1,583,113
Service companies addition	0	0	0	0	0
Changes in consolidated group	0	-26	-16	0	-42
Depreciation for the financial year	-103,032	-14,767	-92,153	-2,470	-212,422
Depreciation on disposals	6,784	409	19,193	0	26,386
Reclassifications	6	0	-2	0	4
Reclassification as per IFRS 5	8,069	9,154	7,913	0	25,136
As at 31 Dec. 2021	-1,067,085	-118,674	-549,651	-8,642	-1,744,051
Residual carrying amounts / As at 31 Dec. 2021	1,866,003	91,284	313,423	207,678	2,478,387



3. Cash and cash equivalents

Cash and short-term deposits are subject to variable interest rates. Short-term deposits are made for different periods of time depending on the Group's liquidity requirements. Interest is charged at the respective interest rates applicable for short-term deposits. The fair value of cash and cash equivalents corresponds to their carrying amount.

4. Equity

In accordance with IAS 1, the development of equity is presented in a statement of changes in consolidated equity, which is a separate component of the interim financial statements.

5. Additional information on financial instruments

Determination of fair value

Financial instruments measured at fair value are analysed in terms of measurement method. The different levels are as follows:

- Level 1: Market prices (unadjusted) used on the active market for identical assets and liabilities
- Level 2: Other information, apart from the level 1 market prices, that is observable for the assets and liabilities either directly (i.e. as price) or indirectly (i.e. derived from price)
- Level 3: Other information for assets and liabilities not based on market data, as no market price can be determined for them

30 June 2022 (EUR million)	Level 1	Level 2	Level 3	Total balance
Financial assets	0.0	0.9	7.2	8.1
Financial liabilities	0.0	0.0	0.0	0.0

31 Dec. 2021 (EUR million)	Level 1	Level 2	Level 3	Total balance
Financial assets	0.0	0.0	7.3	7.3
Financial liabilities	0.0	0.0	0.0	0.0



The fair value of financial instruments that are traded on the active market is based on the quoted market price at the end of the reporting period. The market is considered active if quoted prices are readily and regularly available from an exchange, dealer, industry group, pricing service or regulatory agency, and those prices represent current and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded on an active market is calculated using a measurement method. Fair value is thus estimated on the basis of the results of a measurement method that makes maximum use of market inputs, and relies as little as possible on entity-specific inputs. If all inputs required for measuring fair value are observable, the instrument is assigned to level 2.

If at least one significant input is not based on observable market data, the instrument is assigned to level 3. Financial assets were reclassified from Level 3 to Level 2 in the financial year. The background to this reclassification was the sale of shares in Zentralinstitut für Transfusionsmedizin GmbH, Hamburg, and the associated measurement at fair value.



**Carrying amounts, amounts recognised and fair values by class and measurement category**

Carrying amounts, amounts recognised and fair values by class and measurement category (to be allocated exclusively to Level 3).

EUR '000	Measurement category as per IFRS 9	Carrying amount 30 June 2022	Amount recognised in statement of financial position as per IFRS 9			Fair value 30 June 2022
			Amortised cost	Fair value in other comprehensive income	Fair value in profit or loss	
ASSETS		2,229,369	2,229,369	0	65	2,229,434
Cash and cash equivalents	FAAC	614,925	614,925	0	0	614,925
Trade receivables	FAAC	787,363	787,363	0	0	787,363
Other financial assets	FAAC	827,081	827,081	0	65	827,146
EQUITY AND LIABILITIES		2,531,384	2,531,384	3,849	0	2,535,233
Trade payables	FLAC	97,591	97,591	0	0	97,591
Financial liabilities	FLAC	2,178,392	2,178,392	1,331	0	2,179,723
Other financial liabilities	FLAC	255,401	255,401	2,518	0	257,919
<i>Of which: aggregated by IFRS 9 measurement category:</i>						
Financial assets measured at amortised cost	FAAC	2,229,369	2,229,369	0	65	2,229,434
Financial liabilities measured at amortised cost	FLAC	2,531,384	2,531,384	3,849	0	2,535,233

EUR '000	Measurement category as per IFRS 9	Carrying amount 31 Dec. 2021	Amount recognised in statement of financial position as per IFRS 9			Fair value 31 Dec. 2021
			Amortised cost	Fair value in other comprehensive income	Fair value in profit or loss	
ASSETS		2,067,982	2,067,917	0	65	2,067,982
Cash and cash equivalents	FAAC	647,204	647,204	0	0	647,204
Trade receivables	FAAC	739,241	739,241	0	0	739,241
Other financial assets	FAAC	681,537	681,472	0	65	681,537
EQUITY AND LIABILITIES		2,551,298	2,551,298	4,112	0	2,555,410
Trade payables	FLAC	115,703	115,703	0	0	115,703
Financial liabilities	FLAC	2,178,981	2,178,981	1,422	0	2,180,403
Other financial liabilities	FLAC	256,614	256,614	2,690	0	259,304
<i>Of which: aggregated by IFRS 9 measurement category:</i>						
Financial assets measured at amortised cost	FAAC	2,067,982	2,067,982	0	65	2,067,982
Financial liabilities measured at amortised cost	FLAC	2,551,298	2,551,298	4,112	0	2,555,410



VIII Other notes

1. Contingent liabilities and other financial obligations

Contingencies and other financial obligations mainly relate to investment obligations and rental and lease agreements and break down as follows:

EUR '000	30 June 2022	31 Dec. 2021
Rental and lease agreements	61,210	62,851
Purchase commitments	41,134	42,241
Sureties	16,673	18,766
Supply agreements	21,584	21,992
Maintenance contracts	65,573	61,854
Insurance contracts	829	1,036
Miscellaneous	52,440	58,092
Total	259,443	266,832

The purchase commitments include orders in investments that were not yet delivered as at the cut-off date.

All other financial obligations are carried at their nominal amount and are due as follows:

	EUR '000
Up to 1 year	148,418
Between 1 and 5 years	53,944
More than 5 years	57,080
Total	259,443

2. Related party disclosures

For Asklepios Kliniken GmbH & Co. KGaA, related parties as defined by IAS 24.9 include entities controlled by the Group and entities significantly influenced by the Group and vice versa. Accordingly, subsidiaries and equity investments in particular are therefore defined as related parties.

Transactions with these companies are conducted under standard market conditions.

Dr Bernard gr. Broermann, Königstein Falkenstein, is the sole shareholder of Broermann Holding Gesellschaft mit beschränkter Haftung, which, in turn, is the parent company of Asklepios Kliniken GmbH & Co. KGaA.

3. Legal disputes

The company is occasionally involved in legal disputes in the course of its business activities. The company is not aware of any events that could have a significantly adverse effect on its results of operations, net assets and financial position.

4. Supplementary report

No transactions or events that would be significant for assessing the net assets, financial position and results of operations of the Asklepios Group occurred between 30 June 2022 and the publication of this report.



Consolidated interim report / H1 2022



Imprint

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