ASKLEPIOS

# H1/2023

Consolidated interim report
in accordance with IFRS
1 January – 30 June 2023

# Consolidated interim report First half of 2023

in accordance with IFRS
1 January – 30 June 2023

# A) Foreword by the Group management

## Ladies and gentlemen,

Our healthcare system urgently needs a reboot. This is an appeal that we made last year already, and it is now more topical than ever. The hospital reform planned by the German Federal Ministry of Health is the defining issue in our sector. This political initiative is to be welcomed. All of the players involved agree on this. However, the crucial factor will be how it is implemented. And unfortunately there are still too many question marks in this respect. Asklepios is therefore actively campaigning for the proposed reform to be revised in line with regional and specific requirements for local healthcare. Our goal is to lay the foundations for a sustainable healthcare system in Germany – in the interests of our patients.

At the Asklepios Group, we also apply these same standards to our own actions. That is why we once again increased investments in our hospitals from our own funds in the first half of 2023 as compared to the previous year, even though the difficult environment is also placing a lot of strain on our healthcare facilities. A large portion of the amount invested is going towards medical technology, process digitalisation and the modernisation of the buildings and energy supply.

With our investments and in our day-to-day hospital work, the reliable provision of medical care and the best possible quality of treatment for our patients are always the top priority for Asklepios. We want to give our medical professionals more time to treat their patients. Given the current shortage of qualified staff, this can be achieved only by way of systematic digitalisation, a shift towards outpatient care where appropriate and a significant reduction in bureaucracy. Although we have long been pressing ahead with this at our hospitals, this is another area where we often find ourselves coming up against limits due to the political conditions.

Government funding is a challenge that has been impacting all hospitals in Germany for decades. The existing investment gap is being exacerbated by rising energy prices, persistent inflation and higher staff costs. We are experiencing real cost increases. While revenue saw stable development in the first half of 2023, consolidated net income declined. We currently also expect the second half of the year to be challenging. In view of the uncertain general economic outlook, we are refraining from issuing a specific forecast. However, our goal for the year as a whole remains to improve our operating earnings.

The hospital reform now provides an opportunity to tackle fundamental challenges such as the chronic underfunding of hospitals in Germany. This is an opportunity we must not waste. However, the current proposal for the reform still leaves key questions unanswered with regard to implementation and financing. For example, no additional investments in hospitals are currently planned, but rather a redistribution of funds in favour of large hospitals. It is not clear how these reform plans can ensure the reliable provision of care, particularly in rural areas with small but necessary hospitals. In this context, we are calling on the government to focus on quality criteria and regional needs instead of hospital size.

With all these adversities, we are grateful that there is one thing we can always rely on: Our employees, who do an excellent job and give their all for our patients every single day. We would like to take this opportunity to express our appreciation and heartfelt thanks to them. The desire to support our employees is our main motivation for getting involved at a political level.

If politics and practice work hand in hand, we can sustainably improve the German healthcare system and ensure that the medical care we provide for our patients is fit for the future. We will continue to work towards this goal.

Kind regards,

Hamburg, 24 August 2023

Kai Hankeln, CEO

Hafid Rifi, CFO

Marco Walker, COO

Dr med. Sara Sheikhzadeh, CMO

Joachim Gemmel, COO

# B) Key figures of the Asklepios Group

## Group key figures

| | | 6 months 2023 | 6 months 2022 | Changes in % |
|---|---|---|---|---|
| Number of patients | | 1,708,321 | 1,749,734 | −2.4 |
| Cost weight | | 299,982 | 298,202 | +0.6 |
| Number of beds | | 30,541 | 30,677 | −0.4 |
| Employees (full-time equivalents) | | 49,503 | 49,788 | −0.6 |
| Net cash from operating activities | EUR million | 116.6 | 124.4 | −6.3 |
| Revenue | EUR million | 2,708.4 | 2,608.9 | +3.8 |
| EBITDA | EUR million | **240.8** | **240.7** | **+0.0** |
| EBITDA margin in % | | 8.9 | 9.2 | |
| **EBIT** | EUR million | **90.5** | **81.0** | **+11.7** |
| EBIT margin in % | | 3.3 | 3.1 | |
| **Consolidated net income (EAT)** | EUR million | **45.6** | **55.1** | **−17.3** |
| EAT margin in % | | 1.7 | 2.1 | |
| Investments in property, plant and equipment and intangible assets (own funds)[1] | EUR million | 90.3 | 81.9 | +10.3 |
| **Own funds ratio in %** | | **61.4** | **68.8** | |
| | | **30 June 2023** | **31 Dec. 2022** | |
| Total assets | EUR million | 7,008.4 | 6,870.7 | +2.0 |
| **Equity** | EUR million | **2,057.4** | **2,043.1** | **+0.7** |
| Equity ratio in % | | 29.4 | 29.7 | |
| Financial liabilities | EUR million | 2,752.1 | 2,726.4 | +0.9 |
| Cash and cash equivalents | EUR million | 641.5 | 634.6 | +1.1 |
| Short-term time deposits | EUR million | 197.0 | 220.0 | −10.5 |
| Net financial debt | EUR million | 1,913.6 | 1,871.8 | +2.2 |
| Net debt ratio | | 3.6x | 3.5x | |
| Interest coverage factor (EBITDA / net interest income) | | 7.4x | 12.6x | |

[1] In relation to investments at hospital locations

# C) Business performance in the first half of 2023

From January to June 2023, Asklepios Kliniken treated a total of 1,708,321 patients in its healthcare facilities (6M 2022: 1,749,734).

The Asklepios Group generated revenue of EUR 2,708.4 million in the first half of 2023 (6M 2022: EUR 2,608.9 million). In the first six months of 2023, EBITDA amounted to EUR 240.8 million and was thus on a par with the same period of the previous year (6M 2022: EUR 240.7 million). The EBITDA margin was 8.9% (6M 2022: 9.2%). The staff costs ratio was higher than in the previous year at 68.0% (6M 2022: 66.5%). Absolute staff costs rose by EUR 105.9 million, particularly due to collectively agreed wage increases. The cost of materials ratio was up on the previous year at 24.9% in the first half of 2023 (6M 2022: 24.3%). The other expenses ratio was also slightly above the previous year's level at 8.7% (6M 2022: 8.6%).

Overall, consolidated net income (EAT) for January to June 2023 amounted to EUR 45.6 million, which was lower than in the same period of the previous year (6M 2022: EUR 55.1 million). The return on revenue was impacted by depreciation, amortisation and impairment of EUR 150.4 million (6M 2022: EUR 159.7 million) and negative net interest income of EUR 32.6 million (6M 2022: EUR 22.5 million). Income from equity investments amounted to EUR 0.6 million (6M 2022: EUR 10.1 million). The EAT margin fell to 1.7% (6M 2022: 2.1%).

Net cash flow from operating activities came to EUR 116.6 million in the first half of 2023 (6M 2022: EUR 124.4 million). Investments including subsidies amounted to EUR 147.1 million (6M 2022: EUR 118.9 million). At EUR 90.3 million, the share of own funds was 61.4% in the first half of 2023 (6M 2022: EUR 81.9 million, 68.8%).

The Group's net debt amounted to EUR 1,913.6 million as at 30 June 2023 (31 December 2022: EUR 1,871.8 million). The ratio of net debt to EBITDA for the past 12 months was 3.6x (31 December 2022: 3.5x). Cash and cash equivalents amounted to EUR 641.5 million (31 December 2022: EUR 634.6 million) and unused credit facilities totalled EUR 672.7 million as at 30 June 2023. With financial reserves of EUR 1,314.2 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 2023 | | 6 months 2022 | |
|---|---|---|---|---|
| | EUR million | % | EUR million | % |
| Revenue | 2,708.4 | 100.0 | 2,608.9 | 100.0 |
| Other operating income | 283.0 | 10.4 | 225.7 | 8.6 |
| Cost of materials | −673.3 | −24.9 | −633.5 | −24.3 |
| Staff costs | −1,840.6 | −68.0 | −1,734.7 | −66.5 |
| Other operating expenses | −236.8 | −8.7 | −225.7 | −8.6 |
| **EBITDA** | **240.8** | **8.9** | **240.7** | **9.2** |
| Depreciation, amortisation and impairment | −150.4 | −5.6 | −159.7 | −6.1 |
| **EBIT** | **90.5** | **3.3** | **81.0** | **3.1** |
| Income from equity investments | 0.6 | 0.0 | 10.1 | 0.4 |
| Net interest expenses | −32.6 | −1.2 | −22.5 | −0.9 |
| Income taxes | −12.8 | −0.5 | −13.4 | −0.5 |
| Result from discontinued operations | 0.0 | 0.0 | −0.1 | −0.0 |
| **Consolidated net income (EAT)** | **45.6** | **1.7** | **55.1** | **2.1** |

The Asklepios Group generated consolidated revenue of EUR 2,708.4 million in the first six months of 2023 (6M 2022: EUR 2,608.9 million), representing revenue growth of 3.8%.

Of this figure, 78.0% (6M 2022: 78.6%) was generated in acute care hospitals and 22.0% (6M 2022: 21.4%) in post-acute and rehabilitation clinics as well as other social welfare facilities.

Other operating income of EUR 283.0 million (6M 2022: EUR 225.7 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 2023 | 6 months 2022 | Absolute change | Relative change |
|---|---|---|---|---|
| No. of inpatient cases | 376,910 | 368,729 | +8,181 | +2.2% |
| No. of outpatient cases | 1,331,411 | 1,381,005 | −49,594 | −3.6% |
| **Number of patients** | **1,708,321** | **1,749,734** | **−41,414** | **−2.4%** |
| Number of cost weights | 299,982 | 298,202 | +1,780 | +0.6% |
| Number of beds | 30,541 | 30,677 | −136 | −0.4% |

In the first six months of 2023, a total of 1,708,321 patients visited the Asklepios Group’s facilities (6M 2022: 1,749,734). The number of inpatient cases increased by a total of 2.2% to 376,910 (6M 2022: 368,729), while outpatient case numbers fell by 3.6% to 1,331,411 (6M 2022: 1,381,005). The number of cost weights increased to 299,982 (6M 2022: 298,202). Average inpatient care case income amounted to EUR 6,248.55 (6M 2022: EUR 6,157.4).

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

| | 6 months 2023 | 6 months 2022 |
|---|---|---|
| | % | % |
| Cost of materials ratio | 24.9 | 24.3 |
| Staff costs ratio | 68.0 | 66.5 |
| Other expenses ratio | 8.7 | 8.6 |
| **EBITDA** | **8.9** | **9.2** |
| Depreciation and amortisation expense ratio | 5.6 | 6.1 |
| **EBIT** | **3.3** | **3.1** |
| **Consolidated net income (EAT)** | **1.7** | **2.1** |

The absolute cost of materials outpaced revenue growth, increasing by EUR 39.8 million or 6.3% from EUR 633.5 million to EUR 673.3 million. The main factors driving the increase in the cost of materials were higher, inflation-driven expenses for water, energy and fuel, as well as higher expenses for pharmacy purchases and nursing consumables and for food. Due to the factors described above, the cost of materials ratio increased by 0.6 percentage points to 24.9% compared to the first six months of 2022 (6M 2022: 24.3%).

Absolute staff costs climbed by EUR 105.9 million or 6.1% to EUR 1,840.6 million, particularly due to general wage increases, with the staff costs ratio rising from 66.5% to 68.0%.

Other operating expenses rose by 4.9% to EUR 236.8 million (6M 2022: EUR 225.7 million). The ratio to revenue was 8.7% (6M 2022: 8.6%).

EBITDA amounted to EUR 240.8 million in the first half of 2023 and was EUR 0.1 million above the corresponding period of the previous year (6M 2022: EUR 240.7 million). The EBITDA margin was below the previous year's level at 8.9% (6M 2022: 9.2%).

The depreciation and amortisation expense ratio was 5.6% and thus below the level of the same period of the previous year (6M 2022: 6.1%).

The EBIT of EUR 90.5 million achieved in the first six months of 2023 corresponded to a margin of 3.3% (6M 2022: EUR 81.0 million, margin of 3.1%).

Net investment income amounted to EUR 0.6 million (6M 2022: EUR 10.1 million).

The negative net interest income of EUR 32.6 million was above the previous year's level (6M 2022: EUR 22.5 million) and was attributable to the general increase in interest rates. Interest income rose to EUR 8.6 million (6M 2022: EUR 0.7 million). Interest expenses amounted to EUR 41.3 million in the financial year (6M 2022: EUR 23.2 million).

Income tax expenses dropped from EUR 13.4 million in the previous year to EUR 12.8 million.

Overall, consolidated net income (EAT) fell from EUR 55.1 million to EUR 45.6 million in the first six months of 2023 compared to the same period of the previous year. The EAT margin totalled 1.7% in the first six months of 2023 and thus decreased compared to the same period of the previous year (6M 2022: 2.1%).

## 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 641.5 million (31 December 2022: EUR 634.6 million), the Group has unutilised credit facilities of around EUR 672.7 million at its disposal (31 December 2022: EUR 695.1 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 2,752.1 million (31 December 2022: EUR 2,726.4 million). Financial liabilities mainly comprise the Schuldschein loan agreements and registered bonds amounting to EUR 1,909.3 million.

| EUR million | 30 June 2023 | 31 Dec. 2022 |
|---|---|---|
| Financial liabilities | 2,752.1 | 2,726.4 |
| Cash and cash equivalents | 641.5 | 634.6 |
| Short-term time deposits | 197.0 | 220.0 |
| Net financial debt | 1,913.6 | 1,817.8 |
| EBITDA LTM | 532.7 | 532.6 |
| **Net debt ratio** | **3.6x** | **3.5x** |

The net debt ratio (net financial debt / EBITDA LTM) increased year-on-year to 3.6x (31 December 2022: 3.5x).

The interest coverage factor (EBITDA / net interest income) is 7.4x (31 December 2022: 12.6x).

| Summarised statement of financial position | 30 June 2023 EUR million | 30 June 2023 % | 31 Dec. 2022 EUR million | 31 Dec. 2022 % |
|---|---|---|---|---|
| Non-current assets | 4,100.7 | 58.5 | 4,157.6 | 60.5 |
| Current assets | 2,906.6 | 41.5 | 2,698.5 | 39.3 |
| Assets held for sale | 1.1 | 0.0 | 14.5 | 0.2 |
| **ASSETS** | **7,008.4** | **100.0** | **6,870.7** | **100.0** |
| Equity | 2,057.4 | 29.4 | 2,043.1 | 29.7 |
| Non-current liabilities and provisions | 3,047.1 | 43.5 | 3,065.8 | 44.6 |
| Current liabilities and provisions | 1,903.1 | 27.2 | 1,758.7 | 25.6 |
| Debts associated with assets held for sale | 0.8 | 0.0 | 3.0 | 0.0 |
| **EQUITY AND LIABILITIES** | **7,008.4** | **100.0** | **6,870.7** | **100.0** |

The Group's accounting and financing structures are sound. As at 31 December 2022, 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 56.9 million to EUR 4,100.7 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. Current assets increased by EUR 208.1 million to EUR 2,906.6 million, particularly due to outstanding receivables in the nursing sector and trade receivables.

Equity amounted to EUR 2,057.4 million and was slightly higher than the previous year's figure (31 December 2022: EUR 2,043.1 million). Due to the increase in total assets, the equity ratio fell to 29.4% (31 December 2022: 29.7%). Asklepios has permanent interest-free and redemption-free access to subsidies of around EUR 1,165.6 million (31 December 2022: EUR 1,174.8 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.

Non-current liabilities amounted to EUR 3,047.1 million (31 December 2022: EUR 3,065.8 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 1,909.3 million.

Internal financing capability is still at a good level. Cash flow from operating activities was influenced by the EBITDA figure of EUR 240.8 million (previous year: EUR 240.7 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 2023 | 6 months 2022 |
|---|---|---|
| EBITDA | 240.8 | 240.7 |
| Cash flow from operating activities | 116.6 | 124.4 |
| Cash flow from investing activities | −87.6 | −108.6 |
| Cash flow from financing activities | −22.1 | −48.1 |
| **Change in cash and cash equivalents** | **6.9** | **−32.3** |
| Cash and cash equivalents on 1 January | 634.6 | 647.2 |
| **Cash and cash equivalents on 30 June** | **641.5** | **614.9** |

Cash and cash equivalents increased by EUR 6.9 million to EUR 641.5 million as at 30 June 2023 (31 December 2022: EUR 634.6 million). The operating cash flow amounted to EUR 116.6 million (6M 2022: EUR 124.4 million).

The operating cash flow is offset by a cash outflow from investing activities of EUR 87.6 million (6M 2022: EUR 108.6 million). Payments for investing activities essentially comprise investments in fixed assets and in minority interests in a subsidiary.

Financing activities resulted in a cash outflow of EUR 22.1 million (6M 2022: EUR 48.1 million).

## 3. Capital expenditure

Capital expenditure was as follows in the first six months of 2023:

| | Capital expenditure in H1 2023 | | |
|---|---|---|---|
| | Total in EUR million | Of which subsidised | Internal financing ratio |
| Intangible assets | 25.5 | 7.0 | 72.5% |
| Land and buildings | 8.8 | 1.2 | 86.4% |
| Technical equipment | 2.8 | 0.6 | 78.6% |
| Operating and office equipment | 61.7 | 33.5 | 45.7% |
| Assets under construction | 48.3 | 14.5 | 70.0% |
| **Total** | **147.1** | **56.8** | **61.4%** |

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

| Location | Capital expenditure in EUR million |
|---|---|
| Zentralklinik Bad Berka | 4.5 |
| Universitätsklinikum Marburg | 4.5 |
| Klinikum Frankfurt (Oder) | 3.4 |
| Universitätsklinikum Gießen | 3.1 |
| Klinik Harburg (Hamburg) | 2.6 |
| Südpfalzkliniken (Burglengenfeld) | 2.4 |
| Klinikum Müritz | 1.8 |
| Klinik Langen | 1.8 |
| Klinik Lich | 1.5 |
| Sächsische Schweiz Kliniken (Sebnitz) | 1.4 |

After deducting subsidised capital expenditure, net capital expenditure amounted to EUR 90.3 million (6M 2022: EUR 81.9 million) or 3.3% of revenue (6M 2022: 3.1%). Capital expenditure is fully financed by cash flow from operating activities. Without deducting subsidies, capital expenditure amounted to EUR 147.1 million (6M 2022: EUR 118.9 million). At EUR 94.0 million, expenditure for maintenance and servicing was up on the same period of the previous year (6M 2022: EUR 85.1 million). Expressed as a percentage of revenue, 3.5% was invested in ongoing maintenance and servicing (6M 2022: 3.3%). Asklepios thus used 6.8% of revenue for internally financed capital expenditure and maintenance work (6M 2022: 6.4%).

# 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 2022 Annual Report.

## 2. Forecast

Business development in the first half of 2023 continued to be affected by Russia's war of aggression on Ukraine and the resulting geopolitical developments. In addition to general price development, economic performance was impacted by the high inflation affecting energy, commodity and material costs.

Asklepios currently expects to continue its stable business development in the second half of the financial year. In view of the uncertain general economic development, it is difficult to issue a specific forecast. In addition to general cost increases, regulatory decisions such as the structural reform of the hospital market will also have an impact. However, Asklepios' goal for the year as a whole remains to improve its operating earnings.

# I. Consolidated income statement

| EUR '000 | 6 months 2023 | 6 months 2022 |
|---|---|---|
| Revenue | 2,708,420 | 2,608,881 |
| Other operating income | 283,012 | 225,651 |
| | **2,991,432** | **2,834,532** |
| Cost of materials | 673,253 | 633,454 |
| Staff costs | 1,840,555 | 1,734,702 |
| Other operating expenses | 236,775 | 225,659 |
| **Operating result / EBITDA[1]** | **240,849** | **240,718** |
| **Depreciation, amortisation and impairment** | | |
| of intangible assets, of financial assets and property, plant and equipment, and of right-of-use assets | 150,380 | 159,731 |
| **Operating result / EBIT[2]** | **90,469** | **80,987** |
| Income from equity investments | 568 | 10,104 |
| **Net investment income** | **568** | **10,104** |
| Interest and similar income | 8,645 | 713 |
| Interest and similar expenses | −41,252 | −23,216 |
| **Net interest expenses** | **−32,607** | **−22,502** |
| **Net finance costs** | **−32,039** | **−12,398** |
| **Earnings before income taxes** | **58,430** | **68,589** |
| Income taxes | −12,825 | −13,366 |
| Result from discontinued operations | 0 | −73 |
| **Consolidated net income for the period** | **45,605** | **55,149** |
| of which attributable to the parent company | 35,006 | 42,933 |
| of which attributable to non-controlling interests | 10,599 | 12,216 |

[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 2023 | 6 months 2022 |
|---|---|---|
| **Consolidated net income for the period** | **45,605** | **55,149** |
| **Total changes in value reclassified to profit or loss** | **0** | **0** |
| Change in actuarial gains (+) / losses (–) from defined benefit pension commitments and similar obligations | 4 | 165,412 |
| Income taxes | −1 | −31,489 |
| **Total changes in value not reclassified to profit or loss** | **3** | **133,922** |
| **Other comprehensive income (net of tax)** | **3** | **133,922** |
| **Total comprehensive income** | **45,608** | **189,072** |
| of which attributable to the parent company | 35,009 | 139,737 |
| of which attributable to non-controlling interests | 10,599 | 49,335 |

# III. Consolidated statement of cash flows

| EUR '000 | 6 months 2023 | 6 months 2022 |
|---|---|---|
| **Consolidated net income for the period** | **45,605** | **55,149** |
| **Gross cash flow (EBITDA)** | **240,849** | **240,717** |
| **Cash flow from operating activities / net cash flow** | **116,580** | **124,419** |
| **Cash flow from investing activities** | **−87,604** | **−108,594** |
| **Cash flow from financing activities** | **−22,078** | **−48,105** |
| Change in cash and cash equivalents | 6,899 | −32,280 |
| Cash and cash equivalents as at 1 January | 634,583 | 647,204 |
| **Cash and cash equivalents as at 30 June** | **641,481** | **614,924** |

# IV. Consolidated statement of financial position

| EUR '000 | 30 June 2023 | 31 Dec. 2022 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Intangible assets | 1,085,647 | 1,090,817 |
| Property, plant and equipment | 2,372,899 | 2,410,270 |
| Right-of-use assets | 438,346 | 447,636 |
| Investments accounted for using the equity method | 48,852 | 48,283 |
| Financial assets | 9,975 | 10,294 |
| Receivables under German Hospital Financing Act | 57,076 | 62,495 |
| Other financial assets | 1,409 | 2,055 |
| Trade receivables | 261 | 309 |
| Other assets | 68 | 67 |
| Deferred taxes | 86,147 | 85,400 |
| **Total non-current assets** | **4,100,679** | **4,157,627** |
| **Current assets** | | |
| Inventories | 111,507 | 114,782 |
| Receivables under German Hospital Financing Act | 250,528 | 218,754 |
| Trade receivables | 874,929 | 780,615 |
| Current income tax assets | 22,078 | 21,998 |
| Other financial assets | 944,904 | 893,934 |
| Other assets | 61,188 | 33,826 |
| Cash and cash equivalents | 641,481 | 634,583 |
| **Total current assets** | **2,906,615** | **2,698,491** |
| **Assets held for sale** | **1,109** | **14,537** |
| **Total assets** | **7,008,403** | **6,870,656** |

| EUR '000 | 30 June 2023 | 31 Dec. 2022 |
|---|---|---|
| **EQUITY AND LIABILITIES** | | |
| **Equity attributable to the parent company** | | |
| Issued capital | 101 | 101 |
| Reserves | 1,396,766 | 1,302,720 |
| Consolidated net profit | 35,006 | 97,686 |
| Non-controlling interests | 625,493 | 642,598 |
| **Total equity** | **2,057,366** | **2,043,104** |
| **Non-current liabilities** | | |
| Trade payables | 147 | 113 |
| Financial liabilities | 2,068,536 | 2,071,206 |
| Lease liabilities | 450,197 | 456,924 |
| Pensions and similar obligations | 108,916 | 110,676 |
| Other provisions | 283,227 | 287,774 |
| Liabilities under German Hospital Financing Act | 39,087 | 39,176 |
| Deferred taxes | 56,470 | 54,742 |
| Other financial liabilities | 34,196 | 38,729 |
| Other liabilities | 6,330 | 6,485 |
| **Total non-current liabilities** | **3,047,105** | **3,065,826** |
| **Current liabilities** | | |
| Trade payables | 106,370 | 129,158 |
| Financial liabilities | 194,980 | 160,151 |
| Lease liabilities | 38,443 | 38,070 |
| Pensions and similar obligations | 3,374 | 3,472 |
| Other provisions | 355,240 | 353,811 |
| Current income tax liabilities | 19,123 | 22,343 |
| Liabilities under German Hospital Financing Act | 493,578 | 436,167 |
| Other financial liabilities | 205,341 | 224,811 |
| Other liabilities | 486,649 | 390,731 |
| **Total current liabilities** | **1,903,097** | **1,758,714** |
| **Debts associated with assets held for sale** | **835** | **3,012** |
| **Total equity and liabilities** | **7,008,403** | **6,870,656** |

# V. Consolidated statement of changes in equity

| | Equity attributable to the parent company | | | | | | |
|---|---|---|---|---|---|---|---|
| EUR '000 | Issued capital | Capital reserves | Retained earnings | Consolidated net profit | Total | Non-controlling interests | Equity |
| **As at 1 January 2022** | **101** | **243,162** | **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** |
| **As at 1 January 2023** | **101** | **243,162** | **1,059,559** | **97,686** | **1,400,506** | **642,598** | **2,043,104** |
| Net income | 0 | 0 | 0 | 35,006 | 35,006 | 10,599 | 45,605 |
| Other comprehensive income | 0 | 0 | 3 | 0 | 3 | 0 | 3 |
| **Total comprehensive income** | **0** | **0** | **3** | **35,006** | **35,009** | **10,599** | **45,608** |
| Payment obligations and distributions | 0 | 0 | 0 | 0 | 0 | −579 | −579 |
| Changes in the consolidated group | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in equity interests in consolidated companies | 0 | 0 | −4,175 | 0 | −4,175 | −27,152 | −31,327 |
| Allocation to reserves | 0 | 0 | 97,686 | −97,686 | 0 | 0 | 0 |
| Other changes | 0 | 0 | 532 | 0 | 532 | 28 | 560 |
| **Total transactions recognised directly in equity** | **0** | **0** | **94,042** | **−97,686** | **−3,643** | **−27,702** | **−31,346** |
| **As at 30 June 2023** | **101** | **243,162** | **1,153,604** | **35,006** | **1,431,873** | **625,493** | **2,057,366** |

# Notes to the consolidated financial statements for H1 2023

## in accordance with International Financial Reporting Standards

# 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 (94.2% equity investment), included in the consolidated financial statements since 1 July 2020.

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 2023 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 2023 onwards for the results of the first six months of 2023.

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 2022.

For the preparation of the interim consolidated financial statements, the accounting and valuation methods presented in detail in the 2022 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 2023, 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 IAS 1: Disclosure of Accounting Policies
- Amendments to IAS 8: Definition of Accounting Estimates
- Amendments to IAS 12: narrowing the scope of the initial recognition exemption
- Amendments to IFRS 17: expedients for entities that first apply IFRS 9 and IFRS 17 at the same time

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

| Not yet 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 2024 |
| Amendments to IFRS 16: Requirements for seller-lessees in leases as part of a sale and leaseback | September 2022 | 1 January 2024 |
| Amendments to IAS 1: Non-current Liabilities with Covenants | October 2022 | 1 January 2024 |

## 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 2023, 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 2022.

## 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 2023 | 6 months 2022 |
|---|---|---|
| Clinical acute care | 2,113.6 | 2,050.9 |
| Post-acute and rehabilitation clinics | 537.8 | 516.9 |
| Social and welfare facilities | 20.1 | 17.7 |
| Miscellaneous | 36.9 | 23.4 |
| **Total** | **2,708.4** | **2,608.9** |

Revenue is generated from the provision of services.

## 2. Other operating income

Other operating income is broken down as follows:

| EUR million | 6 months 2023 | 6 months 2022 |
|---|---|---|
| Income from services | 111.8 | 91.8 |
| Income from ancillary, additional and other operations | 47.9 | 42.9 |
| Income from other grants | 34.1 | 11.4 |
| Income from cost reimbursements | 25.3 | 23.6 |
| Miscellaneous | 64.0 | 55.9 |
| **Total** | **283.0** | **225.7** |

The main item under income from services is income from pharmacy sales of EUR 92.1 million (6M 2022: EUR 78.5 million). Income from ancillary, additional and other operations includes rental income of EUR 12.0 million (6M 2022: EUR 10.2 million). Income from other grants includes income from subsidies granted under section 26f KHG in the amount of EUR 23.6 million.

## 3. Other operating expenses

Other operating expenses relate to:

| EUR million | 6 months 2023 | 6 months 2022 |
|---|---|---|
| Maintenance and servicing | 94.0 | 85.1 |
| Taxes, dues and insurances | 27.6 | 29.8 |
| Contributions, consulting and audit fees | 20.9 | 21.9 |
| Other administrative and IT expenses | 16.7 | 14.8 |
| Office supplies, postage and telephone charges | 14.5 | 13.6 |
| Advertising and travel expenses | 11.7 | 9.1 |
| Training expenses | 10.8 | 8.6 |
| Rental expenditure | 9.2 | 8.7 |
| Miscellaneous | 31.4 | 34.1 |
| **Total** | **236.8** | **225.7** |

## 4. Net finance costs

The financial result breaks down as follows:

| EUR million | 6 months 2023 | 6 months 2022 |
|---|---|---|
| Net investment income | 0.6 | 10.1 |
| Interest and similar income | 8.6 | 0.7 |
| Interest and similar expenses | −41.3 | −23.2 |
| **Net finance costs** | **−32.0** | **−12.4** |

## 5. Income taxes

Income taxes break down as follows:

| EUR million | 6 months 2023 | 6 months 2022 |
|---|---|---|
| Current income taxes | −11.8 | −14.1 |
| Deferred income taxes | −1.0 | 0.7 |
| **Total** | **−12.8** | **−13.4** |

# VI. Notes to the consolidated statement of cash flows

Cash and cash equivalents increased by EUR 6.9 million to EUR 641.5 million in the first half of 2023 compared to 31 December 2022. Operating cash flow amounted to EUR 116.6 million (6M 2022: EUR 124.4 million).

The operating cash flow is offset by a cash outflow from investing activities of EUR 87.6 million (6M 2022: cash outflow of EUR 108.6 million). Payments for investing activities essentially comprise investments in fixed assets and minority interests in a subsidiary.

Financing activities resulted in a cash outflow of EUR 22.1 million (6M 2022: cash outflow of EUR 48.1 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

| 2023<br>EUR '000 | Goodwill | Other intangible assets | Advance payments on intangible assets | Total |
|---|---|---|---|---|
| **Cost**<br>**As at 1 Jan. 2023** | **894,004** | **462,166** | **8,130** | **1,364,300** |
| Additions / investments similar to acquisitions | 891 | 15,383 | 2,215 | 18,489 |
| Disposals | −39 | −2,347 | −76 | −2,462 |
| Reclassification | 0 | 1,145 | −200 | 945 |
| Reclassification as per IFRS 5 | 0 | −54 | 0 | −54 |
| **As at 30 June 2023** | **894,856** | **476,293** | **10,069** | **1,381,218** |
| **Cumulative depreciation**<br>**As at 1 Jan. 2023** | **−14,324** | **−256,022** | **−3,138** | **−273,484** |
| Amortisation and impairment for the financial year | −144 | −24,390 | 0 | −24,534 |
| Reclassifications | 0 | −12 | 0 | −12 |
| Amortisation and impairment on disposals | 39 | 2,378 | 0 | 2,417 |
| Reclassification as per IFRS 5 | 0 | 40 | 0 | 40 |
| **As at 30 June 2023** | **−14,429** | **−278,005** | **−3,138** | **−295,571** |
| **Residual carrying amounts**<br>**As at 30 June 2023** | **880,428** | **198,288** | **6,931** | **1,085,647** |

| 2022<br>EUR '000 | Goodwill | Other intangible assets | Advance payments on intangible assets | Total |
|---|---|---|---|---|
| **Cost**<br>**As at 1 Jan. 2022** | **885,466** | **419,401** | **8,651** | **1,313,520** |
| Additions from changes in the consolidated group | 6,190 | 12 | 0 | 6,201 |
| Disposals from changes in the consolidated group | 0 | −1,603 | −551 | −2,154 |
| Additions / investments similar to acquisitions | 2,166 | 41,846 | 1,592 | 45,604 |
| Disposals | −115 | −8,764 | −79 | −8,957 |
| Reclassification | 297 | 11,691 | −1,484 | 10,503 |
| Reclassification as per IFRS 5 | 0 | −418 | 0 | −418 |
| **As at 31 Dec. 2022** | **894,004** | **462,166** | **8,130** | **1,364,300** |
| **Cumulative depreciation**<br>**As at 1 Jan. 2022** | **−14,133** | **−213,762** | **−3,138** | **−231,033** |
| Change in consolidated group | 0 | 1,171 | 0 | 1,171 |
| Amortisation and impairment for the financial year | −288 | −52,510 | 0 | −52,798 |
| Reclassifications | 0 | 0 | 0 | 0 |
| Amortisation and impairment on disposals | 97 | 8,727 | 0 | 8,825 |
| Reclassification as per IFRS 5 | 0 | 353 | 0 | 353 |
| **As at 31 Dec. 2022** | **−14,324** | **−256,022** | **−3,138** | **−273,483** |
| **Residual carrying amounts**<br>**As at 31 Dec. 2022** | **879,680** | **206,145** | **4,992** | **1,090,817** |

## 2. Property, plant and equipment

| 2023 EUR '000 | Land, buildings including buildings on third-party land | Technical equipment and machinery | Operating and office equipment | Assets under construction | Total |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| **As at 1 Jan. 2023** | **2,995,277** | **219,340** | **897,801** | **226,100** | **4,338,518** |
| Additions / investments similar to acquisitions | 7,538 | 2,187 | 28,177 | 33,870 | 71,772 |
| Disposals | −490 | −341 | −17,965 | −1,254 | −20,050 |
| Reclassification | 41,747 | 827 | 5,172 | −48,691 | −945 |
| Reclassification from financial assets | 4,947 | 0 | 0 | 0 | 4,947 |
| Reclassification as per IFRS 5 | 0 | 0 | −487 | −160 | −647 |
| **As at 30 June 2023** | **3,049,020** | **222,012** | **912,698** | **209,864** | **4,393,594** |
| **Cumulative depreciation** | | | | | |
| **As at 1 Jan. 2023** | **−1,178,851** | **−132,425** | **−607,877** | **−9,094** | **−1,928,247** |
| Depreciation for the financial year | −53,567 | −8,934 | −43,323 | 0 | −105,823 |
| Depreciation on disposals | 44 | 268 | 17,456 | 0 | 17,769 |
| Reclassifications | 126 | 0 | −114 | 0 | 12 |
| Reclassification from financial assets | −4,631 | 0 | 0 | 0 | −4,631 |
| Reclassification as per IFRS 5 | 0 | 1 | 226 | 0 | 227 |
| **As at 30 June 2023** | **−1,236,879** | **−141,091** | **−633,631** | **−9,094** | **−2,020,694** |
| **Residual carrying amounts As at 30 June 2023** | **1,812,141** | **80,921** | **279,067** | **200,770** | **2,372,899** |

| 2022 EUR '000 | Land, buildings 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** |
| Additions from changes in the consolidated group | 0 | 0 | 40 | 0 | 40 |
| Disposals from changes in the consolidated group | 0 | 0 | −90 | 0 | −90 |
| Additions | 36,173 | 5,654 | 59,528 | 71,319 | 172,674 |
| Disposals | −7,722 | −2,184 | −33,249 | −635 | −43,790 |
| Reclassification | 34,631 | 5,939 | 9,391 | −60,465 | −10,503 |
| Reclassification as per IFRS 5 | −892 | −25 | −893 | −439 | −2,250 |
| **As at 31 Dec. 2022** | **2,995,277** | **219,340** | **897,801** | **226,100** | **4,338,518** |
| **Cumulative depreciation** | | | | | |
| **As at 1 Jan. 2022** | **−1,067,084** | **−118,674** | **−549,651** | **−8,642** | **−1,744,051** |
| Change in consolidated group | 0 | 0 | 25 | 0 | 25 |
| Depreciation for the financial year | −116,346 | −15,916 | −91,098 | −453 | −223,813 |
| Depreciation on disposals | 3,331 | 2,147 | 32,095 | 0 | 37,574 |
| Reclassifications | 407 | 1 | −408 | 0 | 0 |
| Reclassification as per IFRS 5 | 842 | 16 | 1,160 | 0 | 2,018 |
| **As at 31 Dec. 2022** | **−1,178,851** | **−132,425** | **−607,877** | **−9,094** | **−1,928,247** |
| **Residual carrying amounts As at 31 Dec. 2022** | **1,816,427** | **86,914** | **289,924** | **217,006** | **2,410,270** |

## 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

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. There are no financial instruments that could be allocated to one of these categories in the Group.

**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 | Gross carrying amount 30 June 2023 | Amount recognised in statement of financial position as per IFRS 9 | | | Fair value 30 June 2023 |
|---|---|---|---|---|---|---|
| | | | Amortised cost | Fair value in other comprehensive income | Fair value in profit or loss | |
| **ASSETS** | | **2,462,984** | **2,462,919** | **0** | **65** | **2,462,984** |
| Cash and cash equivalents | FAAC | 641,481 | 641,481 | 0 | 0 | 641,481 |
| Trade receivables | FAAC | 875,190 | 875,190 | 0 | 0 | 875,190 |
| Other financial assets | FAAC | 946,313 | 946,248 | 0 | 65 | 946,313 |
| **EQUITY AND LIABILITIES** | | **2,609,570** | **2,609,570** | **0** | **533** | **2,610,103** |
| Trade payables | FLAC | 106,517 | 106,517 | 0 | 0 | 106,517 |
| Financial liabilities | FLAC | 2,263,516 | 2,263,516 | 0 | 184 | 2,263,700 |
| Other financial liabilities | FLAC | 239,537 | 239,537 | 0 | 349 | 239,886 |
| **Of which: aggregated by IFRS 9 measurement category:** | | | | | | |
| Financial assets measured at amortised cost | FAAC | 2,462,984 | 2,462,919 | 0 | 65 | 2,462,984 |
| Financial liabilities measured at amortised cost | FLAC | 2,609,570 | 2,609,570 | 0 | 533 | 2,610,103 |

| EUR '000 | Measurement category as per IFRS 9 | Gross carrying amount 31 Dec. 2022 | Amount recognised in statement of financial position as per IFRS 9 | | | Fair value 31 Dec. 2022 |
|---|---|---|---|---|---|---|
| | | | Amortised cost | Fair value in other comprehensive income | Fair value in profit or loss | |
| **ASSETS** | | **2,311,496** | **2,311,431** | **0** | **65** | **2,311,496** |
| Cash and cash equivalents | FAAC | 634,583 | 634,583 | 0 | 0 | 634,583 |
| Trade receivables | FAAC | 780,924 | 780,924 | 0 | 0 | 780,924 |
| Other financial assets | FAAC | 895,989 | 895,924 | 0 | 65 | 895,989 |
| **EQUITY AND LIABILITIES** | | **2,623,514** | **2,624,168** | **0** | **654** | **2,624,822** |
| Trade payables | FLAC | 129,271 | 129,271 | 0 | 0 | 129,271 |
| Financial liabilities | FLAC | 2,231,131 | 2,231,357 | 0 | 226 | 2,231,583 |
| Other financial liabilities | FLAC | 263,112 | 263,540 | 0 | 428 | 263,968 |
| **Of which: aggregated by IFRS 9 measurement category:** | | | | | | |
| Financial assets measured at amortised cost | FAAC | 2,311,496 | 2,311,431 | 0 | 65 | 2,311,496 |
| Financial liabilities measured at amortised cost | FLAC | 2,623,514 | 2,624,168 | 0 | 654 | 2,624,822 |

# 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 2023 | 31 Dec. 2022 |
|---|---|---|
| Rental and lease agreements | 55,170 | 65,836 |
| Purchase commitments | 43,686 | 46,782 |
| Sureties | 11,338 | 12,742 |
| Supply agreements | 20,212 | 18,296 |
| Maintenance contracts | 65,471 | 71,119 |
| Insurance contracts | 659 | 677 |
| Miscellaneous | 90,724 | 87,093 |
| **Total** | **287,260** | **302,546** |

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 | 157,341 |
| Between 1 and 5 years | 75,969 |
| More than 5 years | 53,950 |
| **Total** | **287,260** |

## 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

In mid-December 2022, the Bundestag (German Federal Parliament) resolved on assistance payments for hospitals with the introduction of gas and electricity price controls starting from the 2023 financial year. On 23 June 2023, the Bundestag passed the additional law amending the Natural Gas and Heating Price Control Act (EWPBG) and the Electricity Price Control Act (StromPBG). The Bundesrat (German Federal Council) approved the amending law on 7 July 2023. This law will come into force following its announcement in the German Federal Law Gazette. The possibility of an entitlement to payments on our part will be examined after the law has come into force. Accordingly, the effects on the Asklepios Group's net assets, financial position and results of operations cannot yet be estimated at present.

No other 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 2023 and the publication of this report.

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