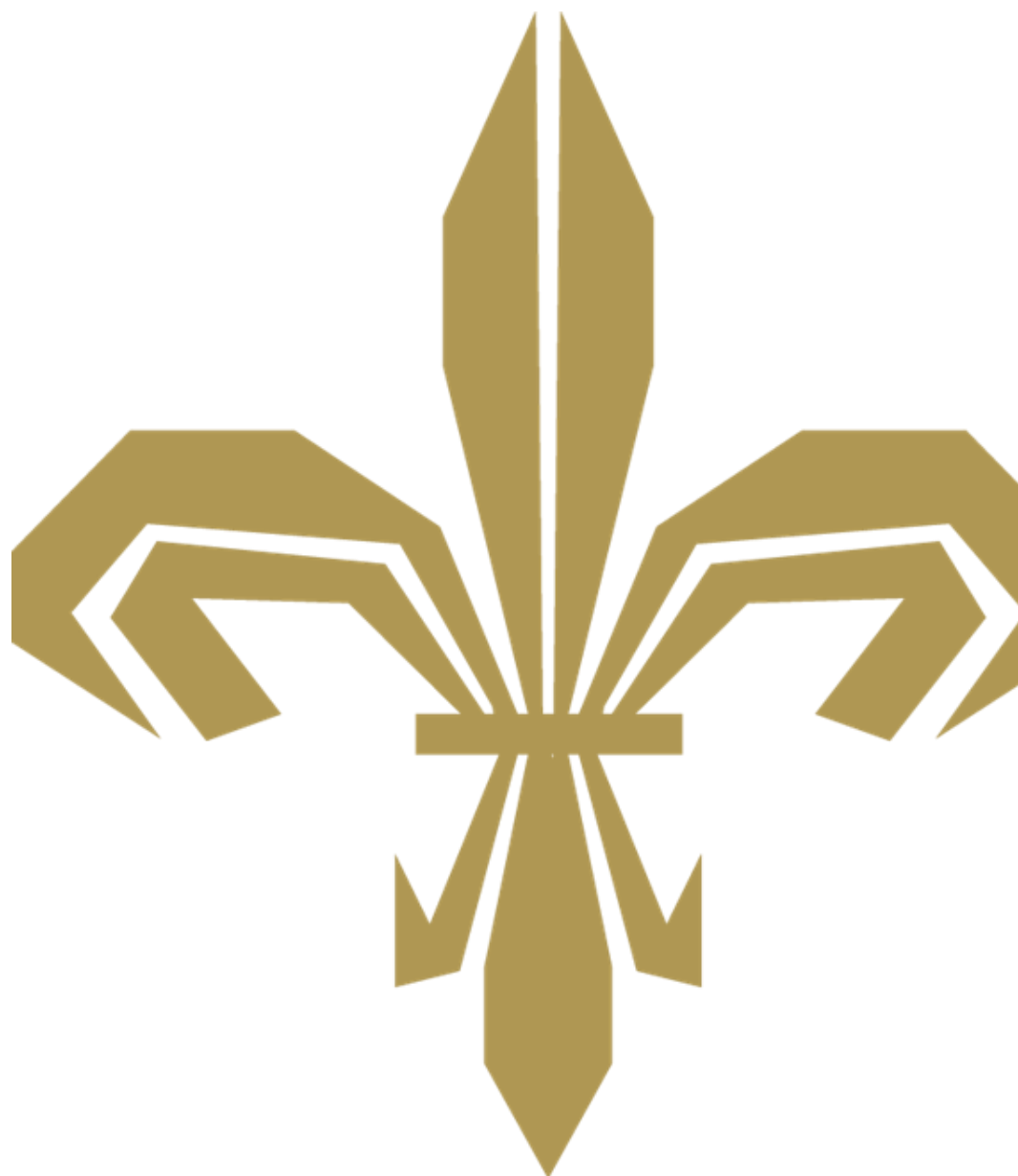


L I M E S

SCHLOSSKLINIKEN



2021 Half-year Report
Consolidated

LIMES Schlosskliniken AG

AT A GLANCE

Group performance indicators	January - June 2021	January - June 2020	Change
Revenues	8,170 kEUR	4,578 kEUR	+78.5 %
Patient days	15,525	9,721	+59.7 %
Gross earnings (EBITDA)	2,278 kEUR	15 kEUR	> 100 %
EBITDA margin	27.9 %	0.3 %	n.a.
Amortisation	603 kEUR	524 kEUR	+15.1 %
Operating result (EBIT)	1,675 kEUR	- 509 kEUR	n.a.
EBIT margin	20.5 %	- 11.1%	n.a.
Financial result	- 102 kEUR	- 136 kEUR	-25.0 %
Earnings after taxes (EAT)	1,552 kEUR	- 645 kEUR	n.a.
Long-term assets	7,067 kEUR	7,912 kEUR	-10.7 %
Short-term assets	5,655 kEUR	4,564 kEUR	+16.6 %
Balance sheet total	12,722 kEUR	12,476 kEUR	+2.0 %
Equity	4,231 kEUR	2,728 kEUR	+55.1 %
Equity ratio	33.5 %	21.9 %	+53.0 %
Equity-like instruments / partner loans	3,100 kEUR	5,125 kEUR	-39.5 %
Expanded equity ratio	57.6 %	62.9 %	-8.4 %
Liquid assets	3,003 kEUR	3,131 kEUR	+1.0%
Result per share as per DVFA* (German Association for Financial Analysis and Asset Management)	5.29 EUR	- 2.20 EUR	n.a.
Employees at end of period	138	124	+11,3 %
Revenue per employee	59 kEUR	37 kEUR	+60,4 %
No-par value shares	293,192	293,192	0 %
* based on number of no-par value shares in circulation	293,192	293,192	0 %

Business performance from 1 January to 30 June 2021

- **Revenue 8.2 million EUR (PY: 4.6 million EUR) +78.5 %**
- **Gross earnings in the period (EBITDA) +2,278 kEUR (PY: +15 kEUR)**
- **Operating result (EBIT) +1,675 kEUR (PY: -509 kEUR)**
- **Result for shareholders during the period +1,552 kEUR (PY: -645 kEUR)**
- **Result per share +5.29 EUR (PY: -2.20 EUR)**
- **Positive trend expected to continue in 2HY; sound financial footing**

Dear Shareholders in LIMES Schlosskliniken and other interested parties,

The LIMES Schlosskliniken Group performed very strongly in the first six months of the year. The fact that both hospitals had good occupancy rates contributed to the success of the reported results. The positive feedback we received led to a marked increase in the number of patients treated.

Despite the difficult background of Covid-19, our clinic in Mecklenburg Switzerland was able to increase revenue once again in 1HY 2021, this time by +11 % to reach a total of 5 million EUR. We expect to see this trend continuing in 2HY.

Our new second site in Bad Brückenau was already able to generate revenue of 3.2 million EUR in 1HY. Occupancy rates are proceeding according to plan.

Our project team is currently preparing to open the third LIMES Schlossklinik in the Bergisches Land region near Cologne. We aim to open our doors in Q2 2022. We have already given the green light to architectural plans for a fourth hospital.

We are delighted to note that the LIMES brand has established a profile as a provider of high-quality psychiatric services within the spectrum of stress-related illnesses, depression, trauma and personality disorders, and is building an increasingly strong reputation in the market.

Revenue

Across the Group, we were able to generate revenue of 8.2 million EUR in 1HY 2021. This impressive increase of +78.5 % was achieved partly through organic growth, but mainly because of the contribution made by the second hospital site. The number of patient days rose by +59.7 % to reach a total of 15,525.

Earnings performance

For the first time, the reported performance indicators reflect our operational results, which no longer had to include the start-up losses reported in the previous-year period. This meant that cash flow from business operations at group level was able to be increased significantly. In terms of EBITDA, we were able to generate earnings of 2.3 million EUR in the first six months of the current financial year. We expect the equivalent earnings in 2HY to at least match those of 1HY.

Amortisation costs increased in the first six months by +15.1 % to 603 kEUR because of the investments made and the costs associated with getting the hospital operation up and running.

The operating result (EBIT) at group level was +1,675 kEUR (PY: -509 kEUR). The financial result improved slightly, at -102 kEUR (PY: -136 kEUR).

The consolidated earnings for the period, i.e. the result for shareholders of the parent company during the period was +1,552 kEUR (PY: -645 kEUR) for the first six months of the current financial year. Both hospitals were able to end the period in a very healthy position. We continue to record a sustained level of strong patient demand at both sites, and are optimistic that the positive trends of 1HY will continue in the six months ahead.

Assets and financial position

LIMES Schlosskliniken is on a sound financial footing. With a balance sheet total of 12.7 million EUR, the company's equity capital including partner loans is 57.6 % (PY: 62.9 %).

At the end of 1HY, the company has liquid assets of 3.0 million EUR (PY: 3.1 million EUR). Against this background and the free cash flow we have generated, we therefore have reason to feel confident about our future.

Long-term assets are reported as 7,067 kEUR (PY: 7,912 kEUR). This mainly represents goodwill amounting to 4,033 kEUR from the initial consolidation of the hospital in Mecklenburg Switzerland. The goodwill will be amortised over a period of ten years. 2,946 kEUR (PY: 3,169 kEUR) is tied up in fixed assets. Short-term assets rose to 5,655 kEUR (PY: 4,564 kEUR).

AGM

Because of factors related to the coronavirus, the AGM of LIMES Schlosskliniken AG had to take place virtually from 10.30 am to 12.15 pm on 11 June 2021 at the ecos office center in Frankfurt.

All items on the agenda were discussed and approved by our shareholders.

Employees

On 30 June 2021, LIMES Schlosskliniken employed a total of 138 staff (PY: 124).

Risks and opportunities

The risks and opportunities to which the business activities of our company are exposed are described in detail in the Group Status Report, which we published alongside our Consolidated Financial Statements for 2020. These Consolidated Financial Statements can be accessed on the company website (www.limes-schlosskliniken.de). The risks and opportunities described there remained essentially unchanged during the reporting period.

Miscellaneous

On 11 August 2021, Chelverton Asset Management Ltd., Bath, Great Britain notified us that it holds 3.7 % of the shares in LIMES Schlosskliniken AG.

Outlook

We expect our previous growth in occupancy rates to continue throughout the remainder of the financial year, resulting in higher utilisation of our hospital capacity. The preparations for our third hospital will not represent a burden in any meaningful way during the rest of this year.

Meanwhile, we have been able to develop well-qualified and highly motivated management and employee teams at both hospital sites. We can therefore look forward to being able to offer our patients optimum conditions for treatment at specially-chosen locations as part of our Healing Environment approach.

Cologne, 20 September 2021

Dr. Gert Frank / Board Member



Consolidated profit and loss account

1 January 2021 to 30 June 2021

	Jan-Jun 2021 EUR	Jan-Jun 2020 EUR	Change
Revenues	8,170,067	4,577,529	+78.5%
Other operating income	132,964	74,669	+78.1%
Materials expenditure	735,895	515,591	+42.7%
of which expenditure on raw materials, auxiliary materials and consumables	454,063	315,823	+43.8%
of which expenditure on services received	281,832	199,768	+41.1%
Personnel costs	3,459,551	2,482,855	+39.3%
of which wages and salaries	2,983,641	2,124,041	+40.5%
of which social security contributions and expenses for pension schemes and support	475,910	358,814	+32.6%
Depreciation and amortisation of intangible assets and property, plant and equipment	603,378	523,983	+15.2%
Other operating expenses	1,829,221	1,639,064	+11.6%
Operating result (EBIT)	1,674,987	-509,294	n.a.
Interest and similar expenditure	102,163	135,597	-24.7%
Financial result	-102,163	-135,597	-24.7%
Earnings after taxes	1,572,824	-644,891	n.a.
Other taxes	20,773	699	> 100.0%
Consolidated earnings for the period	1,552,051	-645,590	n.a.
Result for shareholders of the parent company during the period	1,552,051	-645,590	n.a.
Gross earnings for the period (EBITDA)	2,278,365	14,689	> 100.0%
Result per share (basic)	5.29	-2.20	n.a.

Group balance sheet as per 30 June 2021

Assets	30 June 2021 EUR	30 June 2020 EUR	Change
A. Capital assets			
I. Intangible assets			
1. Concessions/Rights/Licences	88,222	79,139	+11.5%
2. Goodwill	4,033,522	4,664,540	-13.5%
	4,121,744	4,743,679	-13.1%
II. Fixed assets			
1. Real estate and buildings	866,845	2,016,918	-57.0%
2. Technical equipment and machinery	127,606	152,137	-16.1%
3. Other plant, operating and business equipment	1,951,162	984,807	+98.1%
4. Assets under construction	0	14,763	-100.0%
	2,945,613	3,168,625	-7.0%
	7,067,357	7,912,304	-10.7%
B. Current assets			
I. Inventory			
Finished products and goods	9,977	10,729	-7.0%
II. Receivables and other assets			
1. Accounts receivable trade	2,143,153	1,310,752	+63.5%
2. Other assets	444,534	110,821	> 100.0%
	2,587,686	1,421,573	+70.8%
III. Currency in circulation	3,003,184	3,131,322	+1.0%
	5,600,848	4,563,624	+22.7%
C. Prepaid expenses	54,013	535	> 100.0%
Total assets	12,722,218	12,476,463	+2.0%
Liabilities			
A. Equity			
I. Subscribed capital	293,192	293,192	0.0%
II. Capital reserve	7,391,489	7,391,489	0.0%
III. Other reserves	0	0	n.a.
IV. Loss carried forward	5,005,369	4,310,953	+16.1%
V. Net surplus/loss for the period	1,552,051	-645,590	n.a.
Total equity	4,231,363	2,728,138	+55.1%
B. Provisions			
1. Provisions for taxes	1,876	0	n.a.
2. Other provisions	75,844	16,000	> 100.0%
	77,720	16,000	> 100.0%
C. Liabilities			
1. Liabilities due to banks	3,850,000	3,850,000	0.0%
- of which with a remaining term of more than one year 3,850,000 EUR (PY: 3,850,000 EUR)			
2. Advances received	300,705	113,752	> 100.0%
3. Accounts payable trade	565,144	532,805	+6.1%
4. Other liabilities	3,697,285	5,235,768	-29.4%
- of which to partners 3,174,600 EUR (PY: 5,125,000 EUR)			
- of which from taxes 107,558 EUR (PY: 99,199 EUR)			
- of which with a remaining term of up to one year 522,685 EUR (PY: 110,768 EUR)			
	8,413,134	9,732,325	-13.6%
Total liabilities	12,722,218	12,476,463	+2.0%

Notes on the interim consolidated financial statements for the period 1 January 2021 to 30 June 2021

Accounting principles

The interim consolidated financial statements of LIMES Schlosskliniken AG as per 30 June 2021 were prepared in compliance with the accounting principles set out in the German Commercial Code.

As described in the notes to the consolidated financial statements for 2020, the principles governing accounting and consolidation were observed.

Consolidated companies

The consolidated companies are defined pursuant to Arts. 294-296 of the German Commercial Code. Thus the interim consolidated financial statements apply to the following companies:

Company	Stake 30 June 2021	Stake 30 June 2020
LIMES Schlossklinik Mecklenburgische Schweiz GmbH, Teschow	100 %	100 %
LIMES Schlossklinik Fürstenhof GmbH, Bad Brückenau	100 %	100 %
LIMES Schlosskliniken Bergisches Land GmbH, Lindlar	100 %	100 %

Equity

The subscribed capital of LIMES Schlosskliniken AG as per 30 June 2021 was a total of 293,192 EUR (PY: 293,192 EUR) and was divided into 293,192 (PY: 293,192) no-par value bearer shares. On 17 July 2019, 15,555 new shares were issued and taken up by investors within the framework of an increase in capital. The subscribed capital of the company has totalled 293,192 EUR since 19 July 2019. The subscribed capital has been fully paid up. No shares were in the possession of the company on the balance sheet date.

These interim consolidated financial statements as per 30 June 2021 have not been inspected by a firm of auditors.

Cologne, 20 September 2021



Dr. Gert Frank
Board Member

2021 CORPORATE CALENDAR

Publication of 2020 consolidated
financial statements

14 May 2021 ✓

2021 AGM

11 June 2021 ✓

2021 Half-year Report

20 September 2021 ✓

Limes Schlosskliniken AG

Kaiser-Wilhelm-Ring 26

D-50672 Köln

Tel.: +49 (0)2203 290140

Fax: +49 (0)2203 29014 201

Email: kontakt@limes.care

Website: www.limes-schlosskliniken.de