

2024

Annual Report

MEDICLIN: Key data on business development

	2024	2023	Change in %
Number of shares in millions	47.5	47.5	0.0
Number of cases (inpatient)	107,495	107,956	-0.4
Number of beds as of 31.12.	8,160	8,132	+0.3
Occupancy rate in %	85.5	83.9	+1.6 pp
Number of full-time employees (annual average)	6,889	7,016	-1.8
In thousands of €	2024	2023	Change in %
Cash flow from operating activities	80,566	78,001	+3.3
Cash flow from operating activities per share in €	1.70	1.64	+3.3
Sales	748,754	730,071	+2.6
EBITDA	103,768	98,727	+5.1
EBITDA margin in %	13.9	13.5	+0.4 pp
EBIT (operating result)	53,487	12,722	+320.4
EBIT margin in %	7.1	1.7	+5.4 pp
Financial result	-21,367	-21,411	+0.2
Result attributable to shareholders of MEDICLIN AG	24,913	-10,724	+332.3
Earnings per share in €	0.52	-0.23	+330.5
Dividend per share in €	-	-	
Capital expenditure (gross additions to non-current assets without right-of-use assets IFRS 16)	46,193	38,779	+19.1
Thereof subsidies	9,255	8,140	+13.7
Proportion of own funds in %	80.0	79.0	+1.0 pp
Interest coverage factor (EBITDA / interest income)	4.9x	4.6x	
In thousands of €	31.12.2024	31.12.2023	Change in %
Balance sheet total	905,906	880,502	+2.9
Equity	222,738	196,029	+13.6
Equity ratio in %	24.6	22.3	+2.3 pp
Return on equity ¹ in %	11.2	-5.5	+16.7 pp
Financial liabilities (to banks)	66,960	93,381	-28.3
Cash and cash equivalents	107,563	115,286	-6.7
Net financial debt ²	-9,054	17,217	-152.6
Net financial debt ² /EBITDA ³	-0.1x	0.3x	

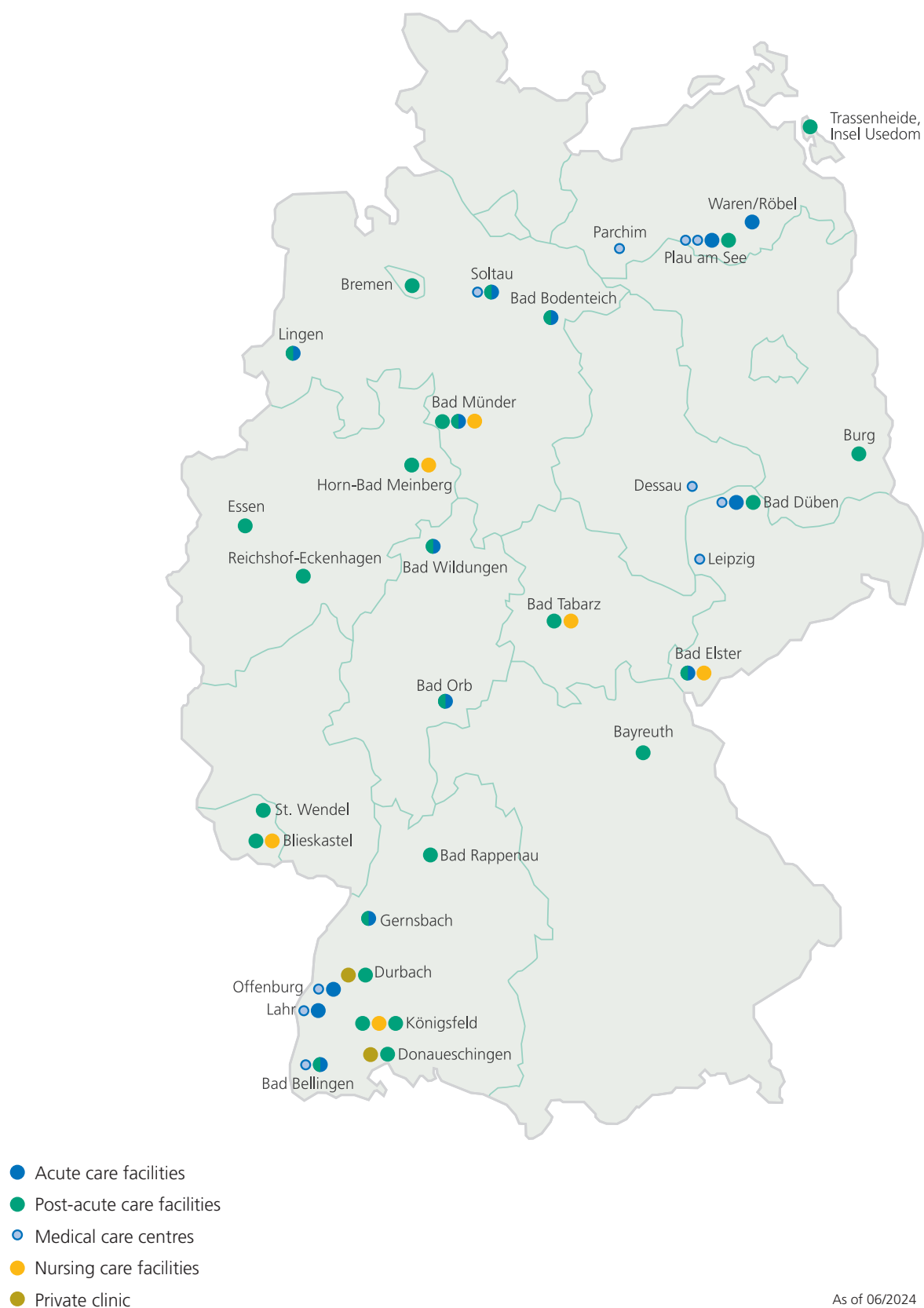
¹ Group result in the last 12 months/equity

² Adjusted average net financial debt over the last four quarterly reporting dates (adjusted for liabilities under IFRS 16 and liabilities and cash and cash equivalents from loan subsidies)

³ Adjusted EBITDA of the last 12 months (adjusted for IFRS 16)

The calculations may lead to rounding differences +/- one unit (€, %, etc.); percentage rates have been determined on the basis of € values.

MEDICLIN's locations at a glance



Quarterly development of the Group in 2024

In millions of €	Q1	Q2	Q3	Q4
Sales	185.4	182.6	190.2	190.6
EBITDA	16.2	20.2	35.2	32.2
EBITDA margin in %	8.7	11.1	18.5	16.9
EBIT (operating result)	4.1	7.9	22.5	19.0
EBIT margin in %	2.2	4.3	11.8	10.0
Financial result	-5.3	-5.4	-5.4	-5.3
Result attributable to shareholders of MEDICLIN AG	-1.4	2.0	14.4	9.9
Earnings per share in €	-0.03	0.04	0.30	0.21
Cash flow from operating activities	17.1	5.7	36.7	21.1
Cash flow from operating activities per share in €	0.36	0.12	0.77	0.45
Equity ratio in %	21.7	22.3	23.5	24.6
Capital expenditure (gross additions to non-current assets without right-of-use assets IFRS 16)	10.3	9.4	11.8	14.7
Net financial debt ¹ (end of quarter)	-3.6	1.3	-15.7	-18.2
Number of cases (inpatient)	26,703	26,664	27,403	26,725
Number of beds (end of quarter)	8,107	8,160	8,160	8,160
Occupancy rate in %	85.0	86.5	86.5	84.1
Number of full-time employees (quarterly average)	6,984	6,835	6,827	6,908

¹ Adjusted net financial debt

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26 Rehabilitation clinics

SALES in millions of Euro

 **485.4**
Previous year 451.2

EBIT in millions of Euro

 **52.2**
Previous year 52.7

INVESTMENTS in millions of Euro

 **27.1**
Previous year 22.0

BEDS

 **6,144**
Previous year 5,990

NUMBER OF CASES inpatient

 **76,442**
Previous year 73,721

We are THE rehabilitation specialists. We can and want to develop this core competence further. We want to make our offer more outpatient-oriented and innovative by putting the possibilities of digitalisation into practice. The integration of acute and rehabilitation medicine, metropolitan settings, outpatient and teletherapeutic offers ensure the further development of rehabilitation and MEDICLIN.

MEDICLIN has a total capacity of 7,696 beds and 464 nursing places on the balance sheet date. On average, the Group employed 6,889 full-time employees in the 2024 financial year. On the balance sheet date on 31 December 2024, the Group had 9,855 employees.

Focuses within the range of services in the post-acute and acute segments are neurology, neurological early rehabilitation, neurosurgery, psychosomatics and psychiatry, geriatrics as well as orthopaedics. Furthermore, the Group has special competencies in the areas of ENT (tinnitus, cochlea implants) and internal medicine (cardiology, pneumology, endocrinology) as well as the treatment of post- and long-COVID-19 symptoms.

5

Hospitals

10

Medical care
centres**SALES** in millions of Euro **234.9**

Previous year 254.0

EBIT in millions of Euro **–0.6**

Previous year –39.9

INVESTMENTS in millions of Euro **14.2**

Previous year 14.0

BEDS **1,552**

Previous year 1,660

NUMBER OF CASES inpatient **31,054**

Previous year 34,235

The business model of MEDICLIN enables the Company to provide to its patients interdisciplinary medical care. It also enables linking outpatient and inpatient acute and post-acute medical services, thus increasing the efficiency of healthcare while guaranteeing a high-quality standard along the entire treatment chain. The usual interruptions in treatment between the fields of acute care, rehabilitation and nursing can be avoided within the Group network through integrated medical care at individual locations and at a regional and national level. This enables attentive and patient oriented treatment as well as efficiency enhancements at the individual clinics through synergies and standardisation.

6

Nursing care facilities

SALES in millions of Euro

 **23.4**
Previous year 21.3

PLACES

 **464**
Previous year 482

OCCUPANCY RATE in % annual average

 **90.8**
Previous year 85.4

The nursing care facilities offer full-time, short-term and daytime nursing care. These facilities are located at the same sites as the post-acute clinics and can thus benefit from the latter's infrastructure.

The decision to leave ones familiar surroundings and to move into an assisted care facility is not easy. Our employees are there to advise new residents how to achieve as much independence as possible in their new situation.

In each of the MEDICLIN nursing care facilities, care is based on the needs and abilities of the residents. Those who can and would like to organise their everyday life themselves have the opportunity to do so here. If necessary, the nursing staff of the MEDICLIN nursing care facilities are always there for the residents.

Based on modern care concepts, our houses offer everything that is necessary for the well-being of people in need of care. What distinguishes our teams is the human interaction, the active work with our residents, the appreciative way of working and our internal clinic offers.

Service companies

SALES in millions of Euro

 **94.6**
Previous year 81.3

EBIT in millions of Euro

 **1.7**
Previous year –0.3

FULL-TIME EMPLOYEES in annual average

 **1,301**
Previous year 1,159

The service segment includes a wide range of supporting services aimed at ensuring the smooth operation of clinics, nursing care facilities and medical care centres. These services are essential for maintaining the high quality of medical care and ensuring patient satisfaction. This segment thus contributes substantially to ensuring that MEDICLIN provides a modern and efficient healthcare infrastructure that benefits patients.

The service segment hardly generates any sales with third parties as it exclusively renders services within the Group. One of the main tasks of the service segment is facility management, which ensures the maintenance and operation of buildings and technical equipment to provide a safe and comfortable environment for patients and employees. The catering services provide healthy and balanced meals tailored to the individual needs of patients. Cleaning services ensure cleanliness and hygiene in all facilities to protect the health and safety of patients and staff. By providing these essential services, the service segment enables medical professionals to focus on their core tasks: delivering the best possible medical care to patients.

OUTLOOK FOR THE 2025 FINANCIAL YEAR

Well-positioned to meet challenges in 2025

Given the good occupancy trend, the Management Board forecasts sales growth of between 2.0 % and 5.0 % in the 2025 financial year. Group EBIT is expected to amount to between EUR 53.0 mill. and EUR 64.0 mill.

These financial targets, however, are subject to the proviso that the German economy does not deteriorate substantially due to the lasting geopolitical crises.

**DR. JOACHIM RAMMING**

CHAIRMAN OF THE MANAGEMENT BOARD

Dear Shareholders,
Dear Ladies and Gentlemen,

We have successfully completed the 2024 financial year. Our Company has made significant progress this year by strengthening core competencies, pursuing a clearly defined future strategy and basing all decisions on these objectives. All the employees of MEDICLIN make an invaluable contribution to achieving these goals, and I would like to take this opportunity to express my gratitude: Thank you very much, dear colleagues, for your outstanding commitment and great work.

We are still dealing with the challenges and unclear framework conditions that I already mentioned last year. Especially the shortage of skilled professionals is becoming increasingly acute in our industry. The recently enacted hospital reform, i.e. the Hospital Care Improvement Act (KHVVG), which was passed by the German Federal Council (Bundesrat) in October, has yet to reveal the full extent of its impact on the healthcare sector. The early federal elections have brought and continue to bring further uncertainties.

Nevertheless, the past financial year was especially successful for MEDICLIN in economic terms. Group sales totalled EUR 748.8 mill., exceeding prior-year sales by 2.6 %. Operating income reached a new record high with EBITDA of EUR 103.8 mill. The Group's operating result, i.e. EBIT, came out to EUR 53.5 mill. and thus clearly exceeded the prior-year result in 2023, which had been burdened by a one-off effect resulting from write-downs in the acute segment. A key factor for our success in 2024 was a high occupancy rate, which averaged 85.5 % across the entire Group over the year, which was 1.6 percentage points above the previous year's figure. The occupancy rate in our core business rehabilitation was up to 89.0 % from 87.6 % in the previous year, thereby continuing to move towards the pre-COVID occupancy rate. I would like to emphasize here that MEDICLIN did not receive any benefits under the protective shield to combat the COVID-19 crisis any more in 2024, meaning that sales and earnings were solely driven by operational performance. Assuming that the occupancy rate will continue to be high and stable, we expect that the Group operating result in 2025 will amount to EUR 53 to 64 mill. You, dear shareholders, should also benefit from the Company's financial success, which is why the Management Board will propose to distribute a dividend at this year's Annual General Meeting.

In the year under review we disposed of MEDICLIN Herzzentrum Coswig. This step was a consequence of our vision of becoming the leading rehabilitation provider in Germany. We are convinced that MEDICLIN Herzzentrum Coswig has excellent prospects under the new ownership. The sales contract was signed on 23 February 2024 and ownership of the clinic passed on 1 April 2024. We want to focus more strongly on medical rehabilitation in the future. Our strategy therefore also provides for the takeover of other facilities whenever suitable opportunities arise. On 5 April 2024, we signed the purchase contract to acquire Reha-Klinik am Sendesaal from its previous owner, the Specht Group. Reha-Klinik am Sendesaal is an excellent fit for our Group, both in terms of its specialisations and its combination of inpatient and outpatient services. Reha-Klinik am Sendesaal is an interdisciplinary clinic for inpatient and outpatient rehabilitation specialised in cardiology, orthopaedics and geriatrics. With 174 beds for inpatients and up to 70 places for outpatients, the clinic covers a wide range of rehabilitation treatments across various indications.

In addition to addressing our economic performance, I would also like to highlight what we achieved in the past financial year to strengthen our core competence in rehabilitation, enabling us as a Company to actively shape the future of rehabilitation.

Our strategy includes the expansion of our range of services. Here, we can clearly continue to build on the strength of the MEDICLIN business model: to provide interdisciplinary care to our patients and to closely link outpatient and inpatient treatment and services.

Our business model is based on cross-sector healthcare provision. Treatment interruptions between the acute, post-acute and nursing care sectors are to be avoided where possible, with outpatient solutions preferred over inpatient treatment. Our three rehabilitation pillars, i.e. MEDICLIN HOME, MEDICLIN CAMPUS and MEDICLIN DIRECT, are now well established and align precisely with this fundamental principle. In this context, I would like to particularly highlight MEDICLIN CAMPUS Wertheim in Baden-Württemberg. In Wertheim we are now offering inpatient neurological rehabilitation under the same roof as the local acute care provider that also operates a stroke unit, among other services. Patients who have been treated there for a stroke or a traumatic brain injury following an accident can begin their rehabilitation with us in the same facility. After thorough preparation in 2024, we were able to commence operations at the beginning of 2025. Additional CAMPUS projects are being planned. MEDICLIN DIRECT, the third pillar, offers outpatient therapy and follow-up care close to the patients' homes. We devised a structured approach to expand our range of outpatient services before and after a hospital stay, thereby responding to the increasing trend towards outpatientisation. In October 2024, we set up STAUFENBURG.AMBULANT, an outpatient rehabilitation offering at the location of MEDICLIN Staufenburg Klinik in Durbach. In Essen-Katernberg we took over a physiotherapy practice close to one of our rehabilitation clinics on 1 April 2024 to be able to accompany our patients for as long as possible on their entire treatment journey.

In 2022 we had already founded MediClin Rehabilitationsforschung gGmbH, Offenburg. Its staff is involved in clinical and scientific research related to rehabilitation and provides support for clinical studies from the development of the original concept to professional implementation and execution. Our aim is to provide effective, safe and modern rehabilitation services. This is achieved, for example, through interdisciplinary networking, digitalisation and by using modern information technology as well as by cooperating with university centres and external partners. In January 2025, we further established a new key function for digital transformation and artificial intelligence. Artificial intelligence is set to transform hospital operations. From automated documentation to AI-assisted treatments, this technology is already enhancing efficiency and quality and will continue to do so even more in the future. Our Group strategy can benefit from AI through data analysis, process optimisation, predictive models for cost reduction, resource efficiency and improved planning. Additionally, AI could also provide support in creating personalised therapy plans, monitoring treatment success and identifying best practice examples.

Now I would like to briefly address the external framework conditions. As mentioned at the outset, the Hospital Care Improvement Act (KHVVG) has come into force and its impact is not yet foreseeable in its full extent. Especially in the field of rehabilitation, which is not directly covered by the reform, the situation remains unclear. The implementation of the hospital reform will begin this year and will proceed in stages. The federal states are expected to assign service groups (areas of responsibility) to hospitals by the end of 2026, while the financing system is to be restructured between 2027 and 2028. This, in any case, is the current plan, but it remains to be seen whether this plan will be upheld by the new government. For our post-acute segment, it is thus crucial to promptly address upcoming developments and focus on acute-near, outpatient and digital treatment options within our core competence of medical rehabilitation. This will allow us to position these offerings innovatively and ensure their future viability.

Dear Shareholders,

The situation calls for continued observation while taking proactive action. We are well prepared to keep pace with all industry developments and play a key role in shaping the future of the rehabilitation industry. Over the past year, we have conducted a thorough analysis of our portfolio, particularly in light of the shortage of skilled professionals and the hospital reform. This forms the foundation for steering MEDICLIN securely into a financially stable future.

I would like to thank you for the trust you place in us and hope that you will continue to assist us in taking MEDICLIN forward.

Dr. Joachim Ramming

Chairman of the Management Board



THOMAS PIEFKE
MANAGEMENT BOARD

DR. JOACHIM RAMMING
CHAIRMAN OF THE MANAGEMENT BOARD

TINO FRITZ
CHIEF FINANCIAL OFFICER

THE MEDICLIN SHARE

The MEDICLIN share

2024 stock market year closes on a high

The 2024 stock market year was extremely successful for the DAX. The index closed with a gain of 18.85 % and, for the first time, surpassed the 20,000 point mark. At the close of the 2024 financial year, the DAX stood at 19,909 points.¹ This positive development is, among other factors, owed to the inflation rate, which fell below the ECB's target of 2.0 % between August and September.² This interest rate trend made stocks more attractive in anticipation of a more accommodative monetary policy. Moreover, the DAX primarily includes stocks of international companies. The positive business performance of these companies had a positive impact on the DAX's value development. Nevertheless, the uncertainties surrounding the Russian war against Ukraine and the conflict between Israel and Palestine remain.

Some experts are optimistic concerning the stock markets in 2025, in particular as the interest rate cuts in the USA are set to continue. However, it was already becoming evident at the end of 2024 that the inflation will not cool down as fast as hoped for by many in the next couple of months. Thus, the positive performance, especially as seen in the first months, could lose its momentum.³ The Ifo Institute estimates 0.4 % growth for the German economy in 2025, down from the previous forecast of 1.5 %.⁴ The Annual Economic Report for 2025 published on 29 January 2025 now forecasts a price-adjusted GDP of 0.3 % (previously 1.1 %) and a slight decline in the inflation rate to 2.2 % (previously 2.3 %) for 2025.⁵ Overall, companies will still be facing a challenging environment with various crises in 2025. The proven adaptability of German companies, combined with an expected interest rate cut, nonetheless gives the capital market a positive outlook for 2025.

Detailed investor information is available on our website

The Investor Relations section on MEDICLIN's website provides all the information relevant for private and institutional investors, such as the financial calendar, key company data, press releases, annual and interim reports and information on the Annual General Meeting; this includes both current data and data referring to previous years.

The MEDICLIN share (Xetra) closed 2024 at a price of EUR 2.42, which was below the share price at the beginning of the year (EUR 2.70). The highest daily price was recorded on 2 May 2024 (EUR 2.96), while the lowest daily closing price of EUR 2.30 was repeatedly touched in March, September and October.

DZ Bank AG and Solventis Beteiligungen GmbH conduct research coverage on the MEDICLIN share. Based on the preliminary figures for the 2024 financial year, their recommendations are "Hold" and "Buy".

¹ Source: Ad-hoc-News publication dated 30.12.2024, at <https://www.ad-hoc-news.de/boerse/news/ueberblick/am-letzten-handelstag-eines-weiteren-guten-boersenjahres-hat-der-dax/66381806>

² Source: Statista publication dated 06.01.2025, at <https://de.statista.com/statistik/daten/studie/1045/umfrage/inflationsrate-in-deutschland-veraenderung-des-verbraucherpreisindex-zum-vorjahresmonat/>

³ Source: BörseOnline publication dated 04.01.2025, at <https://www.boerse-online.de/nachrichten/aktien/die-aktienmaerkte-koennten-2025-weiter-steigen-es-gibt-aber-einen-grossen-haken-20372436.html>

⁴ Source: Ifo Institute publication dated 12.12.2024, at <https://www.ifo.de/fakten/2024-12-12/ifo-konjunkturprognose-winter-2024-deutsche-wirtschaft-am-scheideweg>

⁵ Source: Annual Economic Report 2025 dated 29.01.2024, at <https://www.bmwk.de/Redaktion/DE/Pressemitteilungen/2025/20250129-jahreswirtschaftsbericht-2025.html>

Shareholder structure

The major shareholders of MEDICLIN AG are Asklepios Kliniken GmbH & Co. KGaA, Hamburg, with 52.73 % and ERGO Group AG, Düsseldorf, with 35.00 %. 12.27 % of the shares are in free float.

Share indicators

ISIN: DE0006595101; WKN: 659 510; Ticker: MED

In € per share	2024	2023
Result undiluted/diluted	0.52	–0.23
Cash flow from operating activities	1.70	1.64
Carrying amount ¹ as of 31.12.	4.68	4.12
Year-end price	2.42	2.74
Annual high (daily price)	2.96	3.64
Annual low (daily price)	2.30	2.62
Market capitalisation (year-end price) in millions of €	115.0	130.2
Number of shares in millions	47.0	47.5

¹ Equity less non-controlling interests

Source: Deutsche Börse AG; Xetra

SUMMARISED MANAGEMENT REPORT

MediClin Aktiengesellschaft
for the

2024 financial year

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Basis of Group activities

Business model of the Group

MEDICLIN Aktiengesellschaft (MEDICLIN) is a company active in Germany. MEDICLIN is active throughout Germany and its clinics offer professional medical services in the fields of rehabilitation (post-acute segment), acute care (acute segment) and, at some of the locations, nursing care services.

This positioning enables MEDICLIN to pursue a business model of providing its patients with interdisciplinary medical care. Thus, we can link outpatient and inpatient, acute and post-acute medical services, thus increasing the efficiency of healthcare while guaranteeing a high quality standard along the entire treatment chain. This enables attentive and patient-oriented treatment as well as efficiency enhancements at the individual clinics through synergies and standardisation.

Focuses within the range of services in the acute and post-acute segments are neurology, neurological early rehabilitation, neurosurgery, psychosomatics and psychiatry, geriatrics as well as orthopaedics. Furthermore, the Group has special competencies in the areas of ENT (tinnitus, cochlea implants) and internal medicine (cardiology, pneumology, endocrinology) as well as the treatment of post- and long-COVID-19 symptoms.

MEDICLIN focuses its offering of medical services on the actual demand and on comprehensive medical care for patients. The development in the post-acute segment showed that this strategy even works in the context of a pandemic. By means of interdisciplinary knowledge transfer, experts for different types of illnesses were able to find successful treatments and therapies for post-COVID and long-COVID patients within a very short period of time.

The operational and strategic orientation of the medical facilities and the development of the range of services at their sites lies in the responsibility of the management of the respective clinic and the managing director for the region, thus ensuring the economic success of the clinics within their local setting.

EXTERNAL FACTORS THAT COULD INFLUENCE THE BUSINESS PERFORMANCE

General external factors

Direct factors that could affect the Company's business performance include new and/or amended legislation. Legal regulations in the healthcare sector usually refer to the design and remuneration of services and thus have a direct impact on MEDICLIN's sales and earnings performance.

The macroeconomic development in Germany has an indirect effect on the Group's business performance, especially with regard to its impact on the labour market. A stable labour market and secure jobs have a positive effect on the demand for medical services, as treatments are not postponed and there is an increased readiness to use rehabilitation and prevention services. Moreover, declining unemployment figures and a high proportion of dependent employees improve the financial situation of the social security and pension funds.

Other external factors affecting the business performance are the demographic development in Germany, progress in medical technology and the availability of qualified staff.

The acute sector is strongly regulated

The remuneration of acute services is strongly regulated, which is why regulatory provisions play a more important role here than in the downstream sectors. Services are remunerated in the scope of agreed budgets, via a combination of case-based lump sums and a remuneration for cost of nursing staff. If a year-on-year increase in services is agreed during the annual budget negotiations, the hospitals have to grant a discount. This so-called fixed cost degression discount is to reflect quantity-related cost advantages (fixed cost degression).

The treatment of certain indications is subject to minimum nurse and nursing assistant staffing thresholds, which became mandatory on 1 February 2021. They currently apply in intensive care, internal medicine, geriatrics, trauma surgery, general surgery, orthopaedics, gynaecology and obstetrics, cardiology, neurology, paediatrics, heart surgery, ear, nose and throat medicine, rheumatology and urology. Since 1 January 2024, minimum staff thresholds additionally apply in the field of neurosurgery.

Entrepreneurial thinking is required in the rehabilitation sector

In the rehabilitation sector, the scope of services and the remuneration are agreed individually with the coverage providers in the scope of annual budgets. Here, proceeds are not adjusted or equalised if the budgets as approved by the coverage providers are not met. Maintaining the required capacities and making changes to the therapeutic range of services is therefore largely at the risk of the hospital operator.

In the nursing care sector, the operator is also largely responsible for the business risk

The nursing care sector covers residents in care homes as well as patients who receive full-time, part-time or short-term nursing care. Nursing care services may only be charged to the public nursing care insurances if they are rendered by an approved facility that concluded a supply contract with the nursing care insurance fund. Remuneration premiums on nursing care for medical treatment will generally only be paid for professional nurses. The risk of creating capacity for these types of services also lies with the operators of nursing care homes.

SUBSCRIBED CAPITAL, SHAREHOLDER STRUCTURE AND COMPANY BODIES

MEDICLIN Aktiengesellschaft (MEDICLIN AG) has its registered office in Offenburg, Baden-Württemberg. The Company is listed in the Prime Standard¹ of the Frankfurt stock exchange. The Group's subscribed capital amounts to EUR 47.5 mill. and is split up into 47,500,000 no-par-value bearer shares. MEDICLIN AG's main shareholders are Asklepios Kliniken GmbH & Co. KGaA, Hamburg, with 52.73 % and ERGO Group AG, Düsseldorf, with 35.00 %; 12.27 % of the shares are in free float.

¹ The Prime Standard is a market segment of the Frankfurt Stock Exchange's regulated market with the highest transparency standards. Companies must comply with the requirements of the Prime Standard to be listed in the DAX, MDAX, TecDAX and SDAX indices.

The Supervisory Board acts as the highest controlling and supervisory body and is subject to the provisions of the German Codetermination Act (MitbestG). The members of the Supervisory Board have formed several committees to which the Board delegates advisory functions as well as decision-making authorities to the extent that this is legally admissible.

GROUP STRUCTURE

MEDICLIN AG is a holding company and the ultimate parent company of the MEDICLIN Group. As a listed company, it meets all the requirements of the capital market and can use the latter for capital procurement.

Sales are generated by local clinics that provide medical, therapeutic and nursing care services. Service functions for these medical facilities, such as finance, accounting, controlling, taxes, internal audit, compliance, risk management, human resources and social affairs, payroll, purchasing, construction and technology, quality management, organisation and corporate communication are bundled under MEDICLIN Management GmbH & Co. KG, Offenburg. In order to efficiently allocate resources and achieve cost degression effects (economies of scale), the following subsidiaries perform certain services on behalf of the entire Group:

- MediClin Immobilien Verwaltung GmbH
Real estate management, investment management,
cost and income management in connection with real estate
- MediClin à la Carte GmbH
Operation of the catering and cafeteria units,
quality and hygiene management
- MC Service GmbH
Maintenance and cleaning services,
optimisation of cleaning procedures
- MediClin Energie GmbH
Power trade, energy management, development
of energy concepts
- MediClin-IT GmbH
Installation of network technology, user support, training
- MediClin Haustechnik GmbH
Services in the field of facility management /operating technology

As of 31 December 2024, MEDICLIN had 31 clinics, six nursing care facilities and ten medical care centres nationwide. Five of the 31 clinics are dedicated acute-care hospitals and 26 are post-acute (rehabilitation) clinics. eleven post-acute clinics provide specific acute services in addition to medical rehabilitation measures. The nursing care facilities offer full-time, short-term and daytime nursing care. These facilities are located at the same sites as the post-acute clinics, and can thus benefit from the latter's infrastructure. The medical care centres offer outpatient treatment in acute care.

MEDICLIN has a total capacity of 7,696 beds and 464 nursing places on the balance sheet date. On average, the Group employed 6,889 full-time employees in the 2024 financial year. On the balance sheet date on 31 December 2024, the Group had 9,855 employees.

REORGANISATION OF GROUP STRUCTURE SUCCESSFULLY IMPLEMENTED

The reorganisation of the Group structure initiated in financial year 2023 was largely completed in financial year 2024. Previously, the major part of the operating business in the acute and post-acute segments and the management and controlling functions were bundled under the roof of MediClin GmbH & Co. KG. The objective of the reorganisation was to create a more fitting and transparent corporate structure and to redistribute and refocus the tasks and responsibilities among corporate headquarters and clinics. The reorganisation will enhance the ability to react to changes and current developments and create better opportunities for innovation. It will further strengthen the individual sites, promote future growth and improve profitability. In order to give the commercial directors more autonomy and responsibility, they were appointed managing directors. In order to achieve this, corporate headquarters and the acute, post-acute and hybrid clinics that are currently operating under the roof of MediClin GmbH & Co. KG are hived off into a total of 23 individual companies.

In the course of the reorganisation, 19 clinics were hived off from MediClin GmbH & Co. KG into 17 newly incorporated operating companies in January 2024. The clinic's operating companies were all established as limited liability partnerships (GmbH & Co. KG) domiciled in Offenburg. The sole shareholder of the general partners and limited partners is MEDICLIN AG.

The remaining six spin-offs and the corresponding commercial register entries are to be carried out in 2025, thereby completing the reorganisation measures.

SEGMENTS

The reportable operating segments of MEDICLIN are the post-acute, acute, nursing care and service segments. Specific acute services rendered in post-acute clinics are allocated to the post-acute segment, because it is impossible to make a clear business-related distinction between the rehabilitation services that are primarily rendered in the facilities and acute medical services as they jointly use the existing infrastructure. Sales and results of the medical care centres are assigned to the acute segment.

RANGE OF SERVICES

MEDICLIN's range of medical services is highly professional and certified. Medical focus areas are neurology, psychosomatics and psychiatry.

Number of beds/places

As of 31.12.	2024	2023
Post-acute		
Neurology	1,805	1,745
Psychosomatics	988	1,037
Orthopaedics	1,566	1,540
Internal medicine	205	186
Cardiology	398	423
Oncology	482	418
Geriatrics	472	370
Other	228	271
Total	6,144	5,990
Acute		
Neurology	330	364
Psychosomatics	266	266
Psychiatry	354	349
Surgery	146	203
Orthopaedics	99	99
Internal medicine	157	157
Other	200	222
Total	1,552	1,660
Nursing care	464	482
Total	8,160	8,132

The share of neurology, psychosomatics and psychiatry amounts to 48.6 % (previous year: 49.2 %) of total beds available at the end of the year (not including nursing care). Further focus areas are oncology, orthopaedics, cardiology and geriatrics.

STAFF

6,749 of the 6,889 average full-time employees employed in 2024 (98.0 %) work in medical and non-medical services. On average, 71.9 % thereof were involved in medical services (previous year: 72.6 %), whereas 28.1 % worked in non-medical professions (previous year: 27.4 %). MEDICLIN ensures high-quality treatment by employing well-trained staff. The Group has the personnel capacities that are required by the coverage providers based on indication and number of beds.

Development of the average number of employees by service (without Management Board, managing directors and trainees)

Shown in full-time employees	2024	2023
Medical	796	825
Nursing care	2,252	2,330
Medical-technical	1,422	1,442
Functional	385	393
Medical services	4,855	4,990
Support functions	1,114	1,101
Technical	152	152
Administration	605	604
Other	23	31
Non-medical services	1,894	1,888

Development of the average number of employees by segment (with Management Board, managing directors and trainees)

Shown in full-time employees	2024	2023
Post-acute	3,615	3,636
Acute	1,764	2,018
Nursing care	209	203
Service	1,301	1,159
Total	6,889	7,016

Objectives and strategy

The Group's range of services places a clear focus on neurology, orthopaedics, psychosomatics and psychiatry. In addition, the Group concentrates on the treatment of civilisation diseases and illnesses that are increasing on the back of demographic change, such as in the medical and therapeutic fields of geriatrics and cardiology. Furthermore, the Group pursues comprehensive and, in particular, patient-oriented care, and seeks to link outpatient, inpatient and post-discharge care at its individual locations. The strategic targets are funded by the corresponding capital expenditure policy, creating the required infrastructure at the respective locations and generating organic growth. The required capital expenditure at facilities with a corresponding need is provided in the form of own funds and subsidies by the respective federal state government. In addition, the Group also strives for external growth by tapping into suitable and promising indications and locations and medical facilities with sustainable earnings power.

Future-oriented MEDICLIN projects

The healthcare sector is undergoing changes. On the one hand, treatment requirements are changing due to factors caused by demographics and our civilisation and, on the other hand, the Hospital Care Improvement Act (KHVVVG) entered into force on 1 January 2025. MEDICLIN assumes that more rehabilitation services will be prescribed and that rehabilitation treatments will start at an earlier stage in the future. It is thus likely that the need for therapeutic and preventive offerings will rise in order to close the resulting supply gap. The hospital reform is expected to entail a reduction in hospital beds and the establishment of outpatient structures in the acute sector. Certain treatments are set to shift to larger healthcare centres as the aim is to achieve a higher degree of concentration and specialisation in the acute sector. MEDICLIN believes the structural change to be an opportunity and has thus initiated forward-looking projects that will utilise the developments described above and secure the future viability of the Group. These MEDICLIN projects focus on outpatient care and digital offerings as well as treatments that seamlessly follow up on acute care.

MEDICLIN DIRECT

MEDICLIN DIRECT is aimed at offering patients local outpatient therapy and follow-up care close to their homes. Here, our outpatients will benefit from our experience in rehabilitation and therapy and our expertise in various special fields. The services include physiotherapy, ergotherapy, preventive care and rehabilitation sports as well as outpatient rehabilitation. MEDICLIN DIRECT will also offer follow-up treatment after a stay in a rehabilitation facility or hospital. Patients will be able to make appointments while still in the hospital or facility, ensuring a seamless treatment chain without interruption.

MEDICLIN HOME

MEDICLIN HOME is the platform for our digital therapy offerings. Patients are already introduced to our online therapy programme while still in the rehabilitation clinic. After their stay at the clinic, our apps help them to recover. We compile interactive exercises in accordance with the patients' therapy plan that they can then follow from home. Our experienced teams of therapists are thus able to continue accompanying our patients in their homes – either personally per video or through the app functions. The range of services includes orthopaedic, neurological, pneumological and cardiac rehabilitation therapy. Patients with post-COVID can also benefit from this digital follow-up care.

MEDICLIN CAMPUS

MEDICLIN CAMPUS ensures seamless follow-up treatment after a hospital stay. Patients of our acute clinics can easily transfer to a rehabilitation facility by means of the MEDICLIN CAMPUS model. Integrated medical care at the sites of acute hospitals ensures that inpatient rehabilitation is close at hand. MEDICLIN CAMPUS relies on synergies, for instance by means of cross-disciplinary medical consultation, joint therapy offerings and in menu planning. The continuous care provided to patients ensures optimal rehabilitation and avoids relapses and new injuries. Against the backdrop of the pending hospital reform and the expected cut in hospital beds, MEDICLIN sees good opportunities in the MEDICLIN CAMPUS model for offering more inpatient rehabilitation services close to the acute facility at various hospital sites.

Research and development

MEDICLIN SUPPORTS SCIENTIFIC PROJECTS

MEDICLIN supports the ongoing development of medical services and their measurability by participating in scientific projects regarding medical care. In addition to research projects conducted in individual clinics, which are usually financed via third-party funds, some clinics also participate in clinical studies on the evaluation and further development of medical and therapeutic services.

In April 2022 MediClin Rehabilitationsforschung gGmbH, Offenburg, was founded. The company pursues solely charitable purposes. The company objects are to organise, facilitate, carry out and prepare clinical scientific studies and papers and to develop and evaluate innovative medical and therapeutic diagnostic and treatment methods to improve the preventive care, rehabilitation and regeneration of patients. The work performed and the results achieved contribute not only to general medical rehabilitation but also play an active role in our pioneering MEDICLIN FUTURE projects. The company is part of the post-acute segment and is included in the consolidated financial statements. At the end of 2023, MEDICLIN Rehabilitationsforschung gGmbH became operational for the first time with a funded research project in the field of post-COVID-19 prevention, supported by the Federal Ministry of Education and Research (BMBF). At the end of the 2024 financial year, the company received additional funding from the Federal Ministry of Health (BMG) for projects in this area.

Sustainability report¹

Introduction

NON-FINANCIAL GROUP REPORT OF MEDICLIN AG

This chapter constitutes the non-financial Group report of MEDICLIN AG (hereinafter also referred to as the sustainability report) in accordance with Sections 315b and 315c in conjunction with Sections 289c to 289e German Commercial Code (HGB) and also includes disclosures pursuant to Article 8 of Regulation (EU) 2020/852. The sustainability report discloses the MEDICLIN Group's mandatory non-financial information for financial year 2024.

The sustainability report for the 2024 financial year was reviewed by the Supervisory Board of MEDICLIN AG, Offenburg, and, on behalf of the Supervisory Board, audited for the purpose of obtaining limited assurance by KPMG AG Wirtschaftsprüfungsgesellschaft with regard to the legally required disclosures pursuant to Sections 315b and 315c in conjunction with Sections 289c to 289e German Commercial Code (HGB). The review was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", published by the International Auditing and Assurance Standards Board (IAASB).

The sustainability report comprises a description of policies and due diligence processes as well as their findings as per the five non-financial reportable aspects pursuant to Section 315c in conjunction with 289c HGB: environmental matters, employee-related matters, social matters, respect for human rights and combating corruption and bribery. The following table gives an overview on which pages of the sustainability report the corresponding information is disclosed.

Matters as per Section 289c (2) HGB	Pages
Environmental issues	72 – 91
Employee matters	92 – 111
Social matters	112 – 121
Human rights	92 – 132
Combating corruption and bribery	122 – 132

The Group statement of MEDICLIN AG for the 2024 financial year was prepared in accordance with the European Sustainability Reporting Standards (ESRS).

Our non-financial Group report fully complies with ESRS and follows the structure provided by ESRS.

Additional (voluntary) information not covered by the scope of the sustainability statement is available at www.mediclin.de².

1. General information

ESRS 2 General disclosures

BP-1 GENERAL BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENT

The sustainability report was prepared on a consolidated basis. The consolidation group for this sustainability statement includes the scope of consolidation of MEDICLIN AG's consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as

¹ The contents in this section are not included in the statutory audit, but were reviewed by our auditors in a limited assurance audit.

² Unaudited Internet source

well as the affiliated companies not included in the scope of consolidation, i.e. MVZ Dessau GmbH and Müritz-Klinikum Service GmbH i. L. In the following, we will refer to the entire scope of consolidation as MEDICLIN in the sustainability statement.

In identifying and analysing impacts, risks and opportunities, the value chain was taken into account wherever the nature of the respective activities, business relationships, geographical conditions or other factors were considered likely to be relevant. Where possible, our policies, targets, actions and metrics also cover the upstream and downstream value chains. Additional details or deviations are specified transparently in the corresponding disclosures.

MEDICLIN did not make use of the option to omit certain information pertaining to intellectual property, know-how or results of innovations. Furthermore, MEDICLIN did not apply the exemption under Article 19a (3) and 29a (3) of Directive 2013/34/EU and therefore does not explicitly waive the disclosure of information on upcoming developments or matters under negotiation. The phase-in options are used. The metrics in this sustainability report were not verified by an external body.

BP-2 Disclosures in relation to specific circumstances

TIME HORIZONS

MEDICLIN applies the short-, medium- and long-term time horizons defined in ESRS 1 to its reporting. The short-term horizon is thus defined as the reporting year, the medium-term horizon as a period of up to five years and the long-term horizon as a period of more than five years.

VALUE CHAIN ESTIMATION

We continuously strive to improve our data management and data quality. For this purpose, we are currently analysing different approaches, such as implementing a CSRD-specific software solution and Group-wide data warehouse solutions.

There are no quantitative metrics or monetary amounts that are subject to a high degree of measurement uncertainty.

The Scope 3 metrics concerning GHG emissions in the upstream and downstream supply chain are explained and shown in detail in chapter ESRS E1. The presentation of Scope 3 metrics is based on a comprehensive analysis of greenhouse gas emissions in the upstream and downstream value chain. Among other factors, this analysis took account of patient movements (travelling to and from the facilities), procurement and employee commuting. The metrics are based on surveys, estimates and extrapolations and thus rely on assumptions. In the years to come, the accuracy of data collection is to be improved through optimised process control based on Group standards and the use of technology. The Scope 3 metrics were determined by an external body. The quality of Scope 3 metrics is shown in the following table.

Emissions/category	Quality of emissions data	Quality of input data	Based on supplier data
Scope 3			
Purchased goods and services	High: 1.35 % Low: 98.65 %	Measurement reading: 0.59 % Calculation: 99.41 %	0.00 %
Capital goods	Low: 100.00 %	Measurement reading: 99.28 % Calculation: 0.72 %	0.00 %
Fuels and energy-related emissions (not included in Scope 1 or 2)	High: 91.21 % Medium: 8.88 %	Measurement reading: 91.21 % Calculation: 8.88 %	15.28 %
Upstream transportation and distribution	High: 96.10 % Low: 3.90 %	Calculation: 100.00 %	0.00 %
Waste generated	High: 100.00 %	Calculation: 100.00 %	0.00 %
Business traveling	Low: 100.00 %	Calculation: 100.00 %	0.00 %
Employee commuting	High: 19.63 % Medium: 80.37 %	Calculation: 100.00 %	0.00 %
Downstream transportation and distribution	Low: 100.00 %	Calculation: 100.00 %	0.00 %
Capital expenditure	Low: 100.00 %	Measurement reading: 1.33 % Calculation: 98.67 %	0.00 %

CHANGES AND ERRORS IN THE PREPARATION OR PRESENTATION OF SUSTAINABILITY DISCLOSURES

We are for the first time making our sustainability disclosures for financial year 2024 in accordance with ESRS.

DISCLOSURES STEMMING FROM OTHER LEGISLATION OR GENERALLY ACCEPTED SUSTAINABILITY REPORTING PRONOUNCEMENTS

The reporting follows the requirements under CSRD/ESRS. The disclosures as per Article 8 of Regulation 2020/852 (the "Taxonomy Regulation") are shown in a separate chapter headed Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 in Section 2. Environmental information within the sustainability statement.

INCORPORATION BY REFERENCE

No information was incorporated by reference into other parts of the management report in accordance with the conditions specified in ESRS 1, paragraph 119.

GOV-1 The role of the administrative, management and supervisory bodies

MANAGEMENT BOARD

The Management Board of MEDICLIN AG manages the Company with due care and diligence and defines its strategic orientation and how this is to be implemented. The Management Board is responsible for integrating sustainability matters into the business strategy and is also in charge of monitoring and managing the associated impacts, risks and opportunities. MEDICLIN is managed and headed by the Management Board. On 31 December 2024, the Management Board had three members. As such, the ratio of women on the Board is currently 0 %.

The age structure in the Management Board is shown in the following table:

Age group	Head count	in %
30–39	0	0.00
40–49	1	33.33
50–59	2	66.66
>=60	0	0.00
Total	3	100.00

When selecting members of the Management Board, special emphasis is placed on professional and social competence and extensive experience in comparable top management positions, ideally in the healthcare sector. Additional important selection criteria include character and educational background (university or comparable degree).

The Management Board members' experience relevant to MEDICLIN's segments, services and geographical locations is listed in the following table.

Management Board	Dr. Joachim Ramming	Tino Fritz	Thomas Piefke
Member since	2021	2018	2023
Diversity			
Gender	Male	Male	Male
Year of birth	1972	1976	1968
Nationality	German	German	German
Educational background	Economics/ Health Economics	Diploma in Business Administration/ Tax Advisor/Accountant	Health Economics
Competencies/ experience			
Business conduct	●	●	●
Industry experience	●	●	●
Legal, regulatory, compliance	●	●	●
Sustainability	●	●	●

The heads of the corporate divisions and departments, along with the Sustainability (ESG) department, serve as a link between the Management Board and those responsible for operational implementation. The Sustainability (ESG) department also maintains close communication with the ESG Working Group. The Management Board has assigned the responsibility for sustainability to the Investor Relations and Sustainability department. Sustainability topics are regularly coordinated with the Management Board and are supervised by the latter.

SUPERVISORY BOARD

The Supervisory Board of MEDICLIN AG has 16 members with equal representation as per the German Codetermination Act (MitbestG). Eight members represent the shareholders and are elected by the Annual General Meeting. The other eight members are elected by the employees, whom they represent. With nine male and seven female members, the Supervisory Board's gender diversity ratio is 1.3:1.

The age structure of the Supervisory Board is shown in the following table.

Age group	Head count	in %
30–39	0	0.00
40–49	4	25.00
50–59	9	56.25
>=60	3	18.75
Total	16	100.00

The Supervisory Board is not involved in executive management. In the view of the Supervisory Board, three of the eight members representing the shareholders as at 31 December 2024 are deemed to be independent; this corresponds to 37.5 %.

The Supervisory Board as a body is familiar with the healthcare sector and has the required skills and knowledge to properly fulfil its duties. This does not require every member to be equally experienced in all fields; instead, the competencies of the Supervisory Board members are to complement each other. The members of the Supervisory Board regularly use internal and external information sources to keep up to date with current developments and requirements for their supervisory duties.

Supervisory Board (shareholder representatives)	Dr. Jan Liersch	Hafid Rifi	Dr. Julia Dannath-Schuh	Cornelia Wolf
Member since	2019	2024	2019	2016
Independent ¹			●	●
Diversity				
Gender	Male	Male	Female	Female
Year of birth	1973	1972	1977	1969
Nationality	German	German	German	German
Educational background	Law	Economics	Psychology	Certified Bank Specialist/Certified Information Systems Auditor/Certified Internal Auditor
Competencies/ experience				
Business conduct	●	●	●	●
Industry experience	●	●	●	●
Legal, regulatory, compliance	●	●	●	●
Sustainability	●	●	●	●

¹ Independent of the controlling shareholder and not employed by MEDICLIN

Supervisory Board (shareholder representatives)	Joachim Gemmel	PD Dr. med. Sara Sheikhzadeh	Michael Bock	Marco Walker
Member since	2024	2024	2005	2020
Independent ¹			●	
Diversity				
Gender	Male	Female	Male	Male
Year of birth	1972	1977	1963	1976
Nationality	German	German	German	German
Educational background	Economics and Organisational Science	Human Medicine	Diploma in Business Administration	Economics
Competencies/ experience				
Business conduct	●	●	●	●
Industry experience	●	●	●	●
Legal, regulatory, compliance	●	●	●	●
Sustainability	●	●	●	●
Supervisory Board (shareholder representatives)	Walburga Erichsmeier	Hans Hilpert	Thomas Müller ²	Elke Schwan
Member since	2012	2003	2012	2019
Independent ³				
Diversity				
Gender	Female	Male	Male	Female
Year of birth	1962	1966	1964	1975
Nationality	German	German	German	German
Educational background	Medical-Technical Radiology Assistant	Sports Teacher and Sports Therapist	Business Administration	Massage Therapist and Medical Bath Attendant
Competencies/ experience				
Business conduct	●	●	●	●
Industry experience	●	●	●	●
Legal, regulatory, compliance	●	●	●	●
Sustainability	●	●	●	●

¹ Independent of the controlling shareholder and not employed by MEDICLIN

² Thomas Müller resigned from office effective 06.01.2025

³ Independent of the controlling shareholder and not employed by MEDICLIN

Supervisory Board (shareholder representatives)	Frauke Schwedt	Dr. med. Sigrid R.- M. Krause	Marnik Schiffler	Matthias H. Werner
Member since	2019	2022	2024	2014
Independent ¹				
Diversity				
Gender	Female	Female	Male	Male
Year of birth	1972	1966	1971	1974
Nationality	German	German	German	German
Educational background	Psychology	Human Medicine	Sports Therapist	Social Education Worker
Competencies/ experience				
Business conduct		●	●	●
Industry experience	●	●	●	●
Legal, regulatory, compliance		●	●	●
Sustainability	●	●	●	●

MEDICLIN has not yet allocated the responsibilities for impacts, risks and opportunities that were identified as being material to bodies or persons in its Rules of Procedure, list of Supervisory Board duties or other relevant strategies.

Likewise, MEDICLIN has not yet implemented any specific controls or procedures for monitoring, managing and supervising the identified material impacts, risks and opportunities. These, along with an approach to target management, are to be developed and integrated into the existing processes within the next one to three years.

However, the impacts, risks and opportunities (IROs) are already largely considered in the existing processes: potential negative impacts are addressed in risk reporting, while sustainability-related risks are analysed and managed in the scope of business-related risk management. The risks related to environmental topics are not yet fully covered by the risk management system.

The internal exchange of knowledge with the Supervisory Board takes place through reporting by the ESG Working Group and whenever required. MEDICLIN is currently establishing processes to ensure that the Management Board and Supervisory Board members are always up to date with regard to sustainability matters.

In 2025 the Management Board and Supervisory members are to receive training in the fields of sustainability and CSRD compliance to further enhance their expertise. In 2025, all training formats and consultancy are to be closely tailored to meet MEDICLIN's specific circumstances.

¹ Independent of the controlling shareholder and not employed by MEDICLIN

GOV-2 Sustainability management

The responsibility for strategic sustainability management lies with the Investor Relations and Sustainability department. Under the direction of the Investor Relations and Sustainability department, sustainability topics of Group-wide relevance are discussed within the ESG Working Group. Various perspectives relevant to MEDICLIN are thoroughly examined before actions are proposed by the Investor Relations and Sustainability department and approved by the Management Board.

The **ESG Working Group** is composed of representatives of central MEDICLIN departments, including Building and Technology, Purchasing and Supplies, Real Estate Management, Human Resources, Compliance, Risk Management, Facility Management and Corporate Communication. Participants are invited to join as required. The composition of the working group depends on the issue to be discussed. The ESG Working Group meets at irregular intervals to discuss newly arising topics.

The Purchasing department is responsible for compliance with the German Supply Chain Due Diligence Act (LkSG).

The Management Board is regularly informed on sustainability topics. Reports were presented during three meetings in the 2024 financial year. The Supervisory Board is also regularly kept up to date. Reports were presented during two meetings in the 2024 financial year. In financial year 2024 the Management Board and the Supervisory Board dealt with topics related to the Company's own workforce (S1) and patients (S4).

Given their engagement in the materiality analysis, (climate) resilience analysis and CSRD compliant sustainability reporting processes, the Management Board and the Supervisory Board concerned themselves with all the identified material impacts, opportunities and risks in the reporting year (please refer to the Appendix to the sustainability report, Appendix B).

GOV-3 Integration of sustainability-related performance in incentive schemes

At present, the remuneration system only provides for a performance-related incentive scheme for one Management Board member. The percentage share of the Management Board's variable remuneration that depends on sustainability-related targets amounts to 1.97 %. The performance is assessed in tons on the basis of a defined CO₂ savings ratio. Thus, sustainability-related metrics are considered as performance benchmarks in the remuneration policy. The Supervisory Board is responsible for approving and updating the conditions of incentive schemes.

GOV-4 Statement on due diligence

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2 ESRS 2 GOV-3 ESRS 2 SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 ESRS 2 SBM-2 ESRS 2 IRO-1 ESRS E1-2 ESRS S1-2 ESRS S4-2
c) Identifying and assessing adverse impacts on people and the environment	ESRS 2 IRO-1 ESRS 2 SBM-3
d) Taking actions to address those adverse impacts on people and the environment	ESRS E1-3 ESRS E5-2 ESRS S1-4 ESRS S4-4
e) Tracking the effectiveness of these efforts and communicating	ESRS E1-4 ESRS E1-5 ESRS E1-6 ESRS E5-3 ESRS S1-5 ESRS S1-9 ESRS S1-12 ESRS S1-13 ESRS S1-15 ESRS S1-16 ESRS S1-17

GOV-5 Risk management and internal controls over sustainability reporting

MEDICLIN is using a risk management system to identify potential risks early on and to define suitable mitigation measures. A Group-wide risk catalogue that is broken down into various risk areas and categories is used to aggregate risks at Group level. The risk software in use offers the option to choose "Sustainability-related effects (ESG risks)" in the risk classification. In order to fulfil sustainability reporting requirements, these systems shall, in accordance with recommendation A.3 of the German Corporate Governance Code (GCGC), also cover sustainability-related risks. This includes suitable processes and systems for collecting and processing sustainability-related data. As some last formal steps are still outstanding in this process, recommendation A.3 GCGC was not and is not (fully) met at present. Based on the measures already initiated, however, this recommendation A.3 GCGC is to be met in the future. To date, the risks derived from the materiality analysis have not yet been fully integrated into the risk management system. Social risks are already comprehensively covered, while the integration of environmental risks is planned for the upcoming financial year.

In the course of preparing its expanded sustainability reporting, MEDICLIN has thus already defined processes and supporting systems that, as a next step, are currently being formally integrated into the internal control and risk management systems. Further, the Company is establishing additional governance structures including processes and systems for recording and processing sustainability data. The sustainability-related ICS is to be implemented in the next three years.

The material risks identified are listed in the Appendix to the Sustainability Report, Appendix B. There is currently no clearly defined approach to prioritising these risks within our risk management framework. As they have not yet been fully integrated, no detailed mitigation strategies or internal controls were recorded in the risk management system during the reporting year. In the future we will define how the results of our risk assessment and internal controls will be systematically integrated into our internal functions and processes.

Once a year, a risk report is prepared for the Management Board and Supervisory Board on the annual inventory that is carried out in the scope of risk management. Interim risk reports are presented to the Management Board and Supervisory Board in the scope of quarterly reporting.

SBM-1 Strategy, business model and value chain

MEDICLIN Aktiengesellschaft (MEDICLIN) and its subsidiaries operate only in Germany. MEDICLIN is active throughout Germany and its clinics offer professional medical services in the fields of rehabilitation (post-acute segment), acute care (acute segment) and, at some of the locations, nursing care services. This positioning enables MEDICLIN to pursue a business model of providing its patients with interdisciplinary medical care. Thus, we can link outpatient and inpatient, acute and post-acute medical services, thus increasing the efficiency of healthcare while guaranteeing a high quality standard along the entire treatment chain. This enables attentive and patient-oriented treatment as well as efficiency enhancements at the individual clinics through synergies and standardisation.

Focuses within the range of services in the post-acute and acute segments are neurology, neurological early rehabilitation, neurosurgery, psychosomatics and psychiatry, geriatrics as well as orthopaedics. Furthermore, the Group has special competencies in the areas of ENT (tinnitus, cochlea implants) and internal medicine (cardiology, pneumology, endocrinology) as well as the treatment of post- and long-COVID-19 symptoms. MEDICLIN focuses its offering of medical services on the actual demand and on comprehensive medical care for patients.

There were no changes to the key groups of products and/or services offered during the reporting period. MEDICLIN is not active outside of Germany. This did not change either in the financial year.

At the end of the reporting period, the MEDICLIN Group employed a total head count of 9,822¹ persons.

¹ The metric was determined in the same way as the metrics in S1.

VALUE CHAIN

MEDICLIN's value chain encompasses all activities required to render excellent medical care. We distinguish between upstream and downstream processes that support the core value-creating activities: diagnostics, treatment, nursing care and rehabilitation.

Upstream and downstream activities like purchasing, staff management, patient logistics and discharge management are crucial to efficiently operating our facilities. The smooth interaction between these processes not only contributes to the quality of patient care but also guarantees the economic stability of our Company. Here, sustainability matters are continuously gaining importance. Patients, public institutions, insurance providers and investor are increasingly demanding transparent, environmentally friendly and socially responsible supply chains. Legal requirements, for instance those under the German Supply Chain Due Diligence Act (LkSG), are also placing the focus on sustainability criteria.

As a healthcare service provider, MEDICLIN relies on a functioning and smooth supply chain. The main actors are:

- Pharmaceutical companies: they ensure the reliable supply with medicines and vaccines. Sustainability matters, such as the reduction of carbon emissions in production and sustainable packaging are becoming more and more important in this respect.
- Manufacturers of medical supplies and medical equipment: they deliver sterile and non-sterile expendable items and technical equipment. Sustainability criteria, such as resource-efficient materials and durable products, are also becoming increasingly important in this field.
- Laboratory and diagnostic service providers: they render diagnostic services, such as blood analyses. Many laboratories are already applying energy-efficient processes and using environmentally friendly chemicals.
- Suppliers of food and operating supplies: these partners supply the facilities with food, cleaning materials and other products. Regional sourcing, organic farming methods and environmentally friendly cleaning products are increasingly in demand.
- Logistics and service providers: efficient logistics are essential to avoiding supply shortages. Many companies are already reverting to means of transport with lower emissions and sustainable packaging solutions. Cleaning and catering services are rendered by in-house providers who also seek to meet environmentally friendly standards.

MEDICLIN acts as a central interface between patients, medical care and external partners. Close collaboration with all actors benefits the supply quality and economic viability of the facilities. To meet the rising sustainability-related expectations of patients, regulatory authorities and investors, MEDICLIN constantly adapts its processes accordingly.

In the materiality analysis, MEDICLIN also considered the upstream and downstream value chain. The impacts of the strategies, actions and targets on the full supply chain are explained in the following chapters.

MEDICLIN procures a multitude of essential resources, including medicines, medical equipment, medical consumables, water, energy, construction materials, operating supplies and food. In addition to supply security and quality, sustainability matters are gaining importance.

Important areas of procurement:

- Medicines: are procured from certified pharmaceutical companies who focus on safety and quality.
- Medical equipment and medical consumables: cooperation with leading manufacturers of equipment for diagnostics and treatment as well as protective gear and bandaging materials.
- Energy and water: long-term contracts for reliable supply.
- Construction materials and operating supplies: are required for modernising the infrastructure and IT-supported administration processes.
- Food and beverages: cooperation with regional and supra-regional suppliers.

MEDICLIN pursues different approaches to gathering, developing and securing those inputs:

- Long-term supplier contracts to ensure stable supply and cost control.
- Collaboration with suppliers who deliver certified products subject to regular quality control.
- Strategic partnerships with manufacturers to develop innovative products and solutions.
- Risk management and warehousing to minimise bottlenecks, in particular for critical products such as medicines and medical equipment.
- Sustainability initiatives to reduce energy consumption and to promote greener procurement strategies.

MEDICLIN offers comprehensive healthcare services by integrating rehabilitation, acute care and in-patient nursing care. The nationwide network of outpatient and inpatient services as well as our ambitious quality standards provide for optimised processes. Patients benefit from a comprehensive care approach with specialised treatment options, particularly in the fields of neurology, psychosomatics, geriatrics and orthopaedics.

Investors benefit from a stable, future-proof business model with efficiency enhancements from synergies and standardisation. The advancement of medical concepts, such as in post- and long-COVID treatment, highlights MEDICLIN's innovative strength. Close collaboration between clinic management and regional management ensures economic stability and creates long-term benefits for all stakeholders.

MEDICLIN offers high-quality medical care including diagnostics, therapy and emergency services, supplemented by qualified nursing care and patient treatment, which together constitute a holistic care approach. The close collaboration with universities and research institutions advances medical innovation, while effective quality management and compliance with legal requirements maintain the high standards. In addition, our professional infrastructure and facility management ensure the smooth operation of our clinics, including building administration, cleaning and catering. Digital transformation is playing a crucial role as modern IT solutions are used in patient administration and medical documentation.

The key resources of MEDICLIN include, in particular, the medical staff consisting of physicians, nurses and therapists, as well as highly modern medical technology and IT infrastructure. Furthermore, real estate properties, such as clinics, operating theatres, rehabilitation facilities and buildings for rehabilitation and nursing care homes are essential to our range of services. Financial resources consisting of equity, loans and funding programmes ensure long-term operations, while strategic partnerships with research institutions, pharmaceutical companies and insurance providers support the medical and economic performance.

MEDICLIN uses different distribution channels to address patients. In addition to direct interaction in emergency units, inpatient and outpatient treatment in acute care, rehabilitation and online therapy, methods such as digital platforms supporting online appointment booking, telemedicine and the digital health record are gaining importance. Collaboration with general practitioners and specialised physicians strengthens the network and allows for targeted patient management. MEDICLIN further presents itself at health fairs and industry events to strengthen its collaboration with other players in the healthcare sector.

The key customer group consists of patients using inpatient and outpatient treatment and the residents of nursing homes. Additionally, MEDICLIN works closely with external healthcare professionals including physicians and therapists to ensure comprehensive care. Insurance companies, i.e. both statutory and private health insurance companies as well as social security pension funds, play a crucial role in financing these treatments. Public institutions and authorities shape the framework of the healthcare sector through regulatory measures and funding programmes. Finally, research institutions and companies are important partners, in particular with regard to developing new medical innovations and carrying out clinical studies.

MEDICLIN has various business relationships that are essential for the operation and further development of its facilities. The collaboration with suppliers like pharmaceutical companies, manufacturers of medical devices and suppliers of medical expendable items is crucial. In order to guarantee the reliable supply with these products, MEDICLIN has contractual agreements with logistics providers who provide for efficient procurement and timely delivery of materials.

The relationships with statutory and private health insurance companies and the social security pension are essential to the funding of medical services. MEDICLIN negotiates regularly regarding payment terms to ensure transparent and fair billing.

Transparency regarding the sustainability of medical services is further gaining significance. Partnerships with outpatient facilities also help to create closer links between the healthcare structures. Another central element is the partnerships with medical and scientific institutions. MEDICLIN is actively involved in research projects and works closely with university hospitals. In addition, the Company has partnerships with universities to provide training and further qualification to medical professionals. The participation in clinical studies contributes to developing new treatment methods and therapies.

MEDICLIN works closely with public institutions, authorities and political decision-makers to comply with medical standards and legal requirements and to actively contribute to the further development of the healthcare system. Subsidies are used to constantly expand the hospital infrastructure. At the same time, professional associations contribute to quality assurance through scientific exchange, while sustainability matters are increasingly finding consideration in regulatory requirements. Ultimately, the relationship with patients is at the heart of the business model. MEDICLIN

relies on individual, high-quality medical care and uses digital channels to improve patient communication. Transparent processes and comprehensive care optimise the patient experience, sustainably fostering trust and patient satisfaction in the long term.

In the year under review, the Group generated sales amounting to EUR 748.8 mill., EBITDA amounting to 103.8 mill. and a Group operating result of 53.5 mill. The post-acute segment generated sales of EUR 484.7 mill., while the acute segment generated sales of EUR 233.5 mill., the nursing care segment sales of EUR 23.3 mill. and the service segment sales of EUR 7.3 mill. For the sustainability report, the operating segments are aggregated to form one reportable segment as they have similar economic characteristics.

MEDICLIN operates cogeneration units to supply its facilities with electricity and heat. In addition to biogas, these cogeneration units also burn fossil gas. MEDICLIN does not derive any income from coal, oil or gas.

CORPORATE STRATEGY AND SUSTAINABILITY POLICY

MEDICLIN aims to offer modern, patient-centred medical services with a focus on rehabilitation, while striving to establish the most comprehensive care chains possible.

The corporate strategy is based on several pillars that contain, among others, the following core components:

- Specialisation of clinics: by focusing on specialised medical indications, a high quality of treatment is guaranteed.
- Digital transformation: the gradual digitalisation of internal processes and patient services increases efficiency and improves the patient experience.
- Strategic partnerships: the cooperation with Asklepios Kliniken GmbH & Co. KGaA and its subsidiaries strengthens the market position and expands the range of services.

These strategic approaches are constantly reviewed and adjusted to meet current developments in order to react proactively to changes in the healthcare market.

We are convinced that we can achieve lasting success if we harmonise economic, ecological and social factors. For this reason, MEDICLIN is currently developing a holistic sustainability policy. This is currently running as planned. MEDICLIN is currently in the first phase of data collection. The sustainability policy will cover the ESG areas (Environment, Social, Governance). The Group will also define measurable metrics in this sustainability policy that will cover the reduction of the facilities' carbon emissions (scope 1 to 3), the reduction of the Group's waste volumes and social targets in connection with patient safety and satisfaction as well as staff health and employee satisfaction.

MEDICLIN is currently also working on a transition plan for climate change mitigation. The transition plan and the sustainability policy are to be completed and adopted by the Management Board by the end of 2027. Furthermore, within the broader corporate framework, MEDICLIN is developing a waste management concept and a transformation plan focusing on energy savings through structural optimisation of facilities, as well as the introduction and expansion of training programmes for employees.

MEDICLIN AG's sustainability policy will refer to the group as a whole. MEDICLIN is a healthcare service provider and offers only medical services. Therefore it has no significant groups of products to which specific sustainability-related goals could be related. For instance, MEDICLIN has the following customer and service groups, for which future sustainability targets will be developed:

- Children and adolescents who are treated in our clinics for child and youth psychiatry
- Residents of our retirement homes
- Patients in the various fields of rehabilitation
- Patients receiving acute care

Since MEDICLIN is only active on the German market, it has no sustainability-related goals for other markets.

SBM-2 Interests and views of stakeholders

MEDICLIN maintains constant structured exchange with its key stakeholders, especially patients, employees and investors, who have a material influence on business operations. The ongoing dialogue enables us to systematically record, better understand and, ultimately, meet their needs.

MEDICLIN uses different channels for this exchange, including websites, publications, patient events, patient newsletters, employee magazine, townhall meetings and the annual Capital Market Day. In addition, electronic feedback systems, surveys, regular reporting and internal communication platforms are used to ensure comprehensive and transparent communication with our stakeholders.

The following table provides more details on the engagement with our main stakeholders:

Stakeholders and category	Engagement format	Engagement purpose	Consideration of the engagement findings
Patients	– Complaints mechanisms like questionnaires or – electronic feedback systems	Improving patient satisfaction Building trust	Evaluation /findings of the survey, individual examination, deriving action
Investors	– Annual balance sheet press conference – Quarterly publication of financial reporting – Quarterly reporting to lending banks/business partners	Building trust Providing information on the business performance Creating a basis for cooperation Convey an understanding of the healthcare system	Considering Investor Relations'/Creditor Relations' need to receive information by providing regular reports and bilateral exchange
Employees	– Intranet, Sharepoint	Exchanging information Raising awareness of relevant topics	Exchange between employees, departments, operating level

EMPLOYEES

The interests, views and rights of its employees inform MEDICLIN's strategy and business model. Various formats for engagement ensure that their views are heard and considered in our strategic decision-making. This includes:

- Working groups: employees contribute their expertise in cross-departmental working groups to develop joint solutions.
- Strategy meetings: employees participate in strategy meetings where they can contribute to developing the Company's strategic orientation and present their ideas and proposals.
- Clinic management conferences: management conferences are held regularly at clinic and Group level. They comprise employees from various departments who are actively involved in the discussions and decision-making.

Furthermore, their interests are taken account of through the Group Works Council and its co-determination rights concerning the corporate strategy. The corporate strategy considers material impacts on employees and implements actions to increase their satisfaction.

PATIENTS

Our patients are also actively involved in shaping and improving our healthcare services.

- Surveys: we carry out regular patient satisfaction and needs surveys to achieve continuous quality enhancements.
- Complaint management: transparent and easily accessible system in all clinics.

The consideration of various stakeholder perspectives is essential to MEDICLIN's success. The expectations of patients, coverage providers and referring physicians have particular priority. The patient perspective is assessed and analysed through internal surveys and external quality assurance programmes. These analyses help make targeted adjustments to optimise the patient experience.

As part of the materiality analysis and strategic processes, we continuously assess how our business model and strategy have material impacts on our stakeholders – whether through the quality of patient care, the working conditions of our employees or the economic development of the Company.

The feedback from these dialogues directly informs our decision-making processes. For example, results from patient surveys can lead to targeted actions to improve the quality of care. Feedback may also prompt us to develop new policies. If negative impacts on stakeholders become apparent, targeted adjustments are made to the business model or strategy to counteract them and fulfil our duty of care.

We are planning to maintain this close engagement with our stakeholders in the upcoming reporting year. Regarding the material topics from the materiality analysis, there is currently no specific timetable for the next exchange with stakeholders. This, however, will be defined and implemented as part of MEDICLIN's strategic development. The planned actions are to improve the communication with our stakeholders. We expect to gain an even better understanding of the needs of our employees and patients, especially by continuing to conduct our surveys. We also aim to

intensify our engagement with investors to ensure transparency and further strengthen trust. Overall, we expect that our stakeholder relationships will continue to develop positively through these actions, enabling us to incorporate their perspectives even more effectively into our strategic decisions.

The Management and Supervisory Boards of MEDICLIN regularly receive updates on the views and interests of affected stakeholders concerning the sustainability-related impacts of the Company's activities. This takes place in the form of written and verbal reports inside and outside of meetings. The reports contain relevant information on the expectations and perspectives of stakeholder groups that may be affected by MEDICLIN's activities, e.g. based on the findings from patient surveys, employee dialogue or discussions with suppliers, non-governmental organisations, etc.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

In its materiality analysis, MEDICLIN identified the material impacts, risks and opportunities in connection with sustainability matters in the 2024 financial year, focusing, in addition to the operation of its own healthcare facilities, on the upstream and downstream value chain.

MEDICLIN did not identify any potential material impacts, opportunities and risks to be covered by additional entity-specific disclosures. The identified IROs are presented in the following topical chapters.

After taking into account policies and actions already implemented or planned, MEDICLIN has currently not identified any financial effects of material risks or opportunities on its financial position, earnings or cash flows. The Group does not see any significant risks in the next reporting period that would require an adjustment to the values of assets and liabilities as shown in the annual financial statements. For more information on risks and opportunities, please refer to the Risk and opportunity report within the summarised management report.

MEDICLIN identified the material impacts, risks and opportunities (IRO) of its business conduct on the environment and people in its materiality analysis pursuant to ESRS 1 and manages the IROs accordingly. This is done in accordance with the business model, the value chain and the strategic orientation and decision-making processes. MEDICLIN has taken various actions, which are continuously further developed, to manage the effects of the Company's business conduct on the environment and people. Investments in energy-efficient infrastructure, for instance, ensure that resources are used efficiently and that the environmental footprint is reduced. Moreover, ongoing training measures for employees and the promotion of an open corporate culture contribute to employee satisfaction and loyalty. Transparent decision-making processes and a clear compliance strategy help MEDICLIN to act responsibly and build stakeholder trust. These actions are evaluated on a regular basis and adjusted to meet current requirements and to optimally use arising opportunities.

Material impacts, risks and opportunities arising from MEDICLIN's business model are fully covered by the sustainability topics referred to in the ESRS.

MEDICLIN AG operates 26 rehabilitation clinics, five acute-care hospitals, ten medical treatment centres and six retirement homes in eleven federal states. This geographical footprint gives the Company access to a wide range of patients and helps cover regional health care needs. At the same time, however, it requires careful coordination of resources and processes to ensure consistent treatment quality.

Upstream value chain

Inputs: the procurement of medical equipment, expendable items and medicines is an important element of the upstream value chain. The energy consumed and pollutants emitted during the production of the items that MEDICLIN sources, including medicines, chemicals, food, agricultural produce, medical equipment, instruments and hospital equipment account for the majority of GHG emissions in the supply chain. By procuring these products, MEDICLIN indirectly causes GHG emissions and thus contributes to global warming. Through the transportation of certain groups of products (including medicines and technology) over land and sea to the Company's own locations and the transportation of patients, MEDICLIN indirectly causes GHG emissions and thus contributes to global warming. Additionally, the transportation of some of the raw materials and products (e.g. biologics, vaccines, insulin) must be temperature-controlled, further increasing transport-related GHG emissions. The dependency on suppliers entails risks related to supply shortages or quality issues. At the same time, the collaboration with innovative producers offers opportunities to benefit from medical progress early on. These inputs mainly originate from Germany, other European countries and the US.

Downstream value chain

Outputs and distribution channels: the materiality analysis under ESRS 1 identified no material impacts, risks and opportunities in the downstream value chain, which is why this statement contains no disclosures on outputs and distribution channels. Although, by definition, our patients are part of the downstream value chain, we regard them as part of our own operations, given their significance for our business model.

By continuously analysing and adapting the value chain, MEDICLIN AG strives to minimise risks and use opportunities to provide reliable medical care.

All the IROs along the entire analysed value chain that we consider to be material are presented in the Appendix to the Sustainability Report, Appendix B.

Resilience analysis

ESRS 2: Disclosure requirement SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Opportunities and risks were identified, analysed and assessed in the course of the double materiality analysis. We consider the approach reflected in the policies and actions to be sufficient to ensure that our strategy and business model are resilient in terms of their ability to manage material impacts and risks and to seize material opportunities.

E1: Disclosure requirement related to ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Climate-related risks were identified and analysed in the scope of the double materiality analysis. In this context, two scenarios were considered in accordance with ESRS requirements. In order to assess the climate-related physical risks to its own assets and operations and the transition risks and opportunities in its own operations as well as the upstream and downstream value chain, MEDICLIN carried out a climate resilience analysis in the reporting year.

The identified risks include both climate-related transition and climate-related physical risks. The climate-related physical risks identified were deemed immaterial.

The assessment of climate-related physical risks is based on the Company's business model and its business activities as a hospital operator. Extreme weather events, such as heatwaves resulting from climate change, will have only a minor direct impact on our business model, as healthcare and nursing care services are considered essential infrastructure.

MEDICLIN's infrastructure consists of healthcare facilities that are generally protected against local physical risks such as flooding or storms.

In the area of transition risks, MEDICLIN identified five material risks that are listed in the following table.

Sub-topic	Short IRO title	Description of the risk	Risk type
Climate change adaptation	Cost of climate change adaptation	Financial risks from investments to make the Group climate-resilient and climate-neutral by 2045 (e.g. for new buildings or conversions).	Transition risk (market and investments)
Climate change mitigation	Cost of regulatory requirements	Financial risks resulting from adaptations to comply with regulatory requirements related to climate change mitigation. In addition, there is a financial risk resulting from the failure to comply with such requirements.	Transition risk (politics and law)
Climate change mitigation	Cost of mitigation actions	Financial risks resulting from the cost of actions to reduce greenhouse gas emissions (GHG emissions) in the operation of healthcare facilities, e.g. introduction of subsidised public transport (Jobticket) or exchanging products for more sustainable options.	Transition risk (market and investments)
Energy	Rising energy costs (own operations)	Financial risks resulting from potentially rising energy prices, for instance due to carbon pricing or switching to more expensive renewable energy sources.	Transition risk (market and investments)
Energy	Rising cost of required products due to higher energy prices	Financial risks resulting from potentially rising cost of procuring raw materials and products required in clinic operations due to (globally) rising energy prices.	Transition risk (market and investments)

The business model is considered to be resilient with regard to transition risks. The assessment is based on the following factors:

- **Adaptability:** MEDICLIN has implemented various actions to adapt and react to climate change, some of which go beyond the decarbonisation levers presented in the E1 section. The corporate strategy is constantly adapted to the changing climate change conditions.
- **Engagement:** MEDICLIN regularly exchanges information with its sister and parent group about ESG topics to receive constant updates on relevant climate risks and the corresponding strategies and to jointly develop policies and actions to master the resulting challenges.

E4: Disclosure requirement SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

At present, we do not consider biodiversity and ecosystems to be a material topic for MEDICLIN, which is why these topics are not reflected in our strategy or our business model.

IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

In financial year 2024 MEDICLIN carried out a materiality analysis under CSRD to identify and assess its relevant sustainability topics in order to develop a systematic approach to manage material impacts, risks and opportunities and to define focus topics and actions to be taken.

In the reporting year, the Group carried out a materiality analysis together with the entire Asklepios Group. MEDICLIN was fully involved in this process and was thus able to identify its own specific impacts, risks and opportunities.

The analysis and assessment of the impacts, risks and opportunities was carried out by means of a structured and multi-stage process. In the first stage, we analysed the corporate context, including the business model, business relationships and upstream and downstream value chain. We further identified the main affected stakeholder groups and defined how to involve them in the materiality analysis process.

The impacts, risks and opportunities were assessed in three steps: first, the ESG Working Group that also includes participants from other parts of the parent group carried out an assessment of the identified impacts and financial opportunities and risks. This Working Group is composed of representatives of the sustainability departments of Asklepios, RHÖN and MEDICLIN. Subsequently, internal experts from Group and specialised departments and representatives of MEDICLIN each assessed the IROs with regard to topics within their expertise. In doing so, they also considered the perspectives of the relevant external stakeholder groups. This list was again discussed in three topical assessment workshops involving also the internal stakeholders, and adjustments were adopted and justified.

The assessments made in the workshops were critically reviewed by the ESG Working Group and presented to the respective experts for commenting.

In the last stage, the assessments and thus the final list of material sustainability topics was confirmed and approved by MEDICLIN's Management Board.

The materiality analysis covers all of MEDICLIN's subsidiaries and locations as well as the upstream and downstream value chain and was carried out with the due care and diligence.

INPUT PARAMETERS

We used both internal data and publicly available external sources (incl. analyses of the regulatory and competitive environment, SASB standards for medical care, media reports and surveys) as input parameters, especially for the impacts on people and the environment.

STAKEHOLDER ENGAGEMENT

We considered the interests of relevant internal and external stakeholder groups in our double materiality analysis. We did not carry out any direct consultations with affected external stakeholders (e.g. affected communities); instead, they were represented in the process by internal and external experts and representatives of the Group companies. At present, we are planning to repeat the materiality analysis every two to three years. In the upcoming financial year, the materiality analysis will undergo a plausibility check and will be updated if required.

IMPACT MATERIALITY

The starting point for determining potentially material ESG topics and the associated impacts, financial risks and opportunities were the sustainability matters as per ESRS 1 AR 16 with their sub-topics and sub-sub-topics. Further, we considered industry-specific topics. Based on this long list, we collected information to determine which topics could have impacts on people and the environment, either along the value chain or in our own operations.

The materiality of the impacts of the various sustainability topics was separately assessed and characterised. We analysed both the actual and potential positive and negative impacts on people and the environment in our own operations and the upstream and downstream value chain. We considered various time horizons to show the short-, medium- and long-term impacts the individual sustainability topics might have. We further examined whether any of the topics could entail a negative human rights impact.

Whether impacts are classed as material depends on their severity and, in the case of potential impacts, also on their likelihood of occurrence (in %). The severity is calculated as the average of the factors scale, scope and irremediable character (where negative impacts are concerned) which are each assessed on a scale from 0 to 5. The final assessment of an impact is determined by multiplying severity with likelihood of occurrence. In the case of a potential negative human rights impact, the severity of the impact took precedence over its likelihood. In order to determine the material impacts, we defined a threshold value (3.5) on the basis of the implementation guidance by the European Financial Reporting Advisory Group (EFRAG). Topics classed just under or over this value (3.5) were

further analysed. In doing so, we additionally considered the maximum approach as per ESRS 1 AR 11: any of the three characteristics (scale, scope and irremediable character) can make a negative impact severe.

FINANCIAL MATERIALITY

We linked the analyses of impact materiality and financial materiality to account for the interdependencies between these two dimensions, i.e. financial risks and opportunities resulting from the identified negative and positive impacts.

We characterised the financial effects in terms of the dimensions of opportunity/risk, timeline and their stage of the value chain and assessed them in terms of likelihood of occurrence and financial scale in the short-, medium- or long term. The final assessment is calculated as the likelihood of occurrence (%) multiplied with the scale of the financial effect (on a scale of 0 to 5). To determine material risks and opportunities, we determined a materiality threshold on the basis of the EFRAG implementation guidance¹. Topics classed just under or over this value (3.5) were further analysed.

STANDARDISED RISK ASSESSMENT PROCESS

MEDICLIN pursues a holistic risk management approach that considers both financial and non-financial risks. A standardised process is applied to take account of risks with financial effects on MEDICLIN. The system is based on standardised and automated processes that provide for a consistent risk assessment process across the entire Group. It combines bottom-up and top-down approaches to identify, assess and effectively manage risks at an early stage.

One central element thereof is half-yearly risk and opportunity reporting at clinic and Group level, supplemented by additional reports on critical topics whenever required. The assessment is based on quantitative factors (i.e. likelihood of occurrence and effects on EBITDA) and qualitative factors (e.g. additional reports.). Based on these analyses, the risk managers develop actions to manage risks.

All business-related risks must be documented in the risk management software copa.ris and assessed with regard to their main aspects by the respective risk owner. Risks are assessed with regard to the two dimensions of "likelihood of occurrence" and "financial impact". The assessment takes account of both actions already taken (status quo assessment) and actions planned (target assessment).

Risks are broken down into four classes on the basis of their potential negative impacts:

- "Acceptable" (up to 1 % of EBITDA)
- "Monitoring required" (up to 5 % of EBITDA)
- "Action required" (up to 10 % of EBITDA)
- "Highly critical" (more than 10 % of EBITDA)

¹ www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment_final.pdf
(Unaudited Internet source)

This classification is based on the expected loss value, which results from the combination of probability of occurrence and financial impact. In 2024 no risks were allocated to the highest risk class “highly critical” at Group level, meaning there were no risks threatening the Company’s existence.

To ensure professional implementation, the risk management process and responsibilities are documented in detail in a handbook. The manual lays out risk policy principles, legal framework conditions and specific requirements for risk inventory. The results are summarised twice a year in a risk and opportunity report, adopted by the Management Board and submitted to the Supervisory Board for information. The process is supported by a designated risk management software, which ensures that all reporting units are closely interconnected.

Additional information on our risk management approach is available in the risk and opportunity report in the management report.

FUTURE REPORTING

At the close of financial year 2024, MEDICLIN is for the first time reporting in accordance with the new EU standards, i.e. the European Sustainability Reporting Standards (ESRS). The material topics and matters determined in the process for identifying impacts, risks and opportunities are to be reviewed and updated every year.

ESRS 2: Disclosure requirement IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

E1: Disclosure Requirement related to ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities

As part of the double materiality analysis, both climate-related impacts and physical and transition climate risks were considered. The analysis includes actual and potential impacts on climate change, for example through the emission of greenhouse gases, as well as physical risks (for example due to extreme weather events or temperature changes, such as heat waves) and transition risks (for example due to regulatory changes or market requirements in connection with decarbonisation).

The identified actual or potential positive and negative impacts were assessed in terms of their severity and likelihood from the perspective of the materiality of the impacts. The identified climate impacts of MEDICLIN arise primarily from the energy consumption at its facilities and the related greenhouse gas emissions. Additionally, the production of medical-technical devices, medical consumables, building materials, other operating supplies and food in the upstream value chain, as well as the disposal of packaging and disposable products in the downstream value chain, can burden the environment.

From a financial materiality perspective, the identified risks and opportunities were assessed in terms of their financial effects. In doing so, short-, medium- and long-term time horizons were considered in order to obtain a comprehensive picture of climate-related risks and opportunities. Given MEDICLIN's business model, the focus related to physical risks lies in the potential vulnerability of clinics, medical care centres and nursing care facilities, while transitional risks mainly relate to rising costs resulting from increased regulatory requirements.

In the context of the materiality assessment, it was determined that the physical risks of climate change are low in view of the characteristics of the facilities' locations.

Like the majority of companies in the European Economic Area, MEDICLIN is exposed to transition risks regarding rising energy prices and regulatory developments. Therefore five material risks were identified in this report.

Sub-topic	Short IRO title	Impact description	Positive/ negative and/or opportunity/ risk	Actual/ Potential	Direct/ con- tributes/ indirect	Stage of value chain	Potential time horizon
E1 – Climate change							
Climate change adaptation	Cost of climate change adaptation	Financial risks from capital expenditure to make the Company climate-resilient and climate-neutral by 2045 (e.g. for new buildings or conversions).	Risk	n/a	n/a	Own operations	Short- to medium-term
Climate change mitigation	Cost of regulatory requirements	Financial risks resulting from regulatory requirements related to climate change mitigation. In addition, there is a financial risk resulting from the failure to comply with such requirements.	Risik	n/a	n/a	Own operations	Short- to medium-term
Climate change mitigation	Cost of mitigation actions	Financial risks resulting from the cost of actions to reduce GHG emissions in the operation of healthcare facilities, e.g. introduction of subsidised public transport (Jobticket) or exchanging products for more sustainable options.	Risik	n/a	n/a	Own operations	Short- to medium-term
Energy	Rising energy costs (own operations)	Financial risks resulting from potentially rising energy prices, e.g. due to carbon pricing or switching to more expensive renewable energy sources.	Risik	n/a	n/a	Own operations	Short- to medium-term
Energy	Rising cost of required products due to higher energy prices	Financial risks resulting from potentially rising cost of procuring raw materials and products required in clinic operations due to (globally) rising energy prices.	Risik	n/a	n/a	Upstream	Short- to medium-term

E2: Disclosure requirement related to ESRS 2 IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

As a healthcare provider, MEDICLIN's materiality analysis did not identify any locations or business activities related to environmental pollution. No material impacts, risks or opportunities have been identified in this regard. No consultation with affected communities took place as no material impacts, risks and opportunities were identified with respect to pollution.

E3: Disclosure Requirement related to ESRS 2 IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

Due to the specifics of MEDICLIN's business model, our assets and business activities do not depend on water and marine resources. None of our locations is situated in an area at water risk. In Germany this refers to regions that might be affected by flooding. A potential water-related risk is that heavy rainfall events may lead to flooding, allowing water to enter buildings, cause damage and potentially become contaminated by substances stored on site. As none of our locations are situated in such flood-prone areas and there is no connection to marine resources, we do not identify any material risks for our own operations or the downstream value chain.

A detailed analysis of the upstream value chain is to be carried out within the next three years. Given the findings to date, no resilience analysis was carried out beyond this scope.

E4: Disclosure Requirement related to ESRS 2 IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities

MEDICLIN does not have any locations in or in the vicinity of biodiversity sensitive areas. Therefore, and being a healthcare provider, MEDICLIN's materiality analysis did not identify any locations or business activities related to biodiversity or ecosystems. No material impacts, risks or opportunities have been identified in this regard.

No consultation with affected communities took place as no material impacts, risks, or opportunities regarding biodiversity and ecosystems were identified.

E5: Disclosure requirement related to ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy

In order to identify the material impacts, risks and opportunities related to resource inflows and waste, MEDICLIN analysed both its own assets and business activities as well as its upstream and downstream value chain. Internal stakeholders like waste officers were consulted for expert advice to assess the impacts and risk related to resource inflows and waste. Given the strict hygiene requirements in the healthcare sector, MEDICLIN frequently uses packaged sterile disposables and instruments, which leads to a high use of resources. Further, MEDICLIN purchases products (incl. medicines, chemicals, agricultural products, medical equipment, instruments, hospital equipment, as well as food and beverages to cater for employees and patients), the production of which requires significant resources. The interests of affected communities were analysed indirectly by engagement with the internal stakeholders. The high waste volumes lead to negative impacts on the environment. The waste incurred at the facilities largely consists of disposable items made from plastic and metal (e.g. syringes, tubes, protective gear) and their packaging. In addition, the catering for patients leads to food waste adding to the overall waste volumes. MEDICLIN is confronted with rising costs resulting from political and legal requirements.

G1: Disclosure Requirement related to ESRS 2 IRO-1 G1.6 – Disclosure of all relevant criteria used in the process, including location, activity, sector and the structure of the transaction

MEDICLIN provides a detailed description of all the relevant criteria in its process to identify material impacts, risks and opportunities (IROs). This includes, in particular, the location, nature of the business activity, the sector and the structure of the respective transaction. The materiality analysis under ESRS 1 covers all the Group locations of MEDICLIN AG. All the operating units of MEDICLIN are active in the same sector, i.e. the healthcare sector. This sector was analysed, focusing on both the Company's own operations and the upstream and downstream value chain. These factors were systematically analysed to precisely assess the impacts as well as potential risks and opportunities and to make informed business conduct-related decisions. The Compliance and Human Resources and Legal functions were involved in the materiality analysis to be able to identify impacts, risks and opportunities related to business conduct. The materiality analysis was further presented to the Management Board of MEDICLIN AG and approved. This detailed process ensures that all material matters are taken into account and that transparent and well-founded assessments are made.

IRO-2 COVERED DISCLOSURE REQUIREMENTS

In preparing the sustainability statement on the basis of the findings of the materiality analysis, MEDICLIN followed the disclosure requirements listed in the Appendix to the Sustainability Report, Appendix A.

The table of datapoints in cross-cutting and topical standards that derive from other EU legislation is included in the Appendix to the Sustainability Report, Appendix C.

2. Environmental information

As a healthcare provider, MEDICLIN has special responsibilities, covering not only our patients and workforce, but also the environment and future generations. We take environmental standards very seriously and aim to actively reduce the negative impacts of our operations on the environment and the climate and to make a contribution to climate change mitigation and environmental protection.

Being part of the Asklepios Group, MEDICLIN focuses on three environmental key areas: energy consumption, waste reduction and climate change adaptation and mitigation.

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852

General

With the European Green Deal, the European Union (EU) has set the objective of becoming climate-neutral by 2050. One element of the action plan developed as a result is Regulation (EU) 2020/852 ("EU Taxonomy Regulation"), which acts as a classification system for environmentally sustainable economic activities and aims to direct the flow of capital towards sustainable investments in the long term.

Under the EU Taxonomy Regulation, MEDICLIN AG is required to disclose information on turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with "environmentally sustainable" economic activities.

According to article 3 of the EU Taxonomy Regulation, economic activities are considered environmentally sustainable or taxonomy-aligned if they contribute substantially to one or more environmental objectives, do not significantly harm other environmental objectives and comply with the minimum social safeguards. In addition to the rate of taxonomy-eligible activities, the Company must also disclose the share of taxonomy-aligned identified economic activities. The following also takes into account that the EU has established technical screening criteria for environmental objectives 1 to 6 of the EU Taxonomy Regulation, and that for the first time, environmental objectives 3 to 6 had to be assessed for taxonomy alignment.

General approach

In the reporting year the Company conducted a review in accordance with the Taxonomy Regulation (EU) 2020/852 to establish whether part of the turnover, capital expenditure and operating expenditure associated with MEDICLIN's economic activities classifies as taxonomy-eligible or taxonomy-aligned.

MEDICLIN compared its own economic activities and the turnover (or sales) generated with such activities to the economic activities described in the delegated acts.

MEDICLIN's assessment of the taxonomy eligibility and taxonomy alignment concentrates on the economic activities of a healthcare provider as these are the turnover-generating services. The economic activities of the subsidiaries (energy management, cleaning and catering) are classified as supporting activities required to carry out the Group's activities as a healthcare provider. They do not generate any external turnover, which is why their economic activities do not need to be considered in the disclosures on taxonomy-eligible turnover.

As a health care provider, MEDICLIN does not generate any taxonomy-eligible turnover

Following a review covering all the relevant departments and functions, MEDICLIN has come to the conclusion that its economic activities are not covered by any of the six environmental objectives specified in the delegated acts on the environmental objectives and that the Group therefore does not generate any taxonomy-eligible turnover.

Focus on CapEx and OpEx

As MEDICLIN does not generate any taxonomy-eligible turnover, the focus with regard to sustainable business activities is thus placed on capital expenditure (CapEx) and operating expenditure (OpEx), i.e. maintenance and repairs.

A list of potentially taxonomy-eligible activities was allocated to environmental objective 1 and 4 and summarised accordingly in financial year 2024. MEDICLIN makes a contribution to the first environmental objective Climate change mitigation (CCM). All of MEDICLIN's taxonomy-eligible activities serve this environmental objective. Some of the activity descriptions under environmental objective 4 Circular Economy (CE) are the same as those for the first climate objective with regard to taxonomy eligibility. Therefore, the relevant activities with the same descriptions are also classified as taxonomy-eligible for environmental objective CE.

The taxonomy-eligible activities identified in the impact analysis potentially contribute to the climate change mitigation and the circular economy objectives. Taxonomy-eligible economic activities regarding the additional environmental objectives 2, 3, 5 and 6 were not identified.

Group Accounting, the Building and Technology and the Purchasing department of MEDICLIN reviewed the capital, repair and maintenance expenditures in the year under review together with the Sustainability Working Group to determine whether they classify as either taxonomy-eligible or taxonomy-aligned. First, the working group recorded the individual capital, repair and maintenance expenditures according to their nature to then assess them on the basis of the descriptions of the economic activities listed in Annex I (Climate change mitigation) of Delegated Regulation (EU) 2021/2139 and Annex II (Circular economy) of Delegated Regulation (EU) 2023/2486 and the NACE codes provided therein.

To avoid figures being counted twice, plausibility checks were carried out when recording the CapEx and OpEx KPIs. For example, in the area of construction capital expenditure, new build projects were considered separately from renovation projects and individual measures. The KPIs are based on the accounting policies used in the financial reporting. In the case of interpretation uncertainties with regard to the wording and terms contained in the EU Taxonomy Regulation and in the Delegated Acts, the additional publications by the EU Commission in the form of FAQs and also the “Questions and Answers” published by Institute of Public Auditors in Germany (IDW) were used as far as possible. In accordance with Annex I 1.1.3.2 of Delegated Regulation (EU) 2021/2178, the OpEx KPI indicates the proportion (numerator) of operating expenditure that is either (a) related to a taxonomy-aligned economic activity, (b) linked to a plan for expanding or achieving an environmentally sustainable economic activity (CapEx plan), or (c) associated with the purchase of products and services from a taxonomy-aligned economic activity. In financial year 2024 OpEx consisted only of category (c).

The following taxonomy-eligible activities were identified in financial year 2024. For the evaluation of their potential taxonomy alignment (environmental objectives 1 and 4), they were matched with the technical screening criteria, thereby also reviewing whether the minimum safeguards were met. Taxonomy alignment was not achieved as either the technical screening criteria of the respective activity were not met or it was not possible to demonstrate that they are met. Beyond this scope, we have not received any substantive confirmation from suppliers regarding compliance with the minimum safeguards requirements.

- 4.30 (CCM) High-efficiency cogeneration of power and heat/cool from fossil gaseous fuels
MEDICLIN operates cogeneration units (CHP) at some of its locations. The capital expenditure and maintenance work related to these CHPs was classified as taxonomy-eligible but not taxonomy-aligned as it could not be proven that the DNSH criteria are met.
- 6.5 (CCM) Transport by motorbikes, passenger cars and commercial vehicles
The leased vehicles in MEDICLIN’s fleet are part of the vehicle pool that the Group provides to employees for business travelling. In 2024 the Company leased 45 new vehicles, four of which were electric vehicles. These four vehicles meet the technical screening criteria for the climate change mitigation objective but not the DNSH requirements.
- 7.1 (CCM) and 3.1 (CE) Construction of new buildings
The capital expenditure for the construction of new buildings at five locations was identified as being taxonomy-eligible and was matched with the technical screening criteria, thereby also reviewing whether the minimum safeguards were met. Taxonomy alignment was not yet reached as it was not possible to demonstrate that the technical screening criteria were met.

■ 7.2 (CCM) and 3.2 (CE) Renovation of existing buildings

The capital expenditure for renovating existing buildings at several locations was identified as being taxonomy-eligible and was matched with the technical screening criteria, thereby also reviewing whether the minimum safeguards were met. Taxonomy alignment was not yet reached as it was not possible to demonstrate that the technical screening criteria were met.

■ 7.3 (CCM) Installation, maintenance and repair of energy efficiency equipment

Energy-efficient equipment is installed in the scope of renovations or as a replacement. Maintenance and repairs are carried out independently thereof. This refers mainly to individual measures that, however, do not meet the criteria of contributing substantially to climate change mitigation.

■ 7.4 (CCM) Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

The capital expenditure for installing two charging stations for e-bikes and one wallbox were identified as being taxonomy-eligible. Taxonomy alignment was not yet reached as it was not possible to demonstrate that the technical screening criteria were met.

■ 7.5 (CCM) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings

Energy-efficient equipment is installed in the scope of renovations or as a replacement to manage overall energy efficiency. Maintenance and repairs are carried out independently thereof. This refers mainly to individual measures that, however, do not meet the criteria of contributing substantially to climate change mitigation.

RESULT – CALCULATION OF KEY PERFORMANCE INDICATORS (KPIs)

Turnover KPI

The Group generated turnover amounting to EUR 748.8 mill. in 2024. Please refer to the consolidated profit and loss account for the financial year from 1 January to 31 December 2024, line item 2 “Sales” on page 192 of the Annual Report 2024. For more details on the accounting policies regarding Group sales, please refer to page 206 of the notes to the consolidated financial statements. As mentioned above, MEDICLIN’s findings did not reveal any taxonomy-eligible or taxonomy-aligned turnover.

CapEx KPI

The total capital expenditure amount includes additions to non-current assets (IAS 16), intangible assets (IAS 38) and right-of-use assets (IFRS 16). Goodwill is not included in capital expenditure as it does not classify as an intangible asset pursuant to IAS 38. Gross capital expenditure including right-of-use assets under IFRS 16 amounts to EUR 39.8 mill. Without the additions under IFRS 16, capital expenditure amounts to EUR 38.8 mill. Please also refer to the segment report in the notes to the consolidated annual financial statements 2024, second-last line, last column on page 224.

The numerator for the taxonomy-eligible activities is EUR 15.1 mill., corresponding to a taxonomy-eligible share of 19.9 %. It could not be demonstrated with regard to the capital expenditure that the technical screening criteria of the respective economic activities are met. Therefore, the taxonomy-aligned capital expenditure amounts to EUR 0.0 and the share of taxonomy-aligned capital expenditure in total capital expenditure is 0.0 %.

MEDICLIN does not have a CapEx plan within the meaning of EU taxonomy to expand taxonomy-aligned economic activities or to allow taxonomy-eligible economic activities to become taxonomy-aligned.

OpEx KPI

The operating expenditure of MEDICLIN that is relevant for the denominator of the OpEx KPI comprises maintenance and repairs. EUR 18.8 mill. was spent on this in the reporting year. The numerator corresponds to the share of operating expenditure included in the denominator that is associated with individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, provided that such measures are implemented and operational within 18 months.

The numerator for the taxonomy-eligible activities is EUR 2.1 mill., corresponding to a taxonomy-eligible share of 11.24 %. They do not meet the technical screening criteria, which is why the share of taxonomy-aligned maintenance and repair expenditure is 0.0 %.

MEDICLIN has set up clear rules for allocating expenditure to accounts to ensure that neither turnover nor CapEx or OpEx are accounted for more than once.

KEY FIGURES ON EU TAXONOMY

Template: Proportion of turnover from products or services associated with taxonomy-aligned economic activities – disclosure obligations for the 2024 financial year

Economic Activities

	Code(s)	Absolute turnover in €	Proportion of Turnover in %	Climate Change Mitigation Y; N; N/EL	Climate Change Adaptation Y; N; N/EL	Water Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES						
A.1 Environmentally sustainable activities (Taxonomy-aligned)						
Turnover of environmentally sustainable activities (Taxonomy-aligned)	–	0	0.0	–	–	–
enabling activities (E)	–	0	0.0	–	–	–
transitional activities (T)	–	0	0.0	–	///	///
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)						
				EL; N/EL	EL; N/EL	EL; N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	–	0	0.0			
Total (A.1 + A.2)	–	0	0.0			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES						
Turnover of Taxonomy-non-eligible activities	–	748,754,129	100.0			
Total (A+B)	–	748,754,129	100.0			

Proportion of Turnover/Turnover

In %	Taxonomy-aligned per goal	not Taxonomy-aligned per goal
CCM	0	0
CCA	0	0
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0

Substantial contribution criteria				DNSH-criteria („Does Not Significantly Harm“)											
	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Minimum Safeguard	Taxonomy aligned proportion of turnover	Category (enabling activity)	Category (transitional activity)		
	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T		
	-	-	-	-	-	-	-	-	-	-	0				
	-	-	-	-	-	-	-	-	-	-	0	E			
				-	-	-	-	-	-	-	0		T		
	EL; N/EL	EL; N/EL	EL; N/EL												
											0.0				
											0.0				

Template: Proportion of CapEx from products or services associated with taxonomy-aligned economic activities – disclosure obligations for the 2024 financial year

Economic Activities

	Code(s)	Absolute CapEx in €	Proportion of CapEx in %	Climate Change Mitigation Y; N; N/EL	Climate Change Adaptation Y; N; N/EL	Water Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES						
A.1 Environmentally sustainable activities (Taxonomy-aligned)						
CapEx of environmentally sustainable activities (Taxonomy-aligned)	–	0	0.00	–	–	–
enabling activities (E)	–	0	0.00	–	–	–
transitional activities (T)	–	0	0.00	–		
A. 2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)						
				EL; N/EL	EL; N/EL	EL; N/EL
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1,746,639	2.16	EL	N/EL	N/EL
7.1 Construction of new buildings	CCM 7.1 CE 3.1	8,910,848	11.00	EL	N/EL	N/EL
7.2 Renovation of existing buildings	CCM 7.2 CE 3.2	2,237,944	2.76	EL	N/EL	N/EL
7.3 Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1,595,901	1.97	EL	N/EL	N/EL
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	8,482	0.01	EL	N/EL	N/EL
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	583,844	0.72	EL	N/EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	–	15,083,658	18.62	–	–	–
Total (A.1 + A.2)	–	15,083,658	18.62	–	–	–
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES						
CapEx of Taxonomy-non-eligible activities	–	65,939,189	81.38			
Total (A + B)	–	81,022,846	100.00			

Proportion of Capex/Capex

In %	Taxonomy-aligned per goal	not Taxonomy-aligned per goal
CCM	0	15,083,658
CCA	0	0
WTR	0	0
CE	0	11,148,792
PPC	0	0
BIO	0	0

Substantial contribution criteria				DNSH-criteria („Does Not Significantly Harm“)										
	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Minimum Safeguard	Taxonomy aligned proportion of turnover	Category (enabling activity)	Category (transitional activity)	
	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T	
	-	-	-	-	-	-	-	-	-	-	0			
	-	-	-	-	-	-	-	-	-	-	0	E		
				-	-	-	-	-	-	-	0		T	
	EL; N/EL	EL; N/EL	EL; N/EL											
	N/EL	N/EL	N/EL								0.2			
	N/EL	N/EL	N/EL								0			
	N/EL	N/EL	N/EL								0			
	N/EL	N/EL	N/EL								10.6			
	N/EL	N/EL	N/EL								33.5			
	N/EL	N/EL	N/EL								0.1			
	-	-	-								44.5			
	-	-	-											

Template: Proportion of OpEx from products or services associated with taxonomy-aligned economic activities – disclosure obligations for the 2024 financial year

Economic Activities

	Code(s)	Absolute OpEx in €	Proportion of OpEx in %	Climate Change Mitigation Y; N; N/EL	Climate Change Adaptation Y; N; N/EL	Water Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES						
A.1 Environmentally sustainable activities (Taxonomy-aligned)						
OpEx of environmentally sustainable activities (Taxonomy-aligned)	–	0	0.00	–	–	–
enabling activities (E)	–	0	0.00	–	–	–
transitional activities (T)	–	0	0.00	–		
A. 2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)						
				EL; N/EL	EL; N/EL	EL; N/EL
4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	412,892	2.20	EL	N/EL	N/EL
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	103,474	0.55	EL	N/EL	N/EL
7.2 Renovation of existing buildings	CCM 7.2 CE 3.2	70,155	0.37	EL	N/EL	N/EL
7.3 Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1,478,425	7.87	EL	N/EL	N/EL
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	46,608	0.25	EL	N/EL	N/EL
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	–	2,111,555	11.24	–	–	–
Total (A.1 + A.2)	–	2,111,555	11.24%	–	–	–
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES						
OpEx of Taxonomy-non-eligible activities	–	16,680,913	88.76			
Total (A + B)	–	18,792,467	100.00			

Proportion of Opex/Opex

In %	Taxonomy-aligned per goal	not Taxonomy-aligned per goal
CCM	0	2,111,555
CCA	0	0
WTR	0	0
CE	0	70,155
PPC	0	0
BIO	0	0

Substantial contribution criteria				DNSH-criteria („Does Not Significantly Harm“)										
	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Minimum Safeguard	Taxonomy aligned proportion of turnover	Category (enabling activity)	Category (transitional activity)	
	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T	
	-	-	-	-	-	-	-	-	-	-	0			
	-	-	-	-	-	-	-	-	-	-	0	E		
				-	-	-	-	-	-	-	0		T	
	EL; N/EL	EL; N/EL	EL; N/EL											
	N/EL	N/EL	N/EL								0.1			
	N/EL	N/EL	N/EL											
	N/EL	N/EL	N/EL								0.1			
	N/EL	N/EL	N/EL								18.0			
	N/EL	N/EL	N/EL								18.2			
	-	-	-											
	-	-	-											

Additional disclosure obligations in connection with nuclear energy and fossil gas

Following the amendments to Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities, the following information referred to in Article 8 (6) and (7) must be disclosed in a template for each relevant key performance indicator (KPI).

Template 1 Nuclear and fossil gas related activities

Row	Nuclear energy related activities	YES/NO
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Row	Fossil gas activities	YES/NO
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2 Taxonomy-aligned economic activities (denominator) (OpEx)

Row	Economic activity	Amount	Percentage
1.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.26 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
2.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.27 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
3.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.28 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
4.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.29 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
5.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.30 of Annex I and II of Delegated Regulation (EU) 2021/2139	EUR 0.4 mill.	2.2 %
6.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.31 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
7.	Amount and proportion of other economic activities in the OpEx denominator that are taxonomy-aligned and not listed in rows 1 to 6	EUR 0	0.0 %
8.	Total OpEx	EUR 18.79 mill.	100.0 %

Template 3 Taxonomy-aligned economic activities (numerator) (OpEx)

Row	Economic activity	Amount	Percentage
1.	Amount and proportion of the economic activities in the numerator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.26 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
2.	Amount and proportion of the economic activities in the numerator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.27 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
3.	Amount and proportion of the economic activities in the numerator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.28 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
4.	Amount and proportion of the economic activities in the numerator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.29 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
5.	Amount and proportion of the economic activities in the numerator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.30 of Annex I and II of Delegated Regulation (EU) 2021/2139	EUR 0.4 mill.	2.2 %
6.	Amount and proportion of the economic activities in the numerator of the OpEx KPI that are taxonomy-aligned pursuant to section 4.31 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
7.	Amount and proportion of other economic activities in the OpEx numerator that are taxonomy-aligned and not listed in rows 1 to 6	EUR 0	0.0 %
8.	Total amount and proportion of economic activities in the OpEx numerator that are taxonomy-aligned	EUR 0	0.0 %

Template 4 Economic activities that are taxonomy-eligible, but not taxonomy-aligned (OpEx)

Row	Economic activity	Amount	Percentage
1.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-eligible, but not taxonomy-aligned pursuant to section 4.26 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
2.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-eligible, but not taxonomy-aligned pursuant to section 4.27 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
3.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-eligible, but not taxonomy-aligned pursuant to section 4.28 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
4.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-eligible, but not taxonomy-aligned pursuant to section 4.29 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
5.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-eligible, but not taxonomy-aligned pursuant to section 4.30 of Annex I and II of Delegated Regulation (EU) 2021/2139	EUR 0.4 mill.	2.2 %
6.	Amount and proportion of the economic activities in the denominator of the OpEx KPI that are taxonomy-eligible, but not taxonomy-aligned pursuant to section 4.31 of Annex I and II of Delegated Regulation (EU) 2021/2139	n/a	n/a
7.	Amount and proportion of other economic activities in the OpEx denominator that are taxonomy-eligible, but not taxonomy-aligned and not listed in rows 1 to 6	EUR 1.7 mill.	9.0 %
8.	Total amount and proportion of economic activities in the OpEx denominator that are taxonomy-eligible, but not taxonomy-aligned	EUR 2.1 mill.	11.2 %

Template 5 Economic activities that are not taxonomy-eligible (OpEx)

Row	Economic activity	Amount	Percentage
1.	Amount and proportion of the economic activities listed in row 1 of template 1 in the OpEx denominator that, pursuant to section 4.26 of Annex I and II of Delegated Regulation (EU) 2021/2139, are not taxonomy-eligible	n/a	n/a
2.	Amount and proportion of the economic activities listed in row 1 of template 1 in the OpEx denominator that, pursuant to section 4.27 of Annex I and II of Delegated Regulation (EU) 2021/2139, are not taxonomy-eligible	n/a	n/a
3.	Amount and proportion of the economic activities listed in row 1 of template 1 in the OpEx denominator that, pursuant to section 4.28 of Annex I and II of Delegated Regulation (EU) 2021/2139, are not taxonomy-eligible	n/a	n/a
4.	Amount and proportion of the economic activities listed in row 1 of template 1 in the OpEx denominator that, pursuant to section 4.29 of Annex I and II of Delegated Regulation (EU) 2021/2139, are not taxonomy-eligible	n/a	n/a
5.	Amount and proportion of the economic activities listed in row 1 of template 1 in the OpEx denominator that, pursuant to section 4.30 of Annex I and II of Delegated Regulation (EU) 2021/2139, are not taxonomy-eligible	n/a	n/a
6.	Amount and proportion of the economic activities listed in row 1 of template 1 in the OpEx denominator that, pursuant to section 4.31 of Annex I and II of Delegated Regulation (EU) 2021/2139, are not taxonomy-eligible	n/a	n/a
7.	Amount and proportion of other economic activities in the OpEx denominator that are not taxonomy-eligible and not listed in rows 1 to 6	EUR 16.7 mill.	88.,8 %
8.	Total amount and proportion of economic activities in the OpEx denominator that are not taxonomy-eligible	EUR 16.7 mill.	88.8 %

Climate change

TOTAL ENERGY CONSUMPTION in MWh

104,921.62

SHARE OF FOSSIL ENERGY in %

88.86

SHARE OF RENEWABLE ENERGY in %

11.14

SHARE OF NUCLEAR ENERGY in %

0.27

TOTAL CARBON EMISSIONS in t CO₂eq

125,025.97

Our sustainability reporting lays out in accordance with the ESRS Standard E1 how we deal with risks and opportunities in connection with climate change.

We analyse the impacts of climate-related risks and opportunities on our business and explain which measures we take to respond to them. A central element of our reporting is to disclose our greenhouse gas emissions (Scope 1, 2 and 3).

Another important aspect is to provide insight into our energy consumption and the share of renewable energy within our Company.

The high energy consumption of more than 10 gigawatt hours (GWh) per financial year, which is usual for healthcare providers with numerous facilities, makes climate change a key issue for our Company.

ESRS E1 Climate change

We at MEDICLIN are highly aware of the fact that we urgently need to adjust to climate change and take effective action to mitigate climate change with the aim of reducing global warming to 1.5°C. This includes the reduction in greenhouse gas emissions in both our own operations and our entire supply chain (Scope 1, 2 and 3).

24-hour operations and strict air climate and hygiene requirements make the operation of our facilities very energy-intensive. The energy consumption is further fuelled by large devices like MRI and CT scanners and the ever-rising degree of digitalisation. Our energy management aims to manage the risks of rising energy costs and the dependence on fossil energy sources.

Each of our facilities has its own energy and facility management. The persons in charge at facility level report to the regional managing directors of the Building and Technology department, while the overall responsibility at top level lies with the Management Board.

Given its annual energy consumption of more than 10 GWh, MEDICLIN is obliged to introduce an energy or environmental management system. By July 2025 energy management is to be aligned with ISO 50001, with initial certification taking place in the same year. This ensures continuous optimisation of our energy management processes and guarantees standardised monitoring.

MEDICLIN's eco-management provides the strategic framework for our future sustainability policies in the areas of climate change mitigation, adaptation and energy efficiency. Our goal is to reduce environmental impacts and to make an active contribution to climate change mitigation. The overall responsibility lies with the Management Board, while the Investor Relations and Sustainability department is in charge of strategic management. The ESG Working Group discusses relevant topics and develops actions that are finally adopted by the Management Board. The actions are put into practice in a decentralised manner by the technical management of our healthcare facilities, who oversee the operation of technical systems, manage energy consumption and implement resource-efficient measures.

Topics dealt with in this chapter include:

- Climate-relevant transition risks identified in the materiality analysis
- Approach and actions related to energy saving
- Energy consumption and greenhouse gas emissions metrics

ESRS 2 IRO-1 IMPACT, RISK AND OPPORTUNITY MANAGEMENT

In its materiality analysis (please refer to ESRS 2, General disclosures) MEDICLIN identified its material IROs related to energy, climate change mitigation and adaptation.

Chapter ESRS 2 General disclosures specifies how MEDICLIN identified the material climate-related impacts, risks and opportunities.

ESRS 2 SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The disclosures on climate-related risks and resilience of the strategy and the business model in relation to climate change are included in ESRS 2, General disclosures.

The IROs, their position in the value chain and the timeline are presented in chapter ESRS 2.

E1-1 Transition plan for climate change mitigation

MEDICLIN expressly commits itself to the climate targets agreed in Paris in 2015. In order to guarantee that our strategy will make a sufficient and lasting contribution to limiting global warming to 1.5 °C, MEDICLIN has already been implementing various energy projects to reduce carbon emissions for some years. A transition plan is to be prepared within the next three years; please note in this context that the transition plan is not a fixed but a dynamic instrument.

While developing the transition plan and enhancing and further detailing our greenhouse gas inventory, we identify significant decarbonisation levers that will help us to significantly reduce our carbon emissions.

Based on energy audits carried out in previous years, we have already identified the following decarbonisation levers for some locations (Scope 1 and 2):

- In-house generation of electricity and heat
- Purchasing energy from renewable sources
- Reducing energy consumption/increasing energy efficiency

Action plans have already been derived in the past, especially to reduce energy consumption and increase energy efficiency. Please refer to section E1-3 Actions and resources. Decarbonisation actions in the scope of the transition plan are still being developed.

MEDICLIN's specific reduction targets are also being redeveloped in the scope of the transition plan.

Since 2021 MEDICLIN has further been reporting turnover, capital expenditure and financial funds in accordance with the EU Taxonomy, thereby complying with the taxonomy requirements as prescribed by the Corporate Sustainability Reporting Directive (CSRD).

The sustainability policy and the accompanying transition plan will form a fundamental basis of MEDICLIN's general business strategy and financial planning and of the Management Board's decision-making processes.

We will regularly report on the development of the transition plan for climate change mitigation and the progress in our future sustainability statements.

E1-2 POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

MEDICLIN acknowledges its ecological responsibility and strives actively to reduce the environmental impact of its business operations. At present, the Group does not have any policies or an overarching strategy in connection with climate change mitigation, adaptation and energy. These are being developed together with a transition plan, which is to be completed within the next 36 months. Nevertheless, there are already some approaches and related actions towards a holistic concept.

In 2025 the Group will continue to work on finalising the policies related to climate change mitigation, adaptation and energy.

E1-3 ACTIONS AND RESOURCES

Actions were already implemented in 2024 without, however, conducting a specific evaluation of their effectiveness in the areas of climate change mitigation, energy and climate change adaptation. Additional actions are planned and budgeted in 2025, while the calculation of savings potential is still pending and will be developed as part of the transition plan, ensuring that the results are incorporated into further planning. Some selected actions are listed in the following.

Energy

Reducing energy consumption /increasing energy efficiency at our own locations

Reducing energy consumption in hospital operations is a material decarbonisation lever. Here, we are focusing, among other things, on replacing existing lighting with LED technology. In this context, for instance, EUR 30,000 was invested in the Bosenberg clinics, EUR 30,000 in Klinik auf der Lindenhöhe and another EUR 10,000 in Reha-Klinik Gernsbach in 2024. For 2025, further investments totalling approximately EUR 400,000 are planned for the conversion to LED lighting at the Albert Schweitzer clinic, Klinik am Vogelsang, Herzzentrum Lahr and the Auf dem Bellen retirement home. At present we cannot predict how much greenhouse gas we will be able to save through this action. This will be determined as part of the transition plan.

Climate change mitigation

Promoting e-mobility

By promoting e-mobility, we aim to contribute to reducing greenhouse gas emissions in the transport sector. Both the arrival and departure of patients as well as the commuting of our employees fall under MEDICLIN's Scope 3 emissions. For this purpose, we plan to install e-bike charging stations at both the Bosenberg clinics and the Bad Wildungen clinics in 2025, with an estimated capital expenditure of approximately EUR 20,000 each. We plan to expand this action over the next three years to include e-charging facilities for electric cars. We will measure the effectiveness of these actions by means of the electricity consumed. At present we cannot predict how much greenhouse gas we will be able to save through this action. This will be determined as part of the transition plan.

Climate change adaptation

Heat and sun protection

Temperatures are expected to rise in Germany as part of climate change, making protection against the heat and the sun an increasingly significant topic. To adapt our facilities to these changes, we plan to invest in a heat-protection glass roof for the swimming pool and sports room at Kraichgau-Klinik in 2025. Capital expenditure of EUR 95,000 was budgeted for this action. We are also planning to implement sun protection actions in the retirement home Herrmann-Schall-Haus in 2025 and have budgeted EUR 20,000 for this purpose. We will monitor the effectiveness of these actions by measuring the peak temperatures in the rooms in question and by asking the affected persons.

E1-4 TARGETS

Currently, MEDICLIN does not yet have a measurable, outcome-oriented and time-bound targets that could serve as an instrument to manage its material impacts related to climate change adaptation, climate change mitigation and energy. The current plan is that MEDICLIN will define its decarbonisation targets while developing the transition plan.

The reduction of greenhouse gas emissions, and thus the effectiveness of the actions, will in future be assessed on the basis of the annual greenhouse gas inventory, whereby MEDICLIN will record all emission sources. The emissions are broken down into three categories in line with the internationally recognised greenhouse gas protocol: Scope 1 refers to direct emissions from own operations and vehicles; Scope 2 covers indirect emissions from purchased energy; while Scope 3 refers to all other indirect emissions along the value chain, for instance from supply chains and business traveling. The progress will be measured from 2024 onwards (base year). The annual analyses will enable MEDICLIN to identify trends at an early stage, to optimise actions and to continuously advance its climate strategy.

E1-5 ENERGY CONSUMPTION AND MIX

Energy intensity

The business activities of the MEDICLIN Group focus on operating clinics and other healthcare facilities (NACE Code Q: Human Health and Social Work Activities). The MEDICLIN Group is therefore not associated with activities in climate-intensive sectors.

Description how energy consumption metrics are determined

The energy consumption data is available to the central Energy Management department. Here, the data is aggregated and forwarded to an external service provider for determining the energy consumption metrics. The external provider carries out quality assurance and checks the metrics for plausibility. The provider does not validate the metrics. The energy consumption data is reviewed again by the Energy Management department after the external expert has completed the evaluation. The energy consumption data of the clinics is based on the current bills for the financial year. Energy consumption of off-site properties rented by the respective locations for operational purposes (e.g. medical care centres) is determined based on the consumption data from previous years. The current consumption data for the financial year was not yet available when this report was prepared. For

simplification purposes, it is assumed that the annual consumption for the current financial year corresponds to the annual consumption of one of the two previous years, depending on the availability of the most recent billing data. This applies to energy consumption of the off-site medical care centres and other premises rented by the respective locations. Medical gases (anaesthetic gases and respiratory gases) are also greenhouse gases and are included in the emissions calculations under Scope 1 metrics. The consumption of medical gases is centrally collected from the Procurement department.

Energy consumption and mix

In MWh	2024	2023
Total fossil energy consumption	93,231.39	n/a
Share of fossil sources in total energy consumption (in %)	88.86	n/a
Consumption from nuclear sources	286.93	n/a
Share of nuclear energy in total energy consumption (in %)	0.27	n/a
Fuel consumption from renewable sources, including biomass, biofuels, biogas, hydrogen, etc.	243.32	n/a
Consumption of purchased or received electricity, heat, steam and cooling and from renewable sources	11,381.71	n/a
Consumption of self-generated non-fuel renewable energy	65.20	n/a
Total renewable energy consumption	11,690.23	n/a
Share of renewable sources in total energy consumption (in %)	11.14	n/a
Total energy consumption	104,921.62	n/a

In the 2024 financial year, MEDICLIN generated 28,467.88 MWh of non-renewable energy and 65.20 MWh of energy from renewable sources.

E1-6 GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

Description how Scope 1 and 2 emissions are determined

Scope 1 and 2 emissions are determined on the basis of the aforementioned annual calculation of energy consumption data. This is used by the external provider to determine the annual Scope 1 and 2 emissions on the basis of carbon emission factors. Here, the emission factors provided by the energy suppliers were primarily used for the market-based metrics, while the emission factor according to the 2023 German energy mix (source: German Association of Energy and Water Industries – BDEW) was applied for the location-based emission metrics. This is subject to the same control and verification mechanisms as the energy consumption data.

Description how Scope 3 emissions are determined

MEDICLIN is, for the first time, publishing its Scope 3 emissions to demonstrate its commitment to transparency and sustainability. The disclosure is based on a comprehensive inventory and a detailed process analysis to systematically capture indirect emissions across the entire value chain.

The basic data is determined by the Investor Relations and Sustainability department. As exact measurement data is not available in all areas, individual metrics are based on well-founded assumptions. In order to ensure high data quality, the data is aggregated by an external provider. The external body is also responsible for calculating CO₂ emissions and for assuring the quality of the resulting metrics. Emission factors from the data base of KlimAktiv Consulting GmbH were largely used to calculate the emission metrics.

The assumptions per Scope 3 sub-category are shown in the following table:

Scope 3 sub-category	Calculation methodology and assumptions
3.1 Purchased goods and services	Spend-based approach Emissions are determined on the basis of the value per goods group using lump-sum CO ₂ emissions factors.
3.2 Capital goods	Spend-based approach: Emissions are determined on the basis of the capital goods' value in euros using lump-sum CO ₂ emissions factors.
3.3 Fuel and energy-related activities (not included in Scope 1 or 2)	Average-data approach: Emissions metrics are calculated from the reported consumption data by a third-party expert using CO ₂ emissions factors.
3.4 Upstream transportation and distribution	<p>3.4.1 Emissions from the transport and distribution of goods and consumables</p> <p>Spend-based approach: the proportional share of transport and freight costs in relation to the cost of materials is calculated using a percentage factor. The percentage factor is based on a study by the Federal Ministry for Digital and Transport on the share of transportation costs in the product value of the transported goods ("Der Anteil von Transportkosten am Produktwert transportierter Güter").</p> <p>3.4.2 Patient logistics (arrival and departure)</p> <p>Distance-based approach: Emissions from patient logistics are calculated based on the mode of transport (car, ambulance or helicopter) and the number of inpatient and outpatient cases. The calculations are based on the accounting template of the KliMeG calculator considering the specific catchment area statistics for the respective clinics. For facilities without specific data, an average distribution is used to obtain a realistic emissions estimation. The retirement homes were assumed to have a catchment area of 50 km. One arrival and one departure were included per resident and year. Helicopter transports are recorded separately and included in the accounting.¹</p>
3.5 Waste	Average-data approach: Emissions metrics are calculated from a waste analysis prepared by an external expert using CO ₂ emissions factors
3.6 Business traveling	Spend-based approach: MEDICLIN AG does not have any electronic consolidated data on its employees' business travels. There are currently no digital overviews or analytical tools available for booked business trips that would allow CO ₂ values to be derived based on the distance travelled (flight, car, train). For this reason, the percentage distribution at the level of the Group's parent company is used for disaggregating the data. Our parent company records some of its travel data using a travel tool (Atlantos). The resulting percentage distribution is used by BFE to allocate MEDICLIN's travel expenses to the individual categories.
3.7 Employee commuting	Distance-based approach: Emissions were scaled based on an employee survey at the Group' parent company level regarding the modes of transport used and the number of commuting workdays. Different CO ₂ emissions factors were used for the conversion depending on the mode of transport and the employee group.

Scope 3 sub-category	Calculation methodology and assumptions
3.8 Upstream leased assets	Approximately 94 % of the leased assets are already included in Scope 1 and 2. Smaller apartments, for which no data was available, were neglected in the calculations. For the remaining 3.5 %, the emissions were calculated on the basis of utility bills that were fully available.
3.9 Downstream transportation and distribution	Spend-based approach: at MEDICLIN, only postage costs for outgoing deliveries related to regular operations are incurred. These are booked to the postage/freight cost accounts. The emissions are calculated on the basis of standard conversion factors per euro of postage/freight costs.
3.13 Downstream leased assets	Approximately 94 % of the downstream leased assets are already included in Scope 1 and 2. Smaller apartments, for which no data was available, were neglected in the calculations.
3.15 Investments	Spend-based approach: This includes equity interests, fixed-term deposits and interest-bearing current accounts. The equity interests are calculated using standard conversion factors per euro of their carrying amount. The emissions of fixed-term deposits and interest-bearing current accounts are calculated based on the investment portfolio at the end of the year, using standard carbon emissions per euro invested. The emissions of the amounts invested in pension funds was determined accordingly.

¹ Source: <https://klimeg.de/rechner-co2-bilanzierung/>
Unaudited Internet source

As MEDICLIN operates solely as a service provider and does not manufacture or sell its own products, categories 3.10 Processing of sold products, 3.11 Use of sold products and 3.12 End-of-life treatment of sold products do not apply. Category 3.14 Franchises does not apply either, as it is not relevant for MEDICLIN.

In t CO ₂ eq	Retrospective				Milestones and target years			
	Base year	Comparative	N	% N/N-1	2025	2030	(2050)	Annual % target / base year
Scope 1								
Gross Scope 1 GHG emissions	n/a	n/a	16,387.37	n/a	n/a	n/a	n/a	n/a
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (in %)	n/a	n/a	0.00	n/a	n/a	n/a	n/a	n/a
Scope 2								
Gross location-based Scope 2 GHG emissions	n/a	n/a	6,550.62	n/a	n/a	n/a	n/a	n/a
Gross market-based Scope 2 GHG emissions	n/a	n/a	9,986.22	n/a	n/a	n/a	n/a	n/a
Scope 3								
Total gross indirect (Scope 3) GHG emissions	n/a	n/a	98,652.38	n/a	n/a	n/a	n/a	n/a
1 Purchased goods and services	n/a	n/a	35,615.46	n/a	n/a	n/a	n/a	n/a
2 Capital goods	n/a	n/a	18,976.28	n/a	n/a	n/a	n/a	n/a

In t CO ₂ eq	Retrospective				Milestones and target years			
	Base year	Comparative	N	% N/N-1	2025	2030	(2050)	Annual % target / base year
3 Fuel and energy-related activities (not included in Scope 1 or 2)	n/a	n/a	6,354.73	n/a	n/a	n/a	n/a	n/a
4 Upstream transportation and distribution	n/a	n/a	15,991.94	n/a	n/a	n/a	n/a	n/a
5 Waste generated in operations	n/a	n/a	4,831.65	n/a	n/a	n/a	n/a	n/a
6 Business traveling	n/a	n/a	1,311.91	n/a	n/a	n/a	n/a	n/a
7 Employee commuting	n/a	n/a	8,955.40	n/a	n/a	n/a	n/a	n/a
8 Upstream leased assets	n/a	n/a	0	n/a	n/a	n/a	n/a	n/a
9 Downstream transportation	n/a	n/a	353.76	n/a	n/a	n/a	n/a	n/a
10 Processing of sold products	n/a	n/a	Not relevant	n/a	n/a	n/a	n/a	n/a
11 Use of sold products	n/a	n/a	Not relevant	n/a	n/a	n/a	n/a	n/a
12 End-of-life treatment of sold products	n/a	n/a	Not relevant	n/a	n/a	n/a	n/a	n/a
13 Downstream leased assets	n/a	n/a	0	n/a	n/a	n/a	n/a	n/a
14 Franchises	n/a	n/a	Not relevant	n/a	n/a	n/a	n/a	n/a
15 Investments	n/a	n/a	6,261.25	n/a	n/a	n/a	n/a	n/a
Total GHG emissions								
Total GHG emissions (location-based)	n/a	n/a	121,590.37	n/a	n/a	n/a	n/a	n/a
Total GHG emissions (market-based)	n/a	n/a	125,025.97	n/a	n/a	n/a	n/a	n/a

Further information

In t CO ₂ eq	
Percentage share of contractual instruments, Scope 2 GHG emissions (in %)	0.00
Percentage share of market-based Scope 2 GHG emissions in connection with purchased electricity bundled with instruments (in %)	0.00
Percentage share of contractual instruments used for the sale and purchase of energy, bundled with attributes about the energy generation related to Scope 2 GHG emissions (in %)	0.00
Percentage share of contractual instruments used for the sale and purchase of unbundled energy attribute claims related to Scope 2 GHG emissions (in %)	0.00
Biogenic carbon emissions from the combustion or biodegradation of biomass not included in Scope 2 GHG emissions	1,758.14
Biogenic carbon emissions from the combustion or biodegradation of biomass not incurred in the value chain and not included in Scope 3 GHG emissions	0.00
Biogenic carbon emissions from the combustion or biodegradation of biomass separately from Scope 1 GHG emissions	54.81

The percentage share of GHG Scope 3 emissions calculated using primary data is 1.12 %.

In the Scope 1 and 2 metrics, the applied emission factors separate biogenic emissions of CO₂ from other GHG emissions and disclose them separately. In Scope 3, the applied emission factors do not separate biogenic emissions of CO₂ from the other GHG emissions.

All GHG emissions (carbon dioxide, methane, nitrous oxide and fluorinated greenhouse gases) are aggregated and reported as carbon dioxide equivalents (CO₂eq).

Since MEDICLIN has neither operating segments nor operates in countries other than Germany, the aforementioned metrics are not disaggregated according to these criteria.

GHG Intensity based on net revenue

GHG intensity based on net revenue

In t CO ₂ eq/EUR	Comparative	N	% N/N-1
Total GHG emissions (location-based) per net revenue	n/a	0.00016	n/a
Total GHG emissions (market-based) per net revenue	n/a	0.00017	n/a
In EUR			
Net revenue used to calculate GHG intensity	748,754,129.23		
Net revenue (other)	0.00		
Total net revenue (in financial statements)	748,754,129.23		

Net revenue corresponds to MEDICLIN AG's Group sales as at the end of each financial year. The other net revenue corresponds to MEDICLIN AG's other income as at the end of each financial year. Total net revenue is calculated by adding the two aforementioned items. The location-based and market-based total GHG emissions per net revenue are calculated by dividing the respective total location-based and market-based GHG emissions by the total net revenue. The calculation of the metric has not been validated by an external entity.

E1-7 GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

MEDICLIN does not use offsets by means of carbon credits. If this changes in the future, MEDICLIN will disclose this in its sustainability reporting.

E1-8 INTERNAL CARBON PRICING

Currently, MEDICLIN is not using any internal carbon pricing systems. If this changes in the future as part of investment planning, MEDICLIN will disclose this in its sustainability reporting.

Resource use and circular economy

TOTAL AMOUNT OF WASTE in t

6,103.16

RECYCLED WASTE in %

21.9

RECYCLED HAZARDOUS WASTE in t

15.09

RECYCLED NON-HAZARDOUS WASTE in t

1,324.24

Our sustainability reporting lays out in accordance with the ESRS Standard E5 how we deal with risks and opportunities in connection with resource use and circular economy.

We analyse the impacts of risks and opportunities arising from resource use on our business and explain which actions we take to respond to them. A central element of our reporting is to disclose the amount of waste we generate, including the share of recycled and re-used raw materials.

For MEDICLIN sustainability means, among other factors, that transport legs are optimised and waste with regard to food and packaging is reduced.

Providing patient care inevitably generates a certain amount of waste. With more than 6,000 tons of waste in 2024, this topic is one of the material sustainability topics in our Company.

ESRS E5 Resource use and circular economy

Due to strict regulatory requirements and high hygiene standards, the healthcare sector requires significant use of resources, which places a burden on the environment. Large service providers in the healthcare sector subject to the mandate to provide healthcare to the population and 24-hour operations have additional resource-intensive processes that cannot be avoided. Despite these challenges, MEDICLIN strives to gradually expand the possibilities and leeway for more resource-efficient operations.

Topics dealt with in this chapter include:

- negative impacts and risk related to resources and circular economy resulting from the business model;
- policies related to resource use and circular economy;
- targets and actions related to resource use and circular economy;
- the key resource inflows and types of waste.

ESRS 2 IRO-1 IMPACT, RISK AND OPPORTUNITY MANAGEMENT

In its materiality analysis ESRS 2 General disclosures MEDICLIN identified its material IROs related to resource use and circular economy.

ESRS 2 SBM-3 IMPACTS, RISKS AND OPPORTUNITIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

The IROs, their position in the value chain and the timeline are presented in chapter ESRS 2

Impacts related to resource use in own operations and the upstream value chain

MEDICLIN's use of resources has actual negative impacts on the environment. Given the strict hygiene requirements in the healthcare sector, MEDICLIN frequently uses sterile instruments and disposable materials, which leads to a high use of resources. Further, MEDICLIN purchases products (incl. medicines, chemicals, agricultural products, medical equipment, instruments, hospital equipment, as well as food and beverages to cater for employees and patients), the production of which requires significant resources. As such, MEDICLIN indirectly contributes to the global consumption of finite resources.

These impacts are directly related to the business model of MEDICLIN. In its capacity as a healthcare service provider, MEDICLIN contributes to maintaining critical infrastructure and ensuring healthcare services in Germany. The required operations of our facilities lead to a constantly high use of resources.

Due to the partly complex technical effort required to reduce resource use in the medical field, it is theoretically possible to mitigate these negative impacts, but implementation is currently difficult.

The impact affects a large part of the environment and population and, in particular, neighbouring communities.

MEDICLIN can influence the impact through its own activities, for example, by raising employee awareness concerning the careful use of resources or by establishing environmental standards for suppliers.

Impact: Waste from own operations

Larger waste volumes lead to significant damage to the environment. The waste generated in the clinics consists mainly of disposable plastic materials (e.g. syringes, tubes, protective equipment). In addition, the catering for patients leads to large amounts of food waste adding to the overall waste volumes.

This impact, too, is related directly to MEDICLIN's business model. The operations of our health-care facilities generate large volumes of waste.

The negative impact can only be reversed in the medium term with significant effort; however, finding a viable alternative to disposable products (medical products) is challenging, and the process of implementing reducing actions (food waste) is slow.

A large part of the environment and the entire population are affected.

MEDICLIN can influence the impact through its own activities, for example, by increasing the internal recycling ratio and by using reusable alternatives or by reducing food waste in its own operations.

Risk: Cost increases resulting from stricter waste disposal requirements

MEDICLIN is confronted with rising costs resulting from political and legal requirements. The provisions of the German Circular Economy Act (KrWG) regarding waste and waste disposal must be observed. If MEDICLIN violates applicable waste legislation through improper waste disposal, fines may be imposed. In addition, fines may be imposed if legal requirements are exceeded or ignored. Since MEDICLIN has a high material throughput in its own operations, the resulting cost would also be high. This is aggravated by constantly rising fines and penalties for non-compliance.

E5-1 POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

The MEDICLIN Group places great importance on avoiding waste and, where this is not possible, recycling as much as possible, as well as ensuring proper separation and disposal. At present, we do not yet have a complete set of policies related to resource inflows including resource use and waste. These are being developed within the scope of a waste management concept prepared together with other parts of the parent group, which is to be completed within the next three years. Some approaches already exist and are to be used to develop a comprehensive framework.

The waste officers in the acute care clinics and the waste managers at the other locations monitor compliance with legal provisions and train new employees and trainees in the careful use of expendable items (waste prevention), proper separation of waste (recycling of raw materials) and the correct disposal methods for different types of waste, including hazardous materials.

As hospitals cannot avoid burning certain types of waste, such as clinical waste for hygiene reasons, MEDICLIN pays the legally required carbon fees per ton incurred. Our aim is to prevent waste or reuse materials where possible.

Planned policies

The Group is planning to establish a Waste Working Group with members from MEDICLIN, RHÖN-Klinikum and Asklepios with the aim of building a unified waste management system. A unified waste management system is to be introduced across the entire Group and, ideally, will cover MEDICLIN, RHÖN-Klinikum and Asklepios. The goal is to establish and to start to implement the system within the next 12 to 36 months. At the moment, data is being collected across the group to create the fact and information basis required for the undertaking. By standardising processes in the scope of the unified waste management system, we seek to exploit synergies and reduce shortcomings. In the medium to long term, this is to contribute to reducing the amount of waste, although these effects cannot be reliably quantified as yet.

Food waste

We permanently strive to reduce food waste to the greatest possible extent. The introduction of a standardised ordering system, in which the clinic enters the planned number of patients per day and which calculates the corresponding portion sizes, enables the operating locations to pursue strategic procurement strategies and save resources and to avoid incorrect orders and large excess quantities.

E5-2 ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Training and communication measures

While preparing a Group-wide unified waste management system, we are currently also setting up a training programme on resource-efficient waste reduction. These training sessions will also form part of the onboarding process. Additionally, training is to be provided in 2025 to inform the existing staff of waste-reducing measures.

Group-wide waste management

The Asklepios Group aims to set up a Waste Working Group that will encompass MEDICLIN, RHÖN-Klinikum and Asklepios. The Working Group is to harness potential synergies and to identify and standardise processes for waste prevention, waste reduction and recycling across the clinics with the aim of introducing a uniform waste management system for all. The system is to be set up and implementation initiated within the next three years. At the moment, data is being collected across the

group to create the fact and information basis required for the undertaking. This initiative is part of the group-wide ambition to reduce the amount of waste in relation to the number of patients by 2030. By standardising processes in the scope of the unified waste management system, we seek to exploit synergies and reduce shortcomings. In the medium to long term, this is to contribute to reducing the amount of waste, although these effects cannot be reliably quantified as yet. This action is to be implemented at all MEDICLIN's facilities.

E5-3 TARGETS

Waste is unavoidable, especially given the strict hygiene requirements, in the healthcare sector. At present, we have not yet defined targets related to resource inflows including resource use and waste. The concrete targets as well as the actions required to achieve these targets will be established and defined in the scope of preparing a Group-wide unified waste management system. This will take place over the next 12 to 36 months. In future, the effectiveness of our targets and actions is to be monitored by means of the annual amount of waste.

E5-4 RESOURCE INFLOWS

Medical and therapeutic materials as well as consumables account for a significant inflow of resources. Healthcare facilities require large amounts of these products as they are essential to providing healthcare to patients. This includes medicines, medical equipment and disposables such as gloves, syringes and dressings as well as food and other expendable items used in patient care.

MEDICLIN does not measure the purchased goods and, due to the scale of raw materials and consumables used and the heterogeneity of the goods procurement portfolio, is unable to determine any metrics in this regard. An approximate estimate of the overall total weight of products and technical and biological materials used during the reporting period is derived from the total amount of waste generated, resulting in a value of 6,100 tons. Given that the required information is not available, the percentage of biological materials (and biofuels used for non-energy purposes) used to manufacture the Company's products and services (including packaging) that is sustainably sourced, cannot be disclosed at present. Likewise, the weight in both absolute value and percentage, of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the Company's products and services (including packaging) cannot be disclosed due to lacking information.

E5-5 RESOURCE OUTFLOWS

After their use, resources mainly exit the operations in the form of waste.

Special attention is paid to waste, i.e. medical waste, residual materials from treatments, packaging materials and other by-products. As the inflows, we have broken the waste outflows down into different categories.

Clinical and medical waste (hazardous waste)

This waste is directly associated with medical treatments and the care of patients. It is potentially infectious and/or hazardous and must be treated and disposed of in compliance with very strict security measures. This includes:

- Infectious waste: This category includes used dressings, syringes, needles, gloves, disinfectants, organisms (such as bacterially or virally contaminated samples) and other materials that might have come into contact with infectious substances.
- Body parts and human tissue: Waste containing human tissue, organs, body parts or placenta.
- Chemical waste: This category includes waste containing chemicals, disinfectants, solvents or pharmacological effective substances.

Pharmaceutical waste

Expired medicine that has been returned and cannot be used any longer is also classified as hazardous waste. Pharmaceutical waste is usually highly toxic and should never be disposed of through the normal waste channels or the sewage system.

- Drug residues: These must be collected in special sealed containers and disposed of by authorised waste management companies.
- Cytostatic waste: Residues from chemotherapeutic agents are particularly hazardous. These must be disposed of with particular care and under strict safety precautions to avoid contamination and exposure of staff and the environment.

Non-hazardous waste

Non-hazardous waste includes general waste generated in healthcare operations, such as paper, cardboard, food waste and packaging materials. However, this type of waste is not entirely irrelevant either, and must also be disposed of in an efficient and sustainable manner. This includes:

- Paper and cardboard
- Plastic waste
- Food waste

Radioactive waste

A few of MEDICLIN's hospitals, especially facilities with radiology or oncology departments, also generate radioactive materials or radioactive waste.

As medical service providers, our facilities do not place any significant products or materials from production processes on the market. Therefore, resource outflows aside from waste are immaterial at MEDICLIN. With regard to the topic of resource inflows, resource use is the topic that concerns us as a healthcare service provider the most.

The ESRS E5 metrics were collected and classified with the help of an external expert in charge of quality assurance. The data was collected from the invoices of waste disposal companies for all locations. The waste volumes are derived on the basis of the waste billing codes and allocated to the individual KPI categories. All bills for the period January to October in the financial year were taken into account. The metrics for the months of November and December are extrapolated on the basis of average figures and have not been validated by an external entity.

For the waste data of the medical care centres that dispose of waste directly through the landlord, an overview of all landlords (creditors) of the affected locations was created. Based on this list, (the most recent) fee notices and utility bills for waste disposal/recycling were collected by the sustainability team using the billing tool PEGASOS. Additional information regarding the available waste containers, their size and the collection cycle was requested directly from the landlords via email. This information, along with the fee notices and utility bills, was submitted by the sustainability team to the external expert for each accounting entity. The expert used the available data to compile the waste metrics for the affected locations.

Resource outflows

In t	2024
Total amount of waste generated	6,103.156
Total amount diverted from disposal	6,081.109
Total amount of hazardous waste	15.092
ii. Preparation for reuse	0.000
ii. Recycling	15.092
iii. Other recovery operations	0.000
Total amount of non-hazardous waste	6,066.017
i. Preparation for reuse	0.000
ii. Recycling	1,324.243
iii. Other recovery operations	4,741.774
Total amount directed to disposal	22.047
Total amount of hazardous waste	7.078
i. Incineration	6.610
ii. Landfill	0.468
iii. Other disposal operations	0.000
Total amount of non-hazardous waste	14.970
i. Incineration	13.770
ii. Landfill	1.200
iii. Other disposal operations	0.000
Total amount of non-recycled waste	4,763.821
Non-recycled waste (in %)	78.060
Total amount of hazardous waste	22.170
Total amount of radioactive waste	0.000

Own workforce

NUMBER OF EMPLOYEES head count

9,822

SHARE OF WOMEN in %

77.5

**NUMBER OF PERMANENT
EMPLOYEES** in %

82.7

EMPLOYEE TURNOVER in %

16.3

Our sustainability reporting lays out in accordance with the ESRS Standard S1 how we deal with the topics working conditions, employee rights and social equity.

We analyse the impacts of our operations on our employees and explain which measures we take to ensure equal treatment of all employees and safe working conditions. A central element of our reporting is to disclose our labour and social standards addressing topics like diversity and inclusion.

Another important aspect is to provide insight into our actions to promote equal opportunities, provide further training and foster employee development. We seek to actively create a healthy, safe and inclusive working environment that supports the personal and professional development of our employees.

The workload demand in the healthcare sector is high, which is why this topic is of material importance to MEDICLIN.

3. Social information

As a player in the healthcare sector, MEDICLIN bears a special responsibility for patients, employees and business partners. Our patients' health, safety and satisfaction is at the heart of our actions. As an employer, MEDICLIN promotes equal opportunities as well as diversity and inclusion in order to create an environment where people can unlock their potential. Respect for human rights, integrity, trust and loyalty are guiding principles that determine our leadership style and the behaviour of our staff towards patients, other partners and among each other. These principles form the basis of sustainable and responsible healthcare.

ESRS S1 Own workforce

The respectful and considerate treatment of our workforce is a top priority for us. Our various policies and actions strive to extensively promote and protect the well-being and health of our employees. This means that we create a safe working environment and that we take preventive action to detect and minimise potential risks and health-related strain at an early stage, ensuring that our employees are and stay healthy, productive and motivated.

ESRS 2 SBM-2 INTERESTS AND VIEWS OF STAKEHOLDERS

The interests and views of our own workforce are described in ESRS 2, SBM-2.

ESRS 2 SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

In its materiality analysis (please refer to ESRS 2, IRO-1) MEDICLIN identified the material IROs related to its own workforce. The IROs, their position in the value chain and the timeline are presented in chapter ESRS 2.

In addition to the Company's own employees and trainees, freelancers and temporary workers are also deployed by MEDICLIN. Since the material topics affect these workers in the same way, they are included in the following report. In our definition, the group of our own workforce within the meaning of the ESRS includes, in addition to salaried employees of all professions, senior managers, employed physicians, medical interns, medical students in their practical year, persons completing a voluntary social year, interns and working students as well as on-call workers with a minimum amount of hours. Our definition of the group of non-employees within the meaning of ESRS includes temporary workers provided by third-party companies as well as self-employed physicians comprising attending physicians and consulting physicians.

How certain groups of persons within our own workforce could be exposed to an increased risk due to their characteristics, their working environment or their duties is a continuous learning process informed by regular risk assessments, the evaluation of incidents and the exchange with, for instance, employees and company medical officers. Processes and safeguards are constantly adjusted on the basis of our findings.

Employees engaged in medical and nursing care are potentially exposed to higher risks, for instance when dealing with infectious patients, hazardous materials or due to the burdens resulting from shift work. MEDICLIN addresses the negative impacts on the aforementioned employees by taking specific precautions and by offering individual training.

We would like to point out that, as our operations are limited to Germany, we are not exposed to any material risks related to forced labour or child labour within our own workforce. Given the nature of our industry and the geographies where we are active, this area does not pose any relevant risks.

Impacts related to the working conditions of the Company's own workforce

MEDICLIN seeks to promote the quality of life of its direct employees through collectively agreed social protection and to thus indirectly contribute to safeguarding living standards. Approximately 16 percent of all employees are covered by a collective bargaining agreement negotiated with trade unions (please also refer to S1-8). On the other hand, the quality of life can be negatively impacted if MEDICLIN failed to guarantee its employees' job security resulting in high employee turnover. The same would apply if MEDICLIN failed to adhere to statutory wage standards (minimum wage) or were unable to guarantee adequate wages. Another impact related to its own workforce's working conditions is the regular occurrence of overtime and irregular working times (shift work and night shifts). These circumstances could increase the risk of accidents and injuries and could thus negatively impact our employees' mental and physical health.

Impacts related to the working conditions of our own workforce are a central element of the business strategy as they affect employee satisfaction, and the Company's success relies heavily on a motivated and loyal workforce. Since shift and night work are usual occurrences in hospital operations and apply at all our locations, it is unlikely that adjustments will be made to the strategy or business model due to this impact.

We have classified all the negative impacts referred to in this section as potential and systemic and/or widespread.

Risks related to the loss of employees and a decrease in productivity

The risk of employees being absent due to health-related strain or leaving the Company due to dissatisfaction can lead to increased staff costs, lower productivity and quality losses, ultimately resulting in decreased profit margins. The occurrence of these risks depends on various factors including irregular working times and non-compliance with wage standards. These risks are thus associated with the impacts related to working conditions of the own workforce and can refer to all employees.

Impacts related to social dialogue and employee representation

Non-respect of legal provisions, including the German Works Constitution Act (BetrVG) or the General Act on Equal Treatment (AGG), could negatively impact our employees' working environment. Likewise, preventing or failing to promote social dialogue or employee representation, for instance by prohibiting the establishment of a works council, could negatively impact MEDICLIN's employees.

Impacts related to social dialogue and employee representation are a central element of the business strategy as they affect employee satisfaction, and the Company's success relies heavily on a motivated and loyal workforce.

We have classified all the negative impacts referred to in this section as potential and systemic and/or widespread.

Impacts related to health and safety

Our operations can have various potential impacts on the health and safety of our employees. On the one hand, working in a hospital often entails a high or ever rising workload, in particular due to changing working times and vacancies due to the shortage of skilled professionals. On the other hand, employees can come into contact with harmful substances or radiation during surgical operations or procedures. Another health hazard refers to work accidents and illness, which could occur while operating equipment and machinery or treating patients or if infections or illnesses spread.

These impacts are directly related to the strategy or the business model of MEDICLIN. The potential impact of "exposure to hazardous substances" refers only to isolated incidents. Furthermore, the number of employees who come into contact with hazardous substances such as biological agents or cytostatics during operations is low. We have classified the remaining negative impacts as potential and systemic and/or widespread. They primarily affect the workforce at MEDICLIN's acute-care hospitals.

Impacts related to training and skills development

By offering attractive options for employee development, MEDICLIN seeks to further job security, satisfaction, qualifications, the opportunity for pay rises and the personal growth of its direct employees. The offering of vocational training in fields such as nursing, medicine, therapy as well as in areas like administration, kitchen and cleaning, in addition to dual study programs, contributes to reducing unemployment and alleviating the shortage of skilled professionals. The up/reskilling measures on offer for all the professions that are represented at MEDICLIN serve to maintain and enhance the professional skills of our staff. Inadequate qualifications and training, in contrast, can hinder career development and impair employee satisfaction or even jeopardise job security.

Impacts related to training and skills development are a central element of the business strategy as they affect employee satisfaction, and the Company's success relies heavily on a competent, motivated and loyal workforce.

We have classified all the negative impacts referred to in this section as “inadequate training and development possibilities” as potential and systemic and/or widespread.

Impacts related to equal treatment and opportunities for all

Non-respect of ethical practices in the hiring process, inadequate measures against violence and harassment in the workplace and discriminating practices related to employees can impair the quality of life of individuals. This could, for instance, refer to limited personal advancement or qualification opportunities, a decrease in the sense of security or increased work-related stress. On the other hand, MEDICLIN creates a diverse working environment and healthy working climate and thus actively promotes diversity, tolerance and equal treatment of all. Respectful treatment, regardless of gender, age or origin, of religion, potential disabilities or other individual characteristics has a positive impact on our own workforce, all other workers at MEDICLIN and society as a whole.

Impacts related to equal treatment and equal opportunities are a central element of the business strategy as they affect employee satisfaction, and the Company’s success relies heavily on a motivated and loyal workforce.

We have classified all the negative impacts referred to in this section as “non-respect of ethical hiring practices” as potential and systemic and/or widespread. The impacts “Inadequate measures against violence and harassment in the workplace” and “discriminating practices related to employees” would in any case only relate to individual incidents.

Impacts related to data protection

Inadequate data protection provisions could lead to violations against the General Data Protection Regulation (GDPR) or, as a result of data leaks or cyber attacks, could lead to negative impacts affecting, among others, our employees. This could affect individual employees or the employees of individual locations or MEDICLIN as a whole. Although this impact was classified as material, it does not form a central part of our business strategy. An undertaking to adhere to legal data protection provisions and the confidentiality obligations of medical professions is a central element of the Company’s contractual agreements with its employees. Maintaining professional secrecy and data protection are fundamental principles in the healthcare sector and can be relied on. This impact is classified as potential and systemic and/or widespread.

Material impacts related to transition plans

In the wake of climate change, the number of patients is set to rise, for instance due to climate-related illnesses. This leads to an increasing demand for manpower, especially in systemically relevant industries like the healthcare sector. Climate change further requires adjustments to the protection of our workforce, especially in relation to extreme weather conditions. Air-conditioned and heat-resistant working environments will be required to ensure the health of both employees and patients. This influences the planning at our facilities and requires the corresponding adjustments (please also refer to E1– Climate resilience analysis).

S1-1 POLICIES RELATED TO OWN WORKFORCE

Human rights, engagement and remedy

Declaration of Human Rights

MEDICLIN is highly aware of and committed to the special responsibility it has for its employees, patients and society as a whole. This commitment applies to our own operations and is also aimed at our business partners within our supply and value chains. For MEDICLIN, observing and upholding human rights is a corporate responsibility embedded in all its actions and requires every individual to support this objective to the best of their abilities. Our efforts focus on anti-discrimination, safety at the workplace, data protection and equal opportunities.

The Management Board is responsible for the respect of human rights and is supported by the MEDICLIN Human Rights Board, Group Compliance and the Group Sustainability department. At operating level, the MEDICLIN managerial staff is accountable for respecting and, where necessary, defending the rights of employees, patients and other third parties.

Working conditions

Collective bargaining agreements

MEDICLIN is subject to extensive labour and social regulations as well as works agreements and, partly, collective bargaining agreements that cover various dimensions of working conditions in relation to all our employees. This includes provisions on working times, vacations, remuneration structure, conditions on overtime, night shifts, work on Sundays and public holidays and many more. In addition, we have entered into collective bargaining agreements with the unions ver.di and Marburger Bund at some of our clinics. Since we consider adequate and performance-based pay to be very important for maintaining employee satisfaction, our remuneration structures include tax- and social security-exempt night bonuses as well as other specific allowances. Additional options for tax- and social security-exempt payments, such as inflation compensation premiums, are also used in line with the underlying legal provisions and economic situation. We are convinced that the design of our working conditions makes a contribution to securing our employees' standard of living. Hereby, we enhance the positive impact of social protection and simultaneously minimise the potential negative impacts related to the working conditions of our workforce. This contributes to reducing the risks of losing employees and thus productivity.

The responsibility for implementing and observing these provisions lies with the individual facilities together with the Human Resources and Employment Law department. Compliance with the agreements is, in turn, monitored by the respective works councils. Our employees were actively involved in the drafting of these agreements through the works councils or collective bargaining commissions. All the agreements are available either on the Intranet of the respective facility or in paper form, meaning they can be extensively communicated.

Attitude Principles

Our Attitude Principles defines the fundamental principles applicable to all our employees and describes the values and requirements, to which we as employees of MEDICLIN AG are committed: INTEGRITY – TRUST – LOYALTY – SUSTAINABILITY – SOCIAL AND ENVIRONMENTAL RESPONSIBILITY. Moreover, the Attitude Principles set out important basic rules defining the corporate practices of MEDICLIN as implemented by the members of its bodies, managerial staff and employees. They ensure that uniform standards are established, generally known and adhered to throughout the Company. The Attitude Principles aim to protect our workforce from violations of internal and external requirements and the resulting risks under criminal and liability law. Furthermore, they form the basis of how we work with each other and define rules for our interactions. Thus, we create a respectful and safe environment for our employees. The main responsibility for implementing the Attitude Principles lies with the managerial staff, whose irreproachable and legally compliant conduct serves as a role model. In their functions, they ensure that the employees in their areas of responsibility are familiar with these Attitude Principles and observe them. The Attitude Principles are made available to all employees on the Intranet.

Policies on the whistleblower system and the office for reporting sexual harassment and discrimination in the workplace

One Group policy each defines the options, the framework as well as the limitations of making reports through the whistleblower system and the office for reporting sexual harassment and discrimination in the workplace (please also refer to S1-3). Our employees can access the policies and the whistleblower system through the Intranet. Group Compliance is responsible for the whistleblower system, monitors compliance and reports to the Group Works Council and the Management Board once a year and whenever required.

The policies apply to all employees but no other parties along the value chain. The Group Works Council was involved in developing the system. The whistleblower system meets all the legal requirements under the Whistleblower Protection Act (HinschG). The office for reporting sexual harassment and discrimination in the workplace was designed on the basis of the General Act on Equal Treatment (AGG).

Policy on Information and Communication Technology

With our newly drafted Group Agreement on Information and Communication Technology, which is in the final stages of negotiations, we strive to protect employee and patient data. Additionally, the policy governs all types of behaviour and performance controls by IT systems aimed at protecting the privacy of our employees. The policy is based on the legal requirements under the German Works Constitution Act (BetrVG) (Section 87) and the German IT Security Act. Group IT was involved in developing this policy to represent the employees' interests with regard to technology aspects. International standards, such as the UN Guiding Principles on Business and Human Rights, the ILO Declaration or the OECD Guidelines for Multinational Enterprises were not explicitly referred to. The Group Data Protection Officer is responsible for implementing the policy.

Group Data Protection Policy

MEDICLIN's Group Data Protection Policy governs the treatment of personal data within the Company and defines the work of the data protection coordinators and the data protection officer of MEDICLIN. The standard operating procedures and requirements set out in the Group policy are to ensure compliance with comprehensive data protection provisions and define requirements for ensuring that the data of our employees, patients, residents and external third parties is safe.

The Group Data Protection Policy defines procedures for complying with the legal data protection provisions. The Group policy and additional information on data protection is available to our employees on the corresponding pages in the Intranet and are regularly communicated in internal training and instruction sessions. MEDICLIN has a central data protection officer who exercises this function in all Group companies apart from MEDICLIN IT. The central data protection officer is supported by local data protection coordinators in the individual business units. MEDICLIN's data protection officer works closely together with MEDICLIN IT and its data protection officer.

Data protection impact assessments aim to ensure the data protection-compliant use of software and technologies, particularly where they may entail risks in connection with processing personal data. A standardised assessment template is available for this purpose, allowing risks to be identified from both the user's perspective and the IT perspective. The data protection officer uses this template to carry out a risk impact assessment. Depending on the result of this impact assessment, additional measures might be required and rules might be stipulated for the design of processing procedures or functions (e.g. in the corresponding works agreements) when using such software or provisions.

In the individual clinic companies, the data protection coordinators are responsible for monitoring the used software products; this also includes verifying that the software products are compliant in the field of employee data processing.

Our patients are informed of data protection requirements and confidentiality duties on admission. The basis for providing information on data protection and obtaining consent for the transfer of patient-related data to third parties is ensured through a standardised set of documents for legally compliant patient admissions in MEDICLIN's clinics.

Health and safety

Occupational health and hygiene regulations

The regulations on health and hygiene contribute significantly to our employees' occupational safety. These regulations are developed at facility level and are communicated by the occupational safety specialist, the safety officers, as well as the hygiene officer and the hospital hygienist. They are monitored through inspections and audits. The findings by the occupational safety specialist and the hygiene officers are regularly presented in the respective committee meetings (Occupational Safety Committee or Hygiene Commission). These findings are then evaluated together with the committee members and the hospital management, and, if necessary, actions are derived and implemented.

Critical Incident Reporting System (CIRS)

In addition to the existing policies and manuals, the Critical Incident Reporting System (CIRS) helps prevent accidents and identify and remove potential risks, thus contributing to the objective of preventing potential negative impacts on health and safety. Through the CIRS error reporting system, all employees can anonymously report errors and critical incidents in clinical processes. The workforce has access to the CIRS in the Intranet. Reports may refer to either employees or patients. The Medical Quality department is responsible for processing reports received through the CIRS portal.

Diversity, equal treatment and opportunities for all

Inclusion agreement

In 2024, MEDICLIN AG and the Group Representative Body for Severely Disabled Employees drafted a Group Inclusion Agreement, which governs the protection of the interests of severely disabled employees and those with equivalent status within the Group.

Training and skills development

The sustainability matter “training and skills development” is currently not governed by a dedicated group-wide works agreement serving as a policy.

Our corporate policies are not explicitly aligned with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises. No reference is made to human trafficking, forced labour or child labour in any of the policies listed in S1-1 as these practices can be ruled out in our view due to the fact that the Group only operates in Germany.

S1-2 PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

By adhering to the legal minimum requirements (German Works Constitution Act (BetrVG), General Act on Equal Treatment (AGG) and Social Security Code) and by actions beyond this scope, MEDICLIN offers its employees the opportunity to bring forward their opinions and ideas. One of these additional actions refers to the Group's intranet “MEDINET”, which informs our employees on current news and provides them with the opportunity to express their own ideas. Moreover, MEDICLIN has a corporate proposal system that serves to continuously improve processes and secure the Company's competitive position.

Group Works Council as the representative of the workforce

At MEDICLIN AG, the Group Works Council serves as the central representative body for the workforce. It supports the individual local works councils, especially where they lack competency. The works councils advocate for the interests and rights of employees and actively participate in shaping working conditions. Through regular exchange with the Management Board, the Group Works Council fosters constructive collaboration and ensures that the employees' views inform corporate decision-making. Its engagement supports the effort to create a positive corporate culture and enhance employee satisfaction. As at 31 December 2024 the Group Works Council had 56 members and holds four ordinary meetings per year.

At operating level, the responsibility for employee engagement and incorporation of findings lies with the head of the Human Resources and Employment Law department. Ultimately, the Management Board bears the overall responsibility.

There are no designated framework agreements with employee representative related to human rights but MEDICLIN has drawn up a human rights-related policy statement (please refer to S1-1).

MEDICLIN rates the effectiveness of its cooperation with the workforce, among other factors, on the basis of the lack of dispute resolution proceedings or legal proceedings at Group level. In 2024, there were no such proceedings at Group level, indicating that MEDICLIN offers a constructive work environment. Additionally, regular meetings with employee representative provide valuable information.

Feedback is collected in different formats, including:

- minutes of the Group Works Council meetings,
- minutes of and findings from specialist group meetings, management conferences and leadership conferences.

By involving employee representatives in the respective bodies, employee feedback informs our decision-making. The procedures described herein bind resources, the provision of which is a matter of course for MEDICLIN given the relevance of the topic. However, we are unable to provide information on the specific allocation of financial or human resources to employee engagement.

The impacts on MEDICLIN's own workforce that may arise from reducing carbon emissions and transitioning to greener and climate-neutral operations, in particular restructuring, employment loss or creation, training and up/reskilling, gender and social equity and health and safety, have so far not been systematically discussed with the employees or their representatives. The Group Works Council was, however, involved in preparing the sustainability statement under CSRD, and was kept up to date on the process. The relevant specialist teams (heads of specialist teams and departments) were likewise involved in the process of preparing the sustainability statement.

Group Representative Body for Severely Disabled Employees

The Company's representative body for severely disabled employees advocates the interests of severely disabled persons at MEDICLIN. It provides support and advice to affected employees and works to facilitate their integration into everyday working life.

A key part of its work is monitoring compliance with legal requirements, collective agreements and group-wide arrangements that apply in favour of persons with severe disabilities. In doing so, the representative body for severely disabled employees ensures in particular that MEDICLIN fulfils its obligations under Section 178 of the German Social Security Code Book IX – for example by meeting employment quotas or concluding inclusion agreements.

Through its commitment, the representative body for severely disabled employees helps to strengthen an inclusive corporate culture and enable equal opportunities for employees with severe disabilities.

S1-3 PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

Whistleblower system and the "reporting office for sexual harassment and discrimination in the workplace"

Our whistleblower system ensures that our employees can report grievances anonymously and through a protected channel at all our locations (please also refer to S1-1). This covers the reporting of compliance incidents, including corruption, fraud, data protection violations, conflicts of interest

or sexual harassment in the workplace. The Company offers an additional designated reporting office for cases of sexual harassment, discrimination and violence in the workplace to which affected individuals can confidentially report their grievances. This reporting office is staffed based on the parity principle and reviews all reports received objectively and thoroughly. In line with our zero-tolerance approach regarding respectful interactions and a working environment free of discrimination, the required action is taken in cases of suspected harassing or inappropriate behaviour to protect the affected individuals and to prevent negative consequences for the Company.

As incidents involving violence, harassment or discrimination can be reported through the whistleblower system and the designated reporting office, these channels actively contribute to preventing negative impacts related to equal treatment and opportunities.

In addition to reporting grievances directly to the whistleblower system or the reporting office, employees can use additional communication channels for making compliance reports or to report any type of grievance. Grievances can be reported by post, Intranet or e-mail as well as by telephone or in person.

All these procedures and reporting channels aim to ensure that we pursue incidents involving physical, sexual, psychological or verbal harassment or abuse while working for MEDICLIN. At the same time we protect the whistleblowers' right to privacy by, of course, ensuring that their anonymity is maintained. The employees can address their reports to Group Compliance or their superiors. We investigate every report and, if the suspicions are confirmed, take measures to protect the affected individuals and to prevent negative consequences for our workforce.

In our view the channels through which employees can report their grievances and concerns are effective as they are a known and established fixture. This is evidenced by the fact that these channels have already been used (please refer to S-17). Additionally, talks and dialogue among the managerial staff takes place at regular intervals.

S1-4 ACTIONS

The effectiveness of the following actions and initiatives is monitored individually and the latter are measured with regard to their impacts on the Company's own workforce. For this purpose, the responsible Group department, Human Resources and Legal, constantly discusses actions and policies with the Compliance department. The managers in charge are expected to respond appropriately to emerging impacts based on their professional experience and to implement suitable countermeasures. Financial resources for managing material impacts are currently allocated on a project-by-project basis through individual decisions.

Terms of employment

Increasing roster efficiency and employee pool

As stated above, the irregular working hours typical of the healthcare sector, including night and shift work, can have negative impacts on our employees. To counter this, we are planning to introduce a new AI-supported roster planning system with integrated absence management in the near future.

The artificial intelligence analyses the available data and provides targeted recommendations for shift staffing as well as for the swift replacement of absent employees. In addition, we have decided to join a Group-wide employee pool to make roster planning even more flexible and efficient.

These actions are to be implemented in 2025. Our aim is to significantly increase the efficiency of roster planning – an effect we will systematically measure and evaluate.

Harmonising the training programme with Asklepios

The planned strategic cooperation with the Asklepios Group opens up new opportunities to enhance the quality of training and up/reskilling. This cooperation refers to the alignment and expansion of existing training programmes and the exchange of best practices between MEDICLIN, RHÖN-Klinikum and Asklepios. The objective is to create a harmonised training programme that is available across the entire group within the next three years in order to maintain and further enhance qualifications, competencies, employee satisfaction and job security. We measure the effectiveness of the training programme through feedback on the training sessions and participation rates.

Expansion of the so-called Job-Rad programme

As early as 2022, the Job-Rad programme was introduced across the Group to give employees the possibility to lease a company bike. This action supports MEDICLIN's commitment in the fields of employee health and employer attractiveness. We measure the effectiveness of the action based on the number of participating employees.

Employee events

As every year, MEDICLIN organised various local employee events in 2024, including the "Nursing Day", the "Day of Hand Hygiene", summer parties, after work meetings as well as Christmas and sporting events, like for instance company runs. These events are to strengthen the sense of community and team spirit within the Company and promote the respect for special professions or topics. They offer opportunities for exchange, show our esteem for our workforce and enhance cross-departmental networking. These actions support the well-being of our employees and contribute to a positive corporate culture. The effectiveness of these events is measured based on participation rates and employee feedback.

Providing company housing and assisting with finding accommodation

We assist our employees in finding an apartment, and some locations even provide affordable employee housing. This is to increase employee satisfaction and loyalty to MEDICLIN. The effectiveness of these actions is generally measured based on the number of apartments found and the feedback of the employees who received assistance.

Data protection impact assessments

Data protection impact assessments aim to ensure the data protection-compliant use of software and technologies, particularly where they may entail risks in connection with processing personal data. A standardised assessment template is available for this purpose, allowing risks to be identified from both the user's perspective and the IT perspective. The data protection officer uses this template to carry out a risk impact assessment. Depending on the result of this impact assessment, additional measures might be required and might be stipulated for the design of processing procedures or functions (e.g. in the corresponding works agreements) when using such software or provisions.

Employee training on data protection and additional measures to prevent human errors

Our employees and managers participate in training and instruction sessions on the lawful handling of personal data at least every two years. The training sessions are initiated and conducted primarily by the local data protection coordinators.

We measure the effectiveness of actions related to data protection by the number of data protection violations. In the reporting year, two data breaches had to be reported to the data protection authorities of the respective federal state.

Health and safety

Health and safety training and events

To ensure high workplace safety and health protection for our employees, we regularly and continuously conduct training sessions and offer health courses. The training covers, among other subjects, fire protection, hygiene and safety at the workplace. Additionally, we offer course- or event-based offerings to promote mental and physical health, such as yoga classes and back training sessions. The aim of this action is to prevent workplace accidents and minimise the risk of illnesses while promoting the overall well-being of our employees. The training sessions are offered on site at the various locations. The effectiveness of these events and training sessions is measured based on participation rates.

Diversity, equal opportunities and equal treatment

More diversity

We are committed to diversity and oppose all forms of discrimination or harassment. This is also evident from our efforts to recruit new employees from abroad, train and develop them and retain them within our organisation. Our employees at the various locations come from a wide range of countries of origin. Through our initiatives, we promote educational and advancement opportunities for people of all backgrounds.

Within the Group, these actions contribute to greater diversity, tolerance and equality, thereby creating a respectful work environment characterised by fair collaboration. We measure the effectiveness of these actions by the number of new employees from abroad per year.

Inclusion of persons with disabilities

As agreed in the Group Inclusion Agreement, future actions were implemented or planned from June 2024 onwards and for the following year. The responsible bodies (management and clinic management, works councils and the representative bodies for severely disabled employees) were informed of the Inclusion Agreement. The local representative bodies for severely disabled employees received comprehensive training on the scope and contents of the Inclusion Agreement.

To ensure the implementation of the Inclusion Agreement and to protect the rights of severely disabled employees, the local representative bodies for severely disabled employees have been permanently integrated into the workplace health management (WHM) teams.

Regular discussion rounds (at least once a year) between the competent representative body for severely disabled employees and the employer's inclusion officer are planned in the 2025 financial year. Company medical officers and occupational safety specialists can be involved in these discussion rounds. The discussion rounds can be combined with meetings of the occupational safety committee. The discussions will focus on the state of inclusion efforts at the respective operating location and the need to agree on and implement further inclusion measures.

The following actions are planned in the upcoming financial year:

1. Development of prevention guidelines for potential risks to the employment of people with disabilities to ensure job retention
2. Step-by-step training programme for the employer's inclusion officers with the following content:
 - Introduction to the role for newly appointed inclusion officers
 - MEDICLIN's Inclusion Agreement and its implementation at the individual facilities
 - Employer's duties in the scope of workplace integration management
3. Inclusion of the topic of severe disability in the agenda of the annual leadership conference

Regular annual meetings of all representatives for severely disabled employees for exchange and training from 2025 onwards, including additional online training sessions.

S1-5 TARGETS

So far, no time-bound or outcome-oriented targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities have been defined. However, targets, additional actions and policies are to be developed as part of the strategic development process.

S1-6 CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

At the end of the 2024 financial year, 9,822 individuals were employed by MEDICLIN at 31 locations in Germany. Approximately 83 % of all employment contracts at MEDICLIN are permanent, providing both our employees and MEDICLIN as an employer with long-term planning security. 1,609 employees left the Company in the course of the financial year, corresponding to a turnover rate of 16.3 % Information on our employees, stated in full-time employees, is also provided in the chapters Basis of Group activities and Business development in the management report.

Information on employee head count by gender¹

Gender	Number of employees (head count)
Male	2,177
Female	7,704
Other	1
Not reported	0
Total employees	9,822

¹ Gender as specified by the employees themselves

Employees in countries where the Company has at least 50 employees

Country	Number of employees (head count)
Germany	9,822

Total number of employees by type of contract, broken down by gender¹

Head count	2024				
	Female	Male	Other	n/a	Total
Number of employees	7,704	2,117	1	0	9,822
Number of permanent employees	6,518	1,696	0	0	8,187
Number of temporary employees	1,186	448	1	0	1,635
Number of non-guaranteed hours employees	0	0	0	0	0

¹ Gender as specified by the employees themselves

The aforementioned metrics are derived from the personnel statistics for each organisational unit. They are retrieved using our HR source system LOGA. The number of workers (head count) is defined as the number of employed persons by head count and not as full-time employees in December 2024. In the following, the figures are disaggregated by gender, temporary/permanent employees and guaranteed working hours. The corresponding metric, i.e. number of employees in countries with 50 employees or more, is also defined as the number of employed persons (head count) in December 2024. The metrics are disaggregated by country, and the metrics in countries with less than 50 employees are not considered in the full amount. The metric „Number of employees“ in both the tables shown here are identical as MEDICLIN operates only in Germany. The number and ratio of employees who left the Company is shown without trainees, interns, working students, medical interns, medical students in their practical year and persons completing a voluntary social year. If

technically feasible and identifiable, internal job changes are not counted as persons leaving the Company. This metric reflects the total number of employees who left the Company voluntarily or due to dismissal, retirement or death. Fixed-term contracts were not taken into account, and the calculation was based on the average number of employees, which totalled 9,855. The metrics are not based on any other assumptions and have not been validated by an external entity.

Employees by contract type, broken down by region

Head count	2024	
	Germany	Total
Number of employees	9,822	9,822
Number of permanent employees	8,187	8,187
Number of temporary employees	1,635	1,635
Number of non-guaranteed hours employees	0	0

Employee turnover

Head count	2024
Total number of employees who have left the Company during the reporting period	1,609
Rate of employee turnover in the reporting period (in %)	16.3

S1-8 COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

Comprehensive labour and social regulations, works agreements and collective bargaining agreements form the foundation for ensuring fair terms of employment and pay (please also refer to S1-1). The percentage of total employees covered by collective bargaining agreements is 16 %. The percentage of employees at locations with a works council is 94 %. Since we operate only in Germany, there is no agreement regarding representation by a European works council.

Collective bargaining coverage and social dialogue

Coverage rate	Collective bargaining coverage		Social dialogue
	Employees – EEA (for countries with >50 empl. representing >10 % total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10 % total empl.)	
0–19 %	Germany		
20–39 %			
40–59 %			
60–79 %			
80–100 %			Germany

The “collective bargaining coverage” metric is defined as the number of employees (head count) that are covered by a collective bargaining agreement (regarding payment) in relation to total employees

in December 2024. The information is centrally analysed using data from the HR source system LOGA, based on the stored remuneration information related to collective payment agreements. The term “collective bargaining agreement” refers only to collective bargaining agreements concluded with a union or having been declared as universally applicable (labour and social regulations or other local agreements with works councils are not included). The metric is not based on any other assumptions and has not been validated by an external entity. The same description and methodology apply to the metric “Total percentage of employees in the EEA covered by collective bargaining agreements, for each country where there is a significant number of employees, i.e. at least 50 employees by headcount, representing at least 10 % of the total workforce”. As the MEDICLIN AG Group operates exclusively in Germany, the figures are identical.

The “social dialogue” metric gives the percentage of employees (head count) in the EEA represented by workers’ representatives in relation to total employees. The information on the number of employees is retrieved from the HR source system. The information whether a subsidiary has workers’ representatives is determined manually. The metric is not based on any other assumptions and have not been validated by an external entity.

MEDICLIN operates exclusively in Germany, which is why the column “Employees – Non-EEA (estimate for regions with > 50 empl. representing > 10 % total empl.) is left blank.

S1-9 DIVERSITY METRICS

We are proud that people from many countries work for MEDICLIN and bring cultural diversity to our Company (please also refer to S1-4). We are committed to this diversity and oppose all forms of discrimination or harassment. By filling positions solely based on the qualifications of the applicants, we aim to ensure equal opportunities for all. The share of women in top management amounted to 42 % in 2024. We also pay attention to a balanced age structure and make sure that our teams include both young and more experienced employees.

Employees in top management: by gender

	Numer	Percentage in %
Female	22	42.3
Male	30	57.7

Employees by age group

Headcount	2024
Under 30 years old	1,554
30-50 years old	4,319
Over 50 years old	3,949

The metrics “employees in top management” are collected and analysed manually. The top management level at MEDICLIN is defined as the heads of departments, commercial directors, managing directors and regional directors. The metrics are not based on any other assumptions and have not been validated by an external entity.

The metrics in the table “Workers by age group” were collected using an analysis retrieved from the HR source system, considering the entire workforce. The metrics are not based on any other assumptions and have not been validated by an external entity.

S1-10 ADEQUATE WAGES

Fair pay enhances employee satisfaction. Our employees benefit from labour and social regulations, remuneration regulations and, in some cases, facility-specific collective bargaining agreements negotiated with employee representatives and/or the unions ver.di and Marburger Bund for those facilities. Options for tax- and social security-exempt payments, such as inflation compensation premiums, are utilised to the greatest possible extent in line with the underlying legal provisions and economic situation. Thus, MEDICLIN pays its employees adequate wages in line with the applicable benchmarks, i.e. the statutory minimum wage and the nursing care minimum wage.

S1-14 HEALTH AND SAFETY METRICS

MEDICLIN’s occupational health and safety management covers 98 % of the Company’s workforce. The metric is based on the number of employees working in a facility with a health and safety manager. The accident and health statistics are disclosed in the following table.

Accident and health statistics

Number	2024	2023
Number of fatalities among own workforce as a result of work-related injuries and work-related ill health	0	n/a
Number of fatalities among other workers at MEDICLIN locations as a result of work-related injuries and work-related ill health	0	n/a
Number of recordable work-related accidents	49	n/a
Ratio of recordable work-related accidents (in %)	4.55	n/a

The metrics in the accident and health statistics were collected manually by query to the HR departments of the individual facilities. The ratio represents the number of cases per one million working hours performed. The metrics are not based on any other assumptions and have not been validated by an external entity.

S1-16 REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

Under the applicable provisions in the remuneration regulations of collective bargaining agreements and works agreements, MEDICLIN’s employees receive equal pay for work of equal value. Since, however, not all employees are covered by collective bargaining agreements, we aim to create transparency regarding remuneration inequality within the Company. The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all other employees amounted to 31 in the reporting year. This metric expresses that the highest paid individual earns 31 times the

median salary of the other employees (rounded). Please note in this respect that total remuneration and not the respective hourly rates were used for the comparison. Accordingly, the total remuneration of part-time employees is treated equally to that of full-time employees, resulting in a higher ratio than a comparison of adjusted hourly rates would have revealed.

The metric “annual total remuneration ratio of the highest paid individual to the median annual total remuneration” is calculated using gender-neutral remuneration data retrieved from the HR source system via list queries and aggregated into an overall evaluation. First, the highest paid individual is determined as the numerator of the formula. To determine the denominator of the formula, the highest-paid individual is excluded from the sum of gender-neutral individual remuneration figures, and the median is then calculated from the remaining data. All variable and fixed remuneration components are included in this calculation. The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all other employees is calculated by dividing numerator and denominator. The gross annual salaries of the Company’s active workforce, including trainees, interns, working students, medical interns, medical students in their practical year and persons completing a voluntary social year, are taken into account on a pro rata basis. Passive employees as well as individuals who left the Company during the reporting period are also included in the metric. The metric is not based on any other assumptions and has not been validated by an external entity.

S1-17 INCIDENTS AND COMPLAINTS

Three complaints were received in 2024 related to discrimination and harassment. Three of these incidents were investigated. Remedy plans were initiated for three of these incidents. No severe human rights violations like forced or compulsory labour, human trafficking or child labour were identified in 2024.

Incidents and reports

Number	2024
Reported cases of discrimination including harassment	3
Complaints submitted through employee channels	7
Complaints filed with the OECD National Contact Points for multinational enterprises	0
Total amount of material fines, sanctions and damage compensation payments in connection with the above incidents and complaints (in EUR)	0

The metrics were determined by means of internal queries and are neither based on assumptions nor have they been validated by an external body. Each report received is followed up and appropriate responses are developed to address the specific circumstances of the case.

Consumers and end-users – patients

NUMBER OF CIRS REPORTS

215

RECOMMENDATION RATE in %

78

Our sustainability reporting lays out in accordance with the ESRS Standard S4 how our operations impact society.

In order to provide the best possible care to our patients, excellent medical quality and patient safety are of the essence. We analyse the impacts of risks and opportunities related to patient needs on our business and explain which measures we take to respond to them.

Patient safety and patient satisfaction are of the utmost importance to MEDICLIN, which is why these topics are one of the key focuses of our corporate strategy.

ESRS S4 Consumers and end-users

We work every day to ensure that our patients feel safe with us, receive excellent medical care and are satisfied with our services. Ensuring this at all times takes top priority. We aim to achieve this goal through our high standards for the quality of medical services, a comprehensive quality management system with cross-location structures and close collaboration with our partners in the Asklepios Group.

ESRS 2 SBM-2 INTERESTS AND VIEWS OF STAKEHOLDERS

The interests and views of consumers and end-users – in our case patients – are described in ESRS 2, SBM-2.

ESRS 2 SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

MEDICLIN's services primarily address patients as end-users who require acute medical care, medical rehabilitation services or nursing care. When referring to patients, this also always includes their legal representatives, relations or visitors.

All consumers and end-users who are likely to be materially impacted by MEDICLIN, including impacts related to the Company's own operations and value chain, in connection with the services of MEDICLIN, as well as through its business relationships, are included in the disclosure under ESRS 2 and are also fully taken into account in the following explanations regarding SBM-3.

Providing comprehensive information and education about our healthcare services to our patients, their families and our nursing care residents is an essential foundation for strengthening patient and resident participation and active involvement in decision-making regarding treatment options and therapy plans. This approach aims to avoid potentially negative impacts of our services from the patients' perspective. Therefore, MEDICLIN provides patients with comprehensive information as well as details about treatments, medication and potential risks in an appropriate format. This is accomplished, among other means, through physician consultations, patient information materials and informational and consent discussions, as well as forms provided to our patients and, where necessary or legally required, their relatives or legal representatives. MEDICLIN also provides medical treatment to children who are considered a particularly vulnerable group of patients. We set out in this chapter how we consider their rights and needs.

In its materiality analysis (please also refer to ESRS 2, IRO-1) MEDICLIN identified its material IROs related to consumers and end-users. The IROs, their position in the value chain and the timeline are presented in chapter ESRS 2.

Impacts related to the protection of patient data

Collecting, processing and storing highly sensitive patient data is a crucial element of medical care. MEDICLIN undertakes to protect patient data in accordance with the applicable data protection legislation and implements technical and organisational measures to ensure data security. If a data breach related to the data of end users or consumers were to occur, such as a violation of the GDPR

or data leak caused by cyberattacks, the security of this data may be at risk. Given our business model, such data also includes sensitive (personal) data concerning health. As such, data protection violations could negatively impact MEDICLIN's patients. A potential breach of confidentiality, for example through mishandling or the accidental disclosure of confidential patient and health data, also represents a negative and potential impact on patients.

Impacts in connection with data protection are directly associated with the business model of MEDICLIN as the treatment of patients requires the collection of data, including sensitive data concerning health. As this is unavoidable, data protection and maintaining secrecy have top priority in the business model and strategy of MEDICLIN.

We classified both negative and potential impacts as individual; they would only affect a part of the patients at the respective locations.

Impacts related to patient safety

MEDICLIN is able to positively influence the well-being of its patients and improve their health through medical treatment, therapy offerings as well as preventive and follow-up medical care. A lack of trust or a lack of willingness of patients to participate in diagnostic procedures or therapies can negatively impact the intended treatment outcome and the duration of the treatment.

Negative impacts on the safety and health of patients could arise, for instance, from an outbreak of infection at our facilities. Also if patients are inadequately treated, for example due to insufficient or faulty diagnostics or incorrect treatment, this can harm the health of the individual.

Impacts in connection with patient well-being are directly associated with the business model of MEDICLIN as the treatment of patients has top priority. Thus, these impacts have a direct influence on the business model and strategy of MEDICLIN. We strive every day to ensure that our patients receive excellent medical care.

We have classified all the negative impacts referred to in this section as potential. The impacts related to lack of trust and inadequate treatment are classified as individual. The negative impact related to risks through illness is classified as systemic and/or widespread.

Impacts related to quality and safety

To ensure a high level of treatment success, participation in the legally mandated quality assurance procedures in acute care as well as in medical rehabilitation is a fundamental component of our quality strategy. In addition, MEDICLIN's clinics utilise both internal and external benchmarking procedures to evaluate achieved outcome quality and patient satisfaction and participate in voluntary initiatives for quality transparency.

Insufficient quality control and assurance procedures can compromise the safety and health of our patients, potentially leading to negative impacts on patients. Safety-related incidents, such as falls, injuries or physical assaults, can also negatively impact our patients, exposing them to physical risks and harm.

Impacts in connection with quality and safety are directly associated with the business model of MEDICLIN as patient safety must be ensured at all times.

We have classified all impacts related to quality and safety as negative, potential and individual.

Impacts related to the protection of children

In cases of suspected neglect, child abuse or maltreatment, medical diagnostics also include the objective assessment of relevant indicators to ensure child protection. This provides effective support to affected children and their parents, positively impacting patients in childhood and adolescence. In contrast, a lack of child protection actions – such as the absence of standardised procedures for handling suspected child endangerment – could have long-term consequences for the development, personal safety and health of children and adolescents.

The impacts are directly related to MEDICLIN's business model and strategy, as the treatment of children and adolescents is explicitly part of our care offering. Therefore, impacts related to the protection of children have a direct influence on our business model and our strategy.

The impact related to a lack of actions to protect children was assessed as negative, potential and individual. The impact related to ensuring child protection, in turn, was assessed as positive, actual and individual.

S4-1 POLICIES RELATED TO CONSUMERS AND END-USERS

Respect for the human rights of patients, relatives and visitors is an integral part of our corporate policy and culture. MEDICLIN aims to respect the human rights of all consumers and end-users and pays particular attention to the:

- Right to health: ensuring high-quality medical care tailored to patients' needs.
- Right to dignity and respect: treating all patients with dignity, respect and without discrimination.
- Right to privacy and data protection: protecting patient data in accordance with the applicable data protection legislation.
- Right to information and self-determination: providing patients with comprehensive information on their treatment options and obtaining their informed consent.
- Right to non-discrimination: granting every person equal access to healthcare, regardless of their gender, origin, colour, religion, age, disability or sexual orientation.

These rights are anchored in the policies that are described in the following.

With its policies related to patients, MEDICLIN follows national and European legislation and industry standards. The policies are not yet expressly aligned with the UN Guiding Principles on Business and Human Rights.

All Group policies are available to all employees on the Intranet and through our document management system eQMH. Except for the Declaration of Human Rights, our policies related to consumers and end users are not explicitly aligned with the UN Guiding Principles on Business and Human

Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises. No cases of non-compliance were identified in the year under review.

Group Data Protection Policy

MEDICLIN's Group Data Protection Policy governs the treatment of personal data within the Company and defines the work of the data protection coordinators and the data protection officer of MEDICLIN. The standard operating procedures and requirements set out in the Group policy are to ensure compliance with comprehensive data protection provisions and define requirements for ensuring that the data of our employees, patients and external third parties is safe. The Group policy is a binding requirement for data protection design in our facilities and it is issued by the data protection officer of MEDICLIN. The management is responsible for implementing the policy provisions and, in doing so, is supported by the appointed data protection coordinators. For more information, please refer to ESRS S1, S1-1.

Quality Management Policy

Basic requirements for internal quality management in healthcare are defined in nationwide guidelines. In acute care, this is governed by the "Quality Management Guideline" of the Federal Joint Committee (G-BA), and in medical rehabilitation, by the "Agreement on Internal Quality Management pursuant to Section 37 (3) German Social Security Code IX (SGB)" issued by the Federal Association for Rehabilitation (BAR). These guidelines form the basis for the design of internal quality management in MEDICLIN's acute and post-acute clinics.

The guidelines in acute and post-acute care define tools and methods for ensuring and promoting quality, safety and patient well-being, which are implemented individually by each clinic.

The implementation of these requirements is monitored through internal control measures and centralised monitoring of specific quality criteria across various service areas. In addition, there are further requirements for service delivery arising from related legal frameworks, such as the German Infection Protection Act (IfSG) and the German Medical Devices Act (MPDG), which are also implemented and monitored.

The Quality Management Guideline defines the regulatory framework for service delivery and provides the foundation for organising essential treatment processes. The affected stakeholders include patients and their relatives as well as the legislator, MEDICLIN as an employer and its employees. The mandatory quality management guidelines in acute care and medical rehabilitation serve as binding requirements for structuring the internal quality management systems in our facilities. The management is responsible for implementing the provisions and, in doing so, is supported by the appointed quality management offers of the facilities.

Code of conduct and guiding principles

MEDICLIN does not have a designated code of conduct for dealing with patients but our conduct is aligned with our Attitude Principles (please also refer to ESRS S1, S1-1). The Attitude Principles apply to all the employees of MEDICLIN and its affiliated companies, covering all individuals who are in contact with patients and relatives and applies to the entire value chain. The Management Board and all managerial staff are responsible for ensuring compliance with the Attitude Principles and clearly communicate their commitment on the website. At present, MEDICLIN does not have a specific procedure for monitoring compliance with the Attitude Principles when dealing with patients.

Declaration of Human Rights

As a healthcare provider, MEDICLIN places great importance on the respect for human rights. In addition to the Attitude Principles, the Management Board adopted a Declaration of Human Rights in 2023. In this context, MEDICLIN commits to upholding and promoting fundamental rights in accordance with the UN Declaration of Human Rights (1948) and the Charter of Fundamental Rights of the European Union (2000) to ensure their protection. This commitment applies to our own operations and is also aimed at our business partners within our supply and value chains.

Critical Incident Reporting System (CIRS)

The Group's works agreement regarding the Critical Incident Reporting System (CIRS) helps prevent treatment-related incidents and identify and remove potential risks. For this purpose, the employees of MEDICLIN have access to the reporting system and can report potentially critical incidents at their location. A designated CIRS team processes incoming reports, initiates appropriate actions to prevent potential hazards and decides on the publication of anonymised reports and the corresponding actions taken within the facility, thus contributing to the objective of preventing potential negative impacts on health and safety of patients or employees. For more information, please also refer to the disclosures in ESRS S1, S1-1.

Child protection policy

The affected facilities started working on a concept for the protection of children in the year under review. It will be completed in the course of 2025. Parts of the protection policy have already been implemented, i.e. the reporting channels.

The legal requirements regarding the treatment of children's patient data are fully complied with. This is provided for in our data protection policy. Compliance with legal requirements, such as the Federal German Child Protection Act (BKiSchG) is guaranteed when patients are treated at our facilities.

S4-2 PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

MEDICLIN actively involves patients in developing and improving our healthcare services. This is accomplished by means of:

- ongoing regular surveys of patient satisfaction and needs,
- easily accessible complaint management with various channels of access and
- patient advocates at individual locations who support patients in exercising their rights.

Regular patient surveys

We use standardised questionnaires to regularly ask our patients in the acute and post-acute clinics how satisfied they are with the care provided. The satisfaction with treatment received is reflected in the patients' willingness to recommend a facility. Patients can respond using a five-step scale choosing either "Yes" or "No" and, if desired, provide reasons. We strive for ratios exceeding 90.0 %. In Q4/2023 to Q3/2024 the rate of positive recommendations across all MEDICLIN clinics amounted to

78 %. The metric covers 29 locations. A total of 39,646 patients answered the question in the aforementioned period, from which we derived the stated ratio. At present, the survey is performed in writing and is analysed by an external service provider.

In all clinics, designated employees are responsible for addressing complaints and, based on them, working with internal quality management to optimise clinic processes. The completed questionnaires and the responses contained therein are used to measure the effectiveness of the action. The recommendation rate is derived from the patient satisfaction survey, which is conducted at all locations. All findings are used to determine the recommendation rate. The calculation takes into account how many individuals from the total number of received responses support a recommendation. Responses refusing a recommendation are not considered in the recommendation rate. The Medical Quality department is in charge of analysing the results of patient surveys and, where necessary, forwarding them to the Management Board so that they can be incorporated into the strategy.

Patient Reported Outcome Measurement

Our aim is to continuously improve our treatment quality. For this purpose, we also use modern assessment methods in which patients directly evaluate treatment outcomes, known as Patient-Reported Outcome Measurements (PROMs). This method assesses the treatment outcome from the perspective of the patient by surveying patients before their treatment and at subsequent points in time about their health-related quality of life and health status.

The collected information allows for a specific evaluation of treatment success from the patient's perspective. The data contributes to optimising medical and therapeutic measures, enabling us to provide patients with the best possible treatment in our clinics. The responsibility for incorporating the findings into our corporate policies lies with the Medical Quality department and, ultimately, the Management Board.

Engaging with children

To date, MEDICLIN has not introduced any processes for gaining particular insight into the perspectives of the children we treat. This topic is supposed to be addressed over the coming years as part of the development of child protection concepts in the relevant facilities.

S4-3 PROCESS TO REMEDIATE NEGATIVE IMPACTS AND GRIEVANCE MECHANISMS

Patients and their legal representatives or relatives can raise concerns, express criticism or report grievances through various channels. The established channels include, in particular, internal patient surveys and a structured complaint management.

Patients are actively requested to participate in a standardised anonymous patient survey at the end of their stay. Currently, the survey is still carried out on paper forms; a digitalised version is being tested. In addition, our patients are encouraged to freely express their opinions through targeted prompts, including the local complaints management system, quality management (QM) and other feedback channels that are available at all times (e.g. "Praise and Criticism" cards). Reports are carefully documented and monitored. The questionnaires in the patient survey are recorded by facility and centrally validated. The results of the survey and the analysis by clinic location and indication are carried out by an external service provider. The summary reports are made available to all MEDICLIN employees on the Intranet and are provided on a quarterly basis for internal communication and evaluation whether there is a need for action.

Through the CIRS error reporting system, our employees can anonymously report near errors and critical incidents in clinical processes (please also refer to S1, S1-1). In financial year 2024, our employees made 215 reports through the CIRS. This metric was determined manually and centrally by the Medical Quality department. The number of CIRS reports shows that the system has been accepted and is used by our employees. In future, it will be possible to collect additional metrics related to the CIRS to be able to better assess the effectiveness of the action.

S4-4 ACTIONS AND RESOURCES

Not every action listed below has an individual budget. The actions are considered to be part of overarching budgets that cannot be directly allocated, or some projects have not yet been budgeted. The managers in charge are expected to respond appropriately to emerging impacts based on their professional experience and to implement suitable countermeasures.

Quality assurance training

MEDICLIN advances the expertise of its employees through a wide range of nursing, medical and therapeutic training programmes and dual study programmes. This is to ensure the high-quality treatment of our patients. Through the training programmes, employees remain up to date and can apply this knowledge to maintain the high quality. We measure the effectiveness of this action by means of factors like patient satisfaction and the success of our business model.

Participation in the “Clean Hands” initiative

Our participation in the “Clean Hands” initiative is part of a national hygiene initiative hospitals participate in to improve hand hygiene. The participating facilities are listed in the so-called Clinic Atlas and can earn a certification seal (bronze, silver, gold) through continuous improvement of their hygiene practices. This action is taken at several Group locations, in particular in areas with direct patient interaction. It is aligned with the German Infection Protection Act (IfSG) and follows the recommendations of the Commission for Hospital Hygiene and Infection Prevention (KRINKO). This campaign is launched once a year and is designed as an ongoing action to continuously improve hygiene standards. The action aims to strengthen patient safety and well-being by reducing the spreading of infections through improved hand hygiene and to thus sustainably promote the well-being of our patients. The effectiveness of the action is measured by monitoring the outbreak of infectious diseases.

Actions related to data protection and to prevent human errors

The appointed data protection coordinators are in charge of regularly monitoring data protection activities at the individual locations. The duties of the data protection coordinators are laid out in the Group Data Protection Policy. The data protection coordinators are trained by MEDICLIN’s data protection officer several times a year.

Data protection incidents and activities at the locations are bundled in the annual data protection report and provided to the Management Board and managing directors for informational purposes. In the year under review, there were 51 breaches related to personal data. We investigate data breaches without delay. The metric for the reporting year was collected by the data protection officer. 2 of the reported incidents were reportable and 49 were not. All investigations of data breaches have been processed and closed.

Quality management system and internal audits

All MEDICLIN facilities have implemented a structured quality management system that is continuously further developed and adjusted to meet the current legal requirements. This system is aligned with the legally required quality management instruments set out in the quality management guidelines of the Federal Joint Committee (G-BA) and the Federal Association for Rehabilitation (BAR).

The specific requirements, which serve as the minimum standard for all clinics, are reviewed through spot checks by the central Medical Quality and Medical Billing departments. Quality audits are conducted annually at all MEDICLIN facilities to ensure that the patients are provided with high-quality medical, therapeutic and nursing care. Additionally, Internal Audit also reviews whether individual QS and QM requirements are met.

In quality control, we aim for a 100 % audit rate for our clinics. The rate of audits carried out in the financial year amounted to 93.3 %.

Actions for child protection

To contribute positively to child protection, training sessions on the topic are conducted in the relevant facilities. At the Klinik an der Lindenhöhe clinic, the members of the Protection Policy Working Group participated in the online course by the Baden-Württemberg Hospital Association (BWKG) on "Developing Protection Policies Against (Sexualised) Violence in Hospitals". Two employees are additionally participating in the certification course "Child Protection Specialist/Experienced Specialist (IeF)". An analysis of risk factors in the clinic was also conducted, completed and evaluated through surveys among parents and staff. During the evening round (therapeutic group), patients were also informed about the "Protection Policy Mailbox" located at the entrance of the child and youth psychiatry unit. Additionally, the topic of "Children's Rights" was incorporated into the patients' holiday programme.

At the clinic for psychosomatic medicine and psychotherapy for children, adolescents and adults in Bad Bodenteich, employees receive in-house training on this issue. Furthermore, workshops on the topic were conducted by an external specialist. In addition, there is a self-commitment document provided as an attachment to new employees upon hiring. A "Protection Team" was established in the facility to focus specifically on this issue. We have also established an intervention chain and defined preventive action. The effectiveness of the actions is determined based on feedback from children and adolescents at the facilities and from their parents.

Actions related to freedom of expression

No specific actions were implemented in the year under review to promote our patients' freedom of expression. However, we deem it highly important to foster open and honest communication between our patients and employees.

S4-5 TARGETS

So far, no time-bound and outcome-oriented targets have been defined in relation to consumers and end-users. However, targets are to be developed as part of the strategic development process. Above all, however, we wish to emphasise that we consistently strive to ensure the highest possible level of patient safety at all times. To be able to better track our progress, our set of KPIs includes a metric concerning the Critical Incident Reporting System (CIRS). Additional metrics will be added to this set of KPIs in the course of 2025.

Business conduct

**AVERAGE TIME TAKEN
TO PAY INVOICES** in days

21

**SHARE OF INVOICES PAID
IN 1–14 DAYS** in %

37

**PERSONS RECEIVING
TRAINING ON CORRUPTION
AND BRIBERY**

61

**FINES FOR VIOLATION
OF ANTI-CORRUPTION AND
ANTI-BRIBERY N** in EUR

0

Our sustainability reporting lays out in accordance with the ESRS Standard G1 how we shape our business conduct in a responsible and transparent manner.

We analyse the governance structures and decision-making processes in our Company and explain which measures we take to ensure integrity, transparency and ethical behaviour. A central element of our reporting is to disclose our corporate values, internal control systems and compliance mechanisms.

Another important aspect is to provide insight into our risk management and anti-corruption measures aimed at ensuring that our Company is managed responsibly and sustainably. We seek to actively foster a value-driven corporate culture and uphold the highest ethical standards.

4. Governance information

G1 Business conduct

In the following we explain our business conduct that is closely related to MEDICLIN's business model. It encompasses the topics corporate culture, protection of whistleblowers, management of relationships with suppliers including payment practices, prevention and detection of corruption and bribery as well as animal welfare.

ESRS 2 GOV-1 THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Disclosures on the role and expertise of our Management Board and our Supervisory Board related to business conduct are made in chapter ESRS 2 GOV-1.

ESRS 2 IRO-1 DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Chapter ESRS 2, IRO-1 includes a description of the processes to identify and assess material business conduct-related impacts, risks and opportunities. The ESRS requirements for this process were adhered to during the double materiality analysis.

G1-1 BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

MEDICLIN aims to pursue a value-oriented corporate culture. The following values were defined in this context:

- We treat each other with respect.
- We take corporate responsibility in the best interests of the Group.
- We all help each other and actively offer our help.
- We learn best through transparency.
- We encourage and challenge innovative ideas for the benefit of the entire Company.

A Group-wide occupational health management system is to further support the well-being of every team member.

MEDICLIN evaluates its corporate culture through a continuous focus on quality, innovation and feedback. The ability to develop new scientifically based treatments, such as post-COVID rehabilitation, serves as a benchmark for the effectiveness of the values and principles in practice. An integral part of the assessment is our feedback culture. Employees are encouraged to point out possible improvements to one another and to learn from each other. This open exchange aims to foster the continuous development of the corporate culture and ensure that mutual respect and entrepreneurial thinking are actively practiced.

In dealing with patients, the quality of medical care has utmost priority. Patients must be able to trust that their treatment is subject to the highest standards and that their safety comes first. At the same time, MEDICLIN is called on to act in a socially responsible manner. Employees should treat patients with humanity, appreciation and respect, considering their individual needs.

MEDICLIN welcomes employee engagement in professional networks and supports all activities that promote internal cooperation and support. The Company promotes contacts with other hospital companies where they are medically and/or economically beneficial. However, such contacts may not entail any competitive or other disadvantages for MEDICLIN and must be disclosed to the chairperson of the Group's management.

Compliance management

Compliance is a matter of attitude. Integrity is the prerequisite for being seen as a reliable partner. Therefore, compliance is a central element of responsible business conduct in our view. We comply with legal provision and have established an appropriate framework through our internal guidelines. We also maintain high ethical standards. Our guiding principles are integrity, trust and loyalty as well as quality, innovation and social responsibility. They shape the leadership style and interactions at MEDICLIN and form the core of MEDICLIN's Attitude Principles, serving as the overarching goals of the Group. These form the basis of our conduct and provide guidance to MEDICLIN's employees.

The Attitude Principles are complemented by the Declaration of Human Rights, which forms the basis for implementing human rights-related matters and environmental obligations of MEDICLIN under the German Supply Chain Due Diligence Act (LkSG). As one of the leading private rehabilitation service providers in Germany, MEDICLIN is well aware of its special responsibility for employees, patients and society as whole. Our Declaration of Human Rights specifies the main principles and expectations of MEDICLIN with regard to the internationally recognised human rights. Central issues are anti-discrimination, equal treatment of all employees and the right to health and safety at the workplace. We are guided by the UN Declaration of Human Rights (1948) and the Charter of Fundamental Rights of the European Union (2000). Our Declaration of Human Rights applies to our own operations.

The Compliance department reports directly to MEDICLIN's CFO and regularly coordinates with him; additionally it provides a compliance report to the entire Management Board on a semi-annual basis. As part of this process, the Compliance department provides an overview of current compliance developments, the progress of compliance programme enhancements, reported compliance incidents and specific compliance metrics. To ensure compliance within the Company, MEDICLIN continuously develops and enhances its compliance management system. In this way, MEDICLIN aims to identify relevant risks at an early stage, minimise them through appropriate actions and thereby support and protect both management and employees. In the year under review, MEDICLIN focused, in particular, on adapting its compliance management to the CSRD reporting duties and on implementing the requirements under the German Supply Chain Due Diligence Act (LkSG). In this context, the Group policy on handling gifts and hospitality invitations was updated, the Group policy on personal performance was implemented and Group policies for the reporting office, the whistleblower system and the compliance committee were developed and approved in 2024.

Central elements with a regular review cycle include the Attitude Principles and the Group Compliance Policy, which describe in detail the compliance framework and which compliance principles are binding on all MEDICLIN employees. The Attitude Principles and the Group Compliance Policy are approved by the Management Board. The Management Board has the overall compliance-related strategic responsibility.

On-site at the MEDICLIN clinics and subsidiaries, local management serves as a multiplier for compliance topics, particularly in communicating requirements to employees.

The compliance framework and the advancement of the compliance management system are established in a top-down process. Relevant compliance topics are communicated to employees through defined distribution plans (e.g. updated Group policies) and internal steering meetings. Communication channels include the MEDICLIN Intranet MediNet. Compliance updates are also communicated in the weekly Friday email to approximately 10,000 full-time employees.

Whistleblower system and protection

MEDICLIN offers different reporting channels for compliance incidents and human-rights-related concern to promote transparency and accountability. All reporting channels guarantee confidentiality and protect whistleblowers against retaliation.

Whistleblower system

MEDICLIN has a tool-based whistleblower system. It is anchored in the Compliance department and forms part of the compliance management system. It serves as a communication channel for employees to report (potential) compliance incidents. The whistleblower system can be used anonymously and only collects the essential data required from whistleblowers. The whistleblower system is not accessible to external stakeholders.

The MEDICLIN whistleblower system observes the requirements of the German Whistleblower Protection Act (HinschG). The whistleblower (employee or an external individual) must not suffer any disadvantages as a result of submitting a report, particularly no negative consequences for their employment relationship. This is conditional on that person making the report in good faith, meaning the whistleblower is not intentionally making false accusations. At the time of making their report, they must have a justified belief that the content of their disclosure or complaint is correct, even if it later turns out to be inaccurate. Individuals, however, who intentionally or maliciously seek to harm others are not protected and must expect consequences.

The fundamental rules for using the whistleblower system are outlined in the MEDICLIN Group policy "The Whistleblowing System, Reports and Rules". It governs how reports and complaints are dealt with, the corresponding procedure, responsibilities as well as the rights of the whistleblowers and affected persons. The main principles here are the protection of whistleblowers from retaliation and data protection.

Reporting office

MEDICLIN has further installed a separate office for reporting sexual harassment, discrimination and violence in the workplace. Affected employees can address the reporting office directly either personally, in writing or by telephone.

Complaints mechanism under the LkSG

For (potential) violations of the German Supply Chain Due Diligence Act (LkSG), MEDICLIN has also established an externally accessible complaints mechanism for reporting violations against human rights and environmental obligations. Complaints can be reported in person, by phone, email or anonymously through the MEDICLIN website. In line with reports submitted under the Whistleblower Protection Act (HinschG), reports submitted under the German Supply Chain Due Diligence Act (LkSG) are also processed with the highest level of confidentiality and discretion.

Availability and communication

The availability of both the whistleblower system and the reporting office has been communicated throughout the Group. The channels are easily accessible on the Intranet (quick access). MEDICLIN's Attitude Principles also provide information on the reporting channels.

In accordance with the legal provisions, Directive (EU) 2019/1937 and the applicable national implementing legislation and the German Whistleblower Protection Act (HinschG), the Attitude Principles stipulate express requirements regarding the protection of whistleblowers. Reports and submissions are treated confidentially. Organisational and technical measures guarantee that confidentiality is maintained. Whistleblowers have the option to confidentially provide further information regarding the compliance report and communicate with the compliance department via an electronic mailbox after the initial report – regardless of whether the compliance report was submitted anonymously or with their name.

With its policies related to combating corruption and bribery, MEDICLIN follows national and European legislation and industry standards. The policies are not yet expressly aligned with the UN Convention against Corruption. MEDICLIN is planning to carry out a relevance analysis in 2025 and will, depending on the outcome, adjust its existing policies.

In 2024 there were no proceedings related to this topic.

Raise employee awareness of business conduct and compliance

One focus of compliance management is to raise employee awareness of compliance issues. With its slogan "Compliance protects – Compliance supports", MEDICLIN highlights the importance of compliance and the collaboration between the Group level and clinics to ensure timely and appropriate responses to compliance matters.

Regular training and information events

In addition to mandatory training sessions for managerial staff, compliance issues are also addressed in internal training sessions and information events.

The compliance principles and current topics in this area are presented as part of classroom or online training sessions, such as employee meetings, management meetings, trainee events and chief physician meetings. Detailed information on the whistleblower system is available on the Intranet. The local units were provided with extensive information materials (flyers and leporellos) for their employees. The managerial staff was trained on the whistleblower system when it was rolled out and serve as multipliers.

Top priority was given to compliance issues in the 2024 reporting year. Further training measures on additional topics related to business conduct will be developed in the years to come, and the employees will be trained accordingly.

At-risk groups

MEDICLIN defines employees in top management as most vulnerable with regard to corruption and bribery, and believes this group, which was designated as an at-risk group, to have a special responsibility for ensuring compliance within the Group. Managerial staff is often involved in decisions that have a significant external impact. The establishment of a compliance framework focuses on setting standards for collaboration with third parties. In the healthcare sector, clinic employees (primarily medical staff and physicians) often work closely with partners in the industry, partly in the scope of secondary employment. Such interaction must follow clear rules and must be evaluated on a case-by-case basis as it naturally harbours a potential for conflicts of interests. The Purchasing department also requires special attention with regard to compliance issues due to its high turnover and volumes. However, in the year under review, only employees in top management have been classified as “functions-at-risk”.

Animal welfare

Animal testing for the production of pharmaceuticals, the observation of disease progression and the development of treatment methods in MEDICLIN’s upstream value chain impacts animal welfare. This affects animals involved in various stages of the pharmaceutical value chain. Animal testing will remain indispensable in the development of pharmaceutical products for many years to come as it is the only way the safety and effectiveness of certain medical products, medicines and vaccines that MEDICLIN uses to treat patients can be ensured. Therefore, the impact is directly related to and does not influence the business model and the strategy of MEDICLIN. This impact is classified as negative, actual and systemic and/or widespread.

TARGETS

Concrete targets are currently being developed.

G1-2 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

For each supplier, MEDICLIN enters payment terms in the accounting system clearly indicating the deadline for releasing the order. Cash discount terms create a financial incentive encouraging the early payment of invoices.

We do not conclude framework agreements for the entire range of supplied products but focus on specialised agreements for individual product groups or application areas. This way we can tailor contract terms precisely to meet specific requirements and promote collaboration with specialised suppliers, including SMEs.

As a healthcare service provider, we have a high demand for a wide range of products and services, including goods and services for medical purposes, administration and operating supplies. We also procure products and services in the fields of technology, medical equipment, food and beverages, energy and waste and laundry management. Our purchases mainly originate from Germany, other European countries and the US.

The central procurement department manages orders and the supply of facilities and medical care centres in operational and strategic terms and assists the users with their procurement processes. The central procurement department is also responsible for supplier management.

We have not yet introduced training on sustainability matters or sustainability-related incentives for our employees in the supply chain. This type of training is to be established within the next three years.

We annually rate our main suppliers with regard to product quality, supplier competence, flexibility, cooperation, expertise and compliance with occupational health and safety standards. For this purpose, we have templates that are to be filled in by the persons in charge at the facilities. Thereafter, the supplier and the central procurement department discuss potential actions, and the resulting findings are reported back to the facilities. We have annual talks with strategic suppliers and initiate discussion whenever required.

The selection of our suppliers is based on the Group Procurement Policy of the MEDICLIN clinic group that governs procurement-related decision-making across the entire Group. The Group Procurement Policy describes the purchasing processes and defines the rules for procurement. It does not define any IROs or obligations to adhere to external standards or initiatives. The overall responsibility for implementing the Group Procurement Policy lies with the Management Board.

We expect that the requirements regarding our supplier management will undergo further changes. Increasingly strict regulatory requirements and complex geopolitical situations are impacting the availability of individual products, raw materials and transport routes. Our response to this is to pursue a multi-supplier strategy to cushion cost increases and supply bottlenecks and to be able to react promptly to indications of shortages.

We believe it part of our responsibility to know any potential or actual negative impacts and risks of our business conduct along our entire value chain. In the future, we intend to pay more attention to sustainability criteria in our procurement decisions. In the coming two years, a concept developed by Asklepios for the systematic screening and evaluation of the social and environmental performance of our suppliers will be implemented at MEDICLIN.

Since 2023 we have been using a tool (Osapiens) to support us with implementing the requirements under the German Supply Chain Due Diligence Act (LkSG). We use Osapiens to prepare abstract risk analyses. These give us an overview of negative impacts and risks related to our suppliers in terms of topics, countries, sectors and affected parties (especially particularly vulnerable groups). This way we identify countries and locations with high-risk suppliers. In 2024 we did not identify any high-risk suppliers.

This first analysis forms the basis for a more detailed and specific risk analysis, in which we then assess the actual risks. For this purpose, we specifically survey suppliers in countries and locations with high-risk subcontractors, which we identified as high-risk suppliers based on the abstract risk analysis. On this basis, we prioritise risks and take targeted remedial action. We may, for instance, request evidence of measures taken in relation to critical issues and, as a last resort, end the supplier relationship. We can use Osapiens to directly request the required remedial action from the affected suppliers and document it. The system can, for instance, send out codes of conduct or training videos or can be used to fill in questionnaires together with the affected suppliers.

G1-3 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

MEDICLIN is firmly opposed to all forms of corruption and bribery. This applies to dealings with public officials and to interactions with representatives of other organisations, companies or suppliers. In connection with any activity for MEDICLIN, no one may be granted, promised or even offered a personal benefit in exchange for preferential treatment. This also applies to benefits for third parties like family members. Even the mere appearance of improper influence on business decisions or, in the case of public officials, official actions must be avoided.

We have anchored our compliance requirements for the entire value chain in our Group-wide Attitude Principles. They prohibit corruption of any type whatsoever and are binding on all employees. Our Group-wide Attitude Principles are internally and publicly available. Group policies on topics such as interactions with the industry and other third parties, as well as specific regulations regarding participation in training events have been established. They are to raise the awareness of the persons in charge of compliance at MEDICLIN.

The Management Board is informed of all reports regarding suspected incidents of corruption and bribery. Corruption incidents involving a member of the Management Board would be reported directly to the Supervisory Board. Compliance investigations are organised and carried out by the Compliance department. Depending on the case, experts from other departments or external experts may be involved in the investigations. The investigations are subject to the dual-control principle.

Group Compliance works independently of the areas involved in the suspected incident. An organisational guideline for investigating compliance reports is to be implemented at the beginning of 2025.

MEDICLIN communicates its Attitude Principles and compliance requirement to its employee in the scope of training sessions, which also address measures to prevent and combat corruption.

MEDICLIN is planning to integrate compliance training in the internal e-learning tool in 2025, enabling the Company to retrieve and report evidence of training participation in the future. These technical conditions were not yet in place in 2024. The percentage of functions-at-risk that attended anti-corruption and anti-bribery training programmes was determined manually by means of the invitations sent out through Teams. The duration and the contents of the training were also determined this way.

	At-risk functions	Managers	AMSB ¹	Other own workers
Training coverage				
Total	718	718	19	9,107 ²
Total receiving training	50	50	19	0
Delivery method and duration	Virtual training as no e-learning tool is available as yet	Training delivered at the monthly management conferences. Monthly, when-ever required		
Classroom training	0	0	0	0
Computer-based training	15 – 45 min	15 – 45 min	15 – 45 min	0
Voluntary computer-based training				
Frequency				
How often training is required	Annually	Annually	Information provided every six months	
Topics covered				
Definition of corruption	●	●	●	
Policies				
Procedure on suspicion/detection				
Whistleblower system	●	●	●	

¹ Administrative, management and supervisory bodies

² The metric was determined in the same way as the metrics in S1.

G1-4 INCIDENTS OF CORRUPTION OR BRIBERY

In the reporting year there were no convictions or fines for violation of anti-corruption and anti-bribery laws.

Incidents of corruption or bribery

	2024	2023
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0
Fines for violation of anti-corruption and anti-bribery laws (in EUR)	0	0
Total number and nature of confirmed incidents of corruption or bribery [voluntary]	0	0
Number of confirmed incidents in which own employees were dismissed or disciplined for corruption or bribery-related incidents [voluntary]	0	0
Number of incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery [voluntary]	0	0

To prevent violations of anti-corruption and anti-bribery procedures and standards, MEDICLIN has developed appropriate contingency plans, which include measures such as account freezes and key revocation. There are individual measures at local level, including compliance-related blog entries on the MediNet Intranet in addition to the Group policies on handling gifts and hospitality invitations, externally funded passive participation in training events or principles applicable to attending third-party events. The compliance-related Intranet page established in 2024 provides clear information on relevant actions.

In the reporting year there were no incidents involving actors in the value chain related to corruption or bribery, in which MEDICLIN or its employees were directly involved.

G1-6 PAYMENT PRACTICES

The average time for settling an invoice at MEDICLIN is 21 days from the start of the contractual or statutory payment deadline.

In procurement, we use a standard framework agreement for each supplier, which includes fixed payment terms, among other provisions. All supplier contracts are based on this standard framework agreement, ensuring uniform and transparent procurement practices. The usual payment term is 14 days with a 2 % cash discount; this applies to all suppliers, including SMEs.

Our system does not store information on the size of suppliers; therefore, MEDICLIN cannot differentiate between large enterprises (non-SMEs) and small businesses (SMEs) in payment processing. Corporate management does not take account of the criterion SME/non-SME. Therefore, MEDICLIN does not categorise suppliers into separate groups based on this distinction. This, however, does not in any way disadvantage small and medium-sized enterprises in terms of payment practices. MEDICLIN does not have any practices or working procedures that would disadvantage small or medium-sized enterprises in terms of payment practices or terms. The financial departments are supposed to take advantage of cash discounts where possible, irrespective of the size of the supplier. MEDICLIN pays 37 % of all its invoice in 1 to 14 days, 47 % in 15 to 30 days and 16 % after 30 days.

MEDICLIN is not involved in any legal proceedings currently outstanding for late payments.

Appendix to the Sustainability Report

APPENDIX A COVERED DISCLOSURE REQUIREMENTS

List of material disclosure requirements (DR)		Section (only if headline differs, and only provide chapter information if chapter differs)
ESRS 2 – General disclosures		
BP-1	General basis for preparation of the sustainability statement	
BP-2	Disclosures in relation to specific circumstances	Disclosures in relation to specific circumstances
GOV-1	The role of the administrative, management and supervisory bodies	The role of the administrative, management and supervisory bodies
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Sustainability management
GOV-3	Integration of sustainability-related performance in incentive schemes	Integration of sustainability-related performance in incentive schemes
GOV-4	Statement on due diligence	
GOV-5	Risk management and internal controls over sustainability reporting	
SBM-1	Strategy, business model and value chain	
SBM-2	Interests and views of stakeholders	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and business model
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Covered disclosure requirements
E1 – Climate change¹		
ESRS 2 GOV-3-E1	Integration of sustainability-related performance in incentive schemes	In chapter ESRS 2: Integration of sustainability-related performance in incentive schemes
E1-1	Transition plan for climate change mitigation	
ESRS 2 SBM-3-E1	Material impacts, risks and opportunities and their interaction with strategy and business model	Climate change-related impacts, risks and opportunities
ESRS 2 IRO-1-E1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	In chapter ESRS 2: Description of the processes to identify and assess material climate-related impacts, risks and opportunities
E1-2	Policies related to climate change mitigation and adaptation	
E1-3	Actions and resources in relation to climate change policies	Actions and resources
E1-4	Targets related to climate change mitigation and adaptation	Targets
E1-5	Energy consumption and mix	

¹ Information on the EU Taxonomy is presented in 2. Environmental information as the first item.

List of material disclosure requirements (DR)		Section (only if headline differs, and only provide chapter information if chapter differs)
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	GHG removals and GHG mitigation projects financed through carbon credits (where applicable)
E1-8	Internal carbon pricing	Internal carbon pricing (where applicable)
E5 – Resource use and circular economy		
ESRS 2 IRO-1-E5	Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy	In chapter ESRS 2: Description of the processes to identify and assess material impacts, risks, and opportunities related to resource use and circular economy
E5-1	Policies related to resource use and circular economy	
E5-2	Actions and resources	
E5-3	Targets related to resource use and circular economy	Targets
E5-4	Resource inflows	
E5-5	Resource outflows	Maßnahmen und Mittel
S1 – Own workforce		
ESRS 2 SBM-2-S1	Interests and views of stakeholders	In chapter ESRS 2: Interests and views of stakeholders
ESRS 2 SBM-3-S1	Material impacts, risks and opportunities and their interaction with strategy and business model	Impacts, risks and opportunities related to own workforce
S1-1	Policies related to own workforce	Human rights policy Policies related to terms of employment Policies related to health and safety Policies related to diversity
S1-2	Processes for engaging with own workers and workers' representatives about impacts	Processes for engaging
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Processes to remediate negative impacts and channels for own workforce to raise concerns
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Actions related to terms of employment Actions related to health and safety Actions related to diversity
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to terms of employment Targets related to health and safety Targets related to diversity

List of material disclosure requirements (DR)		Section (only if headline differs, and only provide chapter information if chapter differs)
S1-6	Characteristics of the undertaking's employees	
S1-8	Collective bargaining coverage and social dialogue	
S1-9	Diversity metrics	Diversity metrics
S1-10	Adequate wages	
S1-14	Health and safety metrics	Health and safety metrics
S1-16	Remuneration metrics (pay gap and total remuneration)	Remuneration metrics
S1-17	Incidents, complaints and severe human rights impacts	

S4 – Consumers and end-users

ESRS 2 SBM-2-S4	Interests and views of stakeholders	In chapter ESRS 2: Interests and views of stakeholders
ESRS 2 SBM-3-S4	Material impacts, risks and opportunities and their interaction with strategy and business model	Impacts, risks and opportunities related to consumers and end-users
S4-1	Policies related to consumers and end-users	Policies related to consumers and end-users
S4-2	Processes for engaging with consumers and end-users about impacts	Engaging with consumers and end-users
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Process to remediate negative impacts and grievance mechanisms
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Actions
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets

G1 – Governance

ESRS 2 GOV-1-G1	The role of the administrative, management and supervisory bodies	The role of the administrative, management and supervisory bodies in relation to business conduct
ESRS 2 IRO-1-G1	Description of the processes to identify and assess material impacts, risks and opportunities	
G1-1	Corporate culture and business conduct policies	Business conduct and corporate culture
G1-2	Management of relationships with suppliers	
G1-3	Prevention and detection of corruption and bribery	
G1-4	Incidents of corruption or bribery	Incidents of corruption or bribery
G1-6	Payment practices	

APPENDIX B MATERIAL IROS ALONG THE ENTIRE ANALYSED VALUE CHAIN

Sub-topic	Short IRO title	Impact description	Positive/ negative and/or opportunity/ risk	Actual/ Potential	Direct/ con- tributes/ indirect	Stage of value chain	Potential time horizon
E1 – Climate change							
Climate change adaptation	Cost of climate change adaptation	Financial risks from capital expenditure to make the Company climate-resilient and climate-neutral by 2045 (e.g. for new buildings or conversions).	Risik	n/a	n/a	Own operations	Short- to long-term
Climate change mitigation	GHG emissions caused by operations around the clock	Operating healthcare facilities is energy-intensive and, furthermore, requires the use of greenhouse gases with especially high global warming potential (GWP).	Negative	Actual	Direct	Own operations	Medium- to long-term
Climate change mitigation	GHG emissions caused by use of volatile anaesthetics	Anaesthesia gases are direct and highly potent greenhouse gases. They are emitted to the external air through the breath of the patients, thereby contributing to the greenhouse effect.	Negative	Actual	Direct	Own operations	Medium- to long-term
Climate change mitigation	GHG emissions caused by the transport of persons	A large proportion of greenhouse gas emissions in the operation of healthcare facilities arises from trips and transportation of employees and patients in vehicles powered by fossil fuels.	Negative	Actual	Indirect	Own operations	Medium- to long-term
Climate change mitigation	GHG emissions caused by the transport of goods	In the value chain, GHG emissions are caused by the transportation of medicines and technology by land and sea. Some raw materials and products (e.g. biologicals, vaccines, insulin) have to be cooled during transport, causing even more GHG emissions.	Negative	Actual	Indirect	Vor-gelagert	Medium- to long-term
Climate change mitigation	GHG emissions caused by production	The production of medicines, chemicals, food, agricultural products, medical devices, instruments and other hospital equipment contributes to GHG emissions in the upstream value chain.	Negative	Actual	Indirect	Vor-gelagert	Medium- to long-term
Climate change mitigation	GHG emissions caused by waste incineration	GHG emissions are generated in the downstream value chain by the disposal of waste from operating healthcare facilities in incineration plants. Only a small proportion of waste disposal is subject to additional requirements (infection control, etc.).	Negative	Actual	Indirect	Nach-gelagert	Medium- to long-term

Sub-topic	Short IRO title	Impact description	Positive/ negative and/or opportunity/ risk	Actual/ Potential	Direct/ con- tributes/ indirect	Stage of value chain	Potential time horizon
Climate change mitigation	Costs caused by stricter regulatory requirements	Financial risks resulting from adaptations to comply with ever stricter regulatory requirements related to climate change mitigation. In addition, there is a financial risk resulting from the failure to comply with such requirements.	Risik	n/a	n/a	Own operations	Short- to medium-term
Climate change mitigation	Cost of mitigation actions	Financial risks resulting from the cost of actions to reduce GHG emissions in the operation of healthcare facilities, e.g. introduction of subsidised public transport (Jobticket) or exchanging products for more sustainable options.	Risik	n/a	n/a	Own operations	Short- to medium-term
Energy	High energy consumption in operating own healthcare facilities	Operating healthcare facilities is energy-intensive, caused among other factors by 24/7 operations, provision of critical infrastructure (lighting, indoor air quality classes, high temperatures) and hygienic cleaning of, for instance, devices, buildings and clothes.	Negative	Actual	Direct	Own operations	Short- to medium-term
Energy	High energy consumption in the upstream value chain	The production of numerous goods required in clinic operations is energy-intensive (medicines, chemicals, food, agricultural products, medical devices, instruments, hospital equipment), particularly products from the plastic, food, and chemical industries.	Negative	Actual	Indirect	Vor-gelagert	Medium- to long-term
Energy	Rising energy costs (own operations)	Financial risks resulting from potentially rising energy prices, e.g. due to carbon pricing or switching to more expensive renewable energy sources..	Risik	n/a	n/a	Own operations	Short- to medium-term
Energy	Rising cost of required products due to higher energy prices	Financial risks resulting from potentially rising cost of procuring raw materials and products required in clinic operations due to (globally) rising energy prices.	Risik	n/a	n/a	Vor-gelagert	Short- to medium-term
Energy	Use of fossil energy sources	Contribution to climate change caused by GHG emissions due to use of fossil energy sources in the operation of healthcare facilities. .	Negative	Actual	Direct	Own operations	Short- to medium-term

Sub-topic	Short IRO title	Impact description	Positive/ negative and/or opportunity/ risk	Actual/ Potential	Direct/ con- tributes/ indirect	Stage of value chain	Potential time horizon
E5 – Resource use and circular economy							
Resource inflows including resource use	Resource use in own operations	The compliance with regulatory requirements, like hygiene requirements, causes high resource consumption (sterilisation of instruments, use of disposable materials, cleaning of rooms, laundry). In addition, food is required for patients and employees in operations around the clock.	Negative	Actual	Direct	Own operations	Medium- to long-term
Resource inflows including resource use	Resource use in upstream value chain	The production of medicines, chemicals, food, agricultural products, medical devices, instruments and other hospital equipment contributes to resource use in the upstream value chain.	Negative	Actual	Indirect	Upstream	Short- to medium-term
Waste	Waste from own operations	Hospital operations generate a huge amount of waste from (plastic) disposable materials (e.g. syringes, tubes, protective gear). In addition, patient catering generates food waste.	Negative	Actual	Direct	Own operations	Short- to medium-term
Waste	Costs caused by stricter regulatory waste requirements	Financial risks resulting from adaptations to comply with ever stricter regulatory requirements related to waste disposal (e.g. German Circular Economy Act (KrWG)). Additionally, there is a financial risk from fines for the failure to comply with the requirements and improper waste disposal.	Risk	n/a	n/a	Own operations	Short- to medium-term
S1 – Own workforce							
Working conditions	High employee turnover	MEDICLIN is unable to provide job security for its employees, reduce employee turnover and to promote a loyal and motivated workforce.	Negative	Potential	Direct	Own operations	Short- to medium-term

Sub-topic	Short IRO title	Impact description	Positive/ negative and/or opportunity/ risk	Actual/ Potential	Direct/ con- tributes/ indirect	Stage of value chain	Potential time horizon
Working conditions	Secure employment	Promoting secure workplaces through social protection in collective bargaining agreements: Employees may be formally covered under a specific social protection branch if the existing collective bargaining agreement stipulates that they are entitled to social protection under the relevant branch of the system.	Positive	Actual	Direct	Own operations	Short- to medium-term
Working conditions	Secure employment	Risk of employee turnover and lack of motivation and commitment if jobs are not secure resulting in a financial risk from declining productivity and profitability.	Risk	n/a	n/a	Own operations	Short- to medium-term
Working conditions	Working time	Irregular working times with regular night shifts, shift work and overtime negatively affect the risk of accidents and injuries, as well as mental and physical health.	Negative	Potential	Direct	Own operations	Short- to medium-term
Working conditions	Working time	Irregular working times lead to risks of days lost to absences, increased staff costs and/or a decline in quality.	Risk	n/a	n/a	Own operations	Short- to medium-term
Working conditions	Adequate wages	Falling short of locally applicable minimum wages and failure to pay adequate wages.	Negative	Potential	Direct	Own operations	Short- to medium-term
Working conditions	Adequate wages	The failure to pay adequate wages may lead to a risk of lacking employee motivation and loyalty resulting in a financial risk from declining productivity and profitability.	Risk	n/a	n/a	Own operations	Short- to medium-term
Working conditions	Social dialogue	Failure to comply with legal provisions (German Employee Representation Act, German Equal Treatment Act, Social Security Code), to further staff development or prevention of social dialogue.	Negative	Potential	Direct	Own operations	Short- to medium-term
Working conditions	Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	Prevention of establishing a works council or intentional obstruction of its work.	Negative	Potential	Direct	Own operations	Medium- to long-term

Sub-topic	Short IRO title	Impact description	Positive/ negative and/or opportunity/ risk	Actual/ Potential	Direct/ con- tributes/ indirect	Stage of value chain	Potential time horizon
Working conditions	Workload demand	Irregular and changing working times, staff shortages and regular overtime. Such a workload demand negatively affects the risk of accidents and injuries, as well as mental and physical health.	Negative	Potential	Direct	Own operations	Short- to medium-term
Working conditions	Contact with hazardous materials	Employees may come into contact with harmful substances (e.g. heavy metals, formaldehyde, cytostatic or surgical smoke), especially during surgery.	Negative	Potential	Direct	Own operations	Medium- to long-term
Working conditions	Infection risk	Non-compliance with hygiene standards and preventive measures may spread infection in clinics.	Negative	Actual	Direct	Own operations	Short- to medium-term
Working conditions	Risk of ill health	Employees may suffer physical health issues due to workplace accidents involving equipment or machinery or through injuries sustained during treatment (e.g. needlestick injuries).	Negative	Potential	Direct	Own operations	Short- to medium-term
Equal treatment and opportunities for all	Training and skills development	Development of our employees' expertise through a wide range of nursing, medical and therapeutic training programmes and dual study programmes.	Positive	Actual	Direct	Own operations	Medium- to long-term
Equal treatment and opportunities for all	Training and skills development	Inadequate training and development possibilities negatively impact the knowledge and skills of our employees and may reduce their performance, innovative capacity and loyalty.	Negative	Potential	Direct	Own operations	Short- to medium-term
Equal treatment and opportunities for all	The employment and inclusion of persons with disabilities	A lack of ethical hiring practices jeopardises equal treatment and opportunities, fostering an exclusive and one-dimensional work environment.	Negative	Potential	Direct	Own operations	Short- to medium-term
Equal treatment and opportunities for all	Measures against violence and harassment in the workplace	Lacking or inadequate measures against violence and harassment in the workplace or adequate measures may facilitate violence and harassment.	Negative	Potential	Direct	Own operations	Medium- to long-term
Equal treatment and opportunities for all	Diversity	Promoting a respectful and fair corporate culture and a diverse and inclusive work environment offering equal treatment and opportunities.	Positive	Potential	Direct	Own operations	Medium- to long-term

Sub-topic	Short IRO title	Impact description	Positive/ negative and/or opportunity/ risk	Actual/ Potential	Direct/ con- tributes/ indirect	Stage of value chain	Potential time horizon
Equal treatment and opportunities for all	Diversity	Discrimination of employees due to gender, age, origin, religion, disability or other individual characteristics.	Negative	Potential	Direct	Own operations	Medium- to long-term
Other employment-related rights (own workforce)	Insufficient (internal) data protection/privacy	Violations of the General Data Protection Regulation (GDPR) and potential data breaches caused by cyber attacks lead to insufficient protection of employee data.	Negative	Potential	Direct	Own operations	Short- to long-term
Other employment-related rights (own workforce)	Data breaches (internal)	Improper handling and transmission of confidential employee data leads to insufficient protection of patient data.	Negative	Potential	Direct	Own operations	Medium- to long-term

S4 – Consumers and end-users

Information-related impacts	Insufficient privacy	Violations of the General Data Protection Regulation (GDPR) and potential data breaches caused by cyber attacks lead to insufficient protection of patient data.	Negative	Potential	Direct	Own operations	Short- to medium-term
Information-related impacts	Treatment of personal data	Improper handling and transmission of confidential patient data or data concerning health leads to insufficient protection of patient data.	Negative	Potential	Direct	Own operations	Short- to medium-term
Information-related impacts	Freedom of expression	Patients may refrain from freely expressing their opinion for fear of negative consequences (e.g. regarding the quality of medical treatment or the interaction with the staff).	Negative	Potential	Direct	Own operations	Short- to medium-term
Personal safety	Health	Contribution to excellent medical treatment, preventive care and aftercare.	Positive	Potential	Direct	Own operations	Short- to medium-term
Personal safety	Health and safety	Risks to the patients' health and safety through poor diagnostics or inadequate treatment (e.g. medication errors, wrong or late diagnosis).	Negative	Potential	Direct	Own operations	Short- to medium-term
Personal safety	Protection against illnesses and infection	Spreading of illnesses and infection through sources within the clinic may endanger patient safety.	Negative	Potential	Direct	Own operations	Short- to medium-term

Sub-topic	Short IRO title	Impact description	Positive/ negative and/or opportunity/ risk	Actual/ Potential	Direct/ con- tributes/ indirect	Stage of value chain	Potential time horizon
Personal safety	Ensuring patient well-being	Risks to the patients' health and safety through mal-practice or insufficient quality control.	Negative	Potential	Direct	Own operations	Short- to medium-term
Personal safety	Safety-related incidents	Risks to the patients' safety through physical dangers and damage, e.g. falls, injuries, attacks.	Negative	Potential	Direct	Own operations	Short- to medium-term
Personal safety	Protection of children	Contribution to the protection of children through medical diagnostics that provide an objective view and effective support to affected children and parents in case of neglect, maltreatment or child abuse.	Positive	Actual	Direct	Own operations	Short- to medium-term
Personal safety	Protection of children	Lack of training and awareness on standardised procedures in case of suspected child welfare endangerment may jeopardise the protection of children.	Negative	Potential	Direct	Own operations	Short- to medium-term
G1 – Governance							
Corporate culture	Corporate values	Contribution to corporate social responsibility by promoting Company principles and values and compliance.	Positive	Actual	Direct	Own operations	Short- to long-term
Corporate culture	Competitive advantage through value-based corporate culture	A value-based corporate culture in everyday business offers financial and reputational opportunities through enhanced employee motivation and positive business relationships.	Opportunity	n/a	n/a	Own operations	Short- to long-term
Corporate culture	Competitive disadvantage due to disregard of corporate values	Employees' disregard of corporate principles and values impairs the relationship between colleagues and between staff and patients.	Negative	Actual	Direct	Own operations	Short- to long-term
Protection of whistleblowers	Inadequate (internal) whistleblower system	Deficiencies in the whistleblower system may result in violations going unreported, grievances remaining unaddressed or the rights of whistleblowers not being protected.	Negative	Potential	Direct	Own operations	Short- to medium-term
Management of relationships with suppliers including payment practices	Supply shortages	Inadequate supplier selection may lead to supply shortages that may jeopardise daily operations as well as the health and safety of employees and patients.	Negative	Potential	Direct	Upstream	Short- to medium-term

Sub-topic	Short IRO title	Impact description	Positive/ negative and/or opportunity/ risk	Actual/ Potential	Direct/ con- tributes/ indirect	Stage of value chain	Potential time horizon
Man- agement of relation- ships with suppliers including payment practices	Insufficient supplier due diligence	Insufficient due diligence regarding supplier compliance with sustainability requirements (e.g. by means of audits) may facilitate deficits in the supply chain and negative impacts on people, human rights or the environment.	Negative	Potential	Direct	Upstream	Short- to medium- term
Man- agement of relation- ships with suppliers including payment practices	Delayed payment	Non-payment and delayed payment of suppliers and partners lead to reputational, financial and legal risks and endanger the supply chain.	Risik	n/a	n/a	Own operations	Short- to medium- term
Man- agement of relation- ships with suppliers including payment practices	Minimising procurement risks	Financial opportunities by maintaining own storage capacities and inventory management to cushion price increases and avoid supply shortages.	Opportunity	n/a	n/a	Own operations	Short- to medium- term
Corruption and bribery	Unjust enrichment	Unjust enrichment (by individuals or by the clinic) may result from recommending unnecessary treatment or the abuse of billing mechanisms.	Negative	Potential	Direct	Own operations	Short- to medium- term
Corruption and bribery	Risk of corruption	Legal, reputational and financial risks may arise from the corrupt behaviour of employees, e.g. bribery, facilitation payments, fraud, extortion, collusion or money laundering.	Risik	n/a	n/a	Own operations	Short- to long-term
Corporate policy	Animal welfare	Animal testing for the production of pharmaceuticals, the observation of disease progression and the development of treatment methods in MEDICLIN's upstream supply chain impacts animal welfare. The animals often live in unsuitable conditions and are ultimately killed.	Risik	n/a	Indirect	Upstream	Short- to long-term

APPENDIX C LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference to chapter in the CSRD report
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	●		●		ESRS 2 General information
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			●		ESRS 2 General information
ESRS 2 GOV-4 Statement on due diligence paragraph 30	●				ESRS 2 General information
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	●	●	●		ESRS 2 General information
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	●		●		ESRS 2 General information
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	●		●		ESRS 2 General information
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			●		ESRS 2 General information
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				●	ESRS E1 Climate change
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		●	●		ESRS E1 Climate change
ESRS E1-4 GHG emission reduction targets paragraph 34	●	●	●		ESRS E1 Climate change
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	●				ESRS E1 Climate change
ESRS E1-5 Energy consumption and mix paragraph 37	●				ESRS E1 Climate change
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	●				ESRS E1 Climate change
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions paragraph 44	●	●	●		ESRS E1 Climate change
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	●	●	●		ESRS E1 Climate change
ESRS E1-7 GHG removals and carbon credits paragraph 56				●	ESRS E1 Climate change
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			●		Omitted pursuant to ESRS 1 Appendix C

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference to chapter in the CSRD report
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)					Omitted pursuant to ESRS 1 Appendix C
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		●			
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		●			Omitted pursuant to ESRS 1 Appendix C
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			●		Omitted pursuant to ESRS 1 Appendix C
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	●				Immaterial
ESRS E3-1 Water and marine resources paragraph 9	●				Immaterial
ESRS E3-1 Dedicated policy paragraph 13	●				Immaterial
ESRS E3-1 Sustainable oceans and seas paragraph 14	●				Immaterial
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	●				Immaterial
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	●				Immaterial
ESRS 2 – SBM-3 – E4 Paragraph 16 (a) i	●				Immaterial
ESRS 2 – SBM-3 – E4 Paragraph 16 (b)	●				Immaterial
ESRS 2 – SBM-3 – E4 Paragraph 16 (c)	●				Immaterial
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24 (b)	●				Immaterial
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c)	●				Immaterial
ESRS E4-2 ESRS E4-2 Policies to address deforestation paragraph 24 (d)	●				Immaterial
ESRS E5-5 Non-recycled waste paragraph 37 (d)	●				E5 Resource use and circular economy
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	●				E5 Resource use and circular economy
ESRS 2 SBM-3 – S1 Risk of incidents of forced labour paragraph 14 (f)	●				S1 Own workforce

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference to chapter in the CSRD report
ESRS 2 SBM-3 – S1 Risk of incidents of child labour paragraph 14 (g)	●				S1 Own workforce
ESRS S1-1 Human rights policy commitments paragraph 20	●				S1 Own workforce
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21			●		S1 Own workforce
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	●				S1 Own workforce
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	●				S1 Own workforce
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32	●				S1 Own workforce
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	●		●		S1 Own workforce
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	●				S1 Own workforce
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	●		●		S1 Own workforce
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	●				S1 Own workforce
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	●				S1 Own workforce
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	●		●		S1 Own workforce
ESRS 2 SBM-3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	●				S1 Own workforce
ESRS S2-1 Human rights policy commitments paragraph 17	●				Immaterial
ESRS S2-1 Policies related to value chain workers paragraph 18	●				Immaterial
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	●		●		Immaterial
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 19			●		Immaterial

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference to chapter in the CSRD report
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	●				Immaterial
ESRS S3-1 Human rights policy commitments paragraph 16	●				Immaterial
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	●		●		Immaterial
ESRS S3-4 Human rights issues and incidents paragraph 36	●				Immaterial
ESRS S4-1 Policies related to consumers and end-users paragraph 16	●				ESRS S4 Consumers and end-users
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	●		●		ESRS S4 Consumers and end-users
ESRS S4-4 Human rights issues and incidents paragraph 35	●				ESRS S4 Consumers and end-users
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	●				ESRS G1 Business conduct
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	●				ESRS G1 Business conduct
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	●		●		ESRS G1 Business conduct
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	●				ESRS G1 Business conduct

Assurance report of the independent German Public Auditor on a limited assurance engagement in relation to the Consolidated Sustainability Statement

To the MEDICLIN Aktiengesellschaft, Offenburg

Assurance Conclusion

We have conducted a limited assurance engagement on the Consolidated Sustainability Statement, included in section "Sustainability report" of the combined management report, of MEDICLIN Aktiengesellschaft for the financial year from January 1 to December 31, 2024. The Consolidated Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as Sections 315b and 315c of the HGB for a consolidated non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Consolidated Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- the accompanying Consolidated Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Consolidated Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section "1. General information ESRS 2 General disclosures IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities „ of the Consolidated Sustainability Statement, or
- the disclosures in section "2. Environmental information Disclosures pursuant to Article 8 of Regulation (EU) 2020/852" of the Consolidated Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section “German Public Auditor’s Responsibilities for the Assurance Engagement on the Consolidated Sustainability Statement”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Sustainability Statement

The executive directors are responsible for the preparation of the Consolidated Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a Consolidated Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the Consolidated Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Consolidated Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Consolidated Sustainability Statement.

Inherent Limitations in Preparing the Consolidated Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Consolidated Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Consolidated Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Consolidated Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the company's executive directors, and to issue an assurance report that includes our assurance conclusion on the Consolidated Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process used to prepare the Consolidated Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Consolidated Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

■

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we a.o.:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Consolidated Sustainability Statement
- inquired of the executive directors and relevant employees involved in the preparation of the Consolidated Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Consolidated Sustainability Statement, and about the internal controls relating to this process
- evaluated the reporting policies used by the executive directors to prepare the Consolidated Sustainability Statement
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts,
- our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain
- performed analytical procedures and made inquiries in relation to selected information in the Consolidated Sustainability Statement
- conducted a site visit
- considered the presentation of the information in the Consolidated Sustainability Statement
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement].

Restriction of Use / Clause on General Engagement Term

This assurance report is solely addressed to MEDICLIN Aktiengesellschaft, Offenburg.

The engagement, in the performance of which we have provided the services described above on behalf of MEDICLIN Aktiengesellschaft, Offenburg, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 1, 2024 (www.kpmg.de/AAB_2024). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations to EUR 4 million specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Frankfurt am Main, 26 March 2025

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Niels Beyer

Sabine Brandt

Wirtschaftsprüfer

Wirtschaftsprüfer

[German Public Auditor]

[German Public Auditor]

Report on the economic position

Sector-related environment

THE HEALTHCARE MARKET IS A GROWTH MARKET

The healthcare sector is one of the largest industries within the German economy. An ageing population, greater health awareness and progress in medical technology have been boosting demand for medical and rehabilitation services for years. The demand for digital solutions to enable patient-oriented and individual post-acute care is also on the rise. While this drives growth within the industry, it also pushes up expenditures in the healthcare sector. In order to counteract the constant rise in expenditure, the existing highly complex healthcare system needs to adjust to the new requirements and undergo further developments.

HOSPITAL REFORM

The hospital reform (Hospital Care Improvement Act (KHVVG)) entered into force on 1 January 2025. The impacts of the reform adopted in 2024 are not yet fully foreseeable. In the acute care sector, a reduction in hospital beds and the expansion of outpatient structures are expected. Additionally, a shift in services may occur as healthcare provision becomes more concentrated in larger, specialized centres. The potential consequences of the reform on the rehabilitation sector are more difficult to predict as, first of all, rehabilitation only takes place after acute care, but especially as it is not mentioned in the Hospital Care Improvement Act (KHVVG). With regard to post-acute care, MEDICLIN expects that rehabilitation treatments will be increased and will commence earlier within the treatment chain. MEDICLIN assumes that the demand for therapeutic and also preventive care will increase in order to cushion the resulting supply gap. Patients are set to be transferred earlier after their surgery. Therefore, it is expedient for post-acute care providers like MEDICLIN to intensify their cooperation with hospitals and outpatient services. MEDICLIN is thus developing new concepts to adjust to the changing requirements. More information on the new MEDICLIN projects MEDICLIN HOME, MEDICLIN CAMPUS and MEDICLIN DIRECT is provided in the section "Objectives and strategy".

MEDICLIN FOCUSES STRONGLY ON HIGH-QUALITY REHABILITATION

Hospital groups are active mainly in the three sectors acute care, rehabilitation and nursing care. In the rehabilitation sector, MEDICLIN is one of the large providers.

Rehabilitation

Private institutions are the largest providers within the rehabilitation sector. According to the most recent figures by the Federal Statistical Office (for 2023)¹, approximately 53.8 % (581 of 1,079) of the facilities were privately owned. They provided about two-thirds of the bed capacity (161,430) and treated about two-thirds of all cases (more than 1.2 million cases). During the COVID-19 pandemic, the rehabilitation sector experienced a sharp downturn in cases. At the beginning of the pandemic, this was caused by the request to keep beds available for emergencies in the acute sector. Since 2020 the

¹ Source: Federal Statistical Office, 27.09.2024, at <https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Gesundheit/Vorsorgeeinrichtungen-Rehabilitationseinrichtungen/Tabellen/gd-vorsorge-reha-bl.html>

number of cases increased again to 1,624,140 cases in 2021, 1,739,246 in 2022 and 1,886,876 in 2023, but is still falling short of the number of cases before the pandemic (1,993,585 cases). In 2024 MEDICLIN treated 76,442 patients (previous year: 73,721 patients) with an average length of stay of 25.9 days (previous year: 25.9 days) and an occupancy rate of 89.0 % (previous year: 87.6 %).

Acute sector

According to the most recent statistics of the Federal Statistical Office (2024), about 40 % of hospitals are privately owned, providing about 20 % of beds and treating about 18 % of the patients in the recent past. The average occupancy rate of the acute sector was approximately 71 %. Based on the most recent figures on available beds in Germany (2023), MEDICLIN accounted for 1.6 % of the market of private hospital operators.¹

31,054 inpatients (previous year: 34,235 inpatients) were treated in MEDICLIN's acute care hospitals in 2024. The occupancy rate stood at 70.5 % (previous year: 72.4 %).

Nursing care sector

The nursing care sector is also expected to meet rising demand in the future. According to information from the Federal Statistical Office, the amount of skilled nurses will be between 280,000 and 690,000 below the projected demand by the year 2049. Based on the pre-COVID year 2019, the demand for employed nursing staff (1.62 million) is expected to increase by one-third to 2.15 million by 2049. The job market for nursing staff faces the challenge of meeting the growing demand for care due to the increasing number of people in need of care. This is exacerbated by the fact that the baby boomer generation will increasingly reach retirement age over the next ten years, enhancing the shortage in the job market. At the same time, this will increase the number of potential persons in need of care.² The average occupancy rate of MEDICLIN's six retirement homes averaged 90.8 % in 2024 (previous year: 85.4 %).

Corporate management

THE MANAGEMENT BOARD MANAGES THE GROUP ON THE BASIS OF STRATEGIC AND FINANCIAL TARGETS

The key financial performance indicators of MEDICLIN are sales growth, EBIT and the EBIT margin. Sales growth is determined once a year in the scope of Group and segment planning for the acute and post-acute segments and takes into account the Group's strategic target figure for sustainable sales growth. The operating result (EBIT) or the EBIT margin serves as performance indicator to manage the profitability of the Group and its segments.

The financial performance indicators are monitored on a monthly basis in a financial report. In addition, the Management Board also uses performance data, such as occupancy and nursing day statistics that are recorded on a weekly basis as well as the monthly DRG reports. These data provide current information on clinic efficiency and help coordinate, plan, control and monitor the operating processes. The development of the financial performance indicators in financial year 2024 is laid out in the consolidated financial statements. The annual forecasts for the financial performance indicators EBIT, EBIT margin and sales growth are specified in the forecast report.

¹ Source: Federal Statistical Office, 04.11 2024, at <https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Gesundheit/Krankenhaeuser/Tabellen/eckzahlen-krankenhaeuser.html>

² Source: Federal Statistical Office, dated 24.01.2024, available at https://www.destatis.de/DE/Presse/Pressemitteilungen/2024/01/PD24_033_23_12.html

At Group level, the maximum leverage¹ is a control parameter that is used by banks to determine the applicable interest rate.

The calculation of the financial performance indicators and other financial key figures is explained under www.mediclin.de/en/investor-relations/facts-and-figures.²

CONTINUOUS PLANNING MONITORING

Usually, corporate business planning is carried out once a year at clinic level, in close coordination with the Group's controlling department, (bottom-up approach). During the year, MEDICLIN uses the monthly and quarterly results to regularly review the business forecast and to analyse any deviations. If required, the forecast is adjusted to reflect the new business performance and the public is informed accordingly.

General statement on results of operations, financial position and net assets

GROUP RECORDS SALES AND EARNINGS GROWTH

In the 2024 financial year MEDICLIN generated Group sales of EUR 748.8 mill. (previous year: EUR 730.1 mill.) and a Group operating result of EUR 53.5 mill. (previous year: EUR 12.7 mill.). The upward trend in Group sales (EUR +18.7 mill. or +2.6 %) becomes even more apparent when looking at the figures without the benefits received under the protective shield to manage the pandemic. In the 2024 financial year Group sales did not include any noteworthy benefits under the protective shield, which had still amounted to EUR 7.6 mill. in 2023. Adjusted for the effect resulting from these benefits, the increase in Group sales would have amounted to EUR 26.3 mill. or 3.6 %. The increase in sales is attributable not only to a price effect but also to the higher occupancy rate, which rose from 87.6 % in the prior year to 89.0 % in the core post-acute segment.

The Group operating result of EUR 53.5 mill. was EUR 40.8 mill. above the previous year. The comparatively high increase in the Group's operating result is primarily due to goodwill impairments in the acute segment, which had a significant negative impact of EUR 33.1 mill. on the Group's operating result in 2023. Group EBITDA rose by EUR 5.1 mill. to EUR 103.8 mill. (previous year: EUR 98.7 mill.). The main drivers of the positive EBITDA performance are the decrease in the cost of raw materials and consumables used (EUR –8.3 mill.), which, despite increased staff costs (EUR +5.7 mill.), led to a EUR 5.1 mill. rise in EBITDA from EUR 98.7 mill. in the previous year to EUR 103.8 mill. The MEDICLIN Group received energy cost allowances amounting to EUR 2.8 mill. in financial year 2024, which had a positive impact on the result. In the previous year, these allowances had amounted to EUR 13.9 mill. The Management Board assess the overall performance of the Group to be favourable in 2024.

TARGET ACHIEVEMENT IN 2024 FINANCIAL YEAR

The 2023 Annual Report forecast sales growth between 3.0 % and 5.0 % and a Group operating result ranging between EUR 38.0 and 46.0 mill. for the Group in the 2024 financial year. The original forecast was adjusted several times over the course of the year. First in the interim report for the first quarter of 2024 due to the sale of the former MEDICLIN Herzzentrum Coswig. In the half-year report

¹ Maximum 3.5 x the quotient of adjusted average net financial debt over the last four quarterly reporting dates and adjusted EBITDA of the last 12 months

² The contents of this section are voluntary unaudited disclosures but have been read critically by the auditor.

for 2024, the forecast was adjusted to EUR 33.0 to 39.0 mill. for the Group operating result and a 0.0 % to 2.0 % decline in Group sales due to the negative operating performance in the second quarter. In the interim report for the third quarter of 2024, the Management Board confirmed this forecast and specified targets at the higher end of each range as the sales and earnings performance were better than anticipated in the third quarter. On 21 January 2025 MEDICLIN published an ad-hoc announcement stating that the annual forecasts for the Group operating result and Group sales would be exceeded given the ongoing positive performance in the fourth quarter, specifying new forecasts of EUR 48.0 to 54.0 mill. for the Group operating result and sales growth of 1.0 % to 3.0 %.

At EUR 53.5 mill., the Group's operating result was within the forecast range of EUR 48.0 mill. to EUR 54.0 mill. published in January 2025. Group sales also remained within this forecast, increasing by 2.6 %.

The definition of non-financial performance indicators (performance measures) for sustainable management is part of the joint sustainability strategy of Asklepios Kliniken GmbH & Co. KGaA, RHÖN-KLINIKUM AG and MEDICLIN that is being laid down in a CSR roadmap. At present MEDICLIN has not defined any key non-financial performance indicators and thus did not issue a forecast for non-financial performance indicators.

POSITIVE SEGMENT PERFORMANCE

Sales in the post-acute segment of EUR 485.4 mill. increased by EUR 34.2 mill. or 7.6 % compared with the previous year's value. The increase is attributable to several factors. The acquisition of Reha-Klinik am Sendesaal led to additional sales of EUR 7.4 mill., while a price effect and the higher occupancy rate also had a positive impact. The occupancy rate rose from 87.6 % in the previous year to 89.0 %. Sales include no noteworthy benefits under the protective shield to manage the pandemic, which had still amounted to EUR 7.4 mill. in 2023. The scope of consolidation in 2023 still encompassed the Bad Schlüsselbad facility that was closed in February 2023. Adjusted for all extraordinary effects (please refer to the reconciliation table below), the post-acute segment generated sales of EUR 478.0 mill. in 2024 (previous year: EUR 443.8 mill.), corresponding to an increase of 7.7 %. The adjusted increase in sales is due primarily to the higher occupancy rate of 89.0 %.

The acute segment generated sales of EUR 234.8 mill. (previous year: EUR 254.0 mill.). The sales of the medical care centres included in the acute segment's sales amounted to EUR 7.6 mill. in the 2024 financial year, compared to EUR 8.5 mill. in the previous year. Adjusted for all extraordinary effects (please refer to the reconciliation tables below), the acute segment generated sales of EUR 224.7 mill. in 2024 (previous year: EUR 206.6 mill.), corresponding to an increase of 8.7 %. This increase is due mainly to the rise in the average base rate of 5.25 % across the federal states.

The post-acute segment generated an operating result of EUR 52.2 mill. (previous year: EUR 52.7 mill.), corresponding to a decrease of EUR 0.4 mill. or -0.8 %. This decline is attributable to higher costs of raw materials and consumables used (EUR +8.1 mill.) and a rise in staff costs (EUR +11.9 mill.). Adjusted for all extraordinary effects (please refer to the reconciliation table below), the post-acute segment generated an operating result of EUR 51.1 mill. in 2024 (previous year: EUR 41.0 mill.), corresponding to an increase of EUR 10.1 mill. or 24.7 %.

The acute segment generated an operating result of EUR –0.6 mill. (previous year: EUR –39.9 mill.). In 2023, the segment's operating result had been affected by a one-off impairment loss on the goodwill of three facilities totalling EUR 33.1 mill. Adjusted for all extraordinary effects (please refer to the reconciliation table below), the acute segment generated an operating result of EUR –1.3 mill. in 2024 (previous year: EUR –10.4 mill.), corresponding to an increase of EUR 9.1 mill. in operating terms.

Sales in the nursing care segment rose to EUR 23.4 mill. in the year under review (previous year: EUR 21.3 mill.), while the operating result of the nursing care segment reached EUR 0.2 mill., thus remaining at the level of the previous year. The increase in sales is mainly attributable to a higher occupancy rate that rose from 85.4 % in the previous year to 90.8 %.

Sales in the service segment rose by EUR 13.3 mill. to EUR 94.6 mill. in 2024. The main reason for this is the reclassification of the facility management from other segments to the service segment. The operating result of EUR 1.7 mill. was EUR 2.0 mill. above the previous year's level (2023: EUR –0.3 mill.).

Segment sales and segment operating result

In millions of €	Sales			Operating result		
	2024	2023	Change in %	2024	2023	Change in %
Post-acute	485.4	451.2	+ 7.6	52.2	52.7	–0.8
Acute	234.9	254.0	–7.6	–0.6	–39.9	+ 98.4
Nursing care	23.4	21.3	+ 9.6	0.2	0.2	–33.0
Service	94.6	81.3	+ 16.4	1.7	–0.3	+ 629.4
Reconciliation	–89.5	–77.7	–15.1	0.0	0.0	n/a

Reconciliation table like-for-like earnings in the post-acute segment

In millions of €	Sales			Operating result		
	2024	2023	Change in %	2024	2023	Change in %
Post-acute segment	485.4	451.2	+ 7.6	52.2	52.7	–0.8
Benefits under the protective shield to manage the COVID-19 pandemic	0.0	–7.4	n/a	0.0	–7.4	n/a
Energy cost allowances	0.0	0.0	n/a	–1.0	–7.3	n/a
Closure of MEDICLIN Schlüsselbad Klinik	0.0	0.0	n/a	0.0	3.0	n/a
Acquisition of Reha-Klinik am Sendesaal	–7.4	0.0	n/a	–0.1	0.0	n/a
Post-acute segment like-for-like	478.0	443.8	+ 7.7	51.1	41.0	+ 24.7

Reconciliation table like-for-like earnings in the acute segment

In millions of €	Sales			Operating result		
	2024	2023	Change in %	2024	2023	Change in %
Acute segment	234.9	254.0	-7.6	-0.6	-39.9	+ 98.4
Energy cost allowances	0.0	0.0	n/a	-1.8	-6.3	n/a
Sale of Robert Janker Klinik	0.0	-3.2	n/a	0.0	3.1	n/a
Sale of MVZ Bonn	0.0	-0.8	n/a	0.0	-0.4	n/a
Sale of MEDICLIN Herzzentrum Coswig	-10.2	-43.4	n/a	1.1	0.0	n/a
Impairment of goodwill	0.0	0.0	n/a	0.0	33.1	n/a
Acute segment like-for-like	224.7	206.6	+ 8.7	-1.3	-10.4	+ 111.9

Reconciliation table like-for-like earnings in the Group

In millions of €	Sales			Operating result		
	2024	2023	Change in %	2024	2023	Change in %
Total	748.8	730.1	+ 2.6	53.5	12.7	+320.4
Benefits under the protective shield to manage the COVID-19 pandemic	0.0	-7.6	n/a	0.0	-7.6	n/a
Energy cost allowances	0.0	0.0	n/a	-2.8	-13.9	n/a
Sale of Robert Janker Klinik	0.0	-3.2	n/a	0.0	3.1	n/a
Sale of MVZ Bonn	0.0	-0.9	n/a	0.0	-0.4	n/a
Closure of MEDICLIN Schlüsselbad Klinik	0.0	0.1	n/a	0.0	3.0	n/a
Sale of MEDICLIN Herzzentrum Coswig	-10.2	-43.4	n/a	1.1	0.0	n/a
Impairment of goodwill	0.0	0.0	n/a	0.0	33.1	n/a
Acquisition of Reha-Klinik am Sendesaal	-7.4	0.0	n/a	-0.1	0.0	n/a
Group like-for-like	731.2	675.1	+ 8.3	51.7	30.0	+72.1

SOUND FINANCIAL STRUCTURE

In addition to cash and cash equivalents of EUR 107.6 mill. (previous year: EUR 115.3 mill.), the Group has access to credit lines in the amount of EUR 49.9 mill. Furthermore, the syndicated loan agreement includes the option to increase the loan by another EUR 20.0 mill. The cash and cash equivalents required to make the expected repayment of benefits under the protective shield amounting to EUR 19.6 mill. is included. Cash and cash equivalents also include subsidies of EUR 18.2 mill. received for building the new MEDICLIN Hedon Klinik in Lingen.

Funding of internal growth is thus guaranteed and will derive primarily from the operating cash flow, provided that sales growth is in line with the target.

The equity ratio was 24.6 % (31.12.2023: 22.3 %) while adjusted net financial debt amounted to EUR 18.2 mill. (31.12.2023: EUR 0.3 mill.) on the reporting date. Adjusted net financial debt is defined as average net financial debt over the last four quarterly reporting dates (adjusted for liabilities under IFRS 16 and liabilities and cash and cash equivalents from loan subsidies). The average debt ratio of the four quarterly reporting dates in 2024 was –0.1x (previous year: 0.3x) adjusted EBITDA and thus remained below the maximum limit (3.5x).

The Management Board considers the Company's financial position to be stable and good.

Business development

Results of operations, financial position and net assets

RESULTS OF OPERATIONS

Sales development and performance of the Group operating result

Group sales of EUR 748.8 mill. in the 2024 financial year (previous year: EUR 730.1 mill.) were EUR 18.7 mill. or 2.6 % above the previous year's value. Group sales do not contain any noteworthy benefits under the protective shield (previous year: EUR 7.6 mill.). Sales from outpatient healthcare services amounted to EUR 18.7 mill. (previous year: EUR 18.1 mill.) or 2.5 % of Group sales; EUR 7.5 mill. thereof (previous year: EUR 8.1 mill.) was generated by the medical care centres.

The MEDICLIN Group managed to achieve quarter-on-quarter sales growth in three of four quarters in financial year 2024. Only in the second quarter, the Group was unable to achieve sales growth due to the sale of the former MEDICLIN Herzzentrum Coswig. At EUR 190.6 mill., the fourth quarter of 2024 was the one with the strongest sales in the reporting year (Q2 2023: EUR 188.1 mill.). Sales in the fourth quarter include non-period sales from revenue adjustments amounting to EUR 7.0 mill. The occupancy rate ranged between 84.1 % and 86.5 % over the quarters. MEDICLIN's Group operating result is EUR 53.5 mill. (previous year: EUR 12.7 mill.).

Group sales and Group operating result

In millions of €	2024		2023	
	Group sales	Group EBIT	Group sales	Group EBIT
1st quarter	185.4	4.1	176.7	-1.7
2nd quarter	182.6	7.9	188.1	13.0
3rd quarter	190.2	22.5	182.3	18.1
4th quarter	190.6	19.0	183.0	-16.7
Year total	748.8	53.5	730.1	12.7

Development of expenses

Raw materials and consumables used decreased by EUR 8.3 mill. year-on-year to EUR 129.1 mill., which corresponds to a decrease of 6.1 % (previous year: EUR 137.4 mill.). The majority of the cost reduction is attributable to lower expenditures in connection with the costs of implants (EUR -2.4 mill. to EUR 15.5 mill.) as well as lower expenditures for medical supplies (EUR -3.2 mill. to EUR 20.0 mill.). This is mainly due to the sale of the former MEDICLIN Herzzentrum Coswig. According to the notes to the consolidated financial statements, expenses for medical supplies amount to EUR 51.9 mill. and also include laboratory supplies, implants, medicines and blood. This positive trend was offset by higher costs for kitchen/cafeteria services, which increased by EUR 1.4 mill. to EUR 22.0 mill. due to capacity utilisation and price effects. The Group's cost of materials ratio thus amounts to

17.2 % (previous year: 18.8 %). Compared to the previous year, the Group's staff costs climbed by EUR 5.7 mill. to EUR 466.3 mill. (previous year: EUR 460.6 mill.), corresponding to an increase of 1.2 %. The increase in staff costs was expected and is attributable to salary increases for existing staff and legal staff requirements as those under the Regulation on Nursing Staff Thresholds (PpUGV). The staff costs ratio amounted to 62.3 % (previous year: 63.1 %).

The Group's depreciation and amortisation expenses totalled EUR 50.3 mill. in the reporting year (previous year: EUR 86.0 mill.). In the previous year this figure included goodwill impairments amounting to EUR 31.1 mill. in the acute segment. Depreciation and amortisation includes EUR 28.9 mill. (previous year: EUR 27.4 mill.) in scheduled depreciation of right-of-use assets. The depreciation and amortisation ratio (without depreciation of right-of-use assets) amounts to 2.9 % (previous year: 8.0 %).

Other operating expenses decreased by EUR 4.1 mill. to EUR 65.9 mill. (previous year: EUR 70.0 mill.). EUR 11.2 mill. of the increase refers to costs in connection with IT/organisation, EUR 18.8 mill. to maintenance and EUR 2.7 mill. to contributions, fees and levies. Expenses for rents and leases amounted to EUR 4.9 mill. (previous year: EUR 4.3 mill.).

Expenses

	2024	2023	Change in %
Raw materials and consumables used in millions of €	129.1	137.4	–6.1
Cost of materials ratio in %	17.2	18.8	
Staff costs in millions of €	466.3	460.6	+1.2
Staff costs ratio in %	62.3	63.1	
Depreciation and amortisation in millions of €	50.3	86.0	–41.5
Other operating expenses in millions of €	65.9	70.0	–5.9

Financial result and tax ratio

The financial result amounted to EUR –21.4 mill. at year-end (previous year: EUR –21.4 mill.), while interest and similar expenses stood at EUR 24.0 mill. (previous year: EUR 23.9 mill.). This includes interests for lease liabilities amounting to EUR 18.8 mill. (previous year: EUR 19.0 mill.).

The tax ratio in the main Group segments was 15.825 % (corporation tax, solidarity surcharge). As MEDICLIN is active in the healthcare sector, it is exempt from paying trade tax. A change to the tax rate is not expected. The tax expense in the year under review was EUR 7.2 mill. (previous year: tax expense of EUR 2.0 mill.).

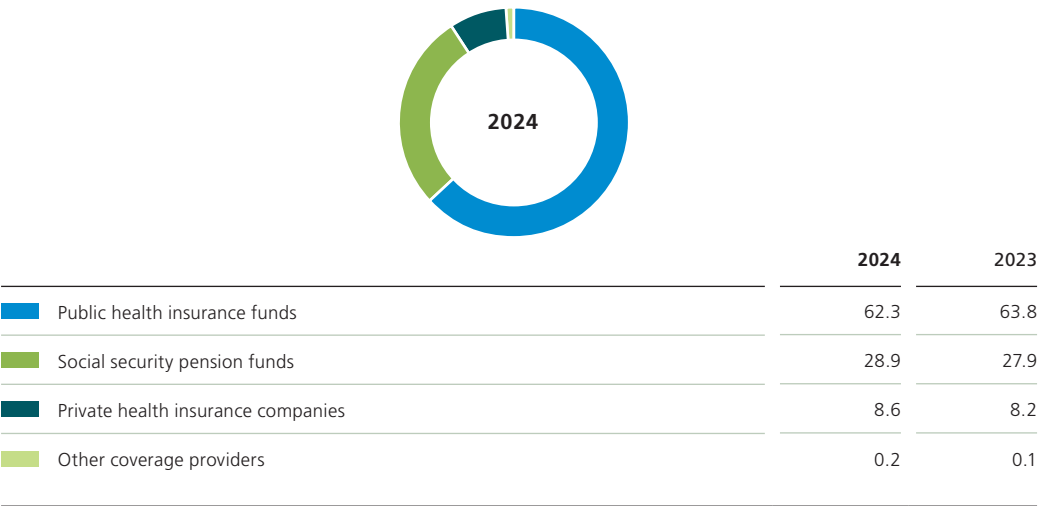
Total consolidated result

In the 2024 financial year, the consolidated result attributable to shareholders of MEDICLIN AG was EUR 24.8 mill. (previous year: EUR –10.8 mill.) and the earnings per share resulting therefrom amounted to EUR 0.52 (previous year: EUR –0.23).

Development of the coverage provider structure

The statutory social security pension fund and the public health insurance fund are the two largest funding agencies for medical rehabilitation. In the acute sector, the public health insurance funds are the main funding agencies. On the whole, the Group generated more than 90 % of sales with these two coverage providers.

Breakdown of sales by coverage provider groups without nursing care segment in %



FINANCIAL POSITION

MEDICLIN covers its capital requirements from operating cash flow, investment subsidies and a syndicated loan. The syndicated loan has a volume of EUR 90.0 mill. and consists of a bullet loan for EUR 50.0 mill. and a revolving working capital facility for EUR 40.0 mill. On 31 December 2024, EUR 50.0 mill. thereof had been drawn. The syndicated loan has a term of five years (2019 to 2024), including two options to renew the loan by another year. Renewal options were exercised in 2020 and 2021, extending the term until November 2025 and 2026, respectively. Both loan components are subject to a variable interest rate composed of the Euribor for the relevant interest period and an agreed margin.

Non-current liabilities to banks, including the subsidised loan, amount to EUR 65.1 mill. (31.12.2023: EUR 91.4 mill.), while current liabilities to banks amount to EUR 1.9 mill. (31.12.2023: EUR 2.0 mill.).

Cash and cash equivalents amount to EUR 107.6 mill. on the balance sheet date (31.12.2023: EUR 115.3 mill.). Going forward, the liquidity will be burdened by the presumable repayment of benefits amounting to EUR 19.6 mill. received under the protective shield. Cash and cash equivalents also include subsidies of EUR 18.2 mill. for building the new MEDICLIN Hedon Klinik in Lingen.

On 31 December 2024 the Group had free credit lines amounting to EUR 49.9 mill. Furthermore, the syndicated loan agreement includes the option to increase the loan by another EUR 20.0 mill. MEDICLIN has sufficient financial resources to maintain the required liquidity at all times.

MEDICLIN's liquidity management secures the availability of sufficient financing resources and the required degree of financing flexibility. A further measure to cover these risks is the Group-wide liquidity supply through central cash pool management. Available cash and cash equivalents are invested in the form of short-term time deposits.

EMPLOYEES

The average number of employees in 2024, calculated on the basis of full-time employees, was 6,889 (previous year: 7,016 full-time employees). The number of full-time employees decreased by 127 full-time employees compared to the previous year.

The average number of employees in the 2024 financial year was 9,855. The Group had 424 trainees on average in 2024 (previous year: 404 trainees). On the reporting date on 31 December 2024, the number of trainees amounted to 617.

CAPITAL EXPENDITURE

Gross investments in non-current assets without investments in right-of-use assets under IFRS 16 totalled EUR 46.2 mill. in 2024 (previous year: EUR 38.8 mill.).

Essential gross additions to non-current assets

In millions of €	2024	2023
Licences, concessions	6.7	3.2
Goodwill	0.1	0.0
Land, buildings	1.8	2.2
Technical equipment, IT	1.6	1.0
Operating and office equipment	13.1	12.7
Payments on account and assets under construction	22.9	19.7
Total	46.2	38.8

The figures in the table may differ from those in the statement of changes in fixed assets in the notes to the consolidated financial statements because they include subsidies.

All in all, a gross amount of EUR 6.8 mill. (previous year: EUR 3.2 mill.) was invested in intangible assets.

Gross additions to property, plant and equipment totalled EUR 39.4 mill. (previous year: EUR 35.6 mill.). Approximately EUR 16.0 mill. was used for the reconstruction and expansion of clinics. EUR 5.3 mill. thereof refers to the construction of the clinic for child and youth psychiatry at the MEDICLIN Müritzklinikum site in Röbel and EUR 4.6 mill. to the construction of a psychosomatic clinic at the MEDICLIN Seepark Klinik site in Bad Bodenteich. Capital expenditure for IT infrastructure amounted to EUR 9.2 mill., and EUR 3.4 mill. was invested in medical equipment including accessories.

EUR 18.8 mill. (previous year: EUR 18.1 mill.) was spent on maintenance and repairs.

LIQUIDITY

The cash flow from operating activities rose by EUR 2.6 mill. year-on-year, from EUR 78.0 mill. to EUR 80.6 mill.

Capital expenditure for non-current assets was increased again in the 2024 financial year. A gross amount of EUR 6.6 mill. (previous year: EUR 3.2 mill.) was spent on intangible assets, while payments in property, plant and equipment totalled EUR 38.0 mill. (previous year: EUR 34.4 mill.). Investment subsidies received amounted to EUR 19.1 mill. (previous year: EUR 19.0 mill.). The investment subsidies received refer primarily to MEDICLIN Seepark Klinik, MEDICLIN Hedon Klinik, MEDICLIN Müritzklinikum and MEDICLIN Krankenhaus Plau am See. The cash flow includes an incoming payment from divestments amounting to EUR 9.5 mill. for the sale of the former MEDICLIN Herzzentrum Coswig, resulting in cash flow from investing activities totalling EUR –15.1 mill. (previous year: EUR –9.5 mill.).

The cash flow from financing activities amounts to EUR –73.2 mill., following EUR –45.4 mill. in the previous year. The interest payments for lease liabilities amounts to EUR 18.8 mill., up from EUR 19.0 mill. in the previous year. The Group repaid loan liabilities amounting to approximately EUR 26.3 mill. in 2024 (previous year: EUR 1.6 mill.). EUR 25.0 mill. thereof was used for repaying the syndicated loan. No further loans were taken out. Other payments for interest amounted to EUR 4.0 mill. (previous year: EUR 2.8 mill.).

Cash and cash equivalents at the end of the period thus decreased by EUR 7.7 mill. to EUR 107.6 mill.

Consolidated cash flow statement (abridged)

In millions of €	January– December 2024	January– December 2023
Cash flow from operating activities	80.6	78.0
Cash flow from investing activities	–15.1	–9.5
Cash flow from financing activities	–73.2	–45.4
Cash flow for the period	–7.7	23.1
Cash and cash equivalents at the beginning of the period	115.3	92.3
Cash and cash equivalents at the end of the period	107.6	115.3

Future strains arise from the repayment of benefits received under the protective shield in the expected amount of EUR 19.6 mill. (as at 31.12.2024). Cash and cash equivalents also include subsidies of EUR 18.2 mill. received for building the new MEDICLIN Hedon Klinik in Lingen.

NET ASSETS

The balance sheet total increased by EUR 25.4 mill. or 2.9 % since the previous reporting date, from EUR 880.5 mill. to EUR 905.9 mill. The Group's non-current assets amounted to EUR 608.3 mill. as at 31 December 2024 (31.12.2023: EUR 580.7 mill.). The increase is mainly due to investments in property, plant and equipment. The payments on account and assets under construction item, in particular, rose to EUR 42.2 mill. (previous year: EUR 25.6 mill.). The Group's non-current assets amounted to EUR 297.6 mill. as at 31 December 2024 (31.12.2023: EUR 299.8 mill.). The decrease is due primarily to a decline in cash and cash equivalents, which amounted to EUR 107.6 mill. at the end of the reporting year (previous year: EUR 115.3 mill.). The decrease in cash and cash equivalents is, in turn, attributable to the EUR 25.0 mill. repayment of the syndicated loan. The Group's non-current liabilities decrease by EUR 21.0 mill. to EUR 538.2 mill. as at 31 December 2024 (31.12.2023: EUR 513.2 mill.). The

Group's current liabilities, in contrast, declined by EUR 19.7 mill. or 13.5 % to EUR 166.0 mill. (31.12.2023: EUR 146.3 mill.). MEDICLIN's equity stood at EUR 222.7 mill. as at 31 December 2024 (31.12.2023: EUR 196.0 mill.).

For further explanations regarding the individual balance sheet items, please refer to the corresponding sections in the notes to the consolidated financial statements.

Balance sheet structure

In millions of €	31.12.2024	in % of balance sheet total	31.12.2023	in % of balance sheet total
Assets				
Non-current assets	608.3	67.1	580.7	66.0
Current assets	297.6	32.9	299.8	34.0
	905.9	100.0	880.5	100.0
Equity and liabilities				
Equity	222.7	24.6	196.0	22.3
Non-current liabilities	517.2	57.1	538.2	61.1
Current liabilities	166.0	18.3	146.3	16.6
	905.9	100.0	880.5	100.0

SEGMENT REPORTING

Sales

The share of the post-acute segment in Group sales of EUR 748.8 mill. was 64.8 % (previous year: 61.8 %), while the share of the acute segment was 31.4 % (previous year: 34.8 %), with the nursing care segment contributing 3.1 % (previous year: 2.9 %) and the service segment 12.6 % (previous year: 11.1 %).

Sales in the post-acute segment rose by EUR 34.2 mill. or 7.6 % to EUR 485.4 mill. Segment sales include no noteworthy benefits under the protective shield to manage the COVID-19 pandemic (previous year: EUR 7.4 mill.).

Sales in the acute segment of EUR 234.9 mill. were EUR 19.2 mill. or 7.6 % lower than the previous year's value. Sales no longer include any benefits under the protective shield.

The nursing care segment generated sales of EUR 23.4 mill. (previous year: EUR 21.3 mill.).

Sales in the service segment rose by EUR 13.3 mill. or 16.4 % to EUR 94.6 mill.

Expense items

In the post-acute segment, raw materials and consumables used rose by EUR 8.0 mill. or 8.9 %. The cost of purchased services increased particularly strongly by EUR 8.3 mill. Among other items, this includes the rise in energy costs (EUR +1.9 mill.) and for maintenance cleaning (EUR +1.9 mill.). These increases are attributable to the higher occupancy rate and the reclassification of facility management to the service segment and the associated reclassification of expenses from staff costs to purchased services (EUR +6.1 mill.).

In the acute segment, raw materials and consumables used dropped by EUR 8.7 mill. or 11.8 %. The cost of raw materials and supplies accounted for EUR 5.1 mill. of this decrease, while the cost of purchased services contributed EUR 3.6 mill. The main driver of this development was the sale of the former MEDICLIN Herzzentrum Coswig.

In the nursing care segment, raw materials and consumables used increased by EUR 0.7 mill. to EUR 5.7 mill. (previous year: EUR 4.9 mill.). This is due to an increase in the cost of purchased services, reflecting higher catering costs (EUR +0.2 mill.), energy (EUR +0.1 mill.) and external medical staff (EUR +0.2 mill.).

The cost of raw materials and consumables used in the service segment increased by EUR 2.6 mill. to EUR 40.6 mill. year-on-year (previous year: EUR 38.0 mill.). This increase was caused above all by higher kitchen/cafeteria expenditures (EUR +1.2 mill.) and the rise in energy prices (EUR +1.6 mill.) due to volume and price effects.

As expected, staff costs in the post-acute segment rose by EUR 11.8 mill. or 5.0 %, mainly due to higher salaries for existing staff. In the acute segment, staff costs declined by EUR 15.7 mill. or 10.2 %, respectively. The decline in staff costs is mainly due to the sale of the former MEDICLIN Herzzentrum Coswig. Staff costs in the nursing care segment rose by EUR 0.7 mill. to EUR 12.0 mill. In the service segment, they rose by EUR 9.1 mill. to EUR 66.9 mill. due to the internal reclassification of facility management services within the Group.

In the post-acute segment, the average number of full-time employees in 2024 was 3,615 (previous year: 3,636 full-time employees), while the number of full-time employees in the acute segment was 1,764 (previous year: 2,018 full-time employees).

Sales

In millions of €	2024	2023	Change in %
Post-acute	485.4	451.2	+ 7.6
Acute	234.9	254.0	- 7.6
Nursing care	23.4	21.3	+ 9.6
Service	94.6	81.3	+ 16.4
Reconciliation	-89.5	-77.7	+ 15.1
Group	748.8	730.1	+ 2.6

Raw materials and consumables used

	2024	2023	Change in %
Post-acute			
Raw materials and consumables used in millions of €	98.6	90.6	+ 8.9
Cost of materials ratio in %	20.3	20.1	
Acute			
Raw materials and consumables used in millions of €	65.1	73.8	-11.8
Cost of materials ratio in %	27.7	29.1	
Nursing care			
Raw materials and consumables used in millions of €	5.7	4.9	+ 14.8
Cost of materials ratio in %	24.2	23.1	
Service			
Raw materials and consumables used in millions of €	40.6	38.0	+ 6.9
Cost of materials ratio in %	42.9	46.7	

Staff costs

	2024	2023	Change in %
Post-acute			
Staff costs in millions of €	250.6	238.8	+ 5.0
Staff costs ratio in %	51.6	52.9	
Acute			
Staff costs in millions of €	138.0	153.7	–10.2
Staff costs ratio in %	58.8	60.5	
Nursing care			
Staff costs in millions of €	12.0	11.2	+ 6.4
Staff costs ratio in %	51.2	52.7	
Service			
Staff costs in millions of €	66.9	57.8	+15.8
Staff costs ratio in %	70.7	71.1	

Segment results

The post-acute segment saw a slight decline in the operating result of EUR 0.4 mill. or 0.8 % to EUR 52.2 mill. (previous year: EUR 52.7 mill.). EBITDA in the post-acute segment reached EUR 90.7 mill., up from EUR 90.0 mill. in the prior year. The reason for the EBITDA development is the increase in total operating performance driven by higher capacity utilization, which more than offset the rise in staff costs, raw materials and consumables used and depreciation expenses. The result in the acute segment amounted to EUR –0.6 mill. (previous year: EUR –39.9 mill.). The result of the acute segment in 2023 had been impacted by goodwill impairments recognised for three facilities totalling EUR 33.1 mill. EBITDA in the post-acute segment reached EUR 5.5 mill., up from EUR 3.6 mill. in the prior year. EBITDA showed a positive performance despite the lower total operating performance, the decline of which was mainly attributable to the sale of the former MEDICLIN Herzzentrum Coswig, as the associated reduction in staff costs, raw materials and consumables used and other operating expenses was disproportionately high. In the nursing care segment, the segment result was at the prior-year level of EUR 0.2 mill. The service segment posted an increase in the operating result of EUR 2.0 mill. to EUR 1.7 mill. (previous year: EUR –0.3 mill.).

Segment results

In millions of €	2024	2023
Post-acute	52.2	52.7
Acute	–0.6	–39.9
Nursing care	0.2	0.2
Service	1.7	–0.3
Reconciliation	0.0	0.0
Total	53.5	12.7

Annual average number of employees in the segments

Shown in full-time employees	2024	2023	Change
Post-acute	3,615	3,636	–21
Acute	1,764	2,018	–254
Nursing care	209	203	+6
Service	1,301	1,159	+142
Total	6,889	7,016	–127

Breakdown of sales by coverage provider groups and segments¹

In %	Post-acute		Acute	
	2024	2023	2024	2023
Public health insurance funds	43.4	41.6	89.7	90.9
Social security pension funds	48.9	50.8	0.0	0.0
Private health insurance companies	7.6	7.5	10.1	9.0
Other coverage providers	0.1	0.1	0.2	0.1
Total	100.0	100.0	100.0	100.0

¹ Without the nursing care and service segments

Capital expenditure

In 2024 a total of EUR 46.2 mill. (gross amount) was invested in non-current assets (previous year: EUR 38.8 mill.). Capital expenditure was distributed among the segments as follows:

In millions of €	2024	2023
Post-acute	27.1	22.0
Acute	14.2	14.0
Nursing care	0.5	0.1
Service	4.4	2.7
Total	46.2	38.8

On the reporting date of 31 December 2024 MEDICLIN AG has no material capital expenditure obligations.

General report on economic position

Weak economy expected to persist in 2025

As 2025 gets underway, the German economy continues to be confronted with significant challenges. Particularly the industrial sector, which is deeply integrated into global supply chains, faces increasingly unfavourable competitive conditions and rising production costs. This has a negative impact on exports and corporate investment behaviour. In addition to a weak economy, structural factors are the primary factors of stagnant growth. Germany's aging population is exacerbating the skilled labour shortage, while low investment willingness and insufficient financing for growth and innovation further complicate the situation. Moreover, increasing geopolitical fragmentation is curbing productivity, innovation capacity and the overall competitiveness of the economy. The situation in the Middle East, the ongoing Ukraine conflict, additional potential for conflict in the Asian region and the emergence of potential new crises (e.g. new COVID variants, US economy) could result in a polycrisis scenario. This may affect the international supply chains, and the resulting price increases and supply bottlenecks could further worsen the overall risk situation. The unsolved structural problems are bound to further impact the economy. Therefore, only a moderate increase in the price-adjusted gross domestic product (GDP) of 0.3 % is forecast for the full year, following a decline of 0.2 % in the previous year.¹ As a result, GDP in 2025 is expected to be only about 0.5 % above the level of 2019, the year before the COVID-19 pandemic. The economic downturn has left its mark on the labour market. Although employment in 2024 averaged a record high of 46.1 million people, growth came to a halt in mid-2024. Despite ongoing skilled labour shortages in many sectors, the job survey conducted by the Institute for Employment Research (IAB) for instance indicates an overall decline in labour demand. Early indicators from the ifo Institute and the IAB also suggest a further rise in unemployment and reflect a declining willingness among companies to hire.² The forecast for 2025 therefore anticipates a slight decline in the number of employed persons by 20,000, although the situation is expected to stabilise over the course of the year.

A weak labour market can have a negative impact on the demand for medical services. Treatments might be postponed and the propensity to accept offers for rehabilitation and preventive care services may decline. Moreover, rising unemployment figures and a low proportion of dependent employees may aggravate the financial situation of the social security and pension funds.

Despite the ongoing macroeconomic challenges and the geopolitical conflicts, the MEDICLIN Management Board expects the occupancy rate to remain high in 2025. All in all, the Management Board still considers the economic situation to be tense and assessed the business outlook for 2025 versus 2024 to be unchanged. This assessment is, however, subject to the proviso that the expected economic development in Germany is not negatively impacted by an aggravation of the geopolitical conflicts.

¹ Source: Annual Economic Report 2025 of 29.01.2024, available at <https://www.bmwk.de/Redaktion/DE/Pressemitteilungen/2025/20250129-jahreswirtschaftsbericht-2025.html>

² See above

Forecast report

New laws and regulations as well as planned legislation in the healthcare sector

The hospital reform that came into force on 1 January 2025 (KHVVVG) aims to fundamentally change the previous remuneration system, for example by allowing for so-called capacity budgets, meaning that hospitals will be paid for making certain capacities and services available.

The reform calls for a completely new classification of hospitals, probably with the intention of significantly reducing the number of hospital sites. In future, hospitals will be divided into three levels and will be funded accordingly. Level 1 hospitals refers to hospitals offering basic care (basic medical and nursing care, i.e. basic surgery and emergencies), level 2 hospitals will offer standard and specialised care (basic care and additional services) and level 3 hospitals (like university clinics) will provide maximum care.

The German government believes the reform will contribute substantially to stabilising the hospital care system and remuneration in the long term. At the same time it believes the reform to be a component towards a reform across all sectors involved in medical treatment and nursing care.

A host of legal changes is to improve the nursing situation at hospitals, including among others a new instrument for measuring staff requirements. The legislation is to improve the nursing situation in hospitals in the medium term. To this end, ideal staffing levels will be calculated and implemented at the individual wards by means of a staff allocation tool (PPR 2.0) that is being tested since January 2023. Starting in the fourth quarter of 2024, hospitals are required to collect data on nursing staff requirements. The data will be transmitted on a quarterly basis, starting as at 31 January 2025.

In its core business of rehabilitation services, MEDICLIN is only indirectly affected by the hospital reform. In the acute segment, however, MEDICLIN is directly affected by the Hospital Care Improvement Act (KHVVVG). Whether, and if so to what extent, the hospital reform will impact MEDICLIN's business performance cannot yet be reliably estimated. Its effects will become clearer as structural changes in the healthcare sector unfold, particularly in the acute care segment.

Outlook

WELL-POSITIONED TO MEET CHALLENGES IN 2025

MEDICLIN continues in 2025 to be well-positioned in terms of staff and organisation to guarantee optimal care to its patients and nursing home residents while fully utilising the existing capacity. The occupancy rates exceeded 84 % in each of the quarters in financial year 2024. The average annual occupancy rate of the post-acute segment amounted to 89.0 %, thus exceeding the annual average in 2023 (87.6 %) by 1.4 percentage points. In the first weeks of 2025, the occupancy rate has remained strong at the 2024 level.

In terms of sales, MEDICLIN expects an increase of between 2 % and 5 % in Group sales. The expected sales increase is based on the assumption of a normalized occupancy rate at pre-pandemic level, along with additional gains from the new Reha-Klinik am Sendesaal clinic. Earnings will be burdened by higher staff costs than in the previous year, adjustments to remuneration and increased

staff recruitment costs in an environment that is marked by a shortage of skilled professionals. Further, MEDICLIN expects the cost of raw materials and consumables used to remain more or less stable. Investments at individual locations and capitalisable measures are expected to lead to a slight increase in depreciation and amortisation. Based on the expected development of the results of operation described above, the Management Board forecasts Group EBIT between EUR 53.0 mill. and EUR 64.0 mill. in 2025. The Group EBIT margin is expected to range between 7.0 % and 8.0 %. The financial targets for the 2025 financial year are based on the consolidation group applicable on the reporting date 31 December 2024. The Management Board thus expects the Group performance to be positive overall in 2025. These targets, however, are subject to the proviso that the German economy does not deteriorate substantially due to the ongoing geopolitical crises.

The definition of non-financial performance indicators (performance measures) for sustainable management is part of the joint sustainability strategy of Asklepios Kliniken GmbH & Co. KGaA, RHÖN-KLINIKUM AG and MEDICLIN that is being laid down in a CSR roadmap. At present MEDICLIN has not defined any key non-financial performance indicators and thus did not issue a forecast for non-financial performance indicators.

The Management Board assumes that the maximum net debt leverage at Group level of 3.5 x of adjusted EBITDA will not be exceeded in the 2025 financial year.

Sales and sales development

	ACTUAL RESULTS 2024 financial year		Targets 2025 financial year			
	Sales in millions of €	2024 vs. 2023 in %	MIN in %		MAX in %	
Group	748.8	+2.6	Sales growth of	+2.0	to	+5.0
Post-acute segment	485.4	+7.6	Sales growth of	+3.0	to	+6.0
Acute segment	234.9	-7.6	Sales growth of	-2.0	to	0.0

EBIT

	ACTUAL RESULTS 2024 financial year		Targets 2025 financial year			
	EBIT in millions of €		MIN in millions of €		MAX in millions of €	
Group	53.5		EBIT of	53.0	to	64.0

EBIT-Marge

	ACTUAL RESULTS 2024 financial year		Targets 2025 financial year			
	EBIT in millions of €	EBIT margin in %	MIN in %		MAX in %	
Group	53.5	7.1	EBIT margin of	7.0	to	8.0
Post-acute segment	52.3	10.8	EBIT margin of	9.0	to	11.0
Acute segment	-0.6	-0.3	EBIT margin of	0.0	to	3.0

TARGET ACHIEVEMENT IN 2024 FINANCIAL YEAR

The 2023 Annual Report forecast sales growth between 3.0 % and 5.0 % and a Group operating result ranging between EUR 38.0 and 46.0 mill. for the Group in the 2024 financial year. The original forecast was adjusted several times over the course of the year. First in the interim report for the first quarter of 2024 due to the sale of the former MEDICLIN Herzzentrum Coswig. In the half-year report for 2024, the forecast was adjusted to EUR 33.0 to 39.0 mill. for the Group operating result and a 0.0 % to 2.0 % decline in Group sales due to the operating performance in the second quarter. In the interim report for the third quarter of 2024, the Management Board confirmed this forecast and specified targets at the higher end of each range as the sales and earnings performance were better than anticipated in the third quarter. On 21 January 2025 MEDICLIN published an ad-hoc announcement stating that the annual forecasts for the Group operating result and Group sales would be exceeded given the ongoing positive performance in the fourth quarter, specifying new forecasts of EUR 48.0 to 54.0 mill. for the Group operating result and sales growth of 1.0 % to 3.0 %.

Group EBIT of EUR 53.5 mill. was within the new forecast of EUR 48.0 to 54.0 mill. published in January 2025. At 2.6 %, Group sales also grew within the forecast range.

Risk and opportunity report

The health and well-being of patients and the residents of nursing care facilities are obligations that set high standards for handling risks. MEDICLIN's risk and opportunities management system is able to realistically identify and assess the operating and entrepreneurial risks of its business activities. In terms of opportunities, the Group is set to benefit from growth and development opportunities arising from its nationwide and cross-sector market positioning.

Objectives and approach

RISK AND OPPORTUNITY MANAGEMENT PROCESS

The risk management system is highly professional and institutionalised, both in terms of structure, responsibilities and formal processes, as well as its integration and automation. The standardised and automated processes provide for consistent support of the risk assessment process across the entire Group. Risk management serves not only as an operational implementation tool but also as a strategic management instrument. The combination of bottom-up and top-down approaches creates a holistic risk management system that promotes the early detection of both risks and opportunities. The systematic management of measures complements this concept and provides for effective and efficient management of risks and opportunities. The process is technically supported by risk management software used by all relevant reporting units.

Professional risk management is an ongoing task and aims at recognising potential risks and assessing their impact on business operations as early as possible. This is the only way in which the appropriate countermeasures can be taken in time.

The risk and opportunity management process aims to promptly identify, assess and manage risks and opportunities that could significantly influence the achievement of targets at clinic or Group level. A standardised process allowing for close integration of bottom-up and top-down approaches was developed for this purpose. In addition to regular reporting (such as financial reports or medical quality reports) risk and opportunity reports are prepared twice a year at the level of the individual clinics (or Group units and the entire Group). An ad-hoc reporting process was established for highly critical topics. Risks and opportunities are always analysed in view of the ongoing financial year. The analysis combines quantitative factors (probability of occurrence, effects on planned EBITDA) and qualitative aspects (like information from other reports). Based on the collected information, risk officers, usually the managing directors of the reporting units or the heads of Group divisions, develop strategies to mitigate risks or utilise opportunities and derive concrete measures.

The twice-yearly risk inventory and the corresponding training are coordinated by the risk management department.

The Group has comprehensive documentation explaining how to deal with and handle opportunities and risks. The risk management manual, for instance, provides a guideline for conducting the risk inventory, and also illustrates the design of the risk management system. It contains the Group's main risk policy principles as well as for instance:

- all the features and aspects of the risk management system that are specific to MEDICLIN,
- the allocation of tasks and responsibilities in connection with the risk management process, and
- the legal framework.

In addition to the manual, the Group has a risk and opportunity report that details the results of the respective risk inventory. This report is prepared twice a year and adopted by the Management Board. Its main objectives are to share information on risks and opportunities as well as on the measures for managing them. It also includes a summary of identified risks and risk assessments as well as the opportunities from the Group's viewpoint and serves to regularly update the Supervisory Board.

ADDITIONAL INSTRUMENTS IN THE RISK AND OPPORTUNITY MANAGEMENT PROCESS

The risk and opportunity management process is supplemented by a number of additional instruments for risk identification and risk prevention. In the operational area these include, in particular:

- In relation to patient-oriented risk management:
 - Systematic complaint management
 - Ongoing patient satisfaction polls
 - Software-supported platform for recording critical incidents (CIRS) in defined clinics
 - Group-wide data protection policy

Measures to minimise risks also include mandatory Group guidelines, like the Group guidelines on handling medical equipment, systematic error management in the framework of the internal quality management system and internal controls of central core processes.

The central security objectives for risk management concerning MEDICLIN's IT systems are:

- Security regarding patients, users and third parties
- Effectiveness of medical data processing for curative measures
- Data and system security to prevent data/system confidentiality, availability and integrity from being compromised

In order to reach these objectives, MEDICLIN's IT infrastructure is designed to meet the criteria set forth in the IT-Grundschutz Catalogues of the Federal Office for Information Security (BSI). Binding Group-wide IT standards, among others, are used to implement the objectives of minimising the number and impact of disturbances.

RISK ASSESSMENT AND RISK CLASSIFICATION AT FACILITY/DEPARTMENT LEVEL

The main aspects of every business-related risk are documented and assessed in the risk management software copa.ris by the respective risk owner. Together with the risk owner in central services, the local risk owner assesses the identified risks together with their potential damage and probability of occurrence.

Risks are assessed in the two dimensions of probability of occurrence and potential damage. The risks are always assessed on the basis of any measures already taken (assessment of status quo) and planned measures (target assessment).

Risks are classified in line with their assessment at reporting unit level based on their potential negative impact. They are categorized as "acceptable" (up to 1 % of EBITDA), "monitoring required" (up to 5 % of EBITDA), "action required" (up to 10 % of EBITDA) and "highly critical" (above 10 % of EBITDA). The categories reflect the expected value of the damage determined by combining probability of occurrence and expected damage value.

In 2024 there were no risks classed as "highly critical" at Group level, meaning there were no risks threatening the Company's existence.

RISK-BEARING CAPACITY

MEDICLIN measures risk-bearing capacity by means of EBITDA. EBITDA describes the operational efficiency. Risk-bearing capacity is determined in a hybrid process by comparing the risk portfolio with the risk coverage amount in both a scenario analysis and a Monte-Carlo simulation. The risk coverage amount takes into account the factors earnings, liquidity and assets. In principle, MEDICLIN determines the risk-bearing capacity on the basis of the going-concern approach.

MEDICLIN's operating performance, solid capital structure and stable financing guarantee its risk-bearing capacity.

EVALUATION AND CLASSIFICATION OF OPPORTUNITIES

MEDICLIN also defined areas and classes for opportunities in line with the risk approach. Opportunities are classified in line with their assessment at reporting unit level based on their potential positive impact. They are categorized as "low opportunity expectation" (up to 1 % of EBITDA), "medium opportunity expectation" (up to 5 % of EBITDA), "high opportunity expectation" (up to 10 % of EBITDA), and "very high opportunity expectation" (above 10 % of EBITDA). The categories reflect the expected value of the opportunity determined by combining probability of occurrence and expected opportunity value.

GROUP OPPORTUNITIES AND RISKS

The risks and opportunities of relevance for the Group and the way they are handled are broken down by risk area and explained in detail in the following. The respective risk inventory is used to identify the risks and opportunities by means of bottom-up and top-down approaches. The order of the mentioned risk and opportunity areas is determined by their significance for MEDICLIN, listed in descending order while taking any measures already initiated into account.

Environment and sector risks

Risks related to dependencies may have an impact on MEDICLIN. As health insurance funds merge and social security pension funds (DRV Bund und Länder) increase their control over bed allocation, the dependency on individual coverage providers is also increasing. MEDICLIN advocates a heterogeneous

referral and coverage provider structure to counter the risks inherent in this dependency. The specific risk assessment showed a downwards trend on the reporting date.

The competitive environment and the associated risks for MEDICLIN differ depending on the location and the region. The Group follows a regional approach to be able to flexibly and promptly take appropriate measures to adjust to regional changes.

Political and regulatory risks exist due to the fact that the healthcare system and its financing are subject to statutory regulation. Changes in legislation, particularly with respect to the reimbursement of the cost of medical, therapeutic and nursing care services, can impact the business performance. MEDICLIN closely monitors legislative action and, in the context of its risk and opportunity management system, analyses the risks and opportunities this could entail with regard to the Group's results.

Additional information on sustainability management (pursuant to GOV-2, ESRS) and on risk management and internal controls related to sustainability reporting (pursuant to GOV-5, ESRS) is provided in the Group's sustainability statement.

Strategic risks

MEDICLIN is exposed to risks resulting from extraordinary external events. As a large private healthcare provider, it is of the utmost importance for MEDICLIN to be perceived as trustworthy by the general public. Corporate communications is responsible for maintaining and improving the Group's good reputation. MEDICLIN pursues an active and transparent communication policy if one-sided or even false reports are published.

The situation in the Middle East, the ongoing Ukraine conflict, additional potential for conflict in the Asian region and the emergence of potential new crises (e.g. new COVID variants, US economy) could result in a polycrisis scenario. This may affect the international supply chains, and the resulting price increases and supply bottlenecks could further worsen the overall risk situation.

New risks could arise if the Group made the strategic decision to tap into new markets, expand the existing range of services by offering new products or to tap into new business areas which, however, could all be minimised by carrying out a detailed analysis of the risks and opportunities involved.

Financial risks

Due to the rigid legal framework, MEDICLIN faces financial risks in connection with payment budgets, delayed budget negotiations and any potential changes in budget legislation. Adequate provisions are set aside for risks resulting from the reviews by the Medical Service (MD reviews) that also cover retrospective risks from outpatientisation. Additional risks may result from statutory provisions or regulations leading to a drastic rise in expenses.

The Hospital Care Improvement Act (KHVVVG) that entered into force on 1 January 2025 will bring significant changes for hospital structures and funding. The impact of the reform can only be further specified once additional regulatory decrees have been issued. The hospital reform does not stipulate any requirements for rehabilitation clinics.

The Group addresses these risks by providing the local units with the required support.

The Group is also generally exposed to risks in connection with the capital markets that could entail default risks, changes in interest rates and liquidity risks. These risks are controlled and monitored centrally to actively reduce capital market risks.

Operating risks

MEDICLIN is exposed to a general default risk. The Group counters this risk by defining central standards for the billing process and by applying active claims management. This way MEDICLIN addresses potential billing and revenue risks.

The excellence of its treatment quality is a crucial factor for MEDICLIN, and the Group's structured internal quality management system ensures that the quality of treatment is constantly maximised. MEDICLIN relies on appropriate preventive systems, continuous further training of its employees and active risk provisioning to constantly improve patient safety and to minimise potential risks at an early stage.

Given the highly dynamic economic environment in many industries, MEDICLIN is exposed to risks associated with cost increases and supply chain bottlenecks. MEDICLIN is part of a major purchasing group, allowing the Group to benefit from collective negotiations and the associated favourable prices and supply conditions. It also provides for a high quality of master data, and the information shared within the purchasing group helps to react promptly to any changes on the markets. Existing risks are thus reduced considerably.

Infrastructure risks

As other industries as well, the healthcare industry is affected by a severe shortage of skilled professionals and the associated personnel risks. The lack of qualified staff can negatively impact the medical, therapeutic and nursing care performance and lead to declines in the occupancy rates and sales of individual clinics. In order to counteract the risks inherent in the shortage of skilled professionals and in order to reduce dependency on external medical staff, MEDICLIN relies on active human resource management and on positioning the Company as an attractive employer. This includes a wide range of further qualification and training opportunities and designing work places that fit the needs of our staff as well as flexible working hours.

By applying facility-specific remuneration models, MEDICLIN is able to influence the future development of staff costs and to adjust to local labour market conditions.

In the context of its active building, renovation and modernisation activities, MEDICLIN is exposed to various risks associated with the construction and operation of buildings that could negatively affect earnings and net assets. This includes delays in construction and cost overruns. Subsidies carry the risk of non-compliant use of such subsidies.

MEDICLIN seeks to proactively control potential project risks by centrally managing construction projects, applying a standardised approach and by closely supervising the construction projects. This also includes monitoring suppliers to be able to take measures in case of price increases or delivery problems in the supply chain at an early stage.

The same approach is used with regard to contractors and maintenance providers that are tasked with ensuring operational safety.

A well-functioning IT infrastructure is an important factor for MEDICLIN's success. Technical risks may arise with regard to the availability and the security of IT systems and data. The rising complexity as well as a global surge in cyberattacks has intensified IT risks in recent years. In order to address these risks, MEDICLIN actively seeks to increase IT security. The main goals in this respect are to ensure patient safety, data privacy and protection as well as the effectiveness of treatments. Risk management in the field of IT and data protection is thus continuously further developed.

MEDICLIN identifies, assesses and manages relevant legal risks at individual unit level. It is not always possible to reliably predict the outcome of any pending legal proceedings but MEDICLIN does not expect any material detrimental effects of pending legal disputes at present.

The double materiality analysis revealed latent environmental risks. The risk management system did not identify any specific environmental risks with potential impacts on EBITDA. Please also refer to the sustainability reporting section.

Opportunities resulting from the sector environment and the market

The Group assumes that growth in the healthcare market will be primarily driven by demographics. Additionally, due to the general economic condition and the situation on the labour market, the working lifetime will become longer in the next few years. This means that the demand for qualified services in medical rehabilitation which preserve a person's capacity and ability to work will increase. The Group is adjusting its range of services to accommodate these market changes.

Changes in the competitive situation or politically or economically induced market consolidation could offer opportunities for MEDICLIN.

Strategic opportunities

The corporate strategy of MEDICLIN aims to raise Group sales through organic growth and to use appropriate cost structures to secure the earnings power in the long term. This is based on the expansion of capacities in indications with strong demand in the post-acute segment, the constant improvement of internal structures in the acute segment and demand-oriented capacity optimisation in the nursing care segment. A stronger focus on outpatient services is also seen as an opportunity for further growth.

The Group continuously reviews opportunities, both in general with a view to the optimal composition of the clinic portfolio and specifically with regard to expanding the existing range of services at certain locations while observing long-term overall trends and developments on the healthcare market.

Infrastructure opportunities

The introduction and expansion of digital hospital information systems has a direct impact on operations and is therefore also of importance to MEDICLIN.

Operational opportunities

The centralisation of certain tasks and services (shared services) within the Group provides for more efficient cost structures and an increased degree of standardisation. This offers opportunities for both the Group in general and the operational units to improve their quality and processes.

Financial opportunities

Through the stock exchange listing, the Group can raise funds for financing growth or repaying any existing debt on the capital market. Additional information on the standardised process for assessing risks and opportunities (pursuant to IRO 1.53 f, ESRS), on material impacts, risks and opportunities and their interaction with strategy and business model (pursuant to SBM-3, ESRS) is provided in the non-financial declaration.

Summary and outlook

MEDICLIN's overall risk portfolio consists of risks that the Company is unable to control, such as economy, legislation and the budget policy of coverage providers and manageable risks. Risks that cannot be controlled are constantly monitored and analysed to enable MEDICLIN to promptly react to changes. In order to avoid and mitigate risks that can be influenced by the Company, the monitoring and control systems identify them at an early stage.

Potential opportunities are also regularly identified and evaluated with regard to the future benefit they could bring. If the analysis is positive, the Group initiates the exploitation of such opportunities.

MEDICLIN's overall risk position has decreased since the previous year.

RISKS AND OPPORTUNITIES WITH POTENTIAL EFFECTS ON THE FORECAST PERIOD

The following table shows material risks that could lead to deviations from the Group's expected sales and earnings performance in the forecast period:

Assessment of the main corporate risks and opportunities

Risk areas	Potential effects	
	Assessment 2024	Assessment 2025
Environment and sector risks		
Political and regulatory risks	low	low
Risks resulting from dependencies (e.g. coverage providers)	medium	low
Strategic risks		
Risks resulting from extraordinary external events (e.g. pandemic)	low	low
Financial risks		
Financial risks	low	low
Operating risks		
Billing and income risks	medium	medium
Infrastructure risks		
Risks in the field of information technology	low	low
Personnel risks	very high	high
Technical risks (e.g. failure of medical equipment)	medium	medium
Risks arising from construction and operation of buildings	high	high

Areas of opportunity	Potential effects	
	Assessment 2024	Assessment 2025
Opportunities from sector environment and market	medium	medium
Strategic opportunities	medium	low
Infrastructure opportunities	low	low
Financial opportunities	no assessment	low
Operational opportunities	low	low

The risk and opportunity assessment as well as the corresponding probability of occurrence and impact are accounted for in the forecast for the Group's sales and earnings performance in the 2025 financial year.

EFFECTS OF THE CURRENT SITUATION ON THE RISK PORTFOLIO

In addition to the ongoing conflict in Ukraine and the situation in the Middle East, the escalation of conflict potential in the Asian region in combination with the macroeconomic situation and a possible shift of US economic policy towards protectionism could lead to a poly-risk scenario.

This could have a negative impact on the global economy and, consequently, on the risk portfolio of MEDICLIN AG. The risks include impairment of supply security, price hikes and an aggravation of the aforementioned risks.

The Group has taken measures to cushion the sharp increase in prices by reducing consumption whenever this is possible without compromising patient care. MEDICLIN is considered a systemically relevant player when it comes to general supply security.

MEDICLIN closely monitors the developments to be able to react at an early stage and to minimise the potential negative impact on the Group's net assets, financial position and results of operations.

Internal control system and risk management system for the Group accounting process

Under the provisions of Section 91 (2) of the German Stock Corporation Act (AktG), the management board of a stock corporation has to take appropriate action, in particular by establishing a monitoring system, to provide for the early detection of developments that could jeopardise the going-concern status of the Company. The management board of a listed company is further obliged under Section 91 (3) of the German Stock Corporation Act (AktG) to put in place an internal control system and risk management system that is suitable and effective in light of the scope of the business activities pursued by the company and in light of its risk situation.

On the one hand, the internal control system guarantees an efficient financial accounting process, and on the other, it serves to detect and adequately assess the risks which are associated with entrepreneurial activities so as to be able to permit an early response to the risks identified.

An important element of the internal control system is the centralisation of services at the corporate headquarters in Offenburg. Centralised areas include financial accounting, controlling, Group accounting, personnel management, payroll processing, quality management, insurance management as well as medical billing. Since the end of 2022, the budget/hospital financing department of Asklepios Kliniken GmbH & Co. KGaA, Hamburg, is in charge of medical billing. The professional management of both risk management and treasury also lies with Asklepios Kliniken GmbH & Co. KGaA in Hamburg.

Uniform financial reporting is ensured through the use of corporate guidelines and a uniform accounts structure applied throughout the Group. The data processing systems used in the financial reporting departments are protected against unauthorised access through appropriate safeguards and security features. The data from the individual companies is centrally consolidated and, among other things, compared in detail with intra-Group balances. The staff involved in financial matters and accounting all possess the required qualifications. Functions are separated for tasks where this is relevant. Controls, including IT-based controls, were installed for all the processes that are relevant to financial reporting. The dual-control principle is adhered to. The consolidated financial statements and the separate financial statements are prepared by the Group accounting department.

Invoices are issued in a decentralised manner, while claims management, dunning process and liquidity monitoring are carried out centrally.

Through the centralisation of the accounting department at corporate headquarters in Offenburg, MEDICLIN guarantees that financial reporting in the clinics is uniform, and that it also adheres to legal regulations, the principles of proper accounting, international accounting standards and the Group's internal guidelines. At the same time, the infrastructure of human and material resources for accounting tasks is assured. The financial accounting process provides the public with accurate and reliable information about MEDICLIN AG's and the Group's results of operations, financial position and net assets in the context of financial accounting disclosure requirements.

Other disclosures

Disclosures pursuant to Section 315a (1) and Section 289a (1) German Commercial Code (HGB)

The subscribed capital of MEDICLIN Aktiengesellschaft consists of 47,500,000 no-par bearer shares. Restrictions on the voting rights of the shares may arise on the basis of the regulations of the German Stock Corporation Act (AktG). For example, under certain conditions, shareholders are prohibited from voting (Section 136 German Stock Corporation Act – AktG). Furthermore, the Company has no voting rights from its own shares (Section 71 b German Stock Corporation Act – AktG). The Management Board is not aware of any contractual restrictions relating to the voting right or transfer of shares. A direct shareholding in MEDICLIN Aktiengesellschaft of more than 10 % is held by Asklepios Kliniken GmbH & Co. KGaA. Indirect shareholdings are held by Asklepios Kliniken Management GmbH as the general partner and Broermann Holding GmbH as the limited partner. ERGO Group AG (ERGO) and DKV Deutsche Krankenversicherung AG (DKV) also each hold direct holdings of more than 10 %. Another indirect holding is held by Münchener Rückversicherungs-Gesellschaft AG via its subsidiaries ERGO and DKV. Shares with privileges that grant powers of authorisation do not exist. Employees who participate in MEDICLIN's capital exercise their control rights like other shareholders. The regulations regarding the appointment and withdrawal of members of the Management Board are in accordance with the statutory regulations. The same applies to the information on amendments to the Articles of Incorporation. No resolution to authorise the buy-back of MEDICLIN shares was submitted to the Annual General Meeting in the 2024 financial year. MEDICLIN holds no treasury stock at present. According to a resolution passed at the Annual General Meeting on 6 June 2024, the Management Board was authorised to, subject to the consent of the Supervisory Board, increase the Company's subscribed capital once or in partial amounts by up to a total of EUR 23,750,000.00 by issuing new no-par shares against cash and/or contribution in kind (Authorised Capital 2024) until 5 June 2029. In general, shareholders have a subscription right, but the Management Board is authorised, subject to the consent of the Supervisory Board, to exclude the shareholders' subscription right. More details on the Authorised Capital 2024 are available in Article 4 (4) of the Articles of Incorporation. There are no material agreements that are contingent on a change in control following a takeover offer except for a termination option under a debt financing agreement. The Company has not concluded any compensation agreements with members of the Management Board or employees.

Corporate Governance Declaration pursuant to Sections 289f and 315d German Commercial Code (HGB)¹

This corporate governance declaration contains all the corporate governance disclosures required as per Section 289f and 315d of the German Commercial Code (HGB). It is available on the website under www.mediclin.de/corporate-governance.

¹ The contents of this section are voluntary unaudited disclosures but have been read critically by the auditor.

Declaration of the Management Board pursuant to Section 312 (3) AktG

“We declare that the Company received appropriate compensation for all legal transactions in the 2024 financial year listed in this report on relations with affiliated companies according to the circumstances known to the Management Board at the time at which the legal transactions were undertaken. No measures were taken or omitted which put the Company at a disadvantage and which would need to be reported here.”

MEDICLIN AG (short version)

The annual financial statements of MEDICLIN Aktiengesellschaft, Offenburg, were prepared in accordance with the provisions of the German Commercial Code (HGB) and the special provisions of the German Stock Corporation Act (AktG) as in the previous year. As a listed company, MEDICLIN AG meets all the requirements of the capital market and can use the latter for capital procurement.

Development of results of operation

Consolidated profit and loss account

In thousands of €	2024	2023
Sales	4,888	4,885
Other operating income	1,453	4,589
Total operating performance	6,341	9,474
Raw materials and consumables used	–405	–728
Staff costs	–4,081	–4,116
Other operating expenses	–3,693	–8,818
Result before interest, taxes, depreciation and amortisation/EBITDA	–1,838	–4,188
Depreciation of fixed assets	–8	–7
Operating result/EBIT	–1,846	–4,195
Financial result	29,286	15,528
Income taxes	–5,390	263
Profit after tax	22,050	11,596
Other taxes	–2	–2
Net profit for the year	22,048	11,594
Profit carried forward from the previous year	20,749	9,155
Net profit	42,797	20,749

MEDICLIN AG's 2024 sales of EUR 4.9 mill. are at the level of the previous year (EUR 4.9 mill.). Other operating income amounted to EUR 1.5 mill. in 2024 (previous year: EUR 4.6 mill.). In 2023 EUR 3.2 mill. thereof derived from the sale of the entire limited partner share in Dr. Hoefer-Janker GmbH & Co. Klinik KG including the latter's shareholding in MVZ MediClin Bonn GmbH. Another EUR 1.2 mill. of the other operating income is attributable to payments received from previously impaired loans to affiliated companies (previous year: EUR 1.1 mill.).

Staff costs of EUR 4.1 mill. are at the prior-year level.

MEDICLIN AG's EBIT amounted to EUR –1.8 mill. in the year under review, following EUR –4.2 mill. in 2023. This is mainly due to a decline in other operating expenses that dropped by EUR 5.1 mill. to EUR –3.7 mill. in the reporting year. The decrease in other operating expenses is primarily attributable to a loan waiver of EUR 4.6 mill. in the previous year.

The financial result amounts to EUR 29.3 mill. in the reporting year, down from EUR 15.5 mill. in 2023. This primarily includes income from participations due to an advance distribution of net profit 2024 of several subsidiaries amounting to EUR 32.1 mill. (previous year: EUR 15.0 mill.). EUR 2.4 mill. (previous year: EUR 2.3 mill.) of interest and similar income totalling EUR 4.1 mill. (previous year: EUR 4.3 mill.) is attributable to interests for loans granted to affiliated companies. EUR 1.7 mill. pertain to interest income from bank credit balances (previous year: EUR 1.1 mill.). In the previous year, another EUR 1.0 mill. was attributable to interest from corporation tax refunds for 2010 to 2020. In addition, there were impairments on financial assets totalling EUR 2.8 mill. relating to a loan to a subsidiary.

EUR 0.3 mill. of the interest and similar expenses refers to interest expenses for a loan to an affiliated company (previous year: EUR 0.3 mill.). Interests under the syndicated loan amounted to EUR 3.6 mill. (previous year: EUR 3.3 mill.). Furthermore, expenses amounting to EUR 0.2 mill. were incurred for commissions in the financial year (previous year: EUR 0.2 mill.). These are primarily associated with the syndicated loan.

Reported tax expenses include corporate tax on the result of the 2024 financial year amounting to EUR 5.8 mill. (previous year: EUR 5.0 mill.) and tax expenses for previous years amounting to EUR 0.6 mill. (previous year: tax expense of EUR 3.2 mill.). Netted deferred tax income in the year under review was EUR 1.0 mill. (previous year: tax expense of EUR 2.1 mill.). This is due mainly to the differences between amounts recognised for MEDICLIN AG's investments and the tax-related capital accounts of the limited partnerships (EUR 1.0 mill.).

Sales

In thousands of €	2024	2023
Sales from Group contribution	2,579	2,581
Sales from management services	2,158	2,172
Other sales	151	132
	4,888	4,885

MEDICLIN AG charged part of its expenses to the subsidiaries in the form of a Group contribution.

Other operating income

In thousands of €	2024	2023
Income from the release of provisions	259	230
Other income	1,194	4,359
	1,453	4,589

Other operating expenses

In thousands of €	2024	2023
Auditing and consultancy costs	2,064	2,329
Other administrative expenses	462	419
Thereof remuneration of the Supervisory Board	266	277
Thereof costs of the Annual General Meeting	113	59
Thereof incidental costs of monetary transactions	83	83
Thereof staff recruitment costs	0	0
Advertising and public relations	258	297
Insurance costs	294	275
Other expenses	615	5,498
	3,693	8,818

The decline in other operating expenses is attributable mainly to the other expenses item. In the previous year, this had included a loan waiver amounting to EUR 4.6 mill. vis-à-vis Dr. Hoefer-Janker GmbH & Co. KG in connection with its sale in the 2023 financial year.

Development of net assets and the financial position

At EUR 429.7 mill., the balance sheet total structured according to maturity is at the prior-year level (previous year: EUR 429.8 mill.). The loans to affiliated companies recognized under current assets related to long-term interest-bearing loans to subsidiaries. Due to an anticipated permanent impairment, the loans totalling EUR 2.8 mill. were fully written down as of 31 December 2024. Receivables from affiliated companies include receivables from ongoing billing amounting to EUR 33.9 mill. (previous year: EUR 11.5 mill.). Receivables amounting to EUR 84.1 mill. (previous year: EUR 81.7 mill.) pertain to short-term loans.

Receivables from affiliated companies and other assets are due within one year.

Bank credit balances refer to sight deposits with several banks.

Prepaid expenses primarily include insurance premiums, bank commissions and fees, as well as consulting costs related to the refinancing of bank loans.

Net profit for the year took equity up by EUR 22.0 mill., and the equity ratio amounts to 79.6 %.

Net profit of EUR 22.0 mill. was EUR 10.4 mill. above the previous year's value, mainly due to higher income from participations in subsidiaries (EUR 17.1 mill.). Part of the syndicated loan (EUR 25.0 mill.) was repaid in the year under review, resulting in a EUR 17.2 mill. decline in cash and cash equivalents at the end of the year to EUR 27.9 mill. (previous year: EUR 45.1 mill.).

Balance sheet structure

In millions of €	31.12.2024	in % of balance sheet total	31.12.2023	in % of balance sheet total
Assets				
Non-current assets	283.7	66.0	284.6	66.2
Current assets	146.0	34.0	145.2	33.8
	429.7	100.0	429.8	100.0
Equity and liabilities				
Equity	341.9	79.6	319.9	74.4
Non-current liabilities	64.6	15.0	90.6	21.1
Current liabilities	23.2	5.4	19.3	4.5
	429.7	100.0	429.8	100.0

Statement on net assets, financial position and results of operations

The Management Board assesses the results of operations of MEDICLIN AG as secure and the financial position and net assets as sound. A letter of comfort was issued on behalf of several subsidiaries in view of the exemptions set forth in Section 264 (3) German Commercial Code (HGB). It is not expected that this letter of comfort will be drawn on.

On average, the Company employed 11.0 persons during the year (previous year: 8.6 employees). Disclosures concerning the balance sheet and the schedule of fixed assets of MEDICLIN Aktiengesellschaft are provided in the annual financial statements and the notes to the annual financial statements of MEDICLIN Aktiengesellschaft for the 2024 financial year.

Opportunities and risks of MEDICLIN AG

MEDICLIN AG is exposed basically to the same opportunities and risks as the MEDICLIN Group. As the parent company of the MEDICLIN Group, MEDICLIN AG is covered by the Group-wide internal control and risk management system. More detailed and quantitative information is available in the risk and opportunity report.

Outlook

The key performance indicators of MEDICLIN AG as the ultimate parent are sales and net profit. For the 2024 financial year, the Management Board had forecast sales at the prior-year level and net profit in at least the same range as 2023. Sales of EUR 4.9 mill. (previous year: EUR 4.9 mill.) met this forecast. Net profit of EUR 22.0 mill. significantly exceeded the prior-year figure of EUR 11.6 mill. and thus also reached the forecast.

As in the previous years, the income structure of MEDICLIN AG in 2025 will continue to depend on the economic development of the subsidiaries and thus also of the Group as a whole. MEDICLIN AG's opportunities and risk situation also depends on the development of the Group.

The Management Board assumes that sales in 2025 financial year will be at the level of 2024. Net profit in 2025 should be at least in the same range as in the reporting year.

Remuneration report

MEDICLIN's remuneration policy promotes sustainable Company development, compensating Management Board and Supervisory Board work with performance-oriented remuneration that is composed of fixed and variable components.

The remuneration report contains details on the remuneration of current and former members of the Management Board and the Supervisory Board of MEDICLIN Aktiengesellschaft in accordance with Section 162 German Stock Corporation Act (AktG). The current remuneration system for the Management Board was adopted by the Supervisory Board in accordance with Section 87a (1) German Stock Corporation Act (AktG) and approved by the Annual General Meeting on 6 June 2024 with a majority of 96.98 % of the capital represented at that meeting. The current remuneration system for the Supervisory Board that is regulated in Article 12 of the Articles of Incorporation was approved by the Annual General Meeting on 26 May 2021 with a majority of 99.9 % of the capital represented at that meeting.

Four years after the last resolution on the Supervisory Board's remuneration system, a proposal to confirm the current remuneration system will be submitted to the Annual General Meeting on 4 June 2025.

The remuneration system, the Articles of Incorporation that include the remuneration system for the Supervisory Board and the remuneration report for the 2024 financial year are available at www.mediclin.de/corporate-governance.¹

¹ The contents of this section are voluntary unaudited disclosures but have been read critically by the auditor.

Forward-looking statements

This report contains forward-looking statements that are based on management's current expectations. Words such as "anticipate", "assume", "believe", "estimate", "expect", "intend", "can/could", "may", "might", "plan", "project", "should" and similar expressions are intended to identify forward-looking statements. Such statements are subject to certain risks and uncertainties that are based on the current assumptions and forecasts of MEDICLIN AG's management. Should any of these risks and uncertainties materialise, or if the assumptions underlying any of the forward-looking statements prove incorrect, then the actual results may be materially different from those expressed or implied by such statements. MEDICLIN AG does not intend or assume any obligation to continuously update these forward-looking statements, so as to adapt them to events or developments that occur after the release of this annual report.

CONSOLIDATED FINANCIAL STATEMENTS

of MEDICLIN Aktiengesellschaft
for the

2024 financial year



Please click here to download the
Annual Financial Statements of MEDICLIN
Aktiengesellschaft (German version)
www.mediclin.de/jahresabschluss2024

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Consolidated balance sheet as of 31 December 2024

ASSETS

In €	Note	31.12.2024	31.12.2023
NON-CURRENT ASSETS			
Goodwill and other intangible assets	(1)		
Concessions, licences		6,552,881	5,225,985
Goodwill		16,395,079	16,685,079
Payments on account		1,766,688	889,063
		24,714,648	22,800,127
Property, plant and equipment	(2)		
Land, land rights and buildings incl. buildings on third-party land		102,535,418	107,585,345
Right-of-use assets on land, land rights and buildings incl. buildings on third-party land		344,985,376	340,010,086
Technical equipment and machines		9,696,047	9,665,036
Operating and office equipment		31,341,036	29,899,393
Right-of-use assets on operating and office equipment		2,562,318	1,574,369
Payments on account and assets under construction		42,178,051	25,644,030
		533,298,246	514,378,259
Financial assets	(3)		
Investment in stock of subsidiaries		58,822	64,822
Reinsurance cover		565,003	714,093
Other financial investments		2,056	2,056
		625,881	780,971
Other assets	(4)		
Receivables pursuant to hospital financing law		38,544,930	31,686,130
		38,544,930	31,686,130
Deferred tax assets	(5)	11,136,799	11,029,692
		608,320,504	580,675,179
CURRENT ASSETS			
Inventories	(6)	7,664,166	7,296,364
Trade receivables	(7)	99,569,383	81,581,141
Current income tax claims		0	0
Other financial assets			
Receivables pursuant to Hospital Compensation Act (KHEntgG) / Federal Directive on Nursing Care Rates (BPfIV)	(8)	57,227,660	44,216,650
Other current financial assets	(9)	7,906,214	14,878,855
		65,133,874	59,095,505
Other assets			
Prepaid expenses	(10)	2,724,758	2,508,503
Receivables pursuant to hospital financing law	(11)	14,853,458	12,712,001
		17,578,216	15,220,504
Cash and cash equivalents	(12)	107,563,091	115,285,902
Assets held for sale	(13)	76,702	21,347,327
		297,585,432	299,826,743
		905,905,936	880,501,922

EQUITY AND LIABILITIES

In €	Note	31.12.2024	31.12.2023
EQUITY			
Share of MEDICLIN Group			
Subscribed capital	(14)	47,500,000	47,500,000
Capital reserve	(15)	129,391,829	129,391,829
Revenue reserve	(16)	37,142,113	35,393,431
Consolidated balance sheet result	(17)	8,472,113	–16,367,284
		222,506,055	195,917,976
Non-controlling interests	(18)	231,574	111,421
		222,737,629	196,029,397
NON-CURRENT LIABILITIES			
Financial liabilities			
Liabilities to banks	(19)	65,096,887	91,418,822
		65,096,887	91,418,822
Lease liabilities	(20)	370,574,646	362,443,444
Pensions and similar commitments	(21)	38,198,281	41,731,051
Other provisions	(22)	2,383,578	2,233,213
Other payables			
Liabilities pursuant to hospital financing law	(23)	38,558,714	38,899,462
Miscellaneous payables	(24)	2,346,315	1,507,473
		40,905,029	40,406,935
		517,158,421	538,233,465
CURRENT LIABILITIES			
Trade payables		12,779,855	12,626,311
Financial liabilities			
Liabilities to banks	(25)	1,863,455	1,962,376
		1,863,455	1,962,376
Lease liabilities	(26)	26,592,831	23,999,770
Other provisions	(27)	10,954,702	12,338,610
Current income tax liabilities	(28)	8,023,994	3,540,964
Other financial liabilities			
Liabilities pursuant to Hospital Compensation Act (KHEntgG) / Federal Directive on Nursing Care Rates (BPfIV)	(29)	7,955,269	9,224,395
Miscellaneous financial liabilities	(30)	12,013,154	7,799,064
		19,968,423	17,023,459
Other payables			
Liabilities pursuant to hospital financing law	(31)	42,813,034	25,253,809
Miscellaneous payables	(32)	43,013,592	43,277,851
		85,826,626	68,531,660
Liabilities in connection with assets held for sale	(33)	0	6,215,910
		166,009,886	146,239,060
		905,905,936	880,501,922

Consolidated profit and loss account

for the financial year from 1 January to 31 December 2024

In €	Note	Jan. – Dec. 2024	Previous year
Sales	(34)	748,754,129	730,071,048
Other operating income	(35)	16,321,608	36,675,386
Total operating performance		765,075,737	766,746,434
Raw materials and consumables used	(36)		
a) Cost of raw materials and supplies		–77,083,006	–81,098,227
b) Cost of purchased services		–51,970,339	–56,282,857
		–129,053,345	–137,381,084
Staff costs	(37)		
a) Wages and salaries		–392,396,092	–388,051,625
b) Social security, pensions and retirement		–73,935,979	–72,552,208
		–466,332,071	–460,603,833
Other operating expenses	(38)	–65,921,869	–70,034,499
Result before interest, taxes, depreciation and amortisation / EBITDA		103,768,452	98,727,018
Depreciation and amortisation	(39)	–50,281,796	–86,005,243
Operating result / EBIT		53,486,656	12,721,775
Financial result	(40)		
a) Interest and similar income		2,623,252	2,538,243
b) Interest and similar expenses		–23,990,491	–23,948,875
		–21,367,239	–21,410,632
Result before tax		32,119,417	–8,688,857
Taxes on income	(41)	–7,206,397	–2,035,123
Total consolidated result		24,913,020	–10,723,980
Thereof attributable to shareholders of MEDICLIN AG		24,839,397	–10,776,122
Thereof attributable to non-controlling interests		73,623	52,142
Total consolidated result attributable to shareholders of MEDICLIN AG per share	(42)		
Undiluted		0.52	–0.23
Diluted		0.52	–0.23

Consolidated statement of comprehensive income for the financial year from 1 January to 31 December 2024

In €	Note	Jan. – Dec. 2024	Previous year
Total consolidated result		24,913,020	–10,723,980
Other comprehensive income	(43)		
Revaluation from defined benefit plans and similar obligations		2,132,714	–3,052,478
Taxes on income		–337,502	483,055
Additions to value adjustments that are not reconciled to the total consolidated result		1,795,212	–2,569,423
Thereof attributable to shareholders of MEDICLIN AG		1,748,682	–2,512,726
Thereof attributable to non-controlling interests		46,530	–56,697
Additions to value adjustments that are reconciled to the total consolidated result		0	0
Group comprehensive income		26,708,232	–13,293,403
Thereof attributable to shareholders of MEDICLIN AG		26,588,079	–13,288,848
davon den nicht beherrschenden Gesellschaftern zuzurechnendes Konzerngesamtergebnis		120,153	–4,555

Consolidated cash flow statement

in €	Jan. – Dec. 2024	Previous year
Total consolidated result	24,913,020	–10,723,980
Result of finance activities	21,367,239	21,410,632
Result of income taxes	7,206,397	2,035,123
Operating result (EBIT)	53,486,656	12,721,775
Depreciation of fixed asset items	50,281,796	86,005,243
Result before interest, taxes, depreciation and amortisation (EBITDA)	103,768,452	98,727,018
Change in non-current provisions	–2,622,762	–3,033,300
Change in current provisions	–2,774,008	1,309,707
Result from the disposal of fixed asset items	–226,350	–47,522
Result from other non-cash items	–1,570,226	–723,461
Changes in other current assets	–15,418,659	–20,993,104
Changes in other non-current liabilities	758,768	8,078
Changes in other current liabilities	–951,987	–2,602,159
Payments received from interest	2,620,413	2,530,587
Income taxes paid	–3,017,689	2,825,478
Cash flow from operating activities	80,565,952	78,001,322
Payments received from the disposal of fixed assets	974,223	469,649
From the disposal of property, plant and equipment	974,223	469,649
Payments received from investment subsidies	19,096,127	18,989,393
Cash used for investments	–44,699,746	–37,618,381
For intangible assets	–6,647,885	–3,157,562
For property, plant and equipment	–38,042,061	–34,418,675
For financial assets	–9,800	–42,144
Cash inflows from loss of control	9,500,000	8,648,295
Cash flow from investing activities	–15,129,396	–9,511,044
Repayment of lease liabilities	–24,094,852	–22,043,818
Repayment of financial liabilities	–26,282,621	–1,606,186
Interest payments for lease liabilities	–18,765,335	–19,043,453
Other interest payments	–4,019,337	–2,785,610
Cash flow from financing activities	–73,162,145	–45,479,067
Cash flow for the period	–7,725,589	23,011,211
Cash and cash equivalents at the beginning of the period	115,288,680	92,277,469
Cash and cash equivalents at the end of the period	107,563,091	115,288,680

The cash and cash equivalents at the end of the period correspond to the balance sheet item Cash and cash equivalents and encompass mainly cash in hand and current bank balances.

Statement of changes in equity

In €	Subscribed capital	Capital reserve	Revenue reserve	Consolidated balance sheet result	Shares of MEDICLIN Group	Non-controlling interests	Total equity
As of 01.01.2023	47,500,000	129,391,829	37,906,157	–5,591,162	209,206,824	115,976	209,322,800
Total consolidated result	–	–	–	–10,776,122	–10,776,122	52,142	–10,723,980
Other comprehensive income	–	–	–2,512,726	–	–2,512,726	–56,697	–2,569,423
Group comprehensive income	–	–	–2,512,726	–10,776,122	–13,288,848	–4,555	–13,293,403
As of 31.12.2023	47,500,000	129,391,829	35,393,431	–16,367,284	195,917,976	111,421	196,029,397
In €^	Subscribed capital	Capital reserve	Revenue reserve	Consolidated balance sheet result	Shares of MEDICLIN Group	Non-controlling interests	Total equity
As of 01.01.2024	47,500,000	129,391,829	35,393,431	–16,367,284	195,917,976	111,421	196,029,397
Total consolidated result	–	–	–	24,839,397	24,839,397	73,623	24,913,020
Other comprehensive income	–	–	1,748,682	–	1,748,682	46,530	1,795,212
Group comprehensive income	–	–	1,748,682	24,839,397	26,588,079	120,153	26,708,232
As of 31.12.2024	47,500,000	129,391,829	37,142,113	8,472,113	222,506,055	231,574	222,737,629

Notes

Basic information

General

MEDICLIN Aktiengesellschaft (MEDICLIN AG) is active as a nationwide hospital operator. With 31 clinics, six nursing care facilities and ten medical care centres in 11 German federal states, the MEDICLIN Group (MEDICLIN) has an overall capacity of 8,160 beds/nursing care places as at 31 December 2024. The clinics are divided into acute-care hospitals for basic, standard and specialised care, as well as specialist clinics for medical rehabilitation, some of which also offer acute medical services. MEDICLIN operates exclusively on the domestic market.

The Company is registered in Germany and has been listed on the stock exchange since December 2000 (official market/Prime Standard). It is registered in the commercial register at the local court of Freiburg i. Br. under HRB 703905 and has its registered office in Okenstraße 27, 77652 Offenburg.

The MEDICLIN Group (smallest scope of consolidation) is fully consolidated in the consolidated financial statements of Broermann Holding GmbH, Königstein im Taunus (ultimate parent company and largest scope of consolidation). The MEDICLIN Group is further included in the subgroup accounts of Asklepios Kliniken GmbH & Co. KGaA (direct parent company), Hamburg, which holds a 52.73 % stake in MEDICLIN AG. The ultimate controlling party within the meaning of IAS 24.13 is Dr. Bernard große Broermann, the sole shareholder of Broermann Holding GmbH and, following his demise on 25 February 2024, the community of his heirs.

The present notes were prepared for the consolidated financial statements of MEDICLIN AG for the 2024 financial year. The underlying consolidated financial statements were prepared by the Management Board on 26 March 2025. The annual financial statements of MEDICLIN AG, the consolidated financial statements of MEDICLIN AG and the summarised management report are published in the Company's commercial register.

The consolidated financial statements as of 31 December 2024 were prepared in accordance with Section 315e (1) of the German Commercial Code (HGB), pursuant to the regulations of the International Financial Reporting Standards (IFRSs), the International Accounting Standards Board (IASB), London, and the interpretations of the IFRS Interpretation Committee (IFRS IC) as valid on the cut-off date and adopted by the European Union (EU). The financial statements were prepared on a going-concern basis. Accounting is generally based on amortised cost. The consolidated profit and loss account was prepared on the basis of the total cost method.

The consolidated financial statements are prepared in euros. All amounts are stated in thousands of euros (EUR thou.) unless otherwise specified. Within the individual components of the consolidated financial statements, as well as for data specified in the notes, rounding differences may result due to figures with decimal places. The amount shown is rounded according to standard commercial practice. Accordingly, individual figures might not add up exactly to the sum stated. Unless otherwise stated, the amounts shown for the previous year were calculated using the same accounting and valuation principles in order to ensure the comparability of the disclosed data.

New or amended international standards applicable for the first time in the reporting period

Standard	Effective for financial years beginning on or after (EU)	Adopted on	Published in the Official Journal (EU) on
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback	01.01.2024	20.11.2023	21.11.2023
Amendments to IAS 1 Presentation of Financial Statements: Classification of liabilities as current or non-current and Non-current liabilities with covenants	01.01.2024	19.12.2023	20.12.2023
Amendment to IAS 7 Statement of Cash Flows and to IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	01.01.2024	15.05.2024	16.05.2024

The amendments to IAS 1 entail adjustments to MEDICLIN AG's recognition of financial liabilities. The revolving working capital facility is now shown in non-current financial liabilities since the Group has a right with substance to postpone loan payments beyond a period of 12 months. This means that EUR 25.0 mill. are now reported in non-current financial liabilities instead of current financial liabilities as at 31 December 2023. As the working capital facility was repaid as at 28 December 2024, the amendment of the standards does not affect the figures as at 31 December 2024.

The amendments to IFRS 16 and IAS 7 in the table above do not have any material impact on the consolidated financial statements of MEDICLIN AG.

(Amended) standards issued by the EU Commission that are not yet binding

Standard	Effective for financial years beginning on or after (EU)	Adopted on	Published in the Official Journal (EU) on
Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	01.01.2025	12.11.2024	13.11.2024

The amendments are of no relevance to MEDICLIN.

New and amended standards that have been issued by the IASB, but are not yet binding

The following standards have already been issued by the IASB but not yet implemented into EU law.

Standard	Adopted on	Applicable from
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	30.05.2024	01.01.2026
Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity	18.12.2024	01.01.2026
Annual Improvements to IFRS Accounting Standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7) Volume 11	18.07.2024	01.01.2026
IFRS 18 (replaces IAS 1): Presentation and Disclosure in Financial Statements	09.04.2024	01.01.2027
IFRS 19: Subsidiaries without Public Accountability	09.05.2024	01.01.2027

The MEDICLIN Group does not plan to prematurely apply the following new or amended standards and interpretations that will only become mandatory in future financial years. Unless otherwise stated, the effects on the consolidated financial statements of MEDICLIN are being reviewed at present.

On 9 April 2024 the International Accounting Standards Board (IASB) issued the accounting standard IFRS 18: Presentation and Disclosure in Financial Statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements. The majority of changes in IFRS 18 refers to the profit and loss account. The amendments to IFRS 18 also entail adjustments to IFRS 7 Statement of Cash Flows. All in all, the new standard is to improve comparability of information about companies' financial performance. For this reason, the disclosure options regarding the structure of the profit and loss account granted under IAS 1 are cancelled. The amendments primarily concern the establishment of a mandatory structure for the income statement, the introduction of new disclosure requirements in the notes and the creation of guidelines for aggregating or disaggregating line-items in the profit and loss account. Results of operation will in future be classified into the following categories:

- operating,
- investing,
- financing,
- income taxes, and
- discontinued operations..

Furthermore, the following subtotals will be required:

- operating result,
- profit before financing and income taxes, and
- profit or loss.

Among other amendments, voluntary and company-specific defined performance indicators (co-called management performance measures – MPM) will have to be presented and explained in detail in the notes to the annual financial statements. In particular, entities will have to disclose why the MPM reflects the management's view and how it provides useful information on the results of operation. A reconciliation between the MPM and the best comparable subtotal or

other comprehensive income in the profit and loss account will have to be prepared, showing the income tax effects and the effects on non-controlling shareholdings for each individual item in the reconciliation table. IFRS 18 must be applied retrospectively for financial years beginning on or after 1 January 2027. Premature adoption is admissible.

IFRS 18 only affects the presentation and disclosure of MEDICLIN's profitability and not the method, with which MEDICLIN measures its profitability. The implementation of the new standard will, however, lead to an increase in organisational, technical and personnel resources and thus to an increase in costs.

On 9 May 2024 the International Accounting Standards Board (IASB) issued IFRS 19: Subsidiaries without Public Accountability: Disclosures, a new accounting standard for subsidiaries. IFRS 19 allows certain subsidiaries to apply the IFRSs with fewer disclosures in the notes. IFRS 19 is effective for reporting periods beginning on or after 1 January 2027. Premature adoption is permitted. The standard is of no relevance to MEDICLIN.

On 30 May 2024 the International Accounting Standards Board (IASB) issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, Classification and Measurement of Financial Instruments. The adopted amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) features. The amendment further addresses the settlement of liabilities through electronic payment systems. The amendments clarify when, in case of electronic money transfer, a financial asset or financial liability is derecognised. Furthermore, the amendments introduce additional disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets. The amendments must be first applied for financial years beginning on or after 1 January 2026. The amendments are not expected to have any material effects on MEDICLIN's accounting.

On 18 July 2024 the International Accounting Standards Board (IASB) issued Annual Improvements to the IFRS Accounting Standards – Volume 11, amending the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge accounting by a first-time adopter
- IFRS 7 Financial Instruments: Disclosures
 - Gain or loss on derecognition
 - Disclosure of deferred difference between fair value and transaction price
 - Credit risk disclosures
- IFRS 9 Financial Instruments
 - Derecognition of lease liabilities
 - Transaction price
- IFRS 10 Consolidated Financial Statements – Determination of a 'de facto agent'
- IAS 7 Statement of Cash Flows – Cost method

The amendments resolve uncertainties resulting from inconsistencies between the wordings of different standards. The amendments must be applied for financial years beginning on or after 1 January 2026. Premature adoption is admissible. The amendments have no effects on MEDICLIN's accounting.

Consolidation principles

The annual financial statements of the companies included in the consolidated financial statements were prepared in accordance with uniform accounting policies as of the reporting date of the consolidated financial statements. The first-time recognition of acquired subsidiaries is based on the method of acquisition. The cost of the acquisition corresponds to the fair value of the assets acquired and the liabilities incurred or assumed as at the transaction date. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on the acquisition date, irrespective of the extent of any non-controlling interests. Intangible assets are recognised separately from goodwill if they are separable or arise from contractual or other legal rights, and are individually disposable. The excess of the cost of the acquisition over the Group's share in the net assets measured at fair value is recognised as goodwill, which is reported in intangible assets. In accordance with IAS 36, existing goodwill is subject to an impairment test at least once a year. The impairment test may lead to a devaluation requirement (impairment-only approach). Within this context, the individual facilities are defined as cash-generating units (CGUs) within the meaning of IAS 36.

Receivables and liabilities between companies included in the consolidated financial statements, as well as expenses and income from mutual service and supply transactions and intermediate results, were eliminated.

Non-controlling interests are shown in equity, but separately from the equity of the owners of the parent company. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent company and to the non-controlling interests. Comprehensive income is attributed to the owners of the parent company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance (IFRS 10B94).

The non-controlling interests within the MEDICLIN Group refer to 5.199 % (corresponding to 1,201 shares) of shares in Kraichgau-Klinik AG, Bad Rappenau, that are in free float. The profit and loss attributable to non-controlling interests and their share in Group equity are stated directly in the consolidated profit and loss account, the consolidated statement of comprehensive income and the consolidated balance sheet. This is immaterial at Group level.

Consolidated companies

The parent company of MEDICLIN is the listed company MEDICLIN AG, Offenburg.

All companies under the control of MEDICLIN AG as parent company qualify as subsidiaries of MEDICLIN AG, i.e. companies where MEDICLIN has the power of disposition for the associated company, bears the risk of the investment's fluctuations in commercial results, has the right to benefit from such results and has the possibility of influencing these results by exercising its power of disposition over the associated company.

The power of disposition is deemed to exist if the parent has rights to determine activities of the associated company with a significant impact on the company's commercial results. Several factors are considered in determining who has the power of disposition, such as existence and effects of potential voting rights that are currently exercisable or convertible and rights to appoint, exchange or remove members of the subsidiary's management.

In accordance with the principles of full consolidation, the consolidated financial statements include, in addition to the parent company, i. e. MEDICLIN AG, all subsidiaries where MEDICLIN AG holds the majority of capital in addition to the aforementioned economic control. The exceptions are Müritz-Klinikum Service GmbH i. L., Offenburg, and MVZ Dessau GmbH, Offenburg, which were not consolidated because they are considered immaterial.

The fully consolidated subsidiaries included in the consolidated financial statements are listed together with their respective shareholdings (in per cent) in the "Shareholdings" table. The table also shows to what extent the respective companies have refrained from preparing a management report/notes and from disclosing their annual financial statements pursuant to the options provided in Section 264 (3) and Section 264b German Commercial Code (HGB). Also listed in a table are companies not included in the consolidated financial statements, together with the most recently disclosed annual results and equity as well as the shareholdings (in per cent).

Pursuant to Section 264b HGB, the present consolidated financial statements have an exempting effect for all commercial partnerships included in the consolidated group pursuant to Section 264a (1) HGB. Consequently, these commercial partnerships included in the list of shareholdings are exempt from the duty to prepare and publish their annual financial statements in accordance with the provisions defined for corporations and certain commercial partnerships.

The activities of the Group are explained in more detail in the "Segment reporting" section.

Changes in consolidation scopes

In April 2024 MEDICLIN acquired Reha-Klinik am Sendesaal in Bremen, a clinic for inpatient and outpatient rehabilitation specialised in cardiology, orthopaedics and geriatrics. MEDICLIN Reha-Klinik am Sendesaal has a capacity of 174 beds for inpatients and can treat up to 100 patients in outpatient rehabilitation. The ownership was transferred on 1 May 2024.

In September 2024 MEDICLIN AG acquired all shares in Kronen 2941 GmbH, domiciled in Frankfurt a.M., renamed it MEDICLIN CAMPUS Wertheim GmbH and relocated it to Offenburg. The company had not yet commenced operations in the reporting year.

In September 2024 MediClin GmbH & Co. KG also acquired all shares in Kronen 2942 GmbH, domiciled in Frankfurt a.M., renamed it MVZ Dessau GmbH. and relocated it to Offenburg. The company had not yet commenced operations in the reporting year.

Both the acquired companies are empty shell companies, meaning the purchase price allocation did not result in any difference amounts.

In February 2024 MEDICLIN Herzzentrum Coswig was sold to Johannesstift Diakonie gAG. The ownership was transferred on 1 April 2024. The effects of the sale on the balance sheet and financial position are as follows:

In €	01.04.2024
Non-current assets	7,174,140
Current assets	4,745,630
Assets sold	11,919,770
Non-current liabilities	752,859
Current liabilities	1,310,160
Liabilities sold	2,063,019
Net assets sold	9,856,751
Disposal proceeds	9,500,000
Losses from disposal	– 356,751

MEDICLIN AG had already started reorganising its group structure in financial year 2023. Previously, the major part of the operating business in the acute and post-acute segments and the management and controlling functions were bundled under the roof of MediClin GmbH & Co. KG. The aim of the restructuring is to establish a clear and more transparent company structure. In order to achieve this, corporate headquarters and the acute, post-acute and hybrid clinics that are currently operating under the roof of MediClin GmbH & Co. KG are hived off into separate individual companies.

In a first step, effective as at 1 October 2023, corporate headquarters were hived off from MediClin GmbH & Co. KG into the newly founded **MediClin Management GmbH & Co. KG, Offenburg**, with the newly founded **MediClin Management Geschäftsführung GmbH, Offenburg**, as the general partner of the new company.

In the next step, 17 additional clinics were hived off from MediClin GmbH & Co. KG into newly incorporated operating companies as at 1 January 2024. The clinic's operating companies were all established as limited liability partnerships (GmbH & Co. KG). All companies have their registered office in Offenburg. The sole shareholder of the general partners and limited partners is MEDICLIN AG.

Additional spin-offs will be carried out in the 2025 financial year as soon as positive notice is received from the coverage providers and ministries. In order to prepare for this step, the limited liability companies that are to act as managing general partners (GmbH i. Gr.) were already established in 2024.

Affiliated companies

Shareholdings

Affiliated companies included in the consolidated financial statements	Percentage of shares held		Section 264 (3) HGB and/or Section 264b HGB
	31.12.2024	31.12.2023	
MEDICLIN Aktiengesellschaft, Offenburg			
Fachklinik Rhein/Ruhr für Herz/Kreislauf- und Bewegungssystem GmbH & Co. KG, Essen	100.000 ²	100.000 ²	yes
Fachklinik Rhein/Ruhr für Herz/Kreislauf- und Bewegungssystem Verwaltungs-Gesellschaft mit beschränkter Haftung, Essen	100.000 ²	100.000 ²	no
Herzzentrum Lahr/Baden GmbH & Co. KG, Offenburg	94.801 ³	94.801 ³	yes
KB Krankenhausbeteiligungsgesellschaft mbH & Co. KG, Essen	100.000	100.000	yes
KB Krankenhausbeteiligungsverwaltungsgesellschaft mbH, Essen	100.000	100.000	no
Kraichgau-Klinik Aktiengesellschaft, Bad Rappenau	94.801	94.801	no
Kraichgau-Klinik Bad Rappenau GmbH & Co. KG, Offenburg	94.801 ³	94.801 ³	yes
MC Kliniken Geschäftsführungs-GmbH, Offenburg	94.801 ³	94.801 ³	no
MC Service GmbH, Offenburg	100.000 ²	100.000 ²	no
MediClin à la Carte GmbH, Offenburg	100.000 ²	100.000 ²	yes
MediClin BAV GmbH, Offenburg	100.000	100.000	no
MediClin Betriebs GmbH, Offenburg	100.000 ²	100.000 ²	no
MEDICLIN CAMPUS WERTHEIM GmbH, Offenburg	100.000	0.000	no
MEDICLIN DIRECT GmbH, Offenburg	100.000	100.000	no
MediClin Energie GmbH, Offenburg	100.000 ²	100.000 ²	no
MediClin Fachklinik Rhein / Ruhr Therapie & Pflege GmbH, Essen	100.000 ²	100.000 ²	no
MediClin Geschäftsführungs-GmbH, Offenburg	100.000	100.000	no
MediClin GmbH & Co. KG, Offenburg	100.000	100.000	yes
MEDICLIN Haustechnik GmbH, Offenburg	100.000	100.000	no
MediClin Immobilien Verwaltung GmbH, Offenburg	100.000	100.000 ²	no
MEDICLIN Reha-Klinik am Sendesaal GmbH & Co. KG, Offenburg	100.000	0.000	yes
MEDICLIN Reha-Klinik am Sendesaal Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MediClin Management Geschäftsführung GmbH, Offenburg	100.000	100.000	no
MediClin Management GmbH & Co. KG, Offenburg	100.000	100.000	yes
MediClin Medizinisches Versorgungszentrum GmbH, Offenburg	100.000 ²	100.000 ²	yes
MediClin Pflege GmbH, Offenburg	100.000 ²	100.000 ²	yes
MediClin Psychiatrie Pflege Dienstleistungen GmbH, Offenburg	100.000	100.000	no
MediClin Rehabilitationsforschung gGmbH, Offenburg	100.000 ²	100.000 ²	no
MediClin Therapie GmbH, Offenburg	100.000 ²	100.000 ²	no
MediClin-IT GmbH, Offenburg	100.000 ¹	100.000 ¹	yes
Rehabilitationszentrum Gernsbach /Schwarzwald GmbH & Co. KG, Offenburg	94.801 ³	94.801 ³	yes

¹ Thereof indirect participation 62,353 %

² Indirect participation

³ Indirect participation, wholly owned by Kraichgau-Klinik AG

Affiliated companies included in the consolidated financial statements	Percentage of shares held		Section 264 (3) HGB and/or Section 264b HGB
	31.12.2024	31.12.2023	
MediClin Albert Schweitzer Klinik/Baar Klinik Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Albert Schweitzer Klinik/Baar Klinik GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Bliestal Kliniken Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Bliestal Kliniken GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Bosenberg Kliniken Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Bosenberg Kliniken GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Dünenwald Klinik Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Dünenwald Klinik GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Klinik am Rennsteig Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Klinik am Rennsteig GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Klinik am Vogelsang Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Klinik am Vogelsang GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Klinik Reichshof Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Klinik Reichshof GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Kliniken Bad Döben Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Kliniken Bad Döben GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Kliniken Bad Wildungen Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Kliniken Bad Wildungen GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Kliniken Plau am See Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Kliniken Plau am See GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Klinik am Brunnenberg Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Klinik am Brunnenberg GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Müritzklinikum Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Müritzklinikum GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Reha-Zentrum Bad Orb Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Reha-Zentrum Bad Orb GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Reha-Zentrum Roter Hügel Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Reha-Zentrum Roter Hügel GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Reha-Zentrum Spreewald Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Reha-Zentrum Spreewald GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Rose Klinik Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Rose Klinik GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Staufenburg Klinik Geschäftsführung GmbH, Offenburg	100.000	0.000	no
MEDICLIN Staufenburg Klinik GmbH & Co. KG, Offenburg	100.000	0.000	yes
MediClin Deister Weser Kliniken Geschäftsführung GmbH i. Gr., Offenburg	100.000	0.000	no
MediClin Hedon Klinik Geschäftsführung GmbH i. Gr., Offenburg	100.000	0.000	no
MediClin Klinik an der Lindenhöhe Geschäftsführung GmbH i. Gr., Offenburg	100.000	0.000	no
MediClin Klinikum Soltau Geschäftsführung GmbH i. Gr., Offenburg	100.000	0.000	no
MediClin Seepark Klinik Geschäftsführung GmbH i. Gr., Offenburg	100.000	0.000	no
MediClin Seidel-Klinik Geschäftsführung GmbH i. Gr., Offenburg	100.000	0.000	no

Companies not included in the consolidated financial statements in €	Results		Total equity		Percentage of shares held	
	2023	2022	2023	2022	31.12.2024	31.12.2023
MVZ Dessau GmbH, Offenburg ¹	0.00	–157.97	–157.97	–157.97	100.000 ²	0.000 ²
Müritzklinikum Service GmbH i. L., Waren ¹	–7,964.17	113,172.45	458,524.06	466,488.23	51.000 ²	51.000 ²

¹ Annual financial statements 2024 not yet available

² Indirect participation

Accounting and valuation principles

The companies included in the consolidated financial statements applied the same accounting and valuation principles in accordance with the provisions of the German Commercial Code (HGB) as in the previous year. These principles are converted to IFRSs principles at Group level.

To the extent that, as a result of specific regulations of the Hospital Accounting Rules (Krankenhausbuchführungsverordnung – KHBV), receivables, liabilities and special or compensating items of consolidated subsidiaries are to be reported in conformity with the hospital financing law (Krankenhausfinanzierungsgesetz – KHG), these are eliminated at Group level as far as they do not meet IFRSs.

Acquisition and manufacturing costs of assets, inventories, goods and services normally include the non-deductible value added tax, net of acquisition cost deductions. These costs also include the estimated costs for binding restoration obligations. If property, plant and equipment consist of meaningful, identifiable and significant components, these are accounted for as separate units and depreciated accordingly. Maintenance and repair costs are recognised as an expense.

Classification as current or non-current: The Group breaks the assets and liabilities in the balance sheet down into current and non-current assets and liabilities. An asset is classified as current if

- the asset is expected to be realised within its normal operating cycle or the asset is held for sale or consumption within that period,
- the asset is held primarily for the purpose of trading,
- the asset is expected to be realised within 12 months after the reporting period, or
- the asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if

- the liability is expected to be settled within its normal operating cycle,
- the liability is held primarily for the purpose of trading,
- the liability is due to be settled within 12 months after the reporting period, or
- the company has no unconditional right to defer settlement of the liability for at least 12 months after the reporting date. This means that the right must exist at the reporting date and must have substance. If exercising such a right is subject to complying with conditions (covenants), these must be met on the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1. Intangible assets

1.1 Goodwill

Goodwill represents the excess of the acquisition costs of a business over the fair value of the Group's share of the net assets of the acquired company at the acquisition date. Goodwill is tested for impairment at least once a year unless events or circumstances indicate that its value may be impaired (impairment indicator), in which case an impairment test is conducted. An impairment indicator for goodwill is a sign or indication that the carrying amount of goodwill may exceed its recoverable amount, suggesting a potential impairment. Such indicators can originate from external or internal sources, such as negative market changes, deterioration in the economic performance of the acquired entity or changes in strategic direction. Impairments on goodwill may not be reversed and are therefore not reversed. For the purpose of impairment testing, goodwill is allocated to cash-generating units (CGUs). At MEDICLIN, the cash-generating units correspond to individual clinics as well as site-specific outpatient care structures, including existing rehabilitation facilities. An impairment is recognised whenever the recoverable amount falls short of the carrying amount. The recoverable amount is the higher of fair value less costs to sell or the value in use. The recoverable amount of a CGU is determined by calculating the value in use with the discounted cash flow method (DCF) using the same fundamental economic assumptions for all CGUs carrying goodwill. The calculations are based on EBIT forecasts from the bottom-up annual planning as adopted by the Management Board and approved by the Supervisory Board of MEDICLIN AG.

1.2 Software and other intangible assets

Concessions and licences are recognised at amortised cost and, if depreciable, are amortised according to a scheduled time frame of three to five years on a straight-line basis. An impairment is recognised for an intangible asset if there are indications of impairment and the recoverable amount of the asset is less than its carrying amount. If the reason for a non-scheduled depreciation recognised in prior years has ceased to exist, a write-up is performed on the respective asset, whereby the increased carrying amount resulting from the write-up may not exceed the amortised cost.

Costs associated with the development of the website or the maintenance of computer software are recognized as an expense when incurred, unless the criteria for capitalization under IAS 38 are met. Research costs are recognised as current expenses in accordance with IAS 38. Development costs are capitalised if all the conditions of IAS 38 are met. MediClin Rehabilitationsforschung gGmbH is involved in clinical research related to rehabilitation and provides support for clinical studies from the development of the original concept to professional implementation and execution. In financial year 2024, expenses amounting to approximately EUR 294 thou. were incurred, EUR 126 thou. of which were offset by grants. These expenses relate to research costs. As in the previous year, the Group did not incur any research costs eligible for or subject to capitalisation.

2. Property, plant and equipment

Property, plant and equipment is recognised at amortised costs. Scheduled depreciation related to technical equipment and machines, as well as operating and office equipment, is based on the useful life expectancy (3 to 15 years) under application of the straight-line method. Acquisition costs include expenses directly attributable to the purchase. Production costs also include overhead costs that are attributable to the manufacturing process. The land and buildings recognised in property, plant and equipment include rehabilitation clinics and hospital buildings as well as structures for inpatient care.

Right-of-use assets

As a general rule, all lease agreements are recognized on the lessee's balance sheet, with few exceptions. At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the lessee is entitled to control the use of an identified asset for a period of time in exchange for consideration. As the lessee, the Group generally recognises and measures leases in accordance with the right-of-use model. Right-of-use assets for lease objects and liabilities for the corresponding payment obligations are recognised at present value in the balance sheet.

The Group exercises the option to recognise the lease payments for short-term leases (term ≤ 12 months) directly as an expense. Leases for low-value assets (IFRS 16.5(b) in conjunction with IFRS 16.B3 ff) are not subject to the right-of-use model either; they are recognised as expenses. The value threshold of EUR 5,000 is based on the threshold defined in IFRS 16 Basis for Conclusions BC100. The provisions are not applied to leases for other intangible assets (IFRS 16.4) or intra-Group leases. The option to account for the lease components of the contract and the associated non-lease components as a single lease component pursuant to IFRS 16.15 is exercised.

At MEDICLIN, the right-of-use assets relating to land, land-like rights and buildings primarily concern existing lease agreements for 20 clinic locations. These leases generally have a fixed term of 15 years, apart from three sites, the lease terms of which are partly shorter or longer. In addition, the Group has a unilateral one-time 5-year lease prolongation option for all the 20 leases.

Property, plant and equipment and right-of-use assets relating to property, plant and equipment are tested for impairment when events or changed circumstances indicate that the value may be impaired. In this case, an impairment test as per IAS 36 is carried out. Whenever an impairment is recognised, the remaining useful life is adjusted accordingly. If the reasons for an impairment no longer exist, these assets are written up through profit or loss. However, this is only permitted up to the maximum of the amortised cost that would have been recorded if no impairment had occurred.

Public grants

Public grants mainly relate to grants received in accordance with the hospital financing law (Krankenhausfinanzierungsgesetz – KHG) and under respective state hospital regulations. They are recognised as receivables pursuant to the hospital financing law at fair value if it can be reasonably assumed that the grants will be awarded. This is generally the case when the subsidy grant notification is received. Grants that have not yet been used in accordance with their designated purpose are recognised as current or non-current liabilities in other payables. If the subsidies are not disbursed in one lump sum, but rather through annual payments, the disbursements of which vary in schedule, the entitlement to the aid is not established until the notification of subsidy for the respective financial year is received. Therefore, only the amount of the annual payment is recognised in receivables pursuant to the hospital financing law.

Subsidies for investments are deducted directly from acquisition costs. In accordance with the reduction of acquisition costs of the subsidised property, plant and equipment, the depreciations are limited to the amount of utility depletion of the non-subsidised non-current assets. Subsidies for running costs and investment incentives in the form of debt service support are recognised in other operating income on an accrual basis.

3. Financial Instruments

A financial instrument is a contract that simultaneously gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments recognized as financial assets or financial liabilities are generally presented separately. They are only netted if the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the financial asset and settle the corresponding financial liability simultaneously. The legal right must not be contingent on future events and enforceable in the normal course of business. Financial instruments are initially recognised at fair value. Transaction costs are generally recognised as part of the purchase price at initial recognition, except for financial assets measured at fair value through profit or loss (FVTPL).

Financial instruments measured at fair value are analysed based on the measurement method. The different levels are as follows:

- Level 1: (unadjusted) quoted prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (as a price) or indirectly (derivable from the price)
- Level 3: unobservable inputs because observable inputs are not available for the asset or liability

The fair value of financial instruments that are traded in active markets is based on the market prices quoted on the balance sheet date. A market is deemed active if quoted prices are available from an exchange, a trader, an industry group, a pricing service or a regulatory authority easily and regularly and these prices reflect current and recurring market transactions in accordance with the arm's length principle.

The fair value of financial instruments not traded in an active market is measured on the basis of a valuation technique. The fair value is thus estimated based on the results of a valuation technique that relies on market data as far as possible and company-specific data as little as possible. If all the data required for measuring the fair value is observable, the instrument is classified as level 2.

If at least one significant input is not based on observable market data, the instrument is classified as Level 3.

For further information, please refer to section...

3.1 Financial assets

The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of the financial assets and the business model. The following business models exist:

- “Hold”: The objective is to collect contractual cash flows from financial assets
- “Hold and sell”: The objective is to collect contractual cash flows from financial assets and to sell financial assets
- “Other business models, such as sale”: The primary objective is to sell financial assets

For subsequent measurement, financial assets are classified into four categories under IFRS 9:

- Financial assets measured at amortised cost (debt instruments)
- Financial assets measured at fair value through other comprehensive income (debt instruments)
- Financial assets measured at fair value through other comprehensive income (equity instruments)
- Financial assets measured at fair value through profit or loss

Financial assets are derecognised when the rights to receive cash flows from them have expired or have been transferred, and the Group has substantially transferred all risks and rewards of ownership.

3.1.1 Financial assets measured at amortised cost (debt instruments)

Financial assets are measured at amortised cost if both of the following conditions are met:

- the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are repayments of principal and interest (SPPI criterion) on the principal outstanding.

Financial assets measured at amortised cost are subsequently measured using the effective interest method and must be tested for impairment. Gains and losses are recognized in the total consolidated result when the asset is impaired, modified or derecognized. Interest effects arising from the application of the effective interest method are also recognized through profit or loss.

In the Group, trade receivables, other financial assets and cash and cash equivalents are assigned to this category.

3.1.2 Financial assets measured at fair value through other comprehensive income (debt instruments)

Financial assets are measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial assets are held within a business model whose objective is to collect contractual cash flows and to sell financial assets, and
- the contractual terms of the financial assets lead to cash flows on predetermined dates that constitute repayments of principal and interest (SPPI criterion) on the principal outstanding.

For debt instruments measured at fair value through other comprehensive income, the interest income, remeasurement of foreign currency translation gains and losses, as well as impairment losses or reversals, are recognized in the consolidated profit and loss account. All other changes in the fair value are recognised directly in equity. Upon derecognition of the financial asset, the cumulative gain or loss previously recognized in other comprehensive income arising from changes in fair value is reclassified to consolidated profit or loss. As at 31 December 2024 the Group did not have any financial assets of this type.

3.1.3 Financial assets measured at fair value through other comprehensive income (equity instruments)

At initial recognition, the Company may elect to classify its equity instruments as equity instruments measured at fair value through other comprehensive income if they meet the definition of equity under IAS 32 and are not held for trading purposes. Gains and losses from these financial assets are not reclassified to consolidated profit or loss. Dividends are recognised in the consolidated profit and loss account as other income. Equity instruments measured at fair value through other comprehensive income are not tested for impairment. As at 31 December 2024 the Group did not have any financial assets of this type.

3.1.4 Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss include financial assets held for trading, financial assets that are designated at initial recognition to be measured at fair value through profit or loss, or financial assets that are required to be measured at fair value. Financial assets, such as shares or interest-bearing securities, are classified as held for trading if they are purchased with the intention of short-term sale. Derivative financial instruments are, in accordance with IFRS 9, generally measured at fair value through profit or loss unless they are used as hedging instruments in a hedging relationship. Examples of derivative financial instruments include options, forward contracts or interest swaps. Financial assets with cash flows that do not solely represent principal repayments and interest payments are, regardless of the business model, classified as measured at fair value through profit or loss and measured accordingly. Gains and losses from these financial assets are recognised through profit or loss, except for financial instruments designated for hedge accounting. Gains and losses from the latter are recognised directly in equity. The effective portion of the fair value changes of derivatives designated as cash flow hedges is recognized directly in equity in the cash flow hedge reserve. The ineffective portion is recognised in profit or loss.

3.2 Financial liabilities

Financial liabilities within the meaning of IFRS 9 are classified either as financial liabilities measured at fair value through profit or loss or as other financial liabilities. The Group determines at initial recognition how to classify its financial liabilities and reviews this classification at the end of each financial year, where permitted.

Financial liabilities measured at fair value through profit or loss are initially recognized at fair value. Gains or losses arising from changes in fair value are recognized immediately in profit or loss. As in the previous year, no financial liabilities were classified as “financial liabilities measured at fair value through profit or loss” in the Group as at the reporting date.

Financial liabilities / trade receivables and other financial liabilities

Financial liabilities, which are thus all classified as “financial liabilities measured at amortised cost”, are initially recognized at the fair value of the consideration received, less the transaction costs associated with the borrowing. After initial recognition, the financial liabilities are subsequently measured at amortised cost using the effective interest method. The difference between the payout amount and the repayment amount is amortised over the term using the effective interest method and recognized in the financial result in profit or loss.

A financial liability is derecognized when the underlying obligations have been satisfied, cancelled or otherwise extinguished.

4. Income taxes

4.1 Actual tax refund claims and tax liabilities

Actual tax refund claims and tax liabilities for the current and prior periods are measured at the amount for which a refund from the tax authorities, or a payment to the tax authorities, is expected. Tax risks exist, in particular, if the opinions of the German tax authorities and MEDICLIN regarding the legal situation differs. The Group recognises the corresponding provisions for potential tax refund claims as at the reporting date. At present, this does not give rise to a material risk. Given that the defined threshold is not met, the global minimum tax (Pillar 2) does not apply.

4.2 Deferred tax assets and liabilities

Deferred tax assets and deferred tax liabilities are determined using the balance sheet liability method in accordance with IAS 12. Accordingly, all differences between the carrying amounts of assets and liabilities as recognised in the consolidated financial statements and the amounts used for taxation purposes are recognised as probable future tax reliefs and charges in the balance sheet. The deferred tax assets also include tax deduction claims resulting from the expected utilisation of existing loss carryforwards in subsequent years, but only where it is sufficiently probable that taxable income will be available in the future to utilise the tax loss carryforwards. As far as circumstances, which result in a change to deferred tax, are taken directly to equity, the change to deferred tax is also recognised in equity. The tax rate applied to deferred tax assets and tax liabilities was unchanged at 15.825 % for the main Group segments (corporation tax, solidarity surcharge). Pursuant to Section 3 No. 20 German Trade Tax Act (GewStG), these areas are exempt from trade tax. Deferred taxes are netted in accordance with IAS 12.74. This resulted in a deferred tax asset surplus.

5. Inventories

As the MEDICLIN Group is a provider of healthcare services focusing on rehabilitation, inventories are of minor importance and are only subject to slight changes in their value and composition. These are recognised according to the average cost method at acquisition costs and do not include borrowing costs.

6. Trade receivables

Trade receivables are unsecured and are therefore subject to the risk of full or partial default. A simplified approach is applied to the impairment of trade receivables. Trade receivables are measured at amortised cost. Furthermore, a risk provision for expected default losses is set aside pursuant to IFRS 9 as soon as the receivables are recognised; unrecoverable receivables are written off. Given their short terms (< 12 months), the expected loss in the next 12 months equals the loss over the residual term of the receivable. MEDICLIN breaks risks from payment default that are based on the debtor's creditworthiness down into two classes that are, by their very nature and irrespective of how long the receivables have been overdue, exposed to different creditworthiness risks. The first group comprises the statutory health and pension insurance providers. Their creditworthiness risks are assessed on the basis of the spread of credit default swaps (CDS) for Germany. The second group refers to self-paying patients. Their creditworthiness risks were assessed and adjusted on the basis of historical and future-related default rates as of 31 December 2024. The expected loss over the residual term is determined depending on how long they have been overdue and by determining how probable it is that they will pass from one level of overdue receivables to another. Receivables that have been overdue for 360 days and receivables that have been overdue for shorter periods but have a significantly increased default risk are written off entirely. Pursuant to IFRS 9, an impairment needs to be recognised as soon as a receivable is recognised, meaning that losses are recognised prematurely because both incurred and expected losses are booked simultaneously. This approach does not record the change in default risk, recognising instead an impairment that represents all the credit losses expected during the entire term. The portion of receivables not yet invoiced that are not attributable to patients whose treatment has not yet been completed on the reporting date (contract assets, see below) refers to services already rendered in full but not yet formally invoiced. Here, MEDICLIN has already fulfilled its performance obligation and MEDICLIN has an unconditional claim to receiving payment.

Contract assets constitute MEDICLIN's conditional right to receiving cash and cash equivalents and refer to services rendered by MEDICLIN that could not be invoiced before the balance sheet date. These arise from patient treatment not yet completed on the balance sheet date. These patients are measured by multiplying the respective national base rate by the Case Mix Index (CMI) assigned to each patient present on the balance sheet date. In the post-acute care sector, contract assets are measured based on daily hospital rates. Contract assets are recognised in trade receivables and become effective as soon as the Group's claims have become unconditional, usually in the following financial year. No material default losses are anticipated with regard to patients whose treatment has not yet been completed on the reporting date (contract assets). Therefore, no expected credit loss (ECL) was recognised for these patients. In the post-acute care sector, contract assets are measured based on daily hospital rates.

7. Receivables and liabilities pursuant to hospital financing law

The receivables pursuant to hospital financing law (KHG) include claims for disbursement of subsidies that have been firmly committed by binding decisions of the respective funding authorities. The liabilities recognised in this context are extinguished as the funds are utilised for their designated purpose. Receivables and liabilities pursuant to the hospital financing law are shown separately and not netted.

8. Sales and revenue recognition

Most of the sales of MEDICLIN are subject to legally standardised compensation regulations such as the Hospital Compensation Act (KHEntgG) or the Federal Directive on Nursing Care Rates (BPfIV) for inpatient hospital services or Book Nine of the German Social Security Code (SGB IX) for rehabilitation services. Revenue recognition is based mainly on a comparison of performance rendered and consideration received under a contract (asset-liability approach): a performance rendered creates an asset, whereas consideration received creates a liability. This point in time or time period may, but does not have to, coincide with the time the risks and rewards related to such assets are passed. Treatment contracts between hospitals or rehabilitation facilities and patients are classified as service contracts pursuant to Section 630a ff of the German Civil Code (BGB). Usually the health insurance funds cover the treatment costs although they themselves are not party to the treatment contract. Patient services are rendered by hospitals. Irrespective of who will bear future payments, patients are generally regarded as the customers. This frequently leads to triangular contractual relationships. The hospital must thus take into account the needs and expectations of its patients as well as the requirements and financial interests of the health insurance funds. Sales encompass the fair value received for the sale of merchandise and services excluding value added tax, rebates and price deductions, and after elimination of intra-Group services.

Nearly 40 % of MEDICLIN's sales are generated through the billing of case-based lump sums (DRG rates) in accordance with the Hospital Compensation Act (KHEntgG) in our acute care facilities, or in accordance with the flat-rate payment system for psychiatry and psychosomatics (PEPP) under the Federal Directive on Nursing Care Rates (BPfIV) in our psychiatric facilities (acute care). In some areas, the remuneration is based on daily hospital rates under the negotiated budgets in accordance with state regulations. The negotiated budgets, which provide for maximum caps, are derived by multiplying the service volume with the price. All hospital services are compensated by the social insurance agencies via budget agreements. Often the underlying budget negotiations are only concluded in the course of the year or even after the close of the budget year, leading to uncertainties regarding the agreed service volumes and/or compensation to be paid for such services. The remuneration is usually the same even if the budgets have not yet been negotiated. If the budgets have not yet been negotiated, no receivables are recognised if less services are rendered (lower proceeds). Pursuant to Section 17b (4) Sentence 2 of the Hospital Financing Act (KHG), the costs for patient care are segregated from the DRG rates and are therefore remunerated separately. Separate budgets are negotiated with the health insurance funds in this respect.

The budgets are negotiated with the coverage providers by a central department and our hospitals. Each hospital compares the billed services (amount and type of service) with the budget the hospital negotiated with the health insurance funds. This may result in lower or higher proceeds that can in principle be equalised between the hospital and the health insurance fund by means of a defined proceeds equalisation procedure. If more services are provided than agreed in the budget, only the variable costs of the additional services are ultimately remunerated. This means that there is an obligation to repay the fixed cost share of the services billed in the first step (liability). If less services are provided than agreed in the budget, in turn, there is a claim to be remunerated (receivable) for the fixed cost share that was not remunerated by means of the billed services. The resulting receivables or liabilities are recognised in the income statement, while sales are adjusted accordingly.

The recognition of sales is based on the treatment contracts between the hospital and its patients. As the services are rendered over a fixed period of time and the benefits thereof are provided to the patient continuously during the treatment, sales in the acute segment are recognised over time. Sales are recognised in accordance with the progress in transferring control to customers pursuant to IFRS 15.39 on the basis of the output method. The advantage of this method is that the progress is measured on the basis of services that have actually been rendered by such date. The calculations are based on the length of stay in relation to the national average length of stay. The assets resulting from patients staying in the hospital over the change of year are recognised in trade receivables. This refers to patients whose treatment has not yet been completed on the reporting date.

Furthermore, the coded revenue is regularly reviewed by the Medical Service (MD). Reductions in revenue by the MD constitute changes in the transaction price. MEDICLIN is exposed to the general risk of receiving lower remuneration for treatments rendered after the MD review, which may lead to refunds. When measuring trade receivables and sales from provided hospital services, estimates are made regarding the MD's objection rate, and the corresponding adjustments to sales are taken into account based on historical experience. Pursuant to IFRS 15, a refund liability is recognised for the expected refund amount. The final results of the review by the MD, in turn, affect the equalisation of proceeds for the financial year in question.

More than 50 % of MEDICLIN's sales refer to rehabilitation services (post-acute). MEDICLIN's strategic focus on rehabilitation is a central element of its comprehensive healthcare approach. Rehabilitation is a material component of the healthcare system and aims to reinstate the patients' physical, mental and social performance following an illness or injury. There are two important terms within the context of rehabilitation that are often used: curative treatment (Heilverfahren) and follow-up rehabilitation treatment (Anschlussheilbehandlung). Both terms refer to medical rehabilitation measures, but differ in context and application. Curative treatment refers to planned rehabilitation measures that are implemented independently of a hospital stay. It can be provided in inpatient or outpatient facilities. A follow-up rehabilitation treatment is a special form of medical rehabilitation that follows directly after a hospital stay. It aims to support the recovery after an acute illness or surgery.

The major part of these services are inpatient treatment. The billing of inpatient rehabilitation services in Germany is generally carried out through various coverage providers, depending on the individual situation of the patients. The most common coverage providers for inpatient rehabilitation services are the public health insurance funds and the statutory pension insurance scheme. Usually, the cost of medical treatment, accommodation and meals as well as therapeutic measures required for rehabilitation are covered. The settlement is normally carried out directly between the rehabilitation clinic and the coverage provider. In Germany, it is common to bill rehabilitation services on the basis of daily hospital rates, particularly for inpatient rehabilitation measures. These hospital rates are fixed amounts that are billed per day of stay in a rehabilitation clinic. The amount of the daily hospital rates is usually negotiated between the rehabilitation clinics and the coverage providers (e.g. health insurance funds, pension insurance) and contractually agreed. These rates can vary, depending on the clinic and the type of rehabilitation. They cover all the necessary services during the stay, including medical treatment, nursing care, accommodation and food. The medical services include doctors' treatments, physiotherapy, ergotherapy, speech therapy and other specialised therapies. In the field of rehabilitation, sales are also recognised over time on the basis of the output method according to service progress, as remuneration is based on daily hospital rates. The contract assets resulting from patients staying in the hospital over the change of year are also recognised in the trade receivables item in the balance sheet.

MEDICLIN generates just over 3 % of its sales through comprehensive care services at its nursing care facilities (nursing care). The payment of nursing care services in the corresponding facilities is usually covered by the nursing care insurance in Germany, supplemented by the residents' own contributions and, where applicable, social welfare benefits. The amount of services covered by the nursing care insurance depends on the degree of care required by the residents. There are five degrees of care reflecting the required extent of support. The higher the degree of care, the higher the benefits under the nursing care insurance. Residents have to pay their own contribution towards the cost of nursing care. This contribution is not dependent on the degree of care and covers the cost of accommodation, food and beverages and investment costs. The own contribution varies depending on the facility and is billed on a monthly basis. The nursing care facility bills the nursing care insurance directly for the care, while the residents and their relatives are responsible for paying their own contribution. Sales are also recognised over time on the basis of the output method according to service progress, as remuneration is based on daily hospital rates.

9. Cash and cash equivalents

Cash and cash equivalents encompass cash, sight deposits, other short-term, highly liquid financial assets with original terms of no more than three months and current account balances. Current account credits lines drawn upon are disclosed in current financial liabilities as liabilities to banks. Cash and cash equivalents are measured at amortised cost and a risk provision is set aside for expected default losses in accordance with the three-step model under IFRS 9 (general approach).

10. Prepaid expenses

This item refers to prepaid expenses including insurance accruals.

11. Assets held for sale and liabilities in combination with assets held for sale

Non-current assets or disposal groups are classified as held for sale if the associated carrying amount is realised primarily by a disposal transaction and not by continued use. The disposal transaction must be regarded as highly likely, which is the case if concluding the transaction is not subject to any noteworthy risk. Disposal groups are valued at the lower of carrying amount or fair value less costs of disposal. Estimates and assumptions are required to determine the fair value less costs of disposal.

12. Lease liabilities

Lease liabilities are recognised at the present value of the lease payments to be paid during the expected lease term, including both fixed and index-related payments. Payments to be received under lease incentives must be deducted. In this context, residual value guarantees, early repayment penalties and call option premiums are additionally taken into account if the lessee is reasonably certain to exercise such option. The incremental borrowing rate as at the commencement date of the lease is used to calculate the present value of the lease payments, because the underlying interest rate of the lease cannot be easily determined. If the lease is modified because the term and/or the lease payments change (e.g. because the lease payments are linked to an index or if the interest rate is changed after the term changes) or if the assessment regarding a purchase option changes, the carrying amount of the lease liability is remeasured.

Leases, for which MEDICLIN is classified as the lessor and that do not transfer basically all the risks and rewards incident to ownership of an asset, are classified as operating leases. The lease income from such leases is recognised as other operating income on a straight-line basis over the term of the lease.

13. Pensions and similar commitments

MEDICLIN has both defined benefit plans and defined contribution plans. The pension obligations mainly result from the defined benefit plans and are stated using the projected unit credit method in consideration of future salary and pension developments, as well as using current biometric probabilities in accordance with IAS 19. The service period components (service cost and past service cost, effects from amendments, curtailments and settlements) are shown in staff costs. (Net) interest expense/income relating to the net liabilities recognised in the balance sheet is recognised in the financial result. Remeasurements are recognised in other comprehensive income (OCI), i.e. without an effect on net profit or loss. They encompass all the actuarial gains and losses of the pension obligations and plan assets accrued within a year that were not taken into account in the interest component, less any deferred taxes attributable thereto. They are shown in equity in the revenue reserve. The interest rate used for discounting is determined by reference to market yields at the end of the reporting period on high-quality corporate bonds with fixed interest rates.

Payments for defined contribution plans are recognised as an expense as they fall due and are shown in staff costs. Payments for government pension plans are treated like payments for defined contribution plans.

The reinsurance policies cover risks from pension commitments. Claims from reinsurance policies that are pledged to the beneficiaries of pensions are offset directly against the pension obligations. They classify as qualifying insurance policies within the meaning of IAS 19. Reinsurance policies that have not been pledged are recognised when calculating the amount of pension obligations. Reinsurance policies are measured at fair value; this corresponds with the asset value that is determined by the insurance companies.

14. Other provisions

In accordance with IAS 37, the remaining provisions are recorded to the extent that a current commitment vis-à-vis a third party resulting from a previous event exists which will probably lead to an outflow of resources and which can be estimated. In case of legal disputes, the management has to exercise judgement in order to assess whether a past event entails a current obligation as at the reporting date, whether a future outflow of funds is probable and whether the amount of such obligation can be reliably estimated. Judgement is also needed to assess whether a provision for ongoing legal proceedings is required due to new circumstances or the amount of an existing provision has to be adjusted. Usually external lawyers are called in to help with such judgement. Provisions are recognised for discernible risks and contingent liabilities in the amount of their probable occurrence. They are not offset against recourse claims. The settlement value also includes the cost increases to be accounted for as of the balance sheet date. Discounts are applied if the respective interest effect is significant. Provisions are reversed when the outflow of funds that is associated with an economic benefit is no longer probable. This is reviewed on every balance sheet date. Income from the reversal of provisions that are not (or no longer) needed is offset against the expense item from which the addition originates.

Exercise of judgement in applying accounting and valuation principles

The recognition and measurement of assets and liabilities are partly based on the exercise of judgement by the management as shown in the following. All the assumptions are made in good faith in order to give a true and fair view of the net assets, liabilities, financial position and profit or loss. Any differences between the actual circumstances and the assumptions will have an effect on the recognition and measurement of assets and liabilities. Depending on the situation, such differences might also have an effect on the result. This is particularly the case in the following circumstances:

- The lease term within the meaning of IFRS 16 is defined as the non-cancellable period of a lease and option periods that are reasonably certain to be exercised. In determining the lease term, the lessee must consider any periods covered by options to extend or terminate the lease if the lessee is reasonably certain to exercise such option (IFRS 16.18). A unilateral right on the part of the lessor to terminate the lease (IFRS 16.BC128) is not relevant for determining the lease term and therefore it is irrelevant from the lessee's perspective. Such option periods that are reasonably certain to be exercised must be considered in the lease term from the beginning of the lease. A lease is no longer binding when both the lessee and the lessor can terminate the lease without the consent of the respective other contracting party. At present, it is not reasonably certain that the existing options will be exercised, which is why they are not considered in the lease term.

Estimates and assumptions

The application of accounting policies and valuation methods prescribed by IFRSs and the IFRS IC requires estimates and assumptions to be made about the future which, as a matter of course, may differ from actual events. All underlying estimates and assumptions undertaken in the context of the accounting and valuation will be re-examined on a regular basis and are either based on historical experiences and/or on expectations regarding the occurrence of future events, expectations which appear reasonable from a commercial viewpoint under the given circumstances.

The key forward-looking assumptions and other sources of estimation uncertainty existing as at the reporting date – which give rise to a significant risk that substantial adjustments to the carrying amounts of assets and liabilities will be required within the next financial year—are explained below (the carrying amounts of receivables and liabilities, as well as further explanations, can be found in the notes on consolidated balance sheet items).

The annual goodwill impairment testing requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. In order to determine the value in use, the Group needs to estimate the expected future cash flows from the cash-generating unit and the discount rates to calculate the present value of such cash flows, as generally there are no available or observable market prices. On 31 December 2024 the carrying amount of goodwill was EUR 16.4 mill. (31.12.2023: EUR 16.7 mill.). Here, we refer to the notes on goodwill and the corresponding impairment test described in note (1) Goodwill and other intangible assets. At present, no major estimation uncertainties are discernible.

Tax risks may arise if the opinions of the German tax authorities and MEDICLIN regarding the legal situation differ. The taxable profit is calculated taking into account the factual circumstances in accordance with the applicable legislation and its interpretation. The amounts recognised as tax expenses, tax liabilities and tax receivables are based on the assumptions made. The capitalisation of tax loss carryforwards, in particular, requires estimates regarding the amount of existing tax loss carryforwards and the future available profit that can be offset against such tax losses. Any deviations from the assumptions that are revealed later on are recognised in such later period. Expenses and income from such deviations are recognised in the period, in which they occur.

In addition to the pension trend and the longevity factors, the discount rate represents a significant estimation factor for provisions for pensions and similar commitments. The discount rate for pension obligations is determined on the basis of yields on high-quality, fixed-rate corporate bonds on the financial markets as of the balance sheet date.

Notes to the consolidated cash flow statement

The consolidated cash flow statement was prepared in accordance with IAS 7, and broken down into three sections: operating, investing and financing activities. The definition of cash and cash equivalents is limited to those means of payment (cash, sight deposits at banks and fixed-interest securities) that correspond to the cash and cash equivalents item disclosed on the balance sheet. The cash flow from operating activities is derived using the indirect method. The cash flows from investing and financing activities are derived using the direct method.

The cash flow from operating activities rose by EUR 2.6 mill. year-on-year, from EUR 78.0 mill. to EUR 80.6 mill.

Future burdens arise from benefits received under the protective shield to combat the COVID-19 pandemic. The amount that will presumably have to be paid back as at 31 December 2024 is EUR 19.6 mill.

Capital expenditure for non-current assets was increased considerably again in the 2024 financial year versus the previous year. A gross amount of EUR 6.6 mill. (previous year: EUR 3,2 mill.) was spent on intangible assets, while gross investments in property, plant and equipment totalled EUR 38.0 mill. (previous year: EUR 34.4 mill.). Gross investments include payments for the acquisition of a physiotherapy practice in Essen-Katernberg amounting to EUR 140 thou. in intangible assets and EUR 65 thou. in property, plant and equipment. The total purchase price was EUR 210 thou. EUR 197 thou. of acquired property, plant and equipment refers to the acquisition of the business of Reha-Klinik am Sendesaal in Bremen. The total purchase price amounted to EUR 550 thou. Investment subsidies received amounted to EUR 19.1 mill. and are thus at the prior-year level (previous year: EUR 19.0 mill.). The investment subsidies received refer primarily to MEDICLIN Hedon Klinik, MEDICLIN Müritz-Klinikum and MEDICLIN Krankenhaus Plau am See. Furthermore, the disposal of a specialist clinic had a positive effect on the cash flow from investing activities, resulting in cash flow from investing activities totalling EUR –15.1 mill. (previous year: EUR –9.5 mill.).

The cash flow from financing activities amounts to EUR –73.2 mill., following EUR –45.5 mill. in the previous year. The increase is mainly due to the repayment of a partial amount of EUR 25.0 mill. under the existing syndicated loan. In addition, the Group repaid loan liabilities amounting to approximately EUR 1.3 mill. in financial year 2024 (previous year: EUR 1.6 mill.). No further loans were taken out. The interest payments for lease liabilities amounted to EUR 18.8 mill., up from EUR 19.0 mill. in the previous year. The repayments of lease liabilities amounted to EUR 24.1 mill. (previous year: EUR 22.0 mill.). Expenses for short-term and low-value leases that are not recognised in accordance with IFRS 16 are shown in the operating cash flow. Other payments for interest amounted to EUR 4.0 mill. (previous year: EUR 2.8 mill.). This was attributable to higher cost of capital. This was attributable to higher cost of capital.

Cash and cash equivalents at the end of the period thus decreased by EUR 7.7 mill. to EUR 107.6 mill.

The changes in liabilities from financing activities break down as follows:

In thousands of €	As of 01.01.2024	Cash items	Non-cash items		As of 31.12.2024
			Interest accrual	Other changes	
Current liabilities to banks	1,962	–26,282	–139	26,322	1,863
Non-current liabilities to banks	91,419	0	0	–26,322	65,097
Current lease liabilities	24,000	–24,095	0	26,688	26,593
Non-current lease liabilities	362,444	0	0	8,131	370,575
Current other financial liabilities	42	0	0	0	42
	479,867	–50,377	–139	34,819	464,170

In thousands of €	As of 01.01.2023	Cash items	Non-cash items		As of 31.12.2023
			Interest accrual	Other changes	
Current liabilities to banks	1,770	–1,606	675	1,123	1,962
Non-current liabilities to banks	92,542	0	0	–1,123	91,419
Current lease liabilities	23,411	–21,915	0	22,504	24,000
Non-current lease liabilities	384,948	0	0	–22,504	362,444
Non-current other financial liabilities	42	0	0	0	42
	502,713	–23,521	675	0	479,867

Segment reporting

The reportable operating segments of MEDICLIN are the post-acute, acute, nursing care and service segments. In the prior-year's financial statements, the nursing care and service business areas were still aggregated in the Other activities segment. The prior-year presentation was adjusted in the current Annual Report for 2024. The division into operating segments corresponds to that used for the internal controlling and reporting of the Group. MEDICLIN does not break down its business activities into regional segments as MEDICLIN only operates in Germany, and regional characteristics are deemed to be irrelevant for the management of the Company.

In its **post-acute segment**, MEDICLIN offers services in the fields of follow-up rehabilitation treatment and curative treatment. Follow-up rehabilitation treatment includes all medical measures required to facilitate the healing process and return the patient to a functioning state immediately after acute care treatment. Curative treatment includes prophylactic measures against the occurrence of (possible) illnesses or reoccurrence of illnesses. Some of the post-acute hospitals also offer services in acute neurology and acute psychosomatics.

The **acute segment** encompasses medical offerings with a focus on neurology and neurological early rehabilitation as well as psychosomatic medicine, psychiatry, orthopaedics and internal medicine. Furthermore, at certain locations, special expertise is offered in the areas of cardiology, oncology and ENT. The services of the medical care centres primarily refer to acute outpatient services and are included in this segment.

The **nursing care segment** encompasses the nursing care facilities of MediClin Pflege GmbH that offer full-time and part-time nursing care as well as daycare.

The **service segment** consists of the central services. All in all, the following companies belong to the service segment: MediClin GmbH & Co. KG (Offenburg branch office), MediClin Geschäftsführungs-GmbH, MediClin Management GmbH & Co. KG, MediClin Management Geschäftsführung GmbH, MediClin-IT GmbH, MediClin à la Carte GmbH, MC Service GmbH, MediClin Therapie GmbH, MediClin Immobilien Verwaltung GmbH, Kraichgau-Klinik Aktiengesellschaft, MC Kliniken Geschäftsführungs-GmbH, MediClin Energie GmbH and MediClin Psychiatrie Pflege Dienstleistungen GmbH, MEDICLIN Haustechnik GmbH, MediClin BAV GmbH and MEDICLIN AG as the management holding.

Intra-Group sales are neutralised in the reconciliation column. The reconciliation column primarily includes income and expense eliminations for the individual items of the profit and loss account, as well as consolidation items.

Intra-Group sales are also disclosed within the segment reporting. Clinics that offer services of both segments are assigned to the post-acute segment. The carrying amounts of goodwill are assigned to seven cash-generating units (operating locations) that all belong to the acute segment.

All business transactions between segments are conducted at the normal market conditions which customarily apply among third parties, with the euro as the functional currency. Segment data was calculated in accordance with the financial accounting standards uniformly applied in the consolidated financial statements.

Segment assets and segment liabilities include all assets and liabilities that are attributable to operations – excluding financial assets, financial liabilities and income taxes. The segment assets item also includes goodwill.

After reconciliation, the result accords with the operating result in the profit and loss account as part of the consolidated statement of comprehensive income.

Gross capital expenditure refers to gross additions to non-current assets.

Sectoral segmenting

in Mio. €	January – December 2024						
	Post-acute	Acute	Service	Nursing care	Reconciliation	Subtotal	Total
External sales	484.7	233.5	7.3	23.3	748.8	0.0	748.8
Internal sales	0.7	1.4	87.3	0.1	89.5	–89.5	0.0
Raw materials and consumables used	–98.6	–65.1	–40.6	–5.7	–210.0	80.9	–129.1
Staff costs	–250.6	–138.0	–66.9	–12.0	–467.5	1.2	–466.3
Other operating expenses	–55.3	–30.7	–14.2	–6.1	–106.3	40.4	–65.9
Segment result	52.2	–0.6	1.7	0.2	53.5	0.0	53.5
Thereof non-cash items:							
Scheduled depreciation/write-ups	–38.4	–6.2	–5.5	–0.2	–50.3	0.0	–50.3
Thereof depreciation from right-of-use assets (IFRS 16)	–25.3	–2.2	–1.3	0.0	–28.8	0.0	–28.8
Non-scheduled depreciation/write-ups	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Allowances	–0.1	–1.3	0.0	–0.1	–1.5	0.0	–1.5
Allocation of provisions/liabilities	11.5	10.3	14.2	0.5	36.5	0.1	36.6
Reversal of provisions/liabilities	–0.9	–1.7	–2.1	0.0	–4.7	0.0	–4.7
Financial revenues	1.0	0.1	6.5	0.0	7.6	–5.0	2.6
Financial costs	–20.4	–2.7	–7.3	0.0	–30.4	6.4	–24.0
Thereof financial costs from lease liabilities	–18.4	–0.3	–0.1	0.0	–18.8	0.0	–18.8
Financial result	–19.4	–2.6	–0.8	0.0	–22.8	1.4	–21.4
Taxes on income	0.7	0.2	–8.1	0.0	–7.2	0.0	–7.2
Assets	652.2	164.6	304.0	3.9	1,124.7	–218.8	905.9
Liabilities	537.5	215.6	143.4	5.5	902.0	–218.8	683.2
Gross capital expenditure	48.3	22.9	9.3	0.7	81.2	0.0	81.2
Gross capital expenditure excl. IFRS 16	27.1	14.2	4.4	0.5	46.2	0.0	46.2

In millions of €	January–December 2023						
	Post-acute	Acute	Service	Nursing care	Subtotal	Reconciliation	Total
External sales	450.2	252.3	6.3	21.3	730.1	0.0	730.1
Internal sales	1.0	1.7	75.0	0.0	77.7	–77.7	0.0
Raw materials and consumables used	–90.6	–73.8	–38.0	–4.9	–207.3	69.9	–137.4
Staff costs	–238.8	–153.7	–57.8	–11.2	–461.5	0.9	–460.6
Other operating expenses	–52.5	–37.9	–14.7	–5.8	–110.9	40.9	–70.0
Segment result	52.7	–39.9	–0.3	0.2	12.7	0.0	12.7
Thereof non-cash items:							
Scheduled depreciation/write-ups	–37.3	–10.3	–5.1	–0.2	–52.9	0.0	–52.9
Thereof depreciation from right-of-use assets (IFRS 16)	–23.8	–2.3	–1.3	0.0	–27.4	0.0	–27.4
Non-scheduled depreciation/write-ups	0.0	–33.1	0.0	0.0	–33.1	0.0	–33.1
Allowances	–0.4	–1.2	0.0	0.0	–1.6	0.0	–1.6
Allocation of provisions/liabilities	11.9	8.1	13.9	0.4	34.3	–0.1	34.2
Reversal of provisions/liabilities	–1.0	–0.8	–0.5	0.0	–2.3	0.0	–2.3
Financial revenues	0.7	0.0	7.6	0.0	8.3	–5.8	2.5
Financial costs	–21.3	–3.1	–7.2	0.0	–31.6	7.7	–23.9
Thereof financial costs from lease liabilities	–18.7	–0.3	0.0	0.0	–19.0	0.0	–19.0
Financial result	–20.6	–3.1	0.4	0.0	–23.3	1.9	–21.4
Taxes on income	1.0	0.7	–3.7	0.0	–2.0	0.0	–2.0
Assets	601.6	151.1	295.6	3.5	1,051.8	–171.3	880.5
Liabilities	561.5	228.2	60.8	5.2	855.7	–171.3	684.4
Gross capital expenditure	22.4	14.3	3.0	0.1	39.8	0.0	39.8
Gross capital expenditure excl. IFRS 16	22.0	14.0	2.7	0.1	38.8	0.0	38.8

Notes to the consolidated balance sheet

Non-current assets

(1) GOODWILL AND OTHER INTANGIBLE ASSETS

In thousands of €	Concessions, licences	Goodwill	Payments on account	Total	Assets held for sale
Acquisition costs as at 01.01.2023	37,480	74,678	1,493	113,651	2,060
Additions	3,186	0	364	3,550	0
Reclassifications/reclassifications to assets held for sale	-1,457	-635	-968	-3,060	3,060
Disposals	-23	-55	0	-78	0
Acquisition costs as at 31.12.2023	39,186	73,988	889	114,063	3,060
Cumulated depreciation as at 01.01.2023	33,307	24,809	0	58,116	2,047
Scheduled depreciation	2,871	0	0	2,871	1
Non-scheduled depreciation	0	33,129	0	33,129	0
Reclassifications/reclassifications to assets held for sale	-2,201	-635	0	-2,836	2,836
Disposals	-17	0	0	-17	0
Cumulated depreciation as at 31.12.2023	33,960	57,303	0	91,263	2,836
Balance sheet value 31.12.2023	5,226	16,685	889	22,800	224
Acquisition costs as at 01.01.2024	39,186	73,988	889	114,063	3,060
Additions	4,316	140	904	5,360	0
Reclassifications/reclassifications to assets held for sale	-3	0	-7	-10	10
Disposals	9	-1,509	-19	-1,519	0
Disposal of previously fully consolidated companies	0	0	0	0	-2,426
Acquisition costs as at 31.12.2024	43,508	72,619	1,767	117,894	644
Cumulated depreciation as at 01.01.2024	33,960	57,303	0	91,263	2,836
Scheduled depreciation	3,042	0	0	3,042	0
Non-scheduled depreciation	0	0	0	0	0
Reclassifications/reclassifications to assets held for sale	-47	0	0	-47	47
Disposals	0	-1,079	0	-1,079	0
Disposal of previously fully consolidated companies	0	0	0	0	-2,239
Cumulated depreciation as at 31.12.2024	36,955	56,224	0	93,179	644
Balance sheet value 31.12.2024	6,553	16,395	1,767	24,715	0

Capitalised, internally developed intangible assets do not exist. Licences and concessions pertain nearly exclusively to software.

Of the goodwill disclosed, a total of EUR 13.7 mill. (previous year: EUR 13.7 mill.) refers to differences from capital consolidation.

Goodwill amounted to EUR 16.4 mill. on 31 December 2024 (31.12.2023: EUR 16.7 mill.). The medical care centres (MVZ) are aggregated with the clinics at their specific locations to CGU groups. Goodwill is attributable to four groups of CGUs (previous year: four groups of CGUs) Three thereof belong to the acute segment, while one belongs to the post-acute segment.

Goodwill impairments totalled EUR 33.2 mill. in the previous year. Goodwill of the CGUs 3 and 6 was written off entirely (EUR 9.4 mill.). In both cases, this was due to increased cost of capital and a decline in expected free cash flows. The goodwill of CGU 1 amounting to EUR 23.7 mill. was also written off in full. An impairment need of EUR 22.2 mill. was revealed by the impairment test, while another EUR 1.5 mill. was identified in the scope of a fair value measurement under IFRS 5 or during sale.

On 1 April 2024 MEDICLIN DIRECT GmbH took over a physiotherapy practice in Essen-Katernberg. The resulting goodwill amounts to EUR 140 thou. and is shown in the following table in the Others line. In April 2024 MEDICLIN also acquired Reha-Klinik am Sendesaal in Bremen, a clinic for inpatient and outpatient rehabilitation. This transaction did not entail any goodwill.

In thousands of €	Reha-Klinik am Sendesaal	Practice for physiotherapy
Acquisition price	550	210
Fair value of acquired assets		
Property, plant and equipment	197	65
Inventories	9	5
Receivables	343	0
Liabilities assumed		
Non-current liabilities	–	–
Current liabilities	–	–
Goodwill	0	140

The sale of the medical care centre in Freiburg reduced goodwill by EUR 430 thou. in financial year 2024, resulting in a loss of approximately EUR 243 thou. The purchase price amounted to EUR 207 thou.

The carrying amounts of the CGUs totalled EUR 73.3 mill. (31.12.2023: EUR 80.3 mill.). This breaks down to CGU locations as follows:

2024

in millions of €	Interest rate before tax	Goodwill	in %	Carrying amount	in %
CGU location 2	6.85 %	7.4	45.1	17.7	24.1
CGU location 4	6.85 %	6.5	39.7	43.4	59.2
CGU location 5	6.85 %	2.2	13.4	6.0	8.1
Others	–	0.3	1.8	6.2	8.6
		16.4	100.0	73.3	100.0

2023

in millions of €	Interest rate before tax	Goodwill	in %	Carrying amount	in %
CGU location 2	7.37 %	7.8	46.9	20.8	25.8
CGU location 4	7.40 %	6.5	39.0	44.5	55.5
CGU location 5	7.40 %	2.2	13.1	2.1	2.7
Others	–	0.2	1.0	12.9	16.0
		16.7	100.0	80.3	100.0

The Company's three-year detailed planning is based on the management's experience with regard to the respective unit and takes into account the legal framework for the healthcare sector. The perpetuity is calculated on the basis of the plan figures for the third year, pricing in an appropriate discount if required. To calculate the present value of perpetuity, an equity risk premium of 0.25 % is factored in.

The cost of capital amounts to 5.77 % (previous year: 6.24 %) after tax. The capital structure was adjusted and the present value of the operating lease liabilities was accounted for. The resulting capital structure (equity/borrowed capital) is 48.84/51.16. None of the other parameters change only because the lease is accounted for. The interest rate before tax is calculated by means of iteration on the basis of after-tax parameters from external information sources. The following assumptions were used to determine the value in use:

In %	2024	2023
Risk-free interest rate	2.50	2.50
Market risk premium	7.00	7.00
Beta coefficient (on the basis of a peer-group analysis)	0.85	1.02
Growth discount to the perpetuity	0.25	0.25
Borrowing costs (before taxes)	3.84	4.88
Tax shield	0.61	0.77
Capital structure (equity/borrowed capital) (on the basis of a peer-group analysis)	48.84/51.16	43.11/56.89

In the detailed planning period, the EBIT KPI is a significant factor and the starting point for calculating future cash flows (key assumption). A moderate rise in EBIT in the detailed planning phase was considered with regard to CGU locations 2 and 4.

At present, changes in material parameters that would lead to impairment losses are not considered realistic with regard to goodwill.

(2) PROPERTY, PLANT AND EQUIPMENT

In thousands of €	Land, land rights and buildings incl. buildings on third-party land	Right-of-use assets on land, land rights and buildings, incl. buildings on third-party land	Technical equipment and machines
Acquisition and manufacturing costs as at 01.01.2023	301,479	543,610	37,551
Additions	1,977	0	765
Reclassifications/reclassifications to assets held for sale	-20,160	-779	-1,169
Disposals	-70	0	-267
Disposal of previously fully consolidated companies	0	0	0
Acquisition and manufacturing costs as at 31.12.2023	283,226	542,831	36,880
Cumulated depreciation as at 01.01.2023	179,810	176,633	26,664
Scheduled depreciation	11,315	26,241	1,814
Non-scheduled depreciation	601	0	0
Reclassifications/reclassifications to assets held for sale	-16,069	-53	-1,046
Disposals	-16	0	-217
Disposal of previously fully consolidated companies	0	0	0
Cumulated depreciation as at 31.12.2023	175,641	202,821	27,215
Balance sheet value 31.12.2023	107,585	340,010	9,665
Acquisition and manufacturing costs as at 01.01.2024	283,226	542,831	36,880
Additions	1,798	32,638	1,324
Reclassifications/reclassifications to assets held for sale	244	0	540
Disposals	-89	-258	-11
Disposal of previously fully consolidated companies	0	0	0
Acquisition and manufacturing costs as at 31.12.2024	285,179	575,211	38,733
Cumulated depreciation as at 01.01.2024	175,641	202,821	27,215
Scheduled depreciation	7,127	27,646	1,848
Non-scheduled depreciation	0	0	0
Reclassifications/reclassifications to assets held for sale	-51	-3	-17
Disposals	-74	-238	-9
Disposal of previously fully consolidated companies	0	0	0
Cumulated depreciation as at 31.12.2024	182,643	230,226	29,037
Balance sheet value 31.12.2023	102,536	344,985	9,696

	Operating and office equipment	Right-of-use assets on operating and office equipment	Payments on account and assets under construction	Total	Assets held for sale
	182,519	5,236	12,793	1,083,188	24,552
	9,368	990	14,935	28,035	0
	-7,619	-87	-2,090	-31,904	31,904
	-3,102	-1,010	0	-4,449	0
	0	0	0	0	-25,024
	181,166	5,129	25,638	1,074,870	31,432
	152,726	3,416	0	539,249	19,831
	8,896	1,138	0	49,404	0
	0	0	0	601	0
	-7,370	-60	0	-24,598	24,598
	-2,985	-939	-6	-4,163	0
	0	0	0	0	-20,094
	151,267	3,555	-6	560,493	24,335
	29,899	1,574	25,644	514,377	7,097
	181,166	5,129	25,638	1,074,870	31,432
	10,473	2,341	17,975	66,549	0
	330	87	-1,319	-118	117
	-2,781	-2,031	-123	-5,293	0
	0	0	0	0	-31,354
	189,188	5,526	42,171	1,136,008	195
	151,267	3,555	-6	560,493	24,335
	9,409	1,210	0	47,240	0
	0	0	0	0	0
	-227	59	0	-239	239
	-2,602	-1,860	0	-4,783	0
	0	0	0	0	-24,455
	157,847	2,964	-6	602,711	119
	31,341	2,562	42,177	533,297	76

Gross additions to property, plant and equipment before deduction of special items totalled EUR 74.4 mill. in the 2024 financial year (previous year: EUR 36.6 mill.). EUR 35.0 mill. thereof are attributable to additions of right-of-use assets (previous year: EUR 1.0 mill.). The right-of-use assets developed as follows in the 2024 financial year:

In thousands of €	Clinic real estate	Other real estate	Vehicles	Other operating and office equipment	Total
Opening balance	358,801	8,177	1,169	651	368,798
Additions in 2023	0	0	774	216	990
Disposals/corrections of depreciation 2023	0	0	-71	0	-71
Depreciation in 2023	-24,078	-2,164	-798	-338	-27,378
Reclassification IFRS 5	0	-726	-4	-25	-755
Residual book values as at 31.12.2023	334,723	5,287	1,070	504	341,584
Opening balance	334,723	5,287	1,070	504	341,584
Additions in 2024	17,957	14,681	1,795	546	34,979
Disposals/corrections of depreciation 2024	0	-21	-149	0	-170
Depreciation in 2024	-24,659	-2,983	-892	-312	-28,846
Residual book values as at 31.12.2024	328,021	16,964	1,824	738	347,547

Approximately EUR 16.0 mill. was used for the reconstruction and expansion of clinics EUR 5.3 mill. thereof refers to the construction of the clinic for child and youth psychiatry at the MEDICLIN Müritz-Klinikum site in Röbel and EUR 4.6 mill. to the construction of a psychosomatic clinic at the MEDICLIN Seepark Klinik site in Bad Bodenteich. Capital expenditure for IT infrastructure amounted to almost EUR 9.3 mill. and nearly EUR 3.4 mill. was invested in medical equipment including accessories. Subsidies and grants for financing investments are deducted directly from the acquisition or manufacturing costs of the subsidised assets pursuant to IAS 20 and thus reduce the basis of assessment for the ongoing depreciation expense. This item mainly refers to subsidies used in accordance with their designated purpose pursuant to the Hospital Financing Act with an amortised amount of EUR 58.0 mill. (previous year: EUR 53.6 mill.). The additions of subsidised assets amount to EUR 9.3 mill. (previous year: EUR 8.1 mill.). Depreciation and amortisation was reduced by deducting subsidies totalling EUR 5.0 mill. (previous year: EUR 5.8 mill.) from the acquisition or manufacturing costs. There were no circumstances that would give rise to a repayment of subsidies.

(3) FINANCIAL ASSETS

Financial assets refer primarily to reinsurance policies for pension obligations totalling EUR 565 thou. (previous year: EUR 714 thou.). Gains and losses from reinsurance policies that have not been pledged are posted in staff costs. They are of only minor importance to MEDICLIN.

The investment in stock of subsidiaries refers to investments in 4QD – Qualitaetskliniken.de GmbH (EUR 46 thou.) and Müritz-Klinikum Service GmbH, which is being liquidated (EUR 13 thou.).

(4 + 11) RECEIVABLES PURSUANT TO THE HOSPITAL FINANCING LAW (KHG)

In thousands of €	Non-current	Current	31.12.2024 Total	Non-current	Current	31.12.2023 Total
Individual subsidies	38,545	14,276	52,821	31,686	10,321	42,007
Lump-sum subsidies	0	577	577	0	2,391	2,391
Receivables pursuant to KHG	38,545	14,853	53,398	31,686	12,712	44,398

The receivables pursuant to the Hospital Financing Act (KHG) totalling EUR 53.4 mill. on 31 December 2024 (previous year: EUR 44.4 mill.) mainly refer to subsidies for the construction of new clinics at three locations. EUR 18.3 mill. thereof (previous year: EUR 19.3 mill.) pertains to the construction of a new clinic for neurology, neurointensive care and neurophysiology at the location of MEDICLIN Hedon Klinik in Lingen, which is being subsidised by the federal state of Niedersachsen under hospital financing law with a contribution of EUR 20.0 mill., plus the interest for debt service. Another EUR 2.0 mill. (previous year: EUR 9.1 mill.) refers to subsidies for a new clinic for child and youth psychiatry at MEDICLIN Müritzklinikum in Röbel granted by the federal state of Mecklenburg-Vorpommern. Another amount of EUR 14.3 mill. (previous year: EUR 4.3 mill.) pertains to subsidies for a new building at the location of MEDICLIN Seepark Klinik in Bad Bodenteich. EUR 0.5 mill. (previous year: EUR 1.0 mill.) refers to benefits under Section 26 Hospital Financing Act (KHG). The individual subsidies also include funds under Section 14a German Hospital Future Act (KHZG) (EUR 8.9 mill.; previous year: EUR 9.3 mill.).

(5) DEFERRED TAX ASSETS

Deferred tax assets result from temporary differences between the balance sheet values according to IFRSs and the tax values applied for the assets and liabilities. Pursuant to IAS 12.53, deferred tax assets are not to be discounted. A relevant tax rate of 15.825 % (corporation tax, solidarity surcharge) was generally applied.

In thousands of €	Difference		Tax	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Deferred tax assets				
Lease liabilities	397,167	386,443	62,852	61,155
Pension obligations	33,108	36,614	5,239	5,794
Tax loss carried forward	4,896	4,971	775	787
Anniversary obligations /provisions for partial retirement	693	671	110	106
Others	6,703	8,180	1,061	1,294
			70,037	69,136
Deferred tax liabilities				
Right-of-use asset (IFRS 16)	347,548	341,584	54,999	54,056
Intangible assets	17,644	17,883	2,792	2,830
Property, plant and equipment	6,211	7,627	983	1,207
Others	790	87	125	14
			58,899	58,107
Balance sheet recognition of deferred tax assets¹			11,138	11,029

¹ Deferred tax assets and liabilities are netted

The Others item includes EUR 534 thou. (previous year: EUR 534 thou.) in deferred tax assets from the difference between the valuations of loss allowances under tax law and under IFRS. MEDICLIN recognises deferred taxes for tax losses carried forward if the Group assumes that sufficient positive taxable income will be available in the next five years for realising the deferred tax assets due to the restructuring measures already performed or to be performed in the future. Deferred taxes amounting to EUR 0.4 mill. (EUR 0.5 mill.) will be realised within one year and another EUR 0.4 mill. (previous year: EUR 0.3 mill.) in the following four years. For loss carryforwards amounting to EUR 26.2 mill. (previous year: EUR 21.2 mill.) and trade tax loss carryforwards amounting to EUR 4.8 mill. (previous year: EUR 5.2 mill.), no deferred tax assets were recognised. Of the deferred tax assets for pension obligations amounting to EUR 5.2 mill. (previous year: EUR 5.8 mill.), EUR 2.5 mill. (previous year: EUR 2.8 mill.) refer to other comprehensive income. No outside basis differences were recognized, as MEDICLIN is able to control the reversal of temporary differences.

Current assets

(6) INVENTORIES

Inventories are only of minor importance for MEDICLIN as a service corporation, and are largely composed as follows:

In thousands of €	31.12.2024	31.12.2023
Medical supplies	5,592	5,456
Operating supplies	1,839	1,609
Administrative supplies	233	231
	7,664	7,296

(7) TRADE RECEIVABLES

In thousands of €	31.12.2024	31.12.2023
Receivables	103,554	85,356
Allowances	-3,985	-3,775
Disclosure	99,569	81,581
Receivables from patients with treatments not yet completed (contract assets)	24,687	22,375
Other receivables not yet invoiced	32,161	22,187
Invoiced trade receivables	42,721	37,019

Receivables not yet invoiced (31.12.2024: EUR 56.8 mill.; previous year: EUR 44.6 mill.) relate to work in process on patients whose treatment was not yet invoiced on the balance sheet date. EUR 24.7 mill. (previous year: EUR 22.4 mill.) of the receivables not yet invoiced refers to patient treatment not yet completed on the balance sheet date (patients who remain in hospital beyond the cut-off date). The difference amounting to EUR 32.1 mill. (previous year: EUR 22.2 mill.) is attributable to the treatment of patients completed but not yet invoiced on the balance sheet date.

Invoiced trade receivables (without MD¹ and bad debts) and identified default risk (impairment matrix)

In thousands of €	31.12.2024	Not yet due	Less than 30 days	Between 31 and 60 days	Between 61 and 90 days	Between 91 and 180 days	Between 181 and 360 days	More than 360 days
Receivables from public health and pension insurance institutions	39,425	26,573	9,007	1,235	434	1,175	1,001	0
Default risk in %		0.05	0.05 ²	0.05	0.05	0.05	0.05	0
Expected default losses	-17	-12	-4	-1	0	0	0	0
Other trade receivables	4,419	3,112	667	235	91	179	135	0
Default risk in %		0.16	0.67	2.04	6.23	25.00	50.00	0
Expected default losses	-134	-5	-5	-5	-6	-45	-68	0
Invoiced trade receivables (without MD and bad debts)	43,844	29,685	9,674	1,470	525	1,354	1,136	0
Total expected default losses	-151	-17	-9	-6	-6	-45	-68	0
In thousands of €	31.12.2023	Not yet due	Less than 30 days	Between 31 and 60 days	Between 61 and 90 days	Between 91 and 180 days	Between 181 and 360 days	More than 360 days
Receivables from public health and pension insurance institutions	29,266	21,254	5,127	583	530	826	946	0
Default risk in %		0.04	0.04	0.04	0.04	0.04	0.04	0
Expected default losses	-11	-9	-2	0	0	0	0	0
Other trade receivables	4,126	2,489	944	167	99	204	223	0
Default risk in %		0.16	0.49	2.20	2.00	25.00	50.00	0
Expected default losses	-178	-4	-5	-4	-2	-51	-112	0
Invoiced trade receivables (without MD and bad debts)	33,392	23,743	6,071	750	629	1,030	1,169	0
Total expected default losses	-189	-13	-7	-4	-2	-51	-112	0

¹ MD = Health Insurance Medical Service² Bad debt allowances in percent

Allowances for expected credit losses are made on the basis of the age structure and taking into account various discount rates. Specific bad debt allowances are made for specific foreseeable default risks.

Invoiced trade receivables without MD¹ for which bad debts have been made for the full amount

In thousands of €	31.12.2024	Not yet due	Less than 30 days	Between 31 and 60 days	Between 61 and 90 days	Between 91 and 180 days	Between 181 and 360 days	More than 360 days
Receivables from public health and pension insurance institutions	1,936	0	0	0	5	1	9	1,921
Other trade receivables	1,899	0	0	0	20	64	70	1,745
Allowances	3,835	0	0	0	-25	-65	-79	3,666

In thousands of €	31.12.2023	Not yet due	Less than 30 days	Between 31 and 60 days	Between 61 and 90 days	Between 91 and 180 days	Between 181 and 360 days	More than 360 days
Receivables from public health and pension insurance institutions	1,935	0	0	0	0	0	0	1,935
Other trade receivables	1,651	0	0	5	26	42	121	1,457
Allowances	-3,586	0	0	-5	-26	-42	-121	-3,392

¹ MD = Health Insurance Medical Service

The bad debt allowances for trade receivables developed as follows:

In thousands of €	2024	2023
Allowances as of 01.01.	3,775	3,572
Additions to allowances	1,691	311
Consumption	-353	-108
Reversal	-1,128	-
Allowances as of 31.12.	3,985	3,775

The balance of expenses resulting from allowances and/or the full write-off of receivables and income from allowances and/or the recovery of written-off receivables resulted in expenses totalling EUR 1.6 mill. during the 2024 financial year (previous year: expenses totalling EUR 1.7 mill.). Here, the impairment loss is recognised after the expected credit losses (ECL) have been derecognised.

In thousands of €	2024	2023
Expenses for bad debt allowances/full write-off of receivables	-2,869	-1,809
Recoveries of bad debt allowances/written-off receivables	1,343	213
	-1,526	-1,596

(8) RECEIVABLES PURSUANT TO THE HOSPITAL COMPENSATION ACT (KHENTGG) / FEDERAL DIRECTIVE ON NURSING CARE RATES (BPFLV)

In thousands of €	31.12.2024	31.12.2023
Receivables	57,228	44,217

The receivables refer to compensation claims under the Hospital Compensation Act (KHEntG) or the Federal Directive on Nursing Care Rates (BPfIV) as well as compensation claims vis-à-vis the national training fund for the nursing profession (Ausbildungsfonds). The increase is due primarily to the receivables under the Hospital Compensation Act (KHEntG) (EUR + 10.6 mill.) and receivables under the nursing care budget (EUR + 1.4 mill.). The receivables as a whole are not delinquent, and there are no indications that the parties liable to pay will not satisfy their obligations.

(9) OTHER CURRENT FINANCIAL ASSETS

In thousands of €	31.12.2024	31.12.2023
Receivables	7,906	14,879

This item discloses financial assets which are recognised at amortised cost. Impairments for expected default losses pursuant to IFRS 9 are immaterial. The residual terms of the receivables are less than one year. The amounts reported are approximately equal to the fair value. The receivables are not delinquent, and there are no indications that the parties liable to pay will not satisfy their obligations. The receivables on the prior-year's reporting date include a compensation claim of EUR 6.8 mill. towards Asklepios Kliniken GmbH & Co. KGaA pursuant to Section 311 (2) Sentence 2 German Stock Corporation Act (AktG) for the MEDICLIN Group's waiver of energy cost allowances.

(10) PREPAID EXPENSES

This item refers to prepaid expenses including insurance accruals.

(12) CASH AND CASH EQUIVALENTS

In the reporting year, cash and cash equivalents include cash and bank credit balances. They were recognised at amortised cost in the financial statements as of 31 December 2024. Furthermore, a risk provision was set aside for expected default losses pursuant to IFRS 9. Reclassifications to level 2 were not carried out as the Group uses only banks with investment grade ratings.

(13 + 33) ASSETS HELD FOR SALE AND LIABILITIES IN COMBINATION WITH ASSETS HELD FOR SALE

MEDICLIN MVZ Dessau is to be sold by way of an asset deal in 2025. In the scope of making adjustments to meet IFRS 5 requirements, assets and liabilities held for sale (disposal group) referring to the branch of MediClin Medizinisches Versorgungszentrum GmbH that is intended for sale were reclassified accordingly in the balance sheet. On the prior-year reporting date, these balance sheet items had still contained the figures for MEDICLIN Herzzentrum Coswig sold in 2024. Both facilities belong or belonged to the acute segment.

Assets held for sale

In thousands of €	31.12.2024	31.12.2023
Non-current assets		
Intangible assets	0	224
Property, plant and equipment incl. right-of-use assets	76	7,097
Deferred tax	0	5
	76	7,326
Current assets		
Inventories	0	1,376
Trade receivables	0	2,243
Other financial assets	0	10,340
Other assets	0	59
Cash and cash equivalents	0	3
	0	14,021
Total assets held for sale	76	21,347

Liabilities in connection with assets held for sale

In thousands of €	31.12.2024	31.12.2023
Non-current liabilities		
Lease liabilities	0	767
Other provisions	0	53
Other payables	0	80
	0	900
Current liabilities		
Trade payables	0	834
Lease liabilities	0	21
Other provisions	0	1,390
Other financial liabilities	0	1,647
Other payables	0	1,424
	0	5,316
Liabilities in connection with assets held for sale	0	6,216

Information on financial instruments

IFRS 9 Financial Instruments aims to improve the financial reporting of financial instruments by moving to a more forward-looking model for the recognition of expected losses on financial assets. This way the users of financial statements can better assess the amounts, timing and uncertainty of an entity's future cash flows..

Except for the investments in stock of subsidiaries, current and non-current assets are recognised at amortised cost. Current financial assets include mainly trade receivables and cash and cash equivalents. A simplified approach is to be applied to the impairment of trade receivables. Detailed explanations on this are available in the section on accounting principles.

Value adjustments to cash and cash equivalents due to impairment are calculated on the basis of the corresponding bank ratings and the associated default risk. The amount thus determined is EUR 83 thou. (previous year: EUR 98 thou.) and therefore considered low. The bank balances can be called at any time.

The impairment of other current financial assets is immaterial. All current financial assets that are to be classified in accordance with the impairment model under IFRS 9 are classified as level 1. There are no indications of any significant deterioration in the default risk.

All the current and non-current financial liabilities are recognised at amortised cost. Liabilities to banks are accounted for using the effective interest method. Amortised cost equals the gross carrying amount of the liability less repayments made and less transaction cost.

The fair value of non-current financial liabilities amounting to EUR 65.1 mill. is EUR 61.0 mill. The future cash flows are discounted by means of the risk-adjusted interest rate. The fair value of current financial liabilities equals their amortised cost.

Liabilities from rent and lease agreements are measured at the present value of the minimum lease rates when the leased property is capitalised and, depending on the term of the lease, are recognised in non-current or current liabilities.

Net gain/loss from financial instruments

In thousands of €	From interest	From subsequent measurement		From disposal	Net result	
		At fair value	Impairment		2024	2023
Amortised cost (assets)	2,512	–	–1,510	–	1,002	–77
Amortised cost (liabilities)	–3,642	–	–	–	–3,642	–3,316
At fair value through profit or loss	–	–	–	–	0	–
	–1,130	0	–1,510	0	–2,640	–3,393

Financial instruments by category in accordance with IFRS 9

In thousands of €	Category in accordance with IFRS 9	Level	31.12.2024	
			Carrying amount	Fair value
ASSETS				
Non-current assets				
Investment in stock of subsidiaries	at fair value through profit or loss	3	59	59
Other financial investments	at amortised cost	–	2	–
Current assets				
Trade receivables	at amortised cost	–	99,569	–
Receivables pursuant to Hospital Compensation Act/ Federal Directive on Nursing Care Rates	at amortised cost	–	57,228	–
Other current financial assets	at amortised cost	–	7,906	–
Cash and cash equivalents	at amortised cost	–	107,563	–
EQUITY AND LIABILITIES				
Non-current liabilities				
Liabilities to banks	at amortised cost	2	65,097	60,951
Lease liabilities	n/a	–	370,575	–
Current liabilities				
Trade payables	at amortised cost	–	12,780	–
Liabilities to banks	at amortised cost	–	1,863	–
Lease liabilities	n/a	–	26,593	–
Liabilities pursuant to Hospital Compensation Act/ Federal Directive on Nursing Care Rates	at amortised cost	–	7,955	–
Miscellaneous financial liabilities	at amortised cost	–	12,013	–
AGGREGATED BY CATEGORY IN ACCORDANCE WITH IFRS 9				
Financial assets	Total	at amortised cost	272,268	–
Financial assets	Total	at fair value through profit or loss	59	59
Financial liabilities	Total	at amortised cost	99,708	60,951

In thousands of €	Category in accordance with IFRS 9	Level	31.12.2023	
			Carrying amount	Fair value
ASSETS				
Non-current assets				
Investment in stock of subsidiaries	at fair value through profit or loss	3	65	65
Other financial investments	at amortised cost	–	2	–
Current assets				
Trade receivables	at amortised cost	–	81,581	–
Receivables pursuant to Hospital Compensation Act/ Federal Directive on Nursing Care Rates	at amortised cost	–	44,217	–
Other current financial assets	at amortised cost	–	14,879	–
Cash and cash equivalents	at amortised cost	–	115,286	–
EQUITY AND LIABILITIES				
Non-current liabilities				
Liabilities to banks	at amortised cost	2	91,419	87,125
Lease liabilities	n/a	–	362,443	–
Current liabilities				
Trade payables	at amortised cost	–	12,626	–
Liabilities to banks	at amortised cost	–	1,962	–
Lease liabilities	n/a	–	24,000	–
Liabilities pursuant to Hospital Compensation Act / Federal Directive on Nursing Care Rates	at amortised cost	–	9,224	–
Miscellaneous financial liabilities	at amortised cost	–	7,799	–
AGGREGATED BY CATEGORY IN ACCORDANCE WITH IFRS 9				
Financial assets	Total	at amortised cost	255,965	–
Financial assets	Total	at fair value through profit or loss	65	65
Financial liabilities	Total	at amortised cost	123,030	87,125

Equity

CAPITAL MANAGEMENT

The primary objective of the capital management of MEDICLIN is to ensure that the Group remains able to pay back its debts, that its financial substance is preserved going forward and that the capital structure continues to adequately meet the business risk. MEDICLIN AG is not subject to any external capital requirements or capital requirements as per the Articles of Association except the minimum capital requirements pursuant to the German Stock Corporation Act (AktG). Financial security is essentially measured using the key figures equity ratio and debt ratio. Components of these key figures are the balance sheet total in the consolidated financial statements, the equity recorded in the consolidated balance sheet and loans from banks in the form of a syndicated loan that serves to fund capital expenditure at various clinic locations (please refer also to notes (19) + (25) Liabilities to banks). The capital structure is managed by way of the dividend disbursement policy, the issuance of new shares, liquidity optimisation as well as the option of acquiring treasury shares if authorised by the Annual General Meeting.

The Annual General Meeting on 6 June 2024 adopted, following the proposal of the Management Board and the Supervisory Board, Authorised Capital 2024 amounting to up to a total of EUR 23,750,000.00, corresponding to 50 % of current share capital. It is to be available for cash and/or non-cash capital increases and may also be utilised in partial amounts. The authorisation to increase share capital under Authorised Capital 2024 is limited until 5 June 2029.

When Authorised Capital 2024 is utilised, the shareholders generally have a subscription right but in the following cases the Management Board is authorised, subject to the consent of the Supervisory Board, to exclude the shareholders' subscription right:

- The subscription right may be disregarded to exclude fractional amounts from the shareholders' subscription rights when issuing new shares.
- The authorization to exclude subscription rights shall also apply in the event of a capital increase against cash contributions, provided that the issue price of the new shares does not significantly fall below the stock market price of the already listed shares of the same class and type at the time the Management Board sets the final issue price within the meaning of sections 203 (1) and (2), 186 (3) sentence 4 German Stock Corporation Act (AktG).
- Furthermore, the authorization to exclude subscription rights shall apply to the issuance of new shares as part of a capital increase against non-cash contributions, particularly for the purpose of granting shares in the context of business combinations or for the acquisition of companies, business units, interests in companies or other assets as well as claims to acquire assets, including receivables against the company or its group companies.

The Management Board may only make use of the authorizations granted to exclude subscription rights to the extent that the proportional amount of the shares issued under the exclusion of subscription rights does not exceed 10 % of the share capital in total.

Capital management key figures

In thousands of €	31.12.2024	31.12.2023
Equity	222,738	196,029
Non-current liabilities	517,158	513,233
Current liabilities incl. tax liabilities	166,010	146,239
Balance sheet total	905,906	880,502
Net financial debt	–40,603	–21,905
Equity ratio in %	24.6	22.3
Debt ratio in %	75.2	77.7

Remeasurements from the calculation of pension obligations pursuant to IAS 19 Employee Benefits in the amount of EUR 2.1 mill. that are recognised directly in equity and the total consolidated result in the amount of EUR 24.9 mill. expanded equity by EUR 26.7 mill. The return on equity after tax is 11.2 % (previous year: –5.5 %).

The balance sheet total increased by EUR 25.4 mill. or 2.9 % since the previous reporting date. This was caused by several factors.

Significant increases were recognised primarily with regard to property, plant and equipment (EUR 18.9 mill.) in the scope of investments and with regard to trade receivables (EUR 18.0 mill.). Receivables pursuant to the Hospital Financing Act (KHG) rose by a total of EUR 9.0 mill., mainly due to the approval of another EUR 10.0 mill. for the construction of a new clinic. This is offset by a decline in assets held for sale by EUR 21.3 after the sale of Herzzentrum Coswig.

On the equity and liabilities side of the balance sheet, liabilities to banks were reduced by EUR 26.4 mill. Liabilities pursuant to the Hospital Financing Act (KHG) rose by a total of EUR 17.2 mill., which was also due primarily to the approved subsidies for a new clinic amounting to EUR 10.0 mill. Lease liabilities increased by a total of EUR 10.7 mill., especially in connection with the leases for the new rehabilitation clinics in Bremen and Wertheim.

More detailed information is provided in the notes to the respective balance sheet items.

(14) SUBSCRIBED CAPITAL

In thousands of €	31.12.2024	31.12.2023
Subscribed capital	47,500	47,500

The subscribed capital (capital stock) of the parent company, MEDICLIN AG, is split up into 47,500,000 (previous year: 47,500,000) no-par-value bearer shares (voting and dividend rights) and is paid up in full.

(15) CAPITAL RESERVE

In thousands of €	31.12.2024	31.12.2023
Capital reserve pursuant to Sec. 272 (2) No. 1 HGB and Sec. 150 AktG	127,708	127,708
Reserve pursuant to IFRS 2	48	48
Gains from the sale of treasury stock	1,636	1,636
	129,392	129,392

The capital reserve pursuant to Section 272 (2) No.1 of the German Commercial Code (HGB) and Section 150 of the German Stock Corporation Act (AktG) contains amounts which were achieved above the nominal value of the issued shares.

(16) REVENUE RESERVE

The consolidated revenue reserve is structured as follows:

In thousands of €	31.12.2024	31.12.2023
Legal reserve pursuant to Sec. 150 AktG	2,045	2,045
Result of the first IFRS consolidation	–1,742	–1,742
Negative non-controlling interests Kraichgau-Klinik AG	–270	–270
Reserve pursuant to IAS 19	–14,056	–15,805
Transfer to revenue reserve	51,165	51,165
	37,142	35,393

The legal reserve was added to MEDICLIN AG in 1999 and equalled 10 % of subscribed capital.

Actuarial losses/gains from calculating pension provisions in accordance with IAS 19, shown in other comprehensive income, are reported in the revenue reserve.

(17) CONSOLIDATED BALANCE SHEET RESULT

The consolidated balance sheet result is structured as follows:

In thousands of €	2024	2023
Loss carryforward	–16,367	–5,591
Result attributable to shareholders of MEDICLIN AG	24,839	–10,776
	8,472	–16,367

(18) NON-CONTROLLING INTERESTS

The disclosed amount concerns the pro-rated allocation of profit/loss to the shares of the shareholders of Kraichgau-Klinik Aktiengesellschaft, Bad Rappenau, as of 31 December 2024 (31.12.2024: 5.199 % / 31.12.2023: 5.199 %). In the consolidated statement of comprehensive income, the result is recorded as a prorated figure in the item “Comprehensive income – thereof attributable to the non-controlling interests”.

Liabilities

(19+25) LIABILITIES TO BANKS

This section refers to both current and non-current liabilities to banks. Current liabilities consist of repayments that are expected to fall due within the next 12 months as well as interest accruals.

In thousands of €	Non-current	Current	31.12.2024 Total	Non-current	Current	31.12.2023 Total
Syndicated loan	50,003	546	50,549	74,969	668	75,637
Other bank loans	411	595	1,006	1,045	587	1,632
Subsidised investment loan	14,683	723	15,406	15,405	707	16,112
	65,097	1,864	66,961	91,419	1,962	93,381

SYNDICATED LOAN

In 2019 the Group agreed on a syndicated loan totalling EUR 90.0 mill. with a consortium of banks. The new loan agreement consists of two facilities (A, B). Facility A is a EUR 50.0 mill. bullet loan and Facility B was granted as a revolving facility of up to EUR 40.0 mill.

Since 29 November 2019 EUR 50.0 mill. of Facility A and a partial amount of EUR 25.0 mill. of Facility B have been drawn. Moreover, the contract includes an option to increase the loan by up to EUR 20.0 mill. The Group can make a maximum of two requests to increase the loan, of which no more than EUR 10.0 mill. may refer to Facility B. Such request must amount to at least EUR 10.0 mill. or any other integer multiple of EUR 1.0 mill. The option has not been used as yet.

Originally, the syndicated loan had a term of five years, including two options to renew the loan by another year. The renewal options were exercised in October 2020 and October 2021 prolonging the contract until the end of November 2026. Being a bullet loan, Facility A must be repaid at the end of the agreed term. Facility B is repaid at the end of every six-month interest period. Until the end of the agreed term, any amounts drawn at the end of an interest period may also be rolled over. Any amounts repaid at the end of an interest period may be drawn again as required. The revolving working capital facility has not been utilised since 28 December 2024.

The interest rate consists of a margin and a reference rate. The reference rate is the EURIBOR for the respective interest period. If the reference rate is zero or below zero, the interest rate is zero. The margins of both facilities each depend on the adjusted net debt key figure (net debt on the basis of average debt, adjusted for effects from lease financing) as reported in the four most recent quarterly reports of the MEDICLIN Group. The commitment fee for loan commitments not yet drawn amounts to 35,0 % of the respective margin. Furthermore, a utilisation fee is charged for Facility B depending on the amount drawn. A total of EUR 3.7 mill. (previous year: EUR 3.3 mill.) in interest, including utilisation fee for Facility B, was charged for the syndicated loan in the 2024 financial year. This corresponds to an average annual interest rate of 4.9 % p.a. (previous year: 4.5 % p.a.). Assuming the loan utilisation remains stable, the effective interest rate of Facility A for a 7-year term is 2.9 % p.a. (previous year: 3.2 % p.a.). The effective interest of Facility B for a 5-year term until 28 December 2024 is 2.58 % (previous year: 2.60 %). The revolving facility amounting to EUR 25.0 mill. was not renewed on 28 December 2024.

The following table shows future interest payments and repayments:

In thousands of €	2024	Total	1 year or less	1 to 5 years	More than 5 years
Interest		6,293	2,161	4,132	0
Repayment		50,000	0	50,000	0
In thousands of €	2023	Total	1 year or less	1 to 5 years	More than 5 years
Interest		11,350	3,903	7,447	0
Repayment		75,000	0	75,000	0

Future interest payments are forecast on the basis of the last interest rates applied. The decline in interest is attributable to lower refinancing rates by the European Central Bank (ECB) which have a direct effect on the EURIBOR. At the turn of the year 2023/2024, the base rate was lifted to 4.5 %, the highest rate since September 2001. Therefore the calculated average of the 6-month EURIBOR moved from -0.523 % in 2021 to +0.681 % in 2022 and +3.694 in 2023. Effective on 12 June 2024, a reduction of the ECB key interest rate by 0.25 percentage points to 4.25 % was decided for the first time in a while. Additional reductions followed in September 2024 by 0.6 percentage points and in October and December 2024 by another 0.25 percentage points each. As a result, the ECB's main refinancing rate stood at 3.15 % at the turn of the year 2024/2025, which was 1.35 percentage points below its peak at the turn of the year 2023/2024. Accordingly, the calculated average of the 6-month EURIBOR declined from +3.694 % in 2023 by 0.212 percentage points to +3.482 % in 2024. In January 2025, the base rate was lowered again by another 0.25 percentage points to 2.9 %.

The following sensitivity analysis showing the effects of different interest rate scenarios on the financial result therefore covers a maximum range of +/- 100 basis points:

In thousands of €	Basis points	Financial result
Change in 6-month EURIBOR	+100	-763
Change in 6-month EURIBOR	+75	-572
Change in 6-month EURIBOR	+50	-382
Change in 6-month EURIBOR	+25	-191
Change in 6-month EURIBOR	+10	-76
Change in 6-month EURIBOR	-10	+76
Change in 6-month EURIBOR	-25	+191
Change in 6-month EURIBOR	-50	+382
Change in 6-month EURIBOR	-75	+572
Change in 6-month EURIBOR	-100	+763

OTHER BANK LOANS

Of the other bank loans, one loan of EUR 1.0 mill. (previous year: one loan of EUR 1.6 mill.) is secured through real property liens (carrying amounts: EUR 8.6 mill.; previous year: EUR 8.6 mill.). The average interest rate is 1.2 % p.a. (previous year: 1.2 % p.a.).

The future loan repayments and interest payments for the other bank loans are as follows:

In thousands of €	2024	Total	1 year or less	1 to 5 years	More than 5 years
Interest		10	9	1	0
Repayment		1,006	595	411	0
In thousands of €	2023	Total	1 year or less	1 to 5 years	More than 5 years
Interest		26	16	10	0
Repayment		1,632	587	1,045	0

SUBSIDISED INVESTMENT LOAN

In financial year 2018, the Group took out an annuity loan amounting to EUR 20.0 mill. for the construction of a clinic for neurology, neurointensive care and neurophysiology. The construction project is subsidised under the Hospital Financing Act and is to receive a fixed amount of EUR 20.0 mill. in the form of debt service support, plus the interest for debt service. The loan has a term until 2042 and the interest and capital repayments totalling EUR 1,0 mill. per year are payable every quarter. The subsidies stated in the corresponding subsidy grant amounting to EUR 20.0 mill. plus the interest for debt services notification serve as collateral for the loan. On the assets side of the balance sheet, the corresponding receivable for the subsidies was capitalised (please also refer to note (4) Non-current receivables pursuant to the Hospital Financing Act or note (11) Current receivables pursuant to the Hospital Financing Act). The interest expenses for the loan are offset in the profit and loss account against the corresponding interest subsidies received.

The future loan repayments and interest payments for this investment loan are as follows:

In thousands of €	2024	Total	1 year or less	1 to 5 years	More than 5 years
Interest		3,077	322	1,125	1,630
Repayment		15,405	723	3,051	11,631
In thousands of €	2023	Total	1 year or less	1 to 5 years	More than 5 years
Interest		3,414	337	1,190	1,887
Repayment		16,112	707	2,986	12,419

(20+ 26) LEASE LIABILITIES

The 20 rented clinics have a material effect on the net assets, financial position and results of MEDICLIN. They account for more than 94,0 % of the capitalised right-of-use assets. Of these 20 clinic properties, 19 are attributable to the post-acute segment and one to the acute segment. In addition, the Group has long-term leases for additional real estate, vehicles and other operating and office equipment. The lease agreements for 17 locations have a remaining term of 13 years, while the contract for one location has a term of 23 years and two further locations have a lease term of 2 years. The parties agreed on an option to unilaterally prolong the fixed lease term once by five years. The contracts provide for an annual adjustment of rents in accordance with changes in the German consumer pricing index (up to a maximum of 2,0 % p.a.). In addition the lessee bears the cost of the commercial administration of the rented real estate amounting to 1,0 % of the monthly basic rent per month (lump-sum payment for administration costs). In addition to the indexed lease payment, the land tax and the lump-sum payment for administration costs are also considered when calculating the lease liability.

The incremental borrowing rate as per IFRS 16.26 was used. At the time of remeasurement in 2022, the incremental borrowing rates amounted to 4.073 % (residual term of 4 years), 4.889 % (residual term of 15 years) and 4.982 % (residual term of 25 years) for the real estate.

The Group has exercised the option to recognise the lease payments for short-term leases (term \leq 12 months) directly as an expense. In the 2024 financial year these lease payments amounted to EUR 2.6 mill. (previous year: EUR 2.0 mill). In the 2024 financial year these lease payments amounted to EUR 0.8 mill. (previous year: EUR 0.7 mill). The option to account for the lease components of the contract and the associated non-lease components as a single lease component pursuant to IFRS 16.15 will be exercised.

Lease liabilities are as follows on 31 December 2024:

In thousands of €	Non-current	Current	Total 31.12.2024	Non-current	Current	Total 31.12.2023
Clinic real estate	355,105	22,231	377,336	358,258	21,149	379,407
Other real estate	13,901	3,323	17,224	3,357	2,087	5,444
Vehicles	1,072	784	1,856	546	537	1,083
Other movables	496	255	751	282	227	509
	370,574	26,593	397,167	362,443	24,000	386,443

Lease liabilities recognised on the reporting date are due as follows:

In thousands of €	31.12.2024	31.12.2023
Due in 1 year or less	26,593	24,000
Due in 1 to 5 years	105,383	86,916
Due in more than 5 years	265,192	275,528
	397,168	386,444

The minimum lease obligations are due as follows:

In thousands of €	31.12.2024	31.12.2023
Due in 1 year or less	44,162	39,086
Due in 1 to 5 years	169,817	148,420
Due in more than 5 years	338,951	355,556
	552,930	543,062

20 clinics are subject to a unilateral option to prolong the lease once by five years. If the option were to be exercised, the minimum lease obligations would increase by EUR 184 mill.

Outgoing cash flows for leases (IFRS 16.53 (g)):

In thousands of €	2024	2023
Clinic real estate	38,426	37,648
Other real estate	3,168	2,278
Vehicles	947	817
Other movables	335	347
	42,876	41,090

(21) PENSIONS AND SIMILAR COMMITMENTS

In thousands of €	31.12.2024	31.12.2023
Mitarbeiterunterstützungskasse der vereinigten Klinikbetriebe (MAUK) and three individual commitments (previous year: three)	30,227	32,399
Kraichgau-Klinik Gruppe	7,817	9,162
	38,044	41,561
MediClin Unterstützungskasse (MUK)	154	170
	38,198	41,731

The Group promised part of its employees the payment of regular pension benefits after the end of their employment in the scope of the occupational pension scheme; this refers to are defined benefit and defined contributions-based commitments for old age, invalidity and surviving dependants' pensions. The fund assets of Mitarbeiterunterstützungskasse der Vereinigten Klinikbetriebe (MAUK) and one reinsurance policy (previous year: one policy) that is pledged to the insurance beneficiaries are considered in the recognition of the defined benefit obligations as plan assets. Since the 2019 financial year the MediClin relief fund (MediClin Unterstützungskasse – MUK) is recognised as a defined benefit obligation and its fund assets are classified as plan assets.

In the year under review the pension obligations for 20 pensioners and the pension entitlements of 22 departed employees were transferred from MAUK to an external pension fund before a subsidiary was sold. For this purpose, a redemption payment totalling EUR 0.3 mill. was made to acquire shares in the cover assets of this pension fund, which will be used to cover the technical reserves of the corresponding pension commitments. This amount secures the prospective cover provisions for benefit obligations that are already being paid out as pensions as well as benefit obligations that are not yet vested. As such, the bases of calculation for this pension plan are fully financed at the time of the commitment. The benefits under the pension fund refer to a life-long annuity or one-time payment when the required age is reached.

DEFINED BENEFIT OBLIGATIONS

MAUK AND KRAICHGAU-KLINIK GROUP

The defined benefit obligations concern two pension plans which are meanwhile closed, MAUK and the pension schemes of the Kraichgau-Klinik Group pension plan, which means that no new benefit obligations will be added. This also includes the pension obligations transferred from MAUK to the external pension fund and three (previous year: three) individual benefit commitments. The number of persons covered by these plans who are entitled to or in receipt of benefits developed as follows:

	31.12.2024	31.12.2023
Active employees	730	854
Departed employees with vested rights	740	771
Pensioners	1,181	1,117
	2,651	2,742

In the year under review, the share of persons entitled to pensions amounts to 55.5 % (previous year: 59.3 %) and the share of recipients of pensions to 44.5 % (previous year: 40.7 %).

MAUK is a relief fund into which lump sum endowments are paid for appropriation as tax-exempt special assets to cover employee benefit entitlements. MAUK is an incorporated pension fund with no legal redress to the benefits provided for by the benefit plan. These benefits are financed through the contributions of MEDICLIN to MAUK. At the MEDICLIN level, these benefits constitute, depending on certain conditions and to a limited extent, deductible business expenses (Section 4d German Income Tax Act – EStG). As a social institution pursuant to Section 5 (1) No. 3 Letter e Corporation Tax Act (KStG) and Section 6 (6) Corporation Tax Act (KStG), the relief fund is exempt from taxation. Section 4d Income Tax Act restricts this tax exemption to the assets permissible under tax regulations. If the amount of the assets permissible under tax regulations is exceeded by more than 25 %, the relief fund must pay tax on that part of the excess amount. The assets permissible under tax regulations are derived by multiplying the permissible contributions for relevant beneficiaries and the premium reserve for the current benefits pursuant to Annex 1 Income Tax Act by eight. The assets permissible under tax regulations thus amount to approximately two annual pensions per beneficiary. MAUK's fund assets permissible under tax regulations amounted to EUR 12.1 mill. as of 31 December 2024 (31.12.2023: EUR 12.1 mill.). No minimum endowment obligation exists.

MAUK was closed for admissions as of 31 December 2001. The retirement benefits of the active employees accumulated at MAUK up to that time were in effect frozen. Under the terms of the benefit plan, lifelong or time-limited benefits are paid out in the form of a retirement pension, a premature retirement pension or a disability pension. The pension amounts to between EUR 5.00 and EUR 10.00 per month per eligible service year depending on the average working time per week. In the case of premature use (i.e. before completion of the 65th year), the vested entitlement is reduced by 0.5 % for each month of premature utilisation of the retirement pension. The current pension payments, with the exception of

one of the individual benefit commitments, are made from the assets of MAUK. MAUK receives sufficient funds from MEDICLIN AG for this purpose. The assets of MAUK are made up of voluntary contributions from MEDICLIN as well as income from investing the assets.

Pursuant to Section 12 of the constitution of MAUK, the assets of the association are to be invested profitably and may only be used for the purposes of the association and administration costs. The granting of loans may be permitted to the sponsoring company at an appropriate interest rate; however, no use is made of this possibility.

The pension provisions of the Kraichgau-Klinik Group result from the acquisition of the majority of shares in Kraichgau-Klinik AG in 2008. The pension benefits paid in accordance with the pension statute of Kraichgau-Klinik AG refer to a retirement or premature retirement pension and a deferred disability pension. The monthly retirement pension amounts to 0.5 % per year of service – but no more than 12.0 % – of the average monthly salary received in the last 12 months prior to the insured event. In the event of premature retirement, the pension thus calculated is lowered by 0.5 % per month of the premature retirement commenced before the retirement age is reached. In the event of premature retirement due to invalidity, a deferred invalidity pension is paid until the retirement age is reached. The amount of this pension is calculated in the same way as the retirement pension, but only the employees' years of service until the invalidity event occurred are counted. The age limit for employees who commenced employment on or before 31 December 1994 is 60 years for women and 65 years for men. For employees who commenced employment after 31 December 1994, the age limit is 65 years for women and for men. Since August 1997 no new beneficiaries have been added to this scheme.

In addition, an individual benefit commitment exists to a former executive staff member of Kraichgau-Klinik AG.

The pension obligations are recognised in full and were revalued for the purpose of preparing the IFRSs balance sheet. The Group's obligations encompass both current pensions as well as future pension entitlements. Pension provisions are subject to actuarial assessment using the projected unit credit method in accordance with IAS 19, taking future developments into account. The current service expense is computed using the projected unit credit method and is calculated at the beginning of the financial year, bearing interest until the end of the financial year. The defined benefit obligation (DBO) at the balance sheet date is the present value of the benefits vested in preceding accounting periods calculated by means of the projected unit credit method. For assigning the benefits to the periods of service, the same method must be used as for determining the current service expenses. Pursuant to IAS 19, remeasurements carried out in the financial year resulting from actuarial gains and losses are recognised in other comprehensive income. The amounts reported in other comprehensive income are items which in future will not be reclassified in the profit and loss account (IAS 19.122).

The essential parameters which are decided at the beginning of the financial year and which determine the part of the pension costs to be taken into account in the profit and loss account are shown in the following table:

In %	MAUK 2024	MAUK 2023	Kraichgau- Klinik Gruppe 2024	Kraichgau- Klinik Gruppe 2023
Discount rate	3.50	3.20	3.50	3.20
Salary trend ¹	–	–	2.50	2.50
Pension trend	1.00	1.00	3.50	10.00

¹ Only Kraichgau-Klinik Gruppe

No salary trend has been determined for MAUK as the pension amount is fixed, based on the eligible service years and average working week, and not based on salary-related criteria. Pursuant to Section 16(3) No. 1 of the German Occupational Pensions Act (BetrAVG), the employer undertook in 2013 to adjust MAUK pensions by 1.00 % p.a. starting

from 2002. Other than in previous years, a pension trend of 3.5 % was assumed when calculating the expense for 2025 and 10.0 % for 2024 with regard to Kraichgau-Klinik Group and the individual benefit commitments. From 2026 onwards, a figure of 2.0 % p.a. will be applied again. For the biometric calculations, the mortality tables of Klaus Heubeck (Richttafel 2018 G) were used.

A discount rate of 3.50 % (previous year: 3.20 %) was applied to the pension obligations. In accordance with IAS 19.83, the discount rate is to be determined by reference to market yields at the end of the reporting period on high-quality corporate bonds with fixed interest rates. The reference yields used to determine the discount rate were based on at least AA-rated corporate bonds.

A change in the main actuarial parameters used leads to the following changes to the present value of the DBO:

In thousands of €	-0.50 %	-0.25 %	+0.25 %	+0.50 %	+1.00 %
Discount rate (3,50 %)	+2,848	+1,458	-1,117	-2,312	-5,183
Salary trend ¹ (2,50 %)	-6	-3	+3	+6	-
Pension trend (1,00 bzw. 2,00 %)	-347	-170	+164	+323	-

¹ Only Kraichgau-Klinik Gruppe

The sensitivities were calculated on the basis of the same principles that were applied to determine the present value of the defined benefit obligations at the end of the financial year. In doing so, only one calculation figure is changed at a time while the others remain unchanged. Dependencies between the individual calculation figures are not considered.

As noted above, the MAUK pension is not based on salary and takes into account a fixed pension trend of 1.00 %, which is why these factors have no impact on MAUK. Besides, a change in the underlying mortality rates or life expectancies is conceivable. In order to estimate the longevity risk, the underlying mortality tables were adjusted and mortality was reduced by 10.00 %. At the end of the financial year, these longer life expectancies would have led to a EUR 3.8 mill. increase (previous year: EUR 4.1 mill.) in pension obligations.

According to the regulations of IAS 19, the entire defined benefit obligation (DBO) must be shown in the balance sheet minus external plan assets. For the plan assets, instead of recognising the expected return including possible value increases in the profit and loss account, a standard rate of interest is used based on the same interest rate as that used for the calculation of the pension obligations.

The expense is broken down into the components service cost, net interest and remeasurement. In the profit and loss account, the service cost is recognised under staff costs and the net interest in the financial result. Remeasurement is directly recognised in equity and in other comprehensive income. Valuation changes to be accounted for in other comprehensive income result from experience-based demographic adjustments, from the definition of an asset ceiling, from changes in the financial assumptions (i.e. the discount rate) or demographic assumptions (biometry) and from the deviation of the actual income of the plan assets from the returns calculated using the discount rate. The net pension obligation of the financial year amounts to EUR 38.0 mill. (previous year: EUR 41.6 mill.) with plan assets of EUR 3.1 mill. (previous year: EUR 3.0 mill.). The following table on the recognition of the net liability in the balance sheet reveals an asset surplus of EUR 0.51 mill. (previous year: EUR 0.35 mill.) resulting from the transfer of the pension obligations to the external pension fund. The present value of the obligation (DBO) amounts to EUR 1.07 mill. (previous year: EUR 0.96 mill.), while the plan assets amount to EUR 1.58 mill. (previous year: EUR 1.31 mill.).

The values recognised in the balance sheet show the following development:

In thousands of €	31.12.2024	31.12.2023
Development of recognition in the balance sheet		
Present value of the DBO	41,151	44,549
Fair value of plan assets	-3,107	-2,988
Net defined benefit liability at the end of the financial year	38,044	41,561
of which pension obligations	38,549	41,916
of which pension assets (-)	-505	-355
Reconciliation of the net liability		
Net defined benefit liability at the end of the preceding financial year	41,561	40,026
Service cost	15	23
Net interest expense on the reported net liability	1,297	1,409
Remeasurements recognised in other comprehensive income	-2,060	3,297
Employer contributions	-1,446	-2,568
Benefits paid directly by the employer	-602	-626
Benefits paid directly by the employer	-478	0
Asset transfers	-243	0
Net defined benefit liability at the end of the financial year	38,044	41,561

The present value of the DBO showed the following development:

In thousands of €	31.12.2024	31.12.2023
DBO at the end of the preceding financial year	44,549	41,752
Current service cost	15	23
Interest expense on DBO	1,393	1,470
Actuarial gain (-) / loss (+) due to experience-based adjustment to the obligation	-495	7
Actuarial gain (-) / loss (+) due to change in financial assumptions	-1,586	3,177
Benefits paid from plan assets	-1,402	-1,254
Benefits paid directly by the employer	-602	-626
Asset transfers	-478	0
Corporate transaction	-243	0
Pension obligations at the end of the financial year	41,151	44,549

Breakdown of pension obligations by participants in the pension scheme:

In thousands of €	31.12.2024	31.12.2023
Active employees	9,394	10,991
Departed employees with vested rights	9,198	10,056
Pensioners	22,559	23,502
Pension obligations at the end of the financial year	41,151	44,549

The fair value of the plan assets hereby developed as follows:

In thousands of €	31.12.2024	31.12.2023
Fair value of plan assets at the end of the preceding financial year	2,988	1,726
Income from plan assets calculated with the discount rate	96	62
Amount by which the actual income of the plan assets in the current financial year exceeds/falls short of the income calculated with the discount rate	–21	–114
Employer contributions	1,446	2,568
Benefits	–1,402	–1,254
Fair value of plan assets at the end of the financial year	3,107	2,988

EUR 1.1 mill. of the employer contributions refer to additions to the pension fund's cover assets.

The following table shows the plan assets on the balance sheet date:

In %	31.12.2024	31.12.2023
Bond funds		
with generally mixed maturities	4.2	4.5
with generally short-term maturities	3.0	3.1
Fixed interest securities	4.8	5.0
Cash and cash equivalents	26.4	32.0
Pension fund's cover assets	50.9	44.0
Reinsurance policies	10.7	11.4
	100.0	100.0

Save for the reinsurances and the cover assets of the pension fund, the plan assets all refer to MAUK. The shares in the bond funds are listed and can be sold at any time. The reinsurance policies are measured at fair value, which corresponds with their tax-related asset value and thus amortised cost. The pension fund's cover assets are measured at fair value. Market prices on an active market are available for all assets except for the reinsurance policies.

Total pension costs of the defined benefit obligations during the reporting year amount to EUR –0.7 mill. (previous year: expense of EUR 4.7 mill.), of which EUR 1.3 mill. (previous year: EUR 1.4 mill.) is recognised as an expense through profit or loss, while EUR –2.1 mill. (previous year: EUR 3.3 mill.) is recognised in other comprehensive income. The increase in the discount rate over the previous year by 0.3 percentage points led to an actuarial gain of EUR –2.1 mill. in other comprehensive income in the year under review (previous year: actuarial loss of EUR 3.2 mill.).

The development of the pension cost is illustrated in the table below:

In thousands of €	2024	2023
Consolidated profit and loss account		
Current service cost	15	23
Past service costs due to plan amendments	0	0
Net interest expense (/income) on the reported net defined benefit liabilities (/assets)	1,297	1,409
Pension costs, recognised in consolidated profit and loss account	1,312	1,432
Other comprehensive income		
Actuarial gain (–) / loss (+) due to experience-based adjustment to the obligation	–495	6
Actuarial gain (–) / loss (+) due to change in actuarial assumptions (on the obligation side)	–1,586	3,177
Actuarial gain (–) / loss (+) accrued in the course of the financial year	–2,081	3,183
Amount by which the actual income of the plan assets in the current financial year exceeds / falls short of the income calculated with the discount rates	21	114
Remeasurements recognised in other comprehensive income	–2,060	3,297
Total pension costs	–748	4,729

The expected benefits for the coming year are forecast at EUR 2.0 mill., while the current service and interest expenses for the expected pension obligations are estimated at EUR 0.01 mill. and net interest expense at EUR 1.3 mill.

For the year 2025 employer contributions to the plan assets are expected at EUR 1.1 mill., benefits paid directly by the employer at EUR 0.6 mill. and benefits to be paid from the plan assets at EUR 1.4 mill.

The following benefit payments are forecast for the coming years:

In thousands of €	
Expected benefit payments for the year 2025	2,012
Expected benefit payments for the year 2026	2,079
Expected benefit payments for the year 2027	2,141
Expected benefit payments for the year 2028	2,199
Expected benefit payments for the year 2029	2,241
Expected benefit payments for the years 2030 to 2034	11,591

The mean Macaulay duration of the entire pension portfolio is 15.0 years (previous year: 15.0 years) and describes the weighted (in terms of payment and interest) average term to maturity of the pension obligations.

MEDICLIN UNTERSTÜTZUNGSKASSE (MUK)

From 1 January 2002 until 31 December 2018 retirement plans were provided by MediClin Unterstützungskasse e.V. (MUK e.V.).

The association MUK e.V. is a welfare organisation of MEDICLIN AG's hospital operating companies and administrative units that used this relief fund to fully or partly carry out their "MediClinRent" pension scheme. The exclusive and unalterable purpose of this association is to operate this relief fund. The association must observe the provisions in Sections 1 to 3 Corporation Tax Implementing Regulations (KStDV) as amended. To this end, the association concludes reinsurance policies as per the benefit plan on the lives of the beneficiaries in order to guarantee financing of the agreed benefits. The rights under the reinsurance cover taken out by the association may not be used as security or lien and may not be assigned. The beneficiaries have no legal claim to the benefits paid out by the association. All payments are voluntary and may be revoked at any time.

The specifics concerning the eligibility of beneficiaries, type and scope of benefits, conditions for eligibility, amount and maturity of benefits, etc. are governed by two retirement plans. According to these, MEDICLIN pays an annual contribution (2024: EUR 260.94; 2023: EUR 257.08) into MediClinRent as a pension insurance scheme (employer-financed basic benefits) for its active employees up to the age of 65 who have served the Company for at least five years (cut-off date: 31.12 of the respective year) and who are at least 28. The amount is adjusted to meet the rising cost of living (by an annual maximum of 1.5 %). The basic benefit is paid out as a monthly pension or, alternatively, a one-time lump sum payment. The pension automatically increases by 1 % annually and is guaranteed for at least ten years. Furthermore, MediClinRent offers eligible employees the possibility to build up private pension by deferring a portion of their gross salary (employee-financed supplementary pension). MEDICLIN promotes this deferred compensation plan by increasing the employees' own contribution by 20 %, but by a minimum of EUR 50 and up to a maximum of EUR 100, provided the contributions are exempt from social security insurance (employer-financed retirement allowance). MEDICLIN transfers these amounts directly to MediClin Unterstützungskasse e.V. (MUK e.V.). MUK e.V. has been closed for new admissions since 31 December 2018.

Since the 2019 financial year, MUK e.V. is classified as a defined benefit obligation. MUK e.V. is designed as a reinsured relief fund and was classified as a defined contribution plan and recognised accordingly until 2018, because its benefit commitment is covered by a corresponding reinsurance contract with an insurer. MUK e.V. fulfilled its obligation pursuant to Section 16 German Occupational Pensions Act (BetrAVG) to review whether adjustments are required by promising a guaranteed annual 1.00 % adjustment (Section 16 (3) Sentence 1 Company Pensions Act (BetrAVG)). When the reinsurance contract was taken out on inception of the pension scheme on 1 January 2002, the guaranteed 1.00 % adjustment was not covered by the insurance in order to increase the benefits on maturity, as it had been assumed that the 1.00 % adjustment could easily be generated by means of the insurance company's surpluses.

In the course of many years of low interest rates on the capital markets, it has become increasingly obvious that, in particular, reinsurance contracts with a high guaranteed interest rate see hardly any allocations of surpluses and that the insurers can therefore not guarantee that the benefits will be adjusted in the guaranteed amount. Nevertheless, the commitments were adjusted by 1.00 % as agreed. The adjustment is financed in retrospect by making annual one-off payments to the insurance company. As such, this constitutes a systematic underinsurance, the future amount of which will be shown in the balance sheet by means of the closest possible estimate. This means that these commitments are now classified and recognised as defined benefit plans (IAS 19.46).

The reinsurance cover of the MUK e.V. benefits has meanwhile been changed; new pension commitments are no longer subject to underinsurance from adjustment obligations as the 1.00 % adjustment guarantee was included in the cover. The amount of the underinsurance was determined using an actuarial expert report, which calculates the present value of the future underinsurance on the basis of the vested benefit claims. A discount rate of 3.5 % (previous year: 3.2 %) was applied to calculate the underinsurance, while a rate of 2.5 % p.a. was used to show the insurance company's overall interest burden (previous year: 2.1 % p.a.). Further, the calculation is based on the assumption that the share of persons entitled to benefits that will chose ongoing pension payments rather than a one-off payment will continue to amount to approximately 5 %. The assumptions regarding the total interest of the reinsurance company and the assumption for the current pension benefits are reviewed every year and adjusted whenever required.

The guaranteed interest rate under the reinsurance cover is:

For contracts until 2003	3.25 % p. a.
For contracts until 2006	2.75 % p. a.
For contracts until 2011	2.25 % p. a.
For contracts until 2014	1.75 % p. a.
For contracts until 2016	1.25 % p. a.
For contracts until 2021	0.90 % p. a.
For contracts from 2022 onwards	0.25 % p. a.
For contracts from 2025 onwards	1.00 % p. a.

The underinsurance resulting from these calculations amounts to EUR 154 thou. (previous year: EUR 170 thou.), while the reinsurance cover has an asset value of EUR 16.3 mill. (previous year: EUR 16.5 mill.), meaning that underinsurance is 0.9 % (previous year: 1.0 %) of the reinsurance value.

The values recognised in the balance sheet show the following development:

In thousands of €	31.12.2024	31.12.2023
Development of recognition in the balance sheet		
Present value of the DBO	16,483	16,645
Fair value of plan assets	-16,329	-16,475
Net defined benefit liability at the end of the financial year	154	170
Net defined benefit liability at the end of the preceding financial year	170	201
Service cost	770	1,005
Net interest income on the reported net liability	-7	-11
Remeasurements recognised in other comprehensive income	-73	-244
Employer contributions	-706	-768
Benefits paid directly by the employer	-	-13
Net defined benefit liability at the end of the financial year	154	170

The net liability breaks down to beneficiaries as follows:

	31.12.2024	31.12.2023
Active employees	16,372	16,526
Departed employees with vested rights	13	14
Pensioners	98	105
DBO at the end of the financial year	16,483	16,645

The present value of the DBO showed the following development:

In thousands of €	31.12.2024	31.12.2023
DBO at the end of the preceding financial year	16,645	16,501
Current service cost	770	1,005
Interest expense on DBO	520	583
Actuarial gain (-) / loss (+) due to experience-based adjustment to the obligation	-495	-669
Actuarial gain (-) / loss (+) due to change in financial assumptions	-9	12
Benefits paid from plan assets	-948	-774
Benefits paid directly by the employer	0	-13
Pension obligations at the end of the financial year	16,483	16,645

The fair value of the plan assets hereby developed as follows:

In thousands of €	31.12.2024	31.12.2023
Fair value of plan assets at the end of the preceding financial year	16,475	16,300
Income from plan assets calculated with the discount rate	527	594
Amount by which the actual income of the plan assets in the current financial year exceeds/falls short of the income calculated with the discount rate	-431	-413
Employer contributions	706	768
Benefits	-948	-774
Fair value of plan assets at the end of the financial year	16,329	16,475

99.1 % of the pension obligation (previous year: 99.0 %) is covered by the fair value of plan assets.

The total pension cost of this pension commitment amounts to EUR 690 thou. (previous year: EUR 749 thou.), of which EUR 763 thou. (previous year: EUR 994 thou.) is recognised through profit and loss, while income of EUR 73 thou. (previous year: income of EUR 245 thou.) is recognised in other comprehensive income.

The pension cost developed as follows:

In thousands of €	2024	2023
Consolidated profit and loss account		
Current service cost	770	1.005
Net interest expense/(income) on the reported net defined benefit liabilities (/assets)	-7	-11
Pension costs, recognised in consolidated profit and loss account	763	994
Other comprehensive income		
Actuarial gain (-) / loss (+) due to experience-based adjustment to the obligation	-495	-669
Actuarial gain (-) / loss (+) due to change in actuarial assumptions (on the obligation side)	-9	11
Actuarial gain (-)/loss (+) accrued in the course of the financial year		
Gain (-) / loss (+)	-504	-658
Amount by which the actual income of the plan assets in the current financial year exceeds/falls short of the income calculated with the discount rate	431	413
Remeasurements recognised in other comprehensive income	-73	-245
Total pension costs	690	749

The expected benefits for the coming year are forecast at EUR 948 thou., while the current service and interest expenses for the expected pension obligations are estimated at EUR 708 thou. and net interest expense at EUR 560 thou.

For the year 2025 employer contributions to the plan assets are expected to amount to EUR 706 thou., benefits to be paid from the plan assets to EUR 948 thou. and income from plan assets to EUR 567 thou.

The following benefit payments are forecast for the coming years:

In thousands of €	
Expected benefit payments for the year 2025	8
Expected benefit payments for the year 2026	16
Expected benefit payments for the year 2027	17
Expected benefit payments for the year 2028	17
Expected benefit payments for the year 2029	17
Expected benefit payments for the years 2030 to 2034	83

The mean Macaulay duration of the entire pension portfolio is 18.0 years (previous year: 18.0 years) and describes the weighted (in terms of payment and interest) average term to maturity of the pension obligations. MEDICLIN terminated the works agreement underlying this pension plan as of 31 December 2018. However, employees who joined an eligible MEDICLIN company before 31 December 2018 and have not received an employer-financed pension commitment will continue to receive employer-financed basic benefits under the MediClinRent scheme. Employees with ongoing vesting periods will also receive entitlements under the MediClinRent scheme. The existing MediClinRent contracts, including both employer-financed basic benefits and contracts financed by the employees themselves by means of deferred compensation, will be continued without limitations in accordance with the applicable defined contribution plans.

Due to the fact that in the above-mentioned pension plans no new beneficiaries are added to the schemes, meaning that only the existing benefit claims are to be settled from these obligations, no additional risks can be identified at the moment which would result in a future risk concentration. Appropriate provisions were set aside for the systematic underinsurance of MUK e.V. No other risk concentrations can be identified in connection with the investment of the plan assets since most of the investments of the plan assets of MAUK are short term. MUK e.V.'s plan assets consist exclusively of reinsurance policies.

DEFINED CONTRIBUTION PLANS

The total expenses of the MEDICLIN Group from defined contribution plans, including the employer contribution for payments to the German pension insurance, amounted to EUR 26.4 mill. in 2024 (2023: EUR 26.7 mill.).

EUR 0.8 mill. thereof (previous year: EUR 0.8 mill.) pertain to amounts that MEDICLIN paid to several public supplementary pension funds or relief funds on the basis of collective wage agreements in force. These schemes are called multi-employer plans as this type of pension and relief fund insures employees from a multitude of member companies. The schemes are generally classified as defined benefit plans under IAS 19.30 as the employees have a legal claim to the benefits defined in the articles of association, irrespective of the amounts that were actually paid in. It is not possible for the affected facilities to obtain the figures on the fund assets attributable to the Company from these insurers that would be required for calculating and measuring a potential underinsurance. As the corresponding information on future payment obligations is thus not available, it is prohibited to set aside provisions in accordance with IAS 19. Pursuant to IAS 19.34a, the obligation must be recognised as a defined contribution plan.

The insurers in question include Rheinische Zusatzversorgungskasse (RZVK), Zusatzversorgungskasse der Stadt Hannover (ZVK Hannover) and Unterstützungskasse für Krankenhäuser in Mecklenburg-Vorpommern e.V. (UMVK).

RZVK is a special fund of Rheinische Versorgungskassen headquartered in Cologne. The fund's assets are held as a special fund. The fund grants its members' employees an additional pension when they retire, suffer a reduction in earning capacity or pays a pension to the surviving dependants if they die. Persons insured under the compulsory insurance are allocated to the settlement funds Abrechnungsverband I and II (AV I and AV II). MEDICLIN belongs to Abrechnungsverband I that is managed as a pay-as-you-go and capital-funded system (hybrid financing). In the scope of the so-called Abschnittdeckungsverfahren that is used for financing the scheme, a pay-as-you-go contribution is determined on the basis of the salary of the employees insured under the compulsory insurance. In order to cover the benefits that arose under the previous general contribution scheme, RZVK additionally charges a recapitalisation fee (Sanierungsgeld), which is used to build up separate ring-fenced funds within the assets of ZVK. The recapitalisation fee (3.5 %) and the pay-as-you-go contribution (4.25 % of salaries subject to such contributions) remained unchanged in the 2024 financial year. The financing rate will remain unchanged in 2025. In total, an amount of EUR 0.7 mill. was paid both in the reporting year and the previous financial year, and the contributions for 2025 will remain at more or less the same level.

ZVK Hannover is a legally dependent pensions fund of the federal state capital Hannover and, by way of a private pension, grants its members' employees an additional pension when they retire, suffer a reduction in earning capacity or pays a pension to the surviving dependants if they die. Persons insured under the compulsory insurance are also allocated to two settlement funds (Abrechnungsverband I and II – AV I and AV II), of which MEDICLIN is allocated to AV I. The compulsory insurance of ZVK Hannover is financed exclusively via pay-as-you-go contributions and recapitalisation fees. The pay-as-you-go contribution is unchanged at 5.07 %. In order to finance the entitlements and deferred benefits incurred before 1 January 2002, ZVK Hannover charges an unchanged recapitalisation fee of 3.00 % to cover any additional capital required beyond the pay-as-you-go payments. The employers of the insured beneficiaries thus need to expend 8.07 % of the salary subject to compulsory insurance. The compulsory insurance is not subject to employee contributions or an additional charge for building up capital cover. The financing rate will remain unchanged in 2025. EUR 0.1 mill. (previous year: EUR 0.1 mill.) was spent on this in the reporting year and the contributions for 2025 are expected to remain at the same level.

UMVK grants a pension as soon as the required age limit is reached either as a one-off payment of retirement assets or a monthly pension of the same value that will be paid for the rest of the life. Moreover, during the service period of the beneficiary, the fund grants a one-time payment to surviving dependants and a monthly pension if the beneficiary becomes unable to work. The benefits are paid out to the beneficiary by UMRK. The amount of the benefits depends on the contributions that amount to between 1.0 % and 1.5 % of the eligible income. The disability pension amounts to 0.25 % of the retirement assets. One clinic was a member of UMRK in the 2024 financial year. In total, an amount of EUR 0.1 mill. was paid both in the reporting year and the previous financial year, and the contributions for 2025 will remain at more or less the same level.

The Group concluded a new works agreement regarding occupational pensions on 1 October 2020, which came into force on 1 January 2020. According to this agreement, employees that joined a MEDICLIN company since 1 January 2019 and employees who joined a MEDICLIN company after 1 January 2019 and have not yet received an employer-financed pension commitment are eligible for such commitment. This new occupational pension scheme is no longer purely employer-financed; instead, the beneficiaries contribute to financing their pensions.

MEDICLIN AG concluded a group insurance contract with "KlinikRente Versorgungswerk" on the new occupational pension scheme. This occupational pension scheme is a defined contribution plan in the form of direct insurance that is partly financed by deferring gross compensation (mixed financing). In this context, MEDICLIN grants all eligible employee a pension allowance subject to the condition that the employee also makes a contribution. The employer allowance amounts to EUR 40.00 per month and is subject to the following conditions:

- The employees conclude a deferred compensation agreement under the group insurance contract with KlinikRente for at least 1.00 % of the sum total of all their fixed monthly salary components (employee contribution).
- The payment of the full employer allowance of EUR 40.00 is furthermore conditional on the employees waiving any claims to employer contributions to capital formation (vermögenswirksame Leistungen) that they might have. Otherwise, any employer contributions to capital formation that might be paid will be offset against the claim to the employer allowance to the occupational pension scheme.
- The employees have been with the Company for at least six months and the employment relationship has not been terminated. A fixed-term employment contract does not affect the entitlement to this benefit.
- The employer allowance to the occupational pension scheme will only be paid for contracts under the KlinikRente group insurance contract and after the employees have applied for such allowance in writing.

In addition to the EUR 40.00 allowance per month, MEDICLIN pays 15.0 % of the deferred compensation as employer contribution into the direct insurance plan, provided MEDICLIN saves social security contributions in connection with the deferred compensation. If employees leave the employment before the benefits become due, they retain a partial entitlement to benefits under the plan, even if the statutory vesting periods have not yet been met at this stage.

The employer contribution is increased by 1.00 % every year on 1 July. The first increase came into effect on 1 July 2021. The 1.00 % clause for the employee contribution that is the precondition for the employer allowance is reviewed on 1 July of every year. If the review reveals that the employee contribution must be increased by at least EUR 5.00 in order to meet the 1.00 % clause, the amount of deferred compensation must be increased. The pension payments commence on the first of the month following the employee's 67th birthday. Early retirement benefits can be claimed after an employee has turned 62. Payments may be deferred until an employee turns 72. The death benefit that is agreed under this scheme after commencement of pension payments is a benefit amounting to 20 times the guaranteed

annual pension after commencement of pension payments less any guaranteed pensions already paid since commencement of pension payments. The employer allowance for this retirement scheme amounted to EUR 302 thou. in the 2024 financial year (previous year: EUR 265 thou.). In total, 854 KlinikRente contracts were concluded since the new pension scheme came into force (until 31.12.2023: 708).

Furthermore, a defined contribution plan within the scope of the statutory social security pension fund is in place for all employees. The employer is obliged to pay 9.3 % of the salary that is subject to pension contributions into this scheme (employer contribution); the contribution rate of 9.3 % has not changed since the previous year. The employer contributions amounted to EUR 25.6 mill. in 2024 (previous year: EUR 25.9 mill.).

(22) OTHER PROVISIONS

In thousands of €	31.12.2024	31.12.2023
Provisions for renewal of lease agreements	174	174
Provisions for archival storage	1,747	1,563
Provisions for insurance	463	496
	2,384	2,233

The provision for the renewal of lease agreements relates to future reinstatement costs in connection with the lease of the MEDICLIN medical care centre in Leipzig. The provisions for archival storage cover accrued costs for external archiving pursuant to the legal obligation to retain business records. The provisions for insurances are related to the risks under liability insurance (KSA Kommunaler Schadensausgleich) for one hospital. It is assumed that the provisions for insurances will be used annually for another nine years (previous year: ten years).

It is not anticipated that the provisions for the renewal of lease agreements recognised as of 31 December 2024 will be consumed in the coming year.

The following overview shows the development of provisions in the reporting year:

In thousands of €	As of 01.01.2024	Additions	Interest	Consumption	Reversal	As of 31.12.2024
Provisions for renewal of lease agreements	174	0	0	0	0	174
Provisions for archival storage	1,563	183	1	0	0	1,747
Provisions for insurance	496	27	0	53	7	463
	2,233	210	1	53	7	2,384

(23 + 31) LIABILITIES PURSUANT TO HOSPITAL FINANCING LAW (KHG)

In thousands of €	Non-current	Current	Total 31.12.2024	Non-current	Current	Total 31.12.2023
Subsidy liabilities pursuant to KHG						
Thereof individual subsidies	38,559	34,056	72,615	38,899	18,538	57,437
Thereof lump-sum subsidies	0	8,757	8,757	0	6,716	6,716
	38,559	42,813	81,372	38,899	25,254	64,153

The liabilities pursuant to the Hospital Financing Act (KGH) totalling EUR 81.4 mill. on the balance sheet date 31 December 2024 (31.12.2023: EUR 64.2 mill.) mainly refer to subsidies for the construction of new clinics at three locations. EUR 21.0 mill. thereof (previous year: EUR 21.9 mill.) pertain to a new clinic for neurology, neurointensive care and neurophysiology at the location of MEDICLIN Hedon Klinik in Lingen, which is receiving subsidies totalling EUR 20.0 mill. from the federal state of Niedersachsen. EUR 19.5 mill. (previous year: EUR 19.5 mill.) refer to subsidies for a new clinic for child and youth psychiatry at MEDICLIN Müritzklinikum in Röbel granted by the federal state of Mecklenburg-Vorpommern. Another EUR 11.8 mill. (previous year: EUR 5.7 mill.) pertain to subsidies for a new building at the location of MEDICLIN Seepark Klinik in Bad Bodenteich. The balance sheet item shows the individual subsidies for these construction measures that have not yet been used in accordance with their designated purpose. Further, the item includes subsidies under Section 14a German Hospital Future Act (KHZG) amounting to EUR 10.6 mill. (previous year: EUR 10.8 mill.) and fixed subsidies pursuant to state law provisions on hospital financing that were not yet used in accordance with their designated purpose.

(24) MISCELLANEOUS PAYABLES

In thousands of €	31.12.2024	31.12.2023
Anniversary obligations	1,605	1,507
Other non-current liabilities	741	0
	2,346	1,507

The provisions for anniversary obligations concern other non-current payable benefits pursuant to IAS 19. The provisions are calculated according to the projected unit credit method taking an interest rate of 3.20 % (previous year: 3.20 %) as a basis. If the interest rate increases or decreases by 0.50 or 0.25 percentage points, provisions change as follows:

In thousands of €	–0.50 %	–0.25 %	+0.25 %	+0.50 %
Discount rate (3.20 %)	+49	+24	–23	–46

Of the provisions for anniversary obligations, an estimated EUR 228 thou. will likely be used in the 2025 financial year, and EUR 1,377 thou. in the subsequent years. The interest component totalled EUR 47 thou. in the 2024 reporting year (previous year: EUR 56 thou.).

(27) OTHER PROVISIONS

In thousands of €	31.12.2024	31.12.2023
Provisions for billing risks/reimbursements	6,032	7,410
Provisions for Supervisory Board	52	39
Remaining provisions	4,871	4,890
	10,955	12,339

The provisions for billing risks refer to the review of rendered hospital services by the Medical Service (Medizinischer Dienst – MD) pursuant to Section 275 Book V of the German Social Security Code (SGB V). If the MD determines during this review that services rendered were not invoiced correctly, the invoice is adjusted. In principle, all treatments must be remunerated. However, following review by the MD, such remuneration may be partly reclaimed. When the financial statements are prepared, the risk of potential MD adjustments is assessed and accounted for by means of provisions (refund liabilities). Sales are thus reduced by the amount to be reimbursed. The remaining provisions include provisions for litigation risks, other warranties and potential additional reimbursement claims.

The following overview shows the development of provisions in the reporting year:

In thousands of €	As of 01.01.2024	Additions	Consumption	Reversal	As of 31.12.2024
Provisions for billing risks/reimbursements	7,410	1,384	2,761	1	6,032
Provisions for Supervisory Board	39	52	39	0	52
Remaining provisions	4,890	1,357	449	927	4,871
	12,339	2,793	3,249	928	10,955

(28) CURRENT INCOME TAX LIABILITIES

As of the balance sheet date on 31 December 2024 the current income tax liabilities amount to EUR 8.0 mill. (previous year: EUR 3.5 mill.).

(29) LIABILITIES PURSUANT TO THE HOSPITAL COMPENSATION ACT / FEDERAL DIRECTIVE ON NURSING CARE RATES

The liabilities pursuant to the Hospital Compensation Act refer to compensation obligations under the Hospital Compensation Act (KHEntG) or the Federal Directive on Nursing Care Rates (BPfIV) totalling EUR 8.0 mill. (previous year: EUR 9.2 mill.).

(30) MISCELLANEOUS FINANCIAL LIABILITIES

Miscellaneous financial liabilities pertain to the following circumstances:

In thousands of €	31.12.2024	31.12.2023
Cost of annual financial statements	1,957	1,870
Other procurement of materials	1,381	325
Legal and consultancy costs	555	111
Liabilities from third-party funds	297	105
Charges and fees	80	57
Liabilities from doctors' invoices	105	129
Energy and water supply	668	841
Accounts receivable	5,089	3,018
Insurance costs	95	566
Miscellaneous	1,785	777
	12,013	7,799

(32) MISCELLANEOUS PAYABLES

In thousands of €	31.12.2024	31.12.2023
Staff costs	17,792	17,488
Benefits under the protective shield to manage the pandemic	19,553	19,553
Payroll tax to be paid	4,451	4,759
Value added tax to be paid	640	195
Payments received	219	148
Deferred income	359	1,135
	43,014	43,278

Miscellaneous payables from staff costs mainly consist of the following:

In thousands of €	31.12.2024	31.12.2023
Vacation and flexitime entitlements	8,461	7,678
Profit-sharing bonus payments	4,313	4,617
Wage supplements	2,618	2,445
Bonus payments	635	644
Severance payments	590	643
Contributions to statutory accident insurance and prevention	884	998
Other staff costs	291	463
	17,792	17,488

Notes to the consolidated profit and loss account

(34) SALES

All sales of the Group were generated domestically. They are distributed as follows:

In millions of €	2024	2023
Post-acute	393.3	353.9
Acute	286.2	302.8
Nursing care	23.4	21.2
Benefits under the protective shield to manage the pandemic	0.0	7.6
Other sales	45.9	44.6
Sales	748.8	730.1

Sales of EUR 748.8 mill. in the 2024 financial year were EUR 18.7 mill. or 2.6 % higher than in the previous year. Adjusted for benefits received under the protective shield to manage the pandemic and adjusted for investments and divestments, operating sales increased by EUR 56.0 mill. or 8.3 % on the prior-year period.

Other sales include revenues from outpatient services, which total EUR 18.7 mill. (previous year: EUR 18.1 mill.). Furthermore, in addition to service revenues, other sales include revenues from the sale of pharmacy goods totalling EUR 5.1 mill. (previous year: EUR 5.3 mill.), from optional services totalling EUR 7.7 mill. (previous year: EUR 6.8 mill.), from private accommodation totalling EUR 3.1 mill. (previous year: EUR 2.8 mill.) and from cafeterias, kiosks and meals totalling EUR 6.7 mill. (previous year: EUR 5.9 mill.).

(35) OTHER OPERATING INCOME

Other operating income in the consolidated financial statements is structured as follows:

In millions of €	2024	2023
Subsidies	1.7	3.3
Own work capitalised	3.3	1.9
Rental income	0.9	1.1
Services to staff	0.6	0.7
Other sales	9.8	29.7
Other operating income	16.3	36.7

Income from the release of provisions and liabilities is generally offset against the expenses for which the provisions were set aside. In 2024 this amounts to EUR 4.7 mill. (previous year: EUR 2.3 mill.). Own work capitalised includes construction and architectural services.

The largest individual item within other income refers to energy allowances of EUR 2.8 mill. (previous year: EUR 13.9 mill.).

(36) RAW MATERIALS AND CONSUMABLES USED

Raw materials and consumables used declined by EUR 8.3 mill. to EUR 129.1 mill. year-on-year (previous year: EUR 137.4 mill.). The most pronounced declines refer to medical supplies (EUR –5.6mill.) and external medical staff (EUR –5.4 mill.). The expenses for laboratory tests in the cost of purchased services item also declined noticeably by EUR 1.6 mill. The higher occupancy rate, but also the higher prices, took expenses for catering up by EUR 1.4 mill. compared to the previous year. Following a decline of EUR 3.4 mill. in 2023, the cost of energy also increased again in the reporting year by EUR 1.9 mill. The cost of materials ratio of 17.2 % was clearly below the prior-year figure of 18.8 %.

In millions of €	2024	2023
Operating supplies	25.6	24.1
Medical supplies	51.9	57.5
Other raw materials and supplies incl. price deductions/bonuses/cash discounts	–0.4	–0.5
Raw materials and supplies	77.1	81.1
Energy/water/sewage	21.3	19.1
Third-party housekeeping and facility services	8.8	8.5
External medical services	9.0	11.2
Other third-party services	3.7	2.9
External medical staff	9.2	14.6
Purchased services	52.0	56.3
Raw materials and consumables used	129.1	137.4

(37) STAFF COSTS

Staff costs of EUR 466.3 mill. were 1.2 % higher than in the previous year (previous year: EUR 460.6 mill.). The staff costs ratio for the 2024 financial year was 62.3 % (previous year: 63.1 %).

In millions of €	2024	2023
Wages and salaries	392.4	388.1
Social security, pensions and retirement	73.9	72.6
Thereof pension costs	2.2	2.2
Staff costs	466.3	460.6

Pension expenses incurred in addition to those for statutory pension insurance, including contributions to external pension schemes, totalled EUR 2.2 mill. (previous year: EUR 2.2 mill.). They concern the following:

In thousands of €	2024	2023
Contributions to		
Defined benefit plans	1,339	1,319
Defined contribution plans	860	847
Other pension-related expenses	14	58
	2,213	2,224

EUR 823 thou. of the expenses for defined benefit plans (previous year: EUR 1.016 thou.) is attributable to MUK e.V., while EUR 515 thou. (previous year: EUR 303 thou.) refers to MAUK and Kraichgau-Kliniken. The large MUK share is due to the fact that more than 99,1 % of its pension commitments are covered by a reinsurance policy. The expenses mainly refer to payments made by MEDICLIN to the insurance coverage provider. The defined benefit plans of MAUK and Kraichgau-Kliniken, in turn, are mainly financed by setting aside a corresponding provision (please refer to note (22)). As, when calculating the pension provisions for the financial year, the interest portion accounts for approximately 98.9 % (previous year: 98.4 %) of the pension costs to be reported in the consolidated profit and loss account and shown in the financial result, contributions to the defined benefit plans are correspondingly low. The payments into defined contribution plans refer to allocations to three supplementary pension or relief funds. EUR 11 thou. (previous year: EUR 55 thou.) of the other pension-related expenses are payments to the insolvency insurance.

(38) OTHER OPERATING EXPENSES

Other operating expenses increased by EUR 4.1 mill. to EUR 65.9 mill. (previous year: EUR 70.0 mill.).

The expenses for short-term rents and leases that are not recognised applying IFRS 16 amount to EUR 2.6 mill. in the year under review (previous year: EUR 2.0 mill.). Low-value rents and leases that are long-term but not recognised applying IFRS 16 incurred expenses amounting to EUR 0.8 mill. (previous year: EUR 0.7 mill.). Value added tax is still included in the rental and lease expenses item as the latter are not recognised in accordance with IFRS 16.

In millions of €	2024	2023
IT and organisation	11.2	9.8
Office supplies	1.2	1.3
Telephone costs	0.7	0.7
Fleet, car costs	0.6	0.6
Rents and leases	4.9	4.3
Mail/freight/courier costs	0.9	1.0
Maintenance and repairs	18.8	18.1
Insurance costs	4.4	4.1
Legal and consultancy costs	6.6	6.0
Travel expenses	1.3	1.4
Contributions, fees, levies	2.7	2.3
Advertising and public relations	2.6	2.3
Other administrative expenses	3.9	3.9
Other miscellaneous expenses	6.1	14.2
Other operating expenses	65.9	70.0

(39) DEPRECIATION AND AMORTISATION

In the 2024 financial year depreciation and amortisation totals EUR 50.3 mill. (previous year: EUR 86.0 mill.). EUR 28.9 mill. thereof (previous year: EUR 27.4 mill.) pertains to depreciation of right-of-use assets. Another EUR 3.0 mill. (previous year: EUR 36.0 mill.) pertains to intangible assets. In the previous year, goodwill amounting to EUR 33.1 mill. was written off. EUR 18.4 mill. (previous year: EUR 22.6 mill.) is attributable to property, plant and equipment.

(40) FINANCIAL RESULT

The financial result is structured as follows:

In millions of €	2024	2023
Interest and similar income	2.6	2.5
Interest and similar expenses	–24.0	–23.9
Financial result	–21.4	–21.4

Interest and similar income

In millions of €	2024	2023
Interest income from receivables	0.1	0.0
Interest deposit banks	2.5	1.5
Other interest-related income	0.0	1.0
Interest and similar income	2.6	2.5

Due to the increase in market interest rates since the end of 2022, banks have once again been paying interest on invested cash and cash equivalents and sight deposits. EUR 980 thou. of the other interest-related income in the previous year refers to corporate tax refunds for 2010 until 2014 and 2017 until 2020.

Interest and similar expenses

In millions of €	2024	2023
Interest on loans	3.6	3.3
Interest on pension provision	1.3	1.4
Interest from lease liabilities (IFRS 16)	18.8	19.0
Other interest-related expenses	0.3	0.2
Interest and similar expenses	24.0	23.9

The interest on loans relates almost exclusively to a syndicated loan, which is also affected by the increased interest rate levels. We refer in this respect to note (19+25) on liabilities to banks. An overview of future interest payments is presented in the section on non-current liabilities.

(41) TAXES ON INCOME

The taxes on income are structured as follows:

In thousands of €	2024	2023
Actual taxes on income	7,661	2,100
Deferred tax income from the recognition and derecognition of temporary differences	– 455	– 65
	7,206	2,035

Reconciliation of earnings before taxes to income tax expenses is as follows:

In thousands of €	2024	2023
Consolidated result before tax	32,119	– 8,689
Resultant calculational tax charge (15.825 %)	5,083	– 1,375
Tax effect on profit/loss from		
income tax expenses/income from previous years	607	– 3,259
goodwill impairment	0	5,458
non-capitalisable losses in the financial year	250	– 399
revision of capitalised losses/deferred taxes of previous years	697	1,675
trade tax expenses/income in the financial year	229	– 70
non-deductible expenses	26	22
others	313	– 17
Actual tax expense	7,205	2,035

**(42) TOTAL CONSOLIDATED RESULT PER SHARE
ATTRIBUTABLE TO SHAREHOLDERS OF MEDICLIN AG**

The undiluted earnings per share are calculated by dividing the profit or loss attributable to equity holders by the average number of shares outstanding during the financial year, with the exception of any treasury stock held by the Company. New shares were issued neither in the current nor in the previous year. Earnings per share are thus not diluted.

	2024	2023
Result after tax attributable to shareholders of MEDICLIN AG in thousands of €	24,839	– 10,776
Average number of shares outstanding in thousands	47,500	47,500
Undiluted earnings per share in €	0,52	– 0,23

(43) OTHER COMPREHENSIVE INCOME

The amounts recognised in other comprehensive income refer to remeasurements pursuant to IAS 19 resulting from a change in parameters used for the valuation of pension provisions at the end of the reporting period, such as discount rate and salary or pension trends, compared to the parameters assumed at the beginning of the reporting period. The resulting amount is then offset directly against equity or the revenue reserve in consideration of the respective deferred taxes. It is not possible to reclassify these to the profit and loss account at a later date.

Other disclosures

Number of employees by area of activity

The average number of employees, on the basis of full-time employees and excluding the Management Board, managing directors and trainees, is as follows:

Shown in full-time employees	2024	2023	Change
Medical	796	825	–29
Nursing care	2,252	2,330	–78
Medical-technical	1,422	1,442	–20
Functional	385	393	–8
Medical services	4,855	4,990	–135
Support functions	1,114	1,101	+13
Technical	152	152	0
Administration	605	604	+1
Other	23	31	–8
Non-medical services	1,894	1,888	+6
	6,749	6,878	–129

Contingencies and other financial obligations

Contractual obligations totalling approximately EUR 11.8 mill. existed in connection with the acquisition of property, plant and equipment as of 31 December 2024 (previous year: approximately EUR 1.1 mill.). There were no other significant contingencies or financial obligations as of the cut-off date.

MEDICLIN AG issued a letter of comfort to the lessor (PATRIZIA Frankfurt Kapitalverwaltungsgesellschaft mbH) in connection with the long-term leases for 20 clinics. MEDICLIN AG undertakes in this letter of comfort to fund the lessee at all times in such a way that the lessee can fulfil all current and future obligations towards the lessor under the leases as agreed. The lessee's payment obligations also include claims to compensation of damages by the lessor.

In order to finance the loan for the acquisition of MEDICLIN Rose Klinik, a joint and several surety was entered into by MEDICLIN AG in the amount of EUR 7.6 mill.

MEDICLIN AG assumed direct liability for the liabilities under the loan agreement in connection with the EUR 20.0 mill. investment loan in order to finance the new construction at the MEDICLIN Hedon Klinik location in Lingen.

In order to obtain a license for a medical care centre in the form of a legal entity under private law, one condition is that the partners submit directly liable suretyships for receivables of the associations of statutory health insurance physicians and health insurance funds to the medical care centre for services performed by statutory health service physicians. MediClin GmbH & Co. KG submitted the required suretyships for the medical care centres it operates.

In order to exercise the option pursuant to Section 264 (3) German Commercial Code (HGB) for several subsidiaries (please refer to "List of shareholdings"), MEDICLIN AG declared its willingness to provide a guarantee for the obligations entered into by these subsidiaries until the reporting date on 31 December 2023, such guarantee being valid for the subsequent year (letter of comfort).

Financial risk management

Within the framework of its business activities, the Group is primarily exposed to credit risk, as well as to liquidity and refinancing risks. Credit risk means the risk of a contracting partner's inability to pay, or deterioration of the contracting party's credit standing. As MEDICLIN generates almost all of its sales (more than 99,0 %) with social security pension funds as well as with public and private health insurance funds, this risk is considered to be low. Liquidity risk relates to the risk of MEDICLIN not being able to meet its current or future payment obligations to the full extent or within the time stipulated. Refinancing risk is a special form of liquidity risk, which arises when the liquidity required cannot be provided at the expected terms and conditions. Prudent liquidity management comprises maintaining sufficient resources of liquid assets in addition to an adequate volume of approved lines of credit, as well as, in the medium term, the ability to issue securities on the market. Sufficient liquid assets are available to strengthen the liquidity position as well as provide sufficient financing resources for organic growth. As the business environment in which the Group operates has seen increased momentum in the past years, management aims to retain the required flexibility in financing capacity through an adequate volume of unused lines of credit. A further measure to cover these risks is the Group-wide liquidity supply through central cash pool management. In addition, the Group is exposed to an interest rate risk due to the potential changes in market interest rates. A risk provision for expected deposit losses was set aside as per IFRS 9 (EUR 83 thou.; previous year: EUR 98 thou.).

The maximum exposure to default risk is represented by the carrying amount of each financial asset as reported in the balance sheet. Because the counterparties to the receivables are prime financial institutions, the Group expects them to meet their obligations. Consequently, MEDICLIN believes that its maximum exposure to default risk is reflected by the amount of trade receivables and other current assets, net of valuation adjustments recognised as of the balance sheet date. For more information, please refer to the risk and opportunity report in the management report.

Lines of credit

As described in note (19+25) Liabilities to banks, the syndicated loan agreement includes a credit line not yet utilised amounting to EUR 15 mill. (Facility B). Following repayment of the funds already drawn under this loan (EUR 25.0 mill.), the available line increases to EUR 40.0 mill. as from 31 December 2024. Furthermore, the syndicated loan agreement provides for an option to increase the line by a maximum of EUR 20.0 mill., which is as yet unused. The Group can make up to two requests to increase the loan, of which no more than EUR 10.0 mill. may refer to Facility B. Such request must amount to at least EUR 10.0 mill. or any other integer multiple of EUR 1.0 mill. Furthermore, the Group has an agreement with another bank pertaining to an unused credit line amounting to EUR 9.87 mill.

Supervisory Board in the 2024 financial year

Dr. Jan Liersch (Chairman), Düsseldorf

Managing Director of Broermann Holding GmbH, Königstein im Taunus

Managing Director of RKG Reha-Kliniken GmbH, Königstein im Taunus

Managing Director of Broermann Health & Heritage Hotels GmbH, Königstein im Taunus

President of the Administrative Board Broermann Medical AG, Montreux (CH)

President of the Administrative Board Hotel Montreux Palace SA, Montreux (CH)

President of the Administrative Board Hotel Suisse Majestic SA, Montreux (CH)

Managing Director of Atlantic Hotel Betriebsgesellschaft mbH, Königstein im Taunus

Liquidator of CeMeT GmbH i.L., Tübingen

Supervisory Board mandates in comparable domestic and foreign bodies:

Chairman of the Supervisory Board of

- RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt an der Saale
- Asklepios Kliniken Hamburg GmbH, Hamburg

Member of the Supervisory Board of

- Asklepios Kliniken GmbH & Co. KGaA, Hamburg
- Universitätsklinikum Gießen und Marburg GmbH, Gießen

Hans Hilpert¹ (Vice Chairman), Bexbach-Oberbexbach

Sports Therapist, MEDICLIN Bliestal Kliniken GmbH & Co. KG, Offenburg

Michael Bock, Leverkusen

Managing Director of REALKAPITAL Vermögensmanagement GmbH, Leverkusen

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- TTL Beteiligungs- und Grundbesitz-AG, München
- Deutsche Immobilien Chancen AG & Co. KGaA, Frankfurt am Main

Barbara Brosius, Kronberg im Taunus (until 06.06.2024)

Management Consultant

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Dr. Julia Dannath-Schuh, Meilen (CH)

Vice President for Personnel Development and Leadership of Eidgenössische Technische Hochschule Zürich

Vice President of the Administrative Board of Alsia & Partners AG, Zürich (CH)

Member of the Administrative Board of Business Tools AG, Zürich (CH)

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt an der Saale

Walburga Erichsmeier¹, Blomberg

Deputy District Manager at ver.di trade union for the district of Ostwestfalen-Lippe

¹ Employee representative on the Supervisory Board

Joachim Gemmel, Hamburg (since 05.03.2024)

Chief Executive Officer (CEO) of Asklepios Kliniken GmbH & Co. KGaA, Hamburg (since 12.02.2024)

Chief Operating Officer (COO) of Asklepios Kliniken GmbH & Co. KGaA, Hamburg (since 12.02.2024)

Managing Director of Asklepios Kliniken Management GmbH, Königstein

Managing Director of Asklepios Kliniken Hamburg GmbH, Hamburg

Managing Director of Asklepios Zentrallager Besitzgesellschaft mbH, Hamburg (ab 05.04.2024)

Managing Director of Asklepios OP-Zentrum GmbH, Hamburg

Managing Director of Asklepios Westklinikum Hamburg GmbH, Hamburg

Managing Director of Asklepios Service Entlassmanagement GmbH

Chairperson of the Board of Unterstützungskasse Asklepios Kliniken Hamburg e.V.

Deputy Chairperson of the Board of Hamburgischen Krankenhausgesellschaft e.V., Hamburg (since 01.01.2024)

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt an der Saale (since 18.03.2024)

Kai Hankeln, Bad Bramstedt (until 13.02.2024)

Chief Executive Officer (CEO) of Asklepios Kliniken Group (until 12.02.2024)

Chairman of the Management Board of Asklepios Kliniken GmbH & Co. KGaA, Hamburg (until 12.02.2024)

Managing Director of Asklepios Kliniken Management GmbH, Falkenstein im Taunus (until 12.02.2024)

Managing Director of Asklepios Zentrallager Besitzgesellschaft mbH, Hamburg (until 12.02.2024)

Supervisory Board mandates in comparable domestic and foreign bodies:

Chairman of the Supervisory Board of

- Asklepios Fachklinikum Stadtroda GmbH, Stadtroda (until 12.02.2024)

Member of the Supervisory Board of

- RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt an der Saale (until 12.02.2024)

Michael Herbstritt¹ (since 05.03.2025)

Trade Union Secretary ver.di ver.di Südbaden Schwarzwald

Dr. med. Sigrid R.-M. Krause¹, Bad Münde

Director of Psychosomatics and Psychiatry as well as Head Physician of the clinic for acute psychosomatics and

Head Physician of the rehabilitation clinic for psychosomatics and behavioural medicine of MediClin GmbH & Co. KG,

Bad Münde branch

Rainer Laufs, Kronberg im Taunus (until 06.06.2024)

Independent Business Consultant

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Thomas Müller¹, Neunkirchen (until 06.01.2025)

District Manager at ver.di trade union for the Saar Trier region (until 31.10.2024)

Deputy Chairperson of Arbeitskammer des Saarlandes

Managing Director of Arbeit und Kultur Saarland gGmbH, Saarbrücken

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- Deutsche Fachkräfteagentur für Gesundheits- und Pflegeberufe GmbH, Saarbrücken

¹ Employee representative on the Supervisory Board

Hafid Rifi, Friedberg (since 06.06.2024)

Chief Financial Officer (CFO) of Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Managing Director of Asklepios Kliniken Management GmbH, Königstein im Taunus

Managing Director of Asklepios Business Services Hamburg GmbH, Hamburg

Managing Director of Asklepios Business Services GmbH, Königstein im Taunus

Managing Director of Poly Z Med GmbH, Königstein im Taunus

Managing Director of Asklepios International Beteiligungsgesellschaft mbH, Königstein im Taunus

Managing Director of Asklepios International GmbH, Königstein im Taunus

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt an der Saale
- Universitätsklinikum Gießen und Marburg GmbH, Gießen
- Asklepios Kliniken Hamburg GmbH (since 24.07.2024)

PD Dr. Sarah Sheikhzadeh, Hamburg (until 06.06.2024)

Chief Medical Officer (CMO) of Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Chief Medical Officer (CMO) of RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt an der Saale (since 01.07.2024)

Managing Director of Asklepios Kliniken Hamburg GmbH, Hamburg

Managing Director of Asklepios Kliniken Management GmbH, Königstein im Taunus

Managing Director of Asklepios Medical School GmbH, Hamburg

Managing Director of Asklepios Science & Research GmbH, Königstein im Taunus

Managing Director of INSTITUT FÜR KLINISCHE FORSCHUNG Semmelweis Universität,

Campus Hamburg gGmbH, Hamburg

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt an der Saale (ab 05.06.2024)
- Universitätsklinikum Gießen und Marburg GmbH, Gießen

Marnik Schiffler¹, Bad Rappenau (since 06.06.2024)

Sports Therapist, Kraichgau-Klinik Bad Rappenau GmbH & Co. KG, Offenburg

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Elke Schwan¹, Bad Soden-Salmünster

Masseurin and Medical Pool Attendant, MEDICLIN Reha-Zentrum Bad Orb GmbH & Co. KG, Offenburg

Frauke Schwedt¹, Hamburg

Psychologist / Psychological Psychotherapist, MediClin GmbH & Co. KG, Soltau branch

Daniela Sternberg-Kinzel¹, Karlshagen (until 06.06.2024)

Head of Patient Administration, MEDICLIN Dünnewald Klinik GmbH & Co. KG, Offenburg

¹ Employee representative on the Supervisory Board

Marco Walker, Hamburg

Chief Executive Officer (CEO) of Asklepios Kliniken Group (since 12.02.2024)

COO of Asklepios Kliniken GmbH & Co. KGaA, Hamburg (since 12.02.2024)

Managing Director of Asklepios Kliniken Management GmbH, Königstein im Taunus

Managing Director of Fürstenberg Institut GmbH, Hamburg

Managing Director of Poly Z Med GmbH, Königstein im Taunus

Supervisory Board mandates in comparable domestic and foreign bodies:

Member of the Supervisory Board of

- Meierhofer AG, München
- Universitätsklinikum Gießen Marburg GmbH, Gießen
- RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt an der Saale

Matthias H. Werner¹, Biberach (Baden)

Social Pedagogue (BA)/Adventure Pedagogue, MediClin GmbH & Co. KG, Offenburg branch

Cornelia Wolf, Immenstaad

REVISION Audit Consultants, Business Consultancy

Ausschüsse des Aufsichtsrats

In the 2024 financial year, the committees consisted of the following members:

General and Personnel Committee

Dr. Jan Liersch (Chairman)

Hans Hilpert (Vice Chairman)

Kai Hankeln (until 13.02.2024)

Joachim Gemmel (since 06.06.2024)

Rainer Laufs (until 06.06.2024)

Marco Walker (since 06.06.2024)

Thomas Müller (until 06.01.2025)

Dr. med. Sigrid R.-M. Krause

Audit Committee

Michael Bock (Chairman)

Walburga Erichsmeier

Matthias H. Werner

Cornelia Wolf

Nomination Committee

Dr. Jan Liersch (Chairman)

Michael Bock

Cornelia Wolf

**Mediation Committee pursuant
to Section 27 MitbestG**

Dr. Jan Liersch (Chairman)

Hans Hilpert (Vice Chairman)

Frauke Schwedt

Cornelia Wolf

RPT Committee

Cornelia Wolf (Chairman)

Dr. Julia Dannath-Schuh

Walburga Erichsmeier

Matthias H. Werner

¹ Employee representative on the Supervisory Board

Management Board

Dr. Joachim Ramming, Chief Executive Officer (CEO), with business address in Offenburg

Tino Fritz, Chief Financial Officer (CFO), with business address in Offenburg

Thomas Piefke, Chief Operating Officer (COO), with business address in Offenburg

Board remuneration

Total remuneration granted to the Management Board in the period under review for active board membership totalled EUR 1,636 thou. (previous year: EUR 1,997 thou.). It is comprised of amounts due in the short term (fixed remuneration) amounting to EUR 1,343 thou. (previous year: EUR 1,234 thou.) and a one-year variable remuneration component amounting to EUR 245 thou. (previous year: EUR 663 thou.). The remuneration due in the short term includes ancillary benefits amounting to EUR 93 thou. (previous year: EUR 101 thou.) that refer to payments in kind for the provision of company cars and employer contributions to health and nursing care insurance and, in individual cases, pension contributions. Other remuneration due in the long term (variable remuneration component for several years) is only incurred when the respective contract of employment comes to an end. The former COO resigned from the Management Board of MEDICLIN Aktiengesellschaft, effective as of 30 September 2023. EUR 60 thou. were paid for the LTI (long-term incentive) 2021 to 2023 and EUR 60 thou. for the pro-rated STI (short-term incentive) 2023 for January to September 2023 and EUR 148.0 thou. for the former COO in the 2024 reporting year. The base salary including ancillary benefits was paid for January to March 2024 (EUR 91 thou.). The former Chairman of the Management Board resigned from the Board on 30 June 2021. His contract of employment ended after 31 March 2023. In the 2024 financial year EUR 69 thou. was paid pro rata temporis for January to March 2023 based on the target achievement in 2023.

The total remuneration for the Supervisory Board in the reporting year totals EUR 236 thou. (previous year: EUR 240 thou.). This breaks down as follows:

In thousands of €	2024	2023
Basic remuneration	175	175
Attendance fees	42	45
Committee work remuneration	19	20
	236	240

The remuneration of the employee representatives on the Supervisory Board refers only to the remuneration they receive for their role on the Board. In the 2024 financial year, as in 2023, there were no loans to members of the Supervisory Board or the Management Board.

In order to prepare a remuneration report pursuant to Section 162 German Stock Corporation Act (AktG), the Management and the Supervisory Board of a listed company are obliged to prepare a clear and transparent annual report on the remuneration owed and granted by the Company or companies belonging to the Group in the past financial year to each individual current and former member of the Management Board and the Supervisory Board by names. The remuneration report is prepared in the financial year following the financial year to which the report refers. The remuneration report for 2024 will be presented to the Annual General Meeting of MEDICLIN Aktiengesellschaft for approval in 2025 (Section 120a (4) Sentence 1 German Stock Corporation Act (AktG)). After the resolution to approve the report has been passed, the remuneration report and the corresponding auditor's report are made available to the public on the Company website free of charge for ten years (Section 162 (4) AktG). The reports on the remuneration system of the Management Board and the remuneration system of the Supervisory Board are also available on the website.

Report concerning related parties pursuant to IAS 24

Related parties are defined as individuals or legal entities which either control or can exert a substantial influence over MEDICLIN AG as a reporting entity, or one of its subsidiaries. Moreover, related parties include individuals or legal entities which are either controlled by MEDICLIN AG or one of its subsidiaries, or upon which MEDICLIN AG or one of its subsidiaries can exert substantial influence, either directly or indirectly. This includes active members of the Management Board and the Supervisory Board of MEDICLIN AG and its majority shareholder, Asklepios Kliniken GmbH & Co. KGaA, Hamburg as well as its parent companies..

Related parties (companies)

Asklepios Kliniken GmbH & Co. KGaA, Hamburg, holds 52.73 % of MEDICLIN AG's share capital. The ultimate controlling party within the meaning of IAS 24.13 is Dr. Bernard große Broermann, the sole shareholder of Broermann Holding GmbH and, following his demise on 25 February 2024, the community of his heirs. Since MEDICLIN is included in the consolidated financial statements of Broermann Holding GmbH, Königstein im Taunus and the consolidated financial statements of the Asklepios subgroup, the subsidiaries of Broermann Holding GmbH and the other entities in which Dr. Bernard große Broermann or, following his demise, his heirs, hold a controlling interest or joint interest or considerable influence also classify as related parties in addition to MEDICLIN's own subsidiaries.

RHÖN-KLINIKUM Aktiengesellschaft and its subsidiaries also classify as related parties.

Since the 2017 financial year RHÖN-KLINIKUM Aktiengesellschaft and its subsidiaries have also been classified as related parties.

The companies of ERGO Group AG (ERGO), the second-largest shareholder of MEDICLIN AG with a share of 35.0 %, are also defined as related parties. ERGO is a subgroup of Münchener Rückversicherungs-Gesellschaft AG (Munich RE).

Furthermore, the special real estate asset OIK-Fonds MediClin is included in related parties as this special asset is controlled by ERGO in terms of IFRS 10 and included in the latter's consolidated financial statements. Extensive leases are in place between MEDICLIN and OIK-Fonds or its trustee, PATRIZIA Frankfurt Kapitalverwaltungsgesellschaft mbH, Augsburg. Based on these lease agreements, the future lease payments under these leases including administration costs total EUR 504.2 mill. as at 31 December 2024 (previous year: EUR 541.7 mill.). In addition to lease payments, MEDICLIN also has repayment claims vis-à-vis the fund from the advance financing of clinic expansions and other construction measures in the scope of these contracts.

The leases all entered into effect on 1 January 2023 and, in principle, have a fixed term of 15 years, apart from three sites, one of which has a longer and two of which have a shorter term.

Pursuant to IAS 24.9(b)(v), a related party is an entity that is related to the reporting entity if the entity has a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. These conditions apply to MAUK. MAUK is an incorporated pension scheme providing pension benefits to entitled former employees. These benefits are financed through the contributions of MEDICLIN to MAUK. Please find a detailed description of MAUK in note (21) Pensions and similar commitments.

Business relations to related parties amount to the following:

In millions of €	2024	2023
Income		
Reimbursement of energy cost allowances	0.0	6.8
Sales from post-acute, acute and nursing care services	3.1	3.2
Pension payments of MAUK	1.2	1.2
Sales from service contracts	2.0	1.5
Expenses		
Lease expenses	37.1	36.6
Administrative costs (previous year: real estate management costs)	0.4	0.4
Insurance premiums	1.6	2.1
Service contracts	2.4	2.6
Remuneration for key management personnel	2.2	3.2
Payments to MAUK	1.1	1.2
IT services	3.3	3.1
In millions of €	31.12.2024	31.12.2023
Receivables		
Energy cost allowance repayment claim	0.0	6.8
Repayment claim from preliminary financing of clinic expansion and building measures	0.6	0.8
Receivables from post-acute, acute and nursing care services	0.2	0.3
Receivables from service contracts	0.1	0.3
Liabilities		
Lease liabilities	377.3	379.4
Service contracts	0.1	0.1
IT services	0.2	0.1
Provisions for insurance premiums	0.1	0.3
Provisions for remuneration for key management personnel	0.8	0.9

Transactions with related parties are carried out in accordance with the arm's length principle.

The reimbursement of energy cost allowances in the previous year refers to a compensation claim towards Asklepios Kliniken GmbH & Co. KGaA pursuant to Section 311 (2) Sentence 2 German Stock Corporation Act (AktG) for the waiver of energy cost allowances by MEDICLIN AG's Group companies.

Sales in the post-acute, acute and nursing care segments refer to three private health insurance companies which are part of the ERGO group. These sales represent approximately 0.4 % (previous year: approximately 0.4 %) of sales.

The pension payments of MAUK are reflected by the corresponding payments to MAUK on the expenses side. The balance of pension payments made and received is, in turn, reflected in an increase or decrease of MAUK's fund assets.

Sales from service contracts consist primarily of remuneration for the payroll accounting of several Asklepios facilities performed by MediClin GmbH & Co. KG (2024: EUR 1,589 thou.; 2023: EUR 1,374 thou.).

Lease expenses refer to rent payments to OIK-Fonds MediClin for 20 clinic leases. Due to the application of IFRS 16 lease expenses are recognised in the profit and loss account as depreciation of right-of-use assets and in interest expenses. Due to the linear presentation of the payments, the presentation deviates from the actual cash flow of current lease payments.

According to the OIK leases, a lump-sum fee of 1.0 % of the respective current basic rent is charged for the administration of the properties.

Insurance premiums refer to payments resulting from various insurance agreements with subsidiaries of ERGO (2024: EUR 0.8 mill.; 2023: EUR 1.1 mill.). MediClin Unterstützungskasse (MUK) has further contracted a reinsurance policy with Victoria Lebensversicherung AG, a wholly owned subsidiary of ERGO, as part of a Group reinsurance contract to cover the occupational pension scheme of MEDICLIN (MediClinRent). The contributions for this totalled EUR 0.8 mill. in 2024 (previous year: EUR 1.0 mill.).

Expenses from service contracts consist of:

In millions of €	2024	2023
Consulting services (Asklepios)	1.3	1.2
Pharmacy sales (Asklepios)	0.5	0.4
Other (Asklepios)	0.4	0.4
Pharmacy sales (RHÖN)	0.2	0.2
Services from non-consolidated MEDICLIN service enterprises	–	0.2
Placement of nursing staff (Asklepios)	–	0.1
Procurement cooperation (Asklepios)	–	0.1
	2.4	2.6

Remuneration for key management personnel refers to payments made to the Management Board and the Supervisory Board. The payments pertain primarily to remuneration for work on the Management Board and the Supervisory Board. They further include pro-rated profit and performance participations for 2024 for one former Management Board member (EUR 69 thou.) and remuneration for a former Management Board member while he was released from his duties in the period January to March 2024 (EUR 101 thou.).

The provisions for remuneration for key management personnel recognised in the liabilities item are due within the time frame of one year, with the exception of EUR 97 thou. (previous year: EUR 17 thou.).

The contributions to MAUK serve to refinance pensions paid by MAUK.

IT services mainly consist of service and software maintenance fees and project and development services rendered by the Meierhofer Group.

Conformity declaration pursuant to the German Corporate Governance Code in accordance with Section 161 AktG

The conformity declaration of MEDICLIN AG pursuant to Section 161 German Stock Corporation Act (AktG) has been, and continues to remain, accessible on a permanent basis in the respective updated version on the Company's website. The conformity declaration is also included in the corporate governance declaration pursuant to Section 289f German Commercial Code (HGB), which is likewise accessible on the Company's website.

Auditor's fees

The total fee invoiced by the Group auditor consists of the following amounts:

In thousands of € excluding VAT	2024	2023
Audit of financial statements	1,028	642
Other attestation services	0	451
Tax advisory services	0	0
Other services	0	0
	1,028	1,093

The fees for the audit refer to the audit of the consolidated financial statements, the mandatory statutory audits of the annual financial statements of MEDICLIN AG and its affiliated companies as well as reviews. The fees for other attestation services in the previous year refer to the audit of financial covenants to evidence compliance with the requirements under loan agreements, certifications under hospital law and to reviewing the remuneration report.

Subsequent events

There have been no other occurrences or events of particular significance after the balance sheet date, which MEDICLIN believes could have a material impact on net assets, financial position and results of operations.

Offenburg, 26 March 2025

Dr. Joachim Ramming
Chief Executive Officer (CEO)

Tino Fritz
Chief Financial Officer (CFO)

Thomas Piefke
Chief Operating Officer (COO)

Independent Auditor's Report

To MEDICLIN Aktiengesellschaft, Offenburg

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Opinions

We have audited the consolidated financial statements of MEDICLIN Aktiengesellschaft, Offenburg, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the combined management report of the Company and the Group of MEDICLIN Aktiengesellschaft for the financial year from 1 January to 31 December 2024.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

The combined management report contains cross-references that are not provided for by law and which are marked as unaudited. In accordance with German legal requirements, we have not audited the content of these cross-references or the information to which they refer.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report. The combined management report contains cross-references that are not provided for by law and which are marked as unaudited. Our audit opinion does not extend to the cross-references and the information to which the cross-references refer.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Revenue recognition in the "Acute" segment from hospital services performed and revenue compensation

Please refer to the Section "Accounting and valuation principles", Note "8 Revenue recognition" in the notes to the consolidated financial statements. Disclosures on the amount of revenue can be found under Note (34) of the explanations to the consolidated income statement in the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

Of the revenue recognised in the consolidated financial statements of the Company, EUR 286.2 million (PY: EUR 302.8 million) relates to the "Acute" segment.

The compensation for services in the Acute segment is based on the consistent, performance-oriented and general remuneration system of the German Hospitals Financing Act, so that the service volume (number and type of services) and the compensation are agreed with the social security coverage providers as part of budget negotiations. Surpluses or shortfalls in the agreed on service volumes in the financial year are addressed by regulatory compensation mechanisms between the hospital and the coverage providers.

There is the risk for the consolidated financial statements that the revenue does not exist. There is also the risk that revenue is recognised in an incorrect amount due to the complexity of the method of calculation for the compensation mechanisms.

OUR AUDIT APPROACH

In order to assess the appropriateness of the revenue recognised as at the reporting date, we have reviewed the processes established for the recognition of income from hospital services rendered and the calculation methodology used to determine the regulatory compensation. In this context, we assessed the structure and implementation of the internal

controls relating to patient management. With regard to the existence of revenue, we examined the effectiveness of the internal controls in relation to ensuring the existence of a declaration of assumption of costs from the coverage provider or treatment contract of the patient being treated.

As part of our audit, we reviewed the income validation based on the service statistics (evaluation of the evaluated service volume of the financial year) and the fee agreements with the coverage providers. In addition, we assessed the appropriateness of the presentation of the regulatory compensation mechanism. We also verified the implementation of the complex legal regulations, the remuneration agreements and the mathematical accuracy.

OUR OBSERVATIONS

MEDICLIN's approach for determining revenue is appropriate.

Other Information

The Management Board and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the sustainability report, including the Group's non-financial statement contained in Section "Sustainability reporting" of the combined management report, and
- the combined corporate governance statement of the Company and the Group referred to in the combined management report

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- wesentliche Unstimmigkeiten zum Konzernabschluss, zu den inhaltlich geprüften Angaben im zusammengefassten Lagebericht oder unseren bei der Prüfung erlangten Kenntnissen aufweisen oder
- anderweitig wesentlich falsch dargestellt erscheinen.

Responsibilities of the Management Board and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The Management Board is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Management Board is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Management Board is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Management Board is responsible for such arrangements and measures (systems) as it has considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the Management Board and the reasonableness of estimates made by the Management Board and related disclosures.
- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the Management Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Management Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Declaration of Non-issuance of the Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We were engaged to perform assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format").

We do not express an opinion on the ESEF documents. As a result of the significance of the circumstances described below, we have not been able to obtain sufficient appropriate assurance evidence as a basis for our assurance opinion on the ESEF documents.

As the Management Board has not provided us with any ESEF documents for assurance by the date of the issuance of the independent auditor's report, we do not express an assurance opinion on the ESEF documents.

The Company's Management Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's Management Board is responsible for such internal control that it has considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

It is our responsibility to perform assurance work on the ESEF documents in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)) [if conducive to the understanding of the report at an international level: and the International Standard on Assurance Engagements 3000 (Revised)]. As a result of the above circumstances, we have not been able to obtain sufficient appropriate assurance evidence as a basis for our assurance opinion on the ESEF documents.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on 6 June 2024. We were engaged by the Audit Committee on 17 August 2024. We have been the auditor of the consolidated financial statements of MEDICLIN Aktiengesellschaft without interruption since financial year 2024.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Julia Kohler.

Frankfurt am Main, 26 March 2025

KPMG AG

Wirtschaftsprüfungsgesellschaft

[signature] Kohler
Wirtschaftsprüferin
[German Public Auditor]

[signature] Eifert
Wirtschaftsprüfer
[German Public Auditor]

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Responsibility statement by the Management Board

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements of MEDICLIN Aktiengesellschaft give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the combined management report and Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Offenburg, 27 March 2025

Dr. Joachim Ramming
Chief Executive Officer (CEO)

Tino Fritz
Chief Financial Officer (CFO)

Thomas Piefke
Chief Operating Officer (COO)



DR. JAN LIERSCH
CHAIRMAN OF THE SUPERVISORY BOARD

Report of the Supervisory Board

Dear Shareholders,

MEDICLIN made significant progress in 2024. The strategy talks in 2023 on how to develop MEDICLIN into one of the leading rehabilitation clinic groups in Germany are starting to bear fruit. With the acquisition of the Reha-Klinik am Sendesaal clinic in Bremen, the portfolio in the post-acute segment was expanded for the first time in years, and the MEDICLIN brand gained a foothold in a new federal state. Through the acquisition of a medical practice, MEDICLIN DIRECT GmbH was further able to add innovative outpatient services to its portfolio. The planned opening of the first MEDICLIN CAMPUS model at the Wertheim location in early 2025 marks another step in the successful implementation of the strategy and in achieving the growth targets in the rehabilitation sector by means of innovative rehabilitation concepts.

2024 was also characterised by digitalisation efforts and the further integration of our medical services. With the clear goal in mind to enhance patient care through innovative technologies, we have reached our first milestones. At the MEDICLIN clinic Bad Döben, we rely on innovative technology to increase the safety and well-being of our patients. One example of this is our AI-powered fall prevention system, which we successfully implemented in 2024.

Without the tireless dedication and commitment of our employees, MEDICLIN would not be able to fulfil its care mandate, drive innovation and achieve strong results. Therefore, on behalf of the entire Supervisory Board, I would like to warmly thank all MEDICLIN employees for their excellent work.

Main Supervisory Board issues in the 2024 financial year

In the 2024 financial year, the Supervisory Board of MEDICLIN Aktiengesellschaft performed the duties incumbent upon it in full and with due care in accordance with the law, the Articles of Incorporation and the Rules of Procedure.

The Supervisory Board regularly provided counsel to the Management Board and consistently supported and monitored its management of the Company. The Management Board reported regularly, promptly and comprehensively to the Supervisory Board, both verbally and in writing, on Company planning, the economic situation, the development of the Group and on key business transactions. It also informed us of all relevant issues in connection with the corporate strategy, the risk situation, risk management and compliance. In the scope of the reports received by the Management Board, the Supervisory Board discussed the current business performance of the Group and the segments in detail and intensively in all Supervisory Board meetings. We also discussed upcoming or current investment and divestment projects as well as deviations of the business performance from the planning. Overall, the Supervisory Board was directly and promptly involved in all decisions of material importance.

We intensively discussed the proposals of the Management Board for resolutions and, whenever required by law, Articles of Incorporation or Rules of Procedure, held an election after careful deliberations by the Supervisory Board or the committees in charge.

The Supervisory Board also continuously examined questions of possible conflicts of interest of the Management Board and Supervisory Board members during the financial year. There were no such conflicts of interest in the 2024 reporting year.

Outside of the meetings, the Management Board kept us informed both in writing and verbally about significant events. In my capacity as the Chair of the Supervisory Board I also had regular discussions with and received information from the members of the Management Board outside of the official meetings.

In the Supervisory Board meetings, the chairpersons of the committees regularly provided the Supervisory Board with detailed information on the results of the work delegated to their respective committees.

A central focus and recurring agenda item in the 2024 financial year was the strategic development of MEDICLIN into one of the leading rehabilitation clinic groups in Germany. In this context, we made two strategic acquisitions and founded new companies to be able to put innovative rehabilitation projects into place. On the other hand, a comprehensive review of the clinic portfolio convinced us to divest a specific facility in order to focus more strongly on our core competency in rehabilitation. Additionally, the topic of sustainability, especially in connection with sustainability reporting under the Corporate Sustainability Reporting Directive (CSRD), played an important role in both the plenary sessions and the Audit Committee.

Changes in the Supervisory Board and the Management Board

At the end of the Annual General Meeting on 6 June 2024, the offices of the Supervisory Board members elected by the Annual General Meeting on 29 May 2019 ended. Michael Bock, Dr. Julia Dannath-Schuh and Cornelia Wolf were re-elected to the Supervisory Board. Barbara Brosius and Rainer Laufs were replaced by Hafid Rifi and PD Dr. Sara Sheikhzadeh on the Supervisory Board.

Further, Kai Hankeln resigned from his office on the Supervisory Board as at 13 February 2024. By order dated 5 March 2024, the local court in Freiburg im Breisgau appointed Joachim Gemmel as a member of the Company's Supervisory Board, effective as of 5 March 2024. On 6 June 2024, the Annual General Meeting elected Joachim Gemmel as a member of the Supervisory Board, thus ending his office as a court-appointed Supervisory Board member.

The offices of the employee representatives on the Supervisory Board also ended with the close of the Annual General Meeting on 6 June 2024, which is why new elections were carried out on 16 May 2024. No election could be carried out for the Supervisory Board member representing the senior managers as only one application was received for the position. The only candidate was Dr. Sigrid R.-M. Krause, who had already been on the Supervisory Board before. On 22 April 2024, the Management Board therefore filed for a court order to appoint Dr. Sigrid R.-M. Krause as a member of the Supervisory Board. By order dated 17 May 2024, the local court in Freiburg im Breisgau then appointed Dr. Sigrid R.-M. Krause as a member of the Supervisory Board of MEDICLIN Aktiengesellschaft, effective from the end of the Annual General Meeting on 6 June 2024 until the conclusion of the Annual General Meeting that will resolve on the approval of the acts of the Management and Supervisory Board for the 2028 financial year. The other employee representatives on the Supervisory Board, except for Daniela Sternberg-Kinzel, were re-elected on 16 May 2024. Marnik Schiffler was elected as Daniela Sternberg-Kinzel's successor on the Supervisory Board.

On 6 January 2025, Thomas Müller resigned from his office on the Supervisory Board, effective as of 6 January 2025. By order dated 27 February 2025, the local court in Freiburg im Breisgau appointed Michael Herbstritt as a member of the Company's Supervisory Board, effective as of 5 March 2025.

There were no changes to the Management Board in the 2024 reporting year.

Corporate Governance Code and declaration of conformity

Pursuant to Section 161 of the German Stock Corporation Act (AktG), the management board and the supervisory board of a listed company are to declare annually in a so-called declaration of compliance to what extent the recommendations of the German Corporate Governance Code are being complied with or in what respect the Code's recommendations are justifiably not being applied.

In December 2024, the Management Board and the Supervisory Board issued the comprehensive annual declaration of compliance in accordance with Section 161 German Stock Corporation Act (AktG). The declarations are permanently available on the website of MEDICLIN Aktiengesellschaft.

Together with the Management Board, the Supervisory Board further reports on corporate governance in the corporate governance declaration that is also published on the website.

The report on the remuneration of the Management Board and Supervisory Board members, along with the related auditor's opinion pursuant to Section 162 German Stock Corporation Act (AktG), is also publicly accessible on the website. Additionally, the remuneration systems for the members of the Management Board approved by the Annual General Meeting on 26 May 2021 and 6 June 2024 and the remuneration system for the Supervisory Board approved on 26 May 2021 are also available on the MEDICLIN website (along with the corresponding resolutions by the Annual General Meeting).

Information on the meetings and the resolutions of the Supervisory Board and its committees

In the 2024 financial year the Supervisory Board held four ordinary meetings of the entire Board. Two thereof were held as in-person meetings, while one was an in-person meeting offering the possibility to join by virtual means (hybrid meeting) and one was held as an audio/video conference.

The Audit Committee held one in-person meeting and four audio/video conferences. The General and Personnel Committee convened once in the 2024 financial year; this meeting was held as an audio/video conference. The Nomination Committee convened once in an audio/video conference.

The Mediation Committee and the Related Party Transactions Committee did not convene in 2024.

In its meeting on 6 June 2024, the Supervisory Board decided not to reappoint the Special COVID-19 Committee, which had been responsible for the current impacts and measures of the COVID-19 pandemic, thereby dissolving the Committee. In the view of the Supervisory Board, there was no further need to delegate the corresponding issues to a designated committee. Before its dissolution, the Special COVID-19 Committee did not convene in the 2024 reporting year.

Information on the attendance of the individual members at the meetings of the entire Board and the committees is listed in the following table.

Supervisory Board	Meetings		Attendance		Attendance in %	
	Plenum	Committees	Plenum	Committees	Plenum	Committees
Dr. Jan Liersch (Chairman)	4	2	4	2	100	100
Hans Hilpert (Vice Chairman)	4	1	4	1	100	100
Michael Bock	4	6	4	6	100	100
Barbara Brosius ¹	1	–	1	–	100	–
Dr. Julia Dannath-Schuh	4	–	3	–	75	–
Walburga Erichsmeier	4	5	2	4	50	80
Joachim Gemmel ²	4	0	2	0	50	–
Kai Hankeln ³	0	0	0	0	–	–
Dr. med. Sigrid R.-M. Krause	4	1	3	1	75	100
Rainer Laufs ⁴	1	1	1	1	100	100
Thomas Müller ⁵	4	1	3	1	75	100
Hafid Rifi ⁶	3	–	3	–	100	–
Marnik Schiffler ⁷	3	–	3	–	100	–
Elke Schwan	4	–	4	–	100	–
Frauke Schwedt	4	–	4	–	100	–
PD Dr. Sarah Sheikhzadeh ⁸	3	–	3	–	100	–
Daniela Sternberg-Kinzel ⁹	1	–	0	–	–	–
Marco Walker	4	1	4	1	100	100
Matthias H. Werner	4	5	4	5	100	100
Cornelia Wolf	4	6	3	5	75	83

¹ Member of the Supervisory Board until 06.06.2024

² Member of the Supervisory Board and the General and Personnel Committee since 05.03.2024

³ Member of the Supervisory Board and the General and Personnel Committee until 13.02.2024

⁴ Member of the Supervisory Board and the General and Personnel Committee until 06.06.2024

⁵ Member of the Supervisory Board and the General and Personnel Committee until 06.01.2024

⁶ Member of the Supervisory Board since 06.06.2024

⁷ Member of the Supervisory Board since 06.06.2024

⁸ Member of the Supervisory Board since 06.06.2024

⁹ Member of the Supervisory Board until 06.06.2024

The attendance rate at the plenary Supervisory Board meetings was 85.9 %. The members that were unable to attend presented excuses for not attending and participated in the resolutions by written vote. The attendance at the meetings of the committees was 93.1 %.

Work in the meetings of the entire Supervisory Board

In the ordinary meeting on 25 March 2024, the Supervisory Board discussed the annual financial statements and the consolidated financial statements for 2023, which had already been reviewed by the Audit Committee, as well as the non-financial declaration reviewed by the auditor in accordance with ISAE 3000, with the Management Board and representatives of the auditor, and subsequently approved them. In so doing, it followed the recommendation of the Audit Committee. The auditor attended the consultations, reported on the material findings of the audit and answered questions. The annual financial statements were thereby approved. The annual financial statements, the consolidated financial statements and the summarised management report were approved for publication. The Supervisory Board approved the Management Board proposal to carry the net profit of MEDICLIN Aktiengesellschaft forward to new account.

The Supervisory Board further dealt with the report on relationships with affiliated companies pursuant to Section 312 German Stock Corporation Act (AktG) for the 2023 financial year (the so-called dependency report), which had been approved by the auditor without reservations and to which the Supervisory Board also did not raise any objections. The Supervisory Board further dealt with and adopted the report of the Supervisory Board and the corporate governance declaration in accordance with Sections 289f and 315d German Commercial Code (HGB).

Furthermore, the Supervisory Board adopted the agenda and proposed resolutions for the Annual General Meeting 2024.

The Board further discussed the remuneration report for the 2023 financial year presented by the General and Personnel Committee and formally reviewed by the auditor. The Supervisory Board resolved to submit the remuneration report to the Annual General Meeting for approval. The Supervisory Board further followed the Audit Committee's recommendation to propose to the Annual General Meeting that KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, be elected as auditor and Group auditor for the 2024 financial year; the statement of independence from the intended auditor had been received.

Finally, the Supervisory Board approved a significant IT investment.

Due to the election or re-election of members to the Supervisory Board, the Chairperson, the Vice Chairperson and the members of the committees had to be elected at the Supervisory Board meeting following the Annual General Meeting on 6 June 2024. The Supervisory Board further dealt with the current business performance in the first quarter of 2024 using the Management Board's and the Audit Committee's reporting as a basis. The Management Board also explained the main earnings and financial key figures in connection with MEDICLIN's business performance. The Chairperson of the Audit Committee further presented the annual compliance report for 2023, the risk inventory report for 2024 and the earnings summary 2023 by the Internal Audit department. Furthermore, the Supervisory Board resolved on the targets for Tino Fritz (modifier 2024) and investments in a renovation and expansion project.

In the ordinary meeting on 19 September 2024, the Management Board informed the Supervisory Board about the business performance in the first half of 2024. In addition, the Supervisory Board received the comments of the Audit Committee with regard to half-year reporting. It also summarised the resolutions regarding the foundation of new companies and capital expenditure for digitalisation efforts in the field of patient care. Moreover, the financial calendar for 2025 and the framework for CSRD reporting in the 2024 financial year were presented.

In the ordinary meeting on 9 December 2024, the Management Board explained the business performance in the first nine months of the 2024 financial year; here, too, the Audit Committee rendered additional comments. The Management Board further presented its business planning for the 2025 and the two subsequent financial years as well as the associated framework conditions and measures. Following careful deliberation, the Supervisory Board acknowledged the planning, assumptions and target figures presented and the accompanying explanations of the Management Board. Additionally, the Supervisory Board approved the planned investments in patient rooms and a dining hall.

The declaration of compliance as per Section 161 German Stock Corporation Act (AktG) was updated, adopted unanimously and submitted jointly by the Supervisory and the Management Board. The reporting under CSRD was also introduced and, in addition to project structure and process, the five identified reportable topics were discussed:

- ESRS E1 (Environment, Climate change adaptation)
- ESRS E5 (Waste)
- ESRS S1 (Employee matters, Health and safety, Training and skills development, Data protection)
- ESRS S4 (Digital responsibility, Patient safety, Engagement with patients, Privacy)
- ESRS G1 (Supplier relationships, Ethical business conduct, Animal welfare)

Finally, the Supervisory Board passed a precautionary resolution regarding sustainability reporting. In case the CSRD implementation law is not enacted in 2024 (based on the government draft published on 24 July 2024), the Board pre-emptively engaged KPMG AG Wirtschaftsprüfungsgesellschaft to conduct a limited assurance audit of the sustainability report based on the existing legal framework.

Additionally, the Board passed three resolutions through circulation in 2024, referring to investment and divestment plans, the court appointment of a Supervisory Board member as well as the approval and publication of an addendum to the report of the Supervisory Board 2023.

Work in the committees of the Supervisory Board

In order to perform its tasks, the Supervisory Board has set up a total of five committees, which effectively support the work of the full Board. The committees are the Audit Committee, the General and Personnel Committee, the Nomination Committee, the Mediation Committee and the Related Party Transactions Committee. The Supervisory Board had six committees until the Special COVID-19 Committee was dissolved on 6 June 2024.

The main function of the committees is to prepare the resolutions of the Supervisory Board. In individual cases, the decision-making authority of the Supervisory Board can be delegated to the committees if this is permitted by law. This division of responsibilities promotes the efficiency of the Supervisory Board's work and has proven to be effective in practice. With the exception of the Audit Committee and the Related Party Transactions Committee, the Chairperson of the Supervisory Board presides over all the committees.

The Audit Committee, the General and Personnel Committee and the Nomination Committee convened in the year under review. The other committees did not convene.

In the meeting on 29 February 2024, the Audit Committee discussed the preliminary annual financial statements for financial year 2023, the preliminary consolidated financial statements for 2023 and the preliminary figures for 2023 with the Management Board and the auditor. The Management Board also presented the tender process for the financial audit along with the received quotes.

In the meeting on 25 March 2024, the auditor reported to the Audit Committee on the audit of the annual financial statements. The Audit Committee intensively conferred with the Management Board and the auditor about the final annual financial statements for 2023, the consolidated financial statements for 2023 and the summarised management report, and resolved to recommend approving the annual financial statements to the Supervisory Board. At the same time, it proposed that the Supervisory Board align with the Management Board's resolution to carry forward the entire net profit to new account.

The Committee also decided to recommend that the Supervisory Board propose to the Annual General Meeting on 6 June 2024 to elect KPMG AG Wirtschaftsprüfungsgesellschaft as the auditor of the annual financial and the consolidated financial statements for the 2024 financial year. The recommendation of the Audit Committee was based on a selection process carried out in accordance with Art. 16 of Commission Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 (EU Audit Regulation). Thereafter, the Audit Committee proposed KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, and Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Berlin, to the Supervisory Board for the tendered audit engagement, thereby presenting reasons for the recommendations and the preference for KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin. The Audit Committee stated in its recommendation to the Supervisory Board that the proposed statutory auditor is free from any improper influence by third parties and that no clause restricting the choice within the meaning of Art. 16 (6) EU Audit Regulation was imposed. It also resolved to propose to the Supervisory Board the approval of the corporate governance declaration, its release for publication and the approval of the 2023 dependency report in accordance with Section 312 German Stock Corporation Act (AktG).

In the meeting on 2 May 2024, the Audit Committee had extensive discussions with the Management Board on the business performance in the first quarter of 2024. The 2023 compliance report and the risk inventory for 2024 as well as the earnings summary 2023 by the Internal Audit department were presented and discussed.

In the meeting on 31 July 2024, the Supervisory Board deliberated with the Management Board on the business performance in the first half of 2024. Moreover, the CSRD reporting framework for the 2024 financial year was discussed.

In its meeting on 4 November 2024, the Audit Committee determined focus areas for the audit of the 2024 financial statements and discussed the business performance in the first nine months of the 2024 financial year. The compliance report for the first half of 2024 and the updated risk inventory for 2024 as well as the earnings summary 2023/2024 and the planning for 2025 by Internal Audit were presented and discussed. An update on CSRD reporting, especially on the challenges associated therewith, was likewise presented. As in the previous year, the Audit Committee deliberated on the efficiency of its work and found no major need for adjustments.

In the meeting of the General and Personnel Committee on 1 March 2024, the members discussed Management Board issues and devised recommendations for the payment of the remuneration of the Management Board for the 2023 financial year and bonus criteria for the remuneration for financial year 2024 and passed on the corresponding recommendations to the Supervisory Board. Furthermore, the General and Personnel Committee dealt with the 2023 remuneration reports for the Management and the Supervisory Board and passed a circular resolution with its proposal to the plenary Supervisory Board.

In its meeting on 21 February 2024, the Nomination Committee recommended to rapidly appoint Joachim Gemmel as the successor of Kai Hankeln by court order. Additionally, the Committee conducted the suitability assessment of the six candidates for the Supervisory Board election, and decided to propose them to the Supervisory Board for election by the Annual General Meeting.

Annual financial statements and consolidated financial statements 2024

The annual financial statements of MEDICLIN Aktiengesellschaft and the consolidated financial statements for the 2024 financial year, including the accounting records and the summarised management report of the Company as prepared by the Management Board, were audited by KPMG AG Wirtschaftsprüfungsgesellschaft. KPMG was elected as auditor of the annual financial statements and the consolidated financial statements for the 2024 financial year at the Annual General Meeting on 6 June 2024, and was commissioned by the Supervisory Board to carry out the audit. The Supervisory Board had also commissioned KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, to carry out a limited assurance audit of the non-financial Group report for 2024 included in the summarised management report of MEDICLIN Aktiengesellschaft and prepared to comply with the requirements under Regulation (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation

(EU) 2020/852, the requirements under Sections 315b and 315c German Commercial Code (HGB) regarding non-financial group declarations and the requirements under Sections 289b to 289d HGB regarding the Company's non-financial declaration on the basis of the previous legal situation.

The auditor of the annual financial statements and consolidated financial statements issued an unqualified auditor's report on the 2024 annual financial statements of MEDICLIN Aktiengesellschaft and the 2024 consolidated financial statements, as well as on the summarised management report. Additionally, KPMG AG Wirtschaftsprüfungsgesellschaft issued an audit report on its limited assurance engagement regarding the Group's sustainability statement. The consolidated financial statements and the summarised management report were prepared in accordance with the International Financial Reporting Standards (IFRSs), as valid in the EU, as well as the commercial law provisions that are additionally applicable pursuant to Section 315a Sentence 1 of the German Commercial Code (HGB). The audit documents and the reports of the auditor of the annual financial statements and consolidated financial statements and the Management Board's proposal for the appropriation of net profit were presented to all the members of the Supervisory Board for inspection in a timely manner.

In its meeting on 27 March 2025, the Supervisory Board intensively discussed and examined the annual financial statements of MEDICLIN Aktiengesellschaft, the consolidated financial statements and the summarised management report issued by the Management Board, thereby also considering the findings of the Audit Committee. The representatives of the auditor attesting to the report as signatories attended the Supervisory Board meeting and reported on significant audit findings. They were available for questions and to provide additional information. On the basis of their own examination, the Audit Committee and the Supervisory Board concurred with the audit findings of the auditor with respect to the annual financial statements of MEDICLIN Aktiengesellschaft and the consolidated financial statements. They did not raise any objections on the basis of the final result of their own examination. The Supervisory Board endorsed the separate and consolidated financial statements and the summarised management report prepared by the Management Board. The annual financial statements are thereby approved.

During this meeting, the Supervisory Board also discussed the report of the Supervisory Board, the corporate governance declaration, the remuneration report and the non-financial Group report for the 2024 financial year that was prepared to comply with the requirements under Regulation (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852, the requirements under Sections 315b and 315c German Commercial Code (HGB) regarding non-financial group declarations and the requirements under Sections 289b to 289d HGB regarding the Company's non-financial declaration; the Supervisory Board further adopted the invitation to the Annual General Meeting 2025 including drafts for the resolutions to be proposed with regard to the individual items on the agenda. KPMG AG Wirtschaftsprüfungsgesellschaft carried out a review of the remuneration report and issued the corresponding auditor's opinion. The remuneration report and the auditor's opinion are available on the website of MEDICLIN Aktiengesellschaft.

KPMG AG Wirtschaftsprüfungsgesellschaft also examined the report prepared by the Management Board in accordance with Section 312 of the German Stock Corporation Act (AktG) on relationships with affiliated companies ("dependency report"). The auditor of the annual financial statements and consolidated financial statements reported on the findings of the audit and issued the following unrestricted audit opinion:

"Following the completion of our obligatory audit, we confirm that:

1. the information contained in this report is correct, and
2. the compensation paid by the Company with respect to the transactions listed in the report was not inappropriately high."

The dependency report and the audit report prepared by the auditor of the annual financial statements and consolidated financial statements were provided to the Supervisory Board in good time. The Supervisory Board examined the dependency report and the audit report in detail in its meeting on 27 March 2025. It did not raise any objections against the concluding declaration of the Management Board contained in the dependency report or against the findings of the audit conducted by KPMG AG Wirtschaftsprüfungsgesellschaft.

Königstein im Taunus, 27 March 2025

On behalf of the Supervisory Board

A handwritten signature in black ink, appearing to read 'Jan Liersch', written in a cursive style.

Dr. Jan Liersch

Chairman of the Supervisory Board

FINANCIAL CALENDAR

27 February 2025

Disclosure of the preliminary figures
for the 2024 financial year

28 March 2025

Annual press and analysts' conference
for the 2024 financial year

2 May 2025

Publication of the interim report
from 1 January 2025 to 31 March 2025

4 June 2025

Annual General Meeting

31 July 2025

Publication of the interim report
from 1 January 2025 to 30 June 2025

4 November 2025

Publication of the interim report
from 1 January 2025 to 30 September 2025

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in German.

Dieser Geschäftsbericht liegt auch
in deutscher Sprache vor.

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German version, the German version shall
prevail.

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