

Quarterly Financial Statements Q1-2023 of the TELES Group

(IFRS, unaudited)

Key figures from 1 January 2023 to 31 March 2023

- Cautious start to 2023
- Sales Q1-2023 of EUR 15.5 million (py: EUR 19.5 million)
- Personnel expenses Q1-2023 of EUR 793k (previous year: EUR 822k)
- Depreciation Q1-2023 of EUR 113k (previous year: EUR 101k)
- EBITDA Q1-2023 of EUR -186k (previous year: EUR 183k)

Overview of the corporate key figures of TELES Group for Q1-2023
(in accordance with IFRS, unaudited)

TELES Group in thousand Euro	01.01.2022 - 31.03.2022	01.01.2023 - 31.03.2023	Change
Sales revenues	19,505	15,122	-22%
Cost of materials	18,155	14,142	-22%
Personnel expenses	822	793	-4%
Gross profit	393	455	16%
Operating result/EBIT	82	-298	-463%
EBITDA	183	-186	-202%
Group result	-51	-399	> -500%

Interim Management Report

The year 2023 got off to a slow start for TELES. The earnings situation of the TELES Group decreased in the first quarter of 2023 compared to the same period of the previous year. The TELES Group achieved revenues of EUR 15.1 million (previous year: EUR 19.5). The gross profit fell accordingly to EUR 1.0 million (previous year: EUR 1.3 million).

Personnel expenses fell by 4% to EUR 793 thousand (previous year: EUR 822 thousand). Depreciation amounted to EUR 113 thousand (previous year: EUR 101 thousand). Other operating income was EUR 82 thousand (previous year: EUR 49 thousand). With the increase in other operating expenses of EUR 455 thousand (previous year: EUR 393 thousand), EBITDA was EUR -186 thousand (previous year: EUR 183 thousand) and the consolidated result was EUR -399 thousand (previous year: EUR -51 thousand).

The balance sheet total of TELES decreased by EUR 2.6 million compared to the previous year. This is due in particular to the reduction in current assets and liquid funds by EUR 2.7 million. At the same time, current liabilities were reduced by EUR 2.2 million.

In the cash flow statement, the operating cash flow is EUR -0.9 million (previous year: EUR 2.2 million). As of March 31, 2023, the funds were EUR 0.5 million (previous year: EUR 3.1 million).

Risk Report

In the management report for the past 2022 fiscal year, all relevant risks known to us were listed conscientiously. We ensure the company's liquidity through very conscientious planning. We continue to monitor incoming payments very closely and thus counteract payment defaults on the part of customers. Whether the sales and earnings targets will be achieved depends – apart from internal company factors – to a significant extent on economic, political, and industry-specific developments – particularly in our core market of Europe.

Forecast

For the current financial year, we expect the TELES Group to have the same level of sales as in 2022 and a slightly improved result (EBIT).

TELES AG

Oliver Olbrich

Chief Executive Officer

May 2023

Interim Financial Statements

Consolidated Balance Sheet (IFRS, unaudited)

in thousand Euro	31.12.2022	31.03.2023
Assets		
A. Fixed assets		
I. Intangible assets	3,370	3,391
II. Tangible assets	1,225	1,301
III. Rights of use from leases	1,250	1,224
IV. Financial assets	1	36
Total fixed assets	5,847	5,952
B. Current assets		
I. Stocks	5,386	5,189
II. Trade receivables and other receivables	3,482	1,837
III. Other assets	958	1,052
IV. Cash and cash equivalents	1,492	491
Total current assets	11,318	8,569
Total assets	17,164	14,522

in thousand Euro	31.12.2022	31.03.2023
Equity and liabilities		
A. Equity		
I. Ordinary shares	6,233	6,233
II. Capital reserve	13,085	13,085
III. Loss carried forward	-4,906	-19,298
IV. Profit or loss for the period	-14,392	-399
Total equity	21	-379
B. Non-current liabilities		
I. Long-term loans	889	857
II. Lease liabilities	1,301	1,282
III. Other provisions	478	445
Total non-current liabilities	2,668	2,583
C. Current liabilities		
I. Short term loans	8,750	7,000
II. Trade payables	862	499
III. Tax accruals	664	498
IV. Other liabilities	4,200	4,320
Total current liabilities	14,476	12,317
Total equity and liabilities	17,164	14,522

Consolidated Statement of income (IFRS, unaudited)

TELES Group in thousand Euro	31.03.2022	31.03.2023
Sales revenues	19,505	15,122
Cost of materials	18,155	14,142
Gross profit	1,349	979
Personnel expenses	822	793
Depreciation	101	113
of this depreciation for rights of use for Leasing	69	70
Other income	49	82
Other expenses	393	455
Operating result/EBIT	82	-298
Other interest receivable and similar income	0	3
Interest payable and similar charges	51	102
Financial income	-51	-99
Taxes on income	82	2
Profit or loss after taxes	-51	-399
Other taxes	0	0
Group result	-51	-399
Number of shares	6,233,418	6,233,418
Result per share (in EURO)	-0.0008	-0.0064

Statement of comprehensive equity (IFRS, unaudited)

	Nominal value of the shares	Capital reserve	Revenue reser- ves	Total Equity
	k EUR	k EUR	k EUR	k EUR
December 31, 2021	6,233	242	-4,906	1,569
Acquisition pharma segment	0	12,394	0	12,394
Net profit/loss for the period	0	0	-51	-51
March 31, 2022	6,233	12,636	-4,957	13,912
January 01, 2023	6,233	13,085	-19,298	21
Net profit/loss for the period			-399	-399
March 31, 2023	6,233	13,085	-19,697	-379

Development of the consolidated cash flow statement (IFRS, unaudited)

TELES Group	01.01.2022 -	01.01.2023 -
in EUR	31.03.2022	31.03.2023
Cash flow from operating activities		
Net profit/loss for the financial year	-51,230	-399,088
+ Depreciation	100,755	112,508
+/- Changes to provisions	-181,457	-199,047
-/+ Other Non-cash expenses and income	-538,189	-225,054
- Equity-settled share-based payments (Stock options)	0	0
-/+ Changes to Stocks and Trade Receivables	1,839,987	1,747,160
+/- Changes to Trade Payables and Other liabilities	865,968	-2,011,976
+ Interest expenses	51,262	102,046
- interest income	-283	3,279
+/- Income-tax expense/income	82,339	2,072
	2,169,152	-868,100
Cash flow from investing activities		
- Investments in intangible assets	-6,249	-20,942
- Investments in fixed assets	-358,757	-76,291
- Investments in financial assets	-621	-35,688
	-365,628	-132,921
Net change in cash and cash equivalents	1,803,524	-1,001,021
+ Cash and cash equivalents at beginning of period	1,262,490	1,492,173
Cash and cash equivalents at end of period	3,066,014	491,151

Summary of Significant Financial Reporting Policies and Standards

Presentation Basis

The consolidated financial statements of TELES as of December 31, 2022 were prepared in accordance with the provisions of the guidelines of the International Accounting Standards Board (IASB) valid on the balance sheet date. The interim report as of March 31, 2023 was prepared on the basis of the International Accounting Standard (IAS) 34 "Interim Financial Reporting". In principle, the same accounting and valuation methods are followed as in the consolidated financial statements for the 2022 financial year. Standards and interpretations that are mandatory from January 1, 2023 have not led to any different accounting and valuation methods.

All IAS and IFRS binding as of March 31, 2023, as well as interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC), have been applied.

Audit Review

The interim financial statements and the interim management report were neither audited nor reviewed by the auditor.

Responsibility Statement by the Company Officers (Management)

To the best of our knowledge, we assure you that, in accordance with the applicable accounting principles for interim reporting, the interim consolidated financial statements give a true and fair view of the group's net assets, financial position and results of operations, and the interim group management report gives a true picture of the course of business including the business result and the position of the group are presented in such a way that a picture is given that corresponds to the actual circumstances, and the main opportunities and risks of the probable development of the group in the remaining financial year are described.