

Medios AG
Group interim management
report as at 30 June 2017
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Group interim management report as at 30 June 2017

Macroeconomic situation and environment

The German economy was strong in the first half of 2017. After having grown by 0.7% in the first quarter, the economy grew only slightly less (0.6%) in the second quarter. Exports benefited from the wide-ranging recovery in Europe and the rest of the world, although domestic demand remains the most important driver. Continuing high and increasing capacity utilisation has created a noticeable increase in corporate investment.

Despite the generally good prospects, there are still risks. On the one hand, the unclear line taken by the USA in economic and foreign policy could unexpectedly dampen the economy, particularly if geopolitical tensions continue to intensify. The Brexit negotiations are also a risk factor. On the other hand, the upswing could turn out to be even stronger if successful structural progress is made in the Eurozone and the global flashpoints can be controlled or limited.

According to the current market report by QuintilesIMS, revenue in the German pharmacy market increased by 4% year on year in the first half of 2017 to EUR 17 billion (at the pharmaceutical company's sales price). Volume remained static at 800 million packages.

Significant events in the first half of 2017

On 9 January 2017, the Management Board of Medios AG informed both shareholders of Medios Manufaktur GmbH, Claudia Neuhaus and Manfred Schneider, that it was exercising the contractually agreed call option to acquire the remaining 49% in Medios Manufaktur GmbH. It was decided to make the transaction by deferred payment, which allows Medios AG to acquire the remaining 49% of the shares immediately, but to pay by instalments. A total of EUR 6 million was paid in January 2017 as a first instalment. A second instalment of EUR 1 million was paid in July 2017. The remaining purchase price of approximately EUR 1.8 million can be paid in two additional half-yearly instalments.

On 18 January 2017, Medios AG further announced the founding of a wholly-owned subsidiary, Medios Digital GmbH. The object of the company is to provide development, consulting and operating services in the area of information and systems technology, particularly software development, maintenance and support. All software development activities of the listed company Medios AG and all other group companies are being brought together into Medios Digital GmbH.

On 29 March 2017, Medios AG acquired a property in order to significantly expand the manufacturing capacity of its

subsidiary Medios Manufaktur GmbH and to bring the activities of Medios Group together in a single location. The property is located in an industrial park in Berlin-Charlottenburg. It comprises a 3,195-square-metre site and an office building. The amount invested will be a total of approximately EUR 11 million including expanding production and erecting a further building on the site. Planning has already begun on the conversion and extension work.

In May 2017, the new Act on Strengthening Pharmaceutical Supply in Statutory Health Insurance (GKV-Arzneimittelversorgungsstärkungsgesetz – AMVSG) came into force with a transition period until 31 August 2017. The AMVSG aims to improve health provision in Germany and mainly affects people with chronic or genetically determined illnesses such as cancer. As these patients largely rely on a flexible, secure and nearby supply of cytostatics, the Act prohibits cytostatics tenders and also abolishes exclusive cytostatics contracts between insurance companies and pharmacies.

Earnings, financial and net asset position

The earnings position of Medios Group improved significantly in the first half of 2017 in year-on-year comparison. The contribution of Medios Pharma GmbH through a non-cash capital increase into the listed shell company Medios AG led to a consolidation pursuant to IFRS 2 as part of a reverse asset acquisition, which in turn led to the larger company at the time, Medios Pharma GmbH, taking over the smaller company at the time, Medios AG. The previous year's values are therefore solely based on the values of Medios Pharma GmbH as at 30 June 2016.

Medios Group's revenue amounted to EUR 117.0 million in the first half of 2017 (previous year period: EUR 57.5 million). These can be broken down into the business areas of speciality pharma, with a revenue share of EUR 93.3 million and individually tailored medicines with a revenue share of EUR 23.7 million. The shared services business area did not generate any external revenue in the reporting period, as this area exclusively deals with internal services for subsidiary companies. Almost all revenue is generated within Germany.

Material expenses in the first half of 2017 amounted to EUR 110 million or 94.0% of revenue. Personnel costs amounted to EUR 2.1 million and other expenses to EUR 1.6 million. This led to an operating result before depreciation and amortisation (EBITDA) of EUR 4.0 million. The two main business areas of speciality pharma and individually tailored medicines contributed EUR 3.3 million and EUR 0.9 million, respectively, to this result.

Earnings before taxes (EBT) amounted to EUR 3.9 million in the first six months of 2017 (previous year's period: EUR 2.1 million). Earnings after taxes for the Medios Group therefore amounted to EUR 2.6 million in the first half of 2017.

Investment in the first six months of 2017 totalled EUR 2.8 million. Liquidity (cash and cash equivalents) amounted to EUR 6.8 million as at 30 June 2017. If necessary, additional credit lines totalling EUR 7 million are available.

Due to strong growth, trade receivables increased in the first six months to EUR 22 million (EUR 14.5 million as at 31 December 2016). Inventories also increased to EUR 8.1 million compared to EUR 6.6 million as at 31 December 2016. Total assets increased to EUR 49 million (EUR 47.9 million as at 31 December 2016). The equity ratio was 62.6% as at 30 June 2017.

Events after the balance sheet date

The Supervisory Board of Medios AG appointed Mi-Young Miehlner as Chief Operating Officer (COO) of Medios AG with effect from 1 July 2017. Ms Miehlner heads up the operating business of Medios Group and continues in her role as Managing Director of the subsidiary Medios Pharma GmbH. Since then, the Management Board consists of three persons, Manfred Schneider as CEO, Matthias Gärtner as CFO and Mi-Young Miehlner as COO.

In August 2017, Cranach Pharma GmbH, a strategic partner of Medios AG and a pharmaceutical wholesaler based in Hamburg, acquired 500,000 shares in Medios AG. This equates to around four per cent of the share capital of Medios AG. An in-depth transfer of knowledge between the companies in future will aim to drive forward the development of certain business areas. While Medios brings particular expertise in the areas of oncology and HIV in this context, Cranach Pharma contributes expertise particularly in the fields of neurology, immunology, haemophilia and endocrinology.

On 19 September 2017, Medios AG successfully placed new shares with institutional investors. As part of a capital increase from authorised capital, a total of 1,242,183 new shares were issued, thereby increasing share capital by around 10% to EUR 13,664,019.00. The shares were sold as part of an accelerated placement process excluding the subscription right to institutional investors at a placement price of EUR 12.30 per share. The capital increase was thus more than two times oversubscribed.

Total funds from the capital increase of approximately EUR 15.3 million are intended to contribute to financing the company's growth strategy, driving forward the digitisation of

Specialty Pharma and enabling the further expansion of the customer network and product range. The capital increase is also intended to strengthen the company's capital base.

On 25 September 2017, Medios AG acquired the Berlin production plant of PGD Profusio Berlin GesundHeits GmbH, Germany, in order to expand its cleanroom capacity. This was a first step in the expansion of production capacity, which had already been announced by the company. The additional cleanroom laboratories will enable the number of individually tailored pharmaceutical products to be expanded and the range of indications to be further diversified.

Forecast, opportunity and risk report

In August 2017, the Management Board of Medios AG adjusted its earnings forecast upwards for the 2017 financial year in the context of preparing these half-year financial statements. In the first six months of 2017, Medios Group achieved more than half of the expected revenue for the entire year due to its good business performance. As a result, the Management Board increased the revenue forecast for 2017 from around EUR 200 million to EUR 230 million. The forecast for earnings before taxes (EBT) was raised from around EUR 7.0 million to a target range of between EUR 7.0 and EUR 7.5 million, which already takes into account the negative effects of investment in growth and of the consequences of the abolition of cytostatics tenders due to the AMVSG, which cannot yet be foreseen.

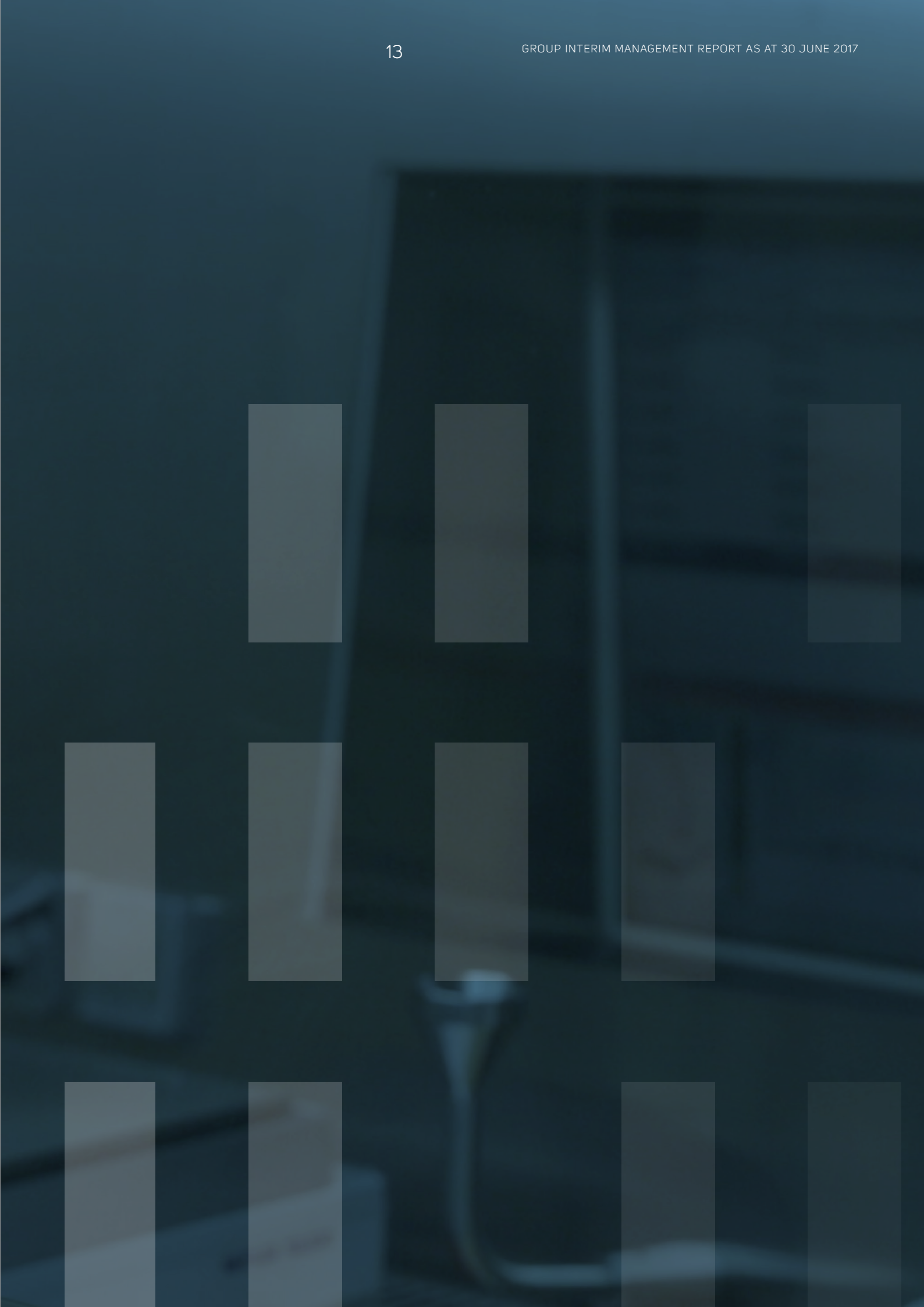
Apart from that, there are no events that would lead the company to change the statements made in the last Group Management Report on the Group's performance for the financial year. The statements made in the 2016 Annual Report on the opportunities and risks of the business model remain unchanged.

Statement from the company's legal representatives

To the best of our knowledge, we declare that the consolidated interim financial statements prepared in accordance with the applicable accounting principles represent a true and fair view of the earnings, financial and asset position of Medios Group and that the interim Group management report presents a true and fair view of the business development, including the business results and the position of the Group and that it describes the the material risks and opportunities inherent in the anticipated performance of the Group during the remainder of the financial year.

Berlin, September 2017
Medios AG
The Management Board





IFRS-group financial interim statement as at 30 June 2017

**Consolidated Statement of Comprehensive Income
for the period from 1 January to 30 June 2017**

Medios AG, Berlin

	30/06/2017 EUR	30/06/2016* EUR
Revenue	117,047,378	57,523,067
Changes in inventories of finished goods and work in progress	377,850	0
Other income	296,301	17,291
Raw, auxiliary and operating materials and goods	109,972,065	54,743,631
Personnel expenses	2,119,551	409,809
Other expenses	1,585,007	293,699
Operating result before depreciation and amortisation (EBITDA)	4,044,906	2,093,218
Depreciation and amortisation	177,397	23,843
Operating result (EBIT)	3,867,509	2,069,375
Financial expenses	90	173
Other financial income	1,539	0
Earnings before taxes (EBT)	3,868,958	2,069,203
Income taxes	1,284,332	625,622
Total comprehensive income	2,584,626	1,443,581

* The values as at 30 June 2016 are the values of Medios Pharma GmbH.

Consolidated balance sheet as at 30 June 2017

Medios AG, Berlin

ASSETS	30/06/2017 EUR	31/12/2016 EUR
Non-current assets	10,962,061	8,379,780
Intangible assets	2,822,370	617,532
Property, plant and equipment	7,708,691	7,326,348
Deferred tax assets	431,000	435,900
Current assets	38,059,831	39,480,976
Inventories	8,122,711	6,604,887
Trade receivables	21,956,296	14,484,070
Other receivables	1,230,697	1,301,402
Cash and cash equivalents	6,750,128	17,090,617
Total assets	49,021,891	47,860,757

Consolidated balance sheet as at 30 June 2017

Medios AG, Berlin

LIABILITIES	30/06/2017 EUR	31/12/2016 EUR
Equity	30,683,140	34,098,514
Subscribed capital	5,296,825	5,296,825
Capital reserve	29,253,714	29,253,714
Retained earnings	-3,867,399	739,316
Overall result after minority interests	0	-3,171,193
Shares of minority shareholders	0	1,979,853
Non-current liabilities	145,660	165,292
Deferred tax liabilities	145,660	165,292
Current liabilities	18,193,092	13,596,951
Other provisions	2,127,837	1,456,738
Trade payables	15,168,313	9,851,466
Income tax liabilities	479,268	1,937,809
Other liabilities	417,674	350,938
Total liabilities	18,338,752	13,762,243
Total assets	49,021,892	47,860,757

**Consolidated statement of cash flows
for the period from 1 January to 30 June 2017**

Medios AG, Berlin

	01/01/2017 – 30/06/2017 KEUR	01/01/2016 – 30/06/2016* KEUR
Cash flows from operating activities		
Profit for the year	2,585	1,444
Depreciation on tangible assets	177	24
Increase in provisions	671	-7
Increase/decrease in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	-8,919	-4,249
Increase/decrease in trade payables and other liabilities that cannot be allocated to investing or financing activities	5,384	3,962
Interest expenses/income	1	0
Income tax expense/income	1,284	626
Income tax paymentsIncome tax payments	-2,758	0
Net cash flows from operating activities	-1,574	1,799
Cash flows from investing activities		
Payments for intangible assetsPayments for intangible assets	-443	-24
Payments for investment in property, plant and equipment	-2,321	-230
Net cash outflows from investing activities	-2,764	-254
Cashflow from financing activities		
Payments made for the repayment of bonds and loans	0	-182
Payments from equity reductions to shareholders of the parent company	-6,000	0
Interest paid	-2	0
Net cash inflows from financing activities	-6,002	-182
Net increase in cash and cash equivalents	-10,340	1,363
Cash and cash equivalents at the beginning of the financial year at the start of the period	17,091	1,206
Cash and cash equivalents at the end of the financial year	6,750	2,568

* The values for the Medios Pharma GmbH statement of cash flows are shown for the period from 1 January 2016 to 30 June 2016.

Consolidated statement of changes in equity for the period from 1 January to 30 June 2017 Medios AG, Berlin	SUBSCRIBED CAPITAL EUR	CAPITAL RESERVE, SECTION 272 PARA. 2 NO. 1 HGB (GERMAN COMMERCIAL CODE) EUR
As at 01/01/2017	5,296,825	23,761,155
Annual surplus, first half of 2017	0	0
Purchase of a 49% shareholding in Medios Manufaktur GmbH (increase to 100%)	0	0
As at 30/06/2017	5,296,825	23,761,155
As at 01/01/2016*	100,000	482,804
Annual surplus, first half of 2016*	0	0
As at 30/06/2016*	100,000	482,804

* The values as at 30 June 2016 are the values of Medios Pharma GmbH.

RESERVE FOR SERVICES PERFORMED FOR EMPLOYEES IN EQUITY EUR	RETAINED EARNINGS EUR	NON-CONTROLLING SHAREHOLDERS (MINORITY INTERESTS) EUR	EQUITY EUR
5,492,559	-2,431,878	1,979,853	34,098,514
0	2,584,626	0	2,584,626
0	-4,020,147	-1,979,853	-6,000,000
5,492,559	-3,867,399	0	30,683,140
0	739,316	0	1,322,120
0	1,443,581	0	1,443,581
0	2,182,896	0	2,765,701

Consolidated notes as at 30 June 2017

1. General

Medios AG (hereinafter also the "Company", "Medios" or, in connection with its subsidiaries, "Medios Group") is an Aktiengesellschaft (stock corporation) under German law. The Company's shares are listed on the Regulated Market of the Frankfurt Stock Exchange (General Standard). The shares are also listed on the regulated market of the Hamburg Stock Exchange and are admitted to free trading on the Dusseldorf Stock Exchange. Medios AG is the Group's parent company. It is registered with the District Court of Berlin under number HRB 70680. The Company's registered office is in Hamburg. The company address is Friedrichstraße 113a, 10117 Berlin, Germany.

The consolidated interim financial statements are presented in euros (EUR), as all Group transactions are made in this currency and the euro is therefore the Group's functional currency. Unless otherwise specified, they are stated in thousands of euros (kEUR). We would like to point out that when using rounded amounts and percentages due to commercial rounding, differences may also occur within individual tabular presentations. This also affects the totals and interim totals shown in the consolidated interim financial statements.

The consolidated statement of comprehensive income is prepared using the total cost method. The financial year of Medios AG and its subsidiaries included in the consolidated financial statements is that of the calendar year; a group relationship has existed since 31 August 2016.

2. Business activity

Medios AG is a management and service holding company and performs the central management role over Medios Group. It manages the Group's business activity, including preparing a corporate plan for the Group and monitors compliance with it.

The wholly-owned subsidiary Medios Pharma GmbH is a drug wholesaler for speciality pharmaceutical drugs and specialises in drugs for chronic and/or rare diseases with complex, care-intensive therapies which are manufactured using high-tech processes. Medios Pharma GmbH acts as a trading platform by systematically determining supply and demand for speciality pharmaceutical drugs, which it reconciles through appropriate purchase and supply. In addition, Medios Pharma GmbH considers itself to be an expert pharmaceutical partner and interacts with market players that focus on providing drugs to patients with chronic and/or rare diseases.

The 100%-owned subsidiary Medios Manufaktur GmbH is a contract manufacturer of individually tailored prescription-only drugs. Since 2009, Medios Manufaktur GmbH has produced infusions, injections and pumps (known as parenteral drugs) for pharmacies that can be individually prepared for specific patients according to a doctor's prescription. Particular focus is placed on treatment for cancer patients with a subsidiary focus on patients with other indications.

3. Principles for preparing the condensed interim financial statements

The consolidated interim financial statements of Medios AG as at 30 June 2017 were prepared for the first time and in supplemental application of the provisions of Section 315a HGB (German Commercial Code) in accordance with International Financial Reporting Standards (IFRS) and the associated interpretations of the International Accounting Standards Board (IASB) as they are to be applied in the European Union (EU) pursuant to Regulation No 1606/2002 of the European Parliament and of the Council on the application of international accounting standards. In doing so, all standards to be applied as mandatory have been observed. There was no voluntary early application of standards. The statements for the period from 1 January to 30 June 2017 have been prepared as condensed consolidated interim financial statements in accordance with IAS 34, "Interim Financial Reporting". These consolidated interim financial statements do not contain all the required information for financial statements of a financial year and should be read in connection with the consolidated financial statements as at 31 December 2016.

The accounting and valuation methods used to prepare the consolidated interim financial statements are fundamentally the same as those applied to the last consolidated financial statements as at 31 December 2016. In variance to the accounting and valuation of share options disclosed in the consolidated financial statements as at 31 December 2016, the share options were measured at fair value at the time of granting. There are no new subsequent valuations. There are not expected to be any effects on the income statements in the consolidated financial statements and consolidated interim financial statements in subsequent periods. The weighted average share price on which the share option measurement is based is EUR 7.48. The option term, expected volatility and risk-free interest rate were not included in the measurement due to the special features of a zero call. Expected dividends were not included as they are expected to be exercised prematurely. In the first half of 2017, a total of 43,000 options out of the 737,857 share options granted in 2016 and existing as at 31 December 2016 were

exercised with a weighted average share price of EUR 9.01. Therefore 694,857 exercisable share options still existed as at 30 June 2017 at an exercise price of EUR 0 each.

The reporting company Medios AG Group was founded in August 2016 through a reverse company acquisition. The previous year's values in the comparison period from 1 January to 30 June 2016 only relate to Medios Pharma GmbH, Berlin.

Reporting for the first half of 2017 took place in accordance with the mandatory standards and portrays a true and fair picture of the Group's net assets, financial position and results of operations.

4. Scope of consolidation

These consolidated interim financial statements as at 30 June 2017 include the following subsidiaries in the first half of 2017 in addition to Medios AG:

- Medios Pharma GmbH, Berlin (100%)
- Medios Manufaktur GmbH, Berlin (100%)
- Medios Digital GmbH, Berlin (100%)

The remaining 49% of the shares in Medios Manufaktur GmbH, Berlin, were acquired in the first half of 2017 at a purchase price of EUR 6.0 million, with effect as of 18 January 2017.

In addition, Medios Digital GmbH, Berlin, was founded with subscribed capital of kEUR 100 with effect as of 17 January 2017.

All subsidiaries controlled by Medios AG have been fully consolidated provided they were material to the Group's net assets, financial position and results of operations.

5. Significant events in the first half of 2017

On 9 January 2017, the Management Board of Medios AG informed both shareholders of Medios Manufaktur GmbH, Claudia Neuhaus and Manfred Schneider, that it was exercising the contractually agreed call option to acquire the remaining 49% in Medios Manufaktur GmbH. It was decided to make the transaction by deferred payment, which allows Medios AG to acquire 49% of the shares immediately, but to pay by instalments. A total of EUR 6 million was then paid in January 2017 as a first instalment. A second instalment of EUR 1 million was paid in July 2017. The remaining purchase price of approximately EUR 1.8 million can be paid in two additional half-yearly instalments.

On 18 January 2017, Medios AG further announced the founding of a wholly-owned subsidiary, Medios Digital GmbH. The object of the company is to provide development, consulting and operating services in the area of information and systems technology, particularly the provision of services in the area of software development, maintenance and support. All software development activities of the listed company Medios AG and all other group companies are being brought together into Medios Digital GmbH.

On 29 March 2017, Medios AG acquired a property in order to significantly expand the manufacturing capacity of its subsidiary Medios Manufaktur GmbH and to bring the activities of Medios Group together in a single location. The property is located in an industrial park in Berlin-Charlottenburg. It comprises a 3,195-square-metre site and an office building. The amount invested will be a total of approximately EUR 11 million including expanding production and erecting a further building on the site. Planning has already begun on the conversion and extension work.

In May 2017, the new Act on Strengthening Pharmaceutical Supply in Statutory Health Insurance (GKV-Arzneimittelversorgungsstärkungsgesetz – AMVSG) came into force with a transition period until 31 August 2017. The AMVSG aims to improve health provision in Germany and mainly affects people with chronic or genetically determined illnesses such as cancer. As these patients largely rely on a flexible, secure and nearby supply of cytostatics, the Act prohibits cytostatics tenders and also abolishes exclusive cytostatics contracts between insurance companies and pharmacies.

6. Notes to the consolidated statement of cash flows

The statement of cash flows shows the changes to the Group's cash and cash equivalents during the year under review through cash inflows and outflows. A distinction is made between cash flows from operating, investing and financing activities. The cash and cash equivalents in the statement of cash flows only include freely available cash and cash equivalents.

7. Segment reporting

As at 30 June 2017, Medios Group is divided into the segments of "Speciality Pharma", "Customised Preparations" and "Shared Services". The segments have different services profiles. Transactions between segments are shown in accordance with IFRS accounting principles.

No aggregation of business segments was performed. The activities of Medios Group only extend to Germany and the EU.

The business activities of the segments can be summarised as follows:

The Speciality Pharma segment is an expert partner for speciality pharmaceutical drugs in Germany and interacts with market players that specialise in caring for patients with chronic and/or severe diseases. The pharmaceutical wholesale licence pursuant to Section 52a AMG (German Medicinal Products Act), permits the market and needs-based supply of speciality pharmaceutical drugs to partners. Particular focuses include oncology, autoimmunology and infectiology.

The Individually Tailored Preparations segment covers the most important elements of the supply chain in the speciality pharmaceutical sector, which are wholesale, production to GMP standards and additional services for pharmacies. Medios Manufaktur produces individually tailored drugs for patients on behalf of pharmacies. The highest quality standards (GMP) are applied to preparations. Particular focus is placed on infusion solutions in the area of oncology.

The third segment, Shared Services, is responsible for holding company activities for Medios Group, in particular for tasks relevant to the capital market. As of 2017, this segment has also been developing software and infrastructure solutions for Medios Group.

Revenue and segment results for the first half of 2017 are broken down as follows:

Period	SPECIALITY PHARMA	INDIVIDUALLY TAILORED PREPARATIONS	SHARED SERVICES	RECONCILIATION	GROUP
	01/01-30/06/2017				
	KEUR				
Revenue – external	97,637	26,111	558	7,258	117,048
Vorjahr 30.06.2016	57,523	0	0	0	57,523
Revenue – internal	4,345	2,355	558	7,258	0
Previous year 30/06/2016	0	0	0	0	0
Other income	174	120	2	0	296
Previous year 30/06/2016	17	0	0	0	17
Change in inventories	0	8	370	0	378
Previous year 30/06/2016	245	0	0	0	245
Total comprehensive income	97,637	26,118	928	-7,258	117,425
Previous year 30/06/2016	57,523	0	0	0	57,523
Depreciation and amortisation	40	72	11	48	177
Previous year 30/06/2016	24	0	0	0	24
EBIT	3,271	927	-282	48	3,868
Previous year 30/06/2016	2,069	0	0	0	2,069
Profit after taxes	2,210	618	-206	37	2,585
Previous year 30/06/2016	1,444	0	0	0	1,444

Other disclosures

8. Contingent liabilities and other financial obligations

As at 30 June 2017, there are no contingent liabilities or legal disputes.

There are material financial obligations in connection with trade.

9. Additional disclosures on financial instruments Carrying amounts, valuations and fair values by measurement category

The following table shows the carrying amounts and fair values of the financial assets and liabilities recorded in the consolidated interim financial statements by valuation category in accordance with IAS 39:

	VALUATION CATEGORY IN ACCORDANCE WITH IAS 39	30/06/2017 CARRYING AMOUNT	30/06/2017 FAIR VALUE	31/12/2016 CARRYING AMOUNT	31/12/2016 FAIR VALUE
Assets					
KEUR					
Trade receivables	LaR	21,956	21,956	14,484	14,484
Other receivables	LaR	397	397	502	502
Cash and cash equivalents	LaR	6,750	6,750	17,091	17,091
Liabilities					
KEUR					
Trade payables	FLAC	15,168	15,168	9,851	9,851
Other liabilities	FLAC	8	8	152	152

Principles and fair value measurement methods are fundamentally unchanged compared to the consolidated financial statements as at 31 December 2016. Detailed notes on the measurement methods can be found in note 6 "Accounting and measurement methods" in the consolidated financial statements as at 31 December 2016.

Depending on the categorisation of the financial instruments, the subsequent measurement is made either at fair value or at amortised cost using the effective interest-rate method. The fair value is determined according to the following measurement hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities (adopted without changes)

Level 2: Input factors other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. derived from prices)

Level 3: Factors not based on observable market data for the measurement of the asset or liability (unobservable inputs)

At present, all fair values determined for financial instruments are based on the Level 2 information and input factors as described above.

10. Related party transactions

Related parties pursuant to IAS 24 include, inter alia, companies and persons where one of the parties directly or indirectly has the means of controlling or being able to exert significant influence over the other party.

Company under the controlling influence of a major shareholder

In the first half of 2017, no companies were identified as related companies over which a major shareholder could exert a controlling influence in the period under review.

Related persons in key positions

Members of the Management Board and Supervisory Board are considered to be related persons in key positions. For the 2016 financial year these are:

Management Board		Period
Manfred Schneider	CEO	from 14 October 2016
Matthias Gärtner	CFO	
Mi-Young Miebler	COO	from 1 July 2017
Supervisory Board		Period
Dr. Yann Samson	Chairman	
Joachim Messner	Deputy Chairman	from 14 September 2016
Klaus Buß		from 14 September 2016
Jeff Audrey	Deputy Chairman	until 14 September 2016
David Smith		until 14 September 2016

The members of the Management Board belong to the following other supervisory bodies:

Manfred Schneider
Matthias Gärtner

No other memberships of supervisory bodies
MINAYA Capital AG (Chairman of the Supervisory Board)

The members of the Supervisory Board are members of the following other supervisory bodies:

Dr. Yann Samson
Joachim Messner
Klaus Buß
Jeff Audrey
David Smith

Financial.com AG (executive board)
No other memberships of supervisory bodies
TUBS GmbH TU Berlin Science Marketing (supervisory board)
No other memberships of supervisory bodies
No other memberships of supervisory bodies

The following table shows transactions with related parties in the reporting period:

	INCOME 01/01-30/06/2017	EXPENSE 01/01-30/06/2017	RECEIVABLES	LIABILITIES
KEUR				
BerlinApotheke Schneider & Oleski oHG	23,025	14,994	3,932	857
mediosmanagement GmbH	6	319	0	181
Messner Rechtsanwälte	0	9	0	2
Total	23,031	15,322	3,932	1,040

	INCOME 01/01-30/06/2016	EXPENSE 01/01-30/06/2016	RECEIVABLES	LIABILITIES
KEUR				
BerlinApotheke Schneider & Oleski oHG	10,538	436	307	302
mediosmanagement GmbH	14	102	6	2
Messner Rechtsanwälte	0	2	0	0
Total	10.552	540	313	304

11. Earnings per share

Earnings per share are defined as the ratio of the Group earnings attributable to the shareholders of Medios AG to the weighted average number of shares in circulation during

the reporting year. There are no outstanding instruments that could dilute earnings. As a result, diluted earnings per share are identical to undiluted earnings per share.

	SHARE CAPITAL OR NUMBER OF SHARES (THOUSAND)	WEIGHTED NUMBER OF SHARES (THOUSAND)
01/01/2017	12,422	12,422
30/06/2017	12,422	12,422
01/01/2016	850	850
30/06/2016	850	850

Calculation of earnings per share	30/06/2017	30/06/2016
The proportion of Group earnings attributable to shareholders of the parent company (in kEUR)	2.585	1.444
Weighted average number in ordinary shares (in thousand units)	12.422	850
Undiluted earnings per share (in EUR)	0,21	1,70
Diluted earnings per share (in EUR)	0,21	1,70

12. Events after the balance sheet date

The Supervisory Board of Medios AG appointed Mi-Young Miehlner as Chief Operating Officer (COO) of Medios AG with effect from 1 July 2017. Ms Miehlner heads up the operating business of Medios Group and continues in her role as Managing Director of the subsidiary Medios Pharma GmbH. Since then, the Management Board consists of three persons, Manfred Schneider as CEO, Matthias Gärtner as CFO and Mi-Young Miehlner as COO.

In August 2017, Cranach Pharma GmbH, a strategic partner of Medios AG and a pharmaceutical wholesaler based in Hamburg, acquired 500,000 shares in Medios AG. This equates to around four per cent of the share capital of Medios AG. An in-depth transfer of knowledge between the companies in future will aim to drive forward the development of certain business areas. While Medios brings particular expertise in the areas of oncology and HIV in this context, Cranach Pharma contributes expertise particularly in the fields of neurology, immunology, haemophilia and endocrinology.

On 19 September 2017, Medios AG successfully placed new shares with institutional investors. As part of a capital increase from authorised capital, a total of 1,242,183 new shares were issued, thereby increasing share capital by around 10% to EUR 13,664,019.00. The shares were sold as part of an accelerated placement process excluding the subscription right to institutional investors at a placement price of EUR 12.30 per share. The capital increase was thus more than two times oversubscribed.

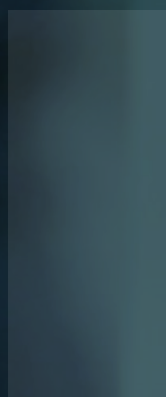
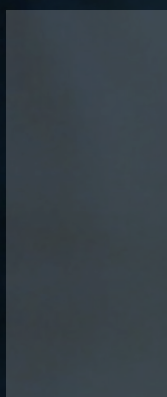
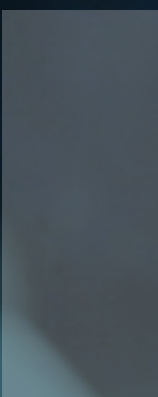
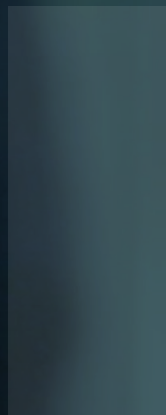
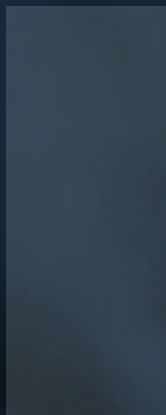
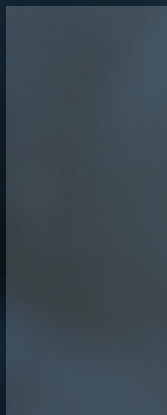
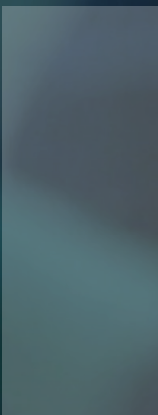
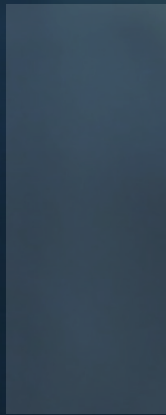
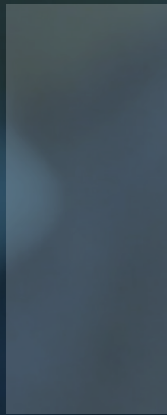
Total funds from the capital increase of approximately EUR 15.3 million are intended to contribute to financing the company's growth strategy, driving forward the digitisation of Specialty Pharma and enabling the further expansion of the customer network and product range. The capital increase is also intended to strengthen the company's capital base.

On 25 September 2017, Medios AG acquired the Berlin production plant of PGD Profusio Berlin GesundHeits GmbH, Germany, in order to expand its cleanroom capacity. This was a first step in the expansion of production capacity, which had already been announced by the company. The additional cleanroom laboratories will enable the number of individually tailored pharmaceutical products to be expanded and the range of indications to be further diversified.

13. Declaration on the German Corporate Governance Code

The statement of compliance on the German Corporate Governance Code prescribed pursuant to Section 161 AktG (Stock Corporation Act) was submitted by the Management Board and Supervisory Board of Medios AG and can be permanently accessed by shareholders at the investor relations section of the Medios AG website.

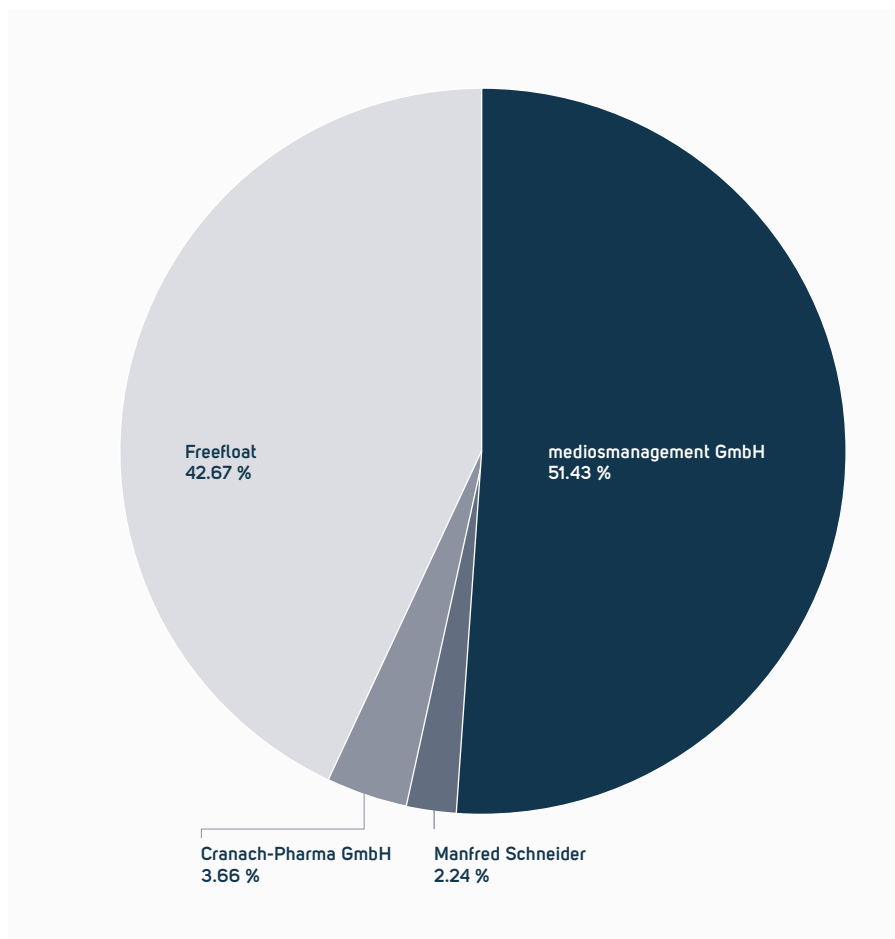




Shares

Shareholder structure

Headquarter	Hamburg
Business address	Berlin
Share capital	EUR 13,664,019
Number of shares	13,664,019 no par value bearer shares
Current rate	12.97 EUR (as of: September 20th, 2017)
Market capitalization	EUR 177 m
WKN / ISIN	A1MMCC / DE000A1MMCC8
Market segment	Regulated market Hamburg and Frankfurt



- mediosmanagement GmbH 51.43 %
- Manfred Schneider 2.24 %
- Cranach-Pharma GmbH 3.66 %
- Freefloat 42.67 %

Imprint

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Supervisory Board

Chairman: Dr. Yann Samson
Vice chairman: Joachim Messner
Member: Klaus J. Buß

Executive Board

Manfred Schneider
Matthias Gärtner
Mi-Young Miehler
Registered in the commercial register of the district court
Hamburg under HRB 70680

Coordination

Stephanie Meyer, Medios AG

Design

Gina Mönch, Art Direction, Berlin

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Verbot der Benutzung
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