



# **MPH** Health Care

Half Year Report **2017**

Internal value (NAV) 206.61 Mio. Euro - 4.83 Euro/Share  
as of 30.06.2017

in Euro	Number of Shares	Price	Market value in EUR	Fair value in EUR
M1 Kliniken AG	12,504,665	9.373	117,206,225.05	
HAEMATO AG	11,011,977	6.300	69,375,455.10	
CR Capital Real Estate AG	11,507,323	1.860	21,403,620.78	
<b>TOTAL Valued shares</b>			<b>207,985,300.93</b>	
Unlisted investments				4,484,000.00
<b>TOTAL Fair Value valued</b>				<b>212,469,300.93</b>
Liquid Funds				6,343,199.46
Other assets				9,366,406.86
<b>Use of funds</b>				<b>228,178,907.24</b>
Equity				206,613,113.81   4.83 Euro/Stock
Interest-bearing borrowed capital				14,000,000.00
Other borrowed capital				7,565,793.43
<b>Source of funds</b>				<b>228,178,907.24</b>

## Mission Statement

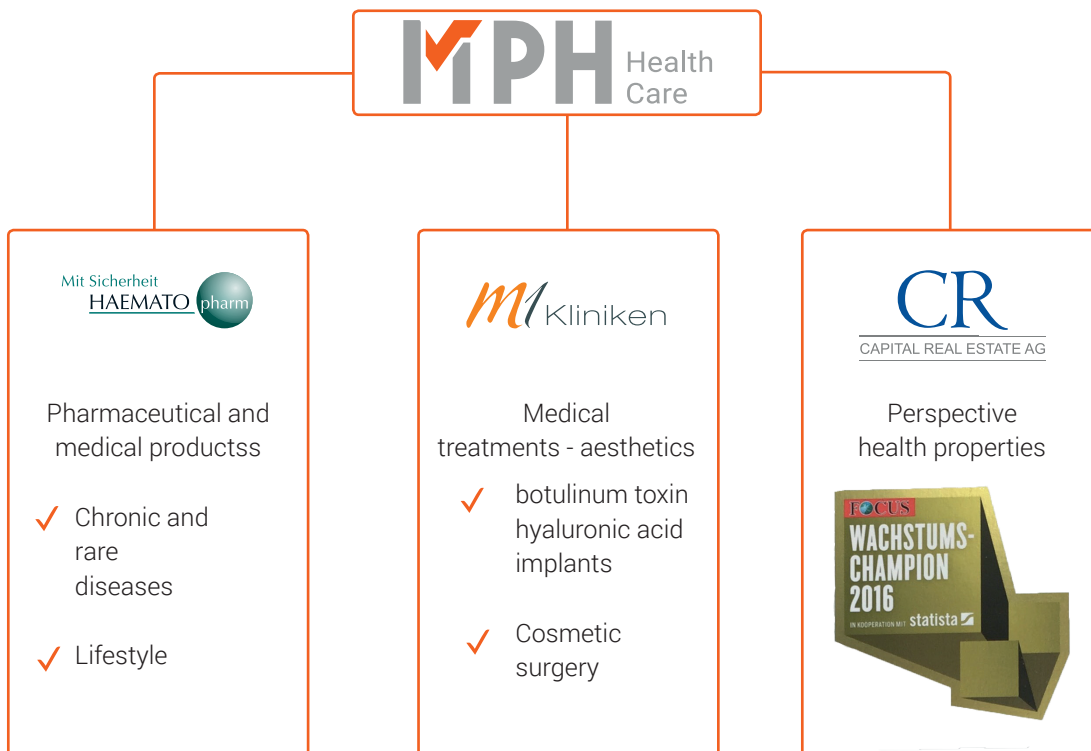
As an investment company, the strategic focus of our activities is on companies in high-growth segments of the health care market. This includes both insurance-backed and privately financed segments.

Against the backdrop of demographic development, an aging society and a growing health and body awareness, the healthcare market is growing in the coming years. And we want to use these potentials.

We work together in partnership with our portfolio companies. The goal is to generate a profitable growth of the companies through active further development and thus not only to increase the value of the portfolio company itself, but also the company value of MPH AG.

However, MPH AG is not limited to the health care market. In addition to the health care market, we also offer opportunities for investment in high-growth industries, whose potential we want to exploit and expand.

## Main areas of MPH Healthcare AG



Class of shares	Bearer shares
Number of shares in circulation	42.813.842
WKN / ISIN	A0L1H3 / DE000A0L1H32
Stock symbol	93M
Trading places	Xetra, Frankfurt, Stuttgart, Düsseldorf, Berlin, Tradegate
Stock market segment	Entry Standard (Open Market)
Designated Sponsor, Listing Partner	ODDO SEYDLER BANK AG
Coverage	GBC AG, First Berlin Equity Research GmbH

Political uncertainties around the world as well as the concern for a break-up of the Eurozone caused a weakening of investor sentiment at the beginning of the year. After the outcome of the French election with the pro-European winner Emmanuel Macron provided for optimism among stock investors, the political uncertainty is back with the North Korean conflict and weighs considerably on the stock exchanges. According to a survey conducted by the Reuters information service, analysts estimate that the leading index Eurostoxx 50 will only record at 3,255 points by the end of December 2017.

After the MPH Healthcare AG share started with a strong price of EUR 3.70 in the year, it came under pressure in February. With a break of EUR 3.45 in February, the positive development of the compa-

ny strengthened investor confidence so that significant growth could be achieved with a Xetra closing of EUR 4.06 in March. After further price increases of EUR 3.94 in June and EUR 3.89 in July, a price of EUR 3.69 was recorded, including a dividend payment of EUR 0.12 per share as of July 4,

The very good prospects for the future of MPH Healthcare AG also reflected the rating of several analysis houses. After the recommendation of the analysts of the GBC AG in March with a short target of EUR 5.00, they increased their forecast in June to EUR 6.18. First Berlin Equity Research GmbH predicted a price target of EUR 5.80 in May.

## Share price of the MPH Health Care AG 2017 / NAV: 4,83 EUR/Share (30.06.2017)



# Mit Sicherheit HAEMATO pharm

HAEMATO AG is a listed pharmaceutical company. Our business activities focus on growth markets of patent-free and patent-protected medicines.

The focus is on oncology, HIV / AIDS, neurology, cardiovascular and other chronic and rare diseases.

The demand for low-cost, top-quality medicines, which at any time meets the requirements

for a reliable and comprehensive medical care, will continue to increase as the life expectancy of the population increases in the coming years. With our product portfolio of patent-free and patent-protected drugs we support the optimization of an efficient drug supply and thereby the cost reduction for health insurance companies and thus also for patients.

## KEY DATA OF THE HAEMATO SHARE

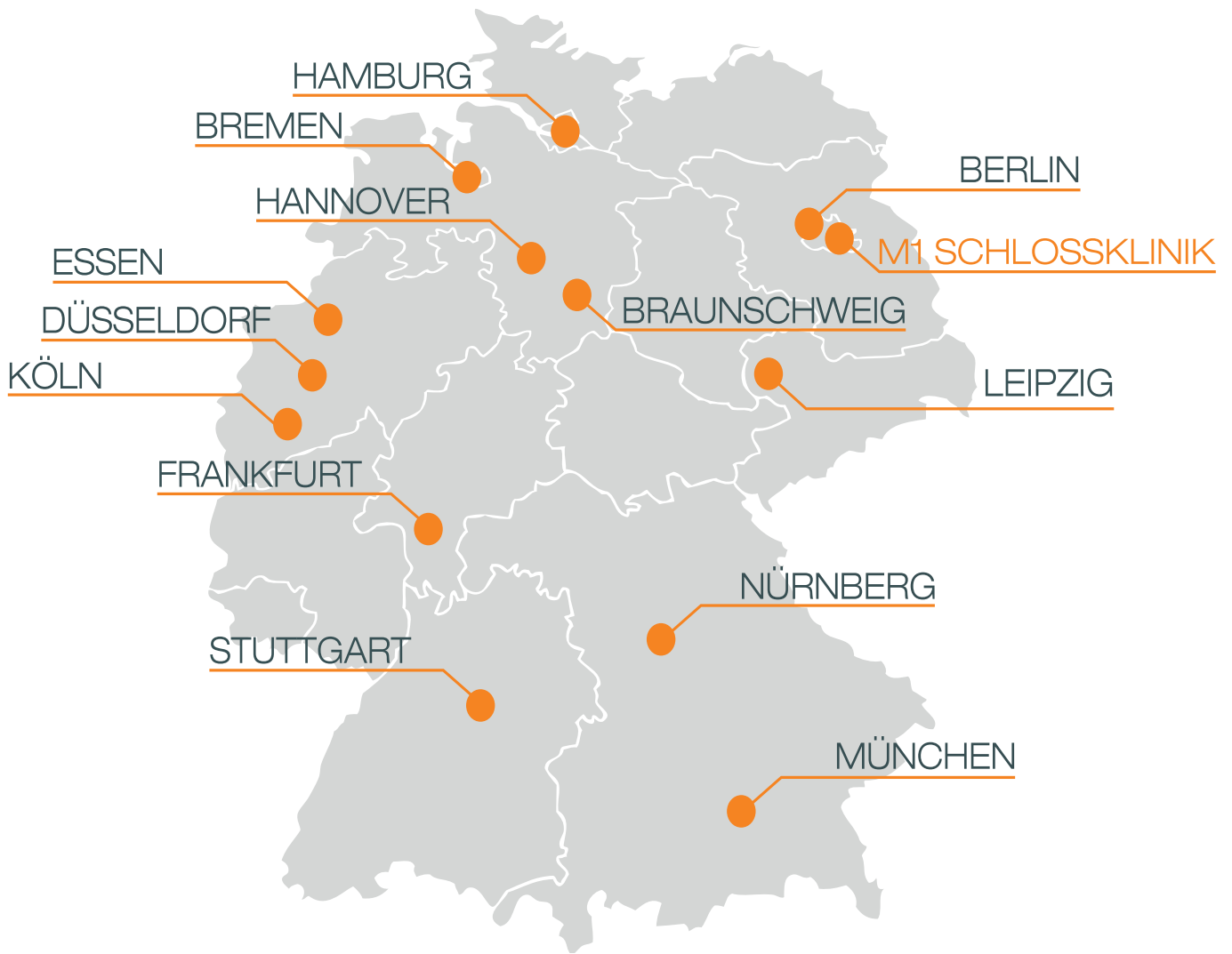
Class of shares	Bearer shares
Number of shares in circulation	21.980.000 Stück
WKN / ISIN	619070 / DE0006190705
Stock symbol	HAE
Trading places	Xetra, Düsseldorf, Frankfurt, Stuttgart, Hamburg, Berlin, Tradegate
Stock market segment	Entry Standard (Open Market)
Designated Sponsor, Listing Partner	ODDO SEYDLER BANK AG
Coverage	GBC AG, First Berlin Equity Research GmbH

## Share price of the HAEMATO AG 2017





# Kliniken



M1 Kliniken AG is one of the fastest growing and leading providers of healthcare services within the aesthetic sector. With its products and services, the group offers a customer-oriented range of aesthetic and surgical treatments throughout Germany. Minimally-invasive and surgical operations are carried out by our highly-experienced and specialised team of surgeons, using high quality products and state of the art medical technology, to the highest quality standards.

# Key figures of M1 KLINIKEN AG

## KEY DATA OF THE M1 KLINIKEN SHARE

Class of shares	Bearer shares
Number of shares in circulation	15.000.000
WKN / ISIN	A0STSQ / DE000A0STSQ8
Stock symbol	M12
Trading places	Xetra, Frankfurt, Stuttgart, Düsseldorf
Stock market segment	Entry Standard (Open Market)
Designated Sponsor, Listing Partner	Dero Bank AG, Oddo Seydler Bank AG
Coverage	Bankhaus Metzler, GBC AG, First Berlin Equity Research GmbH





## CAPITAL REAL ESTATE AG



CR Capital Real Estate AG is a real estate company listed on the Basic Board of the Frankfurt Stock Exchange. The focus of CR Capital Real Estate AG's business is on project development, with the focus on new residential construction, primarily for self-employed people in the cities of Berlin, Leipzig and surrounding Berlin. At the same time,

the favorable market environment is used to generate sustainable income and profits through the sale of apartments with high facilities at good locations at an attractive price / performance ratio.

### KENNZAHLEN ZUR AKTIE

Class of shares	Bearer shares
Number of shares in circulation	18.784
WKN / ISIN	A0WMQ5 / DE000A0WMQ53
Stock symbol	CRZ
Trading places	Xetra, Frankfurt, Berlin, Stuttgart, Düsseldorf, Tradegate
Stock market segment	Entry All Share, Dimax (Bankhaus Ellwanger & Geiger)
Designated Sponsor, Listing Partner	ODDO SEYDLER BANK AG
Coverage	GBC AG, First Berlin Equity Research GmbH

### Share price of the CR Capital AG 2017





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Dear shareholders,  
Ladies and Gentlemen,



this year's Annual General Meeting decided to rename the MPH into „MPH Healthcare AG“. We want to make even more clear that the MPH as an investment company aims at developing entrepreneurial opportunities in the health care market. This strategy, which is clearly focused on growth and value creation, is geared towards insurance-financed as well as privately financed segments of the market.

In the first half of 2017, MPH Health-Care AG successfully continued its growth path. In the first half of 2017, our company and our subsidiaries were able to record a very gratifying development. At the end of the first half of 2017, the share price rose by 45.8% compared to June 30, 2016, with a dividend of EUR 0.12 / share being distributed as of June 30, 2017.

#### M1 Kliniken AG

M1 Kliniken AG, the operator of the largest inpatient clinic for aesthetic breast surgery in Germany, has developed very well in the face of increasing demand for plastic and aesthetic beauty treatments due to its price and quality leadership. Within the reporting pe-

riod, almost the result of the entire previous year was achieved. With currently more than 100,000 treatments per year, M1 Kliniken AG remains on a successful growth path. Another specialist center was opened in Leipzig in March 2017, and further openings will take place in the second half of 2017. The development of own M1-Beautyprodukte was successfully started in the first half year. The start of marketing is expected for the coming financial year. The transfer of the business model to similar health care segments for self-payers, e.g. Dental implants are being tested. The price of the M1 Kliniken AG share as at 30 June 2017 was approximately 33% higher than in the first half of 2016. On June 30, 2017, a dividend of EUR 0.30 / share was paid to the shareholders.

#### HAEMATO AG

HAEMATO AG is a listed pharmaceutical company with a focus on the growth markets of patent-free and patent-protected pharmaceuticals, mainly in the high-price indicative areas of oncology and HIV as well as in the areas of rheumatism, neurology and cardiovascular diseases. In the first half of the year, HAEMATO AG once again achieved the high sales level of the previous year. In addition, the development

of innovative medical products for the beauty market was launched. HAEMATO AG assumes that the first products will be launched in the coming year, which has already created the basis for further growth and additional earnings. From June 30, 2016 to the end of the first half of 2017, the share price rose by about 32.7%, with a dividend of EUR 0.30 / share distributed on June 23, 2017.

### CR Capital Real Estate AG

CR Capital Real Estate AG is a real estate company listed on the BasicBoard of the Frankfurt Stock Exchange, focusing on project development, health care real estate and new residential construction in the metropolitan regions of Berlin, Leipzig and Dresden.

With the new construction near Leipzig, with a total area of approx. 85,000 m<sup>2</sup>, favorable purchasing, „industrial“ production of the properties and optimized workflows will create favorable living space with upscale equipment at an attractive price-performance ratio at the same high margin. The sale and construction of the new building project continues to develop well. The rating agencies are also convinced by this business model. As a result, GBC Research raised the price target to EUR 2.85. First Berlin sees the price target stable at EUR 2.80. As of June 30, 2017, the price already rose by approx. 54.7% compared to the

end of the first half-year 2016.

We would like to thank our employees for their commitment in the first half year of 2017. Their achievements and their know-how ensure the success and continuous development of the MPH Group. Our thanks also go to the Supervisory Board, which once again supported us in the first half of 2017 through constructive cooperation.

Berlin, August 2017



Patrick Brenske  
Management Board

# Interim management report

## I. Basis of the group

MPH HealthCare AG is an investment company listed on the Frankfurt Stock Exchange, headquartered in Berlin. Their business is to invest in companies with the aim of increasing their capital.

The strategic focus of the activities is on the acquisition and development of companies and company shares, in particular from growth segments of the health care market. This includes both insurance-backed and privately financed segments. MPH also uses potentials from high-growth sectors, even outside the health care mar-

ket. The goal is to generate a profitable growth of the companies through active further development and to promote the company value of the MPH.

## II. Economic Environment

### 1. Overall economic sector-related environment

#### a. Global economic environment

The constant growth of the world economy is ongoing.<sup>1</sup> Especially in advanced national economies the economic mood is positive, but the situation also improved noticeable in emerging markets. Although the uncertainty about the forthcoming economic policy is quite big the economic activity seems to be mostly unharmed by it.<sup>2</sup>

In advanced national economies, the dynamic moved from private consumption to investments. Especially the private consumption lost its momentum which is originated in the due to rising energy costs lower available revenue of private households. On the contrary the dynamic in corporate investments increased considerably.<sup>3</sup> The GDP of the United States grew annualized only by 1.2 %.<sup>4</sup> This decrease in growth is originated in the lower spending in private consumption as well as in the humble public investments. The exports on the other hand showed a positive development.<sup>5</sup>

The GDP of the euro area grew by 0.6% in the first quarter. By that its grow is higher as it was in the last quarter of 2016. The production increased at

the beginning of the year in every member state. In the last year the private consumption was a key factor for the stability of the economy. Lastly the harsh increase of the consumer prices decreased the growth of real wages though, which resulted in a weakened consumer demand. The growth of exports on the other hand will support the most recently growing investments further.<sup>6</sup> With rising investments and a slightly decreased consumption the GDP in the euro area is supposed to grow by 1.9% in the years 2017 and 2018, which is slightly stronger than before.<sup>7</sup>

The OECD expects a prognosticated economy growth by 1.8 % in the euro area in June 2017. Nevertheless, the strength of the impact of the Brexit-process cannot be predicted yet.<sup>8</sup>

## b. Economic climate in Germany

The economic situation of Germany is characterised by a static and stable growth. In the light of already tightened capacities the economic output (0.6%) advanced considerably in the beginning of the year. Exports show a positive impact on the economy, although the exports experience a slight decrease due to the weaker British pound and the declining economy in Great Britain. Furthermore, perceptible stimuli are generated by the domestic demand and especially the private consumption which still profits from the positive labour market trend.<sup>9</sup>

In the last winter half-year, the acceleration of employment growth was extraordinarily high. The number of employed individuals rose for about 200 000 per quarter; The last time a similarly rapid growth happened was 2008. Only the private consumption is probably going to be decreased in comparison to the prior years.<sup>1</sup>

### c. Global healthcare market

The health sector is going to be one of the most important future markets. Global trends like the demographic change, growing demand for health products and health services as well the scientific and technical progress in medical technology, pharmacy, biotechnology, information and communications technology (IKT) as well as food have a influence on the health, capability, employment and well-being of people.<sup>11</sup> Besides the growing income and the medical progress the aging of the population is a substantial factor for the growing health expenses which increase the share on the GDP of the health markets. The growth of health markets is not only originated in individual consumption, but especially in the reduction of social protection systems. This development can be observed particularly in nations with a medium income.<sup>12</sup>

The health sector is closely connected to the pharmaceutical industry. On one hand, the sector mostly funds itself with medication expenses of the people. On the other hand, the health condition of a society is strongly dependent on the possibility to get medications. By that the pharmaceutical supply directly influences the health development and the lifespan of the people. A growing lifespan therefore will also influence the demand for pharmaceutical products positively.<sup>13</sup> That resulted in a stronger economic growth for the pharmaceutical market in the last years in comparison to the general economy. With 979 billion Euro, the turnover for medications was around 1.0% higher than in the prior year.<sup>14</sup> Furthermore the trend stays positive. After a report of the IMS Institute for Healthcare Informatics the expenses for medications will grow globally by up to 30% between 2016 and 2021. In 2021 the total expenses for medicine will reach 1.5 trillion Dollar. The global growth of expenses in developed markets will be highly carried by oncology, autoimmune treatments and diabetes treatments. In these sectors, important innovations can be expected.<sup>15</sup>

Due to the growing interest in conserving natural beauty and physical health even until higher ages the medical-aesthetic market is growing. On a global scale, more than more than 23 million sur-

gical and non-surgical beauty procedures were performed in 2016. Breast enlargements are one of the most common beauty surgeries worldwide with 15.8 %, followed by liposuction (14%), eyelid correction (12.9%), rhinoplasty (7.6%) and abdominoplasty (7.4%). The most common non-surgical treatments are injections with botulinum toxin (4,627,752 treatments and a growth by 7% in the last 12 months). With 86.2% and 20,362,655 beauty treatments and surgeries women strengthen the worldwide demand even further. Breast enlargements (silicone implants), liposuctions, eyelid corrections, abdominoplasty and breast lifting belong to the 5 most common surgeries for women. 13.8% (3,264,254 treatments) of the worldwide surgical treatments in 2016 were conducted at men. The 5 most common treatments were eyelid-corrections, gynecomastia, rhinoplasty, liposuction and hair transplantation.<sup>16</sup>

In total, the amount of treatments is supposed to grow by 5.2% per year until 2019. The turnover of aesthetic products will experience an even stronger growth with 11.8% every year and resulting in 11.9 billion Euro until 2019.<sup>17</sup>

The health market will keep on growing in the upcoming years. The turnovers are expected to increase by four billion US-Dollars reaching a total of ten billion US-Dollars until 2020. In a long-term prognosis, the Management consulting company Bain & Company identified growing demand after therapies, therapeutics and other health services as one of 8 structural trends which are expected to result in a growth of the GDP by 40% up to 90 billion US-Dollar in 2020.<sup>18</sup>

## d. The German healthcare market

Over the past ten years, health care has grown more robustly than the economy as a whole.<sup>19</sup> The share of the overall economy has risen over the period: from 10.7 % in 2005 to 12 % in 2016. This is roughly every eighth euro.<sup>20</sup> The need for products and services in prevention, diagnostics, therapy, rehabilitation and care is clearly increasing as a result of demographic development, medical-technical progress and increased health awareness. In addition to major innovation potentials, health care also creates an economic added value along a complex value-chain.<sup>21</sup> In addition, it accounts for some 8.2 % of total German exports - despite the fact that the sector generates a large part of its value added by the provision of services on the patient.<sup>22</sup>

The health sector as a whole is an enormous economic factor. In Germany, it currently employs around seven million workers.<sup>23</sup> This is 16 per cent of all employees. Between 2009 and 2014, the number of health care workers grew by a total of 476,000 people or 10.0 %.<sup>24</sup> From the point of view of the economic policy objectives - growth, employment and balanced foreign trade balance - the industry is thus making a significant contribution to overall economic prosperity. The demand for technologically advanced equipment in the current and future medical care of patients makes the medical technology and medical products sector a core component of industrial health care and thus an essential part of the value chain of health.<sup>25</sup>

Health expenditures in Germany in the insurance-financed market („First Healthcare Market“) amounted to EUR 344.2 billion or EUR 4,213 per inhabitant in 2015. As reported by the Federal Statistical Office (Destatis), this corresponds to 11.3% of the gross domestic product. More than every ninth euro was spent on health. Compared with 2014, healthcare expenditures rose by 15.0 billion euros or 4.5%. Health spending for the fourth year in a row therefore increased more than the gross domestic product.<sup>26</sup>

More and more people are willing to invest in their health, their fitness and a good sense of living money. To this end, the supply of the first health care market is not sufficient for them, and they use services and products that are used to keep their health or to enjoy their wellbeing. These include healthy eating as well as sports, wellness, as well as beauty treatments. The economy, on the other hand, opens up opportunities for new business models to the non-insurance-financed market.<sup>27</sup> Given these aspects and the increased social acceptance of beauty medicine, the beauty market is also one of the growing sectors within the health care sector. In Europe, Germany is the leading market for medical-aesthetic treatments. Over 730,000 medical beauty treatments were conducted in 2016. The number of interventions found showed that about ten percent more operations were carried out compared to the previous year. With more than 58,000 interventions, eyelid correction is the most common aesthetic operation in Germany, followed by breast enlargement and liposuction. In the non-invasive interventions, botulinum toxin and hyaluronic acid treatments are steadily increasing.<sup>28</sup>

The cross-sectoral industry health economy is in a very promising condition and will keep on developing positively in the future. Due to the demographic development, the medical-technical progress and a growing health awareness there are and will be many opportunities for growth, employment and innovations.



## 2. Business development

As an investment company, the strategic focus of our activities is on companies in high-growth segments of the health care market. This includes both insurance-backed and privately financed segments.

In accordance with IFRS 10, MPH HealthCare AG has the status of an investment company. All investments were valued at fair value in accordance with IFRS 9.

In the first half of 2017, the MPH generated investment income of EUR 7.38 million, mainly from the investments of Haemato AG and M1 Kliniken AG.

The dividend payment of the MPH in June 2017 amounted to EUR 5.14 million as in the previous year.

## 3. Economic report

### a. Earnings position of the MPH group (IFRS)

As a rule, an investment company does not have to consolidate its subsidiaries or adopt IFRS 3 if it acquires control over another company. Instead, an investment company has to measure the shares in a subsidiary in accordance with IFRS 9 at fair value through profit or loss.

As of June 30, 2017, the total result amounted to kEUR -2,197.6 (previous year's period as of June 30, 2016: kEUR 19,616). This mainly includes the results from the valuation of the investments as well as the income from our investments.

### b. Financial position of the MPH group (IFRS)

Our financial position is very stable. Our financial management is geared to settle liabilities within the payment period and to collect receivables within the payment targets.

Our capital structure continues to be good. Compared to December 31, 2016, equity declined from kEUR 213,948 to kEUR 206,613 as of June 30, 2017, but the equity ratio still stood at 90.6% (previous year: 92.9%).

Cash and cash equivalents amount to TEUR 6,343 (previous year: TEUR 983). Short-term financial liabilities amounting to EUR 5,293.5 thousand can be settled on this basis.

Liabilities to credit institutions represent 6.14% of the balance sheet total. The MPH uses the credit facilities granted by various banks to promote business success. Our holdings have higher credit lines than average use.

Trade payables can always be settled within the payment targets.

Long-term investments are 93.1% covered by our equity.

The liquidity situation is satisfactory.

In the first half of the year, MPH invested EUR 7.45m in the acquisition of participations. The proceeds from the sale of investments for this period amounted to EUR 5.53 million. Significant investments in property, plant and equipment were not carried out and were not planned in the short term.

In the reporting period, the financial development of the MPH Investment Company is based on the cash flow statement for the indirect determination of cash flows from operating activities as follows:

	01.01. - 30.06. 2017	01.01. - 30.06. 2016
	kEUR	kEUR
Cash flow from		
operating activities	7.291	1.219
investment activities	-1.931	4.175
financing activities	0	-5.220
<b>Cash Flow</b>	<b>5.360</b>	<b>175</b>

### c. Assets situation of the MPH group (IFRS)

The assets of the MPH are good. The assets of MPH HealthCare AG are financial investments (kEUR 212,469 as of 30 June 2017, previous year kEUR 219,824) and financial assets (kEUR 9,282 as at 30 June 2017, previous year kEUR 9,465) and higher cash and cash equivalents (from kEUR 983 in 2016) to kEUR 6,343 as of June 30, 2017). Overall, our economic situation can be described as good.

### III. Subsequent report

We assess the expected development of MPH Healthcare AG positively.

The economic sectors of the investments continue to offer great potential for growth. The demand for patent-free and patent-protected drugs and the production of medications for therapies for cancer, HIV and other chronic diseases is growing steadily. Beauty-lifestyle services for private payers are in line with the trend and continue to grow.

For the 2017 financial year, we continue to expect rising sales and gratifying business developments for our investments, which can have a positive effect on the valuation of companies in the capital market. This may also have a positive impact on the earnings situation of MPH Healthcare AG.

We will continue to be able to meet our payment obligations in the future.



## Interim financial statements

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## IFRS balance sheet - Assets

Accounting under IFRS

	◀ 30.06.2017	◀ 31.12.2016
	EUR	kEUR
Liquid funds	6,343,199.46	983
Other short-term financial assets	9,282,091.74	9,465
Other short-term assets	32,094.07	3
Income tax receivables	2.70	0
<b>Short-term assets</b>	<b>15,657,387.97</b>	<b>10,452</b>
Intangible assets	24,231.50	26
Fixed assets	6,137.67	6
Financial assets	212,469,300.92	219,824
Other non-current assets	21,849.18	22
<b>Long-term assets</b>	<b>212,521,519.27</b>	<b>219,878</b>
<b>▶ TOTAL ASSETS</b>	<b>228,178,907.24</b>	<b>230,330</b>

## IFRS balance sheet - Liabilities and equity

Accounting under IFRS

	◀ 30.06.2017	◀ 31.12.2016
	EUR	KEUR
Accruals	57,489.90	42
Trade payables	32,795.44	15
Other financial short-term liabilities	5,293,526.70	87
Other short-term liabilities	132,766.25	20
<b>Short-term liabilities</b>	<b>5,516,578.29</b>	<b>165</b>
Bank loans	14,000,000.00	14,000
Deferred tax	2,049,215.15	2,217
<b>Long-term liabilities</b>	<b>16,049,215.14</b>	<b>16,217</b>
Subscribed capital	42,813,842.00	42,814
Capital reserve	2,688,175.47	2,688
Retained earnings	161,111,096.34	168,446
<b>Equity</b>	<b>206,613,113.81</b>	<b>213,948</b>
<b>▶ TOTAL EQUITY AND LIABILITIES</b>	<b>228,178,907.24</b>	<b>230,330</b>

## IFRS - Profit and loss summary account

Accounting under IFRS

	◀ 01.01.- 30.06.2017 EUR	◀ 01.01.- 30.06.2016 kEUR
<b>Sales</b>	<b>23,953.68</b>	<b>6,042</b>
Other operational income	10,758.92	9
<b>Cost of materials</b>		
Cost of purchased goods, services and properties	8,721.00	-6,876
<b>Labour cost</b>		
Salaries	-125,565.80	-408
Social insurance contribution	-78.10	-8
	-125,643.90	-416
Abschreibungen auf immaterielle Vermögensgegenstände des Anlagevermögens und Sachanlagen	-10,484.59	-10
Other operational expenses	-705,878.87	-244
<b>EBIT (earnings before interest and tax)</b>	<b>-798,573.76</b>	<b>-1,493</b>
Interest Income	200,701.60	183
Income from investments	7,379,992.60	7,482
Depreciation on investments	-8,899,283.82	-7,747
Interest and similar expenses	-247,913.64	-518
Result from fair value evaluation	0.00	21,973
<b>Financial result</b>	<b>-1,566,503.26</b>	<b>21,374</b>
<b>EBT (earnings before tax)</b>	<b>-2,365,077.02</b>	<b>19,881</b>
Income Tax	167,549.49	-265
Other tax	-23.50	0
<b>Net profit / period income</b>	<b>-2,197,551.03</b>	<b>19,616</b>
<b>Earnings per share</b>	<b>-0.05</b>	<b>0.46</b>



# IFRS - Cash flow statement

Accounting under IFRS

	◀ 01.01.- 30.06.2017 EUR	◀ 01.01.- 30.06.2016 kEUR
<b>Operating activities</b>		
1. Earnings before taxes on income and profit minus other taxes	-2,365,100.52	19,880
2. Depreciation / Amortisation	10,484.59	7,757
3. Change in financial asset time - valuation	8,899,283.82	-21,973
4. Profit / loss from the disposal of fixed assets and from the purchase or sale of shares in subsidiaries	378,211.49	866
5. Interest and investment income	-7,580,694.20	-183
6. Interest expense	247,913.64	518
7. Change in trade receivables and other assets	355,078.88	-4,863
8. Change in trade payables, other liabilities and accruals	145,183.74	-447
<b>9. Cash Flow aus betrieblicher Tätigkeit</b>	<b>90,361.44</b>	<b>1,554</b>
10. Erhaltene Zinsen / Beteiligungserträge	7,379,992.60	183
11. Interest expense paid	-179,044.42	-518
<b>12. Cash Flow aus laufender Geschäftstätigkeit</b>	<b>7,291,309.62</b>	<b>1,219</b>
<b>Investitionstätigkeit</b>		
1. Proceeds from the disposal of fixed assets and the sale of investments	5,526,334.34	6,164
2. Payments for the acquisition of fixed assets and investments	-7,457,623.07	-1,989
<b>3. Cash Flow from investment activities</b>	<b>-1,931,288.73</b>	<b>4,175</b>
<b>Financing activities</b>		
1. Dividends paid	0.00	-2,189
2. Change in bank loans	0.00	3,031
<b>3. Cash Flow from financing activities</b>	<b>0.00</b>	<b>-5,220</b>
<b>Change in cash and cash equivalents due to change in companies consolidated</b>	<b>0.00</b>	<b>0</b>
<b>Cash Flow</b>	<b>5,360,020.89</b>	<b>175</b>
<b>Cash and cash equivalents</b>		
1. 30 June 2017 / 30 June 2016	6,343,199.46	703
2. 31 December 2016 / 31. December 2015	983,178.57	528
	<b>5,360,020.89</b>	<b>175</b>

## IFRS - Equity change account

as of 30.06.2017, Accounting under IFRS

	Subscribed capital EUR	Capital reserves EUR	Retained earnings EUR	Total Equity EUR
1. As of 1 January 2016	42,813,842.00	2,688,175.47	93,518,205.52	139,020,222.99
2. Dividends	0.00	0.00	-5,137,661.04	-5,137,661.04
3. Net profit	0.00	0.00	19,615,803.75	19,615,803.75
4. As of 30 June 2016	42,813,842.00	2,688,175.47	107,996,348.23	153,498,365.70
5. As of 1 January 2017	42,813,842.00	2,688,175.47	168,446,308.41	213,948,325.88
6. Dividends	0.00	0.00	-5,137,661.04	-5,137,661.04
7. Net profit	0.00	0.00	-2,197,551.03	-2,197,551.03
8. As of 30.06.2017	42,813,842.00	2,688,175.47	161,111,096.34	206,613,113.81

## IFRS - Assets development

as of 30.06.2017, Accounting under IFRS

	As of		Addition/ Reclassification, EUR		Disposal/ Reclassification, EUR		Acquisition cost		Cumulative depreciation / amortisation			Book values	
	01.01.2017 EUR	30.06.2017 EUR	As of 01.01.2017 EUR	As of 30.06.2017 EUR	As of 01.01.2017 EUR	As of 30.06.2017 EUR	Depreciation (+) Appreciation	As of 30.06.2017 EUR	As of 30.06.2017 EUR	As of 31.12.2016 EUR			
I. Intangible assets	44,007.75	51,007.75	7,000.00	0.00	18,224.75	26,776.25	8,551.50	0.00	24,231.50	25,783.00			
III. Fixed assets	77,438.71	79,047.47	1,608.76	0.00	70,976.71	72,909.80	1,933.09	0.00	6,137.67	6,462.00			
III. Financial assets	79,254,556.20	83,004,926.22	7,449,014.31	3,698,644.37	-140,569,559.98	-129,464,374.70	8,899,283.82	-2,205,901.46	212,469,300.92	219,824,116.26			
<b>TOTAL</b>	<b>79,376,002.74</b>	<b>83,134,981.44</b>	<b>7,457,623.07</b>	<b>3,698,644.37</b>	<b>-140,480,358.52</b>	<b>212,499,670.09</b>	<b>8,909,768.41</b>	<b>-2,205,901.46</b>	<b>212,499,670.09</b>	<b>219,856,361.26</b>			

# Condensed notes

as of 30.06.2017 (unaudited)

## 1. General information

MPH Healthcare AG was founded in the 2008 financial year. The company is registered in the commercial register of the Amtsgericht Berlin-Charlottenburg under HRB 116425 and is based at Grünauer Strasse 5, 12557 Berlin. MPH HealthCare AG is an investment company within the meaning of IFRS 10.27. Their business is to invest in companies with the objective of increasing their capital.

The interim consolidated financial statements for the period from 1 January to 30 June 2017 of MPH HealthCare AG have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) In accordance with IAS 34 „Interim Financial Reporting“ as adopted by the European Union. The figures are unaudited.

With regard to the accounting, valuation and consolidation methods used as well as the exercise of the option rights contained in the IFRS, we refer to the Notes to the Consolidated Financial Statements as at 31 December 2016.

## 2. Scope of consolidation

There were no changes during the reporting period. We refer to our presentation in the consolidated financial statements as at 31.12.2016.

## 3. Selected information from the consolidated balance sheet and earnings statement

**Cash and cash equivalents** totaling kEUR 6,343.2 (31 Dec. 2016: kEUR 983) primarily comprise bank balances and are recorded at their nominal values.

**Other current financial assets** amounting to kEUR 9,282 (31 Dec. 2016 kEUR 9,465) are mainly loans to affiliates issued at market rates.

**Financial investments** totaling kEUR 212,469 (31 December 2016: kEUR 219,824) are reported as shares in listed companies and other investments. These financial assets are stated at fair value at the time of initial recognition as well as subsequent measurement.

**Other short-term financial liabilities** mainly include dividends and interest payable on loans and advances to banks as of the balance sheet date.

Other **operating expenses**, which totaled kEUR 705.9 (30.06.2016: kEUR -244) includes a variety of individual items such as rent, advertising and travel expenses, legal and consulting costs, losses from the sale of financial investments, etc.

Depreciation on financial assets is expenses from the measurement of financial assets at fair value. They amount to kEUR 8,899 (30 June 2016: kEUR 7,747).

## 4. Dividends

For the 2016 financial year, a dividend of € 0.12 per dividend-entitled share was distributed in 2017.

## 5. Contingent liabilities and other financial obligations

MPH HealthCare AG is jointly responsible to HYPO NOE Group Bank AG as a joint borrower with HAEMATO AG in connection with a debt loan facility of EUR 7 million. This loan was paid to MPH HealthCare AG. This loan was fully utilized by MPH Healthcare AG as of the balance sheet date.

HYPO NOE Group Bank AG is liable to MPH HealthCare AG as a joint borrower with HAEMATO AG in connection with further debt loan loans in excess of EUR m 3. This loan was fully utilized by MPH HealthCare AG as of the balance sheet date.

MPH HealthCare AG is liable as a joint borrower with HAEMATO AG in connection with a debt loan loan of EUR 4 million. MPH HealthCare AG was fully utilized by MPH HealthCare AG as of the balance sheet date.

We estimate the use of liability as a liability due to the current creditworthiness and the current payment behavior of the beneficiaries. We do not have any indications that would require a different assessment.

Other financial commitments:

The other financial obligations are within the scope of ordinary business transactions.

## 6. Events of particular significance after 30.06.2017

MPH Mittelstandische Pharma Holding AG was renamed to MPH Healthcare AG by registration of 21.07.2017 in the commercial register of the District Court of Charlottenburg.

With effect and notarized entry in the Commercial Register of the District Court of Charlottenburg Dr. Christian Pahl as Managing Director of MPH Healthcare AG. The sole executive committee is Mr Patrick Brenske.

Berlin, den 22. August 2017



Patrick Brenske  
Management Board



## Further information

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## Information on members of the corporate bodies

### Management Board

Name	Position / Authority to act	Profession
Patrick Brenske (as of 23.01.2009)	Board member Authorised to act solely	Master of Banking & Finance
Dr. Christian Pahl (until 31.07.2017)	Board member Together with another board member	Master of Business Administration

### Supervisory board

Name	Position / Authority to act	Profession
Andrea Grosse	Chairwoman	Lawyer
Prof. Dr. Dr. Sabine Meck	Deputy chairwoman	University Professor and Science Journalist
Dr. Marion Braun	Member	Doctor



# Glossary

## AMNOG

German law for the restructuring of the pharmaceutical market, which came into force on January 1, 2011.

## Approval

An official authorisation which is required to be able to offer, distribute or provide an industrially produced, ready-to-use drug.

## Balance sheet profit

Balance of net profit of the financial year, profit or loss carried forward and appropriation of profits.

## Cash Flow

An economic indicator informing on the liquidity of a company. It represents the increase of liquid funds during a period.

## DAX

DAX is the most important German share price index. It reflects the development of the 30 largest companies in Germany with the highest turnover.

## Dividend

This is the part of distributed profit of a stock corporation attributed to an individual share.

## EBIT

It means earnings before interest and taxes and is an indicator of the operating profit of a company in a given period.

## Earnings per share

The earnings per share result from dividing the group result by the weighted average of the number of shares. The calculation is made according to IAS 33.

## EBITDA

It means earnings before interest, taxes, depreciation and amortisation and corresponds to the EBIT plus depreciation and amortisation of tangible and intangible assets.

## Oncology

Oncology is the science dealing with cancer.

## Patent

In application to drugs: for a newly developed pharmaceutical agent, an industrial property right is granted. In the EU, this market exclusivity limited in time can last up to 20 years.

## Patent-free agents

Patent-free agents are also called generic drugs. A generic drug is a drug that is a copy of another drug already on the market under a brand name with the same active agent. Generic drugs are therapeutic equivalents to the original preparation.

## Patent-protected agents

Branded drugs that on the one hand are marketed by the patent owner and on the other hand are purchased for a lower price within the EU member states as EU imported drugs on the basis of the legal base of the import.

## Sources

- 1 cf. DIW Wochenbericht: Grundlinien der Wirtschaftsentwicklung im Sommer 2017, p. 469
- 2 cf. Institut für Weltwirtschaft: Weltkonjunktur im Sommer 2017, p. 2
- 3 cf. *ibid.*, p. 3
- 4 cf. DIW Wochenbericht: Grundlinien der Wirtschaftsentwicklung im Sommer 2017, p. 471
- 5 cf. BMWI: Schlaglichter der Wirtschaftspolitik – Monatsbericht August 2017, p. 42
- 6 cf. DIW Wochenbericht: Grundlinien der Wirtschaftsentwicklung im Sommer 2017, p. 472
- 7 cf. Institut für Makroökonomie und Konjunkturforschung: IMK Report 127 - Prognose Update: Die konjunkturelle Lage in Deutschland zur Jahresmitte 2017, Juli 2017, p. 1
- 8 cf. BMWI: Schlaglichter der Wirtschaftspolitik – Monatsbericht August 2017, p. 43.
- 9 cf. Institut für Makroökonomie und Konjunkturforschung: IMK Report 127 - Prognose Update: Die konjunkturelle Lage in Deutschland zur Jahresmitte 2017, Juli 2017, p. 5
- 10 cf. *ibid.*
- 11 cf. BDI: Die Gesundheitswirtschaft – ein stabiler Wachstumsfaktor für Deutschlands Zukunft, p. 6
- 12 cf. Kartte, Dr. Joachim; Neumann, Dr. Karsten (2011): Weltweite Gesundheitswirtschaft – Chancen für Deutschland, p. 4
- 13 cf. Statista: Marktdaten Pharma & Gesundheit, 2016
- 14 cf. BPI: Pharma Daten 2016, p. 47
- 15 cf. IMS Institute for Healthcare Informatics: Outlook for Global Medicines through 2012, Dezember 2016, S. p ff.
- 16 cf. ISAPS International Survey on Aesthetic/Cosmetic: Procedures Performed in 2016, p. 3 ff.
- 17 cf. Medical Insight, Inc.: THE Global Aesthetic Market Study: Version XIII, May 2015, p. 28
- 18 cf. Bain & Company: The end of Healthcare as we know it, 2011, p. 4 ff.
- 19 cf. BMWI: Beschäftigungsmotor Gesundheitswirtschaft: Bedeutung der Branche für die deutsche Wirtschaft wächst, Monatsbericht 05-2017, p. 1
- 20 cf. Bundesministerium für Wirtschaft und Energie: Gesundheitswirtschaft: Fakten & Zahlen Ausgabe 2016, p. 9
- 21 cf. BMWI: Beschäftigungsmotor Gesundheitswirtschaft: Bedeutung der Branche für die deutsche Wirtschaft wächst, Monatsbericht 05-2017, p. 1
- 22 cf. Bundesministerium für Wirtschaft und Energie: Gesundheitswirtschaft: Fakten & Zahlen Ausgabe 2016, p. 2
- 23 cf. BMWI: Beschäftigungsmotor Gesundheitswirtschaft: Bedeutung der Branche für die deutsche Wirtschaft wächst, Monatsbericht 05-2017, p. 1
- 24 cf. Statistisches Bundesamt: Pressemitteilung vom 27. Januar 2016 - 026/16
- 25 cf. Bundesministerium für Wirtschaft und Energie: Gesundheitswirtschaft: Fakten & Zahlen Ausgabe 2016, p. 2
- 26 cf. Statisches Bundesamt: Pressemitteilung vom 21. Februar 2017 – 61/17
- 27 cf. Gesundheitswirtschaft Rhein-Main e.V.: Entwicklungschancen des Zweiten Gesundheitsmarktes in der Rhein-Main Region und Hessen, p. 5
- 28 cf. ISAPS International Survey on Aesthetic/Cosmetic: Procedures Performed in 2016, p.13

# Imprint

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Chairwoman of the supervisory board: Andrea Grosse  
Deputy chairwoman of the supervisory board: Prof. Dr. Dr. Sabine Meck  
Member of the supervisory board: Dr. Marion Braun

## Management Board:

Patrick Brenske

Register court: district court Charlottenburg  
Register number: HRB 116425 B

## Conception, design and realisation:

MPH Health Care AG  
Investor Relations

Photos:

MPH Health Care AG  
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