



Medios AG

Hamburg, Germany

Security code no. A1MMCC

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Annual Declaration 2020

Declaration by the Executive Board and Supervisory Board of Medios AG on the recommendations of the "Government Commission on the German Corporate Governance Code" pursuant to Section 161 of the German Stock Corporation Act (AktG)

The Executive Board and Supervisory Board of Medios AG ("Company") declare pursuant to Section 161 of the German Stock Corporation Act (AktG):

Since the last Compliance Statement issued in December 2019 until the publication of the new version of the German Corporate Governance Code in the official section of the Federal Gazette on 20 March 2020, Medios AG has complied with all recommendations of the "Government Commission on the German Corporate Governance Code" as amended on 7 February 2017 ("GCGC 2017") published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette with the following exceptions:

According to Section 3.8 (3) of the Code, a deductible for the Supervisory Board shall be agreed in the D&O insurance policy:

The D&O insurance policy for the Supervisory Board has been taken out without a deductible. The Company is of the opinion that the motivation and responsibility the members of the Supervisory Board perform their duties with are not improved by a deductible. The D&O insurance serves to cover significant risks to the Company itself and, at most, secondarily to protect the assets of the members of the corporate bodies. The inclusion of a deductible for the members of the Supervisory Board is therefore refrained from until further notice.

According to Section 5.1.2 of the Code, the Supervisory Board shall work together with the Executive Board to ensure long-term succession planning. An age limit shall also be specified for members of the Executive Board, pursuant to Section 5.4.1 of the Code for members of the Supervisory Board:

There is currently no age limit for the members of the Executive Board and Supervisory Board and no long-term succession planning for the Executive Board due to the age of the incumbent Executive Board and Supervisory Board members.

According to Section 5.3.1 of the Code, the Supervisory Board shall form committees; in this context, according to Section 5.3.2 of the Code, an Audit Committee shall be formed and according to Section 5.3.3 of the Code, a Nomination Committee shall be formed. According to Section 5.4.6, the compensation of the members of the Supervisory Board shall be determined by resolution of the Annual General Meeting or in the Articles of Association. In this context, the chairmanship

and deputy chairmanship of the Supervisory Board as well as the chairmanship and membership of committees shall be taken into account:

The Supervisory Board consists of three members. As long as the Supervisory Board consists of three persons, no committees are formed in which the Chairman of the Supervisory Board or another member of the Supervisory Board could hold an additional chairmanship, as the composition of the committees would be the same as the composition of the Supervisory Board. For this reason, membership of committees cannot be taken into account in compensation either.

According to Section 5.4.1 of the Code, the Supervisory Board shall take into account its own company-specific international activities, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of Section 5.4.2, an age limit to be specified for members of the Supervisory Board and a standard limit to be specified for the length of membership of the Supervisory Board, as well as diversity, when determining its composition. Proposals of the Supervisory Board to the competent election bodies shall take these objectives into account:

Concrete targets for the composition of the Supervisory Board have not yet been defined.

According to Section 7.1.2 of the Code, the Consolidated Financial Statements shall be publicly accessible within 90 days of the end of the financial year, and the interim reports within 45 days of the end of the reporting period:

The Annual Financial Report is made publicly available within the statutory period of 4 months after the end of the financial year, the Half-year Financial Report within 90 days after the end of the reporting period. The time difference is justified due to the size of the Company.

On 20 March 2020, the German Corporate Governance Code in the version of 16 December 2019 was published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette ("GCGC 2020"). Since the announcement of the new version, Medios AG has complied with the published recommendations of the GCGC 2020 and will continue to comply with them in the future, with the following exceptions:

Recommendation B.2 of the Code: The Supervisory Board should work together with the Executive Board to ensure long-term succession planning; the procedure should be described in the Corporate Governance Statement.

Due to the longer-term commitment of the Executive Board members and the current age structure of the whole board, the Supervisory Board will carry out succession planning as part of its ongoing activities.

Recommendation B.5 of the Code: An age limit should be specified for members of the Executive Board and stated in the Corporate Governance Statement.

The Executive Board and Supervisory Board are of the opinion that a general age limit for members of the Executive Board and Supervisory Board is not an appropriate criterion for the search for or exclusion of members of these bodies. Rather, the selection criteria are the necessary knowledge, skills and professional experience. Any further explanation and information in the Corporate Governance Statement is therefore unnecessary.

Recommendations C.1 of the Code: The Supervisory Board shall specify concrete objectives for its composition and develop a competence profile for the entire body. In doing so, the Supervisory Board shall pay attention to diversity. Proposals of the Supervisory Board to the Annual General Meeting should take these objectives into account and at the same time strive to fulfill the competence profile for the entire body. The status of implementation shall be published in the Corporate Governance Statement. This shall also provide information on the number of independent shareholder representatives on the Supervisory Board, as deemed appropriate by the shareholder representatives, and the names of these members.

Recommendation C.2 of the Code: An age limit should be specified for members of the Supervisory Board and stated in the Corporate Governance Statement.

In order to ensure that these statutory duties are duly performed, the Supervisory Board will continue to be guided in its election proposals primarily by the knowledge, skills and experience of the candidates under consideration. In doing so, the Supervisory Board will pay attention to diversity. However, the Supervisory Board does not consider it necessary or appropriate to set specific targets or quotas in advance which go beyond the statutory requirement to set a target quota for women on the Supervisory Board pursuant to Section 111, Paragraph 5 of the German Stock Corporation Act (AktG), as this would impose a blanket restriction on the selection of suitable candidates, particularly for the Company as a smaller listed stock corporation with a Supervisory Board consisting of only three members. Accordingly, the Corporate Governance Statement does not report on any objectives in this regard. The Company is of the opinion that reaching an age limit does not allow any conclusions to be drawn about the competence of a Supervisory Board member.

Recommendation D.1 of the Code: The Supervisory Board should adopt rules of procedure and make them available on the Company's website.

The Rules of Procedure of the Supervisory Board will be made available on the Company's website in the first half of 2021.

Recommendation D.2 of the Code: The Supervisory Board should form professionally qualified committees depending on the specific circumstances of the enterprise and the number of its members. The respective committee members and the committee chairman should be named in the Corporate Governance Statement.

Recommendation D.3 of the Code: The Supervisory Board shall establish an Audit Committee which – unless another committee or the full Supervisory Board is entrusted with this task – shall deal in particular with the review of accounting, the monitoring of the accounting process, the effectiveness of the Internal Control System, the Risk Management System and the Internal Auditing System, as well as the audit of the Financial Statements and Compliance. The accounting process comprises in particular the Consolidated Financial Statements and the Group Management Report (including CSR reporting), financial information during the year and the Separate Financial Statements in accordance with the German Commercial Code (HGB).

Recommendation D.4 of the Code: The chairman of the Audit Committee should have special knowledge and experience in the application of accounting principles and internal control procedures and be familiar with and independent of the audit of the Financial Statements. The Chairman of the Supervisory Board should not chair the Audit Committee.

Recommendation D.5 of the Code: The Supervisory Board shall form a Nomination Committee composed exclusively of shareholder representatives which nominates suitable candidates to the Supervisory Board for its proposals to the Annual General Meeting for the election of Supervisory Board members.

Recommendation D.11 of the Code: The Audit Committee should regularly assess the quality of the audit.

The Supervisory Board consists of three members. As long as the Supervisory Board consists of three persons, no committees are formed in which the Chairman of the Supervisory Board or another member of the Supervisory Board could hold an additional chairmanship, as the composition of the committees would be the same as the composition of the Supervisory Board. For this reason, membership of committees cannot be taken into account in compensation. However, as part of its further growth, the Company will regularly examine whether it might make sense to expand the Supervisory Board and/or form committees in the future.

Recommendation D.13 of the Code: The Supervisory Board shall regularly assess how effectively the Supervisory Board as a whole and its committees perform their duties. In the Corporate Governance Statement, the Supervisory Board shall report whether and how a self-assessment has been carried out.

The Company believes that the report of the Supervisory Board to the Annual General Meeting is the appropriate place to report on its work; a self-assessment does not lead to new additional information relevant to the capital market.

Recommendation F.2 of the Code: The Consolidated Financial Statements and the Group Management Report should be publicly accessible within 90 days of the end of the financial year, and the mandatory interim financial information should be publicly accessible within 45 days of the end of the reporting period.

The Annual Financial Report is made publicly available within the statutory period of 4 months after the end of the financial year, the Half-Year Financial Report within 90 days after the end of the reporting period, and the respective Quarterly Statement pursuant to Section 53, Paragraph 5 Exchange Rules for the Frankfurt Stock Exchange (BörsO FWB) 45 days after the end of the reporting period. The time difference is justified due to the size of the Company.

Recommendations G.1 to G.16 of the Code: These recommendations contain detailed regulations concerning the compensation of the Executive Board, but according to the explanatory memorandum of the German Corporate Governance Code in the version dated 16 December 2019 (p. 13), they do not have to be taken into account in current Executive Board contracts.

Against this background, the Supervisory Board will only make a final decision on Compliance with these recommendations in future Executive Board contracts in the course of concluding new Executive Board contracts.

Recommendation G.17 of the Code: The compensation of Supervisory Board members should take appropriate account of the greater time commitment of the Chairman and Deputy Chairman of the Supervisory Board and of the Chairman and members of committees.

There are no committees, so the chairmanship and membership of committees are not taken into account in the compensation of the Supervisory Board.

The Compliance Statements are made permanently available to the public on the Medios AG website at www.medios.ag.

Berlin, December 2020

**Medios AG
Executive Board and Supervisory Board**