

**EXCEET GROUP S.A.**

**INTERIM FINANCIAL STATEMENTS  
30 NOVEMBER 2019**

## BALANCE SHEET

(in EUR)	Note	30 November 2019	31 December 2018
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Financial assets</b>			
Shares in affiliated undertakings	3	111,000,000	179,000,000
<b>Total fixed assets</b>		<b>111,000,000</b>	<b>179,000,000</b>
<b>Current assets</b>			
<b>Investments</b>			
Own Shares	4	2,187,000	2,880,000
<b>Cash at bank and in hand</b>		<b>6,701,993</b>	<b>184,614</b>
<b>Total current assets</b>		<b>8,888,993</b>	<b>3,064,614</b>
<b>Prepayments</b>		<b>4,186</b>	<b>1,078</b>
<b>Total assets</b>		<b>119,893,179</b>	<b>182,065,692</b>
<b>CAPITAL, RESERVES AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Subscribed capital		311,960	311,960
Share premium account		138,706,989	198,928,074
<b>Reserves</b>			
Reserve for own shares	4	4,525,313	4,525,313
Profit or (loss) brought forward		(22,462,296)	(15,339,274)
Profit or (loss) for the financial period		(1,705,909)	(7,123,022)
<b>Total capital and reserves</b>	5	<b>119,376,057</b>	<b>181,303,051</b>
<b>Creditors</b>			
<b>Trade creditors</b>			
Becoming due and payable within one year	6	517,122	260,219
<b>Amounts owed to undertakings</b>			
Becoming due and payable after more than one year	7	0	502,422
<b>Total creditors</b>		<b>517,122</b>	<b>762,641</b>
<b>Total capital, reserves and liabilities</b>		<b>119,893,179</b>	<b>182,065,692</b>

The accompanying notes form an integral part of these interim financial statements.

## PROFIT AND LOSS ACCOUNT

(in EUR)	Note	01.01. - 30.11.2019	01.01. - 31.12.2018
Other external expenses	8	(784,349)	(416,735)
Other operating charges	9	(176,897)	(180,354)
Value adjustments in respect of financial assets and of investments held as current assets	3/4/10	(693,000)	(9,986,011)
Other interest receivable and similar income			
- other interest and similar income	3	0	3,467,315
Interest payable and similar expenses			
- concerning affiliated undertakings	7	(6,778)	(2,422)
- other interest and similar expenses	4	(40,070)	0
Other taxes (net wealth tax)		(4,815)	(4,815)
<b>Loss for the financial period</b>		<b>(1,705,909)</b>	<b>(7,123,022)</b>

The accompanying notes form an integral part of these interim financial statements.

# NOTES TO THE INTERIM FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

except Group S.A. (hereafter the “Company”) is a Luxembourg Company subject to the general company law of Luxembourg which was incorporated as a European Stock Corporation (Société Européenne (SE)) on 9 October 2009 and converted into a Luxembourg Société Anonyme (S.A.) on 20 November 2019.

The Company is established for an unlimited period. The registered office of the Company is located in Luxembourg, at 17, rue de Flaxweiler, L-6776 Grevenmacher. The Company is registered with the Register of Commerce and Companies of Luxembourg under the section B number 148.525. The Company carried out its initial public offering on the regulated market (Regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) on 4 February 2010.

The Company’s purpose is the creation, holding, development and realization of a portfolio, consisting of interests and rights of any kind and of any other form of investment in entities in the Grand Duchy of Luxembourg and in foreign entities, whether such entities exist or are to be created, especially by way of subscription, acquisition by purchase, sale or exchange of securities or rights of any kind whatsoever, such as equity instruments, debt instruments, patents and licenses, as well as the administration and control of such portfolio. The main objective of the Company is to hold directly or indirectly operating subsidiaries, wherein except Group S.A., directly or indirectly, has a majority of the voting rights and is able to determine the financial and business policies based on the so-called control concept.

The Company may further grant any form of security for the performance of any obligations of the Company or of any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of entities as the Company and lend funds or otherwise assist any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of companies as the Company.

The Company may borrow in any form and may issue any kind of notes, bonds and debentures and generally issue any debt, equity and/or hybrid securities in accordance with Luxembourg law.

The Company may carry out any commercial, industrial, financial, real estate or intellectual property activities which it may deem useful in accomplishment of these purposes.

In the Extraordinary General Meeting held on 20 November 2019, the shareholders resolved to convert the Company to a stock corporation under the laws of Luxembourg (Société Anonyme (S.A.)). This change of legal form did not affect the legal and economic identity of the Company. The conversion into a Luxembourg stock corporation constitutes an interim step on the way to the proposed conversion of the Company into a partnership limited by shares under the laws of Luxembourg (Société en Commandite par Actions (SCA)) to be resolved upon during another Extraordinary General Meeting which is expected to be held in January 2020. This interim step is necessary since the Company, under its legal form of a European Stock Corporation, could not be directly converted into an SCA. The general partner of the future SCA shall be a limited liability company, under the laws of Luxembourg (Société à responsabilité limitée (S.à r.l.)), the shares of which are held indirectly by the founders of Active Ownership Group (AOC), Klaus Röhrig and Florian Schuhbauer (50% each).

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION

The interim financial statements as per 30 November 2019 of the Company are prepared in accordance with current Luxembourg legal and regulatory requirements under the historical cost convention.

Accounting policies and valuation rules are, besides the ones laid down by the modified Law of 19 December 2002, as amended on 18 December 2015, determined and applied by the Board of Directors of the Company.

The preparation of interim financial statements require the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the interim financial statements in the period in which the assumptions changed. The Board of Directors believes that the underlying assumptions are appropriate and that the interim financial statements therefore present the financial position and results fairly.

The interim financial statements have been prepared in accordance with the valuation rules and accounting policies described below.

### 2.2 FOREIGN CURRENCY TRANSLATION

The Company maintains its accounting records in Euro (EUR). The interim financial statements are expressed in this currency.

Transactions denominated in foreign currencies other than EUR are translated separately into EUR at the exchange rates ruling at the date of transaction.

Fixed assets, which are expressed in currencies other than EUR, are translated into EUR at the exchange rate effective at the date of the transaction. No subsequent translation adjustments are recorded at each balance sheet date. At the balance sheet date, these assets remain translated at historical exchange rates.

All other assets, including long term loans disclosed under fixed assets, expressed in currencies other than EUR are valued individually at the lower of their value translated into EUR at historical exchange rates or at exchange rates prevailing at the interim balance sheet date. Unrealized exchange losses resulting from this conversion are recorded in the profit and loss account of the period from 1 January 2019 to 30 November 2019 ("interim period"). The exchange gains are recorded in the profit and loss account at the moment of their realization.

Liabilities expressed in currencies other than EUR are valued individually at the higher of their value translated into EUR at historical exchange rates or at the exchange rates prevailing at the interim balance sheet date. Unrealized exchange losses resulting from this conversion are recorded in the profit and loss accounts of the interim period. The exchange gains are recorded in the profit and loss account at the moment of their realization.

Realized exchange gains and losses are reflected in the profit and loss account of the interim period.

## 2.3 FINANCIAL ASSETS

Financial assets, including shares in affiliated undertakings and loans to these undertakings, are valued at their acquisition cost including the expenses incidental hereto. Value adjustments are made in respect of financial assets to recognize a durable reduction in their value. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

## 2.4 OWN SHARES

Own shares are recorded at acquisition cost. In accordance with article 430-18 of the Law on Commercial companies, a non-distributable reserve ("Reserve for own shares") was credited for an equivalent amount from "Profit or loss brought forward". A value adjustment for own shares is recorded in profit and loss when the market value is lower than the acquisition cost, without any impact on the non-distributable reserve. If the share price increases and the impairment is no longer considered durable, a reversal of value adjustments will be recognized in the profit and loss account without any impact on the non-distributable reserve.

## 2.5 PREPAYMENTS

Prepayments include expenditure incurred during the interim period but relating to a subsequent financial period.

## 2.6 CREDITORS

Creditors are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off over the period of the debt based on a linear method.

### 3. FINANCIAL ASSETS - SHARES IN AFFILIATED UNDERTAKINGS

Undertakings in which the Company holds at least 20% of the share capital are as follows:

Name	Registered Office	Percentage of ownership	Last balance sheet date	Net equity* (EUR)	Loss for the financial year* (EUR)
exceet Holding S.à r.l.	Grevenmacher, Luxembourg	100%	31 December 2018	157,432,208	(27,099)

\* according to audited financial statements in accordance with current Luxembourg legal and regulatory requirements

exceet Holding S.à r.l. (as former exceet Holding AG) had originally been located in Risch, Canton of Zug, Switzerland before in October 2018 the registered office was relocated to Grevenmacher, Luxembourg and, on this occasion, the legal form of the company transformed in a limited liability company und Luxembourg law (Société à responsabilité limitée (S.à r.l.) under the name “exceet Holding S.à r.l.”.

On 2 October 2018 the convertible loan of CHF 132,858,871 translated at the exchange rate of 2 October 2018 published by the European Central Bank (CHF/EUR 0.8807) was converted, resulting in an increase of the investment in exceet Holding S.à r.l. of EUR 117,008,808. The total investment after conversion was EUR 189,980,511.

According to the historical exchange rate the convertible loan amounted to EUR 114,900,000. As of 31 December 2017 the convertible loan was valued at the lower of its value translated into EUR at historical exchange rate or at exchange rates prevailing at balance sheet date. The equivalent according to the exchange rate at 31 December 2017 amounted to EUR 113,541,191. The difference of EUR 3,467,167 between the value at 31 December 2017 and the value at 2 October 2018 was recognized as a gain under the position “other interest and similar income” in 2018.

The impairment test of the investments and assets of the Company resulted in 2018 in a value adjustment on the investment in exceet Holding S.à r.l. in the amount of EUR 10,980,511. The investment as per 31 December 2018 after the impairment is valued at EUR 179,000,000.

On 23 August 2019, the Company received a distribution of capital reserves (share premium) from its sole investment exceet Holding S.à r.l. in the amount of EUR 3,000,000. On 1 October 2019, the Company received a second distribution of capital reserves (share premium) from exceet Holding S.à r.l. in the amount of EUR 65,000,000. Both received amounts reduce the investment to EUR 111'000'000. The net equity of exceet Holding S.à r.l. according to audited financial statement as per 31 December 2018 amounted to EUR 157,432,208. The unaudited net equity of exceet Holding S.à r.l. as per 30 November 2019 after the distribution of EUR 68,000,000 share premium amounted to EUR 91,319,303.

## 4. OWN SHARES

At 30 November 2019, the market value of the listed shares of the Company (ISIN LU0472835155) was EUR 4.86 (2018: EUR 6.10) based on the information made available by the Frankfurt Stock Exchange and EUR 4.86 (2018: EUR 6.40) based on the information made available by XETRA. On that basis, the 450,000 unlisted Class A shares held in treasury by the Company at balance sheet date would be valued at EUR 2,187,000 (2018: EUR 2,745,000) according to the Frankfurt Stock Exchange and EUR 2,187,000 (2018: EUR 2,880,000) according to XETRA. A value adjustment (loss) of EUR 693,000 (2018: gain of EUR 994,500) was recognized on own shares. The loss in value of shares is due to the payment of the share premium of EUR 3.00 per share (see details in note "Equity"). The value provided by XETRA of EUR 2,187,000 (2018: EUR 2,880,000) equalled the book value at balance sheet date after the value adjustment. The calculated nominal value of the shares was EUR 0.0152. On that basis the 450,000 own shares have a nominal value of EUR 6,840.

## 5. EQUITY

Changes in equity are:

(in EUR)	Subscribed capital	Share premium account	Reserve for own shares	Profit or (loss) brought forward	Profit or (loss) for the financial period	Total capital and reserves
<b>Opening balance 1 January 2019</b>	<b>311,960</b>	<b>198,928,074</b>	<b>4,525,313</b>	<b>(15,339,274)</b>	<b>(7,123,022)</b>	<b>181,303,051</b>
Allocation of prior year result				(7,123,022)	7,123,022	0
Contribution of share premium		(60,221,085)				(60,221,085)
Result for the financial period					(1,705,909)	(1,705,909)
<b>Closing balance 30 November 2019</b>	<b>311,960</b>	<b>138,706,989</b>	<b>4,525,313</b>	<b>(22,462,296)</b>	<b>(1,705,909)</b>	<b>119,376,057</b>

The issued share capital is set at 20,523,695 shares, issued as Class A Shares ("Public Shares"), with 20,073,695 Class A Shares listed on the stock exchange and 450,000 own Class A Shares held by the Company (Treasury Shares).

As at 30 November 2019 the issued share capital equalled the authorized share capital.

The Ordinary General Meeting on 20 November 2019 approved a distribution of share premium in the amount of EUR 3.00 per share. Taking into account the treasury shares, the overall payout of share premium amounted to EUR 60,221,085.00. The distribution was paid on 25 November 2019 to the shareholders.

### Legal Reserve

Under Luxembourg law, 5% of the net profit of the year, net of any losses brought forward, must be allocated to a legal reserve until such reserve equals 10% of the issued share capital. This reserve is not available for dividend distribution.

### Reserve for own shares

As at 30 November 2019, the Company held 450,000 listed Class A Shares (see note 4 "Own shares") having an acquisition cost of EUR 4,525,313. Accordingly, a non-distributable reserve is maintained for the same amount under the caption "Reserve for own shares".



## 6. TRADE CREDITORS

This caption included amounts for invoices payable to suppliers and for accrued charges for invoices received after the interim balance sheet date regarding expenses incurred during the financial period ended 30 November 2019. They are becoming due and payable within one year.

(in EUR)	30 November 2019	31 December 2018
Third party invoices payable	68,555	45,091
Accruals for tax compliance services	0	8,000
Accruals for audit services	109,790	16,408
Accruals for directors remuneration	171,670	160,000
Accruals for legal services from related parties	35,000	20,000
Accruals for legal services from third parties	87,738	0
Accruals for interests on bank deposits	38,039	0
Other accruals	6,330	10,720
<b>Total trade creditors</b>	<b>517,122</b>	<b>260,219</b>

## 7. AMOUNTS OWED TO UNDERTAKINGS

### Loan payable to exceet Group AG

In 2018, exceet Group AG granted an interest bearing loan of EUR 1,000,000 to the Company. The interest bearing loan has been paid out as follows: EUR 300,000 on 27 March 2018, EUR 200,000 on 6 December 2018 and EUR 500,000 on 25 January 2019. On 28 August 2019 the loan was repaid by the Company.

The interest expense for the period 1 January to 28 August 2019 amounted to EUR 6,778 and was paid on 28 August 2019. The interest expense for the year 2018 was EUR 2,422 and was paid on 28 August 2019. The interest rate is based on the relevant guideline of the Swiss Federal Tax Administration (official annual notification of Swiss Federal Tax Administration). The rate can change annually.

At 31 December 2018, the fair value of the loan from exceet Group AG was not lower than its net book value as reflected in the Company's annual accounts.

## 8. OTHER EXTERNAL EXPENSES

The other external expenses included mainly costs for legal fees, audit fees, investor relations, consulting fees, rent charges, insurance charges, fees for tax compliance, bank charges and travel costs of the Board of Directors. The accrued costs for the audit of the Company financial statements amounted to EUR 109,790 in the period from 1 January until 30 November 2019.

## 9. OTHER OPERATING CHARGES

The other operating charges resulted mainly from the compensation of the Company's independent directors for their services on its Board of Directors as well as the annual charges of the Commission de Surveillance du Secteur Financier (CSSF) and charges for listing to the Frankfurt Stock Exchange.

## 10. VALUE ADJUSTMENTS IN RESPECT OF FINANCIAL ASSETS AND OF INVESTMENTS HELD AS CURRENT ASSETS

The value adjustment in the period was the result of the valuation of the own shares (further details in note 4 "Own shares"). In 2018 the value adjustment was caused by the impairment of the investment (further details in note 3 "Financial assets – shares in affiliated undertakings") and the valuation of the own shares.

(in EUR)	01.01. - 30.11.2019	01.01. - 31.12.2018
Impairment on the investment of exceet Holding S.à r.l.	0	(10,980,511)
Value adjustment recognized on own shares	(693,000)	994,500
<b>Total value adjustments in respect of financial assets and of investments held as current assets</b>	<b>(693,000)</b>	<b>(9,986,011)</b>

## 11. EMOLUMENTS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

For the interim period 2019 an amount of EUR 146,670 (2018: EUR 160,000) has been recognized in profit and loss statement and has not been paid yet to the Board of Directors. As at 30 November 2019, a further EUR 25,000 was not paid out of the remuneration of the Board of Directors for the previous year.

## 12. OFF-BALANCE SHEET COMMITMENTS

### Letter of guarantee

In connection with the sale of its subsidiary AEMtec GmbH in 2018, the Company granted to the purchaser an independent guarantee to fulfil any and all payment claims of the purchaser against the seller (being the indirect subsidiary except Group AG) under the share purchase agreement up to an amount of EUR 5,000,000 in case the seller has not paid such claims to the purchaser when due and payable under the share purchase agreement. The guarantee expires on 31 October 2020 unless the purchaser has made a claim under this guarantee prior to such expiration date.