search result

Surname	area	information	V. date
LWB Steinl GmbH & Co. KG Altdorf	Accounting/ Financial Reports	Annual financial statements for the financial year from April 1st, 2019 to March 31st, 2020	05.11.2020

LWB Steinl GmbH & Co. KG

Altdorf

Annual financial statements for the financial year from April 1st, 2019 to March 31st, 2020

BALANCE SHEET as of March 31, 2020

ASSETS

		fiscal year	Previous year
	Euro	Euro	Euro
A. Fixed assets			
I. Intangible assets		60,402.78	37,697.00
II. Tangible assets		878,897.59	1,136,234.00
III. financial assets		2,475,000.00	1,975,000.00
B. Current Assets			
I. Inventories		7,519,512.92	7,609,269.18
II. Receivables and other assets		5,692,843.31	6,572,889.84
III. securities		0.00	0.00
IV. Cash on hand. credits at Credit-institutes and cheques		2,383,457.19	2,725,296.73
C. Prepaid expenses		202,047.70	144,342.41
		19,212,161.49	20,200,729.16

LIABILITIES

		fiscal year	Previous year
	Euro	Euro	Euro
A. Equity			
I. Capital shares of the limited partners		6,242,454.87	7,460,575.95
II. Reserves		600,000.00	0.00
B. Provisions		2,633,101.52	2,787,113.13
C. Liabilities		9,735,981.65	9,906,211.93
- of which with a remaining term of up to 1 year EUR 8,290,981.65 (EUR 6,612,275.93)			
- of which with a remaining term of more than one year EUR 1,445,000.00 (EUR 3,293,936.00)			
- of which from taxes EUR 239,211.35 (EUR 454,732.26)			
- thereof in the context of social security Euro 33,803.01 (Euro 31,342.07)			
D. Accruals and Accruals		623.45	46,828.15
		19,212,161.49	20,200,729.16

PROFIT AND LOSS ACCOUNT from 04/01/2019 to 03/31/2020

LWB Steinl GmbH & Co. KG

		fiscal year	Previous year
	Euro	Euro	Euro
1. Raw Score		20,093,068.35	22,343,581.34
- of which from currency conversion EUR 965,997.58 (EUR 648,527.08)			
2. Personnel expenses			
a.) Wages and salaries	10,100,588.43		10,964,033.42
b.) social security contributions and expenses for pensions and for support	2,031,839.82		2,164,294.33

		fiscal year	Previous year
	Euro	Euro	Euro
- of which for pensions EUR 25,166.05 (EUR 5,612.71)		12,132,428.25	13,128,327.75
3. Depreciation			
a.) on intangible assets and property, plant and equipment		339,962.50	410,348.62
b.) to current assets		0.00	0.00
4. other operating expenses		6,823,509.89	7,123,519.49
- of which from currency conversion EUR 414,148.04 (EUR 184,247.33)			
5. other interest and similar income		32,631.54	43,167.87
- of which from discounting EUR 6,076.00 (EUR 0.00)			
6. Interest and Similar Expenses		454,475.90	465,962.02
- thereof from discounting EUR 11,435.79 (EUR 20,349.28)			
7. Loss absorption expenses		18,366.63	35,517.75
- thereof from affiliated companies EUR 18,366.63 (EUR 35,517.75)			
8. Income taxes		129,420.00	269,423.00
9. Earnings after tax		227,536.72	953,650.58
10. other taxes		9,406.17	8,134.23
11. Net Income		218,130.55	945,516.35
12. Credit to item "Capital shares"		218,130.55	945,516.35
13. Retained Earnings		0.00	0.00

Appendix to the annual financial statements - financial year 04/01/2019 - 03/31/2020

A. General information about the financial statements

Company:	LWB Steinl GmbH & Co. KG
Seat:	84032 Altdorf, Sonnenring 35
Registration court:	AG Landshut, HRA 7070

The annual financial statements of LWB Steinl GmbH & Co. KG were drawn up on the basis of the accounting and valuation regulations of the German Commercial Code.

According to § 267 HGB, the company is classified as a medium-sized company. Use was made of the simplifications in the disclosures in the notes that are possible under Section 288 (2) Sentence 2 HGB.

The structure corresponds to §§ 266 and 275 HGB. The income statement is prepared using the nature of expense method. Use was made of the size-related simplifications of Section 276 (summary of the gross result).

The accounting and valuation methods were presented using the Accounting Law Modernization Act (BilMoG) and the Accounting Directive Implementation Act (BilRUG).

B. Information on accounting and valuation methods

Intangible assets were stated at acquisition cost and, if they were subject to wear and tear, reduced by scheduled depreciation over their usual useful life.

Property, plant and equipment were stated at acquisition or production cost and reduced by scheduled depreciation. Depreciation was carried out on a straight-line or degressive basis according to the expected useful life of the assets and the course of wear and tear.

Low-value assets costing between EUR 250.00 and EUR 1,000.00 were depreciated on a straight-line basis over five years. Low-value assets costing less than EUR 250.00 were written off in full in the year of acquisition.

Financial assets are stated at acquisition cost or lower applicable values.

The raw materials, auxiliary materials and supplies were valued at acquisition cost, taking into account the lower of cost or market principle.

Work in progress and finished goods were always valued at production cost. A material overhead surcharge was applied. Interest was not included in the manufacturing cost. As in the previous year, the range devaluation is based on a modified scale model.

The remaining inventories were valued at the lower of cost or cost or at the lower of cost or replacement cost, in accordance with the strict lower of cost or market principle. Appropriate deductions were made for inventory items that were difficult to sell and those that could no longer be used.

Receivables and other assets are stated at nominal value. An individual valuation allowance of EUR 328k was formed. A correspondingly measured general allowance was made for the general credit risk.

Foreign currency positions are valued at the mean spot exchange rate. Losses from exchange rate changes are taken into account by revaluation on the balance sheet date. Terms longer than 1 year are discounted.

Cash and cash equivalents are accounted for at their nominal values.

Expenses before the balance sheet date are shown as prepaid expenses on the assets side, provided they represent expenses for a specific period after this date.

Deferred taxes were not recognized due to an excess of assets in accordance with the option under Section 274 of the German Commercial Code.

The pension provisions were valued using the projected unit credit method. An interest rate of 2.61% (previous year 3.08%), a pension trend of 1.8% and the "2018 G mortality tables" by Prof. Dr. Klaus Heubeck as a basis.

A reinsurance policy in the amount of the fair value of EUR 16,420 was offset.

The average market interest rate for the past ten years determined by the German Bundesbank for the remaining term of 15 years was used as the discount factor.

Using an average market interest rate from the past seven financial years and an interest rate of 1.89% would result in a provision of EUR 728,105. This results in a difference of EUR 67,681 that is barred from distribution in accordance with section 253 (6) HGB.

All recognizable risks and uncertain obligations are taken into account in the provisions. Terms longer than 1 year are discounted.

Liabilities are recognized at the settlement amount.

C. Information and explanations on individual items in the balance sheet and the profit and loss account

1. Development of fixed assets

The development of fixed assets is shown in the following overview:

2. Maintenance provision for rented real estate

In the fiscal year, all of the company's real estate was rented from a holding company. A corresponding provision was formed for the fulfillment of repairs after the end of the rental agreement. Additionally required operating devices and facilities were capitalized in fixed assets.

3. Receivables and Other Assets

All items shown under receivables and other assets are due within one year.

4. Provisions of a not inconsiderable extent

The following are recognized as other provisions of a not inconsiderable extent:

- Provisions for warranty obligations €406,463
- Provision for old vacation, Christmas bonus and time credit: €570,545
- Provision for royalties: €134,457
- Provision for restoration: €498,612

5. Liabilities

The disclosures required under Section 285 No. 2 HGB result from the following table of liabilities:

	Remaining term Up to 1 year	Remaining term 1-5 years	remaining term over 5 years	In total
Liabilities to credit institutions	3,827,731.78	1,445,000.00		5,272,731.78
liabilities from goods and services	275,529.51			275,529.51
Liabilities to shareholders	3,340,000.00			3,340,000.00
Liabilities to affiliated companies	139,248.05			139,248.05
Other liabilities	708,472.31			708,472.31
	8,290,981.65	1,445,000.00		9,735,981.65

There were no mortgages as of the balance sheet date.

D. Other Information

1. Other financial obligations

Other financial obligations result from the rental and leasing contracts existing on the balance sheet date:

due in 2020/21:	677 thousand euros
due in 2021/22- 2022/23:	1,407 thousand euros
due 2023/24 and later:	1,032 thousand euros

The company holds 100% of the shares in Biofibre GmbH, Altdorf, whose equity amounted to EUR 308 thousand in the last annual financial statements dated March 31, 2020.

According to the domination and profit and loss transfer agreement dated March 8th, 2013, the company is obliged to assume any losses occurring at Biofibre GmbH during the contract period.

The annual result of Biofibre GmbH is therefore always EUR 0.

The company holds 100% of the shares in LWB Automation GmbH, Altdorf, which was newly founded in April 2017 and has share capital of EUR 25 thousand. The unlimited default liability for the start-up financing of EUR 1.0 million and a guarantee and current account line of EUR 1,250 thousand from Sparkasse Landshut is dated November 20th, 2018. In addition, there is a joint liability for guarantee lines at AXA Versicherungs AG totaling a maximum of EUR 3.5 million, as well as an additional current account and guarantee line of EUR 1,250 thousand at Deutsche Bank AG, both of which are charged as of the balance sheet date.

The equity of LWB Automation GmbH, Altdorf, in the last annual financial statements from December 31, 2019 was EUR 142 thousand with a net loss for the year of EUR 418 thousand.

2. Information on derivative financial instruments

As of March 31, 2020, there is still a so-called interest rate swap to hedge future interest rate risks with an expiry date of December 29, 2023. The valuation is made by discounting the future cash flows on the valuation date. The disadvantage from this derivative transaction determined on the balance sheet date was set aside at EUR 103,000.

Furthermore, as of March 31, 2020, there are two forward exchange transactions for the sale of USD 2.0 million each with due dates of May 29, 2020 and August 31, 2020. As there were no disadvantages as of the balance sheet date from these derivative transactions, no provisions for impending losses had to be formed.

3. Total Auditor's Fees

Use is made of the right to choose under Section 288 Paragraph 2 Sentence 2 of the German Commercial Code.

4. staff

An annual average of 193 people (previous year: 202) were employed.

5. Personally liable partner and members of management

Personally liable partner during the financial year was:

Company Alfred Steinl Verwaltungsgesellschaft mbH, Altdorf

Subscribed capital: €25,600.00

The general partner was represented by the following managing directors until the day the financial statements were prepared:

Mr. Dipl. Ing. (FH) Peter Steinl

Mr. Reinhard Danzer

6. Information on the total remuneration of the managing directors

This information is omitted in accordance with Section 286 (4) HGB.

7. Appropriation of Results

The profit for the year was credited to the shareholders' capital accounts.

8. Supplementary report

Shortly before the balance sheet date of March 31, 2020, the Corona crisis led to a rather abrupt standstill on the part of customers and supply chains. Travel was no longer possible or only possible to a very limited extent and the necessary security measures to protect employees severely restricted production operations.

In the short term, various measures such as short-time work and home office were used to react to the changing situation in order to ensure seamless production. The orders on hand could be kept to a large extent, these are being delivered with a time delay due to increased short-time work and in coordination with the customers. From April to June, sales activities largely came to a standstill.

In the medium term, ie over a period of 6-8 months, we are assuming that the projects will start up again very hesitantly and expect a significant drop in sales and earnings. The restriction measures were withdrawn from June, although customers are still extremely cautious, so that no sufficiently probable forecasts can be made about further developments, but we must assume a negative operating result for the new year.

Altdorf, the

LWB Steinl GmbH & Co. KG

Information for Disclosure Purposes

Separate information according to § 327 S. 2 HGB

assets items	03/31/20	03/31/19
	kEUR	kEUR
A. 111. Land, land rights and buildings, including buildings on third-party land	26	43
A. II 2. technical systems and machines	157	241
A. II 3. Other facilities, factory and office equipment	695	812
A. II. 4. Payments on account and assets under construction	0	40
A.III. 1. Shares in affiliated companies	2,475	1,975
B. II. 1. Receivables from affiliated companies	6	80
liability items		
C. 1. Liabilities to banks	5,273	5.301
C.2. Liabilities to affiliated companies	139	274

(The item designations refer to the actual designation in the annual financial statements, not to that in § 327 HGB).

Information according to § 328 HGB

1. Determination

The annual financial statements as of March 31, 2020 were approved on October 15, 2020.

2. Facilitation Partial Disclosure

The annual financial statements are only partially disclosed due to the use of simplifications. It is pointed out that, in contrast, the unqualified auditor's report, which is also disclosed, relates to the complete annual financial statements and the complete management report. The auditor's report contains no notice i. s.d. Section 322 (3) sentence 2 HGB.

Management report for the financial year from April 1, 2019 to March 31, 2020

A) Presentation of the course of business

General economic conditions

The economic growth expected by the International Monetary Fund (IMF) had to be reduced several times in the course of 2019 and the further outlook lowered. After four reductions in a row, growth of 2.9 percent was achieved for 2019. In the January 2020 report, the IMF still expected growth to increase by 3.3 percent in 2020 and 3.4 percent in the following year, before the consequences of the corona pandemic made their way around the world. This forecast came amid the China-US trade agreement, hopes of improving consumer spending patterns, particularly in Europe, and continued high consumer confidence in the United States. At the end of 2019, the focus of possible uncertainties was on the geopolitical level. In addition to the political unrest in India, the relationship between the USA and Iran was marked by significant tensions, with corresponding effects on the commodity markets and supply chains.

With the spring report in April of this year, the IMF made a significant about-face, shaped by the massive effects of the pandemic. Estimates have been massively reduced. Instead of global growth, a recession is expected, with a decline of about 3 percent. A stronger increase is not expected until 2021, on a lower basis. Before then, however, the economic situation will cloud over more than it did during the 2009/2010 financial crisis. Only China could grow out of the crisis a little faster and still achieve positive growth. A decline of 5.9 percent is forecast for the USA and a decline of 7.5 percent for Europe.

"We are facing a challenge on an unprecedented scale," said the new VDA President Hildegard Müller in April 2020 to the German Press Agency. The automotive industry has been in a state of upheaval towards alternative drives and digital changes for some time now. In addition, there are now sales declines and plant closures due to the corona pandemic. From June there are signs that the official restrictions will ease. It remains to be seen whether the sales tax reduction from 19 to 16 percent planned for July will bring about a lasting change or at least stabilize consumer demand.

industry development

According to an initial projection by the VDA, global automobile production fell by around 6.0 percent in 2019 and was unable to meet the expectations at the beginning of the year. The production volume in China fell for the second year in a row, even before the effects of the Corona crisis had an impact. The declines in production volumes continued in all relevant markets worldwide, only Brazil was able to come up with slight growth. South Korea and Japan only had small declines of -1.3 and -0.4 percent respectively. Overall, the production volume worldwide fell from 84 million vehicles and light commercial vehicles to around 79 million vehicles last year. The declines were recorded in Europe, America and Asia alike.

Earnings development (amounts in T-€uro)

Raw result:	20,093	(PY. 22.344)
Export rate in percent	79	(PY. 75)

production

The production program mainly includes rubber injection molding machines. A total of around 228 (previous year: 304) machines were produced and delivered.

procurement

Inventory processing is order-related, and receipts are now declining significantly. As part of new machine generations and process solutions, some adjustments are made to the range of parts; the ability to deliver and quality features must be taken into account. Quality management will be further expanded, and parts stocks will be partially reduced. There are still framework agreements with important suppliers, and the ability to deliver is still good.

investments

The investment volume in the reporting period was around 606 T€ (previous year: 1,022 T€). These are general replacement and maintenance investments for operating and office equipment. In addition, an important investment was the increase in equity in Biofibre GmbH.

human resources

As of March 31, 2020, there were 182 (excluding trainees) employees (previous year: 204), an annual average of 193 employees. The training rate remains at the same high level, and recruiting trainees is becoming increasingly difficult.

B) Representation of the situation

earnings situation

Amounts in T-€uro	04/01/19 - 03/31/20	Previous year
raw result	20,093	22,344
- Personnel expenses	12.132	13.128
- otherwise. Expenses (including depreciation)	7.164	7,534
= operating result	797	1,682
+/- Financial result	-440	-458
result d. wt. business activity	357	1,224
Annual surplus / annual deficit	218	946

Gross profit fell by 10 percent compared to the previous year. The fall in orders was accompanied by a reduction in the workforce. The costs for purchasing materials and external services have also been reduced. Other operating expenses also fell again by 4.9 percent, but were unable to keep pace with the return in orders. At the end of the financial year, the order backlog was constantly falling and could no longer maintain the high level of many years.

financial and asset position

The following cash flow statement provides information about the liquidity situation and financial development:

	03/31/2020	
	kEUR	kEUR
Net Income (before appropriation)	218	
Depreciation on AV objects	+ 340	
Decrease in provisions	- 154	
Income from disposals of AV objects	- 1	
Decrease in current assets (without change in cash and cash equivalents)	+ 912	
Decrease in current liabilities (without change in provisions)	- 188	
Cash flow from operating activities		+ 1,127
Inflows from disposals of fixed assets	+ 2	
Investments in fixed assets:		
Property, plant and equipment	- 106	
financial assets	- 500	
Cash outflow from investing activities		- 604
Balance from remuneration and withdrawals of the limited partners	- 836	
Decrease in long-term liabilities	- 2,007	
Cash inflow/outflow from financing activities		- 2,843
		- 2,320

Compared to the previous year, the balance sheet total fell by 4.9 percent from €20,201 thousand to €19,212 thousand. The equity ratio (economic equity including shareholder loans) rose slightly to 53.0 percent of the balance sheet total. In order to ensure the company's long-term security, an allocation of €600,000 was made to a jointly held reserve in the fiscal year.

The land and buildings required for operations were rented throughout the financial year and, in individual areas, processes that had to be capitalized were added.

The asset structure as of March 31, 2020 was as follows:

Amounts in T-€uro	03/31/2020	03/31/2019	deviation
Capital assets	3,414	3.149	265
immat. assets	60	38	22
Property, plant and equipment	879	1.136	-257
financial assets	2,475	1,975	500
Current assets (incl. RAP)	15,798	17,052	-1,254
inventories less advance payments	7,520	7,610	-90
Trade receivables	4,876	5,078	-202
Claims Association	6	80	-74
Other assets	811	1,415	-604

Amounts in T-€uro	03/31/2020	03/31/2019	deviation
securities	0	0	0
liquid funds	2,383	2,725	-342
prepaid expenses	202	144	58
total assets	19,212	20.201	-989

These assets are offset by liabilities and provisions in the amount of €12,370k.

Development in the financial year 2020/2021 and 2021/2022

Incoming orders and orders on hand can no longer maintain the high level of the past few years. We expect a decline of around 30 percent over the course of the year. The range of orders has fallen sharply, taking into account short-time work, processing is being stretched. With the first safety measures due to the corona pandemic, distance and hygiene measures were implemented from mid-March and the departments were physically divided in order to maintain production operations at all times. As a precaution, all employees with increased health risks due to previous illnesses or potential risks of infection were sent to the home office and voluntary self-quarantine. With the lifting of travel and movement restrictions, we expect a gradual return to economic activity, although we see a clear reluctance on the part of our customers to invest. For the current year we expect a negative annual result. We expect the crisis to peak in late summer/autumn, so no reliable statement can be made about the further course at this time. With short-time work and medium-term financial aid, the liquidity situation should be secured for the entire financial year. For the current year we expect a negative annual result. We expect the crisis to peak in late summer/autumn, so no reliable statement can be made about the further course at this time. With short-time work and medium-term financial aid, the liquidity situation should be secured for the entire financial year. For the current year we expect a negative annual result. We expect the crisis to peak in late summer/autumn, so no reliable statement can be made about the further course at this time. With short-time work and medium-term financial aid, the liquidity situation should be secured for the entire financial year.

On a two-year horizon, we initially expect stabilization at a low level and a slow market recovery. This is likely to be led by the market launch of new vehicle models with alternative and hybrid drives, which are currently being developed. Cost optimizations in connection with new overall technological concepts should lead to a balanced annual result.

C) indications of future risks and opportunities

If export transactions are processed in a foreign currency, this is done in US$, CAN$ and to a lesser extent in CNY, MXN and BRL. Since hardly any added value is generated in the foreign currency area, strong exchange rate fluctuations can impair price competitiveness. The exchange rate risk is always covered by an exchange rate hedge and, depending on the market assessment, is also handled without a hedge. In addition, the effects of the trade discussions in the direct context between Europe and the USA and indirectly between Asia and the USA must continue to be closely monitored. As a result of the current pandemic, the health protection of employees, customers and suppliers is becoming more important, which can lead to loss of efficiency and additional costs. The different economic development of various countries and customers can lead to impairments. This is checked through regular and timely checks.

Potential interest rate risks are partially hedged in the following financial year.

There is still a high dependency on developments in the automotive industry. Activities to diversify and acquire new customer groups have high priority. General other risks are checked through continuous measures.

We see opportunities in the expansion of the product portfolio with automation solutions and an improvement in service offerings.

D) Other information

Research/Development:

The focus of our R&D activities is the further concentration on innovative injection and vulcanization technologies for the continuous optimization of cycle times and product quality, as well as the development of related injection molding machines and their manufacturing processes. In the current financial year, the product portfolio was expanded and new production concepts were developed. The implementation takes place largely within the framework of individualized customer projects.

Altdorf, the

Development of fixed assets - fixed asset schedule as of March 31, 2020

	Acquisition and production costs			
	AHK historical	additions	transfers	departures
I. Intangible assets				
1. Concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	677,009.67	0.00	0.00	0.00
2. Goodwill	28,069.92	0.00	0.00	0.00
3. Advance payments made	0.00	0.00	44,355.78	0.00
total	705,079.59	0.00	44,355.78	0.00
II. Tangible assets				
1. Land, land rights and buildings, including buildings on third-party land	163,806.53	0.00	0.00	0.00
2. Technical installations and machines	2,613,595.42	14,900.00	0.00	0.00
3. Other equipment, fixtures and fittings	3,366,856.29	86,937.99	0.00	-9,853.49
4. Payments on account and assets under construction	39,958.90	4,396.88	-44,355.78	0.00
total	6,184,217.14	106,234.87	-44,355.78	-9,853.49
III. financial assets				
1. Participation in the Biofibre company	350,000.00	500,000.00	0.00	0.00
2. Participation in the company LWB Automation GmbH	1,625,000.00	0.00	0.00	0.00
	1,975,000.00	500,000.00	0.00	0.00
Total Fixed Assets	8,864,296.73	606,234.87	0.00	-9,853.49

	Acquisition and production costs	depreciation			
	AHK	AfA historical	additions	departures	depreciation (accumulated)
I. Intangible assets					

	Acquisition and production costs	depreciation			
	AHK	AfA historical	additions	departures	depreciation (accumulated)
1. Concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	677,009.67	-639,312.67	-21,650.00	0.00	-660,962.67
2. Goodwill	28,069.92	-28,069.92	0.00	0.00	-28,069.92
3. Advance payments made	44,355.78	0.00	0.00	0.00	0.00
total	749,435.37	-667,382.59	-21,650.00	0.00	-689,032.59
II. Tangible assets					
1. Land, land rights and buildings, including buildings on third-party land	163,806.53	-120,568.53	-16,937.00	0.00	-137,505.53
2. Technical installations and machines	2,628,495.42	-2,372,787.42	-98,582.00		-2,471,369.42
3. Other equipment, fixtures and fittings	3,443,940.79	-2,554,627.19	-202,793.50	8,950.49	-2,748,470.20
4. Payments on account and assets under construction	0.00	0.00	0.00	0.00	0.00
total	6,236,242.74	-5,047,983.14	-318,312.50	8,950.49	-5,357,345.15
III. financial assets					
1. Participation in the Biofibre company	850,000.00	0.00	0.00	0.00	0.00
2. Participation in the company LWB Automation GmbH	1,625,000.00	0.00	0.00	0.00	0.00
	2,475,000.00	0.00	0.00	0.00	0.00
Total Fixed Assets	9,460,678.11	-5,715,365.73	-339,962.50	8,950.49	-6,046,377.74

	book value	
	Book value period 1	Book value period2
I. Intangible assets		
1. Concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	37,697.00	16,047.00
2. Goodwill	0.00	0.00
3. Advance payments made	0.00	44,355.78
total	37,697.00	60,402.78
II. Tangible assets		
1. Land, land rights and buildings, including buildings on third-party land	43,238.00	26,301.00
2. Technical installations and machines	240,808.00	157,126.00
3. Other equipment, fixtures and fittings	812,229.10	695,470.59
4. Payments on account and assets under construction	39,958.90	0.00
total	1,136,234.00	878,897.59
III. financial assets		
1. Participation in the Biofibre company	350,000.00	850,000.00
2. Participation in the company LWB Automation GmbH	1,625,000.00	1,625,000.00
	1,975,000.00	2,475,000.00
Total Fixed Assets	3,148,931.00	3,414,300.37

Independent Auditor's Report

To LWB Steinl GmbH & Co. KG:

audit opinions

I have the annual financial statements of LWB Steinl GmbH & Co. KG, Landshut, - consisting of the balance sheet as of March 31, 2020 and the income statement for the financial year from April 1, 2019 to March 31, 2020 as well as the appendix, including the presentation of the Accounting and valuation methods - checked. In addition, I have audited the management report of LWB Steinl GmbH & Co. KG, Landshut, for the fiscal year from April 1, 2019 to March 31, 2020.

In my opinion based on the knowledge gained during the examination

- The attached annual financial statements correspond in all material respects to the German commercial law regulations applicable to commercial partnerships within the meaning of Section 264a HGB and, in compliance with the German principles of proper accounting, convey a true and fair view of the assets and financial position of the company as of March 31, 2020 and its Results of operations for the financial year from April 1, 2019 to March 31, 2020 and
- the attached management report as a whole provides an accurate picture of the company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

In accordance with Section 322 (3) sentence 1 HGB, I declare that my audit has not led to any objections to the regularity of the annual financial statements and the management report.

Basis for the test results

I have carried out my audit of the annual financial statements and the management report in accordance with § 317 HGB, taking into account the German principles of proper auditing established by the Institute of Public Auditors (IDW). My responsibilities under these regulations and principles are further described in the "Auditor's Responsibility for the Audit of the Annual Financial Statements and Management Report" section of my auditor's report. I am independent of the company in accordance with the requirements of German commercial and professional law and I have my other German professional responsibilities in compliance with these requirements. I consider that

Responsibility of the legal representatives for the annual financial statements and the management report

The legal representatives are responsible for the preparation of the annual financial statements, which comply in all material respects with the German commercial law provisions applicable to commercial partnerships within the meaning of Section 264a HGB, and for the fact that the annual financial statements, in compliance with the German principles of proper accounting, correspond to the actual circumstances picture of the asset, financial and earnings situation of the company. Furthermore, the legal representatives are responsible for the internal controls which they have determined to be necessary in accordance with the German principles of proper accounting in order to enable the preparation of annual financial statements,

In preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

In addition, the legal representatives are responsible for preparing the management report, which as a whole provides a suitable view of the company's position and is consistent with the annual financial statements in all material respects, complies with German legal requirements and suitably presents the opportunities and risks of future development . Furthermore, the legal representatives are responsible for the precautions and measures (systems) they have deemed necessary to enable the preparation of a management report in accordance with the applicable German legal provisions and to provide sufficient suitable evidence for the statements in the management report be able.

Auditor's responsibility for the audit of the annual financial statements and the management report

My objective is to obtain reasonable assurance as to whether the annual financial statements as a whole are free from material - intentional or unintentional - misstatements and whether the management report as a whole provides a suitable view of the company's position and in all material respects with the annual financial statements and is consistent with the findings obtained in the audit, complies with German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes my audit opinions on the annual financial statements and on the management report.

Adequate assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with Section 317 of the German Commercial Code, taking into account the German principles of proper auditing established by the Institut der Wirtschaftsprüfer (IDW) will always uncover a material misstatement. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements and management report.

During the exam, I exercise professional judgment and maintain a critical attitude.

Furthermore

- I identify and assess the risks of material - intentional or unintentional - misstatements in the annual financial statements and in the management report, plan and perform auditing procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for my audit opinions. The risk of not detecting a material misstatement resulting from fraud is greater than that arising from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- I gain an understanding of the internal control system relevant to the audit of the annual financial statements and the precautions and measures relevant to the audit of the management report in order to plan audit procedures that are appropriate in the given circumstances, but not with the aim of providing an audit opinion on the effectiveness of these systems of society.
- I evaluate the appropriateness of the accounting methods used by the legal representatives and the reasonableness of the estimated values and related disclosures presented by the legal representatives.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that cast significant doubt on the Company's ability to continue as a going concern can raise. If I conclude that there is a material uncertainty, I am required to draw attention to the related disclosures in the financial statements and management report in the auditor's report or, if such disclosures are inappropriate, to modify my respective examination result. I base my conclusions on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- I evaluate the overall presentation, the structure and the content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in such a way that the annual financial statements, in compliance with the German principles of proper accounting, give a true and fair view of the assets, financial and earnings situation of the company.
- I assess the consistency of the management report with the annual financial statements, its compliance with the law and the picture it conveys of the company's situation.
- I perform audit procedures on the future-oriented information presented by the legal representatives in the management report. On the basis of sufficient appropriate audit evidence, I evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. I do not provide a separate audit opinion on the future-oriented information and the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

I discuss with those charged with governance, among other things, the planned scope and timing of the audit and significant audit findings, including any deficiencies in the internal control system that I identify during my audit.

Landshut, July 21, 2020

dr Bernd Rabald, auditor
