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Pyramid Computer GmbH

Freiburg in Breisgau

Annual financial statements for the financial year from January 1st, 2021 to December 31st, 2021**Management report for the 2021 financial year****outline**

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I. Company Fundamentals**1. Business Model**

Pyramid is a leading developer and manufacturer of IT solutions. The company's hardware solutions include interactive kiosks, network and security servers, as well as PCs and imaging solutions and are reflected in the two main product lines Polytouch[®] and Akhet[®].

The company's headquarters are in Freiburg.

2. Corporate Development

In addition to the existence of long-term customer relationships, the company relies heavily on the solution and OEM business for the targeted growth, combined with the further expansion of the product series Polytouch[®] and Akhet[®] aligned. In order to continue to meet the complex and diverse solution requirements with back-end and front-end solutions, the company is constantly expanding its capacities in the area of hardware and system development and supplementing them with external partners and specialists. Another focus is the continuous development, but also the maintenance of strategic partnerships and alliances in the IT industry. For the expansion in North America, a 100% subsidiary was founded in the USA in 2021. The joint venture founded in 2020 was terminated at the end of 2021. A distribution partnership was concluded in the UK in 2020.

II. Economic report**1. Macroeconomic and industry-related conditions****Market for Polytouch[®]**

The market for interactive kiosk solutions is characterized by a high degree of heterogeneity and a strong fragmentation of the players, without a clear leader. In particular, the very different sectors and areas of application make it difficult to provide a uniform description of the market.

The global market was estimated at US\$ 25 billion in 2020 and is expected to reach US\$ 36 billion in 2026. The forecasts of various research institutes are for annual growth rates between 6% and 16%, with strong differences between sectors, application areas and regions. Nevertheless, significant growth in the self-service market can be expected in the short and medium term, which in turn creates great opportunities for Pyramid to gain essential market share.

Market for Akhet[®]

Pyramid is active in two core markets, the (a) market for industrial PCs (IPC) and (b) the market for servers, both of which are examined and outlined in a differentiated manner. The following descriptions of the market environment, developments, volumes and the competitive situation bundle various external data.

IPC market

According to a study by Industry ARC, the global market for IPCs will have a total volume of US\$ 4.5 billion in 2020. The global market is expected to grow at an average annual rate of ~5% (CAGR20-25) per year will be US\$5.8 billion in 2025. In general, it can be said that the IPC market is very fragmented worldwide with a large number of companies.

server market

According to a Grand View Research study, the world market for servers will have a volume of US\$ 58 billion in 2019 and is expected to reach US\$ 83 billion per year with an average annual growth rate of -5.4% (CAGR19-25). reach 2025. In contrast to the IPC market, noticeable consolidation has already taken place in the server market. The size of the market and high cross-industry product and service demand create an attractive basis for continued dynamic market growth.

2. Business Development and Situation

The management of Pyramid assesses the development of the 2021 financial year as stable despite the pandemic (Covid-19). The earnings situation is in the range of expectations.

The year 2021 was another successful financial year in terms of EBITDA of €5,653 thousand compared to the 2020 EBITDA of €5,082 thousand.

a) Results of operations

2021	fiscal year	Previous year	change	
	k€	k€	k€	%
annual result	3,915	3,074	841	27.4%
Steer	1,192	1,611	-418	-26.0%
interest expense	229	130	99	76.4%
interest income	-9	0	-9	-1402.5%
depreciation	326	267	58	21.8%
EBITDA	5,653	5,082	571	11.2%

In the 2021 financial year, sales increased by €58,027 thousand (previous year: €57,723 thousand).

Compared to 2020, this corresponds to growth of 0.5%.

The return on sales (EBIT/sales) increased by 0.8 percentage points to 9.2% in the reporting year.

Taking inventory changes and other operating income into account, the total output is €59,320 thousand compared to €58,008 thousand in 2020 and is therefore 2.3% higher. Gross profit (sales revenue plus other operating income and changes in inventories less cost of materials) rose by 19.2% from €17,154 thousand to €20,445 thousand. The cost of materials ratio fell from 70.8% to 67.0%.

Personnel costs, including social security contributions and expenses, increased by 15.5% compared to 2020 to €8,991 thousand (previous year: €7,787 thousand), which is due to the increased headcount and salary adjustments. The personnel expenses ratio rose by 2.0 percentage points to 15.5% compared to the previous year (previous year 13.5%).

Other operating expenses increased from €4,280 thousand in the previous year to €5,801 thousand in the current financial year. This is due to increased warranties of €437k, increased administration costs of €384k, increased legal and consulting costs of €357k; increased third-party work of €200 thousand, higher freight costs of €142 thousand and higher rents of €120 thousand. Advertising costs fell by €166 thousand compared to the previous year.

The number of employees increased by 8 employees in the 2021 financial year to an average of 141 employees. With 10 trainees in commercial and technical professions, the number of traineeships remained the same as in the previous year (10).

b) financial position

The financial situation continues to be assessed as solid. The simple cash flow (net income plus depreciation) in the financial year was €4,237 thousand (previous year: €3,341 thousand). The necessary investments can be financed and payments to investors can be serviced with the cash inflow from operating activities and from the credit lines.

Pyramid operates factoring as part of liquidity management and security.

c) financial position**assets**

	2021	2020	change	
	k€	k€	k€	%
Capital assets	1,457	1,591	-133	-8.4%
supplies	11,506	10,928	577	5.3%
Current Assets	4,801	1,625	3,176	195.4%
Cash and cash equivalents	8,007	7,130	877	12.3%
liabilities				
Equity capital	14,646	10,731	3,915	36.5%
Long-term liabilities > 5 years)	0	424	-424	-100.0%
Medium/short-term liabilities	11,125	10,119	1,006	9.9%
total assets	25,771	21,274	4,497	21.1%

Equity rose from €10,731 thousand in the previous year to €14,646 thousand in the current financial year, which corresponds to an increase of 36.5%.

Current liabilities increased by €1,006 thousand to €11,125 thousand. This is essentially due to the increase in trade payables at the end of the last financial year. Long-term liabilities decreased to €0 thousand due to the replacement of existing loans.

Current assets increased by €3,176 thousand to €4,801 thousand and inventories by €577 thousand to €11,506 thousand compared to the previous year.

Cash and cash equivalents increased by €877k to €8,007k in the fiscal year.

At the end of the last financial year, the balance sheet total rose by 21.1% to €25,658 thousand (previous year: €21,274 thousand), which can be attributed to the order deliveries at the end of the year. Trade receivables and payables increased here.

Fixed assets decreased by T€ 133 compared to the previous year to T€ 1,457.

3. Financial and non-financial performance indicators

In terms of financial performance indicators, our focus is on:

1. Equity capital,
2. EBIT and
3. Liquidity.

The management uses the key figures equity ratio, EBIT and cash flow for internal corporate management.

The equity ratio increased to 56.8% (previous year 50.4%), which can be attributed to the positive annual surplus in the financial year.

EBIT increased to €5,327 thousand (previous year: €4,819 thousand) in line with expectations and is set annually as a benchmark. The increase in EBIT by 10.5% compared to the previous year is mainly due to the fact that the gross profit increased by 19.2% to €20,445 thousand (previous year €17,154 thousand), while other operating income fell by €000s 729, personnel costs increased by €1,204 thousand compared to the previous year and other operating expenses increased by €1,521 thousand.

Liquidity obligations are designed by the company in such a way that they can be met at any time. The company has sufficient liquid funds as of the balance sheet date on December 31, 2021 in the amount of € 8,007 thousand. In addition to the existing liquid funds, the company has unused lines of credit at various banks.

In the case of non-financial performance indicators, the focus is on customer and employee concerns.

The performance of Pyramid Computer GmbH is not only expressed in the financial key figures, but also and above all in the proximity to our customers and in the qualification and motivation of the employees. Pyramid therefore invests in the training and further education of employees as well as in health protection.

In order to be able to offer employees a suitable environment, Pyramid as an employer strives to offer employees attractive working conditions and prospects. This is done, among other things, by means of individual further training opportunities that cover technical, language and health-promoting aspects. As an employer, Pyramid not only offers technical and commercial apprenticeships but also the option of a dual university degree (bachelor's and master's). Corresponding accreditations took place in 2020 at partner universities.

The proximity and long-term relationship with customers is an important potential as a supplier. Creating and actively maintaining this closeness requires special skills and is an investment in the future.

The segmentation of the business areas into sectors and markets is a logical further development. This applies both in organizational terms through the development of efficient structures within these business areas, and in terms of personnel. The segmentation of the market into these fields allows the development of special competences for the respective business field.

In addition to the succession plan at shareholder level described below, the previous budget process was put to the test and consistently further developed, which takes the changed framework conditions into account. In the 2020 financial year, integrated planning with a derived balance sheet and cash flow calculation and a time horizon of five years was mapped.

For the planning year 2022, integrated planning with a derived balance sheet and cash flow calculation with a time horizon of one year was set up in 2021, which has replaced the previous pure profit and loss planning.

Employees

Committed and motivated employees make a significant contribution to the company's success. Pyramid employees bring their knowledge and commitment to the company. The Pyramid conducts regular employee interviews and surveys to determine employee satisfaction and to identify development opportunities. This is intended to increase employee loyalty to the company and keep knowledge within the company. To deepen and expand existing knowledge, employees have the opportunity to take part in training courses and seminars.

Training

In 2021, Pyramid again invested heavily in young people with a vocational training rate of 7.1%. In addition, there are 5 dual university students.

4. Overall statement

Pyramid enjoys an excellent reputation among its customers and has many years of technological experience and know-how. Despite the pandemic (Covid-19) crisis, sales increased slightly. The sales and earnings development is in line with expectations.

The equity ratio and liquidity increased again. The asset, financial and earnings situation is assessed as good.

Our financial management is designed to always settle liabilities within the payment period and to collect receivables within the payment terms. In the year under review, short-term payments were used to realize discount deductions for delivery obligations, insofar as these had been agreed.

Current liabilities and provisions are covered by liquid funds and current assets.

III. Branch Office Report

In addition to its headquarters in Freiburg, the company still has a domestic branch in Wachenburg (district of Ichtershausen). The location serves as a production plant and logistics hub. Completed capacity expansions have been available since spring 2021.

IV. Forecast Report

The 2022 financial year started below plan. A profit situation is to be expected for 2022 as a whole. For the full year 2022, increases in sales and EBIT are expected compared to the 2021 financial year, assuming that the supply chain chains and customer structures will continue to be stable in 2022. These statements do not take into account unpredictable setbacks in the overall economy and specifically in customer and supplier relationships, which are related to the pandemic (Covid-19) and a possible further aggravation of the Ukraine crisis. For the 2022 financial year, the company expects an increase in sales of up to 15% and an increase in EBIT of up to 9% compared to the previous year.

V. Opportunity and Risk Report

risk management system

The basis for effective and efficient risk management is a distinctive and uniformly understood risk culture in the company. In 2020, detailed monthly financial reporting was developed in order to identify and analyze deviations in the asset, financial and earnings situation from the planned values. Risks and opportunities are inseparable from commercial activity. In order to be able to identify risks at an early stage and counteract them appropriately, risk management is therefore an integral part of the decision-making and business processes.

Succession plan at shareholder level

On November 3rd, 2020, the listed mic AG signed a purchase agreement for the complete acquisition of Pyramid Computer GmbH for conversion into an operational high-tech company.

Consequently, the conditions for the desired growth and expansion have been created with the published completion steps in 2021 and access to the capital market.

Risks from operational activities

Dependence on major customers

Pyramid achieved 51.8% of total sales in 2021 with the 5 largest individual customers, with the largest individual customer accounting for 17.3% (previous year: approx. 17.5%). The top 100 customers generated around €56 million or 96.3% of total sales.

default risks

To protect against default risks on the sales side, Pyramid has taken out credit default insurance through an insurance partner. In the case of pending transactions that cannot be insured against default, an internal individual assessment is carried out, which often leads to other securities such as advance payment, guarantees and similar instruments. A relevant major customer without credit default insurance is continuously monitored individually using publicly accessible financial and market data as well as payment behavior (short-term payment terms).

exchange rate risks

Against the background of the sometimes ambitious margin situations of individual products and product segments, exchange rate fluctuations in the company have a disproportionately high impact on the margin situation. Due to the strong dependence of the company on the general development of the exchange rates, especially the US dollar and the British pound in relation to the euro, both on the purchase and on the sales side, the company tries to counteract the possibly negative ones by realizing the exchange rate promptly and, if necessary, by means of project-related forward exchange transactions to minimize the impact on the result.

Risk of serial errors

Since Pyramid is mainly active in the project business and endeavors to produce large series with well-known major customers, risks can arise from these deliveries in the event of a series defect, which lead to worldwide repairs or recall campaigns. These risks do not only exist due to errors made by Pyramid, but also due to serial errors caused by suppliers of supplied parts.

In the area of all electronic components, it can happen that errors occur that are difficult or impossible to detect, but could still lead to the loss of the customer or to high field costs.

Macroeconomic Risks

Macroeconomic risks exist on the one hand on the supply chain side and on the customer side on the other hand. The extent to which negative effects from the pandemic (Covid-19) are to be expected or can suddenly arise acutely cannot be estimated from today's perspective.

Political Risks

General risks are the current disruptions to world trade caused by various political administrations. The company tries to limit changes in exchange rates by buying hedges after the order has been placed, but this is no protection against a loss of sales, such as in the United Kingdom, where the medium-term effects of Brexit are difficult to assess. The company counters production capacity risks with a very far-reaching outsourcing strategy that allows products to be manufactured on several continents.

opportunities

The IT market is characterized by extraordinary dynamism, global effects and price wars. To avoid price wars, Pyramid has focused on the industrial OEM market. Systems, assemblies or appliances are offered to industrial customers together with a high proportion of complex services. There is a risk of imitation by similarly structured competitors. At the same time, the high level of supplier loyalty due to the switching costs incurred by the customer also protects the existing customer relationship.

Pyramid continues to focus on the highly innovative POS market in the retail and order automation environment. It is expected that the demand for self-service devices, which are characterized by Pyramid's modern design and ergonomic operation, will continue to increase. In specific applications, the pandemic (Covid-19) can also be a driver of growth and demand. Pyramid sees itself well positioned in these markets, not least due to the successful establishment of global partnerships.

assessment

The scope and risk potential of the risks have hardly changed compared to December 31, 2020. From the point of view of the management, the future prospects for the development of the company are good with the further development of the product portfolio. According to the assessment of the management, a positive corporate development can also be expected in the coming financial years.

Fribourg, February 24, 2022

Joseph Schneider

Stefan Brueckner

Balance sheet as of December 31, 2021**ASSETS**

	12/31/2021	Previous year
	EUR	EUR
A. Fixed assets		
I. Intangible assets		
Acquired concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	109,691.56	77,048.59
		109,691.56
II. Tangible assets		
1. Technical installations and machines	36,490.88	12,469.52
2. Other equipment, fixtures and fittings	1,292,416.09	1,080,602.81
3. Payments on account and assets under construction	0.00	147,758.53
		1,328,906.97
III. financial investments		
1. Shares in affiliated companies	17,575.68	0.00
2. Holdings	0.00	271,362.44
3. Other securities	1,300.00	1,300.00
		18,875.68
		1,457,474.21
B. Current Assets		
I. Inventories		
1. Raw, auxiliary and operating materials	8,299,000.64	7,931,415.12
2. Work in progress, work in progress	1,469,566.05	1,140,138.64
3. Finished Goods and Merchandise	2,072,497.53	1,859,496.77
4. Advance payments made	0.00	145,611.80
5. Deposits Received on Orders	-335,386.47	-148,358.80
		11,505,677.75
II. Receivables and other assets		
1. Trade accounts receivable	2,571,367.72	735,731.81

	12/31/2021		Previous year
	EUR	EUR	EUR
2. Receivables from affiliated companies	43,177.40		0.00
3. Claims against shareholders	500,000.00		416,403.26
3. Other Assets	1,508,496.88		443,131.24
		4,623,042.00	1,595,266.31
III. Cash and bank balances		8,007,124.69	7,130,175.75
		24,135,844.44	19,653,745.59
C. Prepaid expenses		177,876.23	29,911.99
		25,771,194.88	21,274,199.47

LIABILITIES

	12/31/2021		Previous year
	EUR	EUR	EUR
A. Equity			
I. Drawn capital	783,750.00		783,750.00
- own shares	-270,750.00		-270,750.00
		513,000.00	513,000.00
II. Capital Reserve		20,400.71	20,400.71
III. profit carried forward		10,198,082.68	7,124,176.54
IV. Net Income		3,914,739.47	3,073,906.14
		14,646,222.86	10,731,438.39
B. Provisions			
1. Provisions for taxes	59,073.71		416,909.60
2. Other provisions	3,870,927.89		3,689,921.24
		3,930,001.60	4,106,830.84
C. Liabilities			
1. Liabilities to banks	0.00		1,147,089.18
2. Trade Accounts Payable	4,802,679.28		2,965,933.66
3. Liabilities to affiliated companies	28,560.00		0.00
4. Other Liabilities	236,342.84		147,544.05
- thereof from taxes	(164,596.31)		(76,272.61)
- of which within the framework of social security	(43.94)		(0.00)
		5,067,582.12	4,260,566.89
D. Deferred income		2,127,388.30	2,175,318.35
		25,771,194.88	21,274,199.47

Profit and Loss Account for the period from January 1st to December 31st 2021

	2021		Previous year	
	EUR	EUR	EUR	EUR
1. Revenue		58,027,785.47		57,722,482.55
2. Increase in inventories of finished goods and work in progress		396,370.22		-1,349,520.90
3. Other own work capitalized		2,586.55		12,727.76
4. Other operating income		893,476.63		1,622,689.07
5. Cost of Materials				
a) Expenses for raw materials, auxiliary materials and supplies and for purchased goods	37,953,996.47			39,759,244.69
b) Expenses for purchased services	921,513.10			1,095,642.92
		38,875,509.57		40,854,887.61
6. Personnel expenses				
a) Wages and salaries	7,653,932.47			6,743,832.33
b) Social security contributions and expenses for pensions and for assistance	1,336,669.97			1,043,032.62
		8,990,602.44		7,786,864.95
7. Depreciation of intangible assets and property, plant and equipment		325,714.06		267,365.93
8. Other Operating Expenses		5,800,804.00		4,279,897.42
9. Other Interest and Similar Income		9,048.31		125.64
10. Interest and Similar Expenses		229,490.51		130,095.06
11. Income taxes		1,189,881.31		1,610,779.44
12. Earnings after taxes		3,917,265.29		3,078,613.71
13. Other Taxes		2,525.82		4,707.57
14. Net Income		3,914,739.47		3,073,906.14

Appendix for the 2021 financial year**I. General information on the annual financial statements**

Pyramid Computer GmbH is based in Freiburg. The address of the registered office is: Bötzingen Straße 60, 79111 Freiburg. The company is entered in the commercial register at the district court of Freiburg (HRB 3018).

As of the balance sheet date, the company has the size characteristics of a large corporation within the meaning of Sections 264, 267 (2) HGB.

The present annual financial statements have been prepared in accordance with the provisions of the German Commercial Code applicable to large corporations in the version of the Accounting Directive Implementation Act (BilRUG) while retaining the classification and valuation principles used for the previous year's financial statements (§§ 265 Para. 1 Sentence 2, 266 ff. HGB). The regulations of the GmbHG were observed.

The nature of expense method was used to present the income statement.

II. Accounting and valuation methods

In the reporting year, there were no deviations from the presentation, accounting and/measurement methods used in previous periods.

Capital assets

Licenses to rights and assets purchased from third parties are capitalized at acquisition cost and amortized on a straight-line basis over their expected useful life, pro rata in the year of acquisition. If the fair value of individual intangible fixed assets falls below their book value, additional unscheduled depreciation is carried out if the impairment is expected to be permanent.

Property, plant and equipment are valued at acquisition or production cost less scheduled depreciation. Depreciation on additions to property, plant and equipment is always prorated on a straight-line basis over their economic useful lives, which are based on useful lives for tax purposes, insofar as this corresponds to the actual depreciation. If the fair value of individual assets falls below their book value, additional unscheduled depreciation is carried out if the impairment is expected to be permanent.

Low-value assets with acquisition costs between EUR 250.00 and EUR 800.00 are written off immediately in the year of acquisition.

In the case of financial assets, the share rights are stated at acquisition cost.

Inventories are always stated at the lower of acquisition and production cost or current market value.

Inventories of raw materials, consumables and supplies are capitalized at average purchase prices or at the lower daily rates on the balance sheet date.

Work in progress and finished goods are valued at production cost, taking into account not only the direct material costs and production wages, but also overheads, which also include the depreciation of fixed assets.

The recognizable risks in inventories, which result from longer than average storage times, reduced marketability and lower replacement costs, are taken into account through appropriate devaluations.

Receivables and other assets are stated at their nominal value. Appropriate value adjustments have been made for all risky items.

Prepaid expenses and deferred charges

Payments made before the balance sheet date are recognized as prepaid expenses if they represent expenses for a specific period after this date.

Deferred taxes

In the event of a surplus of deferred tax assets as of the balance sheet date, use is made of the option to capitalize in Section 274 (1) sentence 2 HGB.

In the year under review, there was a surplus of deferred taxes. The deferred tax assets essentially result from temporary differences between the commercial and tax accounts in the provisions for impending losses.

The deferred taxes are calculated on the basis of a tax rate of 30.26%.

Equity capital

The subscribed capital is accounted for at nominal value.

	Subscribed capital	own shares	capital reserve
	k€	k€	k€
Status 01.01.21	784	-271	20
Net profit 2020			
Profit distribution in 2021			
Net profit 2021			
As of December 31, 2021	784	-271	20
	profit carried forward	net income	Total equity
	k€	k€	k€
Status 01.01.21	7.124	3,074	10,731
Net profit 2020	3,074	-3,074	
Profit distribution in 2021			
Net profit 2021		3,915	3,915
As of December 31, 2021	10.198	3,915	14,646

accruals

The tax and other provisions cover all recognizable risks, uncertain liabilities and impending losses from pending transactions (Section 249 HGB) and are valued at the settlement amount that is necessary according to reasonable commercial assessment (Section 253 (1) sentence 2 HGB).

liabilities

Liabilities are recognized at their settlement amount (Section 253 Paragraph 1 Clause 2 HGB).

foreign currency conversion

Transactions in foreign currencies are generally recorded at the historical exchange rate at the time of initial posting. On the balance sheet date, in accordance with Section 256a HGB, current foreign currency receivables and liabilities (remaining term of up to one year or less) are translated at the mean spot exchange rate.

III. Notes to the balance sheet

The development of fixed assets is shown in the fixed asset movement schedule as the following appendix to the notes.

As in the previous year, all receivables and other assets are due within one year.

The trade accounts receivable in the amount of €2,571 thousand (previous year: €736 thousand) include accounts receivable from companies with participations in the amount of €0 thousand (previous year: €371 thousand). Receivables from affiliated companies amount to €543 thousand (previous year: €416 thousand). Receivables from affiliated companies include receivables from the shareholder in the amount of €504k (previous year: €416k from former shareholders).

Other assets include tax receivables of €0 thousand (previous year €6 thousand) and social security receivables of €3 thousand (previous year €3 thousand).

The other provisions relate to personnel and sales, in particular guarantee obligations.

The liabilities of Pyramid Computer GmbH amounted to €5,068 thousand as of the balance sheet date (previous year: €4,261 thousand). Of the liabilities, deliveries and services account for €4,803 million (previous year: €2,966 thousand). Liabilities to affiliated companies include liabilities to the shareholder of €29 thousand (previous year: €0 thousand). Other liabilities include liabilities relating to social security of €165k (previous year: €76k) and liabilities to the tax office of €63k (previous year: €0k). All liabilities are due within one year.

The amount shown under trade payables is partially secured by the usual retention of title by suppliers.

The deferred income item was formed for payments received for an extension of the guarantee period to 5 years. The item will be dissolved proportionately from the 3rd year.

IV. Notes to the Profit and Loss Account

The 2021 revenues of €58,027k are distributed by geographic market as follows:

region	2021	2020
	Euro	Euro
Germany	31.078.815	33.365.385
Europe	12.875.971	17.370.198
rest of the world	14.072.999	6.986.900
Total	58,027,785	57,722,483

In the financial year, other operating income includes income from the reversal of provisions and value adjustments in the amount of €241 thousand.

Other operating income includes unrealized income from currency translation of €100 thousand (previous year: €-32 thousand) and other operating expenses include unrealized expenses from currency translation of €94 thousand (previous year: €-43 thousand). contain.

V. Other information

Information on transactions not included in the balance sheet (§ 285 No. 3 HGB)

The company sells parts of its trade accounts receivable to a factoring bank. The purpose of the measure is to obtain funds that are required to finance the working capital.

Contingent liabilities (§ 251 HGB), other financial obligations (§ 285 No. 3a HGB)

The company is jointly and severally liable with the parent company mic AG from a current account relationship up to a maximum of €2.5 million, which can be claimed by both sides.

Financial obligations result from the rental agreements for buildings and warehouses as well as the leasing agreements. The remaining payment obligations on the balance sheet date totaled €4,897 thousand (previous year: €2,147 thousand), of which €870 thousand (previous year: €764 thousand) within one year.

employees on average over the year

An average of 141 (previous year: 133) employees were employed in the financial year. Of these, 45 (previous year 49) were commercial employees and 83 (previous year 74) white-collar workers and 13 (previous year 10) trainees (Section 285 No. 7 HGB).

Managing Director

- Josef Schneider, Freiburg i.Br., businessman
- Stefan Brückner, Ettenheim, businessman (since July 14, 2021)

In accordance with Section 286 (4) of the German Commercial Code, the remuneration of the managing directors was not disclosed, since this information would enable the remuneration of two members of the management to be determined.

holdings

The previous year's investment in Tradekraft Kiosks LLC, 1081 Holland Drive, Boca Raton, FL 33487 (USA) was sold at the end of 2021.

subsidiary company

The 100% subsidiary Pyramid North America Inc., Herndon, Virginia, USA was founded on June 30, 2021.

auditor's fee

The auditor paid a total fee of i. H. of T€ 37 charged. The fee applies exclusively to final examination services.

VI. supplementary report

After the end of the fiscal year, up to the preparation of the annual financial statements, no events became known that are of significant importance for the business development and would lead to a changed assessment of the asset, financial and earnings situation.

Appropriation of Profits

Management proposes to the shareholder to carry forward the annual surplus of €3,914,739.47 to new account.

Fribourg, February 24, 2022

Joseph Schneider

Stefan Brueckner

Development of fixed assets in the 2021 financial year

	Acquisition and production costs				As of December 31, 2021 EUR
	As of January 1st, 2021 EUR	additions EUR	departures EUR	reclassification EUR	
I. Intangible assets					
Purchased concessions, industrial property rights and similar assets	241,832	62,034	0	0	303,866
	241,832	62,034	0	0	303,866

	Acquisition and production costs				As of December 31, 2021
	As of January 1st, 2021	additions	departures	reclassification	
	EUR	EUR	EUR	EUR	EUR
II. Tangible assets					
1. Technical installations and machines	70,418	30,098	0	0	100,516
2. Other equipment and fixtures and fittings	2,912,532	386,869	156,954	147,759	3,290,206
3. Payments on account and assets under construction	147,759	0		-147,759	0
	3,130,709	416,967	156,954	0	3,390,722
III. financial investments					
1. Shares in affiliated companies	0	17,576	0	0	17,576
2. Shares Participations	271,362	0	271,362	0	0
3. Cooperative Shares	1,300	0	0	0	1,300
	272,662	17,576	271,362	0	18,876
	3,645,203	496,577	428,316	0	3,713,464
			Accumulated depreciation		
	As of January 1st, 2021	additions	departures		As of December 31, 2021
	EUR	EUR	EUR		EUR
I. Intangible assets					
Purchased concessions, industrial property rights and similar assets		164,784	29,391	0	194.175
		164,784	29,391	0	194.175
II. Tangible assets					
1. Technical installations and machines		57,949	6,077	0	64,025
2. Other equipment and fixtures and fittings		1,831,929	290,247	124,385	1,997,790
3. Payments on account and assets under construction			0	0	0
		1,889,877	296,323	124,385	2,061,815
III. financial investments					
1. Shares in affiliated companies		0	0	0	0
2. Shares Participations		0	0	0	0
3. Cooperative Shares		0	0	0	0
		0	0	0	0
		2,054,661	325,714	124,385	2,255,990
				book values	
				As of December 31, 2021	As of December 31, 2020
				EUR	kEUR
I. Intangible assets					
Purchased concessions, industrial property rights and similar assets				109,692	77,049
				109,692	77,049
II. Tangible assets					
1. Technical installations and machines				36,491	12,470
2. Other equipment and fixtures and fittings				1,292,416	1,080,603
3. Payments on account and assets under construction				0	147,759
				1,328,907	1,240,831
III. financial investments					
1. Shares in affiliated companies				17,576	0
2. Shares Participations				0	271,362
3. Cooperative Shares				1,300	1,300
				18,876	272,662
				1,457,475	1,590,542

INDEPENDENT AUDITOR'S REPORT

To Pyramid Computer GmbH:

audit opinions

We have audited the annual financial statements of Pyramid Computer GmbH - consisting of the balance sheet as of December 31, 2021 and the income statement for the financial year from January 1 to December 31, 2021 and the notes, including the presentation of the accounting and valuation methods. In addition, we have audited the management report of Pyramid Computer GmbH for the fiscal year from January 1 to December 31, 2021.

According to our assessment based on the knowledge gained during the audit

- The attached annual financial statements comply in all material respects with the German commercial law provisions applicable to corporations 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 December 31, 2021 and its earnings position for the financial year from January 1 to December 31, 2021 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 § 322 Para. 3 Sentence 1 HGB, we declare that our audit has not led to any objections to the regularity of the annual financial statements and the management report.

Basis for the test results

We conducted our audit of the annual financial statements and the management report in accordance with Section 317 of the German Commercial Code, taking into account the German generally accepted auditing principles established by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under those requirements and standards is further described in the "Auditor's responsibility for the audit of the financial statements and management report" section of our auditor's report. We are independent of the company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe

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 with the German commercial law provisions applicable to corporations in all material respects, and for the fact 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 results of operations 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 can.

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

Our 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 which contains our 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 audit, we exercise professional judgment and maintain a critical attitude. Over and beyond

- We identify and assess the risks of material - intentional or unintentional - misstatements in the annual financial statements and in the management report, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our 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.
- We 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.
- We evaluate the appropriateness of the accounting methods used by the legal representatives and the justifiability of the estimated values presented by the legal representatives and the related disclosures.
- Conclude on the appropriateness of management's 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 we conclude that there is a material uncertainty, we are 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 our respective audit opinion. We base our conclusions on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- We 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.
- We assess the consistency of the management report with the annual financial statements, its compliance with the law and the view it conveys of the company's situation.
- we 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, we 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. We 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.

We 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 we identify during our audit.

Dusseldorf, February 25, 2022

RSM GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Weyers, auditor
Great, auditor

Other report components:

The annual financial statements were approved on May 6, 2022.

