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**Pyramid Computer GmbH**

Freiburg in Breisgau

**Annual financial statements for the financial year from January 1st, 2019 to December 31st, 2019****Management report for the 2019 financial year****outline**

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

Pyramid is active in the following business areas:

1. Development and production of customized IT solutions: OEM system solutions and server appliances as well as specially tailored IT systems for industrial customers from the segments of network technology, image processing and point-of-sales (POS) worldwide.

2. Services in all of the above areas, worldwide support for roll-out, installation, repair of systems supplied and third-party systems, maintenance of an authorized global partner network for this purpose.

The business areas of Pyramid are divided into the organizational units Customers & Operations, R&D and Products as well as Administration. These areas are located at the headquarters in Freiburg. Production and logistics are located in the Wachsenburg office (district of Ichtershausen). Additional production capacities are available by outsourcing certain production processes to a Thuringian manufacturing company and by economies of scale in the manufacture of components in Asia.

The company's headquarters are in Freiburg.

**2. Corporate Development**

The company is very strongly focused on the solution and OEM business, combined with the further expansion of the polytouch® product series. In order to continue to meet the complex and diverse solution requirements of restaurant and retail automation, 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.

**II. Economic report****1. Macroeconomic and industry-related conditions**

The global IT market continues to be subject to major changes. In the field of industrial PC components, there is high price pressure from new and old market participants from the Far East in a market that is only growing slightly. Pyramid therefore expects hardly any further growth opportunities in this market segment, but continues to rely on the highly innovative POS market in the retail and order automation environment.

**2. Business Development and Situation**

After an extraordinary 2018 financial year, the management of Pyramid assesses the development of the 2019 financial year as stable and very good. The earnings situation is in the range of expectations.

With a gross profit of €17,022 thousand (previous year: €19,409 thousand), 2019 was another successful financial year in the company's history.

**a) Results of operations**

	fiscal year	Previous year	change	
	k€	k€	k€	%
annual result	3,542	2,595	947	36.5%
+ income taxes	1,782	1,690	92	5.4%
+ interest expense	129	301	-171	-57.0%
- interest income	0	0	0	-53.9%
+ depreciation	222	1,452	-1,230	-84.7%
= EBITDA	5,675	6,038	-363	-6.0%

The reduction in sales and gross profit is reflected in EBITDA. The high depreciation in the previous year was related to special depreciation on inventories.

The number of employees as of the reporting date is the same as in the previous year, 130 (December 31). Personnel expenses increased by €738 thousand in the year under review. With 10 trainees in commercial and technical professions, the number of traineeships is slightly lower than in the previous year (13).

#### b) financial position

The financial situation is assessed as good. The simple cash flow (annual surplus plus depreciation) amounts to 3,764 T€ in the reporting year and is thus -283 T€ slightly below the previous year's figure. 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.

#### c) financial position

Significant balance sheet items	fiscal year	Previous year	ver	change
	k€	k€	k€	%
assets				
Capital assets	1,015	710	306	43.1%
Stocks	13,593	14,393	-801	-5.6%
Current Assets	6,922	2,329	4,593	197.2%
Cash and cash equivalents	1,237	1,793	-556	-31.0%
liabilities				
Equity capital	8,658	7,441	1,217	16.4%
Long-term liabilities	510	2,017	-1,507	-74.7%
Medium/short-term liabilities	13,599	9,768	3,831	39.2%
total assets	22,767	19,225	3,542	18.4%

The expansive development of sales in 2018 and 2019 resulted in significant changes within the balance sheet. On the assets side, the inventories are high. In addition to the overall higher sales volume, the increased order backlog and the expected additional order volume with a major customer made it necessary to increase inventories in order to ensure prompt delivery to customers at all times in view of the relatively long procurement times.

Due to the increase in the balance sheet total by 18%, the equity ratio fell slightly to 38.0% (previous year: 38.7%) despite the higher positive annual result. Another significant influence is the change in the capital reserve of around T€ -793.

The company has sufficient liquid funds. As of the balance sheet date, there were cash on hand and bank balances of €1,237 thousand (previous year: €1,793 thousand). In addition to the existing liquid funds, the company has unused lines of credit at various banks. The long-term liabilities (greater than 5 years) have been reduced by 1,507 T€. The background is a reclassification of warranty extensions from long-term to medium- to short-term.

### 3. Financial performance indicators

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

1. equity,
2. EBITDA and
3. Liquidity.

For our internal corporate management, we use the key figures equity ratio, EBITDA and cash flow.

The equity ratio fell slightly to 38.0% (previous year: 38.7%) due to the expansion of the balance sheet total. Another significant influence is the change in the capital reserve of around T€ -793.

At €5,675 thousand, the EBITDA figure is in line with expectations and is set annually as a benchmark.

The liquidity targets are designed in such a way that the company's obligations can be met at all times. The provision of liquid funds (as of December 31, 2019: €1,237k) and sufficient credit lines serve to do this.

### 4. Overall statement

We rate our asset, financial and earnings situation as good.

Our sales and earnings development is in line with expectations.

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, we were able to realize cash discounts for delivery obligations by means of short-term payments, 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 our head office in Freiburg, our company still has a domestic branch office in Wachenburg (district of Ichtershausen).

### IV. Forecast Report

The first quarter of 2020 got off to a good start thanks to a stable order situation. A win situation is to be expected. For 2020 as a whole, we expect a similar financial year to 2019 in terms of sales and annual results.

### V. Opportunity and Risk Report

#### Risks from operational activities

Dependence on major customers

Pyramid achieved 51.0% of total sales in 2019 with the 5 largest customers, with the share of the largest individual customer being 19.1% (previous year approx. 59.7%). The top 100 customers generated around €53 million or 96% of total sales. As always, long-standing regular customers characterize the Pyramid customer spectrum. The

enormous increase in sales of the largest individual customer in 2018 not only brought the best result in the company's history, but also a not inconsiderable increase in risk due to credit rating problems and erratic capacity planning. In the 2019 financial year, sales stabilized slightly below the previous year's level.

#### 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 sporadic errors occur that are difficult or impossible to detect, but can still lead to the loss of the customer or to high field costs.

Pyramid is conditionally insured in the form of business liability insurance. Damage should therefore be financially secured. Nevertheless, cases are conceivable for which the insurance cover is not sufficient or does not exist or is unclear, especially in the North American market. Pyramid has taken account of the significant increase in sales in North America by extending insurance cover to the North American market.

#### Political Risks

There are general risks in the current disruptions to world trade caused by the new US administration. The company tries to limit exchange rate changes by shear buying after orders are placed, but this is no protection against a loss of sales, as in the UK, where the impact of Brexit is difficult to assess. The company counters production capacity risks with a very far-reaching outsourcing strategy, which allows products to be manufactured on several continents.

#### opportunities

The IT market is characterized by extraordinary dynamism, global effects and price wars. In order to avoid price wars, Pyramid has been concentrating on the industrial OEM market for years. 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 is also a protection for the existing Pyramid customers.

Pyramid continues to focus on the highly innovative POS market in the retail and order automation environment. We expect that the demand for self-service devices, which are characterized by Pyramid's modern design and ergonomic operation, will continue to increase. Pyramid sees itself well positioned in this market, not least due to the successful establishment of the global sales partnership with Diebold Nixdorf. Multi-digit growth opportunities in this sector will continue to be not unrealistic. Constant product innovations and further expansion of awareness will ensure the targeted growth in the "Retail & Interactive" and POS segment.

#### assessment

Due to the dependence on a few major customers, the overall scope and risk potential of the risks have hardly changed compared to December 31, 2018. However, identifiable risks have been taken into account. 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 in the POS market. According to the assessment of the management, a positive corporate development can also be expected in the coming financial years.

### Balance sheet as of December 31, 2019

#### ASSETS

	12/31/2019	12/31/2018
	EUR	kEUR
<b>A. FIXED ASSETS</b>		
I. Intangible assets	46,657.68	42
II. Tangible assets	967,368.30	666
III. financial investments	1,300.83	1
	1,015,326.81	710
<b>B. CURRENT ASSETS</b>		
I. Inventories	13,592,568.96	14,393
II. Receivables and other assets	6,798,755.27	2,211
III. Cash on hand, bank balances	1,236,830.29	1,793
	21,628,154.52	18,397
<b>C. PREPAID EXPENSES</b>	123,324.39	119
	22,766,805.72	19,225

#### LIABILITIES

	12/31/2019	12/31/2018
	EUR	kEUR
<b>A. EQUITY</b>		
I. Drawn capital	513,000.00	570
II. Capital Reserve	20,400.71	813
III. profit carried forward	4,582,160.00	3,462
IV. Net Income	3,542,016.54	2,595
	8,657,577.25	7,441
<b>B. PROVISIONS</b>	5,075,840.22	4,983
<b>C. LIABILITIES</b>	7,044,165.85	5,479
thereof liabilities to banks EUR 1,047,180.90 (previous year EUR 544 thousand)		
<b>D. ACCOUNTED EXPENSES</b>	1,989,222.40	1,323
	22,766,805.72	19,225

**Profit and Loss Account for the period from January 1st to December 31st 2019**

	2019	2018
	EUR	kEUR
1. Raw Score	17,022,474.96	19,409
2. Personnel expenses		
a) Wages and salaries	6,413,702.91	5,748
b) Social security contributions and expenses for pensions and benefits	963,386.50	891
of which for pensions: EUR 5,194.96 (previous year EUR 5 thousand)	7,377,089.41	6,639
3. Depreciation		
a) on intangible assets and property, plant and equipment	222,443.39	226
b) on current assets, insofar as these exceed the usual depreciation in the corporation	0.00	1,226
	222,443.39	1,452
4. other operating expenses	3,966,417.72	6,728
	11,565,950.52	14,819
	5,456,524.44	4,590
5. Other interest and similar income	65.00	0
6. Interest and Similar Expenses	129,164.39	301
	-129,099.39	-300
7. Income taxes	1,781,562.37	1,690
8. Earnings after taxes	3,545,862.68	2,600
9. Other Taxes	3,846.14	5
10. Net Income	3,542,016.54	2,595

**Notes for the 2019 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 medium-sized 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 medium-sized 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.

**Equity capital**

The subscribed capital is accounted for at nominal value. Equity developed as follows in the financial year:

	Subscribed capital	own shares	capital reserve	profit carried forward	net income	Total equity
	k€	k€	k€	k€	k€	k€
Status 01.01.19	784	-214	813	3,462	2,595	7,440
Net income 2018				2,595	-2,595	
Acquisition of own shares		-57	-793			-850
Profit distribution 2019				-1,475		-1,475
Net income 2019					3,542	3,542
As of 12/31/2019	784	-271	20	4,582	3,542	8,657

**accruals**

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

**liabilities**

Liabilities are recognized at their settlement amount (section 253 (1) sentence 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.

The shares in Pyramid Computer USA Inc. are reported at €0.83. This company has not been operational since July 2009.

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

Liabilities to shareholders were fully repaid in the course of the financial year (EUR 0 thousand; previous year EUR 150 thousand).

The remaining terms of the liabilities are shown in detail in the following table of liabilities.

	total amount	Up to 1 year	Greater than 1 year	of which more than 5 years
	k€	k€	k€	k€
Liabilities to credit institutions	1,407	215	682	510
liabilities from goods and services	5,519	5,519		
Other liabilities	118	118		
total	7,044	5,852	682	510

Other liabilities include tax liabilities of €74 thousand (previous year: €64 thousand) and social security liabilities of €1 thousand (previous year: €0 thousand).

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**

Other operating income includes income of €365k (previous year: €1,441k) from currency translation.

Other operating expenses include expenses from currency translation of €343 thousand (previous year: €1,095 thousand).

In the 2018 annual financial statements, EUR 1,226 thousand was written off on goods already stored for projects of a major customer and a provision for impending losses of EUR 1,120 thousand was formed for the commitments for these projects with creditors. The corresponding expenses were reported under item "7.b) Depreciation of current assets, insofar as this exceeds the usual depreciation in the corporation" (depreciation of stored goods) and "8. Other operating expenses" (impending losses).

**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, other financial obligations (§ 285 No. 3 HGB)**

As of the balance sheet date, there were no contingent liabilities that require reporting.

Other financial obligations consist of continuing obligations, rental agreements with annual notice periods and leasing agreements from the financing of vehicles and printing systems. As of December 31, 2019, these existed as follows:

	annual amount	amount of obligation
	k€	k€
Rental agreements real estate	526	2,245
lease agreements	63	150
total	589	2,395

**employees on average over the year**

An average of 129 (previous year: 126) employees were employed in the financial year. Of these, 47 (previous year 45) were commercial employees and 70 (previous year 68) white-collar workers and 12 (previous year 13) trainees (Section 285 No. 7 HGB).

**Managing Director**

- Friedrich Hansen, Freiburg i.Br., businessman
- Nikolaus Hensler, Freiburg i.Br., businessman
- Josef Schneider, Freiburg i.Br., businessman (since September 13, 2019)

The protection clause according to Section 286 (4) HGB was used.

**holdings**

The subsidiary Pyramid Computer USA Inc. has not been active since 2009.

**auditor's fee**

The auditor's fee was not disclosed in accordance with Section 285 No. 17 HGB, applying the exemption provision in Section 288 No. 2 Sentence 2 HGB.

**VI. supplementary report**

After the end of the fiscal year, until the preparation of the annual report, 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.

Fribourg, March 9, 2020

Pyramid Computer GmbH

Frederick Hansen

*Nicholas Hensler**Joseph Schneider***Schedule of assets as of December 31, 2019**

	Acquisition costs/manufacturing costs			
	Status			As of
	01.01.2019	additions	departures	12/31/2019
	Euro	Euro	Euro	Euro
Capital assets				
I. Intangible assets				
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	188,649.05	13,000.00	0.00	201,649.05
Total intangible assets	188,649.05	13,000.00	0.00	201,649.05
II. Tangible assets				
1. technical installations and machines	56,302.28	7,859.97	598.72	63,563.53
2. Other facilities, fixtures and fittings	2,383,643.88	536,613.58	134,305.67	2,785,951.79
Total property, plant and equipment	2,439,946.16	544,473.55	134,904.39	2,849,515.32
III. financial investments				
1. Shares in affiliated companies	0.83	0.00	0.00	0.83
2. Cooperative Shares	1,300.00	0.00	0.00	1,300.00
Total financial assets	1,300.83	0.00	0.00	1,300.83
Total Fixed Assets	2,629,896.04	557,473.55	134,904.39	3,052,465.20
		depreciation		
	Status			As of
	01.01.2019	fiscal year	departures	12/31/2019
	Euro	Euro	Euro	Euro
Capital assets				
I. Intangible assets				
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	146,498.79	8,492.58	0.00	154,991.37
Total intangible assets	146,498.79	8,492.58	0.00	154,991.37
II. Tangible assets				
1. technical installations and machines	56,302.28	62.13	598.72	55,765.69
2. Other facilities, fixtures and fittings	1,717,512.99	213,888.68	105,020.34	1,826,381.33
Total property, plant and equipment	1,773,815.27	213,950.81	105,619.06	1,882,147.02
III. financial investments				
1. Shares in affiliated companies	0.00	0.00	0.00	0.00
2. Cooperative Shares	0.00	0.00	0.00	0.00
Total financial assets	0.00	0.00	0.00	0.00
Total Fixed Assets	1,920,314.06	222,443.39	105,619.06	2,037,138.39
		book values		
		As of 12/31/2019	As of 12/31/2018	
		Euro	Euro	
Capital assets				
I. Intangible assets				
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values		46,657.68		42,150.26
Total intangible assets		46,657.68		42,150.26
II. Tangible assets				
1. technical installations and machines		7,797.84		0.00
2. Other facilities, fixtures and fittings		959,570.46		666,130.89
Total property, plant and equipment		967,368.30		666,130.89
III. financial investments				
1. Shares in affiliated companies		0.83		0.83
2. Cooperative Shares		1,300.00		1,300.00
Total financial assets		1,300.83		1,300.83
Total Fixed Assets		1,015,326.81		709,581.98

In the above condensed annual financial statements intended for disclosure (balance sheet, income statement, appendix), the size-dependent simplifications according to Section 327 HGB were used. The following audit opinion was issued on the complete annual financial statements and management report:

**Auditor's Report**

To Pyramid Computer GmbH

**audit opinions**

We have the annual financial statements of Pyramid Computer GmbH - consisting of the balance sheet as of December 31, 2019 and the income statement for the financial year from January 1, 2019 to December 31, 2019 and the appendix, including the presentation of the accounting and valuation methods - checked. In addition, we have audited the management report of Pyramid Computer GmbH for the fiscal year from January 1, 2019 to December 31, 2019.

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

- The attached annual financial statements correspond in all material respects to the German commercial law regulations 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, 2019 and its earnings position for the financial year from January 1, 2019 to December 31, 2019 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, 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 security is a high level of security, but is no guarantee that an audit carried out in accordance with §317 HGB in compliance with the German principles of proper annual auditing established by the Institute of Public Auditors (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.

The website of the Institute of Public Auditors in Germany (IDW) contains a more detailed description of the auditor's responsibility for the audit of the annual financial statements and the management report at [www.idw.de/idw/verlautbarungen/confirmation note/hgb-ja-non-pie](http://www.idw.de/idw/verlautbarungen/confirmation%20note/hgb-ja-non-pie). This description forms part of our auditor's report.

**Freiburg im Breisgau, March 9, 2020**

**bws Graf Kanitz GmbH  
Wirtschaftsprüfungsgesellschaft  
Steuerberatungsgesellschaft**

*Hartmut Dicke, auditor*

*Thorsten Dicke, auditor*

The annual financial statements were adopted on March 26, 2020.

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