FIN LAB

Annual Financial Report
as at December 31, 2020

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REPORT FROM THE SUPERVISORY BOARD

Dear Shareholders,

This is a report of the Supervisory Board pertaining to the performance of its duties and the focus of its activities in the 2020 fiscal year.

COLLABORATION BETWEEN THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD

The Supervisory Board advised the Company's Board of Management on a regular basis during the year under review and constantly supervised its management activities. The members of the Supervisory Board kept in regular contact with the members of the Board of Management, informed themselves about business developments and key events, and consulted with the members of the Board of Management.

The Chairman of the Supervisory Board discussed significant matters with the other members of the Supervisory Board and included them in the ongoing work of the Supervisory Board.

The Board of Management submitted timely, comprehensive reports to the Supervisory Board on a regular basis both in writing and orally on all important aspects of corporate planning and strategic and ongoing business performance. We always had ample opportunity to critically examine the reports, motions and proposed resolutions of the Board of Management in the plenum of the Supervisory Board and to make suggestions.

All matters requiring approval were submitted by the Board of Management to the Supervisory Board in good time. Approvals were granted after carrying out a thorough inspection of the documents and, if applicable, additional explanations by the Board of Management.

The opinion-forming and decision-making processes of the Board of Management and Supervisory Board were consensual, swift and effective, and in all cases based on proper information.

SUPERVISORY BOARD MEETINGS

The Supervisory Board of FinLab AG held four ordinary meetings in the financial year 2020, which were held as telephone or video conferences due to the Corona crisis.

The reports of the Board of Management on the situation of the company, the economic environment, the development of sales and costs, as well as significant business events, transactions and participations were discussed at the meetings of the Supervisory Board.

In particular, the Supervisory Board dealt with the following topics:

MEETING OF MARCH 31, 2020

At the balance sheet meeting on March 31, 2020, the audited and certified annual financial statements for the 2019 financial year and the report of the Supervisory Board to the Annual General Meeting for the 2019 financial year were approved after detailed examination and discussion with the auditors. Furthermore, the current business development was discussed, a date for the (virtual) Annual General Meeting 2020 was set and the holding of the Annual General Meeting in virtual form was approved.

MEETING OF JUNE 10, 2020
The following Supervisory Board meeting was held on June 10, 2020, following the ordinary virtual Annual General Meeting. The subject of the Supervisory Board meeting was the report of the Executive Board on the current course of business and a review of the organization and progress of the Annual General Meeting that had just ended. No resolutions were adopted at this meeting.

MEETING OF NOVEMBER 09, 2020
At the meeting on November 09, 2020, the Executive Board provided an overview of the development of the investment portfolio and the financial position and performance of the Company. In addition, potential new investments and follow-up financing were discussed.

MEETING OF DECEMBER 15, 2020
At this meeting, the annual planning for 2021 was discussed and approved. Any new investments were also discussed and the management reported on the current development of the company and its investments.

AUDIT OF ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS

The annual financial statements of FinLab AG for the 2020 fiscal year prepared by the Board of Management in February 2021 were audited by the auditing firm ifb Treuhand GmbH, Grünwald.

Preparation of a consolidated annual financial report of FinLab was waived in accordance with Section 293 Para. 1 German Commercial Code (HGB).

The auditor issued an unqualified audit opinion on the annual financial statements of FinLab AG.

The financial statement documents and the audit report of the auditor were presented to the Supervisory Board. They were thoroughly examined by the Supervisory Board at the meeting convened to review the accounts and discussed in the presence of the auditor, who reported on the results of his audit. At this meeting, detailed reports were also submitted by the auditor on the scope, focus and costs of the audit. The Supervisory Board confirmed the correctness of the audit and the audit report.

The Supervisory Board agreed with the auditor's findings and, in the course of its own- within the scope of the usual - review, determined that no objections were to be raised. They approved the annual financial statement of FinLab AG for fiscal year 2020, which was prepared by the Board of Management. Thus, the annual financial statements of FinLab AG were established in accordance with Section 172 of the German Stock Corporation Act (AktG).

AUDIT OF THE REPORT OF THE BOARD OF MANAGEMENT ON RELATIONSHIPS WITH AFFILIATED COMPANIES

The Report on Relationships with Affiliated Companies (Dependent Company Report) drawn up by the Board of Management pursuant to Section 312 of the German Stock Corporation Act (AktG) for the 2020 fiscal year was submitted to the Supervisory Board together with the audit report prepared by the auditor.

The auditor audited the dependency report and issued the following unqualified audit opinion pursuant to Section 313 of the German Stock Corporation Act (AktG):

> „Based on the result of our audit, objections within the meaning of sect. 313 Para. 4 of AktG cannot be raised against the report of the Board of Management regarding relationships with affiliated companies. We therefore submit the following unqualified audit opinion as per sect. 313 Para. 3 of AktG with respect to the report of the Board of Management regarding relationships with affiliated companies of FinLab for fiscal year 2020.“

Within the typical scope, the Supervisory Board examined the Dependency Report prepared by the Board of Management and the audit report prepared by the auditor. The Supervisory Board came to the conclusion that the audit report – as well as the audit conducted by the auditor himself – complied with the legal requirements. In particular, the Supervisory Board examined the Dependency Report for completeness and accuracy and also determined that

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the group of affiliated companies had been properly identified and that the necessary precautions had been taken to record the reportable transactions and measures. No objections to the Dependency Report became apparent in this review. After the final results of its review, the Supervisory Board raised no objections to the final declaration by the Board of Management and approved the result of the audit by the auditor.

MEMBERS OF THE SUPERVISORY BOARD

- Axel-Günter Benkner, Chairman of the Supervisory Board
- Dr. Friedrich Schmitz, Deputy Chairman of the Supervisory Board
- Stefan Müller

THANKS

The Supervisory Board wants to sincerely thank all employees of FinLab AG for their work and performance in the previous fiscal year.

Frankfurt am Main, in March 2021

For the Supervisory Board

Axel Benkner

(Chairman of the Supervisory Board)

ANNUAL FINANCIAL STATEMENTS (IFRS) OF FINLAB AG
AS AT DECEMBER 31, 2020

BALANCE SHEET AS AT DECEMBER 31, 2020

ASSETS

in thousand EUR

		Notes	12/31/2020	12/31/2019
A.	Non-current assets			
I.	Intangible assets	5,1	15	8
II.	Property, plant and equipment	5,1	472	672
III.	Financial assets	5,2	163,327	134,513
			163,814	135,193
B.	Current assets			
I.	Securities	5,4	86	79
II.	Trade receivables	5,5	11	4
III.	Receivables from companies with an ownerhip structure	5,5	75	103
IV.	Receivables from affiliated companies	5,5	1,762	2,841
V.	Other assets	5,5	764	129
VI.	Income tax receivables	5,5	466	685
VII.	Bank balances	5,6	6,147	6,753
			9,311	10,593
			173,125	145,786

BALANCE SHEET AS AT DECEMBER 31, 2020
LIABILITIES

in thousand EUR

		Notes	12/31/2020	12/31/2019
A.	Equity			
I.	Subscribed capital	5.7	5,323	5.323
II.	Capital reserve	5.7	48,057	48,057
III.	Retained earnings	5.7	86,592	80,497
IV.	Revaluation reserve	5.7	28,646	8.893
			168,618	142,771
B.	Non-current liabilities			
I.	Long-term provisions	5.8	62	62
II.	Other liabilities	5.9	433	701
III.	Deferred tax liabilities	5.3	1,808	1,355
			2,303	2,118
C.	Current liabilities			
I.	Tax provisions	5.8	2	134
II.	Other provisions	5.8	1,356	690
III.	Trade payables	5.9	40	43
IV.	Other liabilities	5.9	806	29
			2,203	897
			173,125	145,786

INCOME STATEMENT
JANUARY 1 TO DECEMBER 31, 2020

in thousand EUR

	Notes	2020	2019
Sales revenues	4.1	1,542	1,443
Income from investments	4.2	2,001	2,678
Other operating income	4.3	601	499
Total income		4,144	4,620
Personnel expenses	4.4	-2,204	-892
Non-personnel expenses	4.5	-1,686	-1,542
Operating income (EBIT)		254	2,186
Financial income	4.6	6,023	38,082
Earnings before taxes (EBT)		6,278	40,268
Taxes on income	4.7	-183	-744
Net result for the period		6,095	39,525
Number of shares issued		5,323,170	5,244,921
Dilution effect arising from share options	6.11	145,138	147,625
Number of shares issued (diluted)		5,468,308	5,392,546
Basic earnings per share in EUR		1.14	7.54
Diluted earnings per share in EUR		1.11	7.33

	Notes	2020	2019
Net result for the period		6,095	39,525
Changes to the revaluation reserve	5.7	19,753	-2,889
Overall result		25,848	36,636

STATEMENT OF CASH FLOWS
JANUARY 1 TO DECEMBER 31, 2020

in thousand EUR

	Notes	2020	2019
Net result for the period		6,095	39,525
Income from the sale of securities and financial assets	4.	-260	-318
Retirement of securities and financial assets	4.	203	149
Write-ups of securities and financial assets	4.	-8,396	-45,538
Write-downs of securities and financial assets	4.	2,532	7,738
Depreciation of property, plant and equipment and intangible assets	4.	228	229
Increase/decrease in provisions	5.	533	233
Other cash income and expenses	4.	134	39
Increase/decrease in receivables and other assets	5.	689	-873
Increase/decrease in payables and other liabilities	5.	505	232
Cash flow from operating activities		2,264	1,415
Proceeds from property, plant and equipment and intangible assets		-36	-416
Proceeds from loans of non-current assets		556	0
Payments for loans of non-current assets		-822	-1,400
Payments for investments in financial assets		-2,517	-6,730
Proceeds from devestments in securities held as current assets		152	320
Cash flow from investing activities		-2,667	-8,226
Payments for leases		-202	-202
Cost of the capital increase		-1	-4
Payments from capital increases		0	407
Cash flow from financing activities	5.	-203	201
Net change in cash and cash equivalents		-605	-6,609
Cash and cash equivalents at beginning of period		6,753	13,362
Cash and cash equivalents at end of period	5.	6,147	6,753

STATEMENT OF CHANGES IN EQUITY
JANUARY 1 TO DECEMBER 31, 2020

in thousand EUR	Subscribed capital	Capital reserve	Retained earnings	Revaluation reserve	Total equity
As at 01/01/2020	5,323	48,057	80,497	8,893	142,771
Changes without effect on the P&L from revaluation reserves	-	-	-	19,753	19,753
Net result for the period	-	-	6,095	-	6,095
Overall result	-	-	6,095	19,753	25,848
As at 12/31/2020	5,323	48,057	86,592	28,646	168,618
Notes	5.7	5.7	5.7	5.7	5.7

STATEMENT OF CHANGES IN EQUITY
JANUARY 1 TO DECEMBER 31, 2019

in thousand EUR	Subscribed capital	Capital reserve	Retained earnings	Revaluation reserve	Total equity
As at 01/01/2019	5,239	48,274	40,973	11,782	106,268
Changes without effect on the P&L from revaluation reserves	-	-	-	-2,889	-2,889
Net result for the period	-	-	39,525	-	39,525
Overall result	-	-	39,525	-2,889	36,636
Capital increase	84	318	-	-	402
Share option program	-	-535	-	-	-535
As at 12/31/2019	5,323	48,057	80,497	8,893	142,771
Notes	5,7	5,7	5,7	5,7	5,7

NOTES TO THE ANNUAL FINANCIAL STATEMENT (IFRS)

1. INFORMATION ABOUT THE COMPANY

FinLab AG (hereinafter referred to as "FinLab" or the "Company") in based in Germany, with its office located at Grüneburgweg 18. 60322 Frankfurt am Main.

FinLab is registered in the commercial register of the local court of Frankfurt am Main under HRB 58865.

The statutory business purpose of FinLab is the acquisition, long-term holding, management and promotion of majority interests in companies as well as the acquisition, holding, management and promotion of minority interests, in particular in German and foreign companies in the financial services and media industries, as well as the provision of management, consultancy and other services, in particular for the investments entered into, unless special statutory permissions are required for this purpose.

FinLab is listed on the Open Market of the Frankfurt Stock Exchange and included in the "Scale" segment.

2. BASIC PRINCIPLES

The financial statements have been prepared in accordance with IAS 27, taking into account all published standards and interpretations adopted in the context of the EU endorsement procedure that were mandatory for the 2020 fiscal year. The option for early adoption of new standards has not been exercised.

FinLab AG is not legally required to prepare IFRS financial statements. The preparation and publication of the IFRS separate financial statements should give readers the opportunity to better assess the value of the company.

The annual financial statements are based on the principle of going concern.

The annual financial statements are presented in Euros (EUR), the functional currency of the Company.

Unless indicated otherwise, all amounts are rounded to thousands of Euros (T-EUR). Due to being shown in this way, rounding differences may result.

The fiscal year of the Company corresponds to the calendar year.

The financial statements include the statement of financial position, the statement of comprehensive income (consisting of the income statement and statement of other comprehensive income), the statement of changes in equity, the statement of cash flows and the notes. The income statement is prepared in accordance with the total cost method.

The following standards, amendments to standards and interpretations were mandatory on or after January 1, 2020:

Standard	Content and relevance for the statement
Amendments to References to the Conceptual Framework in IFRS Standards	Revision of definitions of assets and liabilities and new guidance on valuation and derecognition and disclosure No impacts for FinLab
Amendment to IFRS 3	Mergers, definition of business operations No impacts for FinLab
Amendments to IFRS 9 und IFRS 7	Interest Rate Benchmark Reform No impacts for FinLab
Amendments to IFRS 16	Corona pandemic related Rental concession No impacts for FinLab
Amendments to IAS 1 and IAS 8	Unification of the definition of „essential“ No impacts for FinLab

The following standards, amendments to standards, and interpretations had not been approved by the EU upon preparation of the financial statement or mandatory application is only expected in the future:. The potential impacts of these yet to be approved standards on FinLab's financial statement are still being assessed.

Standard	Contents
IFRS 17	Insurance Contracts
Amendment to IFRS 3	Mergers, definition of business operationss
Amendments to IAS 1	Classification of liabilities as current or non-current
Amendments to IFRS 4	Extension of the temporary exemption from the application of IFRS 9
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 und IFRS 16:	Reform of reference interest rates (phase 2)
Amendments to IAS 16	Earnings before reaching the ready-for-use state
Amendments to IAS 37	Scope of performance costs for onerous contracts

3. ACCOUNTING AND VALUATION PRINCIPLES

The significant accounting and valuation principles used to prepare these financial statements are presented below. Unless otherwise stated, the methods described have been applied consistently to the reporting periods presented.

3.1 Mergers and goodwill

Mergers are accounted for using the purchase method. The cost of an acquisition is measured as the sum of the transferred consideration, measured at fair value on the acquisition date. The non-controlling interests are measured at the proportionate share of the identifiable net assets of the acquired company. Any transaction costs are shown as expenses.

In the case of staged business mergers, the equity interest previously held by the acquiring company in the acquired company is recalculated at fair value as of the acquisition date and the resulting income or expense is recognized in the income statement.

If the measurement shows a surplus (i.e., the acquisition costs of the parent company's investment is greater than the proportionate revalued equity of the subsidiary), this surplus is recognized as goodwill pursuant to IFRS 3.41. Pursuant to IFRS 3.55, this goodwill is not amortized on a scheduled basis. Instead, an impairment test is required to be performed once a year pursuant to IAS 36 to determine the impairment requirement. Any impairment to be taken into account is determined by establishing the recoverable amount of the cash-generating unit allocated to the goodwill in question. If the recoverable amount of the cash-generating unit falls below the carrying amount of this unit, an impairment loss is recognized. If events or circumstances indicate a potential impairment, the impairment test is carried out more frequently.

In the case of mergers prior to January 1, 2010, the transaction costs directly associated with the acquisition were treated as part of the acquisition costs.

3.2 Intangible assets

Acquired intangible assets are capitalized in accordance with IAS 38 if it is probable that the use of the asset is associated with future economic benefits and if the cost of the asset can be measured reliably. Acquired intangible assets are measured at acquisition cost and amortized on a straight-line basis over the respective useful life. Any impairments which occur are recorded. In the income statement, they are listed under the depreciation of intangible assets and property, plant and equipment.

In the case of mergers, goodwill is calculated as an excess of the acquisition costs of the interest over the acquired share in the equity of the acquired company, applying the provisions of IFRS 3. The recoverability of goodwill is tested at least annually at the level of the cash-generating unit and, if impaired, is written down to the recoverable amount.

3.3 Property, plant and equipment

Property, plant and equipment is recognized at cost of acquisition or production less cumulative scheduled depreciation. Gains or losses from the disposal of fixed assets are included in other operating income or general and administrative expenses.

Scheduled straight-line depreciation is based on normal operational useful life.

3.4 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to scheduled amortization. They are tested annually for impairment and also when there are indications of impairment. Assets that are subject to scheduled amortization are tested for impairment whenever events or changes in circumstances occur, according to which the carrying amount may no longer be recoverable. An impairment loss is recognized at the carrying amount which exceeds the recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs to sell and the value in use.

In the event of any subsequent reversal of an impairment, the carrying amount of the asset is increased to the newly estimated recoverable amount. The increase in the carrying amount is limited to the amortized value that would result if no impairment loss had been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss. A reversal of the impairing loss is not performed for recognized goodwill.

3.5 Financial Assets

Financial assets include loans and securities and investments classified as non-current assets. Investments include all shares in companies that are not recorded as securities. IFRS 9 requires that the classification of financial assets be determined both on the basis of the business model used to manage the financial assets and the contractual cash flow characteristics of the financial asset.

Three business models are available under IFRS 9:

- **Intention to hold („hold to collect“)**
  Financial assets held for the purpose of collecting contractual cash flows.
- **Intention to hold and sell („hold to collect and sell“)**
  Financial assets held for the purpose of both receiving contractual cash flows and selling financial assets.
- **Other**
  Financial assets that are held for trading purposes or that do not meet the criteria „hold to collect“ or „hold to collect and sell“

The assessment of the business model requires a review based on facts and circumstances at the time of the assessment. Qualitative factors include the way in which the performance of the business model and the financial assets held in that business model are measured and reported to key management personnel at FinLab (e.g. whether reporting is based on the fair value of assets under management or contractual cash flows received).

If a financial asset is held either in a „hold to collect“ or a „hold to collect and sell“ business model, an assessment as to whether the contractual cash flows consist exclusively of principal and interest payments on the outstanding principal amount is required upon initial recognition to determine classification.

A financial asset is classified as at „amortized cost“ and subsequently measured, if it was not classified under the fair value option, if the financial asset is held in a „hold to collect“ business model, and if the contractual cash flows are exclusively repayments of principal and interest.

Under this valuation category, the financial asset is recognized at fair value less principal repayments, plus or minus the cumulative amortization of any difference between the original amount and the maturity amount. The carrying amounts of these assets and liabilities are measured using the effective interest method and adjusted for any impairment losses.

IFRS 9 stipulates that the expected future credit losses are decisive for the amount of the impairment ("expected loss model"). Further information on any necessary impairments and special features is provided in section 6.1 Further disclosures on financial instruments.

A financial asset is classified and measured at „fair value through other comprehensive income“ („FVOCI“) if it was not classified under the fair value option, if the financial asset is held in a „hold to collect and sell“ business model and the contractual cash flows are exclusively repayments and interest payments.

Classified as FVOCI, a financial asset is measured at fair value, with all changes in fair value being recognized in the income statement. The fair value of these financial instruments can be recognized in other comprehensive income.

It is possible to designate equity instruments for which there is no intention to trade as „fair value with changes in value recognized directly in equity.“ However, FinLab has not yet applied this category.

Any financial asset held for trading purposes or not included in the „hold to collect“ or „hold to collect and sell“ business models is classified as a financial asset at „fair value through profit or loss“ („FVTPL“).

Any financial asset whose contractual cash flows are not exclusively redemption and interest payments must also be measured at fair value with changes in value in the income statement, even if the financial asset is held in a „hold to collect“ or „hold to sell“ business model. Upon initial recognition, FinLab may irrevocably classify a financial asset as measured at fair value with changes in value in the income statement, which would otherwise be measured at amortized cost or at fair value through comprehensive income, if this classification eliminates or significantly reduces accounting mismatches that would otherwise arise from the measurement of assets or liabilities or the recognition of gains or losses on a different basis.

The financial instruments reported under non-current assets (loans, investments and securities allocated to non-current assets) are classified by FinLab as at „fair value through profit or loss” („FVTPL“)“ because the contractual cash flows are not exclusively repayments and interest payments. In determining fair value, FinLab uses observable market data as far as possible. Based on the input factors used in the valuation techniques, the fair values are assigned to different levels in the fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Valuation parameters that are not the quoted prices considered in Level 1 but that can be observed for the asset or liability either directly (i.e. as a price) or indirectly (i.e. as a derivation of prices).

Level 3: Valuation parameters for assets or liabilities that are not based on observable market data.

If the asset is sold or impaired on a sustained basis, the gain or loss on the sale or impairment is included in profit or loss.

Changes in the value of financial assets classified as „financial assets at fair value through profit or loss“ are recognised in the income statement under income or expenses from fair value measurement.

An impairment generally leads to a direct reduction in the carrying amount of the financial assets, with the exception of trade receivables, whose carrying amount is reduced by an impairment account.

FinLab only recognizes a financial asset if the contractual rights to the cash flows from the financial asset expire or the financial asset and substantially all the risks and rewards incidental to ownership of the asset are transferred to a third party.

Further information on financial instruments is provided in item 6.1 Further Disclosures on Financial Instruments.

3.6 Deferred taxes

Deferred taxes are accounted for using the balance sheet approach, which accounts for all recognition and measurement differences between the value in the IFRS statement of financial position and the taxable value.

The current tax rates applicable to the period in which the temporary differences are expected to offset each other form the basis for calculating deferred taxes. The calculation was based on a tax rate of 31.9%. In addition to the corporation tax of 15% and the resulting solidarity surcharge of 5.5%, a trade tax rate for Frankfurt am Main of 16.1% was taken into account.

The deferred tax assets were offset against deferred tax liabilities in accordance with the provisions of IAS 12.

Changes to deferred taxes are generally recognized as income or expenses, unless the underlying facts are also recognized as income or expenses and are not offset directly against equity.

Deferred tax assets on tax-deductible temporary differences, unused tax losses, and unused tax credits are only recognized to the extent that it is probable that taxable profits will be generated by the same taxable entity and the same tax authority in the foreseeable future.

3.7 Receivables and other assets

Receivables and other assets are measured at nominal value less any appropriate impairment losses (measurement at amortized cost).

3.8 Liquid funds

Cash and cash equivalents consist of bank balances. They are measured at amortized cost.

3.9 Provisions

Provisions are recognized as liabilities in accordance with IAS 37 if there are any current legal or actual obligations arising from past events which are associated with a probable outflow of resources and whose amount can be reliably estimated.

3.10 Liabilities

Liabilities are measured at amortized cost.

Non-current liabilities are discounted if the interest effect of discounting is material.

As the effect is not material, the determination of a company-specific discounting factor is waived and instead the interest rate of the Bundesbank used for accounting under German commercial law (HGB) is applied.

3.11 Income and expenses

Sales and income are recognized if a contract has become effective, a price has been agreed and can be determined, and its payment can be reasonably assured. Opportunities and risks must be passed to the buyer, and the seller's control must have expired.

Revenue is shown less deductions such as bonuses, discounts and rebates. Income from ongoing services is realized when the service is rendered, while time-dependent remuneration is recognized pro rata temporis.

The purchase of financial assets is generally accounted for on the settlement date.

Income from equity investments includes income from dividend income and income from equity valuation (IAS 28).

Income and expenses from the measurement and sale of financial instruments are shown in the financial result.

The disposal is generally accounted for on the settlement date. The gains from the sale are also recognized on this day. The settlement date is the date on which the contracted services between the buyer and the vendor are exchanged. Divestitures relate to regular share transfers to portfolio companies.

3.12 Taxes

The tax on income includes (if available) current and deferred taxes.

3.13 Currency conversion

The annual financial statements were prepared in Euros. Receivables and liabilities in foreign currencies are translated at the closing prices applicable on the balance sheet date. Income and expenses are translated using average exchange rates. Currency translation differences are recognized in profit or loss. Foreign currency transactions are translated at the exchange rate applicable on the date of the transaction in Euros.

3.14 Lease

FinLab has entered into rental obligations within the usual framework. The liabilities and rights of use under these rental agreements are accounted for in accordance with IFRS 16 "Leases".

Category	Terms of contract
Office space	Up to five years
IT and office equipment	Up to three years
Vehicles	Up to three years

The rights of use are reported under the balance sheet item in which a comparable asset owned by the company is also reported. Liabilities from leasing obligations are reported at present value as "Other liabilities". Lease payments are recognized in the income statement as depreciation of property, plant and equipment and interest expenses as financing expenses.

Unless required, short-term leases and leases based on a low-value asset are not recognized in the balance sheet.

3.15 Contingent liabilities and financial commitments

Contingent liabilities are potential obligations to third parties or existing obligations for which an outflow of resources is not likely or for which the amount cannot be reliably determined. Contingent liabilities are not recognized in the statement of financial position. The contingent liability obligations stated in the notes (if any) correspond to the extent of the liability existing on the balance sheet date and the residual payment obligations for contingent liabilities not yet required for shares in partnerships.

3.16 Significant assumptions and estimates

The annual financial statements contain values which have been determined reliably using estimates and assumptions. The estimates and assumptions used are based on historical experience and other factors such as planning, and expectations and projections of future events that appear probable from the current perspective. The assumptions and estimates taken into consideration mainly relate to the determination of the recoverable amount in connection with impairment testing and the recognition and measurement of deferred taxes and provisions.

Significant adjustments to the reported assets, liabilities and provisions may be required in the next fiscal year for the following items by performing a re-measurement:

in thousand EUR	12/31/2020	12/31/2019
Financial assets	163,327	134,513
Securities held as current assets in the category	86	79
Other long term liabilities	433	701
Provisions	1,420	886

4. NOTES TO THE INCOME STATEMENT

4.1 Sales revenues

The reported sales revenues relate to the services provided by the Company to subsidiaries and equity interests, particularly in the areas of management, accounting and marketing. There are no other significant categories of revenue.

4.2 Income from investments

Income from investments consists of income and expenses from investments, in particular from profit distributions and dividends received.

4.3 Other operating income

Other operating income comprises the reversal of adjustments of €230 thousand, (previous year: €230 thousand), the transfer of expenses of €222 thousand, (previous year: €159 thousand) the reversal of provisions of €44 thousand (previous year: €87 thousand) and other operating income of €7 thousand (previous year: €23 thousand).

As in the previous year, currency translation resulted in only minor income of less than €1 thousand.

4.4 Personnel expenses

Personnel expenses include the remuneration of the directors and the employed staff.

Employees of the company are insured under the statutory pension plan, and the current contribution payments are recorded as an expense at the time of payment. There are no further pension commitments.

in thousand EUR	2020	2019
Wages and salaries	-1.243	-1,115
Social security contributions	-136	-152
Other personnel expenses	-824	375
	-2.204	-892

Other personnel expenses mainly include expenses from bonus payments and bonuses.

In previous years, expenses were recognized in connection with the valuation of options from the stock option program. Income from the valuation of the stock options was offset against the expenses in the previous year, with the result that other personnel expenses in the previous year were positive.

4.5 Non-personnel expenses

The non-personnel expenses consist of the other operating expenses, and depreciation and amortization of property, plant and equipment, and of intangible assets. The main items are as follows:

in thousand EUR	2020	2019
Consulting and audit costs	-508	-244
Depreciation of property, plant and equipment and intangible assets	-228	-229
Provisions	-160	-465
Banking and insurance fees	-117	-103
Costs of marketing and financial market information	-92	-132
Costs for communication and IT	-70	-69
Occupancy costs	-55	-94
Vehicle costs	-34	-31
Bad debts and amortizations	-24	-37
Travel and entertainment expenses	-14	-57
Office expenses	-6	-8
Other miscellaneous expenses	-378	-73
	-1,686	-1,542

Other expenses mainly include expenses from other cost transfers and expenses from other accounting periods.

4.6 Financial result

The financial result is made up of:

in thousand EUR	2020	2019
Income from the sale of securities and financial assets	260	318
Retirement of securities and financial assets	-203	-149
Write-ups and write-downs of securities and financial assets	5,864	37,800
Interest and similar gains	130	152
Interest and similar expenses	-27	-38
	6,023	38,082

Income from the sale of securities and financial assets:

in thousand EUR	2020	2019
Investments in non-current assets in the category „Valued at fair value through profit or loss“	260	318
	260	318

The retirement of financial assets and securities relates to the following assessment categories:

in thousand EUR	2020	2019
Investments in non-current assets in the category „Valued at fair value through profit or loss“	-203	-149
	-203	-149

Interest and similar income and expenses mainly relate to interest on loans, bank deposits and bank overdrafts.

Changes in the value of financial instruments are described in more detail in section 6.1 Additional information about financial instruments.

4.7 Tax on income

Tax on income and earnings relates to deferred taxes and the creation of provisions for taxes on the income for this financial year.

in thousand EUR	2020	2019
Actual tax expenses for the period	-49	-136
Deferred taxes	-134	-607
Tax on income/ earnings	-183	-744

The reconciliation of the theoretically expected tax charge for a corporation and the amount actually specified is as follows:

in thousand EUR	2020	2019
Earnings before tax	6,278	40.,268
Tax rate in %	31,9%	31.9 %
Expected tax expenditure	-2,005	-12,859
Actual tax expenditure	-183	-744
Differential amount	-1,822	-12,115
Actual tax rate in %	2.9%	1.8 %
Amount to be reconciled	1,822	-12,115
Tax-exempt assessment and sales results	-2,859	-12,874
Unrecognized deferred taxes on tax loss carry-forwards	839	0
Reversal/formation of deferred tax reserves	134	607
Non-periodical taxes	49	136
Taxes on non-deductible expenses and other tax effects	16	16
	-1,822	-12,115

The theoretical tax rate for corporations consists of corporation tax, the solidarity surcharge and trade tax. With the trade tax factor of 460% used in Frankfurt am Main, this results in a tax burden of 31.93%. The calculation of deferred taxes is based on this percentage.

As in the previous year, taxes on income relating to the individual components of other comprehensive income, including reclassification adjustments, were not recorded.

The distribution of dividends is subject to the German capital gains tax deduction system.

There are no tax losses carryforwards.

4.8 Earnings per share

Earnings per share based on the earnings attributable to shareholders from continuing operations are as follows:

in thousand EUR	2020	2019
Net result for the period from continuing business (in thousand EUR)	6,095	39,525
Average number of issued shares (undiluted)	5,323,170	5,244,921
Dilution effect arising from share options	145,138	147,625
Average number of shares issued (diluted)	5,468,308	5,392,546
Undiluted earning per share in EUR	1.14	7.54
Diluted earning per share in EUR	1.11	7.33

The average number of shares in circulation is calculated as follows after pro rata temporis weighting:

in thousand EUR	2020	2019
Average number of issued shares		5,238,670 * 338/365
	5,323,170 * 365/365	5,323,170 * 27/365
	5,323,170	5,244,921

No dividend payments have been planned for the 2020 financial year.

5. NOTES ON THE BALANCE SHEET

5.1 Depreciation of property, plant and equipment and amortization of intangible assets

The composition of the development of intangible assets and property, plant and equipment is shown in the asset schedule, which is an attachment to the notes.

Intangible assets pertain mostly to capitalized expenses for the website of FinLab.

The useful life of intangible assets and property, plant and equipment ranges from 3 to 20 years. No groups have been created due to their subordinate importance.

No expenses were incurred for research and development, and these were therefore neither included in the costs nor capitalized.

Internally generated intangible assets were not capitalized.

5.2 Financial assets

Financial assets include the following items:

in thousand EUR	12/31/2020	12/31/2019
Shares in affiliated companies	15,705	12,852
Investments	107,388	100,298
Securities held as current assets in the category	38,617	18,667
Loans	1,618	2,696
	163,327	134,513

The securities held as non-current assets relate to the following stocks:

in thousand EUR	12/31/2020	12/31/2019
Securities classified „valued at fair value through profit or loss“	0	122
Securities classified and measured at „fair value through other comprehensive income“ („FVOCI“)	38,617	18,545
	38,617	18,667

5.3 Deferred tax assets and liabilities

The deferred tax liabilities primarily consist of differences in valuation of financial investments and the discounting of long-term debt. A tax rate of 31.93% was applied..

in thousand EUR	Timing differences		
	12/31/2020	Change	12/31/2019
Non-current liabilities	-433	151	-584
Fixed assets	404	-164	568
Financial assets	113.815	28.642	85,173

	Deferred taxes				resulting in neither profit nor loss		Expenses (+)/ Gains (-)	
	12/31/2020		12/31/2019					
in thousand EUR	Assets	Liabilities	Assets	Liabilities	2020	2019	2020	2019
Non-current liabilities	138	0	187	0	0	0	49	-185
Fixed assets	0	-129	0	-181	0	0	-52	181
Financial assets	0	-1,817	0	-1.360	319	-45	138	611

5.4 Securities

The securities held as current assets are allocated to the categories „financial assets at fair value through profits or loss“:

in thousand EUR	12/31/2020	12/31/2019
Securities in the category „financial assets at fair value through profits or loss“	86	79
	86	79

5.5 Receivables and other assets

The receivables and other assets shown have a maturity of up to one year and are entered at their nominal amount.

The other assets and receivables relate to the following items:

in thousand EUR	12/31/2020	12/31/2019
Receivables from loans	1,837	2,943
Receivables from VAT	44	0
Receivables from income tax	466	685
other	731	134
	3,078	3,762

5.6 Bank balances

The bank balances are fully compliant with the financial resources and mainly consist of current accounts, money market accounts and fixed-term deposits.

5.7 Equity

SUBSCRIBED CAPITAL

The subscribed capital amounts to EUR 5,323,170.00 and is fully paid up. It is divided into 5,323,170 registered ordinary shares. The shares are no-par value shares with a notional value of EUR 1.00 each.

Based on the conditional capital (2014/II) resolved by the Annual General Meeting on 10 December 2014, 28,500 subscription shares were issued in 2020. The Supervisory Board therefore resolved on 15 December 2020 to increase the Company's share capital by EUR 28,500.00 from EUR 5,323,170.00 to EUR 5,351,670.00 by issuing 84,500 new registered no-par value shares against cash contributions. The capital increase was entered in the commercial register on January 14, 2021, and thus after the cut-off date for the 2020 financial statements.

The Annual General Meeting on June 15, 2018 resolved to increase the subscribed capital by June 14, 2023, with the consent of the Supervisory Board, by issuing new shares against cash or property, plant and equipment on one or more occasions up to a value of €2,494,335.00 (Authorized Capital 2018), whereby the subscription rights of shareholders can be excluded. The corresponding amendment to Section 5 (2) of the Articles of Association was entered in the Commercial Register on July 16, 2018.

The Annual General Meeting on December 10, 2014 resolved to increase the subscribed capital by November 30, 2019, with the consent of the Supervisory Board, by issuing new shares against cash or property, plant and equipment on one or more occasions up to a value of €2,269,335.00 (Authorized Capital 2014/I), whereby the subscription rights of shareholders can be excluded. The corresponding amendment to Section 5 (2) of the Articles of Association was recorded in the Commercial Register on December 30, 2014. After partial use, the authorized capital 2014 amounts to €1,569,335.00.

The subscribed capital of the Company was contingently increased by €1,815,000.00 by the Annual General Meeting of December 10, 2014 (Contingent Capital 2014/I).

The subscribed capital of the Company was contingently increased by up to €453,867.00 by resolution of the Annual General Meeting of December 10, 2014 (Contingent Capital 2014/II). The conditional capital 2014/II still amounts to EUR 340,867.00 after the issue of subscription shares. The subscription shares were issued as of the reporting date, formal confirmation / entry in the commercial register took place on January 14, 2021.

With regard to the conditional capital increases, the Company has made use of the authorization to issue option and/or convertible bonds, profit participation bonds and/or profit participation rights with option and/or conversion rights or obligations in parts.

CAPITAL RESERVE

The capital reserve contains the amount that will be received from the issue of shares in addition to the (accounting) par value (offering premium).

The capital reserve also includes the amounts resulting from the measurement of the stock options issued to employees and management. Further information on the stock option program can be found under item 6.11.Stock option program.

RETAINED EARNINGS

Retained earnings includes income reinvested from previous years and from the current year. There are no statutory reserves as defined in Section 150 (2) German Stock Corporation Act (AktG) nor other reserves as defined by the Articles of Association.

RESERVE FOR THE REVALUATION OF FINANCIAL INSTRUMENTS

The reserve for the revaluation of financial instruments includes the changes in value of the financial assets recognized in other comprehensive income in the category „fair value through other comprehensive income“ („FVOCI“) and all adjustments of deferred taxes and provisions made in connection with the valuation of these assets.

During the reporting period, value adjustments to financial instruments were recorded in the following amounts in the equity:

in thousand EUR	12/31/2020	12/31/2019
Measurement and disposals of securities	20,072	-2,934
Deferred taxes	-319	45
	19,753	-2,889

5.8 Provisions

Non-current provisions of €32 thousand (previous year: €32 thousand) for the archiving of files and of €30 thousand (previous year: €30 thousand) for decommissioning obligations and not discounted due to the minor effect.

Provisions for taxes on income of €2 thousand (previous year: €87 thousand) were formed on the result of the fiscal year.

Other short-term provisions are made up as follows:

in thousand EUR	12/31/2018	Expenditure	Liquidation	Supply	12/31/2019	Likelihood of application
Personnel related provisions	205	-105	0	924	1,024	high
Office expenses	111	-31	0	0	80	low
Annual financial statement and audit	104	-50	0	103	157	medium
Supervisory Board related provisions	45	-45	0	40	40	high
Pending invoices	225	-143	-44	17	55	high
	690	-374	-44	1,084	1,356	

Personnel provisions relate to provisions for employee bonuses, holiday entitlement, and contributions to the Employer's Liability Insurance Association.

5.9 Liabilities

The shown current liabilities have a term up to one year and were assessed at the nominal value or the amount of expected utilization.

Other liabilities are made up as follows:

in thousand EUR	12/31/2020	12/31/2019
Wage and church tax	24	29
Leases	433	701
Other liabilities	782	0
	1,239	730

6. OTHER INFORMATION

6.1 Additional information about financial instruments

The book values of the financial instruments, divided by category, for the effective dates December 31, 2020 and December 31, 2019 are transferred to the balance sheet in the following table:

December 31, 2020 in thousand EUR	Fair value - hierarchy	Fair value	Balance sheet disclosure
Non-current assets - financial assets			
Fair value of financial assets regularly valued at fair value			
Investments and affiliated companies	Level 3	30,434	30,434
Investments and affiliated companies „fair value through profit and loss“	Level 2	92,659	92,659
Securities classified and measured at „fair value through other comprehensive income“ („FVOCI“)	Level 1	38,617	38,617
Fair value of financial assets not regularly measured at fair value, but for which the fair value is to be indicated			
Loans to companies linked by a participating interest, „fair value through profit and loss“	Level 3	1,618	1,618
Non-current assets - financial assets - total		163,327	163,327

December 31, 2020 in thousand EUR	Fair value - hierarchy	Fair value	measured at amortized cost	Balance sheet disclosure
Current assets				
Fair value of financial assets not regularly measured at fair value, but for which the fair value is to be indicated				
Securities „fair value through profit and loss“	Level 1	86	86	86
Trade receivables “valued at cost”	Level 2	11	11	11
Receivables from companies in which we participate “valued at cost”	Level 2	75	75	75
Receivables from affiliated companies “valued at cost”	Level 2	1,762	1,762	1,762
Other assets “valued at cost”	Level 2	764	764	764
Cash and cash equivalents “valued at cost”	Level 2	6,147	6,147	6,147
Current assets - total		8,845	8,845	8,845

December 31, 2020 in thousand EUR	Fair value - hierarchy	Fair value	measured at amortized cost	Balance sheet disclosure
Current liabilities				
Other financial liabilities	Level 2	433	433	433
Current liabilities, total		**433**	**433**	**433**
Non-current liabilities				
Other financial liabilities	Level 2	782	782	782
Trade payables measured at amortized cost	Level 2	40	40	40
Non-current liabilities, total		822	822	822

December 31, 2019 in thousand EUR	Fair value - hierarchy	Fair value	Balance sheet disclosure
Non-current assets - financial assets			
Fair value of financial assets regularly valued at fair value			
Investments and affiliated companies	Level 3	24,838	24,838
Investments and affiliated companies „fair value through profit and loss“	Level 2	88,312	88,312
Securities „fair value through profit and loss“	Level 1	122	122
Securities classified and measured at „fair value through other comprehensive income“ („FVOCI“)	Level 1	18,545	18,545
Fair value of financial assets not regularly measured at fair value, but for which the fair value is to be indicated			
Loans to companies linked by a participating interest, „fair value through profit and loss“	Level 3	2,696	2,696
Non-current assets - financial assets - total		**134,513**	**134,513**

December 31, 2019 in thousand EUR	Fair value - hierarchy	Fair value	measured at amortized cost	Balance sheet disclosure
Current assets				
Fair value of financial assets not regularly measured at fair value, but for which the fair value is to be indicated				
Securities „fair value through profit and loss“	Level 1	79	79	79
Trade receivables “valued at cost”	Level 2	4	4	4
Receivables from companies in which we participate “valued at cost”	Level 2	103	103	103
Receivables from affiliated companies “valued at cost”	Level 2	2,841	2,841	2,841
Other assets “valued at cost”	Level 2	129	129	129
Cash and cash equivalents “valued at cost”	Level 2	6,753	6,753	6,753
Current assets - total		**9,909**	**9,909**	**9,909**

December 31, 2019 in thousand EUR	Fair value - hierarchy	Fair value	measured at amortized cost	Balance sheet disclosure
Current liabilities				
Other financial liabilities	Level 2	701	701	701
Current liabilities, total		**701**	**701**	**701**
Non-current liabilities				
Trade payables measured at amortized cost	Level 2	43	43	43
Non-current liabilities, total		43	43	43

The amount of securities the current and non-current assets is comprised as follows:

in thousand EUR	12/31/2020	12/31/2019
listed non-fixed-income securities	38,617	18,667
unlisted shares in investment funds	2,436	1,381
other non-listed financial instruments	131,119	124,375
	172,172	144,422

The financial instruments for which a stock market price was available and which were regularly traded on a stock market on the balance sheet date or had a regular market price during the reporting period were measured at this price on the reporting date.

Measurement through profit or loss of listed financial instruments in the year under review resulted in write-ups of €20,072 thousand (previous year: €114 thousand) and write-downs of €0 thousand (previous year: €0 thousand).

Financial instruments classified as at "fair value through profit and loss" were measured using input data which is not based on observable market data and was carried out using the conventional DCF method based on internally generated budgeted figures. Discounting factors from a risk-free interest rate of -0.1% p.a. and risk premiums of 30% p.a. were used.

No impairments are expected for the current financial instruments in the „measured at cost" category, as all the receivables concerned can be called up and paid in full at any time.

FinLab has formal measurement process as defined in IFRS 13.93 (g). The measurement is performed on an annual basis in close cooperation between the investment managers and the management and reflects current market experiences.

Financial instruments classified as "at fair value through profit or loss" were measured using input data that is not based on observable market data and the calculated value would be reduced by a maximum change of 1,0% if the considered risk premium were changed by 10%. No further significant changes would arise if the measurement had been carried out with plausible alternative assumptions.

The transition from the opening to the closing balance sheet of financial instruments of Level 3 is as follows:

in thousand EUR	1/1/2020	Reclassifications	Purchases	Disposal	Income and losses, recorded in Financial Earnings of Full Income Statement	12/31/2020
Investments in the category „measured at fair value through profits or loss", measured on the basis of input data which is not based on observable market data	27,535	0	1,636	-1,904	4,784	32,052

In fiscal year 2020, bad debt losses from operating activities of €24 thousand (previous year: €37 thousand) were recognized under general and administrative expenses.

IFRS 7 requires sensitivity analyses that show the effects of hypothetical changes to market prices on the earnings and equity for the presentation of market risks. Price changes of 10% would result in the following changes in value:

in thousand EUR	12/31/2020	12/31/2019
listed financial instruments	38,617	18,667
of which measured on the consolidated statement of income	0	122
Effect of an exchange rate change of 10%	0	12
of which measured on other comprehensive income	38,617	18,545
Effect of an exchange rate change of 10%	3,862	1,855

The net result from financial instruments in the IAS 39 assessment categories is comprised of the valuation yield and the gains on disposal:

in thousand EUR	2020	2019
Long-term financial assets		
Securities classified and measured at „fair value through other comprehensive income" („FVOCI")		
Valuation yield	20,072	-2,934
Disposal yield	0	0
	20,072	-2,934
Financial instruments in the category „valued at fair value through profit or loss"		
Valuation yield	5,883	37,890
Disposal yield	57	169
Long-term financial assets - total	5,940	38,059

During the reporting year, value adjustments at the following amounts were recognized as profit or loss in the reserve for the revaluation of financial instruments:

in thousand EUR	2020	2019
Impairment of securities held as non-current assets	0	-2,934
Appreciation in value of securities held as non-current assets	20,072	0
	20,072	-2,934

As in the previous year, there were no unimpaired, overdue financial assets as at the reporting date. FinLab recognizes an impairment loss if a financial asset appears irrecoverable. This is the case if this financial asset is overdue for more than 180 days and no agreement could be reached on an extension of the payment period, or if there are obvious indications or facts that preclude settlement.

6.2 Notes to the statement of cash flows

Cash flows are recognized in the statement of cash flow pursuant to IAS 7 in order to provide information about the movement of the company's cash and cash equivalents. Cash flows are differentiated according to operating, investing and financing activities. The indirect presentation method was used.

In the year under review, there were cash inflows from interest income amounting to €2 thousand (previous year: €1 thousand) and cash outflows from interest expenses amounting to €15 thousand (previous year: €17 thousand). Dividends were received of €1,057 thousand (previous year: €925 thousand).

Iincome taxes paid by FinLab amounting to €122 thousand (previous year: €22 thousand).

Cash and cash equivalents consist of bank balances.

6.3 Notes to segment reporting

As the "chief operating decisions maker" as defined by IFRS 8.7, the Executive Board of FinLab AG regularly reviews information about the development of the Company. It also makes its decisions regarding the allocation of resources at this level.

Information relevant to accounting is therefore only available for the Company as a whole and is not allocated to individual segments. FinLab is accordingly managed as a "single-segment entity" (SSE), as a result of which the financial and other effects of business activities can be identified on the basis of the elements of the financial statements. There is therefore no need for segment reporting.

The company's value is mainly determined on the basis of the market value of the investments as reflected in equity pursuant to IFRS. Equity pursuant to IFRS is a key parameter for managing and controlling the company. Reference is made to chapter 6.8. Capital Management.

FinLab operates in the German-speaking countries and its income was generated in Germany.

6.4 Contingent liabilities and other financial obligations

As at the reporting date, there were no contingent liabilities at the Company from the balance sheet or income statement.

The remaining payment obligations for agreed shareholdings not yet called in for shares in FinLab EOS VC Europe I amount to € 2,650thousand (prior year: €3,695 thousand) as at the accounting date.

6.5 Lease

In the first-time application of IFRS 16 "Leasing" as of January 1, 2019, FinLab capitalized the long-term rights of use from an office rental agreement in the amount of €808 thousand and recognized depreciation (€202 thousand p.a.) in accordance with IAS 16 over the remaining term of the agreement of four years.

As of the balance sheet date, €404 thousand is therefore reported under the balance sheet item "Property, plant and equipment" as rights of use from leases. The depreciation is recorded as depreciation of property, plant and equipment under expenses.

Expenses amounting to €7 thousand were recorded in the financial result for the financial year from the compounding of interest on lease liabilities, which results from the present values of future payment obligations. The annual rental payments amount to €241 thousand and reduced the leasing liabilities as of 31 December 2020 to €433 thousand.

All other rental agreements have a short-term residual term or are of subordinate value, so that no capitalisation took place.

6.6 Associated companies and individuals

As of December 31, 2019, Mr. Bernd Förtsch, Kulmbach, held over 25 % of the company's shares.

On the basis of the voting majority presence at the Annual General Meeting on June 10, 20209, Mr. Bernd Förtsch was able to exert virtually a controlling influence over the company. Furthermore, it is expected that there will also be a voting majority presence at future shareholders' meetings. Therefore FinLab was a business controlled by Mr. Bernd Förtsch as defined in Section 17 (1) and (2) German Stock Corporation Act (AktG) as of December 31, 2020.

> FinLab AG, Frankfurt am Main, provides its subsidiaries (VCH Investmentgroup AG, Heliad Management GmbH, Patriarch Multi-Manager GmbH and Heliad Equity Partners GmbH & Co KGaA), which are also affiliated companies of Mr. Bernd Förtsch, with considerable services in the areas of management, accounting, marketing and other management support. In addition, FinLab leases office space to these companies and charges third-party invoices on a pro rata basis. No premiums or discounts are taken into account for subletting or for the passing on of third-party invoices. The services rendered are invoiced on the basis of framework agreements and are subject to the seniority of the employees involved and their dependent hourly rates.

> Aktionär TV GmbH provided services for FinLab AG, Frankfurt am Main, in connection with the virtual Annual General Meeting and invoiced an amount of EUR 3 thousand (previous year: EUR 0 thousand) plus VAT for these services. Aktionär TV GmbH is an affiliated company of Mr. Bernd Förtsch.

The members of the Company's Board of Management received only short-term remuneration during the current fiscal year. The total amount was €615 thousand (previous year: €515 thousand).

Remuneration for the members of the Supervisory Board of €45 thousand (previous year: €45 thousand) was expensed in the reporting year. As in the previous year, costs were reimbursed for a total of less than €1 thousand.

All transactions with related parties were carried out based on the conditions which apply to transactions with third parties.

As of the reporting date, FinLab held a direct or indirect stake in the following companies with 20% or more of the voting rights:

Investment	Headquarters	Amount of holding
Heliad Management GmbH	Frankfurt am Main	100 %
Patriarch MultiManager GmbH	Frankfurt am Main	100 %
FinLab Asset Management GmbH	Frankfurt am Main	100 %
VCH Investment Group AG	Frankfurt am Main	100 %
Heliad Equity Partners GmbH & Co. KGaA	Frankfurt am Main	45.5 %
nextmarkets GmbH	Köln	31.4 %
AUTHADA GmbH	Darmstadt	25.6 %
Vaultoro Limited	London	23.2 %
Iconic Holding GmbH	Frankfurt am Main	22.3 %
FastBill GmbH	Frankfurt am Main	20.9 %
CASHLINK Technologies GmbH	Frankfurt am Main	20.0 %

6.7 Post-balance-sheet events

On the basis of the conditional capital (2014/II) resolved at the Annual General Meeting on December 10, 2014, subscription shares were issued in 2020. The Supervisory Board therefore resolved on December 15, 2020 to increase the Company's share capital by EUR 28,500.00 from EUR 5,323,170.00 to EUR 5,351,670.00 by issuing 28,500 new registered no-par value shares against cash contributions. The capital increase was entered in the commercial register on January 14, 2021.

Mr. Bernd Förtsch, Kulmbach, notified us on January 07, 2021 pursuant to Section 20 (5) AktG that a majority shareholding in our Company belongs to him, as the shares held by BFF Holding GmbH and the shares held by GfBk Gesellschaft für Börsenkommunikation GmbH in our Company are attributable to him via BFF Holding GmbH pursuant to Section 16 (4) AktG.

Mr. Christian Angermayer, London, United Kingdom, notified us on January 07, 2021 in accordance with section 20 (5) AktG that he no longer holds any shares in our Company pursuant to section 20 (1.3) AktG.

6.8 Notes on capital management

The aim of capital management is the long-term increase of the Company's value by achieving an appropriate return on capital employed. The Company aims to achieve the targeted equity yield rate without any long-term borrowing, where possible.

Equity is the performance indicator for capital management in accordance with IFRS.

Investments are only made if it can be ensured that FinLab is able to meet its payment obligations at all times. For this purpose, the cash and cash equivalents and planned cash inflows and outflows are monitored daily by the Company's management.

As the Company does not make use of any significant debt financing, no further control measures are required with regard to capital management.

6.9 Notes on risk management

FinLab's risk management identifies, analyzes and avoids or limits material risks arising from business operations. Furthermore, the risk management supports the identification and exploitation of opportunities, thereby also contributing to the further development of the Company and greater business success.

In order to take a systematic approach, three groups of risk areas were identified:

1. Strategic risks

- Development of the capital market environment
- Market environment and positioning of competitors
- Human resources

2. Financial risks

- Price change risks (possible negative performance of Investments and securities in the portfolio)
- Liquidity risk
- Legal risks
- Risks resulting from changes in the tax law

3. Operational risks

- Financial accounting and controlling
- Cash flows
- IT security

Measures within the context of risk management

The business activities of FinLab are focused almost entirely within the euro currency zone. Therefore, currency risk is limited, with a few exceptions.

FinLab also invests in blockchain technology. FinLab does not invest directly in tokens or crypto currencies.

An internal control system (ICS) has been implemented to hedge against operational and legal risks.

Due to the financing structure, the direct risk of interest rate changes is not substantial for FinLab.

The value of financial assets may become slow in the event of the unfavorable business development of the issuer and may fall to zero in extreme cases.

Liquidity planning ensures that financial obligations can be met with sufficient liquidity at all times.

The current liabilities shown have a term of up to one year. As the reported liquid funds are sufficient to cover current liabilities, FinLab is only slightly exposed to immediate liquidity risks.

6.10 Staff

On the annual average, FinLab had 9 employees (prior year: 13).

6.11 Share options program

The Annual General Meeting of FinLab AG on December 10, 2014, resolved that the Board of Management, with the approval of the Supervisory Board, may issue subscription rights on shares of the Company one or more times up to November 30, 2019, as part of a Stock Option Program 2014 for up to 453,867 no-par value registered shares of the Company for a term of up to six years.

The subscription rights on the stock options can be exercised for the first time after the end of the statutory waiting period of four years in accordance with section 193 (2) no. 4 of the German Stock Corporation Act (AktG). It begins at the time at which the respective share option is issued.

In addition to the end of the waiting period, exercising the options is conditional upon the occurrence of the performance target. Each beneficiary may exercise their subscription rights if the stock market price of the Company's stock has risen by at least 100% on any stock exchange trading day within the period from the issue date of the subscription rights to two years after that date.

If the option rights are converted into shares, every share to be acquired must be paid for at the exercise price. The subscription price for one share of the Company equals 100% of the underlying.

The fair value of the stock options was calculated at the date of issue using a "look-barrier" option pricing model. In addition to the criteria set out in the option conditions (e.g. waiting period, performance target), only a cost of carry of 0.1%, the expected volatility of FinLab shares in the form of historical volatility of 45%, and the risk-free interest rates at the measurement dates of 1.00%–1.25% were calculated for the options issued. Dividends and other compensation features were not included.

The following options have been issued:

Issue	Number	Subscription price	Underlying value	Target	Fair value	Value per share option
3/12/2015	115,000	EUR 4.82	EUR 5.95	EUR 11.90	EUR 374,284.45	EUR 3.25
6/29/2015	175,000	EUR 4.82	EUR 6.40	EUR 12.80	EUR 623,827.62	EUR 3.56
1/19/2016	23,000	EUR 4.82	EUR 10.50	EUR 21.00	EUR 190,336.49	EUR 8.28
12/19/2017	100,000	EUR 4.82	EUR 28.29	EUR 56.58	EUR 2,402,639.83	EUR 24.03
Total	413,000					

The expenditure arising from the option valuation is recognized on a monthly basis during the four year waiting period as personnel expenses and accounted for in the capital reserves.

In fiscal year 2017, as agreed, 25,000 stock options were returned to FinLab AG. In fiscal 2019, 100,000 options expired, 84,500 options were exercised.

As of the balance sheet date, a total of 200,000 stock options still exist. In fiscal 2020, 28,500 options were exercised.

6.12 Auditors

During fiscal year 2017, the auditor of the annual financial statements invoiced €48 thousand (previous year: €48 thousand) plus VAT for auditing services.

6.13 Executive Board and Supervisory Board

EXECUTIVE BOARD:

Juan Rodriguez

Member of the Executive Board, Bad Vilbel

Stefan Schütze

Member of the Executive Board, Frankfurt am Main

SUPERVISORY BOARD:

Axel-Günter Benkner

independent management consultant, Nidderau, Chairman

Stefan Müller

Plenipotentiary of Börsenmedien Aktiengesellschaft, Küps

Dr. Friedrich Schmitz

Businessman, Munich

6.14 Other Information

The financial statements were prepared by the Company on February 28, 2021.

Frankfurt/Main

The Executive Board

Fixed Assets Analysis IFRS 2020

Amounts in thousand EUR	Acquisition costs				Allowances					Book values	
	01/01/2020	Inflow of Period	Outflow of Period	12/31/2020	01/01/2020	Outflow of Period	Depreciation the period	Appreciation in value the period	12/31/2020	12/31/2020	12/31/2019
Intangible asset values	142	11	-	153	-134	-	-4	-	-138	15	8
Property, plant and equipment	1,200	23	-	1,223	-527	-	-223	-	-750	472	672
Financial assets	59,737	4,910	-5,751	58,896	74,776	3,724	-2,532	28,463	104,431	163,327	134,513
Fixed assets total	61,079	4,944	-5,751	60,272	74,115	3,724	-2,759	28,463	103,542	163,814	135,193

Fixed Assets Analysis IFRS 2019

Amounts in thousand EUR	Acquisition costs				Allowances					Book values	
	01/01/2019	Inflow of Period	Outflow of Period	12/31/2019	01/01/2019	Outflow of Period	Depreciation the period	Appreciation in value the period	12/31/2019	12/31/2019	12/31/2018
Intangible asset values	141	1	-	142	-132	-	-2	-	-134	8	9
Property, plant and equipment	393	808	-2	1,200	-301	-	-227	-	-527	672	93
Financial assets	52,200	8,740	-1,203	59,737	39,313	633	-10,672	45,502	74,776	134,513	91,514
Fixed assets total	**52,735**	**9,549**	**-1,205**	**61,079**	**38,880**	**633**	**-10,900**	**45,502**	**74,115**	**135,193**	**91,615**

INDEPENDENT AUDITOR'S REPORT

To the FinLab AG, Frankfurt am Main

Audit Opinion

We have audited the annual financial statements of FinLab AG, Frankfurt am Main, which comprise the balance sheet as at December 31, 2020, and the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the financial year from January 1 to December 31, 2020, and notes to the financial statements, including the presentation of the recognition and measurement policies.

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2020, and of its financial performance for the financial year from January 1 to December 31, 2020.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements.

Basis for the Audit Opinion

We conducted our audit of the annual financial statements in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements" 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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the annual financial statements.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the IFRSs as adopted by the EU, and in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Company. In addition, the executive directors are responsible for such internal control as they, have determined necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors 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.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as to issue an auditor's report that includes our audit opinion on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can 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 taken on the basis of these annual financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- 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 may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our respective audit opinion. Our conclusions are based 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.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with the IFRSs as adopted by the EU.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grünwald, March 15, 2021

ifb Treuhand GmbH

Wirtschaftsprüfungsgesellschaft

Steffen Urban

Wirtschaftsprüfer

[German Public Auditor]

ANNUAL FINANCIAL STATEMENTS (HGB) OF FINLAB AG
AS AT DECEMBER 31, 2020

INCOME STATEMENT FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2020

		2020	2019
			in Euro
1.	Sales revenues	1,481,776.32	1,456,111.45
2.	Other operating income	752,921.25	697,354.88
3.	Cost of materials		
	Cost of purchased services	-383,945.17	-381,424.60
4.	Personnel expenses		
	a) Wages and salaries	-2,069,656.36	-1,274,788.64
	b) Social charges and costs for pension and other benefits	-159,539.20	-150,537.62
	of which for pensions	-19,441.20	-19,249.20
5.	Amortization of intangible assets and depreciation of fixed assets	-26,467.02	-26,453.00
6.	Other operating costs	-1,308,792.13	-1,692,065.78
7.	Income from investments	1,500,662.27	2,294,285.32
	of which from affiliated companies	463,337.27	1,256,960.40
8.	Earnings from other securities and loans of fixed assets	26,401.92	56,172.92
	of which from affiliated companies	0.00	0.00
9.	Other interests and similar earnings	103,474.16	95,459.44
	of which from affiliated companies	0.00	0.00
10.	Amortization of financial assets and securities held as current assets	-2,031.00	-2,811,176.21
11.	Interests and similar expenditure	-15,330.25	-17,087,00
	of which to affiliated companies	0.00	0.00
12.	Earnings from profit-and-loss transfer agreement	500,392.17	383,561.70
13.	Taxes on income and profit	-48,705.02	-136,490.77
14.	Result after taxes	351,161.94	-1,507,077.91
15.	Other taxes	-9,177.81	-824.00
16.	Annual surplus	341,984.13	-1,507,901.91
17.	Profit/Loss carried forward	3,767,058.93	5,274,960.84
18.	Balance sheet profit	4,109,043.06	3,767,058.93

BALANCE SHEET AS AT DECEMBER 31, 2020
ASSETS

				in Euro
			12/31/2020	12/31/2019
A.	Fixed assets			
	I.	Intangible assets		
		Concessions, industrial property rights acquired for a consideration, and similar rights and values as well as licenses to such rights and values	14,907.00	7,713.00
	II.	Property, plant and equipment		
		1. Land, land rights and buildings	7,946.00	11,235.00
		2. Other equipment, furniture, fixtures and fittings	60,414.00	55,112.00
	III.	Financial assets		
		1. Shares in affiliated companies	2,899,221.10	2,899,221.10
		2. Investments	26,432,548.73	21,709,687.22
		3. Loans to companies in which we participate	1,615,432.41	1,438,844.38
		4. Securities held for investment	19,202,429.70	19,324,013.70
			50,149,631.94	45,371,766.40
			50,232,898.94	45,445,826.40
B.	Current assets			
	I.	Trade receivables and other assets		
		1. Trade receivables	10,872.14	3,615.88
		2. Receivables from affiliated companies	1,761,981.39	2,840,719.46
		3. Receivables from companies in which we participate	76,922.94	1,360,229.95
		4. Other assets	573,759.00	788,785.16
			2,423,535.47	4,993,350.45
	II.	Securities		
		Other securities	86,122.00	79,303.00
	III.	Cash, Bank balances	6,147,442.72	6,752,732.82
			8,657,100.19	11,825,386.27
C.	Accruals and prepayments		30,323.13	25,683.11
			58,920,322.26	57,296,895.78

BALANCE SHEET AS AT DECEMBER 31, 2020
LIABILITIES

in Euro

			12/31/2020	12/31/2019
A.	Equity			
	I.	Subscribed capital	5,323,170.00	5,323,170.00
	II.	Capital reserve	47,131,010.89	47,131,010.89
	III.	Retained earnings/loss	4,109,043.06	3,767,058.93
			56,563,223.95	56,221,239.82
B.	Provisions			
	1.	Tax provisions	1,520.00	214,400.00
	2.	Other provisions	1,417,733.55	671,886.00
			1,419,253.55	886,286.00
C.	Liabilities			
	1.	Trade payables	42,794.41	43,258.18
	2.	Other liabilities	895,050.35	146,111.78
			937,844.76	189,369.96
			58,920,322.26	57,296,895.78

NOTES TO THE ACCOUNTS FOR FINANCIAL YEAR JANUARY 1 TO DECEMBER 31, 2020

General

The annual financial statements of FinLab AG, Frankfurt am Main, as at December 31, 2020 have been prepared in accordance with Sections 242 et seqq. and Sections 264 et seqq. of the German Commercial Code (HGB) and the relevant provisions of the German Stock Corporation Act (AktG).

FinLab AG is registered in the commercial register of the local court of Frankfurt am Main under number HRB 58865. It is a small stock corporation as defined in Section 267 German Commercial Code (HGB).

The income statement was prepared using the total cost method. The company made use of the simplification rule under Section 286 Para. 4 HGB.

Accounting and valuation principles

The balance sheet has been prepared in accordance with Section 268 (1) of the German Commercial Code (HGB), taking into account the full use of the annual result.

We have measured the assets and liabilities in accordance with the provisions of German commercial law, while observing generally accepted accounting principles.

Assets and liabilities denominated in foreign currencies are translated at the mean spot exchange rate on the balance sheet date in accordance with Section 256a HGB.

Fixed assets

Depreciable fixed assets are recognized at acquisition or production cost less scheduled depreciation. Acquisition costs include ancillary acquisition costs. Scheduled depreciation is based on the normal operational useful life.

Movable items of fixed assets up to a value of €800.00 were fully written off in the year of acquisition.

Financial assets are measured using acquisition costs or the lower fair value.

Current assets

Receivables and other assets, and bank balances are recognized at nominal value. If necessary, individual impairments have been made. Other securities are measured at acquisition cost or the lower fair value.

Provisions

Provisions include all uncertain liabilities. They have been recognized at the settlement amount according to reasonable commercial judgment.

Liabilities

Liabilities are shown at their payment value.

Notes to the balance sheet

Fixed assets

The breakdown and development of the fixed assets shown in the balance sheet are shown in the assets schedule, which is attached as an annex.

Trade receivables and other assets

All trade receivables and other assets have a remaining term of up to one year.

Equity capital

The subscribed capital amounts to EUR 5,323,170.00 and is fully paid up. It is divided into 5,323,170 registered ordinary shares. The shares are no-par value shares with a notional value of EUR 1.00 each.

Based on the conditional capital (2014/II) resolved by the Annual General Meeting on 10 December 2014, 28,500 subscription shares were issued in 2020. The Supervisory Board therefore resolved on 15 December 2020 to increase the Company's share capital by EUR 28,500.00 from EUR 5,323,170.00 to EUR 5,351,670.00 by issuing 84,500 new registered no-par value shares against cash contributions. The capital increase was entered in the commercial register on January 14, 2021, and thus after the cut-off date for the 2020 financial statements.

The Annual General Meeting on June 15, 2018 resolved to increase the subscribed capital by June 14, 2023, with the consent of the Supervisory Board, by issuing new shares against cash or property, plant and equipment on one or more occasions up to a value of €2,494,335.00 (Authorized Capital 2018), whereby the subscription rights of shareholders can be excluded. The corresponding amendment to Section 5 (2) of the Articles of Association was entered in the Commercial Register on July 16, 2018.

The Annual General Meeting on December 10, 2014 resolved to increase the subscribed capital by November 30, 2019, with the consent of the Supervisory Board, by issuing new shares against cash or property, plant and equipment on one or more occasions up to a value of €2,269,335.00 (Authorized Capital 2014/I), whereby the subscription rights of shareholders can be excluded. The corresponding amendment to Section 5 (2) of the Articles of Association was recorded in the Commercial Register on December 30, 2014. After partial use, the authorized capital 2014 amounts to €1,569,335.00.

The subscribed capital of the Company was contingently increased by €1,815,000.00 by the Annual General Meeting of December 10, 2014 (Contingent Capital 2014/I).

The subscribed capital of the Company was contingently increased by up to €453,867.00 by resolution of the Annual General Meeting of December 10, 2014 (Contingent Capital 2014/II). The conditional capital 2014/II still amounts to EUR 340,867.00 after the issue of subscription shares. The subscription shares were issued as of the reporting date, entry in the commercial register took place on January 14, 2021.

With regard to the conditional capital increases, the Company has made use of the authorization to issue option and/or convertible bonds, profit participation bonds and/or profit participation rights with option and/or conversion rights or obligations in parts.

Provisions

Other provisions mainly include provisions for bonuses, outstanding invoices, year-end costs and ancillary rental costs.

Liabilities

All liabilities have a remaining term of up to one year.

Other liabilities mainly include liabilities from the sub-participation of IBB Capital GmbH, Berlin, in Kapilendo AG in the amount of EUR 640 thousand (previous year: EUR 0 thousand) and the cash contributions paid in by employees for the new 28,500 shares as part of the 2020 stock option program in the amount of EUR 137 thousand (previous year: EUR 0 thousand). The reclassification to subscribed capital or capital reserves will take place after the reporting date, analogous to the entry in the commercial register on January 14, 2021. In addition, the item includes liabilities from an office rental agreement in the amount of EUR 78 k (prior year: EUR 117 k) and liabilities from taxes in the amount of EUR 24 k (prior year: EUR 29 k).

Notes to the Income Statement

Other operating income includes, among other things, income from the write-up of a receivable in the amount of €230 thousand, gains from the sale of non-current and current securities in the amount of €57 thousand (previous year: € €169 thousand) and write-ups on non-current and current securities in the amount of €7 thousand (previous year: €36 thousand).

Write-downs of financial assets and securities held as current assets exclusively include unscheduled write-downs on securities held as current assets of €2 thousand (previous year: €2.811 thousand).

Other information

AVERAGE NUMBER OF EMPLOYEES

During fiscal year 2020, 9 (previous year: 13) employees were employed on average.

CONTINGENT LIABILITIES

At the balance sheet date, no contingent liabilities existed.

OTHER FINANCIAL COMMITMENTS

A rental agreement concluded in April 2017 with a term until December 2022 resulted in rental obligations totaling €684 thousand as at the reporting date. A bank guarantee of €56 thousand was provided as security for the lease. In addition, there are other financial obligations of €41 thousand.

The remaining payment obligations for agreed shareholdings not yet called in for shares in FinLab EOS VC Europe I amount to €2.650 thousand (prior year: €3.695 thousand) as at the accounting date.

LIST OF EQUITY HOLDINGS

FinLab AG has made use of the simplification rule of Section 293 (1) of the German Commercial Code (HGB) and waived the preparation of consolidated financial statements.

FinLab AG directly holds a stake of 20% or more, within the meaning of Section 285 No. 11 of the German Commercial Code (HGB), in the following companies:

Investment	Headquarters	Percentage holding	Equity 12/31/2020 (in thousand EUR)	Annual earnings 2020 (in thousand EUR)
Heliad Management GmbH	Frankfurt am Main	100%	925	454
Patriarch MultiManager GmbH 1)	Frankfurt am Main	100%	367	0
VCH Investment Group AG	Frankfurt am Main	100%	936	135
FinLab Asset Management GmbH	Frankfurt am Main	100%	2	-12
Heliad Equity Partners GmbH & Co. KGaA	Frankfurt am Main	45.5%	50.150	15.962
nextmarkets GmbH 2)	Köln	31.42%	-2.016	-2.830
AUTHADA GmbH 2)	Darmstadt	25.62%	442	-2.238
Vaultoro Limited 2)	London	23.25%	100	-434
FastBill GmbH 2)	Frankfurt am Main	20.87%	75	-572
Iconic Holding GmbH 3)	Frankfurt am Main	22.35%	-668	-892
CASHLINK Technologies GmbH 2)	Frankfurt am Main	20.00%	1.373	-751

1) Since 1/1/2016 profit and loss transfer agreement with FinLab AG, therefore the annual result is €0 thousand.

2) Equity and the year-end result relate to 2019

3) Equity and the year-end result relate to 2018

DISCLOSURES ABOUT THE EXISTENCE OF A PARTICIPATING INTEREST IN THE COMPANY

Mr. Bernd Förtsch, Kulmbach, notified us on January 7, 2021 pursuant to Section 20 (5) AktG that a majority shareholding in our Company belongs to him, as the shares held in our company by BFF Holding GmbH and by GfBk Gesellschaft für Börsenkommunikation GmbH are attributable to him via BFF Holding GmbH pursuant to Section 16 (4) AktG.

Mr. Christian Angermayer, London, United Kingdom, notified us on January 7, 2021 in accordance with Section 20 (5) AktG that he no longer holds any shares in our Company pursuant to Section 20 (1.3) AktG.

APPLICATION OF PROFITS

The annual surplus, amounting of EUR 341,984.13 is carried forward to the new accounting year.

Executive Board

- **Juan Rodriguez,** Member of the Executive Board, Bad Vilbel
- **Stefan Schütze,** Member of the Executive Board, Frankfurt am Main

Supervisory Board

- **Axel-Günter Benkner,** independent management consultant, Nidderau, Chairman
- **Dr. Friedrich Schmitz,** Businessman, Munich, Deputy Chairman
- **Stefan Müller,** Plenipotentiary of Börsenmedien Börsenmedien Aktiengesellschaft, Küps

POST-BALANCE-SHEET EVENTS

There were no significant events after the balance sheet date.

CONCLUSION OF THE DEPENDENCY REPORT

The dependent company report prepared as per sect. 312 of AktG provides information on the relationship with affiliated companies. The closing statement pertaining to the dependent company report is provided below:

> „We declare that the company has received an adequate consideration in every legal transaction listed in the report pertaining to the relationship with affiliated companies, which were realized in the period between January 1 and December 31, 2020, in accordance with the circumstances which were known at the time in which these legal transactions were realized or measures implemented, and therefore, the company has not been affected by the measures being implemented or refrained from."

Frankfurt/Main, on February 28, 2021

The Executive Board

Stefan Schütze Juan Rodriguez

STATEMENT OF CHANGES IN FIXED ASSETS FROM JANUARY 1 TO DECEMBER 31, 2020

in Euro

	Acquisition costs				Accumulated depreciation				Balance value	
	01/01/2020	Acquisitions	Disposals	12/31/2020	01/01/2020	Acquisitions	Disposals	12/31/2020	12/31/2020	12/31/2019
Intangible assets	142,026.86	11,100.00	0.00	153,126.86	134,313.86	3,906.00	0.00	138,219.86	14,907.00	7,713.00
Property, plant and equipment										
1. Installations in rented buildings	45,757.68	0.00	0,00	45,757.68	34,522.68	3,289.00	0.00	37,811.68	7,946.00	11,235.00
2. Plant and office equipment	345,816.52	24,574.02	0.00	370,390.54	290,704.52	19,272.02	0.00	309,976.54	60,414.00	55,112.00
	391,574.20	24,574.02	0.00	416,148.22	325,227.20	22,561.02		347,788.22	68,360.00	66,347.00
Financial assets										
1. Shares in affiliated companies	2,899,221.10	0.00	0.00	2,899,221.10	0.00	0.00	0.00	0.00	2,899,221.10	2,899,221.10
2. Investments	24,520,863.43	4,806,612.32	-2,894,927.02	26,432,548.73	2,811,176.21	2,031.00	-2,813,207.21	0.00	26,432,548.73	21,709,687.22
3. Loans to companies in which we participate	1,438,844.38	176,588.03	0.00	1,615,432.41	0.00	0.00	0.00	0.00	1,615,432.41	1,438,844.38
4. Securities held as investments	22,917,395.81	0.00	-526,109.85	22,391,285.96	3,593,382.11	0.00	-404,525.85	3,188,856.26	19,202,429.70	19,324,013.70
	51,776,324.72	4,983,200.35	-3,421,036.87	53,338,488.20	6,404,558.32	2,031.00	-3,217,733.06	3,188,856.26	50,149,631.94	45,371,766.40
Total Fixed Assets	52,309,925.78	5,018,874.37	-3,421,036.87	53,907,763.28	6,864,099.38	28,498.02	-3,217,733.06	3,674,864.34	50,232,898.94	45,445,826.40

INDEPENDENT AUDITOR'S REPORT

To the FinLab AG, Frankfurt am Main

Audit Opinion

We have audited the annual financial statements of FinLab AG, Frankfurt am Main, which comprise the balance sheet as at December 31, 2020, and the statement of profit and loss for the financial year from January 1 to December 31, 2020, and notes to the financial statements, including the presentation of the recognition and measurement policies.

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2020 and of its financial performance for the financial year from January 1 to December 31, 2020 in compliance with German Legally Required Accounting Principles.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements.

Basis for the Audit Opinion

We conducted our audit of the annual financial statements in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements" 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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the annual financial statements.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors 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.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as to issue an auditor's report that includes our audit opinion on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can 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 taken on the basis of these annual financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- 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 may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our respective audit opinion. Our conclusions are based 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.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grünwald, March 15, 2021

ifb Treuhand GmbH

Wirtschaftsprüfungsgesellschaft

Steffen Urban

Wirtschaftsprüfer

[German Public Auditor]

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