



NEXT  
GENERATION  
FINANCE.  
NOW.

---

Interim Financial Report as at  
June 30, 2018



---

## CONTENTS

### INTERIM FINANCIAL REPORT

INTERIM FINANCIAL STATEMENT (HGB)	03
Balance Sheet	04
Income Statement	06
Notes to the Interim Financial Statement	07
INTERIM FINANCIAL STATEMENT (IFRS)	12
Balance Sheet	13
Income Statement	15
Statement of Cash Flows	16
Statement of Changes in Equity	17
Notes to the Interim Financial Statement	18
CONTACT	31



INTERIM FINANCIAL STATEMENT OF FINLAB AG (HGB)  
AS AT JUNE 30, 2018



## BALANCE SHEET AS AT JUNE 30, 2018 (HGB) ASSETS

	in thousand EUR	
	6/30/2018	12/31/2017
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	9.5	4.2
II. Property, plant and equipment		
1. Other equipment, furniture, fixtures and fittings	82.4	88.3
III. Financial assets		
1. Shares in affiliated companies	2,899.2	2,899.2
2. Loans to companies with which a participation relationship exists	0.0	1,920.9
3. Investments	15,056.5	13,101.8
4. Securities held for investment	19,097.3	19,225.3
	<u>38,307.0</u>	<u>37,239.7</u>
B. Current assets		
I. Receivables and other assets		
1. Trade receivables	0.0	0.7
2. Receivables from affiliated companies	1,098.7	1,549.0
3. Receivables from investments	1.8	3.6
4. Other assets	2,929.1	1,297.6
II. Securities	77.6	77.6
III. Cash, bank balances	8,229.3	4,111.9
	<u>12,336.5</u>	<u>7,040.5</u>
C. Accruals and prepayments	22.1	17.0
	<u>50,665.7</u>	<u>44,298.2</u>



## BALANCE SHEET AS AT JUNE 30, 2018 (HGB) LIABILITIES

		in thousand EUR	
		6/30/2018	12/31/2017
A.	Equity		
1.	Subscribed capital	5,238.7	4,988.7
2.	Capital reserve	46,808.2	41,870.7
3.	Retained earnings/loss	-2,473.2	-3,814.4
		<u>49,573.7</u>	<u>43,044.9</u>
B.	Provisions		
1.	Provisions for taxation	165.8	44.8
2.	Other provisions	662.5	636.8
		<u>828.4</u>	<u>681.6</u>
C.	Liabilities		
1.	Trade payables	18.7	70.6
2.	Amounts owed to affiliated companies	0.0	2.2
3.	Amounts owed to investments	0.0	293.8
4.	Other liabilities	244.9	205.2
		<u>263.6</u>	<u>571.7</u>
		<u>50,665.7</u>	<u>44,298.2</u>



## INCOME STATEMENT (HGB) JANUARY 1 TO JUNE 30, 2018

	in thousand EUR	
	1st half 2018	1st half 2017
1. Revenue	1,220.5	761.2
2. Other operating income	378.1	566.4
3. Cost of materials	-89.5	-103.7
Personnel expenses		
4. a) Wages and salaries	-589.0	-642.4
b) Social security contributions and expenses for pensions and other benefits	-54.1	-55.5
5. Amortization and depreciation of intangible assets and property, plant and equipment	-11.8	-15.6
6. Other operating expenses	-616.9	-729.6
7. Income from investments	1,210.3	669.3
8. Income from other securities and loans	14.6	5.8
9. Other interest and similar income	0.4	0.5
10. Write-downs of financial assets and securities classified as current assets	0.0	-11.8
11. Taxes on income	-121.0	0.1
12. Other taxes	-0.4	-0.4
13. Net result for the period	1,341.3	444.3



## NOTES TO THE FINLAB AG INTERIM FINANCIAL REPORT (HGB) AS AT JUNE 30, 2018

### General

The annual financial statements of FinLab AG, Frankfurt am Main, as at December 31, 2017 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

When preparing the interim financial statements and calculating the comparative figures for the previous year, the same accounting and valuation methods were in principle applied as in the 2017 annual financial statement. A detailed description of these methods is published in the notes to the annual financial statement in the 2017 annual report.

### Notes to the Balance Sheet

The notes to the balance sheet relate to changes as at the reporting date of December 31, 2017.

#### Receivables and other assets

Other assets are broken down as follows:

	in thousand EUR	
	6/30/2018	12/31/2017
Receivables from affiliated companies	1,099	1,549
Receivables from companies in which we participate	2	4
Other assets		
Receivables from the tax office	1,549	1,229
Other miscellaneous	1,380	69
	4,029	2,851

The receivables and other assets are due within one year.



## Equity

With the approval of the Supervisory Board on April 30, 2018, it was decided to increase the share capital of the Company by €250,000.00 from €4,988,670.00 to €5,238,670.00 by issuing 250,000 new no-par-value registered shares against cash contributions. The subscribed capital amounts to €5,238,670.00 and is fully paid up. It consists of 5,238,670 registered ordinary shares. The shares are no-par value shares with a nominal value of €1.00 each.

With the approval of the Supervisory Board, the Management is authorized to increase capital stocks through June 14, 2023 by issuing new registered ordinary shares in the form of no par value shares with a calculated value of EUR 1.00 per share against cash or non-cash contributions once or in multiple installments in a total amount of up to EUR 2,494,335.00 (Authorized Capital 2018/I). The subscription rights of the shareholders can be excluded.

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). Based on the contingent capital increases, the Company has made partial use of the authorization to issue bonds with warrants and/or convertible bonds, profit participation bonds and/or participation rights with warrants and/or conversion rights or obligations.

In fiscal years 2015 to 2017, a total of 425,000 stock options were granted to the employees and members of the Board of Management of FinLab AG and 13,000 stock options to the employees and management of a subsidiary, which entitle each option right to purchase one share of the Company after a four-year waiting period. In accordance with the agreement, 25,000 stock options were returned to FinLab AG in fiscal year 2017. As a result, a total of 413,000 issued options remain as of December 31, 2017.

## Provisions

Other provisions mainly consist of provisions for audit fees, bonuses and ancillary rental costs.

## Liabilities

Liabilities have a residual maturity of up to one year.

Other liabilities include tax liabilities amounting to EUR 69 thousand (12.31.2017: EUR 69 thousand).





## Notes to the Income Statement

No depreciation on financial assets and on securities classified as current assets are booked (previous year: EUR 12 thousand).

As in the previous year, interest income and interest expenses do not include any interest income and interest expenses of affiliated companies.

## Other Disclosures

### Contingent liabilities

As at the balance sheet date, the company had no contingent liabilities.

### Other financial commitments

As at the reporting date, a total of EUR 1,527 thousand in rental commitments resulted from a rental agreement signed in April 2017 for a fixed term of five years and eight months. The rental agreement ends in December 2022. A bank guarantee of EUR 56 thousand was provided as a rent deposit. In the current financial year, payments amounting to EUR 104 thousand have been made.

Further financial obligations of EUR 50 thousand result from existing lease agreements.

### List of equity holdings

FinLab AG applied the simplification rule under Section 293 Para. 1 of the German Commercial Code (HGB) and has not prepared a consolidated financial statement.

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	in thousand	in thousand
			EUR	EUR
			Equity 12/31/2017	Annual earnings 2017
Heliad Management GmbH	Frankfurt am Main	100%	800	318
Patriarch Multi-Manager GmbH <sup>1)</sup>	Frankfurt am Main	100%	367	0
VCH Investment Group AG	Frankfurt am Main	100%	889	88
FinLab Asset Management GmbH	Frankfurt am Main	100%	18	-7
Heliad Equity Partners GmbH & Co. KGaA	Frankfurt am Main	45.2%	56,645	3,421
nextmarkets GmbH <sup>2)</sup>	Cologne	38.9%	604	-2,314
Authada GmbH <sup>2)</sup>	Darmstadt	25.1%	729	-381
Vaultoro Limited	London/UK	25.0%	n/a	n/a
Iconiq Lab Holding GmbH <sup>3)</sup>	Frankfurt am Main	20,0%	n/a	n/a

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

<sup>2)</sup> Equity and the year-end result relate to 2016

<sup>3)</sup> Founded in FY 2017, therefore no information yet available.

#### Disclosures regarding the existence of an equity interest in the company

In accordance with Section 20 Para. 5 of the German Stock Corporation Act (AktG), BF Holding GmbH, Kulmbach, has advised us that it no longer holds a majority stake in our company. However, BF Holding GmbH continues to hold more than one quarter of our company shares indirectly (Section 20 Para. 1 AktG) since the company shares held by BF Holding GmbH's subsidiary Lion Capital AG must be ascribed to BF Holding GmbH in accordance with Section 16 Para. 4 AktG.

In accordance with Section 20 Para. 5 AktG, Mr. Bernd Förtsch, Kulmbach, has advised us that he no longer holds a majority stake in our Company. However, he continues to hold more than one quarter of our company shares indirectly (Section 20 Para. 1 AktG) since the company shares held by BF Holding GmbH and Lion Capital AG must be ascribed to him via BF Holding GmbH in accordance with Section 16 Para. 4 AktG.

Mr. Christian Angermayer, London, UK, has notified us pursuant to Section 20 Para. 1 AktG that he indirectly holds more than one quarter of our company shares as the equity interest of Apeiron Investment Group Ltd., St. Julians, Malta, which he controls, in our company must be ascribed to him in accordance with Section 16



Para. 4 AktG.

#### Executive Board

The members of the Executive Board are:

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

#### Supervisory Board

The following have been appointed as members of the Supervisory Board:

- Axel-Günter Benkner, independent management consultant, Nidderau, Chairman
- Stefan Müller, fully authorized representative of Börsenmedien Aktiengesellschaft, Kulmbach
- Dr. Friedrich Schmitz, entrepreneur, Munich

#### Post-Balance Sheet Events

In August 2018, FinLab AG sold a significant share in Deposit Solutions GmbH.

Otherwise, there have been no material events of special significance since the close of the fiscal year.

Frankfurt am Main, September 2018

The Executive Board



INTERIM FINANCIAL STATEMENT OF FINLAB AG (IFRS)  
AS AT JUNE 30, 2018



## BALANCE SHEET AS AT JUNE 30, 2018 (IFRS) ASSETS

	in thousand EUR	
	6/30/2018	12/31/2017
A. Non-current assets		
I. Intangible assets	10	4
II. Property, plant and equipment	82	88
III. Financial assets	91,937	99,002
	92,029	99,094
B. Current assets		
I. Securities	78	78
II. Trade receivables	0	1
III. Receivables from associated companies	2	4
IV. Receivables from affiliated companies	1,099	1,549
V. Other assets	1,403	86
VI. Income tax receivables	1,549	1,229
VII. Cash at banks	8,229	4,112
	12,359	7,058
	104,388	106,152



## BALANCE SHEET AS AT JUNE 30, 2018 (IFRS) LIABILITIES

		in thousand EUR	
		6/30/2018	12/31/2017
A.	Equity		
I.	Subscribed capital	5,239	4,989
II.	Capital reserve	47,858	42,511
III.	Retained earnings	25,683	24,057
IV.	Revaluation reserve	23,462	32,367
		102,243	103,924
B.	Non-current liabilities		
I.	Non-current provisions	62	62
II.	Other liabilities	169	125
III.	Deferred tax liabilities	1,059	984
		1,291	1,172
C.	Current liabilities		
I.	Provisions for taxation	166	45
II.	Other provisions	600	575
III.	Liabilities to affiliated companies	0	2
IV.	Trade payables	19	71
V.	Other liabilities	69	364
		854	1,056
		104,388	106,152



## INCOME STATEMENT (IFRS) JANUARY 1 TO JUNE 30, 2018

	in thousand EUR	
	1st half 2018	1st half 2017
Revenue	1,221	760
Income from investments	1,210	669
Other operating income	360	326
Total income	2,791	1,756
Personnel expenses	-1,059	-852
Non-personnel expenses	-709	-601
Operating result (EBIT)	1,022	303
Financial result	944	2,728
Earnings before taxes (EBT)	1,966	3,031
Taxes on income	-340	-36
Net result for the period	1,626	2,995
Average number of shares issued (undiluted)	5,042,837	4,581,170
Dilution effect arising from share options	230,051	165,852
Average number of shares issued (diluted)	5,272,888	4,747,022
Undiluted earnings per share in EUR	0,32	0.65
Diluted earnings per share in EUR	0,31	0.63
Changes to the revaluation reserve	-8,905	4,567
Overall result	-7,278	7,561



## STATEMENT OF CASH FLOWS (IFRS) JANUARY 1 TO JUNE 30, 2018

	in thousand EUR	
	1st half 2018	1st half 2017
Net result for the period	1,626	2,985
Income from the sale of securities and financial assets	-144	-355
Retirement of securities and financial assets	128	165
Write-ups of securities and financial assets	-917	-2,571
Write-downs of securities and financial assets	0	50
Change in revaluation reserve due to deferred taxes	-144	-74
Amortization and depreciation of property, plant and equipment and intangible assets	12	16
Increase/decrease in provisions	147	-395
Other non-cash expenses and income	490	265
Increase/decrease in receivables and other assets	-908	902
Increase/decrease in payables and other liabilities	-4	116
<b>Cash flow from operating activities</b>	<b>285</b>	<b>1,102</b>
Outflow of funds for investments in property, plant and equipment and intangible assets	-11	-8
Payments for long-term loans	0	-250
Outflow of funds for investments in financial assets	-1,482	-3,866
Proceeds from the sale of securities and financial assets	143	725
<b>Cash flow from investing activities</b>	<b>-1,350</b>	<b>-3,398</b>
Costs of the capital increase	-6	-241
Proceeds from capital increases	5,188	5,850
<b>Cash flow from financing activities</b>	<b>5,182</b>	<b>5,609</b>
Net change in cash and cash equivalents	4,117	3,313
Cash and cash equivalents at beginning of period	4,112	970
Cash and cash equivalents at end of period	8,229	4,283





STATEMENT OF CHANGES IN EQUITY (IFRS)  
JANUARY 1 TO JUNE 30, 2018

	Subscribed capital	Capital reserve	Retained earnings	Revaluation reserve	Total equity
in thousand EUR					
As at 01/01/2018	4,989	42,511	24,057	32,367	103,924
Changes in the revaluation reserve recognized in equity	-	-	-	-8,905	-8,905
Net result for the period	-	-	1,626	-	1,626
Overall result	-	-	1,6226	-8,905	-7,278
Capital increase	250	4,932	-	-	5,182
Share option program		415	-	-	415
As at 6/30/2018	5,239	47,858	25,683	23,462	102,243



## NOTES TO THE INTERIM FINANCIAL REPORT (IFRS) OF FINLAB AG AS AT JUNE 30, 2018

### INFORMATION ABOUT THE COMPANY

FinLab AG (hereinafter referred to as “FinLab” or the “company”) is based in Grüneburgweg 18, Frankfurt am Main and is entered in the Commercial Register of the Local Court of Frankfurt am Main under HRB 58865.

The business activities of FinLab focus on the development of German fintech (financial technology) start-up companies and the provision of venture capital for their financial requirements. FinLab also invests globally in fintech companies within the context of venture rounds, mostly in the USA and in Asia.

FinLab is listed on the open market of the Frankfurt Stock Exchange with inclusion in the “Scale” Standard.

### BASIC PRINCIPLES

The unaudited, condensed interim financial statements as at June 30, 2018 were prepared in accordance with the International Financial Reporting Standards (IFRS), as applied in the EU, and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC). IAS 34 (Interim Financial Reporting) was observed. The option to apply new standards prematurely has not been exercised.

The accounting and valuation methods underlying the 2017 annual financial statement were consistently applied to this interim financial statement.

The annual financial statement contains values which have been determined legitimately using estimates and assumptions. The estimates and assumptions used are based on historical experience and other factors such as planning and likely (from the current standpoint) expectations and forecasts of future events. 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 and provisions may be required in the next financial year for the following items due to a revaluation:

	in thousand EUR	
	6/30/2018	12/31/2017
Financial assets	91,937	99,002
Securities held as current assets	78	78
Other provisions	828	682



## NOTES TO THE INCOME STATEMENT

### Revenue

The reported revenue relates 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.

### Income from investments

Income from investments is made up of the income and expenses from investments, in particular from dividends received.

### Other operating income

Other operating income mainly consists of the reversal of impairments amounting to EUR 230 thousand (previous year: EUR 230 thousand) and the charging-on of expenses amounting to EUR 97 thousand (previous year: EUR 80 thousand).

As in the previous year, there was no income from currency conversion.

### Personnel expenses

Personnel expenses include the remuneration for directors and employees.

Personnel expenses also include the amounts resulting from the valuation of the share options issued to employees and directors. More details on the stock option program can be found in the annual financial statement as at 12/31/2017.

The employees of the company are insured under the statutory pension scheme, whereby ongoing contribution payments are recorded as an expense at the time of payment. There are no further pension commitments.

	in thousand EUR	
	1st half 2018	1st half 2017
Wages and salaries	-626	-647
Social security contributions	-55	-56
Other personnel expenses	-378	-148
	-1,059	-852



Other personnel expenses are mainly made up of the costs related to the valuation of the options issued under the stock option program.

#### Non-personnel expenses

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

	in thousand EUR	
	1st half 2018	1st half 2017
Occupancy costs	-158	-285
Consulting and audit costs	-139	-82
Costs of marketing and financial market information	-72	-18
Banking and insurance fees	-42	-45
Costs for communication and IT	-31	-28
Travel and entertainment expenses	-21	-20
Vehicle costs	-17	-15
Amortization and depreciation of property, plant and equipment and intangible assets	-12	-16
Office expenses	-3	-2
Other miscellaneous expenses	-214	-90
	-709	-601

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

#### Financial result

The financial result is made up of:

	in thousand EUR	
	1st half 2018	1st half 2017
Income from the sale of securities and financial assets	144	725
Retirement of securities and financial assets	-128	-535
Write-ups and write-downs of securities and financial assets	917	2,522
Interest and similar income	15	6
Interest and similar expenses	-3	0
	945	2,718



Income from the sale of securities and financial assets relates to the following:

	in thousand EUR	
	1st half 2018	1st half 2017
Non-current securities in the category		
“valued at fair value through profit or loss”	144	725
	144	725

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

	in thousand EUR	
	1st half 2018	1st half 2017
Non-current securities in the category		
“valued at fair value through profit or loss”	-128	-535
	-128	-535

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

Tax on income

Tax on income relates to deferred taxes and the creation of provisions for tax on the financial year’s result.

	in thousand EUR	
	1st half 2018	1st half 2017
Actual tax expense for the period	-121	0
Deferred taxes	-219	-36
	-340	-36



## Earnings per share

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

	in thousand EUR	
	1st half 2018	1st half 2017
Average number of shares issued (undiluted)	5,042,837	4,581,170
Dilution effect arising from share options	230,051	165,852
Average number of shares issued (diluted)	5,272,888	4,747,022
Undiluted earnings per share in EUR	0.32	0.65
Diluted earnings per share in EUR	0.31	0.63



## NOTES TO THE BALANCE SHEET

### Intangible assets and property, plant and equipment

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

Intangible assets primarily consist of purchased software licenses.

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

No expenses were incurred for research and development and such expenses were therefore not included in the costs or capitalized.

No internally generated intangible assets were capitalized.

### Financial assets

Financial assets include the following items:

	in thousand EUR	
	6/30/2018	12/31/2017
Shares in affiliated companies	16,425	16,425
Investments	41,107	38,235
Non-current securities	33,243	42,420
Loans	1,162	1,921
	<u>91,937</u>	<u>99,002</u>

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

	in thousand EUR	
	6/30/2018	12/31/2017
Non-current securities in the category		
“valued at fair value through profit or loss”	0	128
Non-current securities in the category		
“financial assets available for sale”	33,243	42,292
	<u>33,243</u>	<u>42,420</u>



#### Deferred tax assets and liabilities

Deferred tax liabilities primarily result from differences in the valuation of financial assets and the discounting of non-current debt. A tax rate of 31.93% was taken into account.

#### Securities

The securities held as current assets are allocated to the categories “financial assets valued at fair value through profit or loss” and “financial assets available for sale”. As at the reporting date, there are only holdings in the category “financial assets valued at fair value through profit or loss”.

#### Receivables and other assets

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

The other assets and receivables relate to the following items:

	in thousand EUR	
	6/30/2018	12/31/2017
Receivables from loans	1,100	1,553
Receivables from sales tax	16	0
Receivables from income tax	1,549	1,229
Other	1,388	86
	<u>4,053</u>	<u>2,868</u>

#### Cash at banks

Cash at banks corresponds in full to cash and cash equivalents and mainly consists of current accounts, savings accounts and fixed-term deposits.





## Equity

### Subscribed capital

With the approval of the Supervisory Board on April 30, 2018, it was decided to increase the share capital of the Company by €250,000.00 from €4,988,670.00 to €5,238,670.00 by issuing 250,000 new no-par-value registered shares against cash contributions. The subscribed capital amounts to €5,238,670.00 and is fully paid up. It consists of 5,238,670 registered ordinary shares. The shares are no-par value shares with a nominal value of €1.00 each.

With the approval of the Supervisory Board, the Management is authorized to increase capital stocks through June 14, 2023 by issuing new registered ordinary shares in the form of no par value shares with a calculated value of EUR 1.00 per share against cash or non-cash contributions once or in multiple installments in a total amount of up to EUR 2,494,335.00 (Authorized Capital 2018/I). The subscription rights of the shareholders can be excluded.

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). Based on the contingent capital increases, the Company has made partial use of the authorization to issue bonds with warrants and/or convertible bonds, profit participation bonds and/or participation rights with warrants and/or conversion rights or obligations.

In fiscal years 2015 to 2017, a total of 425,000 stock options were granted to the employees and members of the Board of Management of FinLab AG and 13,000 stock options to the employees and management of a subsidiary, which entitle each option right to purchase one share of the Company after a four-year waiting period. In accordance with the agreement, 25,000 stock options were returned to FinLab AG in fiscal year 2017. As a result, a total of 413,000 issued options remain as of December 31, 2017.

### 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 valuation of the share options issued.

Due to the existence of losses carried forward in the relevant individual accounts prepared under German HGB rules, the legal reserve under Section 150 of the German Stock Corporation Act (AktG) was not created.



## Retained earnings

Income retained in previous years and in the current year is shown under retained earnings. There are no legal reserves as defined in Section 150 Para. 2 of the German Stock Corporation Act (AktG) or other reserves covered 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 equity in the category “available for sale” 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 equity in the following amounts:

	in thousand EUR	
	6/30/2018	12/31/2017
Valuation and disposals of securities	-9,049	4,641
Deferred taxes	144	-74
	-8,905	4,567

## Provisions

Non-current provisions of EUR 32 thousand (12/31/2017: €32 thousand) for the archiving of files and of €30 thousand (12/31/2017: EUR 30 thousand) for decommissioning obligations and not discounted due to the minor effect.

Provisions for tax on income were made based on earnings for the financial year in the amount of EUR 166 thousand (12/31/2017: EUR 45 thousand).

Other current provisions are made up as follows:

in thousand EUR	12/31/2017	Use	Reversal	Allocation	6/30/2018	Likelihood of use
Personnel	253	-35	-160	160	218	High
Office expenses	123	-	-	-	123	Medium
Audit costs	104	-57		25	79	High
Supervisory Board	40	-25		25	40	High
Tax consultancy	40	-11		43	43	High
Outstanding invoices	14	-5		96	96	High
	575	-164	-160	349	600	



The personnel provisions relate to provisions for employee bonuses, holiday entitlement and contributions to the trade association.

#### Liabilities

Other liabilities relate to the following items:

	in thousand EUR	
	6/30/2018	12/31/2017
Wage and church tax	69	20
Sales tax	0	294
Other	169	175
	238	489

## OTHER DISCLOSURES

#### Notes to the Statement of Cash Flows

Cash flows are recognized in the statement of cash flows according 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 is used.

During the reporting period, there were cash inflows from interest income in the amount of EUR 15 thousand (previous year: EUR 6 thousand). As in the previous year, no cash outflows from interest expenses were paid by FinLab.

Dividends in the amount of EUR 892 thousand (previous year: EUR 669 thousand) were received.

Income taxes of EUR 0 thousand were paid (previous year: EUR 425 thousand).

Cash (cash and cash equivalents) consists of cash at bank.



#### Notes to segment reporting

As the “chief operating decisions maker” in the sense of IFRS 8.7, the Executive Board of FinLab AG regularly reviews information about the development of the company at overall portfolio level. It also makes decisions regarding the allocation of resources at this level.

Information relating 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), so that the financial and other effects of business activities can be identified on the basis of the elements in the financial statements. Reporting on operating segments is therefore unnecessary.

The company’s value is mainly determined on the basis of the market value of investments as reflected in equity according to IFRS. Equity according to IFRS is a key parameter for managing and monitoring the company. Attention is drawn to section 6.8. Capital management.

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

#### Contingent liabilities and other financial obligations

As at the balance sheet date, the company had no contingent liabilities resulting from the balance sheet or the income statement.

#### Leasing

FinLab has concluded operating lease agreements for vehicles and technical equipment (movable goods). There was also a rental agreement for office space (real estate).

The concluded rental and lease agreements are to be regarded as operating lease contracts and the leased object is therefore to be attributed to the lessor. Some industry-standard renewal options are available.

As at the reporting date, a total of EUR 1,527 thousand in rental commitments resulted from a rental agreement signed in April 2017 for a fixed term of five years and eight months. The rental agreement ends in December 2022. A bank guarantee of EUR 56 thousand was provided as a rent deposit. In the current financial year, payments amounting to EUR 104 thousand have been made.

Further financial obligations of EUR 50 thousand result from existing lease agreements.

#### Related Parties

As at June 30, 2018, LION CAPITAL AG, Kulmbach, held more than 25% of the company’s shares. As at June 30, 2018, LION CAPITAL AG, Kulmbach is classified as an affiliated company within the meaning of Section 15 of the German Stock Corporation Act (AktG) with regard to other companies. The indirect owner in the meaning of Section 17 Para. 1 of the German Stock Corporation Act (AktG) is Mr. Bernd Förtsch, Kulmbach.

As he had a voting majority at the Annual Shareholders’ Meeting on June 15, 2018, Mr. Bernd Förtsch was able



to exert what amounted to a controlling influence over the company. Furthermore, it is expected that such a voting majority will be held at future annual shareholders' meetings, making FinLab a business controlled by Mr. Bernd Förtsch in accordance with Section 17 Para. 1 and 2 of the German Stock Corporation Act (AktG) as at June 30, 2018.

In the financial year, there were no corresponding business transactions to report.

The members of the company's Executive Board only received short-term remuneration during this financial year. The total amount was EUR 357 thousand (previous year: EUR 377 thousand).

Supervisory Board remuneration amounting to EUR 25 thousand (previous year: EUR 25 thousand) was to paid members of the Supervisory Board during the reporting year. As in the previous year, costs were reimbursed in the amount of less than EUR 1 thousand.

All transactions with related companies and individuals were carried out on conditions applicable to transactions with third parties.

As at the reporting date, FinLab directly or indirectly held 20 percent or more of the voting rights in the following companies:

Investments	Headquarters	Percentage holding
Heliad Management GmbH	Frankfurt am Main	100%
Patriarch Multi-Manager GmbH	Frankfurt am Main	100%
VCH Investment Group AG	Frankfurt am Main	100%
FinLab Asset Management GmbH	Frankfurt am Main	100%
Heliad Equity Partners GmbH & Co. KGaA	Frankfurt am Main	45.2%
nextmarkets GmbH	Cologne	38.9%
Authada GmbH	Darmstadt	25.1%
Vaultoro Limited	London/UK	25.0%
Iconiq Lab Holding GmbH	Frankfurt am Main	20,0%



## Employees

Over the course of the year, FinLab employed 12 members of staff on average (previous year: 12).

## 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 of the Supervisory Board)
- Stefan Müller, fully authorized representative of Börsenmedien Aktiengesellschaft, Kulmbach
- Dr. Friedrich Schmitz, entrepreneur, Munich

## Post-Balance Sheet Events

In August 2018, FinLab AG sold a significant share in Deposit Solutions GmbH.

Otherwise, there have been no material events of special significance since the close of the fiscal year.

Frankfurt am Main, September 2018

The Executive Board



---

## CONTACT

FinLab AG

Grüneburgweg 18

60322 Frankfurt am Main

[investor-relations@finlab.de](mailto:investor-relations@finlab.de)

Telephone +49 (0) 69 . 719 1280-0