DF Deutsche Forfait AG

Interim Consolidated Financial Statements

for the period 1 January 2018 to 30 June 2018

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1. FUNDAMENTALS OF DF GROUP

a) Business model of the Group

DF Group is a specialist for foreign trade finance and related services for exporters, importers and other financial service providers. DF Group's geographic focus lies on the emerging markets and, within this market segment, on financing foreign trade with Near and Middle East countries and, in particular, with Iran.

Forfaiting is a classical export financing instrument. In the forfaiting business, foreign trade receivables (hereinafter briefly also referred to as „**receivables**") are acquired at a discount from the nominal value. This discount on the nominal value reflects the interest rate applicable to this particular combination of maturity and exchange rate and, most importantly, it takes the individual risk of each transaction into account, which mainly depends on country and counterparty risks of the primary debtor (importer) and the secondary debtor (e.g. guaranteeing bank, credit insurance). The margin is additionally influenced by the complexity of the transaction including the documentation.

DF Group purchases foreign trade receivables through its own sales organization or through brokers either directly from the exporter or importer (primary market) or from banks or other forfaiting companies (secondary market) which have previously acquired the receivables from an exporter or importer. The receivables are resold to investors.

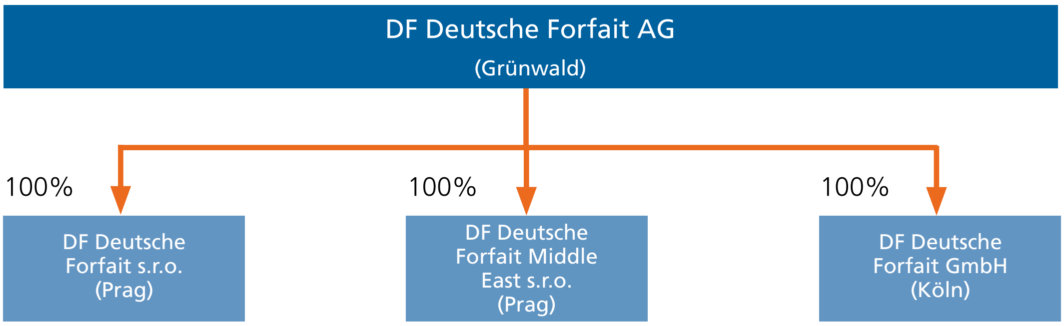
As a further component of its product and service portfolio, DF Group offers its customers services that build on its specific knowledge of developing and emerging countries. In contrast to the forfaiting business and the purchase commitments, DF Group assumes no credit risk whatsoever in this product segment. These services include, for instance, (i) the collection of foreign trade receivables and (ii) the brokerage business. In the latter case, DF Group arranges forfaiting transactions, purchase commitments or other financing solutions between buyers and sellers without making liquidity available and/or assuming any risks.

In addition, DF Group takes over risks from its customers under purchase commitments. Unlike forfaiting, purchase commitments only involve the assumption of country and counterparty risks without providing liquidity.

b) Structure of DF Group

DF Deutsche Forfait AG ("**DF AG**" or "**company**") headquartered in Gruenwald near Munich is the holding company and ultimate parent of DF Group. Three operating subsidiaries – DF Deutsche Forfait GmbH in Cologne ("**DF GmbH**"), DF Deutsche Forfait s.r.o. ("**DF s.r.o.**") and DF Deutsche Forfait Middle East s.r.o. ("**DF ME s.r.o.**") – sit below DF AG. Deutsche Kapital Limited in Dubai ("DKL") as well as the subsidiary in Brazil (Florianopolis) and the subsidiary in Pakistan (Lahore) are being liquidated.

Main operating companies



DF GmbH has taken over the operations from DF AG and focuses its products on the Near and Middle East. In addition, the company provides services to other DF Group entities. These include, among other things, accounting, contract management, compliance, sales and risk management.

The subsidiaries in Prague are involved in back office tasks for individual transactions, e.g. the granting of loans, the purchase and sale of receivables or debt collection activities, when required, and just like DF GmbH, manage their own trading book for this purpose. DF ME s.r.o. focuses on transactions in the Near and Middle East, especially Iran, while DF s.r.o. covers the remaining geographies with a focus on emerging markets.

2. ECONOMIC REPORT

a) Macroeconomic and industry-related environment

In its July update of the World Economic Outlook, the International Monetary Fund projects global economic growth of 3.9% for the year 2018. While expectations have been downgraded compared to the April forecast because of the unexpectedly weaker first quarter, especially in the eurozone, the 2.2% growth rate now projected by the IMF (-0.2 percentage points on the April forecast) is still a good value. At 2.2%, a good growth rate is again projected for the German economy in 2018 (-0.3 percentage points on April 2018). A 2.9% increase is projected for the USA. Between them, the industrialized economies are expected to grow by 2.4% in 2018 (-0.1 percentage point on April 2018). The forecast for the emerging and developing countries remains unchanged at 4.9%, as negative factors such as trade disputes or geopolitical conflicts will be offset by a rising oil price that will benefit exporters of oil. China (6.6%) and India (7.3%) remain among the main drivers of the strong economic growth in this group of countries. But the Middle East (including North Africa) is also growing strongly, as reflected in a growth rate of 3.5%. In its latest valid forecast of April 2018, the IMF projects economic growth of around 4% for Iran.

According to the IMF, the global trade volume will grow noticeably in 2018. In the current July update, the IMF projects a growth rate of 4.8%. This growth will be driven by both the industrialized countries (4.3%) and the emerging and developing countries (5.7%).

b) Business performance

i. Results of operation

DF Group posted a consolidated net loss of EUR -1.4 million for the first six months of 2018. This loss is slightly higher than the loss posted in the prior year period (EUR -1.2 million), which, however, included a commission of EUR 0.5 million paid under the trust agreement.

Gross profits amounted to EUR 0.5 million in the first half of 2018 and are mainly due to forfaiting income (EUR 0.3 million) and exchange gains (EUR 0.2 million). The exchange gains related to the creditor assets, which increased as a result. The gross profits of EUR 1.0 million generated in the first six months of 2017 were primarily influenced by the above-mentioned commission paid under the trust agreement.

At EUR 30.5 million, the business volume in the first half of 2018 was noticeably higher than the previous year's EUR 1.2 million. In spite of this increase, the business volume remained clearly below DF Group's original target. This is primarily due to the USA's withdrawal from the nuclear deal with Iran, which was announced in early May 2018, and the subsequent gradual introduction of sanctions by the USA. As a consequence, major business leads, e.g. in arranging financings for large-scale infrastructure projects, could not be realized. In spite of these more difficult conditions, DF Group was able, however, to double its business volume between Q1 and Q2 2018.

Other operating income amounted to EUR 0.5 million in the first half of 2018 (previous year: EUR 0.3 million) and included claims for the reimbursement of legal expenses not to be borne by DF Group related to the collection of the creditor assets (EUR 0.4 million), refunds of litigation costs (EUR 0.08 million) as well as the compensation under the trust agreement (EUR 0.05 million).

Administrative expenses, which are composed of personnel expenses, depreciation/amortization and other operating expenses, totaled EUR 2.7 million in the first half of 2018 (previous year: EUR 2.8 million). Personnel expenses were up by a moderate EUR 0.05 million to EUR 1.16 million. At EUR 0.05 million, deprecation/amortization stayed at the low level of the previous year. Other operating expenses declined from EUR 1.6 million in H1 2017 to EUR 1.5 million. Legal and consulting expenses of EUR 0.61 million were the main item included in other operating expenses in the first half of 2018. This amount comprises EUR 0.4 million relating to the collection of the creditor assets. Expenses from the fair value measurement of the creditor assets in the amount of EUR 0.21 million, the cost of premises (rents and ancillary expenses) in the amount of EUR 0.13 million as well as insurance premiums, fees and contributions in the amount of EUR 0.14 million also represented major components of other operating expenses.

The USA's withdrawal from the nuclear deal with Iran had a very negative impact on the result for the first half of 2018, which fell short of DF Group's expectations because of the low level of new business.

ii. Financial position

Operating cash flow amounted to EUR -1.6 million in the first half of 2018, compared to EUR 4.7 million in the same period of the previous year. The negative operating cash flow is primarily the result of the consolidated net loss.

DF Group's equity capital amounted to EUR 5.8 million as of 30 June 2018, compared to EUR 7.3 million on 31 December 2017. The reduction is attributable to the consolidated net loss posted for the first half of 2018. On 20 June 2018, DF Group's ultimate parent company, DF Deutsche Forfait AG, announced a loss in the amount of half the share capital. This loss is attributable to the waiver of the repayment of a shareholder loan of EUR 2.5 million granted by DF Deutsche Forfait AG in its capacity as holding company to its operating subsidiary, DF Deutsche Forfait GmbH. This waiver became necessary because the planning of the operating subsidiary, DF Deutsche Forfait GmbH, for the year 2018 and, consequently, the valuation of DF Deutsche Forfait GmbH are adversely affected by the USA's withdrawal from the nuclear deal, the extent of which had not been expected, as well as by the associated sanctions imposed by the USA. As a result of the waiver, there is a loss of more than half of the share capital of DF Deutsche Forfait AG.

DF Group had no credit lines as of 30 June 2018. In view of the expected new business, the financial resources will be sufficient to fulfil DF Group's financial obligations.

iii. Net assets position

As of 30 June 2018, DF Group's assets totaled EUR 16.2 million. As in the previous periods, most of the assets (EUR 9.0 million) were creditor assets, which were slightly lower than on 31 December 2017. This was due to the realisation of receivables and, inversely, to exchange gains and a write-up. Non-current assets amounted to EUR 1.9 million as of the balance sheet date and included deferred taxes of EUR 1.6 million as the main item. As of 30 June 2018, DF Group's cash and cash equivalents totaled EUR 4.4 million, compared to EUR 6.1 million on 31 December 2017.

c) DF share and bond

Performance of the DF share in the first half of 2018

The DF share opened the year at EUR 0.51 on 2 January 2018 and closed at EUR 0.24 on 29 June 2018, which represents a decline of 52.4%. Benchmark indices such as the SDAX or the DAXsector Financial Services, the sector index for financial shares, gained 0.2% and 10.3%, respectively, during the same period. The negative performance of the DF share is essentially attributable to the prevailing uncertainty about the company's future. The share reached a high of EUR 0.67 in January but declined continuously thereafter and hit a low on 28 June when it closed at EUR 0.21.

Performance of the DF bond in the first half of 2018

The price of the DF bond depends much on the fulfillment ratio for the bondholders that has been laid down in the insolvency plan and is actually achievable. On 2 May 2018, the trustee made the third payout to DF AG's insolvency creditors, who also include the bondholders. The payout corresponds to an insolvency ratio of 1.7928% of the nominal amount of the bond. At the same time, the pro-rated interest amount on the registered interest claims was paid out. The DF bond opened the year at 4.5% on 2 January 2018, the first day of trading, and reached a high of 6.6% on 2 March 2018. In the further course of the first six months, the bond showed a negative trend and closed at a low of 2.8% on 30 June 2018, which represents a negative performance of 33.5%.

3. OPPORTUNITY AND RISK REPORT

A detailed presentation of the risks and opportunities is provided in the Group management report as of 31 December 2017. The USA's withdrawal from the nuclear deal with Iran announced on 8 May 2018, whose extent had not been expected, means that a risk presented by the Group as of the last balance sheet date has become more likely to materialize. In view of the sanctions announced by the USA, DF Group had to revise its plans for 2018 significantly and shifted the focus of its Iran business to the food and pharmaceuticals sectors as well as certain medical products (hereinafter referred to as "food and pharmaceuticals"), which are largely excluded from the sanctions. Based on the current business inquiries received by the company and its revised plans and budgets for the financial years 2018 and 2019, DF Group currently assumes that the business volume generated will be sufficient to meet DF Group's financial obligations. The main reasons for this assumption are listed below:

- The fact that most European and international banks have given up business with Iran has resulted in a market shake-out, which opens up new business opportunities for niche players such as DF Group.

- DF Group focuses on the food and pharmaceuticals sector, which is largely excluded from the sanctions and from which the company has received a growing number of business inquiries.

The USA's withdrawal from the nuclear deal has resulted in new opportunities but also increased the risks for DF Group.

In particular, we highlight the following **going concern** risks:

- There is a risk that DF Group will no longer have sufficient settlement, refinancing and placement possibilities because of the US sanctions imposed on Iran with effect from November 2018, as business partners of DF Group may withdraw from business with Iran, no longer be able to make funds available or to technically support the settlement of the transactions. As a result, the company's plans, which have been revised in view of the reintroduction of sanctions by the USA, and the business volume required to cover the costs would no longer be achievable. In the extreme case, this may result in the insolvency of individual or all entities of DF Group.

- In addition, there is the risk – which the Management Board considers to be lower – that the remaining parties to the nuclear deal cancel the latter, which would make it impossible for DF Group to continue business with Iran under German and European sanctions law. This would severely jeopardize DF Group's ability to continue as a going concern.

- Finally, there is the risk – which the Board of Management considers to be low – that the USA makes its sanctions even stricter as of November 2018 so that transactions in the food and pharmaceuticals sector would no longer be possible for exporters and other parties involved and, consequently for DF Group. This would severely jeopardize DF Group's ability to continue as a going concern.

At the time of the preparation of the interim consolidated financial statements and the present interim report, the Management Board believes that, because of promising business possibilities, the opportunities outweigh the risks, so that it is safe to assume that the company will continue as a going concern.

4. FORECAST

According to the latest expectations of the IMF experts of July 2018, the positive global economic trend is likely to continue in the current financial year and next year although the risks have increased. The IMF projects a growth rate of 3.9% for both 2018 and 2019. The economic experts believe, however, that the pace of growth of recent years has reached its peak in some economies and that the differences between growth rates will increase. This is due to the combined influence of rising oil prices, interest rate increases in the USA and escalating trade disputes as well as growing political uncertainty.

For the industrialized countries, the IMF projects growth rates of 2.4% and 2.2%, respectively, for this year and next. The highest growth will be achieved by the US economy, which will grow by 2.9% in 2018 and by 2.7% in 2019. Growth in the eurozone will slow down from 2.2% this year to 1.9% in 2019. Growth rates of 4.9% and 5.1% are projected by the IMF for the emerging and developing countries for 2018 and 2019, respectively. The Middle Eastern economies are expected to expand by 3.5% and 3.9%, respectively.

World trade will continue to grow strongly this year and next. The IMF experts project an increase of 4.8% for 2018, which will slow down to 4.5% in 2019. This breaks down into growth of 4.3% in 2018 and 4.0% in 2019 for the industrialized countries and of 5.7% in 2018 and 5.4% in 2019 for the emerging and developing countries.

The IMF forecast for the world economy is generally subject to a large number of factors, some of which are difficult to predict. Growing trade barriers are one of the main risks to global trade. Increased protectionism may lead to a slowdown in world trade. Continued robust growth in the world economy, combined with increasing prosperity and a growing middle class, will increase worldwide demand, especially for consumer and capital goods, and will thus create new output markets for international exporters. In spite of regional tensions, this also applies to the Middle East and especially to Iran.

As a result of the USA's withdrawal from the international nuclear deal with Iran and the restrictions subsequently imposed on business with Iran, major business leads, e.g. in arranging financings for large-scale infrastructure projects, could not be realized. As a consequence, DF Group was forced to adjust its strategy. Based on the analyses of the consequences of the US sanctions, the Group's Iran business was reoriented towards the food and pharmaceuticals sector, which is largely excluded from the sanctions. However, the analysis and the subsequent reorientation towards the food and pharmaceuticals sector is a very time-consuming process, which has delayed the business development of DF Group by several months. DF Group therefore projects a consolidated net loss for the financial year 2018.

Apart from focusing on the food and pharmaceuticals sector, DF Group plans to expand the basis for funding the forfaiting transactions by establishing a certificates structure through a securitization platform in accordance with the Luxembourg Securitization in cooperation with a partner. This structure allows investors to make direct investments in foreign trade receivables through the acquisition of certificates. In this context, a pool of similar assets will be transferred to a special purpose vehicle which then issues securities that are exclusively secured by the assets transferred and the resulting cash flows.

In recent weeks, the reorientation has lead to initial successes in the form of increased business inquiries. The company is therefore optimistic that it has identified an attractive niche that constitutes a viable business model for the future on the basis of an expanded refinancing base with the geographic focus on the Near and Middle East and the simultaneous concentration on the food and pharmaceuticals sector.

Gruenwald, 30 August 2018

Board of Management

RESPONSIBILITY STATEMENT BY THE BOARD OF MANAGEMENT

To the best of our knowledge and in accordance with the applicable accounting principles, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and the profit or loss of the Group. The interim group management report includes a fair review of the business development and the position of the Group together with the principal opportunities and risks associated with the expected development of the Group.

Gruenwald, 30 August 2018

The Board of Management

FINANCIAL FIGURES FOR THE PERIOD FROM 1 JANUARY 2018 TO 30 JUNE 2018

Assets (in EUR)	Note	30-6-2018	31-12-17
Long-term assets			
Intangible assets		141,797.58	148,587.57
Tangible assets		85,393.77	95,625.65
Long-term financial assets		58,243.86	118,232.99
Deferred taxes	(11)	1,621,506.00	1,330,056.00
		1,906,941.21	1,692,502.21
Short-term assets			
Creditor assets	(15)	9,046,324.69	9,248,245.03
Other short-term assets		829,722.13	940,487.57
Cash and cash equivalents funds	(12)	4,442,442.98	6,079,060.14
		14,318,489.80	16,267,792.74
Total assets		**16,225,431.01**	**17,960,294.95**

Equity and Liabilities (in EUR)	Note	30-6-2018	31-12-2017
Equity	(13)		
Subscribed capital		11,887,483.00	11,887,483.00
Costs of the capital increase		-623,481.04	-623,481.04
Revenue reserves		-5,323,321.60	-3,851,351.41
Adjustment items from currency translation		-159,895.80	-162,614.32
		5,780,784.56	7,250,036.23
Short-term liabilities			
Liabilities to banks		104.62	0.00
Creditor liabilities	(15)	9,046,324.69	9,248,245.03
Income tax liabilities		350,000.00	350,000.00
Trade accounts and other payables	(14)	198,688.94	203,381.32
Other short-term liabilities		849,528.20	908,632.37
		10,444,646.45	10,710,258.72
Total equity and liabilities		**16,225,431.01**	**17,960,294.95**

Consolidated Income Statement (in EUR)	Note	1-1 – 30-6-2018	1-1 – 30-6-2017
Transaction related income	(5)		
a) Forfaiting income		289,782.87	2,501,931.93
b) Commission income		132,068.66	467,290.77
c) Exchange profits		244,402.94	1,242,343.67
		666,254.47	**4,211,566.37**
Transaction related expenditure	(6)		
a) Expenditure from forfaiting		82,434.98	784,604.19
b) Commissions paid		74,158.30	10,512.38
c) Exchange losses		32,607.31	2,419,610.17
		189,200.59	**3,214,726.74**
Gross result	(7)	**477,053.88**	**996,839.63**
Other operating income	(8)	531,205.71	274,284.82
Personnel expenses			
a) Wages and salaries		1,011,922.03	956,670.83
b) Social security contributions and expenditure for pensions and social welfare		148,706.88	150,320.86
		1,160,628.91	**1,106,991.69**
Depreciation on tangible and intangible assets		44,606.38	45,726.00
Other operating expenditure	(9)	1,516,328.49	1,641,756.21
Interest income	(10)	250.00	23,601.03
Interest paid	(10)	10,027.93	2,338.43
Profit before Income tax		**-1,723,082.12**	**-1,502,086.85**
Income tax	(11)		
a) Income and earnings tax		0.00	0.00
b) Deferred taxes		-291,450.00	-333,650.00
Consolidated income/loss		**-1,431,632.12**	**-1,168,436.85**
Average number of shares		11,887,483	11,887,483
Undiluted earnings per share		-0.12	-0.10
Diluted earnings per share		-0.12	-0.10

The consolidated income/loss is fully attributable to the shareholders of the parent company.

Consolidated income/loss (in EUR)	**1-1 – 30-6-2018**	**1-1 – 30-6-2017**
Consolidated income/loss	-1,431,632.12	-1,168,436.85
Other income		
Components, which will be reclassified to the income statement for the future		
Currency translation differences from the inclusion of foreign subsidiaries	2,718.52	47,197.57
	2,718.52	47,197.57
Comprehensive income	**-1,428,913.60**	**-1,121,239.28**

The comprehensive income/loss is fully attributable to the shareholders of the parent company.

	Consolidated Cash Flow Statement (in EUR)	1-1 – 30-6-2018	1-1 – 30-6-2017
	Consolidated loss/income	-1,431,632.12	-1,168,436.85
+	Depreciation on intangible assets	44,606.38	45,726.00
+	Income tax expense	-291,450.00	-333,650.00
+	Interest paid	10,027.93	2,338.43
-	Interest income	-250.00	-23,601.03
+/-	Other transactions not affecting payments	288,250.00	357,250.00
+/-	Changes in creditor assets	201,920.34	-1,260,892.66
+/-	Changes to trade accounts receivable	0.00	-1,032,288.11
+/-	Changes to other assets	-181,241.42	244,822.30
+/-	Changes in creditor liabilities	-201,920.34	1,260,892.66
+/-	Changes to trade accounts payable	-4,692.38	6,695,924.74
+/-	Changes to other liabilities	-59,104.17	-78,552.23
=	**Operative Cash flow**	**-1,625,485.78**	**4,709,533.25**
-	Paid interest	-6,577.93	-2,338.43
+	Retained interest	0.00	1.03
=	**Cash flow from current business**	**-1,632,063.71**	**4,707,195.85**
-	Payments for investments in long-term assets	-15,660.63	-71,225.00
=	**Cash flow from investment activity**	**-15,660.63**	**-71,225.00**
+/-	Changes to financial liabilities	104.62	4,366.74
=	**Cash flow from finance activity**	**104.62**	**4,366.74**
	Changes in financial resources affecting payments	-1,647,619.72	4,640,337.59
+	Liquid funds at the start of the period	6,079,060.14	10,157,768.87
+/-	Effects from the currency conversion	11,002.56	47,638.24
=	**Liquid funds at the end of the period**	**4,442,442.98**	**14,845,744.70**
-	Balances pledged	-35,000.00	0.00
=	**Free liquid funds at the end of the period**	**4,407,442.98**	**14,845,744.70**

Consolidated Statement of Equity Changes 1-1 – 30-6-2018 (in EUR)	**Subscribed capital**	**Deposits earmarked for the capital increase**	**Capital reserves**	**Costs of the capital increase**	**Revenue reserves**	**Difference from currency conversion[1]**	**Total**
Balance 01-01-2017	**11.887.483,00**			**(623,481.04)**	**(1,141,474.17)**	**(209,319.61)**	**9,913,208.18**
Consolidated profit					(1,168,436.85)		(1,168,436.85)
Other result						47,197.57	47,197.57
Consolidated total result					(1,168,436.85)	47,197.57	(1,121,239.28)
Balance 30-06-2017	**11,887,483.00**	**-**	**-**	**(623,481.04)**	**(2,309,911.02)**	**(162,122.04)**	**8,791,968.90**
Balance 01-01-2018	**11,887,483.00**	**-**	**-**	**(623,481.04)**	**(3,851,351.41)**	**(162,614.32)**	**7,250,036.23**
Consolidated profit					(1,431,632.12)		(1,431,632.12)
Other result						2,718.52	2,718.52
Consolidated total result					(1,431,632.12)	2,718.52	(1,428,913.60)
Changes to the consolidation group					(40,338.07)		(40,338.07)
Balance 30-06-2018	**11,887,483.00**	**-**	**-**	**(623,481.04)**	**(5,323,321.60)**	**(159,895.80)**	**5,780,784.56**

[1] Other Comprehensive Income (OCI)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2018

I. POLICIES

(1) General information

DF Deutsche Forfait AG (also referred to as "DF AG" or "the company") is the parent company of DF Group (also referred to as "Group") and has the legal status of a joint stock company. The company's address is Hirtenweg 14, 82031 Gruenwald. It is registered at Munich Local Court (Germany, "Amtsgericht") under HRB 228114.

DF AG is a forfaiting company and, as such, is a financial enterprise within the definition of Section 1 (3) No. 2 of the German Banking Act (KWG).

The present interim consolidated financial statements were prepared on the assumption that the company will continue as a going concern. Nevertheless, there is a significant uncertainty in connection with events or circumstances that could raise significant doubts about the Group's ability to continue as a going concern (going-concern risks). Further details can be found in the Opportunity and risk management report in section 3 of the Interim Management Report.

In an ad-hoc release dated 20 June 2018, DF Deutsche Forfait AG announced a loss in the amount of half the share capital. The loss is the result of DF AG's waiver of the repayment of a shareholder loan of EUR 2.5 million granted to operating subsidiary DF Deutsche Forfait GmbH.

In accordance with IAS 34, the interim financial statements are presented in an abridged form compared to the consolidated annual financial statements. The unaudited condensed interim consolidated financial statements of DF AG as of 30 June 2018 were prepared on the basis of the applicable International Financial Reporting Standards (IFRS) for interim reporting as endorsed by the EU. The interim financial statements were generally prepared on the basis of the same accounting and valuation policies on which the previous consolidated financial statements for the period ended 31 December 2017 were based. The term "IFRS" also includes the prevailing International Accounting Standards (IAS). All the binding interpretations of the International Financial Reporting Interpretations Committee (IFRIC) for the first half of 2018 have also been applied. The standards and interpretations that became effective as of 1 January 2018 had no material impact on the Group's net assets, financial position and results of operation.

The functional currency of the Group is the euro. All figures are presented in thousands of euros (kEUR) unless otherwise stated.

Starting with the consolidated financial statements for the period ended 1 July 2016, the assets and liabilities that have been recognized as recoverable mass and/or as filed for the insolvency table have been grouped into "creditor assets" and "creditor liabilities" to make the presentation clearer. These items are shown separately in the consolidated financial statements and described in the consolidated notes. The income statement is prepared according to the total expenditure method. In the consolidated income statement, income and expenses are grouped by category and income and expense totals are presented to reflect the particular characteristics of a forfaiting company.

(2) Amendments to the standards made by the IASB

Application of new standards and interpretations as at 30 June 2018

IFRS 9 "Financial Instruments"

The IASB issued the final version of the standard in the context of the completion of the different phases of its comprehensive project on financial instruments on 24 July 2014. Financial instruments are therefore no longer accounted for under IAS 39 but under IFRS 9. The version of IFRS 9 now issued supersedes all previous versions. The new standard includes requirements for the classification and measurement of financial assets, including impairment regulations, and complements the new hedge accounting regulations issued in 2013. Impairments of financial instruments are now based on expected credit defaults and hedge accounting more strongly reflects the risk management activities. The European Union endorsed IFRS 9 on 29 November 2016; first-time adoption is mandatory for financial years commencing on or after 1 January 2018. DF AG first applies IFRS 9 according to the modified retrospective method choosing to continue presenting the information for the previous periods in accordance with IAS 39.

Pursuant to IFRS 9, the classification and measurement of financial assets are determined by means of the cash flow characteristics and the business model.

If the objective of the business model is to hold financial assets to collect the contractual cash flows, financial assets must be recognized at amortized cost. If the objective of the business model is characterized by the collection of contractual cash flows as well as by the sale of financial assets, the assets must be measured at fair value through equity. If the business model has neither of these objectives, financial assets must be measured at fair value through profit or loss.

Pursuant to IFRS 9, investments in subsidiaries must be measured at fair value through profit or loss or through equity; this may be chosen separately for each investment. DF AG continues to measure investments in subsidiaries of minor importance at amortized cost as they do not fall within the scope of IFRS 9.

Other financial assets assigned to the "loans and receivables" category under IAS 39 continue to meet the requirements for accounting at amortized cost as they are held to collect contractual cash flows as part of the business model.

IFRS 15 "Revenues from Contracts with Customers"

The objective of IFRS 15 is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. These principles are implemented in five steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations; and (5) recognize revenue at a certain time or over a certain period when (or as) the entity satisfies a performance obligation. IFRS 15 applies to all contracts with customers except for: (1) leases within the scope of IAS 17; (2) financial instruments and other contractual rights or obligations within the scope of IFRS 9, IFRS 10, IFRS 11, IAS 27 and IAS 28 (2011); (3) insurance contracts within the scope of IFRS 4; and (4) non-monetary exchanges between entities in the same line of business to facilitate sales to customers or potential customers. If no other standard provides guidance on how to separate and/or initially measure one or more parts of the contract, then IFRS 15 shall be applied. For the transitional period, the modified retrospective method has been chosen and IFRS 15 has been applied only to contracts that had not been fulfilled as of 1 January 2018. The figures for the prior year period have not been adjusted.

Revenue is to be recognized at the amount of the consideration the entity expects to receive or realize when the customer obtains control over the agreed goods or services and can benefit from them. Control is passed either over time or at a point in time. All of DF Group's performance obligations resulting from contracts with customers have been fulfilled, which means that there were no performance surpluses or performance obligations as of the balance sheet date.

Annual Improvements to "IFRSs 2014–2016 Cycle"

The Annual Improvements essentially relate to clarifications of previously published standards which have no material impact on the Group's net assets, financial position and results of operation. These amendments are effective for reporting periods commencing on or after 1 January 2018 (IFRS 1 and IAS 28).

IFRS 2 "Share-based Payment"

The accounting for share-based payments according to IFRS 2 was amended by the IASB in the reporting period. New accounting rules were introduced for cash-settled share-based payments, which are generally accounted for in the same way as equity-settled payments. Under the new standard, a share-based payment where the entity settles the share-based payment arrangement net is classified as equity-settled if further conditions are met. The amendments are mandatory as of 1 January 2018. The application of these amendments has no impact on the Group.

Amendments to IFRS 4 "Insurance Contracts" in conjunction with IFRS 9

The IASB has decided to reconcile the different dates at which IFRS 4 and IFRS 9 become effective for entities holding insurance contracts. Other entities which fall under the scope of application of IFRS 4 may recognize value fluctuations of certain assets in other comprehensive income instead of the income statement. The amendments are mandatory for financial years commencing on or after 1 January 2018. No facts relating to the scope of application of both standards are relevant for DF Group.

Amendments to IAS 40 "Transfers of Investment Property"

The amendments essentially comprise clarifications regarding transfers to or from the portfolio of property held to earn rentals or for capital appreciation. The amendments are applicable for annual periods commencing on or after 1 January 2018. EU endorsement is still pending. As the standard is not relevant for DF Group, these amendments will have no effects on the presentation of the Group's net assets, financial position and results of operation.

IFRIC 22 "Foreign Currency Transactions and Advance Consideration"

IFRIC 22 clarifies what exchange rate is to be used for the first-time recognition of a foreign currency transaction in an entity's functional currency if the entity pays or receives advance consideration before the related asset, expense or income is recognized. The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. The interpretation is mandatory for financial years commencing on or after 1 January 2018. For the Group, it has no effect on the presentation of the net assets, financial position and results of operation.

Standards, interpretations and amendments that have been issued but not been applied yet

DF Group will apply the revised and new standards and interpretations as of the date at which they become effective, provided that they have been endorsed by the European Union.

IFRS 16 "Leases"

In February 2016, the IASB finalized IFRS 16, which essentially requires lessees to recognize all leases and the related contractual rights and duties in their balance sheet. Lessees no longer distinguish between finance leases and operating leases (IAS 17). The standard has not yet been endorsed by the EU and is effective for reporting periods commencing on or after 1 January 2019. Due to the minor importance of leases, only immaterial effects on the consolidated financial statements and on the presentation of the Group's net assets, financial position and results of operation are expected.

Amendments to IFRS 17 "Insurance Contracts"

IFRS 17 was published in May 2017 and will replace IFRS 4. The standard applies to insurance and reinsurance contracts as well as to investment contracts with discretionary participation features. IFRS 17 is mandatory for financial years commencing on or after 1 January 2021. EU endorsement is still pending. The potential effects on the presentation of the net assets, financial position and results of operation are still being reviewed.

Amendments to IFRIC 23 "Uncertainty over Income Tax Treatments"

In June 2017, the IASB published Interpretation 23 to clarify the regulations of IAS 12 regarding the recognition and measurement of actual income tax, deferred tax liabilities and deferred tax assets if there is uncertainty over income tax treatments. IFRIC 23 has not yet been transposed into European law and is to be adopted for reporting periods commencing on or after 1 January 2019. The potential effects on the presentation of the net assets, financial position and results of operation are still being reviewed.

Amendments to IFRS 9 "Financial Instruments"

The amendment "Prepayment Features with Negative Compensation" was published by the IASB in October 2017 to enable the measurement of financial assets at amortized cost or fair value if, in the event of premature termination, a compensation payment to the terminating party may become due ("symmetric termination rights"). The amendments are applicable for annual periods commencing on or after 1 January 2019. EU endorsement is still pending. Only minor effects on the presentation of the net assets, financial position and results of operation of the Group are expected.

Amendments to IAS 28 "Investments in Associates and Joint Ventures"

The amendment "Long-term Interests in Associates and Joint Ventures" was published by the IASB in October 2017 and obliges an entity to apply IFRS 9 and its impairment requirements to long-term interests in associates or joint ventures that essentially form part of the net investment in the associate or joint venture but to which the equity method is not applied. The amendment is mandatory for financial years commencing on or after 1 January 2019. EU endorsement is still pending. It is currently assumed that the amendment will have no effect on the presentation of the net assets, financial position and results of operation of the Group.

Annual Improvements to IFRSs 2015–2017 Cycle

The amendments were published in December 2017 as part of the Annual Improvement Project and essentially relate to clarifications of IFRS 3 "Business Combinations", IFRS 11 "Joint Arrangements", IAS 12 " Income Taxes" and IAS 23 "Borrowing Costs". The amendments are applicable for annual periods commencing on or after 1 January 2019. EU endorsement is still pending. Only minor effects on the presentation of the net assets, financial position and results of operation of the Group are expected.

Amendments to IAS 19 "Employee Benefits"

The amendments were published in February 2018 and relate to the accounting of defined benefit plans as of the time of a plan amendment, curtailment or settlement. In the future, current service cost and net interest expenses will have to be recalculated as of this time for the remaining financial year based on the actuarial assumptions used for the remeasurement. Clarifications regarding the effects on the determination of the asset ceiling have been included in the standard. The amendments are applicable for annual periods commencing on or after 1 January 2019. Early adoption is permissible. EU endorsement is still pending. The effects on the presentation of the net assets, financial position and results of operation are still being reviewed.

(3) Basis of consolidation

The shareholdings of DF AG are shown below. DF GmbH was initially consolidated in the financial statements for the period ended 1 July 2016. Deutsche Kapital Ltd., Dubai / UAE, is currently being liquidated. In addition, DF Deutsche Forfait Middle East s.r.o., Prague / Czech Republic, a wholly-owned subsidiary of DF AG, was first included in the interim consolidated financial statements for the period ended 30 June 2018. The Group's shareholdings have remained unchanged compared to the consolidated financial statements for the period ended 31 December 2017.

Shareholding	Share in equity	Consolidation
DF Deutsche Forfait GmbH, Cologne	100%	fully consolidated
DF Deutsche Forfait s.r.o., Prague / Czech Republic	100%	fully consolidated
Deutsche Kapital Ltd., Dubai / UAE	100%	fully consolidated
DF Deutsche Forfait Middle East s.r.o., Prague / Czech Republic	100%	fully consolidated

As in the previous period, the non-consolidated subsidiaries are of secondary importance for the interim consolidated financial statements as of 30 June 2018, both individually and collectively, and do not influence the true and fair view of the net assets, financial position and results of operation presented in the interim consolidated financial statements.

(4) Currency translation

The interim consolidated financial statements are prepared in euros, the functional currency of the company, pursuant to IAS 21 "The Effects of Changes in Foreign Exchange Rates".

Since the subsidiaries carry out their business autonomously in financial, economic and organizational terms, the functional currency is essentially identical to the company's local currency. Therefore, in the interim consolidated financial statements, the income and expenses from the financial statements of subsidiaries – which are prepared in a foreign currency – are translated into euros at the average rate; assets and liabilities are translated at the closing rate.

Exchange differences resulting from the translation of equity are recognized in equity in the form of an adjustment item from currency translation. The translation differences resulting from differing translation rates between the balance sheet and the statement of comprehensive income are recognized in other comprehensive income.

In the separate financial statements of DF Deutsche Forfait AG and its subsidiaries, foreign currency receivables and liabilities are valued at the cost of acquisition on accrual. Exchange gains and losses on the balance sheet date are shown in the income statement.

The exchange rates on which translation into euros is based correspond to the euro reference rates published by the European Central Bank and are as follows:

	Closing rate		Average rate	
	30-6-2018	31-12-2017	1-1 – 30-6-2018	1-1 – 30-6-2017
USD	1.1658	1.1993	1.2108	1.0825
Czech Koruna	26.0200	25.5350	25.4973	26.7870

II. Notes to the income statement

In the first half of 2018, the company's operations were again primarily characterized by income and expenses from the fair value measurement and other operating income and expenses relating to the sale of the creditor assets. Within the operating activities, the weighting of the income types assigned to the product segments changed in the first half of 2018, as the collection activities and the services in connection with the processing of payment transactions provided by the Czech subsidiary have become relatively more important. As DF Group expects this situation to persist, the terms "transaction-related income" and "transaction-related expenses" are used for the first time in the present consolidated financial statements instead of the previously used "typical forfaiting income" and "typical forfaiting expenses". This change has not material impacts.

(5) Transaction-related income

Portfolio income earned in the period, trading income (the difference between amortized cost / fair value and the sales price of a receivable) and the positive effects from the fair value measurement of receivables of the trading and restructuring portfolios are recorded as forfaiting income. Commission income primarily results from the consideration paid for the sale of the creditor assets, from purchase commitments and counter-guarantees as well as from debt collection activities and payment services.
Transaction-related income breaks down as follows:

Transaction-related income in kEUR	**1-1 – 30-6-2018**	**1-1 – 30-6-2017**
Forfaiting income	290	2,502
Commission income	132	467
Exchange gains	244	1,242
Total	**666**	**4,212**

Forfaiting income comprises income from the fair value measurement in the amount of kEUR 157 (prior period: EUR 2.5 million).

(6) Transaction-related expenses

Forfaiting expenses are incurred where the sales price realized is lower than the carrying amount and negative effects result from the fair value measurement. Commission expenses are directly related to the income listed under point (5).

Transaction-related expenses break down as follows:

Transaction-related expenses in kEUR	**1-1 – 30-6-2018**	**1-1 – 30-6-2017**
Forfaiting expenses	83	785
Commission expenses	74	10
Exchange losses	32	2,420
Total	**189**	**3,215**

The forfaiting expenses resulted exclusively from the negative effect of the fair value measurement of the trading and restructuring portfolios.

(7) Balance of transaction-related income and expenses (gross result)

Gross result is the difference between transaction-related income and expenses.

Gross result in kEUR	**1-1 – 30-6-2018**	**1-1 – 30-6-2017**
Net forfaiting	207	1,717
Net commission	58	457
Result from exchange gains and (losses)	212	(1,177)
Total	**477**	**997**

(8) Other operating income

Other operating income breaks down as follows:

Other operating income in kEUR	**1-1 – 30-6-2018**	**1-1 – 30-6-2017**
Income from the allocation of charges	388	163
Income from settlement agreements	77	-
Income from fees for the sale of the creditor assets	50	38
Income from group allocation	-	31
Income from written-off receivables / compensation / refunds	-	29
Miscellaneous other operating income	16	13
Total	**531**	**274**

Income from the allocation of charges almost entirely relates to legal expenses incurred in conjunction with the sale of the creditor assets.

(9) Other operating expenses

Other operating expenses break down as follows:

Other operating expenses in kEUR	1-1 – 30-6-2018	1-1 – 30-6-2017
Legal and consultation fees, accounting expenses	614	768
Expenses for the fair value measurement of the creditor assets	207	138
Insurance, fees, contributions	139	106
Cost of premises	129	135
Administrative expenses / cooperation partners	61	59
IT equipment and rights of use	59	66
Investor relations, AGM	58	117
Travel expenses	40	61
Compensation of the members of the Supervisory Board	37	38
Other taxes	6	75
Telephone, postage and web connection charges	22	22
Payment transaction fees	23	23
Vehicle costs	7	7
Miscellaneous other expenses	114	27
Total	**1,516**	**1,642**

Legal and consultation fees as well as accounting expenses mainly relate to consulting costs incurred in conjunction with the sale of the creditor assets, expenses for annual and quarterly audits as well as for tax advice.

(10) Financial result

The financial results break down as follows:

Financial result in kEUR	1-1 – 30-6-2018	1-1 – 30-6-2017
Interest income from banks	-	-
Interest income from loans and receivables	-	-
Interest income from the discounting of liabilities	-	23
Total interest income	**-**	**23**
Interest expense payable to banks	7	2
- thereof from refinancing the forfaiting business	*-*	*-*
- thereof from interest on overdraft	*-*	*2*
- thereof negative interest	*7*	*-*
Miscellaneous interest expenses	3	-
- thereof compounding of liabilities	*3*	*-*
- thereof other interest	*-*	*-*
Total interest expense	**10**	**2**
Net interest = financial results	**(10)**	**21**

(11) Income tax

Income tax receivables comprise deferred taxes of kEUR 1,622 (prior year: kEUR 1,330). Deferred tax income of kEUR 291 (prior period: kEUR 334) was posted for the reporting period.

Deferred tax assets from temporary differences may not be recognized if it is not sufficiently probable that taxable results will be available against which the deductible temporary differences can be utilized (IAS 12.27). Deferred tax assets resulting from losses carried forward are recognized in the income statement (IAS 12.56) to the extent that temporary differences in the same amount are available against which the unused tax losses can be utilized. The loss posted by the Group for the period from 1 January to 30 June 2018 essentially results from start-up losses of DF Deutsche Forfait GmbH, an operating entity to which the operating activities of DF AG were transferred with retroactive effect from 31 December 2015. Deferred tax assets have been recognized in the income statement for the loss-carryforwards of DF GmbH that existed in the reporting period (IAS 12.56). Based on the revised plans and budgets as well as the new business transactions and business inquiries, management assumes that, because of the business opportunities that arise, taxable income in the same amount will be available in the future against which the unused tax losses can be utilized.

DF AG recognized a tax liability (kEUR 350) on the restructuring profit generated in the 2016 assessment period, as the City of Cologne has denied the tax advantage.

III. Notes to the balance sheet

(12) Cash and cash equivalents

Cash and cash equivalents amounted to kEUR 4,442 (prior period: kEUR 6,079) and related to bank deposits with a maturity of up to three months. The decline by kEUR 1,637 is primarily attributable to net cash used for operating activities.

(13) Equity

Changes in the equity of DF Group are reported in the statement of changes in equity.

The share capital of the Group is fully paid in and amounted to EUR 11,887,483 as of the balance sheet date (prior year: kEUR 11,887). It continues to be divided into 11,887,483 no-par registered shares.

(14) Trade accounts payable

Trade accounts payable in the amount of kEUR 199 (prior year: kEUR 203) essentially relate to services sourced in connection with the sale of the creditor assets.

(15) Creditor assets and creditor liabilities

The **creditor assets** comprise the full estate of the company. The distributable estate essentially consists of receivables from forfaiting business prior to the insolvency, comprising the trading and restructuring portfolios, and is composed as follows:

Creditor assets in kEUR	**30-6-2018**	**31-12-2017**
Restructuring portfolio	9,026	8,655
Trading portfolio	78	239
Bank balances	221	355
Prepaid legal expenses	(279)	-
	9,046	**9,248**

The trading portfolio relates to receivables from current forfaiting transactions up to the opening of the insolvency proceedings. The increase in the restructuring portfolio in the reporting period is due to effects of the fair value measurement. The restructuring portfolio is composed of overdue and pending claims against various debtors dating from the time before the company's listing on the SDN list (List of Specially Designated Nationals and Blocked Persons) of the US Office of Foreign Assets Control. The decline in the trading portfolio is attributable to the realisation in the amount of kEUR 81 and to fair value adjustments in the amount of kEUR 82 as well as to currency effects. The creditor assets include repayable unused advance payments of the trustee for legal expenses in the amount of kEUR 279.

The **creditor liabilities** are liabilities filed with the insolvency table. The liabilities are composed as follows:

Creditor liabilities in kEUR	**30-6-2018**	**31-12-2017**
Liabilities to banks	13,508	13,508
Bonds	11,412	11,412
Current provisions	1,699	1,622
Trade accounts payable	7,266	7,260
Other current debt	180	189
	34,064	33,991
Payout/offsetting trustee	(13,580)	(13,099)
Carryforward of the fair value measurement of the creditor liabilities from the prior year	(11,645)	(9,303)
Expenses/income from the fair value measurement of the creditor liabilities	207	(2,342)
	9,046	**9,248**

The value of the liabilities to banks results from the partial waiver declared in the context of the insolvency plan, taking into account the banks` senior position laid down in the collateral realization agreement ("Sicherheitenverwertungsabrede") in the short financial year 2016 II.

The bonds reflect the bondholders' partial waiver under the insolvency plan.

Current provisions include expected legal expenses in the amount of kEUR 832 (prior year: kEUR 832).

Other current debt essentially comprises legal counsel costs.

The trustee received payouts in the amount of kEUR 669 in the first half of 2018. Including expenses of kEUR 466 that essentially resulted from legal proceeding, the creditor liabilities declined by kEUR 202.

The valuation of the creditor liabilities at amortized cost results in a total value of kEUR 20,323 (prior year: kEUR 20,892), which exceeds the fair value of the creditor assets. According to the insolvency plan, the liabilities that remain after the creditors' partial waiver will be settled exclusively to the extent that, and at such times when, DF Group's assets existing at the time of the official adoption of the insolvency plan are liquidated. Under the regulations of the insolvency plan, all opportunities and risks resulting from the liquidation of the creditor assets thus pass to the creditors. This means that the creditor liabilities may at no time exceed the creditor assets. To avoid an accounting mismatch, the creditor liabilities are recognized at the fair value resulting from the change in the value of the assets (IAS 39.9b). In the reporting period, this resulted in a change in value through profit/loss in the amount of kEUR 207 (prior year period: kEUR 137).

IV. Other information

(16) Relationships with related parties

As in the prior period, DF Group is affected by the disclosure requirements of IAS 24 solely in terms of business with entities with a significant influence as well as with members of managers in key positions (Board of Management and Supervisory Board) of DF Deutsche Forfait AG. The Board of Management, the Supervisory Board and non-consolidated subsidiaries are considered to be related parties as at the balance sheet date. Due to his share ownership, Dr. Shahab Manzouri is a person with substantial influence. No business relationships were maintained with Dr. Manzouri in the first half of 2018.

Business relationships with the non-consolidated subsidiaries were negligible in the reporting period.

(17) Adjusting events after the end of the reporting period

The ordinary Annual General Meeting for the financial year 2017 was held on 24 August 2018. All items on the agenda were resolved as proposed.

No other extraordinary events occurred after the reporting date on 30 June 2018.

Gruenwald, 30 August 2018

The Board of Management

REVIEW REPORT

To DF Deutsche Forfait AG

We have reviewed the condensed interim consolidated financial statements – comprising the condensed statement of financial position, the condensed statement of profit or loss and other comprehensive income for the period, the condensed statement of changes in equity, the condensed statement of cash flows and selected explanatory notes – and the interim group management report of DF Deutsche Forfait AG, Grünwald, for the period from 1 January 2018 to 30 June 2018 which form part of the half-year financial reporting in accordance with section 115 German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material aspects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of Company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statements audit, we cannot issue an auditor's report.

Based on our review no matters have come to our attention that cause us to believe that the condensed interim consolidated financial statements of DF Deutsche Forfait AG, Grünwald, have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports.

Without modifying our conclusion, we refer to section I of the notes to the Interim Consolidated Financial Statements and the interim Group management report. In section 3, "Opportunity and risk report", the Group management report states that there is a risk that DF Group will no longer have sufficient settlement, refinancing and placement possibilities because of the US sanctions imposed on Iran with effect from November 2018, as business partners of DF Group may withdraw from business with Iran, no longer be able to make funds available or to technically support the settlement of the transactions. As a result, the company's plans, which have been revised in view of the reintroduction of sanctions by the USA, and the business volume required to cover the costs would no longer be achievable. In the extreme case, this may result in the insolvency of individual or all entities of DF Group. Finally, there is the risk – which the Management Board considers to be lower – that the remaining parties to the nuclear deal cancel the latter, which would make it impossible for DF Group to continue business with Iran under German and European sanctions law. This would severely jeopardize DF Group's ability to continue as a going concern. In addition, there is the risk – which the Board of Management considers to be low – that the USA makes its sanctions even stricter as of November 2018 so that transactions in the food and pharmaceuticals sector would no longer be possible for exporters and other parties involved and, consequently for DF Group. This would severely jeopardize DF Group's ability to continue as a going concern.

Munich, 31 August 2018

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