Brockhaus Capital Management AG

(previously: Eagle Fonds Verwaltungs- und Treuhand-GmbH)

Financial statements short fiscal year 2017

For the period from 1 January 2017 to 31 July 2017

Contents

Statement of comprehensive income

In €	Notes	01.01.2017 - 31.07.2017	01.01.2016 - 31.12.2016
Other operating expenses	6	(19,302)	(3,253)
Profit or loss		**(19,302)**	**(3,253)**
Total comprehensive income		(19,302)	(3,253)

Statement of financial position

In €	Notes	31.07.2017	31.12.2016
Assets			
Cash and cash equivalents		2,520,023	7,195
Current assets	7	**2,520,023**	**7,195**
Total assets		**2,520,023**	**7,195**
Equity and liabilities			
Subscribed capital	8	25,000	25,000
Still unregistered capital increase	9	2,475,000	-
Capital reserves	10	58,000	18,000
Accumulated losses		(57,607)	(38,305)
Equity		**2,500,393**	**4,695**
Other current liabilities	11	19,630	2,500
Current liabilities		**19,630**	**2,500**
Liabilities		**19,630**	**2,500**
Total assets		**2,520,023**	**7,195**

Statement of changes in equity

In €	Notes	01.01.2017 - 31.07.2017	01.01.2016 - 31.12.2016
Subscribed capital			
As at the start of the reporting period		25,000	25,000
As at the end of the reporting period		**25,000**	**25,000**
Still unregistered capital increase			
As at the start of the reporting period		-	-
Capital increase before registration	9	2,475,000	-
As at the end of the reporting period		**2,475,000**	**-**
Capital reserves			
As at the start of the reporting period		18,000	18,000
Transfer to free capital reserves	10	40,000	-
As at the end of the reporting period		**58,000**	**18,000**
Accumulated losses			
As at the start of the reporting period		(38,305)	(35,051)
Profit or loss / total comprehensive income		(19,302)	(3,253)
As at the end of the reporting period		**(57,607)**	**(38,305)**
Equity		**2,500,393**	**4,695**

Statement of cash flows

In €	Notes	01.01.2017 - 31.07.2017	01.01.2016 - 31.12.2016
Profit or loss		(19,302)	(3,253)
Change in:			
Other current liabilities	11	17,130	2,500
Cash flow from operating activities		**(2,172)**	**(753)**
Cash flow from investing activities		**-**	**-**
Transfer to free capital reserves	10	40,000	-
Payments received from issuing shares	8	2,475,000	-
Cash flow from financing activities		**2,515,000**	**-**
Change of cash and cash equivalents		2,512,828	(753)
Cash and cash equivalents* at the beginning of the period		7,195	7,949
Cash and cash equivalents* at the end of the period		2,520,023	7,195

* (Note 7).

Notes

I General information, methods and principles

1. Information on the company

These financial statements were prepared by Brockhaus Capital Management AG (**BCM** or the **company**), with its registered office in Nextower, Thurn-und-Taxis-Platz 6, 60313 Frankfurt am Main, Germany and which is entered in the Commercial Register of the Frankfurt am Main District Court under HRB 109637. In the reporting period, the company still operated as its legal predecessor Eagle Fonds Verwaltungs- und Treuhand-GmbH, from which it originated on the basis of a resolution of the shareholder meeting on 1 August 2017 on the basis of a change in legal form.

Eagle Fonds Verwaltungs- und Treuhand-GmbH (**Eagle**) had its registered office in Nextower, Thurn-und-Taxis-Platz 6, 60313 Frankfurt am Main, Germany, and was entered in the Commercial Register of the Frankfurt am Main District Court under HRB 78705. Eagle was founded on 7 March 2000.

The object of Eagle was the fiduciary management of limited partner shares and the management of its own assets as well as all related activities. Eagle was authorised to establish branches and subsidiaries in Germany and abroad, to acquire or lease similar or related companies or to participate in other companies in the same or similar industry or with the same object of business.

Since its conversion, the object of the company is the establishment of companies and the acquisition, the long-term holding, managing and supporting of investments in companies, when appropriate, the sale of such investments and providing services in connection with the above, such as support in sales, marketing, finance and general organisational and management activities and in acquiring financing. Furthermore, the object is exercising the business activity of a management holding of portfolio companies and providing services for the same (group services), granting loans to portfolio companies to the extent this does not require regulatory approval, and the development and implementation of new business concepts for portfolio companies and providing services and consulting for portfolio companies and third parties as well as providing services and consultancy services to companies, in particular the business alignment, business concept, capital resources, financing options and investments (management consultancy), to the extent this does not require regulatory approval. In the context of the business strategy, the object of the company is also to invest all liquid assets available to the company which are not tied in portfolio companies, including in listed securities such as shares, profit participation certificates, other mezzanine instruments, debentures, funds, certificates or derivatives. In relation to its portfolio companies, the objective of the company is long-term support and value increase.

2. Accounting policies

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. IFRS includes the International Accounting Standards (IAS) the applicable International Financial Reporting Standards (IFRS) and the interpretations of the Standing Interpretations Committee (SIC) and of the International Financial Reporting Interpretations Committee (IFRIC).

3. Basis of preparation

The financial statements are prepared on the basis of amortised cost. This excludes specific circumstances which are carried at revalued amount or fair value on the reporting date. A note to this effect can be found in the respective accounting policies.

Historical cost is generally based on the fair value of the consideration paid in exchange for the asset. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This applies irrespective of whether the price is directly observable or is estimated using a measurement method.

The financial statements comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes. The financial statements correspond to the classification requirements of IAS 1. In the interests of clarity, the items in the statement of comprehensive income and the statement of financial position are combined and further broken down and explained in the notes.

The accounting policies, as well as the explanations and further disclosures are applied consistently, unless the IFRS require changes.

The presentation in the statement of financial position distinguishes between current and non-current assets and liabilities. Assets and liabilities are classified as current when they are due or are settled within twelve months after the reporting period. To calculate the profit or loss and total comprehensive income the statement of comprehensive income is prepared in line with the nature of expense method.

The fiscal year of the company does not correspond to the calendar year. As a result of the short fiscal year from 1 January 2017 to 31 July 2017 (reporting period), there is a fiscal year which differs from the calendar year. In the future the fiscal year is from 1 August to 31 July.

The financial statements are in euro (€), the functional currency of the company. Unless stated otherwise, all figures are rounded up or down to a full euro in line with standard commercial practice. Negative figures are shown in parentheses.

Receivables and liabilities in foreign currency are measured in profit or loss at the exchange rate as at the end of the reporting period. In the reporting period, there was no material impact from currency translation.

The financial statements were prepared by the legal successor of the company, Brockhaus Capital Management AG (BCM), with its registered office in Frankfurt am Main.

4. Accounting policies

Accounting was prepared under the going concern assumption. In preparing the financial statements of the company, assets and liabilities as well as income and expenses are not offset unless a regulation requires this or expressly allows it.

All statement of financial position items containing financial instruments according to IFRS 7 are carried at amortised cost. Their duration is less than one year.

As the company was not entitled to input sales tax in the reporting period, expenses are recognised on a gross basis.

a) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the company and the amount of the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable.

b) Other comprehensive income

Transactions not impacting the profit or loss are recognised in other comprehensive income. Other comprehensive income is recognised before taxes. In the fiscal year, the company did not record any transaction to be recognised in other comprehensive income.

c) Impairment of non-financial assets

Non-financial assets of the company are tested for impairment when facts or changes in circumstances indicate that the carrying amount may not be recoverable. If this is the case, the asset's recoverable amount is estimated. Intangible assets with an indefinite useful life are tested for impairment annually.

To test if there is impairment, assets are combined in the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or cash-generating units (CGU).

The recoverable amount of an asset or a cash-generating unit is the higher of its value in use and fair value less costs to sell. In the assessment of the value in use, the estimated future cash flows are discounted to present value. A discount rate before tax is used which reflects current market assessments of the interest effect and the special risks of an asset or cash-generating unit.

An impairment loss is recognised when the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment is recognised in profit or loss.

An impairment loss is reversed only to the extent that the carrying value of the asset does not exceed the carrying value that would have been determined net of depreciation had no impairment loss been recognised.

d) Financial instruments

The company classifies non-derivative financial assets to the following categories:

- Financial assets measured at fair value through profit or loss (none at the reporting date)
- Held-to-maturity equity instruments (none at the reporting date)
- Loans and receivables
- Available-for-sale financial assets (none at the reporting date)

All financial instruments in the company are cash and cash equivalents and non-current liabilities.

The company classifies non-derivative financial liabilities as financial liabilities recognised at fair value through profit or loss, or as other financial liabilities.

The company recognises loans and receivables from the point in time they were incurred. All other financial assets and liabilities are initially recognised on the trading day when the company becomes contractual partner in accordance with the contractual regulations of the instrument.

The company derecognises a financial asset when the contractual rights relating to the cash flow from an asset expire or it transfers the rights to receive the cash flows in a transaction in which all material risks and rewards connected with the ownership of the financial assets are transferred. Derecognition also takes place if the company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset. Each share in such transferred financial assets, which arise or remain in the company, is recognised as a separate asset or liability.

Financial liabilities are derecognised when the contractual obligations are met or cancelled, or when they expire.

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the company has a currently enforceable legal right to offset the recognised amounts and there is an intention either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Loans and receivables are measured at fair value on initial recognition, plus directly attributable transaction costs. In subsequent periods they are measured at amortised cost using the effective interest method.

A financial asset not classified at fair value though profit and loss is assessed at each reporting date to determine if there is any objective evidence that impairment has occurred.

The company takes account of evidence of impairment for financial assets measured at amortised cost at the level of both the individual asset and at collective level. All assets which are individually significant are assessed for specific impairment. Those which specifically prove not to be impaired are subsequently assessed collectively for any impairment which has occurred but has not yet been identified. Assets which are not individually significant are assessed for impairment on a collective basis by combining assets with similar risk characteristics in a group.

In the assessment of collective impairment the company uses historical information on the timing of payments and the level of the losses incurred, adjusted by Executive Board judgements whether the current economic and credit conditions are such that the actual losses are likely to be larger or less than the losses to be anticipated on the basis of historical trends.

Impairment is calculated as the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate of the asset. Losses are recognised in profit or loss. If the company has no realistic prospect of the collectibility of the asset, the amounts are written off. If an event occurs after the recognition of the impairment which results in lowering the amount of the impairment, the lowered impairment is recognised in profit and loss.

A financial liability is recognised at fair value through profit or loss if it is held for trading purposes or is classified accordingly at initial recognition. Directly attributable transaction costs are recognised in profit or loss as they occur. Financial liabilities recognised at fair value through profit or loss are recognised at fair value. Appropriate changes which cover all interest expenses are also recognised in profit or loss.

Other non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. In subsequent periods these liabilities are measured at amortised cost using the effective interest method.

e) Equity

Subscribed capital and capital reserves are carried at nominal amount. Costs directly attributable to the issue of shares are deducted from capital reserves. Income taxes in respect to transaction costs in an equity transaction are recognised in accordance with IAS 12.

f) Other current liabilities

Other current liabilities are recognised in accordance with IAS 39. At initial recognition they are recognised at fair value.

g) New and amended standards

In the current short fiscal year, the company applied the following reporting standards for the first time. However, they had no material impact on the earnings, asset and financial position. The overviews below show the all the standards relevant for the company.

New and amended standards - effective in the EU

Standard	Name	Mandatory application
IFRS 9	Financial instruments	01.01.2018
	Annual Improvement to IFRS Standards 2014-2016 Cycle	01.01.2017/01.01.2018

The IASB and IFRS Interpretations Committee have issued the following standards, amendments to existing standards and interpretations that are not yet effective or whose IRFS adoption have not yet been endorsed by the European Union. The following IFRS and interpretations relevant for the company have not been applied.

Standards and interpretations adopted from the EU that are not yet mandatory

Standard	Name	Mandatory application	Impact on BCM
IFRIC 23	Uncertainty over Income Tax Treatments	01.01.2019	No material impact expected
	Annual Improvements to IFRS Standards 2015-2017 Cycle	01.01.2019	No material impact expected

5. Significant judgements, estimates and assumptions

In applying the accounting methods, some judgements are made that significantly influence the amounts in the financial statements. In addition, when preparing the financial statements assumptions and estimates about the future are to be made which can impact the carrying amounts of statement of financial position items and the level of income and expenses. The actual amounts may differ from these estimates. The most important assumptions about the future and other sources of estimate uncertainty, as a result of which material adjustments may become necessary, are elucidated below.

a) Provisions

The recognition and measurement of provisions takes place on the basis of an assessment of the probability of a future outflow of benefits and using values based on experience and circumstances known at the end of the reporting period. The actual future obligation can differ from the amounts recognised as provisions.

b) Deferred taxes

Deferred taxes are recognised for the differences between the carrying amounts of the assets and liabilities in the financial statements and the corresponding tax reporting in the context of calculating taxable income. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. Such deferred tax assets and deferred tax liabilities are not recognised if they arise from temporary differences from goodwill or from initial recognition (except in the case of business combinations) from other assets and liabilities which result from events which do not affect either the taxable income or the result for the period.

The carrying amount of deferred tax assets is assessed each year on the reporting date and reduced if it is no longer probable that sufficient taxable income will be available against which the deferred tax asset can be fully or partially utilised.

Tax liabilities and tax assets are determined on the basis of tax rates and tax legislation expected to apply when the liability is settled or the asset is realised. The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The tax loss carry forwards from 2016 of € 38,312 can be used to reduce future income taxes at an amount of € 12,260. No deferred tax is recognised for these circumstances as future positive taxable income was not sufficiently concrete at the time the financial statements were prepared.

II Notes on the statement of comprehensive income

The statement of comprehensive income was prepared in accordance with the nature of expense method.

6. Other operating expenses

Other operating expenses break down as follows:

In €	01.01.2017 - 31.07.2017	01.01.2016 - 31.12.2016
Preparation and audit of financial statements	17,000	2,500
Legal and consulting expenses	742	-
Other costs	1,560	753
Other operating expenses	**19,302**	**3,253**

III Notes on the statement of financial position

7. Current assets

Current assets break down as follows:

In €	31.07.2017	31.12.2016
Bank balances	2,502,023	7,195
Current assets	**2,502,023**	**7,195**

8. Subscribed capital

On 19 July 2017, what previously had been the sole shareholder of the company resolved a capital increase from € 25,000 by € 2,475,000 to € 2,500,000. As at the reporting date, the payment had been fully made in cash. As at the reporting date, the capital increase had not yet been entered in the Commercial Register. The entry in the Commercial Register was made on 2 August 2017. As at the closing date, subscribed capital was divided into 25,000 no-par bearer shares each of €1. All shares were held by Falkenstein Heritage GmbH. The capital increase was subscribed to by both the existing shareholder and by new shareholders. Please refer to Note 9.

After the capital increase, subscribed capital totalled € 2,500,000.

9. Capital increase not yet registered

The contributions made from the capital increase in July 2017 are not part of the subscribed capital of the company as at the reporting date until registration in the Commercial Register. As a result, a separate item was included in the statement of financial position. The entry in the Commercial Register was made on 2 August 2017.

The amount of € 2,475,000 increases the company's share capital to € 2,500,000.

10. Capital reserves

On 19 July 2017, € 40,000 was paid into the free capital reserves.

11. Other current liabilities

Other non-current liabilities amounted to € 19,630 as at the end of the reporting period (previous year: € 2,500).

12. Other financial obligations

As at the reporting date, the company had no other financial obligations.

IV Notes on the statement of changes in equity

In the statement of changes in equity in accordance with IAS 1.106 ff. the development of each component in equity is shown within the reporting period and in the previous reporting period.

V Notes on the statement of cash flows

In the statement of cash flows in accordance with IAS 7 cash flows are recognised to show information on the movement of cash of the company. Cash flows are broken down into those from operating activities, investing activities and financing activities. The total of the cash flows from the three sub-areas corresponds to the change of cash and cash equivalents.

The statement of cash flows is calculated using the indirect method for presenting cash flows from operating activities and using the direct method for the presentation of cash flows from investing and financing activities.

Cash and cash equivalents at the beginning and the end of the reporting period consisted of cash in hand and bank balances.

VI Financial instruments

The management of the company is responsible for the establishment and control of risk management.

a) Credit risks

A credit risk is the risk that one party to a financial instrument will cause a financial loss for the other company by failing to discharge an obligation.

The company's financial assets comprise exclusively cash and cash equivalents. Please refer to Note 7. As at the reporting date, there were no financial assets measured at fair value. As the material receivables of the company are to banks, credit risks are considered to be moderate.

b) Liquidity risks

A liquidity risk is the risk that a company will encounter difficulty in meeting obligations associated with financial liabilities.

Due to the fact that the company's operating activities were largely suspended in the reporting period, there were no material financial risks.

c) Market risks

A market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. A differentiation is made between three types of risk: currency risk, interest rate risk and other price risk.

The company holds its cash and cash equivalents exclusively in its functional currency. There is no material exposure to changing interest rates or other prices.

VII Other disclosures

13. Related parties

Parties are considered to be related if they have the ability to control the company or exercise significant influence over its financial and operating decisions.

Such companies and persons comprise key management personnel of the company and companies controlled by key management personnel or under their significant influence.

a) Transactions with key management personnel

In relation to the company, key management personnel are the Managing Directors. There was no remuneration for these persons in the reporting period.

In the context of the capital increase in July 2017, a Managing Director acquired 100,000 new shares of the company. Please refer to Note 8.

The combined values of the transactions and the outstanding amounts in connection with members of the management in key positions are shown below:

	Value of the transactions		Outstanding amounts	
In €	01.01.2017 - 31.07.2017	01.01.2016 - 31.12.2016	31.07.2017	31.12.2016
After capital increase	100,000	-	-	-

b) Other related parties

The Managing Directors take positions in other companies as a result of which they have the ability to control or have significant influence on the financial and operating policies of these companies. Some of these companies transacted business with BCM in the reporting period. The terms and conditions of these transactions were on standard market terms.

Until the capital increase in July 2017, Falkenstein Heritage GmbH, with its registered office in Wetzlar, held 100% of the company's shares. After the capital increase, it retained control over BCM with 80% of the shares.

The transfer to the free capital reserves was made entirely by Falkenstein Heritage GmbH. Please refer to Note 10.

In the context of the capital increase, Brockhaus Private Equity GmbH, with its registered office in Frankfurt am Main, was an investor in the company and subsequently held a 10% stake in BCM.

Both Falkenstein Heritage GmbH and Brockhaus Private Equity GmbH are controlled by a Managing Director of the company. In the context of the capital increase, the two companies acquired new BCM shares. Please refer to Note 8.

The combined values of the transactions and the outstanding amounts in connection with companies controlled by key management personnel or under their significant influence are shown below:

	Value of the transactions		Outstanding amounts	
In €	01.01.2017 - 31.07.2017	01.01.2016 - 31.12.2016	31.07.2017	01.01.2016 - 31.12.2016
After capital increase	2,225,000	-	-	-
Transfer to free capital reserves	40,000	-	-	-

14. Events after the reporting period

As a result of the capital increase resolution of 19 July 2017, the share capital of the company of € 25,000 was increased by € 2,475,000 to € 2,500,000 and fully paid in cash as at 3 July 2017. The capital increase was entered in the Commercial Register on 2 August 2017.

By resolution of the shareholder meeting on 1 August 2017, on the basis of a change in legal form the company was converted to Brockhaus Capital Management AG. The conversion was entered in the Commercial Register on 16 September 20171. Brockhaus Capital Management AG which continues to have its registered office in Frankfurt am Main is entered in the Commercial Register of the Frankfurt am Main District Court under HRB 109637.

On 22 September 2017, the Annual General Meeting resolved a capital increase of between € 5,000,000 and € 7,500,000. With the approval of the Supervisory Board, by resolution on 15 December 2017, the Executive Board determined the scope of the capital increase as € 1,652,000 by the issue of 1,652,000 new shares. After the capital increase, capital reserves totalled € 43,025,000.

On 21 December 2017 (transfer date), the owners of the 2,500,000 shares of the capital increase described above (Brockhaus shareholders) initially transferred the company a total of 1,674,000 of their shares on the basis of a free unremunerated share loan (loaned shares) with all the related rights and obligations. The successive retransfer of the loaned shares to the Brockhaus shareholders took place at a ratio of 1:2 to new shares, created in the context of future capital increases. The purpose of this regulation is to restrict the share of voting and profit participation rights of the Brockhaus shareholders to a third. The share loan ends in full when all 5,000,000 new shares were issued to investors which are not Brockhaus investors and the company's total share capital then amounts to € 7,500,000. The loan has a maximum duration of three years, calculated from the transfer date, thus ending no later than the end of 20 December 2020. If there are still loaned shares in the possession of the company at the end of the term, these loaned shares will be transferred to all the shareholders (including the Brockhaus shareholders) which as at the end of 20 December 2020 are company shareholders on a pro rata basis as a proportion of their stake at this time.

On 6 December, the company legally acquired the 70% stake and the voting rights in Palas GmbH Partikel- und Lasermesstechnik, Karlsruhe, thus obtaining control over the company. As a result of the existing put option, which is recognised according to the anticipated acquisition method, the acquisition is presented as if 100% of the shares had been acquired. The total consideration transferred amounted to € 35,118,000. In the context of the transaction, the company's share capital was increased by € 100,000 to € 4,252,000 by issuing new shares.

On 11 September 2019, a resolution to increase the company's share capital by € 41,667 to €4,293,667 was passed. The capital increase was entered in the Commercial Register on 7 June 2019.

15. Fees for the audit company

The Frankfurt branch of KPMG Wirtschaftsprüfungsgesellschaft, with its registered office in Berlin, was appointed as auditor for the short fiscal year ending 31 July 2017. The fee amounted to EUR 14,500 (previous year: EUR -).

16. Employees

In the reporting period the company had no employees.

17. Company bodies

The management of the company is made up as follows:

> Marco Brockhaus, Königstein im Taunus (from 19 July 2017)
> Dr. Marcel Wilhelm, Kronberg im Taunus

The Managing Directors each have sole powers of representation and are exempt from the restrictions of Section 181 BGB.

18. Total remuneration of the members of company bodies

There was no remuneration of the Managing Directors in the reporting period.

19. Appropriation of earnings

The loss carried forward of the company from the previous year is carried forward to new account together with the net loss for the year for the reporting period. As at 31 July 2017, the company posted accumulated losses of € 57,606.98.

Frankfurt am Main, 27 June 2019

Marco Brockhaus

Dr. Marcel Wilhelm