

# **Audit Report**

**Herhof Ltd**  
35606 Solms

**Annual Financial Statements**

**31/12/2021**

Version - No.: 4

Page 1 of 64

---



## TABLE OF CONTENTS

<b>List of Abbreviations</b>	<b>4</b>
<b>A. Audit Assignment</b>	<b>5</b>
<b>B. Reproduction of the Auditor's Report</b>	<b>6</b>
<b>C. Fundamental Findings</b>	<b>9</b>
I. Statement on the assessment of the state of affairs by the legal representatives	9
1. Business performance and status of the Company	9
2. Facts impairing development or endangering the existence of the Company	10
II. Discrepancies	10
1. Discrepancies in accounting	10
2. Other Irregularities	10
<b>D. Execution of the Audit</b>	<b>11</b>
I. Subject of the audit	11
II. Nature and scope of the audit	11
III. Independence	12
<b>E. Findings on the Financial Statements</b>	<b>12</b>
I. Propriety of the accounts	12
1. Previous year's financial statements	12
2. Reporting and other audited documentation	13
3. Annual financial statement	14
4. Status Report	14
II. Overall assessment of the annual financial statement	14
1. Fundamental valuation principles	15
2. Modifications in the assessment principles	16
3. Measures affecting the facts at hand	16
4. Summary assessment	16
<b>F. Conclusion</b>	<b>17</b>

### ANNEXES

Annex 1:	Balance sheet as at 31.12.2021
Annex 2:	Profit and loss account for the period from 01.01.2021 to 31.12.2021
Annex 3:	Annex of the annual statement as at 31.12.2021
Annex 4:	Signature of the financial statements and auditor's assessment report
Annex 5:	Legal conditions
Annex 6:	Analysis of the net assets, financial status and results of operations
Annex 7:	Account reports for the balance sheet and profit and loss account
Annex 8:	Special Terms and Conditions of Assignment ( as at 01.03.2021)
Annex 9:	General Terms and Conditions of Assignment for Auditors and Auditing Firms as amended on 01.01.2017

## List of Abbreviations

Abs.	Paragraph
a.F.	old edition
AfA	Deduction for wear and tear
AG	Stock corporation
AO	Fiscal Code
AR	Supervisory Board
Art.	Article
AV	Fixed assets
BilMoG	Accounting Law Modernization Act
BIP	Gross Domestic Product
BilRUG	Accounting Directive Implementation Act
bzw.	respectively
EGHGB	Introductory Act to the Commercial Code
EstG	Income Tax Act
e.V.	registered association
f.	following
ff.	et seq.
gem.	according to
GmbH	Limited liability companies
GmbHG	Law on Limited Liability Companies
GoB	Standards of orderly accounting
HGB	Commercial Code
HRB	Commercial Register Section B
i.d.F.	In the version
IDW	Institute of Public Auditors in Germany Inc.
IKS	internal audit system
i.S.d. / i.S.v.	in the sense of (the) / in the sense of
IT	Information technology
i.V.	during the previous year
i.V.m.	in connection with
Lgb.	Status book
n.F.	new version
NR	Number
PS	Auditing principle of the IDW
S.	Sentence
T€	thousand euro
Tz.	Text digit
z.B.	for example
Ziff.	Digit

Remark: For computational reasons, there may be rounding differences in the tables compared to the exact values (monetary units, percentages, etc.).

## **A. Audit Assignment**

The managing director of Herhof Ltd., 35606 Solms, has commissioned us, on the basis of the resolution of the shareholders' meeting of 15.03.2021, with the audit of the annual financial statements as at 31.12.2021, including the relevant accounting records.

The assignment was accepted by us in an assignment confirmation letter dated 23.09.2021, enclosing the special and general terms and conditions of the assignment. We received the second copy with the client's letter of acceptance on 29.10.2021.

Our audit was conducted with intervals during the period from 16.12.2021 to 23.09.2022 at the Company's offices and at our offices.

In accordance with §321 para. 4a of the German Commercial Code (HGB), we confirm that we have complied with the applicable provisions on independence in our audit.

We issued the following report on the results of our audit in accordance with the "German generally accepted standards for the audit of financial statements" (IDW PS 450) promulgated by the Institute of Public Auditors in Germany (IDW), to which we attach the audited annual financial statements (annex 1 to 3).

In accordance with our assignment, we have summarized the legal circumstances of the Company in an overview in Annex 5 to this report. Furthermore, we have attached an analysis of the net assets, financial status and results of operations of the Company as Annex 6.

The General Terms and Conditions of Assignment for Auditors and Auditing Firms dated 01.01.2017, attached as Annex 9, apply to this assignment, also in relation to third parties.

In addition, we refer to the liability provisions contained in section 9 and to the exclusion of liability towards third parties as well as to the further provisions of the attached Annex 8 "Special Terms and Conditions of Assignment for Audits and Audit-Related Services" (status: 01.03.2021).

This audit report is addressed to the Company.

## **B. Reproduction of the Auditor's Report**

We issued the following auditor's report on the financial statements and management report:

### **“Independent Auditor's Report.**

To Herhof Ltd., Solms

#### **Audit Assessment**

We audited the annual financial statements of Herhof Ltd, Solms - consisting of the balance sheet as at 31.12.2021 and the income statement for the fiscal year from 01.01.2021 to 31.12.2021 as well as the notes to the financial statements, including the presentation of the accounting and valuation methods.

According to our assessment, based on the findings of our audit, the attached annual financial statements comply in all material respects with the provisions of German commercial law applicable to corporations and give a true and fair view of the net assets and financial position of the Company as at 31.12.2021 and of its results of operations for the fiscal year from 01.01.2021 to 31.12.2021 in accordance with German principles of proper accounting.

In accordance with § 322 para. 3 sentence 1 of the German Commercial Code (HGB), we declare that our audit has not led to any reservations concerning the propriety of the annual financial statements and the management report.

#### **Standards for the Audit Assessment**

We conducted our audit of the annual financial statements in accordance with § 317 of the German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW). Our responsibility under those provisions and principles is further described in the “Auditor's Responsibility for the Audit of the Annual Financial Statements” section of our auditor's report.

We are independent of the Company in accordance with German commercial law and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements.

We consider that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit assessment on the annual financial statements.

#### **Responsibility of the Legal Representatives for the Annual Financial Statements**

The legal representatives are responsible for the preparation of the annual financial statements, which comply in all material respects with the provisions of German commercial law applicable to corporations, and for ensuring that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. Furthermore, the legal representatives are responsible for such internal audit as the legal representatives determine is necessary to enable the preparation of financial statements which are free from material inaccuracy, whether caused intentionally or unintentionally by fraud or error.

In preparing the financial statements, the legal representatives are responsible for assessing the Company's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to continuing as a going concern. Furthermore, they are responsible for preparing the financial statements on the basis of the going concern standard, unless factual or legal circumstances prevent this.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material inaccuracy, whether caused intentionally or unintentionally, and to issue an auditor's report which includes our opinion on the financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 of the German Commercial Code and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW) will always detect a material inaccuracy. Inaccuracies can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of recipients taken on the basis of these financial statements.

During the audit, we exercise professional discretion and maintain a critical attitude. Furthermore

- we identify and assess the risks of material inaccuracy of the financial statements, whether caused intentionally or unintentionally, design and perform audit procedures responsive to those risks, and obtain audit evidence which is sufficient and appropriate to provide a basis for our audit assessment. The risk of not detecting material inaccuracies is higher for noncompliance than for inaccuracy, as noncompliance may involve fraud, forgery, intentional omissions, misleading representations, or instances of override of internal control.
- we obtain an understanding of the internal control system relevant to the audit of the financial statements in order to design audit procedures which are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's system.
- we evaluate the propriety of accounting policies used by the legal representatives, as well as an assessment of the reliability of reporting estimates and related disclosures made by the legal representatives.
- we conclude on the appropriateness of the going concern basis of accounting used by the legal representatives and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions which may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our audit assessment.

We draw our conclusions based on the audit evidence obtained up to the date of our audit assessment. However, future events or conditions may cause the Company not to be able to continue as a going concern.

- we assess the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting.

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

Lauchringen, 23.09.2022

Treuhand Hochrhein Revision Ltd  
Auditing Company

Certified business economist Patrick Stärk  
Auditor



## C. Fundamental Findings

### I. Statement on the Assessment of the State of Affairs by the Legal Representatives

#### 1. Business Performance and Status of the Company

The management has assessed the financial position of the Company in the annual financial statements, in particular in the notes to the financial statements.

The Company has permissibly refrained from preparing a management report. Therefore, as auditors, we cannot comment on the management's assessment of the situation as expressed in the management report in accordance with § 321 para. 1 sentence 1 of the German Commercial Code.

In accordance with § 321 para. 1 sentence 2 of the German Commercial Code, as auditors we comment in advance on the management's assessment of the situation as expressed in the annual financial statements. In particular, we address the assessment of the Company's continued existence as a going concern and the assessment of its future development as expressed in the annual financial statements. Our opinion is based on our own assessment of the economic situation of the company, which we obtained in the course of our audit of the annual financial statements.

The following **aspects of the assessment of the status quo** should be emphasized:

According to the entry in the Commercial Register, the scope of Herhof Ltd. is the research, planning, development, manufacture, distribution and operation of waste treatment plants and the provision of construction, maintenance and services in the field of waste management. In this context, the Company may engage in all business activities that directly or indirectly serve the scope of the Company. This includes, in particular, distribution, turnkey construction, the provision of engineering services, the operation, maintenance and repair of waste treatment plants and the provision of all types of maintenance and services.

The financial year was characterized by another significant increase in revenue and total performance, which is based on the completion of a project domestically and the progress of several unfinished construction and planning projects both domestically and abroad. The cost of materials rose disproportionately in relation to total performance, with the result that gross profit fell both in absolute terms by € 372.4 thousand to € 2,099.7 thousand as well as in relation to total performance from 31.3% to 18.6%.

Personnel expenses increased by € 160.6 thousand (+8.4%) to € 2,072.2 thousand, while other operating expenses rose slightly by € 39.6 thousand (4.2%).

The financial result increased by € 61.3 thousand to € 17.3 thousand on account of interest income from a loan granted to the shareholder.

The annual deficit increased significantly from € 178.6 thousand to € 770.8 thousand, in particular as a result of the aforementioned developments.

On the assets side, the increase in the Company's total balance sheet is due in particular to the increase in inventories (+€ 1,410.4 thousand), which is only partially offset by the decrease in current assets by € 487.2 thousand to € 3,116.4 thousand.

Within the short-term fixed assets, receivables due from shareholders increased by € 1,510.7 thousand to € 1,603.8 thousand due to a loan receivable, which is overcompensated by the decrease in cash on hand and bank balances by € 1,985.7 thousand.

The equity ratio decreased from 15.8% to 5.5% due to the net loss for the year and an expansion of the balance sheet total by € 955.8 thousand.

The decrease in equity is overcompensated in particular by the increase in advance payments received on orders (+ € 1,223.5 thousand) as well as in accrued trade payables (+ € 641.2 thousand).

We believe that the presentation and assessment of the situation of the Company and its expected development by the management in the annual financial statements are accurate.

## **2. Facts Impairing Development or Endangering the Existence of the Company**

In accordance with § 321 para. 1 sentence 3 of the German Commercial Code, as auditors we are also required to report on facts which could have a material adverse effect on the development of the Company or jeopardize its continued existence.

We are also required to disclose such facts if they could seriously impair the development of the Company or jeopardize its ability to continue as a going concern, and not only when the development of the Company has already been materially impaired or its existence is specifically jeopardized.

In the year under review, the Company significantly increased its sales by € 7,104.7 thousand to € 10,944.0 thousand and its total operating performance by € 3,406.4 thousand to € 11,294.9 thousand compared with the previous year.

Due to the disproportionate increase in expenses, in particular the cost of materials, the Company nevertheless generated an annual loss of T€ 770.8.

For the financial year 2022, the Management assumes a recovery of the earnings situation due to the order situation as well as an improvement in earnings with an expected annual result between - € 400 thousand and + € 400 thousand.

The Management also expects positive earnings contributions in subsequent years from construction projects on the German market which are currently in the tendering process. The Management estimates that construction projects with a total volume of approx. € 16 million are highly likely to be won in the tenders.

However, if this planning does not prove to be sustainable, the Company's development could be impaired and its existence jeopardized in the long term.

## **II. Discrepancies**

### **1. Discrepancies in Accounting**

In accordance with § 321 (1) sentence 3 of the German Commercial Code, we are required to report on any inaccuracies or violations of legal requirements which we identify during our audit.

In the course of our audit, we have not identified any inaccuracies or violations of statutory provisions.

### **2. Other Irregularities**

In accordance with § 321 para. 1 sentence 3 of the German Commercial Code, a report must be made on any facts ascertained during the audit which reveal serious infringements of the law or the Articles of Association by the Managing Director or employees.

In the course of our assessment, we have not identified any facts which indicate serious infringements of the law or the Articles of Association by the Managing Director or employees.

## **D. Execution of the Audit**

### **I. Subject of the Audit**

The Company under review is a small corporation within the meaning of § 267 para. 1 of the German Commercial Code (HGB), which is not subject to statutory audits pursuant to §§ 316 et seq. of the German Commercial Code, is not subject to statutory audit.

As part of the assignment given to us, we have audited the accounting records and the annual financial statements as at 31.12.2021 in accordance with § 317 of the German Commercial Code for compliance with the relevant statutory provisions and the supplementary provisions of the articles of association.

The authoritative accounting principles for our audit of the annual financial statements were the accounting provisions of §§ 242 to 256a and §§ 264 to 288 of the German Commercial Code and the special provisions of the Limited Liability Companies Act.

The assessment of the adequacy of the Company's insurance cover, in particular whether all risks are considered and adequately insured, was not the subject of our assignment to audit the annual financial statements.

### **II. Nature and Scope of the Audit**

We conducted our audit in accordance with § 317 of the German Commercial Code and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW).

The audit does not extend to whether the continued existence of the audited Company or the effectiveness and efficiency of the Management can be assured. The scope of our assignment was neither the detection and clarification of criminal offences, such as embezzlement or other acts of breach of trust, nor of administrative offences committed outside the scope of accounting.

The basis of our risk and process-oriented audit procedure is the development of an audit strategy. This is based on an assessment of the economic and legal environment of the Company, its objectives, strategies and business risks, which we evaluate on the basis of critical success factors. The audit of the accounting-related internal control system and its effectiveness is supplemented by process analyses, which we perform with the aim of determining its influence on relevant items in the annual financial statements and thus being able to assess the risks of error and our audit risk.

We have taken into account the findings from the audit of the processes and the accounting-related internal control system in the selection of the analytical audit procedures (plausibility assessments) and the individual case audits with regard to the inventory records, the recognition, the presentation and the valuation in the annual financial statements. In the Company-specific audit programme, we determined the focus of our audit, the nature and scope of the audit procedures, the timing of the audit and the assignment of staff. In doing so, we complied with the principles of objectivity and risk orientation and therefore based our audit assessment predominantly on analytical audit procedures, individual case or sample audits or a combination of both.

In view of the manageable size of the Company and the clarity of its procedures, in the present case, in addition to analysing the process of preparing the annual financial statements, we have also carried out individual case audits. In doing so, we focused on the following audit areas:

- Audit of the accounting and valuation of inventories,
- Audit of the accounting and valuation of trade payables,
- Audit of the accounting and valuation of receivables due from and liabilities against affiliated companies and shareholders,
- Audit of the accounting and valuation of credit balances with credit institutions,
- Audit of the accounting and valuation of other financial provisions.

Furthermore, we performed the following standard audit procedures, among others:

1. We ascertained the accuracy of the balance of trade payables by obtaining balance confirmations on a random sample basis,
2. We obtained confirmations from credit institutions,
3. We obtained lawyers' confirmations.

We did not participate in the inventory of work in progress. Within the scope of our dutiful exercise of professional discretion, we ascertained the existence of the inventories by means of alternative audit procedures.

All clarifications and evidence requested by us were provided. The management confirmed to us in writing the completeness of this information and evidence as well as the accounting records, the annual financial statements and the management report.

### **III. Independence**

We conducted our independent audit in accordance with the applicable provisions on independence (§ 321 para. 4a of the German Commercial Code).

## **E. Findings on the Financial Statements**

### **I. Propriety of the Accounts**

Based on the final results of our audit, we determine that the accounting records and the other audited documents, the annual financial statements and the management report comply with the legal requirements and the supplementary provisions of the articles of association.

#### **1. Previous Year's Financial Statements**

The previous year's financial statements were adopted by the shareholders' meeting on 15.03.2021. The management was discharged from liability.

The shareholders' meeting decided to carry forward the accumulated loss as at as of 31.12.2020 in the amount of € -5,940,429.48 (loss carried forward as at 01.01.2020 in the amount of € 5,761,775.25 thousand plus net loss for 2020 in the amount of € 178,654.23 thousand) to the account of the new financial year.

The previous year's financial statements as at as at 31.12.2020 were published in the electronic Federal Gazette on 11.04.2022.

## **2. Reporting and Other Audited Documents**

The organisation of the bookkeeping, the accounting-related internal audit system, the data flow and the document system ensure the complete, correct, timely and orderly registration and booking of the business transactions.

The information derived from other audited documents (e.g. cost reporting documents, operating accounts, contract documents) has led to a proper presentation in the accounting records, the annual financial statements and the management report.

During our audit, we did not identify any circumstances which would indicate that the organisational and technical measures set up by the Company are not suitable for guaranteeing the security of the data processed for accounting purposes and thus processing in accordance with the Principles of Proper Accounting (GoB) pursuant to § 238 of the German Commercial Code as well as the IT systems used.

In our assessment of the accounting-related internal audit system, we did not identify any weaknesses which would require us to extend our audit procedures or to change the focus of our audit. In our opinion, the process-integrated and downstream controls in the audited areas are fundamentally suitable, both individually and in their interaction, to prevent material damage to assets and to ensure the correctness of the accounting.

The accounting-related internal audit system (ICS) set up by the Company provides for appropriate regulations on the organisation and control of work processes. There were no significant organisational changes in the accounting procedures during the reporting period.

The books were opened correctly with the figures from the previous year's balance sheet and were kept properly. The documentary function has been fulfilled.

The organisation of the accounting department is appropriate to the circumstances of the Company. No significant organisational changes were made to the accounting procedures in the year under review.

In our opinion, based on the findings of our audit, the accounting records comply with the legal requirements. The information taken from other audited documents has led to a proper presentation in the accounting records, the annual financial statements and the management report.

As a summarised result of our audit, which comprised

- the propriety of the components of the financial statements and their derivation from the accounting records,
- the accuracy of the information given in the notes,
- the observance of the rules of accounting, reporting and valuation,
- the observance of all statutory provisions applicable to accounting, including generally accepted accounting principles, and of all size-dependent, legal form-bound or business sector-specific regulations, and
- the observance of regulations of the articles of association insofar as these concern the content of the accounting,

we issued the audit report reproduced in section B.

### 3. Annual Financial Statement

Based on the final result of our audit, we ascertain that the annual financial statements comply with all legal regulations applicable to accounting, including the principles of proper accounting and all size-related and legal form-related regulations, as well as the principles of the articles of association.

In accordance with § 267 of the German Commercial Code, the Company has the following size-related characteristics:

		2021	2020
Balance sheet total	T€	8,926.2	7,970.4
Turnover	T€	10,944.0	3,839.3
average number of employees		29.75	27

The Company therefore qualifies as a small corporation pursuant to § 267 para. 2 of the German Commercial Code as of the closing date.

The balance sheet is structured in accordance with the provisions of § 266 of the German Commercial Code. The profit and loss account has been prepared in accordance with the total cost method (§ 275 para. 2 of the German Commercial Code).

The **balance sheet and the profit and loss account** as at 31.12.2021 are - based on the previous year's financial statements as at 31.12.2020, which were audited by us and received an unconditional audit certificate dated 16.03.2021 - properly derived from the accounting records and the other audited documents.

Reporting, disclosure and valuation regulations have been observed. The valuation methods applied to the previous annual financial statements have been retained.

The information provided in the **annex** is complete and correct. The explanations and justifications comply with the legal requirements.

The protective clause of § 286 para. 4 of the German Commercial Code regarding the disclosure of the total remuneration of the legal representatives in the notes in accordance with § 285 no. 9 of the German Commercial Code was used appropriately in the context of the preparation.

### 4. Status Report

The Company has permissibly waived the preparation of a status report (exemption for small corporations pursuant to § 264 para. 1 sentence 4 of the German Commercial Code).

## II. Overall Assessment of the Annual Financial Statements

According to our assessment, the annual financial statements - i.e. as an overall statement of the annual financial statements as they result from the interaction of the balance sheet, the profit and loss account and the notes to the financial statements - give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with the principles of proper accounting (§ 264 para. 2 of the German Commercial Code).

For a better understanding of the overall statement of the annual financial statements, we dutifully describe below the main valuation principles and the influence that changes in the valuation principles have on the overall statement of the annual financial statements (§ 321 para. 2 sentence 4 of the German Commercial Code).

The Company has disclosed the accounting and valuation methods applied in the annex. In our comments below, we therefore focus in particular on those matters which are of material importance for the assessment of the net assets, financial position and results of operations and their overall effect in connection with other measures and matters (Institute of Public Auditors in Germany (IDW) PS 250 new version).

### 1. Fundamental Valuation Principles

We provide the following information on the reporting and valuation methods applied and the factors relevant to the valuation of assets and liabilities, including any effects of changes to these methods:

The **reporting and valuation methods** are based on the going concern assumption (§ 252 para. 1 no. 2 of the German Commercial Code) and are in accordance with the provisions of commercial law. They are basically unchanged from the previous year.

**Intangible assets**, where acquired against remuneration, are capitalised at acquisition cost and depreciated on a linear basis in accordance with their expected period of use.

The **tangible fixed assets** are valued at acquisition or production cost reduced by scheduled depreciation in accordance with the expected period of use. Depreciation is calculated using the linear method, taking into account the normal period of use, which is generally 1 to 4 years. Low-value assets with a net individual value of up to € 250.00 are fully depreciated or reported as an expense in the year of acquisition; their immediate disposal is assumed. Low-value fixed assets with acquisition costs of more than € 250.00 and up to € 800.00 are written off in full in the year of acquisition; their immediate disposal is assumed.

Inventories are valued at acquisition or production cost, taking into account the lower of cost or market principle and the principle of commercial prudence. The **manufacturing costs** of work in progress include an appropriate share of overheads.

**Receivables and other assets** are reported at nominal value or a lower value on the closing date. Individual value adjustments on receivables were made in an appropriate amount, and general value adjustments were made on the net receivables not subject to individual value adjustments. In assessing the recoverability of receivables due from an affiliated Company in the amount of € 325.0 thousand, the assignment of these receivables to the shareholder in 2022 was taken into account.

The **financial resources** are stated at nominal value.

With regard to the accrual of expenses, **corresponding accruals and deferrals** were formed in accordance with § 250 Para. 1 of the German Commercial Code.

As in the previous year, the share capital shown in the commercial register (= subscribed capital) is shown in the balance sheet at the nominal amount of € 800,000.00.

For impending risks and uncertain obligations, other provisions are made in the amount of the settlement amount required according to reasonable commercial judgement.

**Liabilities** are reported at the settlement amount.

The annual financial statements contain **foreign currency receivables and liabilities**. In accordance with § 256a of the German Commercial Code, these are converted at the average currency exchange rate on the closing date. The items included in the profit and loss account have been valued at the exchange rate on the date of occurrence.

## **2. Modifications in the Assessment Principles**

There are no **deviations** in the **reporting and valuation methods** in comparison to the previous year.

## **3. Measures Affecting the Facts at Hand**

We define **accounting policy measures** as all measures and valuation decisions which have a material effect on the presentation of the net assets, financial position and results of operations. Measures which affect the reporting and/or valuation of assets and liabilities are those which deviate from the usual presentation, which in our opinion corresponds to the expectations of the users of the financial statements, and the deviation from the usual presentation has a material effect on the overall statement of the annual financial statements.

According to the information obtained in the course of our audit, the Company has not taken any measures which would alter the presentation of the financial statements.

## **4. Summary Assessment**

On completion of our audit in accordance with professional standards, we have come to the conclusion in our auditor's report that the annual financial statements as a whole give a true and fair view of the net assets, financial position and results of operations of Herhof Ltd in accordance with German principles of proper accounting.



## **F. Conclusion**

We issued the above report on our audit of the annual financial statements of Herhof Ltd for the financial year from 01.01.2021 to 31.12.2021 in accordance with § 321 of the German Commercial Code and the generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW PS 450 new version).

The auditor's report issued by us is included in section B. under "Reproduction of the auditor's report".

The audit report is signed in accordance with § 321 para. 5 of the German Commercial Code, taking into account § 32 of the German Code of Public Accountants (WPO), as follows

Lauchringen, 23.09.2022

Treuhand Hochrhein Revision Ltd  
Auditing Company

---

(Certified business economist Patrick Stärk)  
Auditor



# ANNEXES

**Balance Sheet**

on 31.12.2021

of

Herhof Ltd

35606 Solms

**Assets**

	€	€	Previous year T€
<b>A. Fixed assets</b>			
<i>I. Intangible fixed assets</i>			
computer software acquired against payment		2,572.06	4.2
<i>II. Tangible assets</i>			
1. Technical equipment and machinery	2.55		0.2
2. Other equipment, operating and office supplies	60,510.26	60,512.81	27.0
		<u>63,084.87</u>	
<b>B. Current assets</b>			
<i>I. Inventories</i>			
1. Work in progress, unfinished services	4,492,464.28		4,141.5
2. Advance payments made	1,161,934.50	5,654,398.78	102.5
<i>II. Receivables and other current assets</i>			
1. Receivables due from supplies and services	415,650.03		3.3
2. Receivables due from affiliated companies	520,450.00		936.4
3. Receivables due from shareholders	1,603,831.96		93.1
4. Other current assets	67,395.56	2,607,327.55	76.0
<i>III. Cash on hand, credit balances with credit institutions</i>		542,815.85	2,528.5
		<u>8,804,542.18</u>	
<b>C. Accruals and deferrals</b>		58,572.99	57.7
		<u>8,926,200.04</u>	<u>7,970.4</u>

	€	€	Liabilities Previous year T€
<b>A. Equity capital</b>			
<i>I. Subscribed capital</i>	800,000.00		800.0
<i>II. Capital reserve</i>	6,402,496.90		6,402.5
<i>III. Loss carried forward</i>	-5,940,429.48		-5,761.8
<i>IV. Annual deficit</i>	<u>-770,782.02</u>	491,285.40	-178.6
<b>B. Accrued expenses</b>			
Other accrued expenses		293,621.63	507.0
<b>C. Liabilities</b>			
1. Advance payments received on orders	5,844,981.72		4,621.5
2. Liabilities from supplies and services	1,176,276.94		535.1
3. Liabilities against affiliated companies	335,857.41		335.9
4. Liabilities against shareholders	598,864.59		601.2
5. other liabilities	<u>185,312.35</u>	8,141,293.01	107.6
of which from taxes: € 58,153.21 (previous year: T€ 22.9)			
of which relating to social security € 7,334.94 (previous year T€ 8.4)			
		<u>8,926,200.04</u>	<u>7,970.4</u>



## Profit and Loss Account

For the period from 01.01.2021 to 31.12.2021

of

Herhof Ltd

35606 Solms

	€	€	Previous year T€
1. Turnover revenue		10,943,971.49	3,839.3
2. Increase in inventories of finished and unfinished products		350,900.24	4,049.2
Total revenue		<u>11,294,871.73</u>	
3. Other operating income		86,213.64	272.2
3. Cost of materials			-5,761.8
a) Cost of raw materials, consumables and supplies and of purchased materials and merchandise	-1,976,864.19		-2,088.6
b) Cost of procured services	<u>-7,218,255.78</u>	-9,195,119.97	-3,327.8
4. Personnel expenses			
a) Wages and salaries	-1,758,572.23		-1,633.1
b) Social security and pension costs	<u>-313,663.01</u>	-2,072,235.24	-278.5
<i>of which for pensions: € 7,653.80 (previous year € 7.2 thousand)</i>			
5. Amortisation of intangible fixed assets of tangible fixed assets		-20,649.11	-16.1
6. Other operating expenses		-973,098.70	-933.5
7. Interest and similar income		80,778.95	0.0
8. Interest and similar expenses		-63,411.15	-44.0
9. Taxes on income and earnings		0.00	-12.5
<b>10. Result after tax</b>		<u><b>-862,649.85</b></u>	<b>-173.4</b>
11. Other taxes		91,867.83	-5.2
<b>12. Annual deficit</b>		<u><b>-770,782.02</b></u>	<b>-178.6</b>





**Annex**

Of the annual statement on 31.12.2021

of

Herhof Ltd

35606 Solms

## I. General Information

The annual financial statements were prepared on the basis of the statutory regulations (of the German Commercial Code, German Limited Liability Companies Act) and in compliance with the principles of proper accounting. The balance sheet is structured in accordance with the provisions of § 266 of the German Commercial Code. The profit and loss account is structured according to the total cost method in accordance with § 275 para. 2 of the German Commercial Code.

The Company is a small corporation pursuant to § 267 para. 1 of the German Commercial Code.

The Company is registered under the name Herhof Ltd in the Commercial Register of the Local Court of Wetzlar under number HRB 4932. The registered office of the Company is in Solms.

## II. Accounting and Valuation Methods

The accounting and valuation methods remain unchanged from the previous year.

**Intangible assets**, where acquired against remuneration, are capitalised at acquisition cost and depreciated on a linear basis in accordance with their expected period of use.

The **tangible fixed assets** are valued at acquisition or production cost reduced by scheduled depreciation in accordance with the expected period of use. Depreciation is calculated using the linear method, taking into account the normal period of use, which is generally 1 to 4 years. Low-value assets with a net individual value of up to € 250.00 are fully depreciated or reported as an expense in the year of acquisition; their immediate disposal is assumed. Low-value fixed assets with acquisition costs of more than € 250.00 and up to € 800.00 are written off in full in the year of acquisition; their immediate disposal is assumed.

Inventories are valued at acquisition or production cost, taking into account the lower of cost or market principle and the principle of commercial prudence. The **manufacturing costs** of work in progress include an appropriate share of overheads.

**Receivables and other assets** are reported at nominal value or a lower value on the closing date. Individual value adjustments on receivables were made in an appropriate amount, and general value adjustments were made on the net receivables not subject to individual value adjustments. In assessing the recoverability of receivables due from an affiliated Company in the amount of € 325.0 thousand, the assignment of these receivables to the shareholder in 2022 was taken into account.

The **financial resources** are stated at nominal value.

With regard to the accrual of expenses, **corresponding accruals and deferrals** were formed in accordance with § 250 Para. 1 of the German Commercial Code.

As in the previous year, the share capital shown in the commercial register (= subscribed capital) is shown in the balance sheet at the nominal amount of € 800,000.00.

For impending risks and uncertain obligations, **other provisions** are made in the amount of the settlement amount required according to reasonable commercial judgement.

**Liabilities** are reported at the settlement amount.

The annual financial statements contain **foreign currency receivables and liabilities**. In accordance with § 256a of the German Commercial Code, these are converted at the average currency exchange rate on the closing date. The items included in the profit and loss account have been valued at the exchange rate on the date of occurrence.

### III. Balance Sheet Information

#### Assets

##### Fixed Assets

The development of fixed assets is shown in the separate statement of changes in fixed assets as part of the annex.

##### Current Assets

Other assets amounting to € 33.7 thousand (previous year: € 33.7 thousand) have a remaining term of more than one year. The other receivables and other assets have a remaining term of up to one year.

The receivables due from affiliated companies include € 195.5 thousand (previous year: € 286.4 thousand) in receivables due from supplies and services and € 325.0 thousand (previous year: € 650.0 thousand) in other assets.

The receivables due from shareholders include € 23.1 thousand (previous year: € 93.1 thousand) in receivables due from supplies and services and € 1,580.8 thousand (previous year: € 0.0 thousand) in other assets.

##### Liabilities

Liabilities from supplies and services amounting to € 32.5 thousand (previous year: € 0.0 thousand) have a remaining term of more than one year. All other liabilities have a remaining term of up to one year.

As in the previous year, **the liabilities against affiliated companies** are fully accounted for by other liabilities.

Liabilities against shareholders include € 495.9 thousand (previous year: € 470.3 thousand) in liabilities from supplies and services and € 103.0 thousand (previous year: € 130.9 thousand) in other liabilities.

### IV. Information on the Profit and Loss Account

The **other operating expenses** include expenses from currency conversion in the amount of T€ 0.7 (previous year T€ 0.7).

**Other interest and similar income** includes interest from affiliated companies in the amount of T€ 80.8 (previous year T€ 0.0)

**Interest and similar expenses** include interest paid to affiliated companies in the amount of T€ 63.3 (previous year T€ 44.0)

## V. Further Information

### Number of Employees

In the past business year, the Company employed an average of 29.75 employees.

### Management

In the financial year 2021, the business of the Company was conducted by:

- Mr. Konstantinos Papadimas, Commercial Director
- Mr Leonidas Bobolas, Managing Director of Helector S.A. (until 29.10.2021)
- Mr. Ioannis Margiolos, Managing Director of Helector S.A. (from 29.10.2021)
- Mr Martin Lehmann, Water Business Unit Manager Aktor S.A. (from 29.10.2021)

### Other Financial Obligations

There are **other financial obligations** from rental and leasing contracts in the amount of T€ 419.1.

### Group Affiliation

The annual financial statements of the Company are included in the consolidated financial statements of the shareholder Helector S.A., Kifissia / Greece (smallest consolidated group). The consolidated financial statements are published on the website of the shareholder (<https://ellaktor.com/en/etaireies-omiloy/ilektor/oikonomika-stoicheia/>).

### Proposal for the Appropriation of Profit

The management proposes to carry forward the accumulated loss in the amount of € 6,711.2 thousand to the account of the new financial year.

Solms, 23.09.2022

.....  
(Ioannis Margiolos)  
- Manager -

.....  
(Konstantinos Papadimas)  
- Managing director -

.....  
(Martin Lehmann)  
- Managing director -



## Attachment to the Annex

## Analysis of Fixed Assets as at 31.12.2021 (§ 284 para. 3 sentence 2 of the German Commercial Code)

	historical acquisition and production costs			
	Cumulated 01.01.2021 €	Inflow 2021 €	Outflow 2021 €	Cumulated 31.12.2021 €
<b>I. Intangible fixed assets</b>				
Software acquired against remuneration	81,621.69			81,621.69
<b>II. Tangible fixed assets</b>				
1. Technical equipment and machinery	32,974.40			32,974.40
2. other equipment, factory and office supplies	145,582.08	52,311.70	1,084.54	196,809.24
	178,556.48	52,311.70	1,084.54	229,783.64
	<b>260,478.17</b>	<b>52,311.70</b>	<b>1,084.54</b>	<b>311,705.33</b>

Depreciation				Book values	
Cumulated 01.01.2021 €	Inflow 2021 €	Outflow 2021 €	Cumulated 31.12.2021 €	31.12.2021 €	31.12.2021 €
77,700.63	1,649.00		79,349.63	2,572.06	4,221.06
32,821.85	150.00		32,971.85	2.55	152.55
118,533.41	18,850.11	1,084.54	136,298.98	60,510.26	27,048.67
151,355.26	19,000.11	1,084.54		60,512.81	27,201.22
<b>229,055.89</b>	<b>20,649.11</b>	<b>1,084.54</b>	<b>248,620.46</b>	<b>63,084.87</b>	<b>31,422.28</b>





**A. Signature of the Annual Financial Statements in accordance with § 245  
of the German Commercial Code**

Solms, 23.09.2022

.....  
(Ioannis Margiolos)  
- Managing director -

.....  
(Konstantinos Papadimas)  
- Managing director -

.....  
(Martin Lehmann)  
- Managing director -



## **B. Auditor's Assessment Report**

To Herhof Ltd, Solms

### **Audit Assessment**

We conducted an audit of the annual financial statements of Herhof Ltd, Solms, comprising the balance sheet as at 31.12.2021 and the income statement for the financial year from 01.01.2021 to 31.12.2021 as well as the annex, including the presentation of the accounting and valuation methods.

In our opinion, based on the findings of our audit, the attached annual financial statements comply in all material respects with the provisions of German commercial law applicable to corporations and give a true and fair view of the net assets and financial position of the Company as at 31.12.2021 and of its results of operations for the financial year from 01.01.2021 to 31.12.2021 in accordance with German principles of proper accounting.

In accordance with § 322 para. 3 sentence 1 of the German Commercial Code, we declare that our audit has not led to any reservations concerning the propriety of the annual financial statements and the status report.

### **Foundation for the Audit Assessment**

We conducted our audit of the financial statements in accordance with § 317 of the German Commercial Code and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW). Our responsibility under those provisions and standards is further described in the "Auditor's Responsibility for the Audit of the Annual Financial Statements" section of our auditor's report.

We are independent of the Company in accordance with German commercial law and professional regulations and have fulfilled our other German professional responsibilities in accordance with these requirements.

We believe that the audit evidence we gathered is sufficient and appropriate to serve as a basis for our audit assessment on the annual financial statements.

### **Responsibility of the Legal Representatives for the Financial Statements**

The legal representatives are responsible for the preparation of the annual financial statements which comply in all material respects with the provisions of German commercial law applicable to corporations and for ensuring that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. Furthermore, the legal representatives are responsible for the internal audits which they have determined are necessary to enable the preparation of financial statements which are free from material misstatement, whether caused intentionally or unintentionally, in accordance with German generally accepted accounting principles.

In preparing the financial statements, the legal representatives are responsible for assessing the Company's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to going concern. Furthermore, they are responsible for preparing the financial statements on the basis of the going concern principle, unless this is precluded by factual or legal circumstances.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether caused intentionally or unintentionally, and to issue an audit report containing our assessment of the financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 of the German Commercial Code and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of recipients taken on the basis of these financial statements.

During the audit, we exercise professional judgement and maintain a critical attitude. Furthermore

- we identify and assess the risks of material misstatement of the financial statements, whether caused intentionally or unintentionally, design and perform audit procedures responsive to those risks, and obtain audit evidence which is sufficient and appropriate to provide a basis for our audit assessment. The risk of not detecting material misstatements is higher for noncompliance than for inaccuracy, as noncompliance may involve fraud, forgery, intentional omissions, misleading representations, or the override of internal control.
- we obtain an understanding of internal audit system relevant to the audit of the financial statements in order to design audit procedures which are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal audit system.
- we evaluate the adequacy of accounting policies used by the legal representatives and the reasonableness of accounting estimates and related disclosures made by the legal representatives.
- we draw conclusions about the appropriateness of the going concern basis of accounting used by the legal representatives and, based on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances which may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our conclusion. We draw our conclusions based on the audit evidence obtained up to the date of our audit assessment. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- we assess the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in such a way that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting.

We confer with those charged with governance to discuss, among other matters, the planned scope and timing of the audit and significant audit assessments, including any deficiencies in internal audit system that we identified during our audit.

Lauchringen, 23.09.2022

Treuhand Hochrhein Revision Ltd  
Auditing Company

Certified business economist Patrick Stärk  
Auditor



## **Legal Status**

### **1. Fundamentals of Corporate Law**

The Company was founded by notarial deed dated 10.03.2004 and entered in the Commercial Register of the Wetzlar Local Court under HRB 4932 on 02.04.2004.

A current extract from the commercial register dated 06.02.2022 with the last entry dated 29.11.2021 was available. According to information, there have been no transactions subject to registration since this date.

The Company name is:

**Herhof Ltd**

The registered office of the Company is located in 35606 Solms, Germany.

As at the closing date of 31.12.2021, the Articles of Association of 10.03.2004, last amended by resolution of 06.06.2018, were applicable.

### **Scope of the Company**

According to the entry in the commercial register, the scope of the Company of Herhof Ltd is the research, planning, development, manufacture, distribution and operation of waste treatment plants and the provision of construction, maintenance and services in the field of waste management. In this context, the Company may engage in all business activities that directly or indirectly serve the scope of the Company. This includes, in particular, distribution, turnkey construction, the provision of engineering services, the operation, maintenance and repair of waste treatment plants and the provision of all types of maintenance and services.

### **Financial Year**

The financial year is the calendar year.

### **Registered Capital**

The registered capital amounted to € 25,000.00 until 27.07.2005 and was fully subscribed.

By notarial deed dated 27.07.2005, the registered capital was increased by € 275,000.00 to € 300,000.00. The capital increase was entered in the commercial register on 10.08.2005.

By notarial deed dated 06.06.2018, the registered capital was increased by € 500,000.00 to € 800,000.00. The capital increase was entered in the commercial register on 09.11.2018.

The sole shareholder is Helector S.A., Nea Kifissia / Greece.

### **Management and representation**

If only one managing director has been appointed, he/she shall represent the Company alone. If several managing directors have been appointed, the management shall be represented by two managing directors jointly or by one managing director together with an authorised signatory. Individual power of representation may be granted.

During the reporting period and up to the time of our audit, the following persons were appointed as managing directors with sole power of representation and exempt from the restrictions of § 181 of the German Civil Code (BGB).

- Mr. Konstantinos Papadimas, Athens / Greece
- Mr. Leonidas Bobolas, Attica / Greece (until 29.10.2021)
- Mr. Ioannis Eleftherios Margiolos, Athens / Greece (as of 29.10.2021)
- Mr. Martin Friedrich Oskar Lehmann, Athens / Greece (as of 20.11.2021)

## **2. Essential Contracts**

There are rental agreements for premises for:

Solms location, Am Kalkgraben 2  
Contract dated 29.05.2021  
Duration: 31.05.2025  
Current monthly rent: € 7,300.00

Hamburg location, Wendenstrasse 29  
Contract dated 24.09.2014 with addendum dated 08.10.2020  
Duration: indefinite  
Current monthly rent: € 1,737.00

There is a loan agreement granting the shareholder Helector S.A. a loan in the amount of € 1,500 thousand. By virtue of an amendment agreement dated 30.03.2022, the duration of the contract is 21 months and ends on 31.12.2022. The loan was repaid in full on 25.07.2022.

## **3. Fiscal Status**

The Company is registered with the Giessen Tax Office under the tax number 20 235 50392.

The Company's income is subject to corporate income tax (plus solidarity surcharge) and trade tax. For turnover tax, the standard taxation applies.

An external tax audit was completed in 2018 for the assessment periods 2015 and 2016.

The tax assessments for the years 2017 to 2020 are subject to review pursuant to § 164 of the German Fiscal Code (AO).



## Analysis of the Net Assets, Financial Status and Results of Operations

For computational reasons, there may be rounding differences in the following tables compared to the exact values (monetary units, percentages, etc.).

### I. Multiannual Comparison

The following is a comparison of the key company data for the past five financial years. The values for the financial years 2017 - 2018 were not audited by us.

Closing Date	31.12.2017 T€	31.12.2018 T€	31.12.2019 T€	31.12.2020 T€	31.12.2021 T€
Intangible assets	8	3	0.2	4.2	2.6
Tangible assets	2,148	2090	23.7	27.2	60.5
Inventories	47	569	1992.4	4,244.0	5,654.4
Receivables and other assets	2,361	2041	471.5	1,108.8	2,607.3
Cash in hand, credit balances with banks	233	114	154.7	2,528.5	542.8
Accrued income and prepaid expenses	16	12	9	57.7	58.6
<b>Total assets</b>	4,813	4,829	2,651.5	7,970.4	8,926.2
Equity	2,698	2,571	1,440.8	1,262.1	491.3
Accrued liabilities	801	184	73.4	507.0	293.6
Liabilities	1,314	2,074	1,137.3	6,201.3	8,141.3
<b>Total liabilities</b>	4,813	4,829	2,651.5	7,790.4	8,926.2

Financial Year	2017	2018	2019	2020	2021
	T€	T€	T€	T€	T€
Sales revenue	8,706	1,155	1,836.0	3,839.3	10,944.0
Changes in inventories	-6,557	507	-461.9	4,409.2	350.9
Total revenue	2,149	1,662	1,374.1	7,888.5	11,294.9
Cost of materials	-227	-162	-260.2	-2,088.6	-1,976.9
External services	-483	-427	-194.8	-3,327.8	-7,218.3
Gross profit	1,439	1,073	919.1	2,472.1	2,099.7
Other operating income	626	400	147.8	272.2	86.2
	2,065	1,473	1,066.9	2,744.3	2,185.9
Personnel expenses	-1,301	-1,326	-1,547.9	-1,911.6	-2,072.2
Depreciation	-73	-70	-70.3	-16.1	-20.6
Other operating expenses	-1,249	-695	-567.7	-933.5	-973.1
Operating result	-558	-618	-1,119.0	-116.9	-880.0
Financial result	-59	-1	2.2	-44.0	17.3
Result before income taxes	-617	-619	-1,116.8	-160.9	-862.7
Income taxes / other taxes	33	-8	-13.2	-17.7	91.9
Annual deficit	-584	-627	-1,130.0	-178.6	-770.8

	2017	2018	2019	2020	2021
	T€	T€	T€	T€	T€
<b>Closing Date</b>					
<b>Key figures on profitability, economy and financing</b>					
Return on equity (Annual result / equity previous year)	18.2	-92.0	-44.0	-12.4	-16.1
Return on sales ( Annual result / Sales revenue)	-12.1	-48.6	-61.5	-4.7	-7.0
Gross profit margin (gross profit / sales revenue)	25.4	31.6	50.	64.4	19.2
Cost of sales ratio (cost of materials / gross performance)	74.6	68.4	17.1	68.7	81.4
	2017	2018	2019	2020	2021
	T€	T€	T€	T€	T€
<b>Key figures on the asset structure</b>					
Investment assets / total assets	44.8	43.3	0.9	0.4	0.7
Current assets / total assets	55.2	56.7	99.1	99.6	99.3
<b>Key figures on capital structure</b>					
Equity ratio ( Equity capital / total capital)	56.1	53.2	54.4	15.8	5.5
Debt-equity ratio (External capital / total capital)	43.9	46.8	45.6	84.2	94.5
<b>Key figures on liquidity</b>					
Short-term tied assets / short-term external capital	125.6	121.2	217.0	118.3	105.1

## II. Analysis of the Results of Operations

### 1. Presentation of the results of operations

The following table shows the profit and loss accounts for the last two financial years. Some of the expenses and income are structured differently from the profit and loss account under commercial law, taking business management aspects into account.

	2021		2020		Change	
	T€	%	T€	%	T€	%
Sales revenue	10,944.0	96.9	3,839.3	48.7	7,104.7	>100
Changes in inventories	350.9	3.1	4,049.2	51.3	-3,698.3	-91.3
<b>Gross performance</b>	<b>11,294.9</b>	<b>100.0</b>	<b>7,888.5</b>	<b>100.0</b>	<b>3,406.4</b>	<b>43.2</b>
Cost of materials	-1,976.9	-17.5	-2,088.6	-26.5	111.7	-5.3
External services	-7,976.9	-63.9	-3,327.8	-42.2	-3,890.5	>100
<b>Cost of materials</b>	<b>-9,195.2</b>	<b>-81.4</b>	<b>-5,416.4</b>	<b>-68.7</b>	<b>-3,778.8</b>	<b>69.8</b>
<b>Gross revenue</b>	<b>2,099.7</b>	<b>18.6</b>	<b>2,472.1</b>	<b>31.3</b>	<b>-372.4</b>	<b>-15.1</b>
Other operating revenue	86.2	0.8	272.2	3.5	-186.0	-68.3
Personnel expenses	-2,072.2	-18.3	-1,911.6	-24.2	-160.6	8.4
Depreciation and amortisation	-20.6	-0.2	-16.1	-0.2	-4.5	28.0
Rent and leasing	-174.0	-1.5	-130.8	-1.7	-43.2	33.0
Travel expenses	-50.1	-1.4	-59.3	-0.8	9.2	-15.5
Auditing and consulting	-247.9	-2.2	-240.3	-3.0	-7.6	3.2
Insurance and contributions	-26.3	-0.2	-28.6	-0.4	2.3	-8.0
Warranties	-65.8	-0.6	-213.6	-2.7	147.8	
Other miscellaneous expenses	-409.0	-3.6	-260.9	-3.3	-148.1	56.8
<b>Other operating expenses</b>	<b>-973.1</b>	<b>-8.5</b>	<b>-933.5</b>	<b>-11.9</b>	<b>-39.6</b>	<b>4.2</b>
<b>Operating result</b>	<b>-880.0</b>	<b>-7.6</b>	<b>-116.9</b>	<b>-1.5</b>	<b>-763.1</b>	<b>&gt;100</b>
<b>Financial result</b>	<b>17.3</b>	<b>0.2</b>	<b>-44.0</b>	<b>-0.6</b>	<b>61.3</b>	<b>&lt;-100</b>
<b>Result before tax</b>	<b>-862.7</b>	<b>-7.4</b>	<b>-160.9</b>	<b>-2.1</b>	<b>-701.8</b>	<b>&gt;100</b>
Income taxes	0.0	0.0	-12.5	-0.2	12.5	-100.0
Other taxes	91.9	0.8	-5.2	-0.1	97.1	<-100
<b>Annual deficit</b>	<b>-770.8</b>	<b>-6.6</b>	<b>-178.6</b>	<b>-2.4</b>	<b>-592.2</b>	<b>&gt;100</b>

The **gross revenue** decreased in absolute terms by € 372.4 thousand (15.1 %) from € 2,472.1 thousand to € 2,099.7 thousand. The main reason for this decline is the significant increase of € 3,778.8 thousand (= 69.8%) in the **cost of materials**, which rose disproportionately in relation to the total revenue, which also increased (+ € 3,406.4 thousand). The increase in sales revenue by € 7,104.7 thousand is mainly due to the completion of a construction project in Germany.

The **other operating revenues** decreased by € 186.0 thousand to € 86.2 thousand compared to the previous year, primarily as a result of revenues from the disposal of fixed assets recorded in the previous year.

In the range of **operating expenses**,

- the **personnel expenses** increased by a net total of € 160.6 thousand (8.4 %) from € 1,911.6 thousand to € 2,072.2 thousand, but decreased in relation to the total operating performance (-5.9 % - points),
- the **depreciation expenses** increased by € 4.5 thousand (= 28.0 %) in absolute terms to € 20.6 thousand, stabilised at 0.2 % in relation to the total operating performance,
- the **other operating expenses** increased by € 39.6 thousand in absolute terms from € 933.5 thousand in the previous year to € 973.1 thousand, while they decreased by 3.4 % - points to currently 8.5 % in relation to total operating performance.

The **operating result** of € -880.0 thousand compared to € -116.9 thousand in the previous year shows a clear decline both in absolute terms and in relation to the total operating performance.

The **financial result** improved by € 61.3 thousand to € 17.3 thousand compared to the previous year, mainly due to interest income from a shareholder loan in the reporting year.

The **annual deficit** of € 770.8 thousand compared to € 178.6 thousand in the previous year was significantly higher, both in absolute terms by € 592.2 thousand and in relation to the total operating performance of -2.4 % to -6.6 %.

### III. Analysis of the Asset and Financial Status

#### 1. Cash flow statement for the period 01.01.2021 to 31.12.2021

The change in financial resources as well as the causal movements of funds are shown in the following cash flow statement:

	2021 T€	2020 T€
<b>1. Annual deficit</b>	<b>-770.8</b>	<b>-178.7</b>
2. + / - Depreciation / revaluation of fixed assets	20.6	16.1
3. + / - Increase / decrease in accrued liabilities	-213.4	433.6
4. + / - Other non-cash expenses / revenues	-0.5	-5.5
<b>5. Cash Flow</b>	<b>-964.0</b>	<b>265.5</b>
6. - / + Increase / decrease in inventories, receivables from supplies and services as well as other assets which are not to be allocated to the investment or financing activity	-1,654.0	-2,296.6
7. + / - Increase / decrease in liabilities from supplies and services as well as other liabilities which are not to be allocated to the investment or financing activity	1,940.0	5,089.0
8. - / + Profit / loss from the disposal of fixed assets	0.0	-200.3
9. + / - Interest expenses / interest income	-17.0	42.0
10. + / - Income tax expense / revenue	0.0	12.5
11. - / + Income tax payments / refunds	0.0	-12.5
<b>12. = Cash flow from operating activities</b>	<b>-695.0</b>	<b>2,899.6</b>
13. + Proceeds from disposals (e.g. sales proceeds, redemption amounts) of fixed assets (residual book values of the disposals increased) by profits and reduced by losses from the disposal of fixed assets)	0.0	200.3
14. - Payments for investments in fixed assets	-52.3	-23.4
15. + Proceeds from investments in short-term financial assets	325.0	50.0
16. - Disbursements for investments in short-term financial assets	-1,500.0	-650.0
<b>17. = Cash flow from investment activities</b>	<b>-1,227.3</b>	<b>-423.1</b>
18. - Interest paid	-63.4	-27.7
19. - Payments for the redemption of loans and (financial) credits	0.0	-75.0
<b>20. = Cash flow from financing activities</b>	<b>-63.1</b>	<b>-102.7</b>

		2021	2020
		T€	T€
21.	Changes in financial resources affecting payments (sum of lines 9, 12 and 16)	-1,985.7	2,373.8
22.	+ / - Exchange rate and other changes in the value of financial resources	0.0	0.0
23.	+ Financial resources at the beginning of the period	2,528.5	154.7
24.	= <b>Financial resources at the end of the period</b>	<b>542.8</b>	<b>2,528.5</b>
<b>25.</b>	<b>Breakdown of financial resources</b>		
	Cash on hand, credit balances with banks	542.8	2,528.5
	Liabilities against credit institutions	0.0	0.0
	<b>Financial resources at the end of the period</b>	<b>542.8</b>	<b>2,528.5</b>

## 2. Net Assets and Capital Structure

The following overview is derived from the balance sheets of the last two financial years after summarisations and balancing, which were carried out according to business management perspectives. Receivables and liabilities due later than one year from the closing date are considered to be long-term, all other receivables and liabilities are considered to be short-term.

	31.12.2021		31.12.2020		Change	
	T€	%	T€	%	T€	%
Intangible fixed assets	2.6	0.0	4.2	0.1	-1.6	-38.1
Technical equipment and machinery other equipment, operating and office supplies	0.0	0.0	0.2	0.0	-0.2	-100.0
Other fixed assets	60.5	0.7	27.0	0.3	33.5	>100
	33.7	0.4	33.7	0.4	0.0	0.0
<b>Medium and long-term committed assets</b>	<b>96.8</b>	<b>1.1</b>	<b>65.1</b>	<b>0.8</b>	<b>31.7</b>	<b>48.7</b>
Work / services in progress	4,492.5	50.3	4,141.5	52.1	351.0	>100
Advance payments made	1,161.9	13.0	102.5	1.3	1,059.4	>100
<b>Inventories</b>	<b>5,654.4</b>	<b>63.3</b>	<b>4,244.0</b>	<b>53.4</b>	<b>1,410.4</b>	<b>33.2</b>
Receivables due from supplies and services	415.7	4.6	3.3	0.0	412.4	>100
Receivables due from affiliated companies	520.4	5.8	936.4	11.7	-416.0	>100
Receivables due from shareholders	1,603.8	18.0	93.1	1.2	1,510.7	>100
Other assets	33.7	0.4	42.3	0.5	-8.6	-20.3
Cash in hand and bank balances	542.8	6.1	2,528.5	31.7	-1,985.7	-78.5
<b>Short-term committed assets</b>	<b>3,116.4</b>	<b>34.</b>	<b>3,63.6</b>	<b>45.1</b>	<b>-487.2</b>	<b>-13.5</b>
Accruals and deferrals	58.6	0.7	57.7	0.7	0.9	1.6
<b>Total assets</b>	<b>8,926.2</b>	<b>100.0</b>	<b>7,970.4</b>	<b>100.0</b>	<b>955.8</b>	<b>12.0</b>

Long-term assets increased by € 31.7 thousand (48.7 %) in absolute terms compared to the previous year, with an increase in total assets of € 955.8 thousand (12.0 %). Despite the completion of a major construction project, inventories increased by € 1,410.4 thousand or 33.2% due to the progress of other construction and planning projects.

The increase in receivables due from supplies and services is almost compensated for by the decrease in receivables due from affiliated companies. The decrease in financial resources is partly compensated by the increase in receivables due from the shareholder due to the granting of a loan to the shareholder and is otherwise essentially the reason for the decrease in short-term committed assets by € 487.2 thousand to € 3,116.4 thousand.



	31.12.2021		31.12.2020		Change	
	T€	%	T€	%	T€	%
Subscribed capital	800.0	9.0	800.0	10.0	0.0	0.0
Capital reserve	6,402.5	71.7	6,402.5	80.0	0.0	0.0
Loss carried forward	-5,940.4	-66.6	-5,761.8	-72.3	-178.6	3.1
Annual deficit	-770.8	-8.6	-178.6	-2.2	-592.2	>100
<b>Equity capital</b>	<b>491.3</b>	<b>5.5</b>	<b>1,262.1</b>	<b>15.8</b>	<b>-770.8</b>	<b>-61.1</b>
Received supplies and services	293.6	3.3	507.0	6.4	-213.4	-42.1
Received advance payments on orders	5,845.0	65.4	4,621.5	58.1	1,223.5	26.5
Liabilities from supplies and services	1,176.3	13.2	535.1	6.7	641.2	>100
Liabilities against affiliated companies	335.9	3.8	335.9	4.2	0.0	0.0
Liabilities against shareholders	598.9	6.7	601.2	7.5	-2.3	-0.4
Other liabilities	185.2	2.1	107.6	1.3	77.6	>100
<b>Short-term external capital</b>	<b>8,434.9</b>	<b>94.5</b>	<b>6,708.3</b>	<b>84.2</b>	<b>1,726.6</b>	<b>25.7</b>
<b>Total equity and external capital</b>	<b>8,926.2</b>	<b>100.0</b>	<b>7,970.4</b>	<b>100.0</b>	<b>955.8</b>	<b>12.0</b>

As a result of the annual deficit, equity decreased by € 770.8 thousand compared to the previous year and amounts to € 491.3 thousand. Together with the € 955.8 thousand higher balance sheet total, this leads to a decrease in the equity ratio from 15.8 % to 5.5 %.

The short-term external capital increased by € 1,726.6 thousand to € 8,434.9 thousand, mainly due to the advance payments received for unfinished construction and planning projects (+ € 1,223.5 thousand). In addition, liabilities from supplies and services in particular contributed to the increase in short-term liabilities.

## Statement of Accounts for the Balance Sheet - Assets

Account	Description	EUR	Financial Year EUR	Previous year EUR
	<b>Concessions, industrial property rights and similar rights and assets acquired against payment as well as licences to such rights and assets</b>			
135	IT software and associated licences		2,572.06	4,221.06
	<b>Technical equipment and machinery</b>			
410	Technical equipment	2.04		2.04
430	Machinery and appliances	<u>0.51</u>		<u>150.51</u>
			2.55	152.55
	<b>Other equipment, factory and office supplies</b>			
395	Facilities	2,862.00		3,239.00
500	Other equipment	5,558.00		0.00
520	Vehicles	1.02		1.02
600	Other operating and business equipment	52,081.08		23,800.49
650	Office furnishings	<u>8.16</u>		<u>8.16</u>
			60,510.26	27,048.67
	<b>Work in progress, unfinished services</b>			
1050	Semi-finished construction sites	1,721,012.60		3,988,371.72
1051	Semi-finished construction sites Consortium	<u>2,771,451.68</u>		<u>153,192.32</u>
			4,492,464.28	4,141,564.04
	<b>Advance payments made</b>			
1181	Advance payments made before tax		1,161,934.50	102,480.51
	<b>Receivables due from supplies and services</b>			
1210	Receivables due from supplies and services	417,409.03		3,317.26
1248	General allowance for receivables	<u>1,759.00-</u>		<u>17.00-</u>
			415,650.03	3,300.26
	<b>Receivables due from affiliated companies</b>			
1270	Receivables due from S+S against affiliated Co	195,450.00		286,385.71
1271	Clearing account Co 11	<u>325,000.00</u>		<u>650,000.00</u>
			520,450.00	936,385.71
	<b>Receivables due from Shareholders</b>			
960	Loans to Shareholders	1,500,000.00		0.00
1232	other receivables(from loans)	80,778.08		0.00
1250	Receivables from S+S due from Shareholders	<u>23,053.88</u>		<u>93,053.88</u>
			1,603,831.96	93,053.88
Carry forward			<u>8,257,415.64</u>	<u>5,308,206.68</u>

## ASSETS

Account Description	EUR	Financial year EUR	Previous year EUR
Carried forward		8,257,415.64	5,308,206.68
<b>other assets</b>			
821 Participation HSG	4,000.00		4,000.00
1211 Creditors on debit	1,735.29		3,345.33
1230 Other receivables	2,523.00		0.00
1231 Other receivables (from insurance)	3,515.78		3,968.59
1235 Tax receivables	0.13		0.25
1236 Foreign pre-tax receivables	18,484.12		2,308.27
1351 Deposits	33,711.00		33,711.00
1435 Pre-tax deductible in the following year	<u>3,426.24</u>		<u>152.12</u>
	67,395.56		47,485.56
1421 VAT receivables current year	0.00		25,584.88
3841 VAT Previous year	<u>0.00</u>		<u>2,888.13</u>
	0.00		28,473.01
		67,395.56	75,958.57
<b>Cash on hand, Federal Bank balances, credit balances with credit institutions and cheques</b>			
1600 Cash register	3,008.52		3,492.47
1602 Cash register Kozani branch	797.25		797.25
1603 Cash desk Hamburg branch	575.24		224.12
1604 Cash register (Bulg. LEV)	567.28		567.28
1880 Volksbank Mittelhessen 79583006	520,496.48		2,504,780.45
1886 Alpha Bank GR # 2320018047	16,400.00		17,596.26
1887 Volksbank Mittelhessen 79583022	<u>971.08</u>		<u>1,073.88</u>
		542,815.85	2,528,531.71
<b>Accruals and deferrals</b>			
1900 Accruals and deferrals entries (ARAP)		58,572.99	57,720.29
		<u>8,926,200.04</u>	<u>7,970,417.25</u>



**Statement of Accounts for the Balance Sheet – Liabilities**

Account	Description	EUR	Financial year EUR	Previous year EUR
<b>Subscribed capital</b>				
2900	Registered capital (#2000)		800,000.00	800,000.00
<b>Capital reserve</b>				
2920	Capital reserve		6,402,496.90	6,402,496.90
<b>Loss carried forward</b>				
2970	Carry-forward account		5,940,429.48	5,761,775.25
<b>Annual deficit</b>				
	Annual deficit		770,782.02	178,654.23
<b>other accruals</b>				
3000	Accruals	272,891.63		242,800.44
3070	Accruals for employers' liability insurance association -contributions	2,800.00		5,300.00
3075	Accruals for outstanding project services	157,021.00-		0.00
3090	Accruals for warranties	166,601.00		250,764.00
3095	Accruals for financial statements & audits	<u>8,350.00</u>		<u>8,150.00</u>
			293,621.63	507,014.44
<b>Advance payments received on orders</b>				
3250	Advance payments received on orders	1,744,000.00		3,036,337.70
3251	Advance payments received on orders abroad	389,760.00		1,585,152.00
3254	Advance payments received from consortium	<u>3,711,221.72</u>		<u>0.00</u>
			5,844,981.72	4,621,489.70
<b>of which with a remaining term of up to one year EUR 5,844,981.72 (EUR 4,621,489.70)</b>				
3250	Advance payments received on orders			
3251	Advance payments received on orders abroad			
3254	Advance payments received from consortium			
<b>Liabilities from Supplies and services</b>				
3304	Liabilities from S+S (#3300)	1,142,087.85		531,801.69
3310	Creditors on debit (3301)	1,735.29		3,345.33
3311	Liabilities S+S without current account	<u>32,453.80</u>		<u>0.00</u>
			1,176,276.94	535,147.02
<b>of which with a remaining term of up to one year EUR 1,176,276.94 (EUR 535,147.02)</b>				
3304	Liabilities from S+S (#3300)			
3310	Creditors on debit (3301)			
3311	Liabilities S+S without current account			
<b>Liabilities against affiliated companies</b>				
1290	Clearing account Co. 05		335,857.41	335,857.41
Carry forward			<u>8,142,023.10</u>	<u>7,261,575.99</u>

## LIABILITIES

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward			8,142,023.10	7,261,575.99
	<b>of which with a remaining term of up to one year EUR 335.857,41 (EUR 335.857,41)</b>			
1290	Clearing account Co. 05			
	<b>Liabilities against Shareholders</b>			
1255	Clearing account Helector S.A.	103,005.94		130,879.24
3510	Liabilities against Shareholders	<u>495,858.65</u>		<u>470,343.41</u>
			598,864.59	601,222.65
	<b>of which with a remaining term of up to one year EUR 598,864.59 (EUR 601,222.65)</b>			
1255	Clearing account Helector S.A.			
3510	Liabilities against Shareholders			
	<b>Other Liabilities</b>			
3500	Other Liabilities	29,050.88		0.00
3504	Liabilities from travel expenses Co.	2,980.64		324.18
3581	Data carrier exchange VoBa 79583006	0.00		672.50
3710	Liabilities taxes and levies (1-5 Y)	33,884.59		0.00
3720	Liabilities from wages and salaries	87,792.68		75,348.33
3730	Liabilities from payroll and church tax	24,268.62		22,879.72
3735	Liabilities against health insurance funds	1,807.75		3,196.65
3740	Liabilities from direct insurance	5,187.19		4,882.23
3770	Liabilities from capital formation	<u>340.00</u>		<u>315.00</u>
			185,312.35	107,618.61
	<b>thereof from taxes EUR 58,153.21 (EUR 22,879.72)</b>			
3710	Liabilities taxes and levies (1-5 Y)			
3730	Liabilities from payroll and church tax			
	<b>of which in connection with social security EUR 7,334.94 (EUR 8,393.88)</b>			
3735	Liabilities against health insurance funds			
3740	Liabilities from direct insurance			
3770	Liabilities from capital formation			
	<b>of which with a remaining term of up to one year EUR 185,312.35 (EUR 107,618.61)</b>			
3500	Other Liabilities			
3720	Liabilities from wages and salaries			
3730	Liabilities from payroll and church tax			
3735	Liabilities against health insurance funds			
3740	Liabilities from direct insurance			
Carry forward			8,926,200.04	7,970,417.25

## LIABILITIES

Account Description	EUR	Financial year EUR	Previous year EUR
Carried forward		8,926,200.04	7,970,417.25
<b>of which with a remaining term of up to one year EUR 185,312.35 (EUR 107,618.61)</b>			
3770 Liabilities from capital formation			
3504 Liabilities from travel expenses Co.			
3710 Liabilities from taxes and levies (1-5 Y)			
		<b>8,926,200.04</b>	<b>7,970,417.25</b>





**Account Statement for the Profit and Loss Account**

Account	Description	EUR	Financial year EUR	Previous year EUR
<b>Sales revenue</b>				
4000	Sales revenue	7,444,812.06		39,075.23
4010	Revenues from administrative cost allocation	60,000.00		60,000.00
4050	Revenues from service and maintenance	27,500.00		27,500.00
4060	Revenues from services according to 13b	1,411.50		1,900,000.00
4080	Revenues from planning services	0.00		20,000.00
4100	Tax-exempt revenues § 4 No. 8 et seq. VAT	3,393,332.51		1,763,765.00
4125	Tax-exempt intra-Group transactions Deliveries	15,365.64		9,623.78
4160	Other revenues abroad corporate income tax (cost centre)	0.00		18,101.88
4400	Other revenues with tax	<u>1,549.78</u>		<u>1,202.24</u>
			10,943,971.49	3,839,268.13
<b>Increase in inventories of finished and unfinished products</b>				
4800	Inventory Change Semi-Finished Construction	2,267,359.12-		3,896,013.48
4811	Inventory Change Semi Fin. Construction consortium	<u>2,618,259.36</u>		<u>153,192.32</u>
			350,900.24	4,049,205.80
<b>Revenue from the disposal of fixed assets and from appreciation of fixed assets</b>				
4900	Revenues from the sale of assets		0.00	200,344.83
<b>Miscellaneous other operating revenues</b>				
4461	Passenger car use by employees 19%	47,395.08		21,200.25
4462	Passenger car use by employees 16%	0.00		22,004.22
4840	Revenue from currency conversion	0.00		3.80
4932	Revenue from reduction of liabilities	1,804.25		26,153.46
4960	Revenue relating to other periods	32,179.63		500.34
4970	Insurance indemnities	0.00		1,991.81
4975	Investment subsidies	4,500.00		0.00
7410	Revenue from insurance claims	<u>334.68</u>		<u>0.00</u>
			86,213.64	71,853.88
<b>of which revenues from currency conversion EUR 0.00 (EUR 3.80)</b>				
4840	Revenues from currency conversion			
<b>Cost of raw materials, auxiliary and operating materials and of purchased goods</b>				
5100	Building materials for cost units	1,647,556.81		51,795.14
5101	Electrical material for cost units	195,882.07		10,833.37
5102	Ventilation material for cost units	0.00		1,837.50
5103	Building material for construction sites abroad	2,787.72		92,094.27
5111	Building materials for resale	21,052.16		8,427.43
5160	Consumables/small tools	734.92		0.00
5161	Consumables/Small tools corporate tax (foreign)	46.88		100.83
5165	Consumables construction site	<u>5,592.35</u>		<u>304.80</u>
		<u>1,873,652.91-</u>		<u>165,393.34.</u>
Carry forward			11,381,085.37	8,160,672.64

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward		1,873,652.91-	11,381,085.37	8,160,672.64 165,393.34-
	<b>Cost of raw materials, auxiliary and operating materials and of purchased goods</b>			
5166	Consumables construction site abroad	0.00		5.54
5190	Petrol fuel for cost centre	8,029.26		3,245.66
5195	Diesel fuel for cost centre	24,160.35		15,488.93
5730	Supplier accounts 19%	1,593.14-		14.44-
5733	Supplier accounts 16%	0.00		7.70-
5840	Incoming freight for cost centre	68,115.87		4,153.19
5841	Incoming freight for cost unit §13b VAT Act	4,339.50		0.00
5845	Incoming freight for cost centre	159.44		363.28
5881	Inventory changes of goods	0.00		1,900,000.00
			1,976,864.19	2,088,627.80
	<b>Expenses for purchased services</b>			
5900	External services for construction sites	97,972.21		6,698.23
5901	External services for cost centres	0.00		2,594.45
5902	External services for construction sites abroad	319.58		562,817.82
5903	External services for construction sites cost units § 13b VAT Act	6,396,391.78		2,579,211.79
5920	External labour costs for cost units	1,163.43		0.00
5940	Fees for cost units	706,960.20		171,878.34
5943	Fees cost centre / freelancers	3,901.98		3,028.67
5950	External repairs and spare parts	0.00		1,567.00
5955	QM monitoring audit	3,371.60		0.00
6450	Accruals for construction work	8,175.00		0.00
			7,218,255.78	3,327,796.30
	<b>Wages and salaries</b>			
6010	Salaries foremen	0.00		22,207.50
6020	Salaries administrative staff (cost of sales)	1,300,994.08		1,489,676.65
6021	Salaries administrative staff (administrative)	150,792.55		0.00
6023	Salaries administrative staff (selling)	180,270.13		0.00
6026	Christmas bonus for administrative staff	45,000.00		68,000.00
6030	Temporary wages	4,767.00		0.00
6035	Temporary wages for commercial staff	0.00		4,706.19
6060	Voluntary social expenses for employees	3,544.55		2,634.11
6063	Premium account	2,350.00		39,500.00
6080	Capital-forming benefits (sales)	2,100.00		2,225.00
6081	Capital-forming benefits (administ)	600.00		0.00
6093	Allowances, travel allowances, tax-free cost	10,788.50		4,186.00
6095	Passenger car use by employees	57,365.42		0.00
			1,758,572.23	1,633,135.45
	<b>Social security contributions and expenses for pensions and other benefits</b>			
6100	PLC share in social security (sales)	214,887.24		244,506.26
6101	PLC share in social security (admin.)	37,630.73		0.00
		252,517.97.		244,506.26-
Carry forward			427,393.17	1,111,113.09

Account Description	EUR	Financial year EUR	Previous year EUR
Carried forward	252,517.97-	427,393.17	1,111,113.09 244,506.26-
<b>Social security contributions and expenses for pensions and other benefits</b>			
6102 PLC share in social security (sales)	25,317.36		0.00
6110 Payroll and church tax	737.18		737.23
6120 Contributions to the trade association	26,744.08		25,371.95
6121 Contributions to the trade association Previous year	692.62		706.83
6140 Company pension scheme	<u>7,653.80</u>		<u>7,192.36</u>
		313,663.01	<u>278,514.63</u>
<b>thereof for pensions EUR 7,653.80 (EUR 7,192.36)</b>			
6140 Company pension scheme			
<b>Depreciation</b>			
<b>on intangible fixed assets and tangible fixed assets</b>			
6200 Depreciation of intangible fixed assets	1,649.00		895.36
6220 Depreciation of tangible fixed assets (sales)	17,915.57		11,615.30
6290 Instant depreciation of minor assets	<u>1,084.54</u>		<u>3,569.09</u>
		20,649.11	<u>16,079.75</u>
<b>Expenses for premises</b>			
5199 Heating oil/heating	0.00		5,765.90
6305 other rents	2,878.60		3,339.89
6315 Rent office Hamburg	20,844.00		21,037.00
6317 Rent office Solms	87,600.00		51,100.00
6320 Gas, electricity, water	19,917.60		14,246.60
6325 Electricity costs (cost centre)	8,041.03		8,809.03
6327 Water and sewerage charges (cost centre)	0.00		590.13
6330 Cleaning costs	<u>10,153.91</u>		<u>7,585.89</u>
		149,435.14	<u>112,474.44</u>
<b>Insurances, contributions and levies</b>			
5946 Fees for cost units	13.00		0.00
6346 Fiscal deduct. late payment surcharge	982.50		90.50
6400 Business insurances for cost centres	14,182.61		18,796.78
6405 Business insurances for cost units	6,172.93		3,993.60
6420 Contributions and fees	<u>4,958.00</u>		<u>5,714.60</u>
		26,309.04	<u>28,595.48</u>
<b>Repairs and maintenance</b>			
5950 External repairs and spare parts	188.50		0.00
6460 Repair & maintenance of machinery and	0.00		1,500.75
6490 Other repairs & maintenance	5,523.70		20,322.38
6495 Maintenance costs for hardware & software	<u>6,634.32</u>		<u>6,310.92</u>
		12,346.52	<u>28,134.05</u>
Carry forward		95,009.65-	647,314.74

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward			95,009.65-	647,314.74
<b>Vehicle expenses</b>				
6250	Leasing passenger car LDK-HH 656 (VW)	4,164.00		3,123.00
6251	Leasing passenger car LDK-EL 113 (FCA Bank Ltd.)	9,289.56		6,193.04
6252	#No. 6242 Leasing passenger car LDK-HH 321 (VW)	0.00		780.80
6253	#No. 6243 Leasing passenger car LDK-HH 885 (VW)	4,240.50		4,965.00
6254	#No. 6242 Leasing passenger car LDK-HH 407 (VW)	0.00		2,642.50
6255	#No. 6245 Leasing passenger car LDK-HH 977 (Audi)	9,300.00		9,300.00
6256	#No. 6246 Leasing passenger car DIL-HH 888 (VW)	3,768.00		3,768.00
6257	#No. 6247 Leasing passenger car LDK-HH 696	8,067.96		8,067.96
6258	#No. 6248 Leasing passenger car LDK-HH 333 (VW)	3,780.00		3,780.00
6259	#No. 6249 Leasing passenger car LDK-HH 708 (VW)	6,372.96		5,498.50
6261	#No. 6241 Leasing passenger car LDK-HH 511 (M.B.- Leas)	0.00		3,528.95
6265	Leasing passenger car LDK-EL 393 (VW Leasing)	4,080.00		1,700.00
6266	Leasing passenger car LDK-EL 93E (VW Leasing)	2,556.00		0.00
6267	Leasing passenger car LDK-EL 99E (VW Leasing)	3,080.00		0.00
6500	Vehicle costs	13,610.35		10,486.06
6520	Vehicle insurance	5,231.28		4,551.36
6540	Vehicle repairs	6,857.65		2,163.91
6595	Third-party vehicle costs (rentals)	<u>1,807.75</u>		<u>0.00</u>
			86,206.01	70,549.08
<b>Advertising and travel expenses</b>				
6600	Advertising costs	30,447.13		15,447.58
6605	Exhibition costs	405.00		10,987.18
6610	Gifts up to EUR 35	200.00		0.00
6611	Gifts over EUR 35	445.00		329.75
6626	Other distribution costs Cost unit	31.20		40.20
6630	Entertainment costs Cost unit	686.08		1,146.95
6631	Entertainment costs Cost unit non-deductible	294.03		491.54
6640	Entertainment costs Cost centre	788.74		669.60
6641	Entertainment Cost centre non-deductible	336.75		286.97
6643	Entertainment - drinks, sweets etc.	2,789.71		2,917.41
6650	Travel expenses	9,064.05		4,672.70
6651	Travel expenses production order	23,690.98		34,584.77
6654	Travel expenses FoulaFala	16,005.48		19,788.08
6656	Overnight accommodation costs - external cost	690.76		175.30
6657	Overnight expenses for external cost centre	645.59		106.20
6658	#6690 Mileage reimbursement for cost centre	<u>35.40</u>		<u>0.00</u>
			86,555.90	91,644.23
<b>Costs of the delivery of products</b>				
6740	Outgoing freight for cost unit	555.41		1,018.40
6741	Outgoing freights for cost centre	<u>1,002.03</u>		<u>928.89</u>
			1,557.44	1,947.29
Carry forward			269,329.00-	483,174.14

Account Description	EUR	Financial year EUR	Previous year EUR
Carried forward		269,329.00-	483,174.14
<b>Miscellaneous operating expenses</b>			
5955 QM monitoring audit	0.00		1,567.80
6027 Managing director salaries	206,000.00		195,000.00
6173 Employee recruitment costs	17,140.00		10,580.00
6301 Other operating expenses	75,000.00		46.23
6302 Rental external equipment for construction	32,502.05		0.00
6304 Rental of external equipment for cost centres	2,217.00		2,022.00
6790 Warranty expenses	65,837.00		213,630.00
6800 Postage	454.94		942.84
6805 Telephone costs	31,542.10		32,163.39
6806 Telephone costs cost centre	40.69		0.00
6815 Office & administrative costs	26,168.80		8,185.59
6817 Electronic data processing costs	30,176.02		18,410.06
6818 Costs for onward invoicing (IC)	809.02		11,945.59
6820 Journals, books	1,846.47		1,921.07
6821 Education & training costs	9,497.00		738.00
6822 Occupational safety measures & work clothes	6,577.33		849.36
6825 Legal & consulting costs	33,707.80		37,142.10
6827 Other licences	26,746.68		23,240.38
6828 Closing & audit costs	8,200.00		8,150.00
6833 #6823 Voluntary social benefits	14,367.14		11,252.52
6855 Incidental costs of monetary transactions Cost	4,800.97		1,507.42
6856 Ancillary costs of monetary transactions Cost	898.65		3,243.50
6859 Waste & disposal costs	0.00		301.81
		594,529.66	582,839.66
<b>Losses from the disposal of fixed assets</b>			
6900 Expenses from disposal of assets		0.00	1,245.83
<b>Losses from impairments of current assets and allocation to the value allowance for receivables</b>			
6285 Modification of value allowance for receivables		1,742.00	123.00-
<b>Miscellaneous other operating expenses</b>			
6390 Grants, donations	300.00		0.00
6642 non-deductible operating expenses	971.94		1,251.75
6880 Expenses from currency conversion	722.38		677.20
6960 Expenses unrelated to the accounting period	11,372.67		13,197.14
7510 Expenses from insurance claims	1,050.00		1,026.05
		14,416.99	16,152.14
<b>of which expenses from currency conversion EUR 722.38 (EUR 677.20)</b>			
6880 Expenses from currency conversion			
Carry forward		880,017.65-	116,940.49-

Account Description	EUR	Financial year EUR	Previous year EUR
Carried forward		880,017.65-	116,940.49-
<b>Other interest and similar revenues</b>			
7100 Interest revenue without VAT	0.87		1.72
7111 Interest revenue internal	<u>80,778.08</u>		<u>0.00</u>
		80,778.95	1.72
<b>Interest and similar expenses</b>			
7300 Guarantee fees (cost unit)	63,342.25		43,951.21
7310 Interest & discount expenses	<u>68.90</u>		<u>5.70</u>
		63,411.15	43,956.91
<b>Taxes on income and revenue</b>			
7639 Foreign withholding tax to be credited		0.00	12,500.00
<b>Other taxes</b>			
7650 Business tax/property tax	0.00		2,483.55
7660 Turnover tax Previous year	94,645.83-		0.00
7685 Vehicle tax	<u>2,778.00</u>		<u>2,775.00</u>
		91,867.83-	5,258.55
<b>Annual deficit</b>		<u><u>770,782.02</u></u>	<u><u>178,654.23</u></u>