FIN LAB

Interim Financial Report as at
June 30, 2016

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INTERIM FINANCIAL REPORT

INTERIM FINANCIAL STATEMENT OF FINLAB AG (HGB)

INTERIM FINANCIAL REPORT AS AT JUNE 30, 2016

BALANCE SHEET AS AT JUNE 30, 2016 (HGB)
ASSETS

			in thousand EUR	
			06.30.2016	12.31.2015
A.	Fixed assets			
	I.	Intangible assets		
		Concessions, industrial property rights acquired for a consideration, and similar rights and values as well as licenses to such rights and values	9.3	13.1
	II.	Property, plant and equipment		
		1. Land, leasehold rights and buildings including buildings on third-party land	10.2	14.2
		2. Other equipment, furniture, fixtures and fittings	74.1	88.9
	III.	Financial assets		
		1. Shares in affiliated companies	2,889.9	3,093.8
		2. Lending to affiliated companies	3,565.7	3,314.5
		3. Investments	5,466.6	2,996.4
		4. Securities held for investment	19,908.8	20,561.1
			31,924.7	30,082.1
B.	Current assets			
	I.	Trade receivables and other assets		
		1. Trade receivables	22.3	0.0
		2. Receivables from affiliated companies	1,078.3	1,109.9
		3. Other assets	638.2	1,902.7
	II.	Securities	464.5	475.2
	III.	Cash, Bank balances	905.5	1,292.6
			3,108.7	4,780.4
C.	Accruals and prepayments		28.6	0
			35,062.0	34,862.5

BALANCE SHEET AS AT JUNE 30, 2016 (HGB)
LIABILITIES

			in thousand EUR
		06.30.2016	12.31.2015
A.	Equity		
1.	Subscribed capital	4,538.7	4,538.7
2.	Capital reserve	36,470.7	36,470.7
3.	Retained earnings/loss	-7,333.4	-7,983.1
		33,676.0	33,026.3
B.	Provisions		
1.	Tax provisions	645.8	531.4
2.	Other provisions	607.3	964.2
		1,253.1	1,495.7
C.	Liabilities		
1.	Trade payables	37.5	43.5
2.	Amounts owed to affiliated companies	6.4	14.1
3.	Amounts owed to companies with an ownership structure	11.0	11.0
4.	Other liabilities	78.0	272.0
		132.9	340.6
		35,062.0	34,862.5

INCOME STATEMENT (HGB)
JANUARY 1 TO JUNE 30, 2016

in thousand EUR

		1st half 2016	1st half 2015
1.	Revenue	1,191.9	3,356.0
2.	Other operating income	43.7	1,127.3
3.	Cost of materials	-58.7	0.0
4.	Personnel expenses a) Wages and salaries b) Social security contributions and expenses for pensions and other benefits	-633.8 -51.6	-580.5 -52.0
5.	Depreciation of intangible assets and property, plant and equipment	-25.0	-29.0
6.	Other operating expenses	-137.3	-488.8
7.	Income from investments	500.0	935.6
8.	Other interest and similar gains	84.0	61.8
9.	Write-downs of financial assets and securities classified as current assets	-148.8	-50.7
10.	Interest and similar expenses	0.0	-35.0
11.	Taxes on income	-114.4	-0.1
12.	Other taxes	-0.4	0.0
13.	Net result for the period	649.7	4,244.7

NOTES TO THE FINLAB AG INTERIM FINANCIAL REPORT (HGB) AS AT JUNE 30, 2016

General

The interim financial statements of FinLab AG, Frankfurt am Main, 30 June 2016 have been prepared in accordance with Sections 242ff. and Sections 264ff. of the German Commercial Code (HGB) and the relevant provisions of the German Stock Companies Act (AktG). It is a small stock corporation in the meaning of Section 267 German Commercial Code (HGB).

The income statement is prepared using the total cost method. The company made use of the simplification rule under Section 286 Para. 4 of the German Commercial Code (HGB) and did not prepare a management report.

Accounting and valuation principles

When preparing the interim financial statements and calculating the comparative figures for the previous year, the same accounting and valuation policies were in principle applied as in the 2015 annual financial statement. A detailed description of these methods is published in the notes to the 2015 financial report for the annual financial statement.

Notes on the Balance Sheet

The notes to the balance sheet relate to changes as at the reporting date of December 31, 2015.

Trade receivables and other assets

Trade receivables and other assets made up as follows:

		in thousand EUR
	06.30.2016	12.31.2015
Trade receivables	22	0
Receivables from affiliated companies	1,078	1,110
Other assets		
Loans	0	1,288
Other miscellaneous	638	212
	1,739	3,013

All trade receivables and other assets are due in less than a year.

Equity

The subscribed capital totals EUR 4,538,670.00 and is divided into 4,538,670 registered ordinary shares. The shares are individual shares with a nominal value of EUR 1.00 each.

The annual shareholders' meeting on December 10, 2014 resolved to increase the subscribed capital by November 30, 2019, with the approval of the Supervisory Board, by up to EUR 2,269,335.00 by issuing new shares against cash or property, plant and equipment on one or more occasions (Authorized Capital 2014/I), whereby the subscription rights of shareholders can be excluded. The corresponding amendment to Section 5 (2) of the Articles of Association was recorded in the Commercial Register on December 30, 2014. The Company has not yet exercised the option of using the authorized capital.

The subscribed capital of the Company was contingently increased by EUR 1,815,000.00 by the Annual shareholders' meeting of December 10, 2014 (Contingent Capital 2014/II). The subscribed capital of the Company was contingently increased by EUR 453,867.00 by the Annual Shareholders' meeting of December 10, 2014 (Contingent Capital 2014/II).

Provisions

Other provisions mainly consist of provisions for audit fees, rented empty office rooms, commissions and ancillary rental costs.

Liabilities

Liabilities have a residual maturity of up to one year.

Other liabilities include tax liabilities amounting to EUR 28,000 (12.31.2015: EUR 193,000).

Notes to the Income Statement

Depreciation on financial assets and on securities classified as current assets includes extraordinary depreciation on financial assets of EUR 149,000 (prior year: EUR 51,000).

Other interest and similar earnings includes interest income of affiliated companies of EUR 84,000 (prior year: EUR 62,000).

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

Other Information

Contingent liabilities

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

Other financial commitments

As of the reporting date, a total of EUR 298,000 in rental commitments has resulted from a rental agreement signed in 2011 for a fixed term of five years and four months. The rental lease expires in April 2017. A bank guarantee of EUR 111,000 has been arranged as a rent deposit. Further financial obligations of EUR 33,000 result from existing lease agreements.

List of equity holdings

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

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

Investments	Headquarters	Percentage holding	in thousand EUR Equity 12.31.2015	in thousand EUR Annual profit 2015
Heliad Management GmbH	Frankfurt am Main	100 %	1,582	1,112
Patriarch Multi-Manager GmbH	Frankfurt am Main	100 %	867	617
VCH Investment Group AG	Frankfurt am Main	100 %	1,229	95
Kapilendo AG	Berlin	28 %	-	-
nextmarkets GmbH [1)]	Cologne	49.96 %	-318	-343
Authada GmbH	Darmstadt	20%	-	-
Heliad Equity Partners GmbH & Co. KGaA	Frankfurt am Main	47 %	57,423	1,137

1) The information relating to equity and annual profit relate to the 2014 financial year.

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

Investments	Headquarters	Percentage holding	in thousand EUR Equity 12.31.2014	in thousand EUR Annual profit 2014
Seyes GmbH [1)]	Bayreuth	20 %	86	12

1) Investment in VCH Investment Group AG

Information about the existence of equity interest in the Company

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

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

Mr Christian Angermayer, London, UK, has notified us pursuant to § 20, Para. 1 AktG that he holds directly more than one quarter of the shares in our company, as the equity interest of Apeiron Investment Group Ltd., St. Julians, Malta, which he controls, is attributable to our company in accordance with §16, Para. 4 AktG.

Executive Board

The members of the Executive Board are:

- Mr. Juan Rodriguez, Member of the Executive Board, Bad Vilbel
- Mr. Stefan Schütze, Member of the Executive Board, Frankfurt am Main
- Mr. Kai Panitzki, Member of the Executive Board, Cologne

Supervisory Board

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

- Mr. Axel-Günter Benkner, independent management consultant, Nidderau, Chairman
- Mr. Bernd Förtsch, Management of Börsenmedien Aktiengesellschaft, Kulmbach, Member of the Supervisory Board
- Dr. Friedrich Schmitz, entrepreneur, Munich

Post-balance-sheet events

Within the scope of planned capital increases, FinLab has invested seven-figure sums into its equity holdings nextmarkets GmbH, Köln und Deposit Solutions GmbH, Hamburg.

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

Frankfurt am Main, August 25, 2016

The Executive Board

INTERIM FINANCIAL STATEMENT OF FINLAB AG (IFRS)

INTERIM FINANCIAL REPORT AS AT JUNE 30, 2016

BALANCE SHEET AS AT JUNE 30, 2016 (IFRS)
ASSETS

			in thousand EUR	
			06.30.2016	12.31.2015
A.	Non-current assets			
	I.	Intangible assets	9	13
	II.	Property, plant and equipment	90	115
	III.	Financial assets	53,696	52,397
			53,796	52,525
B.	Current assets			
	I.	Securities	464	475
	II.	Trade receivables	22	0
	III.	Receivables from associated companies	0	1
	IV.	Receivables from affiliated companies	1,078	1,110
	V.	Other assets	569	1,346
	VI.	Income tax receivables	556	517
	VII.	Cash at banks	905	1,293
			3,595	4,743
			57,391	57,268

BALANCE SHEET AS AT JUNE 30, 2016 (IFRS)
LIABILITIES

in thousand EUR

			06.30.2016	12.31.2015
A.	Share capital			
	I.	Subscribed capital	4,539	4,539
	II.	Capital reserve	36,648	36,630
	III.	Revenue reserves	-3,755	-4,158
	III.	Revaluation reserve	18,193	18,020
			55,625	55,031
B.	Non-current liabilities			
	I.	Long-term provisions	67	63
	II.	Other liabilities	48	77
	III.	Deferred tax	382	403
			496	543
C.	Current liabilities			
	I.	Provisions for taxation	646	531
	II.	Other provisions	540	901
	III.	Liabilities to affiliated companies	6	14
	IV.	Trade payables	49	55
	VI.	Other liabilities	29	193
			1,270	1,694
			57,391	57,268

INCOME STATEMENT (IFRS)
JANUARY 1 TO JUNE 30, 2016

in thousand EUR

	1st half 2016	1st half 2015
Revenue	990	3,414
Income from investments	500	936
Other operating income	391	508
Total income	1,881	4,858
Personnel expenses	-700	-631
Non-personnel expenses	-477	-512
Operating income (EBIT)	704	3,715
Financial income	-203	29
Earnings before taxes (EBT)	501	3,744
Taxes on income	-99	7
Period result	403	3,751
Average number of shares issued	4,538,670	4,538,670
Basic and diluted earnings per share in EUR	0.09	0.83
Changes to the revaluation reserve	173	4,579
Total operating revenue	576	8,330

STATEMENT OF CASH FLOWS (IFRS)
JANUARY 1 TO JUNE 30, 2016

in thousand EUR

	1st half 2016	1st half 2015
Period result	403	3,750
Income from the sale of securities and financial assets	-496	-516
Retirement of securities and financial assets	509	407
Write-ups of securities and financial assets	-19	-597
Write-downs of securities and financial assets	293	704
Change in revaluation reserve due to deferred taxes	-3	-60
Depreciation of property, plant and equipment and intangible assets	31	35
Gains on disposal of property, plant and equipment and intangible assets	0	-5
Increase/decrease in provisions	-243	-295
Other non-operative expenditures and proceeds	-3	53
Increase/decrease in receivables and other assets	-42	-3,071
Increase/decrease in payables and other liabilities	-207	66
Cash flow from operating activities	222	470
Proceeds from property, plant and equipment and intangible assets	-3	21
Proceeds from loans of non-current assets	850	206
Payments for loans of non-current assets	-500	-1,848
Payments for investments in financial assets	-1,500	-172
Payments for investments in securities held as current assets	0	-43
Proceeds from the sale of securities and financial assets	543	768
Cash flow from investing activities	-610	-1,068
Cash flow from financing activities	0	0
Net change in cash and cash equivalents	-387	-597
Cash and cash equivalents at beginning of period	1,293	3,291
Cash and cash equivalents at end of period	905	2,694

STATEMENT OF CHANGES IN EQUITY (IFRS)
JANUARY 1 TO JUNE 30, 2016

in thousand EUR	Subscribed capital	Capital reserve	Retained earnings	Revaluation reserve	Total equity
As at 01.01.2016	4,539	36,630	-4,158	18,020	55,031
Changes in revaluation reserves with no effect on the P&L	-	-	-	173	173
Net result for the period	-	-	403	-	403
Overall result	-	-	403	173	576
Share option program	-	18	-	-	18
Version 06.30.2004	4,539	36,648	-3,755	18,193	55,625

NOTES TO THE INTERIM FINANCIAL REPORT (IFRS) OF FINLAB AG AS AT JUNE 30, 2016

INFORMATION ON THE COMPANY

FinLab AG (hereinafter referred to as "FinLab" or the "Company") is based in Grüneburgweg 18, Frankfurt am Main and is entered in the commercial register of the Local Court of Frankfurt am Main under HRB 58865.

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

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

BASIC PRINCIPLES

The unaudited, condensed interim financial statements as of June 30, 2016 were prepared in accordance with International Financial Reporting Standards (IFRS), as applied in the EU, and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC). IAS 34 (Interim Financial Reporting) was observed. The option of the early application of new standards has not been exercised.

The accounting and valuation policies underlying the 2015 annual financial statement were consistently applied to this interim financial statement.

The annual financial statement contains values which have been determined legitimately using estimates and assumptions. The estimates and assumptions used are based on historical experience and other factors such as planning and likely (from the current standpoint) expectations and forecasts of future events. The assumptions and estimates taken into consideration mainly relate to the determination of the recoverable amount in connection with impairment testing and the recognition and measurement of deferred taxes and provisions.

Significant adjustments to the reported assets and provisions may be required in the next financial year for the following items by performing a re-evaluation:

in EURk

	06.30.2016	12.31.2015
Financial assets	53,696	52,397
Securities held as current assets	464	475
Other provisions	607	964

NOTES TO THE INCOME STATEMENT

Revenue

The reported sales revenues relate to the services provided by the Company to subsidiaries and equity interests, particularly in the areas of management, accounting and marketing. Other significant categories of sales revenue are not available.

Income from investments

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

Other operating income

Other operating income mainly consists of the liquidation of amortizations amounting to EUR 250,000 (previous year: EURk 2), the cost transfer of expenses amounting to EURk 119 (previous year: EURk 174), the reversal of provisions amounting to EURk 20 (previous year: EURk 62) and other operating income of EURk 2 (previous year: EURk 270). The latter are predominantly earnings from other accounting periods.

Currency conversion yielded gains of EURk 0 (prior year: EURk 238).

Personnel expenses

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

The personnel expenses also include the amounts resulting from the valuation of the share warrants issued to employees and directors. More details on the stock option plan are explained in the annual financial statement as at 12/31/2015

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

		in EURk
	1. HY 2016	1. HY 2015
Wages and salaries	-626	-428
Social security contributions	-53	-52
Other personnel expenses	-21	-151
	-700	-631

The other personnel expenses are mainly made up of the costs related to the valuation of the share warrants issued under the stock option plan.

Non-personnel expenses

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

in EURk	1. HY 2016	1. HY 2015
Occupancy costs	-171	-230
Consulting and audit costs	-87	-26
Banking and insurance fees	-35	-35
Depreciation of property, plant and equipment and intangible assets	-31	-28
Costs of marketing and financial market information	-30	-73
Costs for communication and IT	-27	-33
Travel and entertainment expenses	-15	-31
Vehicle costs	-15	-20
Office expenses	-4	-3
Other miscellaneous expenses	-62	-33
	-477	-512

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

Financial income

The financial income is made up of:

in EURk	1. HY 2016	1. HY 2015
Income from the sale of securities and financial assets	496	516
Retirement of securities and financial assets	-509	-407
Write-ups and write-downs of securities and financial assets	-274	-107
Interest and similar gains	84	62
Interest and similar expenses	0	-36
	-203	28

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

in EURk	1. HY 2016	1. HY 2015
Current securities in the category ”Valued at fair value through profit or loss“	496	38
securities held as current assets in the category ”Valued at fair value through profit or loss“	0	469
securities held as current assets in the category "held for trading"	0	9
	496	516

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

in EURk	1. HY 2016	1. HY 2015
Current securities in the category ”Valued at fair value through profit or loss“	-509	0
securities held as current assets in the category ”Valued at fair value through profit or loss“	0	-398
securities held as current assets in the category "held for trading"	0	-9
	-509	-407

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

Tax on income

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

in EURk

	1. HY 2016	1. HY 2015
Actual tax expense for the period	-119	0
Deferred taxes	21	7
	-99	7

Earnings per share

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

in EURk

	1. HY 2016	1. HY 2015
Net result for the period from continuing business	403	3,750
Average number of shares issued	4,538,670	4,538,670
Basic and diluted earnings per share (in EUR)	0.09	0.83

NOTES ON THE BALANCE SHEET

Intangible assets and property, plant and equipment

Intangible assets primarily consist of purchased software licenses. The useful life of intangible assets and fixed assets ranges from 3 to 20 years. No groups have been created due to their subordinate importance. There were no incurred expenses for research and development and these were therefore neither included in the costs nor capitalized. No internally generated intangible assets were capitalized.

Financial assets

Financial assets include the following items:

		in EURk
	06.30.2016	12.31.2015
Shares in affiliated companies	16,426	16,630
Investments	5,467	2,996
Securities held as current assets in the category	28,696	29,418
Loans	3,108	3,352
	53,696	52,397

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

		in EURk
	06.30.2016	12.31.2015
Current securities in the category ”Valued at fair value through profit or loss“	807	1,681
Current securities in the category ”Available-for-sale financial assets“	27,889	27,737
	28,696	29,418

Deferred tax assets and liabilities

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

Securities

The securities held as current assets are allocated to the categories "financial assets at fair value through profits or loss" and "available-for-sale financial assets": As of the reporting date, only balances in the category "financial assets at fair value through profits or loss" are held.

Receivables and other assets

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

The other assets and receivables relate to the following items:

		in EURk
	06.30.2016	12.31.2015
Receivables from loans	1,559	2,361
Receivables from sales tax	19	0
Receivables from income tax	556	517
other	69	95
	2,203	2,973

Cash at banks

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

Share capital

Subscribed capital

The subscribed capital totals EUR 4,538,670.00 and is divided into 4,538,670 registered ordinary shares. The shares are individual shares with a nominal value of EUR 1.00 each.

The Annual Shareholders' Meeting on December 10, 2014 resolved to increase the subscribed capital by November 30, 2019, with the consent of the Supervisory Board, by up to EUR 2,269,335.00 by issuing new shares against cash or property, plant and equipment on one or more occasions (Authorized Capital 2014/I), whereby the subscription rights of shareholders can be excluded. The corresponding amendment to Section 5 (2) of the Articles of Association was recorded in the Commercial Register on December 30, 2014. The Company has not yet exercised the option of using the authorized capital.

The subscribed capital of the Company was contingently increased by EUR 1,815,000.00 by the Annual shareholders‘ meeting of December 10, 2014 (Contingent Capital 2014/I). The subscribed capital of the Company was contingently increased by EUR 453,867.00 by the Annual shareholders‘ meeting of December 10, 2014 (Contingent Capital 2014/II). Based on the conditional capital increases, the Company has made partial use of the authorization to issue bonds with warrant and/or convertible bonds, profit participation bonds and/or participation rights with warrants and/ or conversion rights or obligations. In the 2015 financial year, 315,000 share options were distributed to employees and directors.

Capital reserve

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

The capital reserve also holds the amounts resulting from the valuation of the share options issued to employees and directors.

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

Retained earnings

The income reinvested in previous years and reserved from the current year‘s earnings. There are no legal reserves as defined in Section 150 (2) German Stock Companies Act (AktG) nor other reserves covered by the Articles of Association.

Reserve for the revaluation of financial instruments

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

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

in EURk

	1. HY 2016	1. HY2015
Measurement and disposals of securities	223	8,973
Deferred taxes	-3	-132
	220	8,841

Provisions

The long-term provisions were created in order to archive files and fulfill the obligation to reverse constructional changes in the rented offices amounting to EURk 67 (previous year: EURk 63) and were not discounted due to the minor effect.

Provisions were made against the earnings for the financial year for tax on income and earnings for a total of EURk 646 (previous year: EURk 531).

Other short-term provisions are made up as follows:

in EURk	12.31.2015	Consumption	Resolution	Supply	06.30.2016	Likelihood of application
Personnel	384	-325	-8	113	164	high
Office expenses	278	-70	-10	0	198	high
Audit costs	152	-58	0	25	119	high
Supervisory Board	60	-60	0	40	40	high
Tax consultancy	27	-8	-2	2	19	high
	901	-520	-20	179	540	

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

Liabilities

Other liabilities relate to the following items:

	in EURk	
	06.30.2016	12.31.2015
Wage and church tax	28	29
VAT	0	22
other	49	219
	77	270

OTHER INFORMATION

Notes to the Statement of Cash Flows

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

During the reporting period, cash inflows from interest income were recorded at EURk 56 (previous year: EURk 28) and cash outflows from interest expense at EURk 0 (previous year: EURk 35). Dividends of EURk 500 were collected (previous year: EURk 936).

As in the previous year, no income taxes were paid by FinLab.

The cash and cash equivalents consist of cash at bank.

Notes to segment reporting

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

Information relevant to accounting is therefore only available for the Company as a whole and is not allocated to individual segments. FinLab is accordingly managed as a "single-segment entity" (SSE), as a result of which the financial and other effects of business activities can be identified on the basis of these elements at hand. The disclosure of operating segments is therefore unnecessary for these reasons.

The company's value is mainly determined on the basis of the market value of investments as reflected in the equity according to IFRS. The equity according to IFRS is a key parameter for controlling and monitoring the company. Attention is drawn to the chapter 6.8 Capital Management.

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

Contingent liabilities and other financial obligations

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

Leasing

FinLab has concluded operating lease agreements for vehicles and technical equipment (movable goods). A lease for office space (real estate) also existed.

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

As of the reporting date, a total of EURk 298 in rental commitments has resulted from a rental agreement signed in 2011 for a fixed term of five years and four months. The rental lease expires in April 2017. A bank guarantee of EURk 111 has been arranged as a rent deposit. Payments amounting to EURk 205 have been made over the course of this financial year.

Further financial obligations of EURk 33 with a term of up to three years result from the other existing lease agreements. Further information about these agreements are individually and collectively insignificant and are therefore not explained in further detail.

Associated companies and individuals

As of June 30, 2016, LION CAPITAL AG, Kulmbach, held over 25 % of the company's shares. As of June 30, 2016, Lion Capital AG, Kulmbach is classified as an associated company within the meaning of Section 15 German Stock Companies Act (AktG) with regard to other companies. The indirect owner in the meaning of Section 17 (1) German Stock Companies Act (AktG) is Mr. Bernd Förtsch, Kulmbach.

On the basis of holding the voting majority at the shareholders' meeting of 15 July 2016, Mr. Bernd Förtsch was able to exert what amounted to controlling influence over the Company. Furthermore, it is expected that the voting majority presence will also occur at future shareholders' meetings, so FinLab was a business controlled by Mr. Bernd Förtsch within the meaning of Section 17 (1) and (2) German Stock Companies Act (AktG) as of June 30, 2016.

FinLab has granted BF Holding GmbH, Kulmbach a loan totaling EUR 1.25 million. The loan bears interest at 6% p.a. Interest income amounting to EUR 27,000 has been received by FinLab AG from this loan as of June 30, 2016. A partial amount of EUR 0.8 million was repaid to FinLab during the 1st half of 2016. The loan was fully repaid after the reporting date.

The members of the boards for the company received only short-term remunerations during this financial year. The total amount was EURk 597 (previous year: EURk 401).

Supervisory Board remuneration amounting to EURk 25 (previous year: EURk 38) was paid to members of the Supervisory Board during the reporting year. Costs, as the previous year, were reimbursed for a total of less than EURk 1.

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

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

			in EURk	in EURk
Investments	Seat	Percentage holding	Equity 31.12.2015	Annual profit 2015
Heliad Management GmbH	Frankfurt am Main	100 %	1,582	1,112
Patriarch Multi-Manager GmbH	Frankfurt am Main	100 %	867	617
VCH Investment Group AG	Frankfurt am Main	100 %	1,229	95
Kapilendo AG	Berlin	28 %	-	-
nextmarkets GmbH [1)]	Cologne	49.96 %	-318	-343
Authada GmbH	Darmstadt	20%	-	-
Heliad Equity Partners GmbH & Co. KGaA	Frankfurt am Main	47 %	57,423	1,137

1) The information relating to equity and annual profit relate to the 2014 financial year.

FinLab AG indirectly holds a stake of 20% or more, within the meaning of Section 285 (11) HGB, in the following companies:

			in EURk	in EURk
Investments	Headquarters	Percentage holding	Equity 12.31.2014	Annual profit 2014
Seyes GmbH [1)]	Bayreuth	20 %	86	12

1) Investment in VCH Investment Group AG

Employees

On average over the course of the year, FinLab employed 12 members of staff (previous year: 10).

Executive Board and Supervisory Board

Members of the Executive Board:

- Mr. Juan Rodriguez, Member of the Executive Board, Bad Vilbel
- Mr. Stefan Schütze, Member of the Executive Board, Frankfurt am Main
- Mr. Kai Panitzki, Member of the Board, Cologne

Supervisory Board:

- Mr. Axel-Günter Benkner, independent management consultant, Nidderau, Chairman
- Mr. Bernd Förtsch, CEO of Board of Börsenmedien Aktiengesellschaft, Kulmbach, Member of the Supervisory Board
- Dr. Friedrich Schmitz, Businessman, Munich

Post-balance-sheet events

Within the scope of planned capital increases, FinLab has invested seven-figure sums into its equity holdings nextmarkets GmbH, Köln und Deposit Solutions GmbH, Hamburg.

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

Frankfurt am Main, August 25, 2016

The Executive Board

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