

## search result

Surname	Area	information	V. date
//SEIBERT/MEDIA GmbH Wiesbaden	Accounting/ Financial Reports	Annual financial statements for the financial year from January 1st, 2019 to December 31st, 2019	03/03/2021

**///SEIBERT/MEDIA GmbH****Wiesbaden****Annual financial statements for the financial year from January 1st, 2019 to December 31st, 2019****Management report for the 2019 financial year****of //SEIBERT/MEDIA GmbH****The company**

Founded in 1996, Seibert Media GmbH has been a consistently reliable provider of IT services in the Internet industry for more than 20 years. Customers are in particular large German DAX companies. But Seibert Media also counts international customers, mainly in the EU, among its customers.

In recent years, the company has changed from a pure IT service provider for individual software developments to a provider of its own software products and trading in third-party licenses. The product portfolio focuses on solutions from the field of collaboration software, which is intended to provide customers with lasting support in the effective and efficient collaboration of their employees. The products "Linchpin" and "Agile Hive" should be mentioned here in the first place, in which the company has invested extensive development capacities since 2016.

**General economic conditions and market development**

Words like digitization, industry 4.0, smart revolution are currently on everyone's lips and the economy in particular is facing a sustainable change in its working world and its value chains. To this end, the federal government has even launched its own funding project: "The economy is on the threshold of the fourth industrial revolution. Driven by the Internet, the real and virtual worlds are merging into an Internet of Things. With the Industry 4.0 project, we want to support this process." 1 With its product portfolio, Seibert Media GmbH serves precisely these future-oriented topics.

The company has been a "Platinum Partner" of the Australian company Atlassian 2, a leading provider of tools for agile software development and collaboration software, for five years. Seibert Media sells licenses and services for Atlassian.

Here Atlassian shows a constant revenue growth of about +40% over the last few years.

With approximately 152,000 customers worldwide (+17% compared to the previous year) and a turnover of just over US\$1.2 billion in calendar year 2019, Atlassian has established itself as the market leader in the field of agile software development. 3 A development worth mentioning in the context of the market development for Atlassian software products is the strong growth of cloud products. In the USA in particular, Atlassian now generates not inconsiderable sales from the sale of cloud products. In order to do justice to this development, Seibert Media GmbH has been investing more in the development of cloud solutions for its own products since mid-2019, in particular the intranet solution Linchpin.

In particular, small and medium-sized companies without their own IT department could also switch to cloud products in Germany in the future.

Another indicator of the expected positive development of the described market is the corporate development of another strategic partner of Seibert Media GmbH.

The company has been an official partner of Google LCC since the end of 2017 and sells products and services related to the "G Suite" software package.4 The overall market, estimated at US\$ 15 billion, is currently dominated by Microsoft with its "Office" product. Currently, the market share of Google G Suite within a rapidly growing overall market is almost US\$ 1.3 billion, with a growth rate of +40% in the last two years (as of 2017).5 If you take the figures from Google and Atlassian as an indicator for market developments in relevant markets, Seibert Media GmbH is certainly well positioned.

The Corona crisis that has been raging since the beginning of 2020 has once again made it clear in particular the need for home work, digital cooperation and collaboration tools in general and has shown how many companies are still not geared towards digital

cooperation. Even if the financial impact on the economy cannot yet be properly estimated, the need for tools for digital collaboration will probably increase even further in the short and medium term.

## **business development**

### **Financial and earnings position**

In the past financial year 2019, an annual result of €2,275,023.84 (2018: €735,708.17) was generated. The strong increase in earnings compared to the previous year can be explained in particular by the very strong growth of our own products (especially Linchpin and draw.io). License trading and the growing business with operating and hosting services also continue to contribute to the good result.

### **revenues**

The earnings situation of Seibert Media GmbH shows a significant increase in sales of 29.2% in the 2019 financial year compared to the previous year. With a total of €33.9 million in sales, a total of €7.6 million in additional revenue was generated.

If you look at the individual sales areas, sales in the retail area contribute 53.5%

contributes most to the overall result. This is followed by product sales again in second place with 29.5%, followed by services with 11.7%. Operations accounted for approximately 3.8% of total revenue in 2019 and other revenue accounted for 1.5%. Overall, sales in retail and in the product area are converging, thus supporting the success of the strategic focus on our own products.

Compared to the previous year, sales in the retail sector increased by almost €2.9 million (18.8%). Here we had calculated conservatively with an increase of between 10% and 20% and are exactly within the expected range. An additional turnover of € 4.1 million compared to the previous year with our own products corresponds to an increase of 68.7%. Here we conservatively assumed an increase of approx. 50% and are well above the expected estimate.

Compared to the previous year, sales in the services area increased somewhat more strongly by around 10.7% to around €4.1 million. Fortunately, the decline in sales forecast for this area did not materialize. The operations division generates sales of €1.3 million. This corresponds to a percentage increase of 73.9% and thus again the strongest growth in the past year.

### **Costs**

The cost of materials amounted to almost €20.5 million in the 2019 financial year compared to €15.9 million in 2019 and continues to represent the largest block of costs. The high increase of almost €4.6 million (+29.2%) is the same as in previous year was due in particular to the higher license sales and the associated costs for purchasing the licenses.

After the cost of purchased services, the cost of personnel is the largest expense item at €7.7 million (previous year: €6.7 million). The absolute change is around €980,000 and corresponds to an increase of 14.7%. The increased costs are largely due to another significant increase in salaries and the payment of a profit-sharing bonus. All in all, the personnel costs remain the largest block of costs for Seibert Media GmbH, alongside the cost of materials.

### **investments**

As in the previous year, the goal of Seibert Media GmbH is still to establish itself more firmly in the market by selling its own software products, especially for collaborative software tools. To this end, in recent years the company has primarily invested in employees who continue to develop the software for its own products, especially "Linchpin". These personnel costs continue, as do those for the development of the SAFe solution Agile Hive. In addition, the investment in Linchpin Cloud was started with a dedicated team.

Larger personnel costs arose last year, in particular due to significantly rising salaries. Furthermore, new teams were created in sales and marketing to increase product sales and new employees were hired accordingly.

### **staff**

As of the balance sheet date December 31, 2019, Seibert Media GmbH had a total of 176 employees (152 employees at the same time last year). Of these, 136 employees are in permanent employment. This includes 9 trainees in various areas. In addition, Seibert Media currently employs 31 student assistants, primarily from the Media Management and Computer Science courses.

As a growing company, Seibert Media GmbH is always looking for qualified employees in the field of software development. If the company cannot cover the personnel requirements, this represents a real business risk. The company therefore makes great efforts to invest in the training of its own young people. A hiring rate of about 75% of the students and 50%

of trainees after completing their studies/training speak a clear language. Seibert Media GmbH invested heavily in the further training of its employees during the financial year. Here, the employees were trained specifically according to their needs and the requirements of the project business in internal and external training and seminar facilities. Nothing has changed in this regard this year compared to the past years **Asset and financial position**

The balance sheet total increased by €3.04 million to €9.11 million due to the increased volume of business. Long-term assets are 5.2% (previous year 7.9%)

the balance sheet total. Cash and cash equivalents increased by €2.449 million to €4.12 million compared to the previous year. The equity ratio increased from 21.2% in the previous year to 32.4% as of December 31, 2019.

The company's financing is secured by the possibility of long-term loans from Seibert Media Holding and lines of credit from the house bank. Financing by taking out a loan was not necessary in the year under review. In addition, the company attaches great importance to payment terms of no more than 30 days and compliance with the payment terms agreed with customers. The liquidity situation is satisfactory.

Bottlenecks are not to be expected.

### **overall statement**

Overall, we assess the asset, financial and earnings situation as good. The sales and earnings development is positive.

### **forecast report**

Due to the business development of the last two financial years and the positive assessment of the market development, the company is cautiously positive about the coming financial year despite the current situation surrounding the corona pandemic.

In the retail sector, Seibert Media GmbH has shown a positive development of >20% annual sales growth over the past few years. An increase of 18.8% was even achieved last year. Due to strong competition for new licenses, we expect slight growth of between 0% and 5% in the coming financial year.

For the "own products" area, we again expect a conservatively considered increase in sales of approx. 30% - 50%. This assumption is based, among other things, on an extrapolation of the business development of the last few years and the fact that the products in the past financial year had a significantly higher product maturity and have therefore become more attractive for the customer. We were also able to expand our partner network and increase sales by around 45% in the first quarter of 2020 through targeted sales measures.

In the area of services, we expect stagnation in the 2019 financial year, possibly also the possibility of a drop in sales of around 15%. This is particularly due to the prevailing economic situation surrounding Corona at the time the report was prepared. In the "Operation & Hosting" area, we continue to expect strong growth of around 50%. The remaining areas are not particularly relevant to the forecast. Overall, Seibert Media GmbH assumes that it can achieve sales growth of around +10% to +20%.

In terms of costs, the company expects an increase of almost €6 million (or €3 million if you take a conservative look at sales development in the retail sector).

If you only look at the costs that are not generated in relation to sales, the company expects an increase of almost €2 million for the whole of 2020. The increase in costs will mainly be due to selective new hires and significantly rising wages.

We therefore expect a return on sales in a range of 3% to 10% for the 2020 financial year.

### **Risk and Opportunity Report**

For the 2020 financial year, the risk of a changing business model on the part of Atlassian is not to be expected, which could theoretically result in the retail sector becoming significantly less attractive. At the same time, Atlassian has focused more and more on the "Cloud" and "Data Center" hosting variants in recent years and will no longer develop the "Server" hosting variant in the medium term. Since more than 90% of Seibert Media's Atlassian customers are currently still running on the latter hosting variant, there is a risk of a medium-term decline in sales. At the same time, the potential switch from on-premise hosting to data center hosting opens up the opportunity for significantly higher sales and the sale of corresponding services for switching to a different hosting variant. Atlassian significantly reduced dealer margins for the sale of "server" licenses in the past year. This has a direct influence on the result for Seibert Media.

Not least for this reason, Seibert Media GmbH invests in the development of its own software solutions and in the establishment of a strategic partnership with Google LCC in the area of the G Suite. In addition, there is a strong focus on the development of cloud and data center solutions, both on the product development side and on the marketing, operations and related services side.

At the time the management report was prepared, Seibert Media GmbH had basically survived the first two months after the start of the corona epidemic in Germany positively.

Nevertheless, the first effects are already visible. These are based in particular on the omission of service projects and training courses that are based on personal attendance. New business is more severely affected than business with existing customers.

Overall, however, the decline in sales due to the corona epidemic has so far been limited.

Based on the present annual financial statements and the current level of knowledge of the management for the 2020 financial year to date, no further economic or legal risks that could jeopardize the continued existence of the company can be identified that could have a significant impact on the assets or earnings of the company.

### **Wiesbaden, July 24th, 2020**

***Martin Seibert, Managing Director***

***Joachim Seibert, Managing Director***

1 cf.: <https://www.bmbf.de/de/zukunftsprojekt-industrie-4-0-848.html>

2 see: <https://de.atlassian.com/3> see: [https://s2.q4cdn.com/141359120/files/doc\\_financials/2019/TEAM-2019\\_Annual\\_Report.pdf](https://s2.q4cdn.com/141359120/files/doc_financials/2019/TEAM-2019_Annual_Report.pdf)

4 see: <https://gsuite.google.com/intl/de/>

5 see: <https://www.reuters.com/article/us-alphabet-gsuite/googles-g-suite-is-no-microsoft-killer-butstill-winning-converts-idUSKBN1FL3ZX>

### **balance sheet**

#### **assets**

	12/31/2019	12/31/2018
	EUR	EUR
A. Fixed assets	473,957.00	479,497.00
I. Intangible assets	1,200.00	1,195.00
1. other intangible assets	1,200.00	1,195.00
II. Tangible assets	460,467.00	466,012.00
1. Other facilities, factory and office equipment	460,467.00	466,012.00

	12/31/2019 EUR	12/31/2018 EUR
III. financial investments	12,290.00	12,290.00
1. Shares in affiliated companies	40.00	40.00
2. Holdings	12,250.00	12,250.00
B. Current Assets	8,534,599.81	5,544,897.43
I. Inventories	115,187.54	189,650.83
II. Receivables and other assets	4,303,814.85	3,688,454.19
1. Receivables from companies in which an investment is held	12,869.36	0.00
2. other assets	4,290,945.49	3,688,454.19
III. Cash on hand, Bundesbank balances, bank balances and checks	4,115,597.42	1,666,792.41
C. Prepaid expenses	101,707.80	31,742.23
Total assets, total assets	9,110,264.61	6,056,136.66
<b>liabilities</b>		
	12/31/2019 EUR	12/31/2018 EUR
A. Equity	2,950,466.33	1,275,441.53
I. Drawn capital	75,000.00	75,000.00
II. Balance sheet profit	2,875,466.33	1,200,441.53
B. Provisions	2,369,410.60	1,014,353.85
C. Liabilities	3,746,064.49	3,727,988.28
1. Liabilities to companies in which an investment relationship exists	57,796.04	0.00
2. other liabilities	3,688,268.45	3,727,988.28
D. Accruals and Accruals	44,323.19	38,353.00
Balance sheet total, total liabilities	9,110,264.61	6,056,136.66

### Profit and Loss Account

	1/1/2019 - 12/31/2019 EUR	1/1/2018 - 12/31/2018 EUR
1. Personnel expenses	7,704,316.64	6,716,345.68
a) Wages and salaries	6,492,099.04	5,626,306.77
b) social security contributions and expenses for pensions and for assistance of that for pensions	1,212,217.60 7,909.99	1,090,038.91 6,307.60
2. Depreciation	239,514.86	300,653.51
a) Depreciation of intangible assets and property, plant and equipment	239,514.86	300,653.51
3. other interest and similar income	523.87	564.29
4. Interest and Similar Expenses thereof to affiliated companies	978.27 -1,533.38	19,328.87 0.00
5. Income taxes	1,076,132.86	356,576.04
6. Earnings after taxes	2,281,073.82	737,522.08
7. other taxes	6,049.98	1,813.91
8. Net Income	2,275,023.84	735,708.17

### Appropriation of earnings

	1/1/2019 - 12/31/2019 EUR	1/1/2018 - 12/31/2018 EUR
8. Net Income	2,275,023.84	735,708.17
9. Profit carried forward from the previous year	600,442.49	464,733.36
10. Retained Earnings	2,875,466.33	1,200,441.53

### Attachment

#### General information on the annual financial statements

The annual financial statements were prepared in accordance with the provisions of §§ 242 ff. HGB, taking into account the supplementary provisions for medium-sized corporations.

**Information identifying the company according to the register court**

Company name according to the register court:	///SEIBERT/MEDIA GmbH
Registered office according to the register court:	Wiesbaden
Register entry:	commercial register
Registration court:	Wiesbaden
Register no.:	11502

**Information on accounting and valuation methods****Accounting and valuation principles**

Acquired intangible assets were recognized at acquisition cost and, if they were subject to wear and tear, reduced by scheduled depreciation.

Property, plant and equipment were stated at acquisition cost and, where depreciable, reduced by scheduled depreciation.

Scheduled depreciation was carried out on a straight-line basis according to the expected useful life of the assets.

Financial assets were recognized and valued as follows:

- Participations at cost
- Shares in affiliated companies at cost

Where necessary, the lower value available on the balance sheet date was used.

Inventories were recognized at acquisition or production cost. If the daily values on the balance sheet date were lower, they were used.

Work in progress was valued at production cost in accordance with Section 255 (2) HGB or at the lower applicable value based on the sales market. The production costs include material costs, production costs and special production costs as well as appropriate parts of the material and production overheads. Interest on borrowed capital and costs of general administration are not included in the production costs.

Receivables were generally valued at their nominal value, taking into account all identifiable risks.

Cash and cash equivalents are accounted for at their nominal value.

The tax provisions contain the taxes relating to the financial year that have not yet been assessed.

The other provisions were formed for all other contingent liabilities. All recognizable risks were taken into account. They are recognized at the necessary settlement amount.

Liabilities were recognized at the settlement amount.

Receivables and liabilities in foreign currency are valued at the exchange rate on the day of posting or the lower/higher exchange rate on the balance sheet date.

**Different accounting and valuation methods compared to the previous year**

In the annual financial statements, the previously applied accounting and valuation methods were largely adopted.

**Balance sheet information****Asset schedule for the individual items of fixed assets**

The financial year depreciation for each item in the balance sheet can be found in the asset schedule.

Immediate depreciation of low-value assets is reported as additions and disposals.

	Acquisition, manufacturing costs 01.01.2019 EUR	Additions EUR	of which FK interest EUR	Departures EUR	Transfers EUR	Acquisition, manufacturing costs 12/31/2019 EUR
Capital assets						
Intangible assets						
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	64,778.63	861.20	0.00	5,000.00	0.00	60,639.83
Total intangible assets	64,778.63	861.20	0.00	5,000.00	0.00	60,639.83
Property, plant and equipment						
Other equipment, factory and office equipment	1,537,455.02	233,674.66	0.00	51,692.43	0.00	1,719,437.25
Total property, plant and equipment	1,537,455.02	233,674.66	0.00	51,692.43	0.00	1,719,437.25
financial investments						
Shares in affiliated companies	40.00	0.00	0.00	0.00	0.00	40.00
holdings	12,250.00	0.00	0.00	0.00	0.00	12,250.00
Total financial assets	12,290.00	0.00	0.00	0.00	0.00	12,290.00
Total Fixed Assets	1,614,523.65	234,535.86	0.00	56,692.43	0.00	1,792,367.08

	accumulated depreciation 01/01/2019 EUR	Depreciation for the financial year EUR	Additions EUR	Departures EUR	Transfers EUR	accumulated depreciation 12/31/2019 EUR
Capital assets						
Intangible assets						
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	63,583.63	855.20	0.00	4,999.00	0.00	59,439.83
Total intangible assets	63,583.63	855.20	0.00	4,999.00	0.00	59,439.83
Property, plant and equipment						
Other equipment, factory and office equipment	1,071,443.02	238,659.66	0.00	51,132.43	0.00	1,258,970.25
Total property, plant and equipment	1,071,443.02	238,659.66	0.00	51,132.43	0.00	1,258,970.25
financial investments						
Shares in affiliated companies	0.00	0.00	0.00	0.00	0.00	0.00
holdings	0.00	0.00	0.00	0.00	0.00	0.00
Total financial assets	0.00	0.00	0.00	0.00	0.00	0.00
Total Fixed Assets	1,135,026.65	239,514.86	0.00	56,131.43	0.00	1,318,410.88
			Write-ups financial year EUR	Book value 12/31/2019 EUR		Book value 12/31/2018 EUR

Capital assets						
Intangible assets						
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values			0.00	1,200.00		1,195.00
Total intangible assets			0.00	1,200.00		1,195.00
Property, plant and equipment						
Other equipment, factory and office equipment			0.00	460,467.00		466,012.00
Total property, plant and equipment			0.00	460,467.00		466,012.00
financial investments						
Shares in affiliated companies			0.00	40.00		40.00
holdings			0.00	12,250.00		12,250.00
Total financial assets			0.00	12,290.00		12,290.00
Total Fixed Assets			0.00	473,957.00		479,497.00

#### Information on receivables with a remaining term of more than one year

The amount of receivables with a remaining term of more than one year is EUR 56,571.75 (previous year: EUR 40,315.73).

#### accruals

Other provisions break down as follows:

	Fiscal year EUR	previous year EUR
Outstanding invoices including closing costs	38,617.41	33,600.00
overtime and time accounts	89,835.27	71,941.79
vacation commitments	163,294.18	158,884.34
archiving	9,200.00	9,200.00
Special payments to employees	540,000.00	300,000.00
discounts in kind	49,000.00	60,000.00
Contributions to the trade association / compensatory levy	35,000.00	35,000.00
flat rate. Income tax for events 2018	8,000.00	3,900.00
warranty	169,000.00	131,000.00
	1,101,946.86	803,526.13

#### Information on remaining term notes

The amount of liabilities with a remaining term of up to one year is EUR 3,764,064.49 (previous year: EUR 3,720,959.05).

#### Information on liabilities to shareholders

	Fiscal year EUR	previous year EUR
shareholder		
Seibert Holding GmbH	0.00	1,400.00
Michael Frankl	43,462.69	42,609.56

	Fiscal year EUR	previous year EUR
shareholder		
Sebastian Martini	679.21	647.46
Benjamin Kendinibilir	84,509.00	61,193.49
Paul Herwarth von Bittenfeld	15,926.19	4,746.22

The liabilities have a residual term of up to one year. They are reported under other liabilities.

#### Unrecognized other financial obligations

In addition to the liabilities shown in the balance sheet, there are other financial obligations in the amount of EUR 3,874,526.00.

In detail, these obligations include the following issues:

cost type	Fiscal year EUR	previous year EUR
Rent + utilities	3,437,021.00	
software and platforms	44,285.00	
parking garage	176,171.00	
Vehicle.Leasing	122,681.00	
rental equipment	5,408.00	

#### Statement of Income Statement

#### Other Information

#### Average number of employees during the financial year

The following employee groups were employed by the company during the financial year:

worker groups	Number
worker	13.00
Employee	119.00
executives	19.00
The total number of employees on average is thus	151.00
full-time employees	117.00
part-time employees	34.00

#### names of directors

During the past fiscal year, the company's business was managed by the following people:

Managing Director:	Joachim Seibert	regular occupation:	Diploma in computer science
Managing Director:	Martin Seibert	regular occupation:	Diplom Kaufmann

#### directors' remuneration

The statement of the total remuneration of the managing directors is omitted with reference to § 286 Para. 4 HGB.

#### Information on shareholdings in other companies of at least 20 percent of the shares

According to Section 285 No. 11 HGB, the following companies are reported on:

Company name / Registered office	Share Amount	Annual result EUR	Equity EUR
Gartentechnik communication GmbH	49.00%	2,294.81	26,395.00
Seibert media corp. / San Diego, United States	100.00%	&IND&	\$9,623.69

#### Proposal or decision on the use of results

In agreement with the shareholders, the management decides on the following appropriation of profits:

The annual surplus is EUR 2,275,023.84.

Including the profit carried forward to be taken into account, the amount to be used is EUR 2,875,466.33.

An amount of EUR 810,000 is planned for distribution.

EUR 2,065,466.33 will be carried forward to new account.

#### events of particular importance

After the end of the fiscal year, no further events occurred that are of material importance and could lead to a different assessment of the company.

#### Signature of the management

Wiesbaden, July 24th, 2020

#### fixed asset schedule

	Acquisition, manufacturing costs 01.01.2019 EUR	Additions EUR	of which FK interest EUR	Departures EUR	Transfers EUR
Capital assets					
Intangible assets					
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	64,778.63	861.20	0.00	5,000.00	0.00
Total intangible assets	64,778.63	861.20	0.00	5,000.00	0.00
Property, plant and equipment					
Other equipment, factory and office equipment	1,537,455.02	233,674.66	0.00	51,692.43	0.00
Total property, plant and equipment	1,537,455.02	233,674.66	0.00	51,692.43	0.00
financial investments					
Shares in affiliated companies holdings	40.00 12,250.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
Total financial assets	12,290.00	0.00	0.00	0.00	0.00
Total Fixed Assets	1,614,523.65	234,535.86	0.00	56,692.43	0.00
	Acquisition, manufacturing costs 12/31/2019 EUR	accumulated depreciation 01/01/2019 EUR	Depreciation for the financial year EUR	Additions EUR	Departures EUR
Capital assets					
Intangible assets					
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	60,639.83	63,583.63	855.20	0.00	4,999.00
Total intangible assets	60,639.83	63,583.63	855.20	0.00	4,999.00
Property, plant and equipment					
Other equipment, factory and office equipment	1,719,437.25	1,071,443.02	238,659.66	0.00	51,132.43
Total property, plant and equipment	1,719,437.25	1,071,443.02	238,659.66	0.00	51,132.43
financial investments					
Shares in affiliated companies holdings	40.00 12,250.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
Total financial assets	12,290.00	0.00	0.00	0.00	0.00
Total Fixed Assets	1,792,367.08	1,135,026.65	239,514.86	0.00	56,131.43
		Transfers EUR	accumulated depreciation 12/31/2019 EUR	Write-ups financial year EUR	Book value 12/31/2019 EUR
Capital assets					
Intangible assets					
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values		0.00	59,439.83	0.00	1,200.00
Total intangible assets		0.00	59,439.83	0.00	1,200.00
Property, plant and equipment					
Other equipment, factory and office equipment		0.00	1,258,970.25	0.00	460,467.00
Total property, plant and equipment		0.00	1,258,970.25	0.00	460,467.00
financial investments					
Shares in affiliated companies holdings		0.00 0.00	0.00 0.00	0.00 0.00	40.00 12,250.00
Total financial assets		0.00	0.00	0.00	12,290.00
Total Fixed Assets		0.00	1,318,410.08	0.00	473,957.00

**other report components****Wiesbaden, July 24th, 2020****Managing Director****signed****Martin Seibert****Joachim Seibert**

Information on the determination:

The annual financial statements were approved on December 30, 2020.

**audit report**

Based on the results of our audit, on July 29, 2020, we approved the annual financial statements of //SEIBERT/MEDIA GmbH, Wiesbaden, attached as Annexes 1 to 3, as of December 31, 2019 and the management report attached as Annex 4 for the 2019 financial year issued the following audit opinion, which we reproduce here:

**INDEPENDENT AUDITOR'S REPORT**

To //SEIBERT/MEDIA GmbH:

**audit opinions**

We have the annual financial statements of //SEIBERT/MEDIA GmbH, Wiesbaden - consisting of the balance sheet as of December 31, 2019 and the income statement for the financial year from January 1, 2019 to December 31, 2019 and the appendix, including the presentation of the Accounting and valuation methods – checked. In addition, we have audited the management report of //SEIBERT/MEDIA GmbH, Wiesbaden, for the fiscal year from January 1, 2019 to December 31, 2019.

The inclusion of accounting in the audit of the financial statements in accordance with Section 317 (1) Clause 1 HGB and the audit of the management report in accordance with Section 317 (2) HGB represent additional legal requirements that go beyond those of the International Auditing Standards (ISA).

Our audit carried out in accordance with § 317 HGB did not lead to any objections.

According to our assessment based on the knowledge gained during the audit

- The attached annual financial statements correspond in all material respects to the German commercial law regulations applicable to corporations and, in compliance with the German principles of proper accounting, convey a true and fair view of the assets and financial position of the company as of December 31, 2019 and its earnings position for the financial year from 01/01/2019 to 12/31/2019 and
- the attached management report conveys an overall correct picture of the company's situation. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

In accordance with § 322 III 1 HGB, we declare that our audit has not led to any objections to the regularity of the annual financial statements and the management report.

**Basis for the test results**

We conducted our audit of the annual financial statements and the management report in accordance with Section 317 HGB, taking into account International Auditing Standards (ISA). Our responsibility under those requirements and standards is further described in the "Auditor's responsibility for the audit of the financial statements and management report" section of our auditor's report. We are independent of the company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to

**Responsibility of the legal representatives for the annual financial statements and the management report**

The legal representatives are responsible for the preparation of the annual financial statements, which comply with the German commercial law provisions applicable to corporations in all material respects, and for the fact that the annual financial statements, in compliance with the German principles of proper accounting, give a true and fair view of the assets, financial - and results of operations of the company.

Furthermore, the legal representatives are responsible for the internal controls which they have determined, in accordance with the German principles of proper accounting, to be necessary in order to enable the preparation of annual financial statements that are free from material - intentional or unintentional - misstatements.

In preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

In addition, the legal representatives are responsible for preparing the management report, which as a whole provides a suitable view of the company's position and is consistent with the annual financial statements in all material respects, complies with German legal

requirements and suitably presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) they have deemed necessary to enable the preparation of a management report in accordance with the applicable German legal provisions and to provide sufficient suitable evidence for the statements in the management report can.

### **Auditor's responsibility for the audit of the annual financial statements and the management report**

Our objective is to obtain reasonable assurance as to whether the annual financial statements as a whole are free from material misstatements - intentional or unintentional - and whether the management report as a whole provides a suitable view of the company's position and, in all material respects, with the annual financial statements and with is consistent with the findings obtained in the audit, complies with German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report which contains our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with Section 317 of the German Commercial Code in accordance with International Standards (ISA) will always uncover a material misstatement. Misstatements may 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 users made on the basis of these financial statements and management report.

As part of our audit in accordance with ISA, we exercise professional judgment and maintain a critical attitude.

Over and beyond

- We identify and assess the risks of material misstatement of the annual financial statements and management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is greater than that arising from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- we gain an understanding of the internal control system relevant to the audit of the annual financial statements and the precautions and measures relevant to the audit of the management report in order to plan audit procedures that are appropriate in the given circumstances, but not with the aim of providing an audit opinion on effectiveness of these systems to society.
- We evaluate the appropriateness of the accounting methods used by the legal representatives as well as the justifiability of the estimated values presented by the legal representatives and the related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that cast significant doubt on the Company's ability to continue as a going concern

exists that may cast significant doubt on the Company's ability to continue as a going concern. We base our conclusions on the audit evidence obtained up to the date of our auditor's report. 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, the structure and the content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in such a way that the annual financial statements, taking into account German generally accepted accounting principles, give a true and fair view of the assets, financial and earnings situation of the company.
- We assess the consistency of the management report with the annual financial statements, its compliance with the law and the view it conveys of the company's situation.
- we perform audit procedures on the future-oriented information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not provide a separate audit opinion on the future-oriented information and the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We discuss with those charged with governance, among other things, the planned scope and timing of the audit and significant audit findings, including any deficiencies in the internal control system that we identify during our audit."

We issue the above audit report in accordance with the statutory provisions pursuant to Section 321 HGB and the wp.net expert report "Principles for conducting statutory audits in accordance with Section 316 et seq. HGB on the basis of the ISA".

The use of the auditor's report reproduced above outside of this audit report requires our prior consent.

The publication or distribution of the annual financial statements and/or management report in a form that deviates from the certified version (including the translation into other languages) requires our renewed opinion, insofar as our auditor's report is quoted or reference is made to our audit. We refer to § 328 HGB in this regard.

**Hofheim am Taunus, July 29, 2020**

**VOTUM AG**  
**Wirtschaftsprüfungsgesellschaft**  
**Steuerberatungsgesellschaft**  
*Lehnert, auditor*  
*Leoff, auditor*

