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maihiro GmbH

Ismaning

Annual financial statements for the business year from 07/01/2017 to 06/30/2018**Management report****I. Company basics****1. Business model of the company**

We are in the consulting business for Customer Relationship Management (CRM). Our customers include major industrial, financial services and trading companies.

2. Research and Development

The subject of our development activity is the innovative use of standard CRM and eCommerce software products in the on-premise, cloud and mobility environment. The most important pillar of our innovative strength is our team of highly qualified consultants and employees, which we were able to increase in the maihiro Group (Germany and Austria) from 147 to 171 employees in the past financial year.

We identify the development wishes of the employees in technical and technological terms and work out ways to implement them. The same applies to potential in the soft skill area.

The breadth of the company also enables a cross-divisional change, ie from an activity that includes on-site advice at the customer's to an in-house task without traveling or switching to product development.

Employees who do not want disciplinary leadership can take the path of a specialist career and take responsibility for technical issues within our Competence Center.

We also enable employees to take part in further training (MBA, HR specialist, master's degree, sabbatical, etc. Company support is provided by granting free time and / or by assuming further training costs). Employees whose mother tongue German is not supported by the assumption of costs for language courses.

II. Economic report**1. Macroeconomic, sector-specific framework conditions****Overall economy**

The macroeconomic environment in autumn 2018 is characterized by a more and more recovering global economy and the continuation of the global upswing with a simultaneous increase in uncertainty due to the impending trade war between the USA on the one hand and the EU and China on the other hand and not finally clarified questions about a regulated exit of Great Britain from the EU.

After a slight setback in the first quarter of 2018, the global economy expanded strongly again in the second quarter, according to the Ifo Institute. Most advanced economies are likely to experience overutilization later this year. This will make it increasingly difficult for these countries to continue expanding their overall economic production at a high pace. In many emerging countries, the financing conditions have also deteriorated somewhat, so that a damper on investment activity must be expected. Overall, the global economy is likely to gradually weaken in the forecast period, although the expansion rates will remain above the average of the past 10 years, according to the Ifo experts. For the current year, the Ifo Institute is expecting real gross domestic product in the world to rise by 3.3%, before the pace will decrease somewhat in the next two years with rates of 3.1% and 2.9% respectively. The global economic risks are increasing compared to the summer forecast. This is largely due to the worsening trade conflicts, but the economic crises in some emerging countries and the slow progress in the Brexit negotiations are also contributing to this. before the pace slows down somewhat in the next two years with rates of 3.1% and 2.9% respectively. The global economic risks are increasing compared to the summer forecast. This is largely due to the worsening trade conflicts, but the economic crises in some emerging countries and the slow progress in the Brexit negotiations are also contributing to this.

Development in Germany

After a short break at the beginning of the year, the German economy regained momentum, which is expected to continue into the coming year. However, the high growth rate of the boom year 2017 is unlikely to be achieved again. For the current and the coming year, the Ifo Institute expects real gross domestic product to rise by 1.9% each, before the economy is likely to gradually weaken in 2020.

However, the leading economic researchers in Germany lowered their economic forecast significantly in their autumn report. For 2018 they now expect growth of 1.7 percent - in their spring forecast they were still assuming 2.2%; for 2019 they lowered the forecast from 2.0% to 1.9%.

"The upswing in the German economy is losing momentum," explained Roland Döhrn, Economic Director of the RWI Leibniz Institute for Economic Research. "The demand from abroad has become weaker, at the same time companies apparently have increasing problems finding enough workers for their production."

According to the Ifo Institute, economic development in 2018 and 2019 will be driven by private consumption, which will benefit from rising employment and strong income growth. The continued favorable financing conditions encourage investment decisions, and the high degree of capacity utilization in many companies suggests an expansion of production capacities. The expansion of state transfer payments and spending programs as well as relief for employees in the coming year will also have a stimulating effect on the economic policy of the new federal government. Ultimately, the export industry should also benefit from the continued good global economy, even if this impulse will gradually subside in the forecast period. In all of this, the Ifo Institute assumes that the ceasefire will hold in the trade war between the EU and the USA and that Brexit will take place in an orderly manner.

ICT industry

The Bitkom industry is still looking ahead to the current year with great optimism.

86% of the IT and telecommunications companies expect increasing sales in 2018 according to the Bitkom industry barometer. Only 4% expect a decline in sales compared to the previous year. The Bitkom index reached a new historical high of 78 points in the first half of 2018. A year ago it was 71 points. "The mood in the Bitkom industry is better than it has been for a long time. Companies are very optimistic about future developments," says Bitkom President Achim Berg. For 2018, Bitkom expects growth of 1.7% to 164 billion euros. Employment is growing even faster than sales. Three quarters of the companies (7%) want to create new jobs in the current year. Bitkom expects the number of IT employees to rise to 1.134 million by the end of the year. This corresponds to an increase of 42,000 jobs (3.8%). "In the past year alone, the Bitkom industry created 50,000 new jobs. The competition for the brightest minds is coming to a head," says Berg. "The shortage of skilled workers is the greatest challenge - and not just in the digital economy. 55,000 lucrative positions across industries cannot be filled because there is a lack of IT specialists." The competition for the brightest minds is coming to a head," says Berg. "The shortage of skilled workers is the greatest challenge - and not just in the digital economy. Across all industries, 55,000 lucrative positions cannot be filled because there is a lack of IT specialists." The competition for the brightest minds is coming to a head," says Berg. "The shortage of skilled workers is the greatest challenge - and not just in the digital economy. 55,000 lucrative positions across industries cannot be filled because there is a lack of IT specialists."

Blockchain and artificial intelligence or cognitive computing are currently among the most exciting topics in the Bitkom industry. For every fourth company (26%), both technologies are among the key technology and market trends of the year and achieved strong growth compared to 2017. At the top are IT security (67%), cloud computing (6%) and the Internet of Things and Services (48%). This is followed by Industry 4.0 (4%), Big Data (4%) and digital platforms (3%). "Companies have recognized the immense potential of innovative digital technologies. The task now is to develop market-relevant applications," says Berg.

2. Course of business

The past financial year was still characterized by the fundamental change in our market environment. Topics such as the digitization of the economy, Industry 4.0, omnichannel or the topic of the Internet of Things are on everyone's lips and are permanently changing the business models as well as the marketing and sales approaches of our customers. Nevertheless, the digitization of sales, service and marketing processes is only just beginning.

As our main technology partner, SAP is investing "massive billions" in strengthening this market segment and is planning in its MEE (Middle East and Europe) market area in the C4 HANA / Hybris portfolio (licenses) with annual growth of 70%.

Our vision maihiro 2020, developed in 2015, picked up on this market development very early on and made the fundamental, strategic focus on a changing market of maihiro as its goal.

We can now say that we have developed and positioned ourselves significantly in the individual business areas in the past financial year.

Our integrated portfolio approach creates very good points of contact and enables access for maihiro as a whole to the buying centers in the departments and the higher management. Based on this, we see great growth opportunities for all parts of the company.

In the future, SAP will position itself strongly as a cloud platform provider and enable additional sales and earnings potential through the development of its own innovative products. In Customer Success Management, we are increasingly consolidating our customer relationships and thus ensuring value-enhancing, recurring sales.

Basically, one can say about the strategy of our main partner SAP: With the announcement of the extended product strategy of SAP at the worldwide customer fair SAPPHIRE in the summer of this year in Orlando, the basis for the further growth of the business in the CRM environment was laid. In recent years, SAP has made a number of acquisitions (hybris, Gigya, callidus, coresystems) in this product area in order to complete its portfolio. maihiro sought cooperation with these new partners on the SAP side at an early stage and also built up technical expertise. All of these acquisitions and the multitude of its own solutions are under the name of SAP C / 4 HANA or SAP CX (Customer Experience) bundled and made a main element of their strategy alongside the existing ERP platform SAP S / 4 HANA. This will lead to increased growth for SAP in this area. The early adaptation of the SAP strategy by maihiro makes us very confident about maihiro's further growth.

3rd location

The company's situation is still shaped by our operational business and investments in innovative solutions and areas.

a) Earnings position

The total output in the maihiro Group in the past financial year was EUR 21,113 thousand (previous year: EUR 19,791 thousand). In the past financial year, we achieved earnings before taxes in the maihiro Group of EUR 1,399 thousand (previous year: EUR 1,096 thousand), with which we were able to increase earnings before taxes significantly by approx. 28% compared to the previous year.

b) Financial position

Our financial position can be described as very stable. Our financial management is geared towards always settling liabilities within the payment deadline and collecting receivables within the payment deadlines.

Our capital structure has continued to improve. Our consolidation policy, due to which we essentially leave the results generated within the company, played a major role in this.

In order to finance our sales business, we use the credit lines granted by our banks, which are only used for a short time. We have significantly higher credit lines than we use on average. In the past financial year, we introduced factoring as an additional, growth-oriented financing instrument in Germany in coordination with the house bank.

The trade payables amount to 12.7% of the balance sheet total. All liabilities can always be settled within the payment terms.

Long-term investments are covered by our equity. The short-term receivables and bank balances exceed the short-term liabilities.

The liquidity situation would have remained constant in the past financial year due to our consistent receivables management compared to the previous year. With the additional use of factoring in Germany, it has improved significantly.

c) Financial position

The financial position of our company has improved compared to the previous year. We keep the structure of our short-term and long-term tied assets and our liabilities stable based on our experience in the financing area.

4. Financial performance indicators

For our internal corporate management, we use the key figures of sales per employee, return on sales and cash flow.

Four managing directors are counted among the employees. We calculate the return on sales with the EBIT in relation to the sales revenue, the cash flow from the sum of the annual result, depreciation and allocation (or reversal) of long-term provisions.

Based on an average number of productive employees of 87 in the maihiro group, we achieved a per capita total output of EUR 190 thousand. The return on sales in the financial year is 5.0% due to the investment activity described.

Overall, our economic situation can be described as good.

III. Supplementary report

There were no events of particular importance after the end of the financial year.

IV. Forecast report

Based on the aforementioned information from relevant market researchers and industry associations such as BITCOM, the IfW, Ifo-Institut or Lünendonk as well as its own market assessments, maihiro assumes that the CRM market relevant for maihiro in Germany will continue to develop positively and that the market will grow by will

reach approx. 15-20% in 2018.

In the specific market for CRM application software, the market penetration of the manufacturer SAP continues to increase relative to its competitors. In addition, by expanding its product portfolio in the market that is relevant to us, SAP has helped create the prerequisites for significant growth for maihiro. When it comes to market cultivation, SAP continues to rely more and more on industry-focused and specialized partners. Thanks to our very good positioning in this industry-specific market environment, Our significant investments in training and organizational development in the past fiscal year have meanwhile also made an excellent name for ourselves in SAP's expanded customer engagement and commerce portfolio. This makes us confident that our target customer base will expand significantly in the coming years, in addition to the increased activity for large companies and in software-independent management consulting.

With regard to the multitude of new, innovative SAP products, we will continue to work to deepen our know-how in these fields and to remain the TOP consulting partner in SAP customer engagement and commerce for SAP and the market.

In addition, with the completion of our new products maiConnect, maiTour, maiCatch and maiLingua, we have now created the basis for further expanding our product business. Based on the first reference customers and an expanding sales pipeline, this business area will become increasingly important in the coming months and years.

Coupled with our consistent organizational measures and the industry-focused sales and partner approach that is based on reference marketing and promotes maihiro's branding, we are confident that we will increase maihiro's overall performance in the group in the coming financial year by around 32% to EUR 27,297 thousand will increase. We will continue to invest consistently in our know-how, continue our personnel development and align our process and organizational structure with efficiency considerations. For the coming financial year we expect an operating EBIT margin of 9.3% for the group.

In the future, too, we will always be able to meet our payment obligations on time.

V. Report on opportunities and risks

1. Risk report

Industry-specific risks

Should the trade war between the USA on the one hand and the EU and China on the other hand escalate and the British leave the EU unregulated and should the economy weaken as a result, this could have a negative impact on the economic situation of our customers and the demand for our products. This can result in sales and earnings risks for us.

Income-oriented risks

The competition risks have decreased due to our clear differentiation from the competition. Since our expanded market presence offers competitive advantages, we assume that our economic performance risks have tended to decrease compared to the previous year. We assume that we will be able to further expand our market shares in the medium term. However, additional costs may be expected in the course of further training measures.

Financial risks

Due to the stable liquidity and equity situation of our company, liquidity risks are currently not discernible.

The liquidity situation is good; no bottlenecks are to be expected.

2. Opportunity report

On the procurement side, we can fall back on a wide range of delivery options. We enforce our high quality standards through suitable internal and external quality controls.

We will continue to face competition on the market with experience, innovations, reliability and a high level of quality.

3. Overall statement

We continue to see risks to future development in the stabilization of the macroeconomic situation, our capacity utilization and billability as well as the loyalty of our employees. Against the background of our financial stability, however, we consider ourselves to be very well equipped to cope with future risks. There are currently no identifiable risks that could jeopardize the continued existence of the company.

VI. Risk reporting on the use of financial instruments

The company's existing financial instruments essentially include receivables, liabilities and bank balances.

The company has a broad, solvent customer base. Bad debt losses are the absolute exception. In addition, there has been a long-term collaboration with a large number of customers.

Liabilities are paid within the agreed payment terms.

In the short-term area, the company finances itself primarily through supplier credits, credit lines from various banks and factoring.

The aim of the company's financial and risk management is to secure the company's success against financial risks of all kinds. The company pursues a conservative risk policy when managing its financial positions.

To hedge against the liquidity risk, we use a finely graduated liquidity plan that provides an overview of incoming and outgoing payments.

If default and credit risks are discernible for financial assets, appropriate value adjustments are made. The company has adequate accounts receivable management to minimize the risk of default.

Ismaning on October 17, 2018

maihiro GmbH

The Board

signed Bernd Hesse

signed Uwe May

signed Mark Roes

Balance sheet

assets

	June 30, 2018	June 30, 2017
	EUR	EUR
A. Fixed assets	851,794.30	314,888.00
I. Intangible Assets	714,687.30	235,586.00
II. Tangible assets	102,107.00	44,302.00
III. Financial assets	35,000.00	35,000.00

	June 30, 2018 EUR	June 30, 2017 EUR
B. Current Assets	3,193,807.37	2,612,505.49
I. Inventories	101,651.87	46,251.15
II. Receivables and other assets	2,818,974.52	2,284,871.48
III. Cash in hand, Bundesbank balances, bank balances and checks	273,180.98	281,382.86
C. Prepaid expenses	214,629.42	237,034.58
Total assets	4,260,231.09	3,164,428.07
liabilities		
	June 30, 2018 EUR	June 30, 2017 EUR
A. Equity	1,165,695.96	700,549.50
I. Subscribed capital / capital account / capital shares	200,000.00	200,000.00
II. Balance sheet profit	965,695.96	500,549.50
B. Provisions	1,273,059.02	1,052,833.51
C. Liabilities	1,375,750.43	1,126,147.67
D. Prepaid expenses	250,925.68	227,697.39
E. Deferred Tax Liabilities	194,800.00	57,200.00
Total liabilities	4,260,231.09	3,164,428.07

Profit and Loss Account

	1.7.2017 - 30.6.2018 EUR	1.7.2016 - 30.6.2017 EUR
1. Gross result	16,482,370.84	14,681,569.39
2. Personnel expenses	10,367,637.45	9,266,950.69
a) Wages and salaries	8,479,344.22	7,515,040.17
b) social security and pension and support expenses	1,888,293.23	1,751,910.52
3. Depreciation	127,614.02	88,849.96
a) Depreciation on intangible assets and property, plant and equipment	127,614.02	88,849.96
4. other operating expenses	4,476,467.79	4,453,932.55
5. Income from participations		300,000.00
6. other interest and similar income	8,528.82	8,200.94
7. Interest and Similar Expenses	41,830.23	51,291.80
8. Income taxes	421,795.07	246,796.62
Annual surplus	1,055,555.10	881,948.71

Appropriation of earnings

1. Decision on the appropriation of profits

Proposal for the use of results

The shareholders propose the following appropriation of earnings:

After the dividend of EUR 590,408.64 made by the shareholders' resolution of June 26, 2018 and July 18, 2018, a balance sheet profit of EUR 965,695.96 remains. This will be carried forward to a new account.

Decision on the use of the result

The proposal for the appropriation of earnings was unanimously adopted by the shareholders' resolution on October 25, 2018.

attachment

1. General information

Preliminary remark

Maihiro GmbH, based in Ismaning, is entered in the commercial register of the Munich Local Court under HRB 132682.

The company is a medium-sized corporation within the meaning of Section 267 of the German Commercial Code (HGB) and its accounting and valuation are based on the provisions of Sections 242 ff. HGB and the provisions of Sections 264 ff. HGB applicable to corporations and the provisions of the GmbHG.

The company makes partial use of the relief granted for the preparation of the income statement in accordance with Section 267 of the German Commercial Code (HGB) and the appendix in accordance with Section 288 of the German Commercial Code (HGB).

The balance sheet is structured in accordance with Section 266 of the German Commercial Code (HGB). The income statement has been prepared using the total cost method in accordance with Section 275 (2) HGB. The structure of the balance sheet and the income statement is unchanged compared to the previous year.

The accounting and valuation methods are largely unchanged compared to the previous year.

Accounting and valuation principles

Internally generated intangible assets are valued in accordance with Section 255 (2a) of the German Commercial Code (HGB) with the expenses incurred in their production (development costs).

The acquired intangible assets include software, licenses and similar rights. They are valued at acquisition cost less scheduled depreciation. Depreciation is linear and is based on the normal useful life of three years.

Property, plant and equipment was valued at acquisition or production cost and - insofar as it is subject to wear and tear - is reduced by scheduled depreciation. The acquisition costs include the incidental acquisition costs; Purchase price reductions are deducted. The depreciation is linear. Additions and disposals are depreciated pro rata temporis.

Low-value assets with acquisition costs of up to € 410 are written off in full in the year of acquisition and posted as disposals after 5 years.

The financial assets were generally valued at acquisition cost.

Work in progress is valued at acquisition or production cost, taking into account the lower value principle. Appropriate parts of the necessary manufacturing overheads are included in the manufacturing costs.

Receivables and other assets are recognized at their nominal value or at the lower value applicable on the balance sheet date. In the case of receivables whose collectibility is subject to recognizable risks, appropriate value deductions are made; bad debts are written off. In addition, the general credit risk was taken into account through a general bad debt allowance.

Liquid funds are capitalized at their nominal amount.

Payments made before the balance sheet date are recognized as prepaid expenses insofar as they represent expenses for a certain period after this point in time.

The tax provisions are set up in the amount of the probable settlement amount.

The valuation of the other provisions is carried out with the settlement amount necessary according to a reasonable commercial assessment, taking into account future price and cost changes. Provisions with a remaining term of more than one year were discounted using the average market interest rate for the past seven years, which corresponds to the remaining term.

The liabilities were generally stated with the settlement amounts.

Payments received before the balance sheet date are recognized as deferred income, insofar as they represent income for a certain period after this point in time.

For temporary and quasi-temporary differences between the commercial and tax balance sheets, deferred taxes were formed in the previous year, taking into account a tax rate of 30%. Deferred tax assets and liabilities are netted.

The accounting and valuation methods are unchanged compared to the previous year.

2. Information on the balance sheet and income statement

• Capital assets

The development of the items of fixed assets:

	Acquisition and production costs				June 30, 2018 T €
	July 1, 2017 T €	Additions T €	Disposals T €	Transfer bookings T €	
I. Intangible Assets					
1. Self-created industrial property rights and similar rights and values	402	573	0	0	976
2. Concessions acquired against payment, industrial property rights and similar rights and values as well as licenses to such rights	221	17th	0	0	238
	623	590	0	0	1,214
II. Tangible assets					
1. Other equipment, factory and office equipment	142	49	0	0	191
2. Advance payments and assets under construction	0	25th	0	0	25th
	142	74	0	0	216
III. Financial assets					
1. Shares in affiliated companies	35	0	0	0	35
	35	0	0	0	35
	800	664	0	0	1,465
		accumulated depreciation			Book value
	July 1, 2017 T €	Additions T €	Disposals T €	June 30, 2018 T €	June 30, 2018 T €
I. Intangible Assets					
1. Self-created industrial property rights and similar rights and values	181	101	0	282	694
2. Concessions acquired against payment, industrial property rights and similar rights and values as well as licenses to such rights	207	10	0	217	21
	388	111	0	499	715
II. Tangible assets					
1. Other equipment, factory and office equipment	97	17th	0	114	77
2. Advance payments and assets under construction	0	0	0	0	25th
	97	17th	0	114	102
III. Financial assets					
1. Shares in affiliated companies	0	0	0	0	35
	0	0	0	0	35
	485	128	0	613	852

The total amount of research and development costs in the year under review was € 740 thousand, of which € 573 thousand was capitalized.

• **Receivables and other assets**

The receivables and other assets include items with a remaining term of more than one year in the amount of € 2,500.00 (previous year: € 2,500.00). Receivables that legally arise after the reporting date are included in the amount of € 34,022.45 (previous year: € 5,987.73).

• **Equity capital**

The subscribed capital amounts to € 200,000.00.

• **Liabilities (previous year figure in brackets)**

	Total amount T €	up to 1 year T €	Remaining term	
			1 to 5 years T €	> 5 years T €
liabilities from goods and services	540	540	0	0
	(519)	(519)	(0)	(0)
Liabilities to affiliated companies	186	186	0	0
	(260)	(260)	(0)	(0)
Other liabilities	650	650	0	0
	(347)	(347)	(0)	(0)
of which from taxes	636	636	0	0
	(335)	(335)	(0)	(0)
of which in the context of social security	28	28	0	0
	(23)	(23)	(0)	(0)
	1,376	1,376	0	0
	(1,126)	(1,126)	(0)	(0)

Liabilities of € 115.43 (previous year: € 0.00) are secured by the assignment of all trade accounts receivable.

• **Other provisions**

	June 30, 2018	June 30, 2017
	T €	T €
Provision for employee bonuses	624	509
Provision for outstanding vacation and good times	323	259
Provision for outstanding invoices / bonuses	6th	0
other provisions	184	191
	1,137	959

• **Deferred taxes**

The deferred taxes shown in the balance sheet resulted mainly from the inventory of internally generated intangible assets. The changes are taken into account in the income statement:

	Assets	Liabilities
	T €	T €
Intangible assets	694	0
Other provisions	0	-45
	694	-45
Difference	649	
Deferred tax liabilities	195	

• **Other company income**

The one-off and / or non-period income included in other operating income is made up as follows:

	2017/2018	2016/2017
	T €	T €
Income from sale & lease back transactions	204	123
Income from the release of provisions and value adjustments	53	0
Other aperiodic income	5	4th
from currency conversion	4th	0
other operating income	484	479
	749	606

• **Other operating expenses**

The one-off and / or out-of-period expenses included in other operating expenses are made up as follows:

	2017/2018	2016/2017
	T €	T €
Expenses from sale & lease back transactions	204	123
other aperiodic expenses	0	16
from currency conversion	3	0
Setting in value adjustments to accounts receivable	29	2
donate	6th	5
Other operating expenses	4,234	4,308
	4,476	4,454

3. Other information

• **Members of the management**

Members of the management in the 2017/2018 financial year were:

Mr. Bernd Hesse, businessman, Munich

Mr. Uwe May, businessman, Garching b. Munich

Mr. Mark Roes, businessman, Ottobrunn

In accordance with Section 286 (4) of the German Commercial Code (HGB), the company avails itself of the relief in connection with the disclosure of the managing director's remuneration.

Affiliates

	Shareholding	Equity €	Last annual result €
maihiro GmbH, Vienna Austria	100.00%	120,525	-79,602

• Number of employees

	on the reference date		on average	
	06/30/2018 Number	06/30/2017 Number	06/30/2018 Number	06/30/2017 Number
Administration + Marketing	32	26	30th	26
advisor	83	78	82	77
Employees in accordance with Section 267 (5) of the German Commercial Code (HGB)	115	104	112	103
Managing directors	3	3	3	3
trainee	3	4th	4th	4th
Working students	12th	5	9	5
	133	116	128	115

• Contingent Liabilities

	Total June 30, 2018 T €	Thereof in 2017/18 T €
Notices according to § 251 HGB not required - other financial obligations	0	
Car and IT leasing	877	523
Licenses	69	69
Room rental	487	263
	1,433	856

• Distribution block

In accordance with Section 268 (8) of the German Commercial Code (HGB), capitalizations result in a profit distribution block to the following extent:

	Balance sheet statement €	Deferred taxes €	Amount blocked from distribution €
Activation of self-created intangible assets	693,897.30	-194,800.00	499,097.30
Capitalization of deferred taxes	0.00	0.00	0.00
Total amount of the amounts blocked against distributions in accordance with Section 268 (8) of the German Commercial Code (HGB)			499,097.30

Equity shares available to cover the amounts within the meaning of Section 268 (8) HGB:

	€
Capital reserve	0.00
Retained earnings	0.00
retained profit	965,695.96
Equity shares available to cover	965,695.96

• Appropriation of profits

The management will propose to the shareholders' meeting that the balance sheet profit be carried forward to a new account:

	€
Annual surplus	1,055,555.10
Profit carried forward	500,549.50
distribution	-590,408.64
retained profit	965,695.96

Ismaning on October 17, 2018

maihiro GmbH
signed Bernd Hesse
signed Uwe May
signed Mark Roes

Auditor's report

We have audited the annual financial statements - consisting of the balance sheet, income statement and notes - including the bookkeeping system and the management report of maihiro GmbH for the financial year from July 1, 2017 to June 30, 2018. The bookkeeping and the preparation of the annual financial statements and

management report in accordance with German commercial law are the responsibility of the company's legal representatives. Our task is to provide an assessment of the annual financial statements, including the bookkeeping, and the management report on the basis of the audit we have carried out.

We carried out our audit of the annual financial statements in accordance with Section 317 of the German Commercial Code (HGB), taking into account the generally accepted German auditing principles established by the Institute of Auditors (IDW). Accordingly, the audit is to be planned and performed in such a way that inaccuracies and violations that have a material impact on the presentation of the asset, financial and earnings position conveyed by the annual financial statements in accordance with the principles of proper bookkeeping and the management report are given with sufficient certainty be recognized. When determining the audit procedures, knowledge of the business activities and the economic and legal environment of the company as well as expectations of possible errors are taken into account. As part of the audit, the evidence supporting the information in the books and records, the annual financial statements and the management report are assessed primarily on the basis of random samples. The audit includes the assessment of the accounting principles used and the significant estimates made by the legal representatives as well as the appraisal of the overall presentation of the annual financial statements and the management report. We are of the opinion that our audit forms a sufficiently secure basis for our assessment.

Our audit has not led to any reservations.

In our opinion, based on the knowledge gained during the audit, the annual financial statements comply with the statutory provisions and, in compliance with the principles of proper bookkeeping, give a true and fair view of the company's assets, financial and earnings position. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the company's position and suitably presents the opportunities and risks of future development.

Trostberg, October 19, 2018

M & P Revision und Treuhand GmbH
Wirtschaftsprüfungsgesellschaft
signed Daniel Zeus, auditor
