



DF Deutsche Forfait AG

Announcement for the period

1 January to 30 September 2019



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IN THE FIRST NINE MONTHS OF 2019, DF GROUP GENERATED A POSITIVE CONSOLIDATED RESULT OF EUR 2.1 MILLION

In the first nine months of the financial year 2019, DF Group generated a business volume of EUR 131.9 million, which clearly exceeded the previous year's EUR 44.4 million. Marketing Service (EUR 107 million) and Administrative Service (EUR 25 million) were the main drivers of the business volume in the first nine months of the fiscal year. DF Group's business with Iran focuses on food and medicine.

Gross profit, which is also supported by the consulting business, which is not included in the business volume, was up by an impressive EUR 6.1 million on the prior year period and reached EUR 7.7 million in the first nine months. At the same time, administrative expenses, which comprise personnel expenses, depreciation/amortization and other operating expenses, were reduced slightly from EUR 4.5 million to EUR 4.2 million. At the bottom line, DF Group thus significantly increased its consolidated result from EUR -1.9 million in the previous year to EUR 2.1 million as of 30 September 2019.

Thanks to the successful business trend and the EUR 15 million loan received by DF Deutsche Forfait GmbH from the majority shareholder of DF Deutsche Forfait AG at the beginning of the year, DF Group had an excellent cash position of EUR 22.7 million as of 30 September 2019. Cash and cash equivalents represent by far the largest asset in the balance sheet for the three-month period ended 30 September 2019.

The creditor assets totaled EUR 1.4 million, which means they changed only marginally in the third quarter of 2019 compared to the half-year report. The fair value of the creditor liabilities is identical with the fair value of the creditor assets.

As of 30 September 2019, DF Group's equity capital amounted to EUR 7.4 million, compared to EUR 5.3 million on 31 December 2018. The increase is attributable to the positive consolidated result generated in the first nine months of the current financial year. At 28.5%, the equity ratio on 30 September 2019 was lower than on 31 December 2018 (41.1%), which is attributable to the increase in total assets resulting from the EUR 15 million loan.

Provided that the political conditions do not deteriorate significantly, DF Group expects a positive corporate performance in the coming months in view of the continued good demand for the services provided by DF Group and the continued excellent cooperation with its strategic partners. Against this background, the company upgraded its forecast for the current financial year 2019 on 13 November 2019 in an ad-hoc announcement and now projects a consolidated result in excess of EUR 3.0 million.

MATERIAL EVENTS AFTER THE END OF THE THIRD QUARTER

Changes in Management Board and Supervisory Board

Mr. Franz Josef Nick, Chairman of the Supervisory Board of DF Deutsche Forfait AG, resigned from office as Supervisory Board Chairman for personal reasons with immediate effect on 8 November 2019 and will leave the Supervisory Board with effect from 12 December 2019. Mr. Nick has served on the Supervisory Board since November 2017 and was appointed Chairman in January 2019. After the departure of Mr. Nick, three members will remain on the Supervisory Board, which will thus continue to have a quorum; the Vice Chairman of the Supervisory Board, Dr. Ludolf-Georg von Wartenberg, will assume the responsibilities of Chairman until a new Chairman is elected.

On 28 November 2019, Mrs Gabriele Krämer and Mr Christoph Charpentier resigned from the Management Board for personal reasons and in best agreement with the Supervisory Board with effect of 30 November 2019. Both will continue to support the company as advisors. Attorney Hans-Joachim von Wartenberg has been appointed Member of the Management Board with effect of 1 December 2019.

Grünwald, 28 November 2019

The Board of Management



ASSETS (in EUR)	30-09-2019	31-12-2018
Non-current assets		
Intangible assets	92,583.25	124,020.83
Tangible assets	328,741.82	87,604.00
Long-term financial assets	42,644.19	40,644.19
Deferred taxes	100,376.00	1,524,156.00
	564,345.26	1,776,425.02
Current assets		
Creditor assets	1,422,997.08	6,186,840.18
Trade receivables	105,883.24	439,432.86
Other current assets	1,254,200.35	993,368.65
Cash and cash equivalents	22,746,886.44	3,553,920.65
	25,529,967.11	11,173,562.34
Total assets	26,094,312.37	12,949,987.36



Equity and Liabilities (in EUR)	30-09-2019	31-12-2018
Equity		
Subscribed capital	11,887,483.00	11,887,483.00
Costs of the capital increase	-623,481.04	-623,481.04
Revenue reserves	-3,648,980.57	-5,756,635.47
Adjustment item from currency translation	-186,029.37	-178,558.63
	7,428,992.02	5,328,807.86
Non-current liabilities		
Loan	15,000,000.00	0.00
Lease obligations	163,785.44	0.00
	15,163,785.44	0.00
Current liabilities		
Creditor liabilities	1,422,997.08	6,186,840.18
Liabilities to banks	0.00	329.08
Provisions	350,000.00	0.00
Income tax liabilities	553,270.00	462,267.57
Trade accounts payable	292,034.84	237,493.34
Other current debt	883,232.99	734,249.33
	3,501,534.91	7,621,179.50
Total equity and liabilities	26,094,312.37	12,949,987.36



Consolidated Income Statement (in EUR)	01-01 – 30-09-2019	01-01 – 30-09-2018
Transaction-related income		
a) Forfeiting income	16,004.07	466,609.70
b) Commission income	7,952,017.61	1,197,674.91
c) Exchange gains	78,651.73	388,193.84
	8,046,673.41	2,052,478.45
Transaction-related expenses		
a) Forfeiting expenses	0.00	182,434.98
b) Commission expenses	317,193.94	127,401.22
c) Exchange losses	8,715.56	132,741.74
	325,909.50	442,577.94
Gross result	7,720,763.91	1,609,900.51
Other operating income	362,019.07	824,021.54
Personnel expenses		
a) Wages and salaries	1,639,312.75	1,519,584.35
b) Social security contributions and expenditure for pensions and social welfare	225,579.54	225,204.16
	1,864,892.29	1,744,788.51
Amortization of intangible assets and tangible assets	127,885.91	61,714.53
Other operating expenses	2,250,619.85	2,710,269.74
Interest income	0.00	250.00
Interest paid	85,929.00	11,885.56
Profit before income tax	3,753,455.93	-2,094,486.29
Income tax		
a) Income tax	222,021.03	0.00
b) Deferred taxes	1,423,780.00	-190,940.00
Consolidated net income	2,107,654.90	-1,903,546.29
Average number of shares	11,887,483	11,887,483
Basic earnings per share	0.18	-0.16
Diluted earnings per share	0.18	-0.16



Consolidated Cash Flow Statement (in EUR)	01-01 – 30-09-2019	01-01 – 30-09-2018
Cash Flow		
Consolidated loss/ profit	2,107,654.90	-1,903,546.28
+ Amortization/depreciation of intangible and tangible assets	127,885.91	61,714.53
+ Income tax	1,645,801.03	-190,940.00
+ Interest paid	85,929.00	11,885.56
- Interest income	0.00	-250.00
+/- Other non-cash transactions	-1,639,283.64	187,740.00
+/- Changes in creditor assets	4,763,843.10	1,026,019.26
+/- Changes in trade receivables	333,549.62	-423,017.29
+/- Changes in other assets	1,160,948.30	-130,741.11
+/- Changes in provisions	350,000.00	0.00
+/- Changes in creditor liabilities	-4,763,843.10	-1,026,019.26
+/- Changes in trade accounts payable	54,541.50	138,794.74
+/- Changes in other liabilities	144,129.13	-162,578.57
- Paid income taxes	-26,223.64	0.00
= Operating cash flow	4,344,932.11	-2,410,938.42
- Interest paid	-66,222.75	-8,435.56
+ Interest received	0.00	0.00
= Cash flow from operating activities	4,278,709.36	-2,419,373.98
- Payments for investments in non-current assets	-77,977.28	-29,116.02
+ Proceeds from disposals of non-current assets	0.00	0.00
= Cash flow from investing activities	-77,977.28	-29,116.02
+/- Changes in financial liabilities	-329.08	215.98
+/- Loans raised	15,000,000.00	0.00
+/- Other changes in equity	0.00	0.00
= Cash flow from financing activities	14,999,670.92	215.98
Net changes in cash and cash equivalents	19,200,403.00	-2,448,274.02
+ Cash and cash equivalents at beginning of the period	3,553,920.65	6,079,060.14
+/- Currency translation effects	-7,437.21	-60,792.49
= Cash and cash equivalents at end of the period	22,746,886.44	3,569,993.63
- Bank balances pledged	-35,000.00	-35,000.00
= Free cash and cash equivalents at end of the period	22,711,886.44	3,534,993.63

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