



Fast Finance 24 Holding AG, Frankfurt

Half-year financial statements as of June 30, 2020
www.fastfinance24.com

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Letter to the Shareholders

Dear Shareholders,

I would like to take this opportunity to thank all the shareholders for their support and trust in Fast Finance 24 Holding AG (“FF24 AG” or the “Company” or together with its subsidiaries the “Group” or “FF24”) after our successfully completed Reverse Merger and the increase of the share capital to EUR 46,904,646.00 increased against contribution in kind in 2018/2019, still being listed on the Entry Standard of the Frankfurt Stock Exchange.

Let me take this opportunity to announce the financial results for the first half year 2020. In these challenging times, facing a worldwide pandemic and subsequent economy slowdown not only in the home market but also worldwide, FF24 AG was able to continually maintain a stable growth in the financial first half year 2020. Our results have achieved a minor revenue growth; however, we were already able to raise about 590.000 EUR in the first half year 2020 as Pre-IPO money for the expected IPO of our daughter company Fast Fiannce 24 S.L., operating the freemailer ok.de.

I would also like to take this opportunity to share with you some key achievements in 2020:

- Fast Finance 24 Holding AG acquired the freemailer OK.de via its Spanish subsidiary Fast Finance 24 SL in the fourth quarter of 2019
- Since February 2020 the platform FF24INVEST.com offers interested investors the opportunity to invest even small amounts in value stocks via small capital investments
- In May 2020, Fast Finance 24 Holding AG launched FF24.rent (via its subsidiary FF24.rent GmbH), its own marketplace for its innovative rent-to-own model.
- In July 2020, Fast Finance 24 Holding AG introduced its own internal automated trading system FF24.trade, which allows trading opportunities using algorithms and through to its innovative mathematical construction, being able to maximise company income while carrying out careful risk management.
- Also in July 2020, messenger service OK.secure was started on the basis of a white label solution with an external partner, offering private and secure messaging, calling and data storage with military-grade encryption.
- After signing the main contracts a white label partner in March 2020 and the subsequent creation of an app, in the 1st quarter of 2021, FF24.pay will start online at www.ff24pay.com operating under an EMI (Electronic Money Institution) licence.
- In the 3rd quarter of 2020 Fast Finance 24 Holding AG was able to raise another 677.189 EUR as Pre-IPO investment money.

In the coming year, we foresee our business will continue to grow given the strong foundation and effort input over the years. Coupled with launching of new products to our market, we are confident we will achieve an even better result in 2021.

I would also like to take this opportunity to express my greatest gratitude to my fellow employees, for their hard work and dedicated contribution to the success and growth of the Company. I strongly believe that with such an energetic and reliable team, we have a bright future ahead of us.

Sincerely yours,

Andreas Garke

Managing Director of Fast Finance 24 Holding AG

Report of Supervisory Board

Dear Shareholders,

Supervisory Board Activities in the 2019 Financial Year and First Half Year of 2020

In the 2019 financial year and First Half Year of 2020, the Supervisory Board duly performed the duties incumbent on it by law, the Articles of Association and the rules of procedure and continuously monitored and advised the Management Board in managing the company. The Supervisory Board was directly involved in all decisions of fundamental importance for the company.

The Management Board informed the Supervisory Board regularly, both verbally and in writing, promptly and comprehensively about corporate planning, the course of business, further strategic development and the current situation of the Group. The respective chairman of the supervisory board was also regularly informed by the management board about current developments in the business situation and important business transactions outside of supervisory board meetings. In addition, the chairman of the supervisory board kept in regular contact with the management board and discussed questions relating to strategy, planning, business development, the risk situation and risk management as well as the company's compliance with the rules.

A total of four meetings of the Supervisory Board took place in the reporting period. If necessary, the Supervisory Board passed resolutions in writing. Approval of draft resolutions of the board of directors was granted after examination of extensive documents and intensive discussions with the board of directors. There were no committees of the Supervisory Board in the reporting period. The Chairman of the Supervisory Board also exchanged information regularly with the CEO outside of the Supervisory Board meetings.

Focus of the deliberations in the supervisory board

In the foreground of the consultation of the new Supervisory Board in its four meetings in the reporting year, the situation of the company after the successful takeover and the further business direction of the company were in the foreground.

At its meeting on February 27, 2019, the subject was again the successful takeover of the company by the new majority shareholder. And a quick look back at the 4th quarter of 2018.

In the meeting on May 9, 2019, the focus was on the current business development in the first quarter of 2019.

The management's report on business development in the 2nd quarter of 2019 was the subject of detailed discussions at the meeting on July 31, 2019. The upcoming acquisition of the freemailer ok.de was also discussed intensively.

In its fourth meeting on November 8, 2019, the Supervisory Board dealt with the management's report for the third quarter of 2019. In addition, the tax advisor explained the half-yearly financial report. In its two meetings 2020 on 27 March 2020 and 17 June 2020 the management's reports on business development in the 4th quarter of 2019 and the 1st quarter of 2020 were the subjects of detailed discussions.

Changes to the Supervisory Board and Management Board

Effective on 03 August 2020, Mr. Volker VREYS resigned from the Management Board.

Annual Financial Statements 2019

A meeting of the Supervisory Board on the 2019 annual financial statements took place on August 11, 2020. The auditor elected by the Annual General Meeting for the 2019 financial year, MSW GmbH Wirtschaftsprüfungsgesellschaft, Berlin, (MSW GmbH), has audited the annual financial statements for the 2019 financial year drawn up by the Management Board in accordance with the principles of the German Commercial Code (HGB) and given a notice of refusal.

The reason for not submitting an audit opinion on the 2019 annual financial statements was that the auditors could not be presented with sufficient and appropriate evidence that the company can meet repayment obligations from a convertible bond issued with a repayment date in November 2020.

Literally it says in the refusal note as follows:

"We are not giving an audit opinion on the attached annual financial statements. Due to the importance of the facts described in the section "Basis for the declaration of the non-submission of an audit opinion on the annual financial statements", we have not been able to obtain sufficient suitable audit evidence as a basis for an audit opinion on the annual financial statements and have therefore failed to issue the auditor's report.

Basis for the declaration of failure to submit an audit opinion on the annual financial statements

The company has repayment obligations from a convertible bond that has been issued. The redemption date for the convertible bond is November 2020. The company's legal representatives have not provided us with sufficient and appropriate evidence that this obligation can be met. For this reason, it was not possible to obtain sufficient certainty that the company would continue to operate. "

The relevant documents and the auditor's report were forwarded to all members of the Supervisory Board in good time before the Balance Sheet Supervisory Board meeting on August 11, 2020 for their

own review. These documents were discussed and discussed in detail in the presence of the Executive Board. After its own extensive examination, the Supervisory Board concluded that there were no objections to be raised against the annual financial statements.

The Supervisory Board does not consider the auditor's concerns to be justified. In the specific case, despite repeated inquiries and requests for appointments to clarify the matter, the company was not provided with all the necessary documents in good time, in particular a confirmation of the acceptance of the outstanding repayment amount. The former majority shareholder of SCY Beteiligungen AG has contractually guaranteed the repayment obligation towards the new majority shareholder of Fast Finance24 Holding AG and the company itself. After checking the submitted documents, there is still a repayment obligation from the convertible bond in the amount of approx. 140,000 EUR by the repayment date in November 2020, which the company could settle in the short term due to the current cash flow development.

Necessary corrections to the audit report and the note are currently not possible due to the circumstances and the Supervisory Board, after detailed discussion, does not consider the auditor's complaints to be serious. The Supervisory Board therefore did not approve the results of the audit and approved the 2019 annual financial statements of Fast Finance24 Holding AG. The 2019 annual financial statements have thus been adopted.

Half-year Financial Statements as of 30 June 2020

Another meeting of the Supervisory Board on the 2020 Half-year Financial Statements as of 30 June took place on 02 October 2020. The relevant documents and the tax advisor's report were forwarded to all members of the Supervisory Board in good time before meeting on 02 October 2020 for their own review. These documents were discussed and discussed in detail in the presence of the Executive Board. After its own extensive examination, the Supervisory Board concluded that there were no objections to be raised against the Half-year Financial Statements as of 30 June 2020.

Dependent Company Report

According to Section 312 of the AktG, under certain circumstances a company is obliged to produce a report on relations of a dominant shareholder of the company with affiliated companies. The Supervisory Board discussed with the Management Board on the matter and found that there were no conflicts of interest among members of the Supervisory Board in the period under review.

The Supervisory Board thanks the Management Board member Andreas Garke for his energetic commitment and achievements in the 2019 financial year and first half year 2020.

Berlin, August 2020

On behalf of the board of directors

Armin DARTSCH

Chairman of the supervisory board

The Share

Legal Domicile	Frankfurt am Main, Germany
Legal form	Stock corporation (AG)
Listing	XETRA, Frankfurt, Tradegate
Number of authorized shares	46.904.646
Registered Capital	46.904.646 Euro
First day of trading	20.11.2012
Market Segment	Deutsche Börse / Basic Board
ISIN	DE000A1PG508
WKN	A1PG50
Ticker Symbol	FF24
Specialist	Wolfgang Steubing AG
Listing Partner	Wolfgang Steubing AG
Paying Agent	KAS Bank N.V. – German Branch
Designated Sponsor	Wolfgang Steubing AG
Incorporation	18.07.2012
Accounting Principles	HGB
Auditor	MSW GmbH
Financial year	Calendar year (31.12.)
Management Board	Andreas Garke (CEO)
Supervisory Board	Mr. Armin Dartsch (Chairman), Mr. Ole Jensen, Mr. Torben Pedersen
Shareholder Structure	74,03% Gaetano Limited 6,76% C. Benvenuti 4,50% Moody Al Fayed 14,71% Free float

Group Management Report

of Fast Finance 24 Holding AG as of period ended 30 June 2020

General Information

Foundation and structure of Fast Finance 24 Holding AG and the Group

Fast Finance 24 Holding AG (hereafter also referred to as “FF24 AG”) is a German stock corporation operating under German law whose financial year is the calendar year (i.e. 1 January through 31 December). The Company’s shares are traded on the non-regulated Basic Board (formerly Entry Standard) of the Frankfurt Stock Exchange, Germany. FF24 AG is the German Holding Company of several European operating companies. As holding company without an own operational business, FF24 AG is only slightly influenced by the macro-economic situation in Germany, but depends on the future dividend stream from its subsidiaries in Germany and Europe.

The structure of BPIC Group by year end is disclosed as follows:



The existing group structure of FF24 was formed on 19 February 2019 by way of a contribution in kind, when the transfer of the entire share capital in Fast Finance 24 Holding PLC (London) into FF24 AG took legal effect.

The operating business of the Group is carried out by its subsidiaries Fast Finance 24 S.L. and FF24.rent GmbH, being an innovative provider of financial products for private customers and sole proprietorships.

FF24 Group currently offers its customers a selection of different financial products, including a software solution for granting personal loans, a “Rent-2-Own” solution, including a widget for online shop systems, and an investment platform for investors and savers as well as many new products soon to come.

Economic Report

Macroeconomics and Market Environment

The global macroeconomic narrative has improved and steadied since the start of 2020. Back then, the combination of strong labor-market performance and household spending, and weak manufacturing was unstable. There were two paths forward. Either ongoing strength in the former would lead to a stabilization of the latter, or the weakness in the latter would drag down the former. This tug of war appears to have been won by the labor markets and households. They remain strong while manufacturing has stabilized.

Timely action by central banks again saved the day, led by the U.S. Federal Reserve. Three consecutive rate cuts of 25 basis points (bps) from July to October reduced the benchmark federal funds rate to a range of 1.50-1.75%. The European Central Bank (ECB) had less policy space, but also took bold action in September as it resumed both quantitative and credit easing, and cut interest rates. This lowered borrowing costs and boosted demand in rate-sensitive sectors such as automobiles and housing. Lower rates also have boosted asset prices, leading to higher spending through the wealth effect. In the financial markets, volatility remains low (as measured by the closely watched VIX index, which remains in the low teens), and the Treasury yield curve has steepened, with the slope between two- and 10-year notes once again positive. In a nutshell, financial conditions have again become supportive.

The outlook for 2020 is therefore shaping up as, hopefully, unexciting steady-state growth in many advanced economies. This involves two cyclical variables. First, output gaps are close to zero, meaning that the economy is close to the full level of resource utilization, neither helping nor hurting inflationary pressures. Second, GDP growth is close to potential, meaning that the pace of expansion is consistent with the growth of inputs: labor and capital. The steady-state path is equivalent to a holy grail for policymakers. The question is how long the economy can stay there. At this stage of the expansion, with the Global Financial Crisis a decade behind us, the objective should be to prolong, not juice up, the expansion.

Although the baseline outlook has turned more benign, the balance of risks remains on the downside. As the events of one year ago showed, a rosy outlook can turn rather quickly in response to geopolitical developments. In particular, ongoing U.S.-China tensions remain our top risk. While these tensions aren't necessarily trade-related--and, in fact, relate to more medium-term concerns--the uncertainty (and drama) around the ups and downs of the ongoing negotiations are damping investment, and risk-taking more generally.

GDP Growth Forecasts

%	2018	2019f	2020f
U.S.	2.9	2.3	1.9
Eurozone	1.9	1.2	1
China	6.6	6.2	5.7
India*	7.2	6.8	5.1
Japan	0.8	0.8	0.1
Global	3.8	3.2	3.3

*Fiscal year ending march. f -- Forecast. Source: S&P Global Economics.

Competitive Environment

Technological innovation is the core competitive factor for our Group. Companies in this industry manage the operations of other companies or enterprises and may have an equity stake or controlling interest in the managed firm. Demand is driven by business activity and potential returns on investment. The profitability of individual firms depends on efficient operations and the ability to identify targets for investment. Large firms have advantages in access to capital. Small firms can compete by specializing in niche industries or geographies.

For our subsidiary (Rent to own business), we are the pioneers in this industry as this business deals with the electronics industry. We have no competitors thanks to our innovative business idea by Research & Development.

There are some competitors like IN-LEASE Deutschland GmbH and FLC Furniture GmbH & Co. KG who only operate in the furniture industry.

For the free mailing business (FF24 S.L.), the competition is highly competitive. The competitors include iCloud, Yahoo Mail, 1&1 & Gmail. Nevertheless, the security and privacy policy are the main factors which give us a competitive edge. Beside security and privacy, we offer multiple secured features which distinguish us from competitors.

General Statement on Business Development

In 2019 and first half year 2020, FF24 was still putting its major business focus on developing its existing product business and promoting its "FF24" brand throughout Germany and Europe markets at the same time. Meanwhile, FF24 is also in the midst of developing several new products to expand the Group's product offering to strengthen its brand.

Overall in 2019 and first half Year 2020 FF24 achieved the goals it had set for itself. From an outlook perspective, it achieved its goal of continued growth within the FF24 AG. This was done mainly by enhancing its distribution network and assisted by investment into its brands.

Products and Brands

FF24 Holding AG has different products operated by its subsidiaries and other Projects planned to roll out in the first quarter 2021.

Ok.de

Fast Finance 24 Holding AG acquired the freemailer OK.de via its Spanish subsidiary Fast Finance 24 SL in the fourth quarter of 2019. The reach of the Fast Finance 24 group is being expanded as part of a strategic goal, i.e. the existing and constantly expanding qualified users will generate a progressively faster growth in traffic on the portals of the Fast Finance 24 group. The OK.de database already has 2.5 million users and about 1.4 million verified users. The website currently has a reach and traffic of 127 thousand users per day, and a daily average of three thousand new registrations. The platform has been operating with great success since it was founded in 2012 and already has around 1.4 million verified users. Via the comparison portals and advertising space, the Fast Finance 24 Group has a variety of cross-marketing options to effectively advertise its own products and those of third parties. Another portal with a credit comparison feature has been added to the existing comparison portals on the internet platform.

Quick facts:

- 1.4 million verified users
- Cross-Marketing to keep Budget low
- Various comparison platforms
- Ease of use and focus on great customer experience

FF24 Invest

With the platform FF24INVEST.com, Fast Finance 24 Holding AG has been offering investors the opportunity to invest even small amounts in value stocks via small capital investments, since the first quarter of 2020.

Quick facts:

- Monthly or one-time investment
- Guaranteed 6% return per year
- Investments are made without further action in the system and save time and work
- Simple and transparent platform to achieve your personal financial goals

FF24.rent

In May 2020, Fast Finance 24 Holding AG launched FF24.rent (via its subsidiary FF24.rent GmbH), its own marketplace for its innovative rent-to-own model. In a time of possible financial bottlenecks, such as the one we are currently experiencing, the customer is given the opportunity to rent exclusive products in small weekly instalments instead of buying them immediately. Since every rental request is always answered immediately, the buyer has an intuitive and transparent shopping experience that hardly differs from a purchase made with a conventional payment option. With immediate effect, ff24rent.com offers a large selection of high-quality products from categories such as computers and electronics, home and garden, kitchen and gourmet, as well as sport and leisure. After a rental period of 52 weeks, the goods automatically become the property of the customer.

Quick facts:

- Rent up to € 2500, with option to buy
- Easier, faster and more transparent approval process
- Widget for online shops for easy integration of the rent-to-own payment option
- Marketplace for retailers to broaden their customer base and increase sales

Ok.secure

In July 2020, OK.secure was started on the basis of a white label solution with an external partner. OK.secure offers private and secure messaging, calling and data storage with military-grade encryption. The technology is based on an end-to-end encryption system that uses blockchain technology to establish secure and trustworthy communication connections between its users. All files and messages are encrypted in the sender's browser and OK.secure app before they are sent to the server. The decryption of data is only possible in the browser or the app of the intended recipient. All communications and data are encrypted on all devices around the clock.

Quick facts:

- Private and secure messaging with a military level of encryption
- Available for iOS and Android
- Chat and Video Conferencing
- Free Online Cloud Storage

Ok.coins

In the first quarter of 2020, OK.de is working on issuing OK Coins, its own anonymous and secure cryptocurrency. OK Coins will then be able to be used within the business units of the FF24 Group as a means of payment or as an innovative bonus system. After the successful launch in the OK.de world, the plan is to release OK Coins as a means of payment for everyone.

FF24.pay

After signing the main contracts and the subsequent creation of an app, in the first quarter of 2021, FF24.pay will start online at www.ff24pay.com. It is an EMI (Electronic Money Institution) according to ZAG (Law on the Supervision of Payment Services). The operating subsidiary operates with a sub-licence from Valenspay Ltd with registered address 35 High Street, London, England, SW19 5BY (Company No. 12218127). Valenspay Ltd is registered with the Financial Conduct Authority (FCA) as an EMD agent (reference number 902771) via PayrNet Limited, an electronic money institution also authorised by the FCA (reference number: 900594). FF24.Pay is the name of the app for the company FF24 Ventures GmbH, which has been founded for this purpose in spring 2020.

Subsequent Events

Events that would be of particular importance for the future assessment of the company's asset, financial and earnings position occurred in the form of the global coronavirus crisis. This pandemic reached its peak (to date) in Germany in March and April 2020, but its end and its economic effects cannot be foreseen at the time the balance sheet was drawn up. The developments related to the coronavirus are classified as value-creating, so that due to the reporting date principle there is no impact on the balance sheet and income statement as of 30 June 2020.

Report on Risks and Opportunities and Risk Management

Risk Policy

Due to the size of the Company and the Group, it has not yet established a formal risk management system and early risk detection system as promulgated by Section 91 of the Germany Stock Corporation Law. Management recognises the need and importance of establishing such a risk management system, and will continue its effort to develop and implement a formal risk management system in 2021.

Risk Management System

Management relies on day-to-day observations, constant feedback from its customers and suppliers as well as interest-related parties to identify and detect risk indicators for the environment in which the Group operates. These risks are assessed particularly with regard to their likelihood of happening and the magnitude of their impact on the Group. This information will be considered in the Group's execution of strategies and policies.

Description of the Key Features of the Internal Control and Risk Management System with regard to the Group Accounting Process (Sec. 315 Para. 2 No. 5 of the German Commercial Code – HGB)

The Group has an internal control system in place. In the future, the Group intends to establish a risk management system under which appropriate structures and processes for (Group) accounting and financial reporting are defined and implemented throughout the organisation. This system is designed to guarantee timely, uniform and accurate accounting for all business processes and transactions. Apart from defined control mechanisms such as system-based and manual reconciliation processes, the fundamental principles of the internal control system include the separation of functions and compliance with directives and operating procedures. The accounting and financial reporting process for the Group is managed by the Accounting Department with the assistance by an external German service provider supporting the IFRS-based financial reporting. The Group companies prepare their financial statements locally and transmit them with the aid of a data model that is standardised throughout the Group. The Group companies are responsible for their compliance with the directives and procedures applicable throughout the Group and for the proper and timely operation of their accounting-related processes and systems. The employees involved in the accounting and financial reporting process receive regular training, and the Group companies are supported by an external service provider. As part of the process, measures are implemented that are designed to ensure the regulatory compliance of the consolidated financial statements. These measures serve to identify and evaluate risks, and to limit and monitor any risks that may be identified. For example, material new contractual relationships for projects are systematically tracked and analysed. The consolidated financial statements are prepared in cooperation with a German external service provider on the basis of the data supplied by the included subsidiaries. System-based controls are monitored by personnel and supplemented by manual inspection. Defined approval procedures must be observed at all stages in the accounting process to ensure segregation of duties.

Opportunities management

Within the Group, opportunity and risk management are closely interlinked. The Group essentially derives its opportunity management from its goals and strategies and ensures an appropriate balance between opportunity and risk. Responsibility for the early and regular identification, analysis and management of opportunities rests with the management board. Management is constantly aware of local and international developments, especially on factors that affect the critical success of the Company. The Group relies on an opportunity-oriented approach in decision making with considerations of related risks that come with these opportunities.

Major Risks and Opportunities

The Group has subsidiaries and each of them has their own risks. Management assessed that the following risk and opportunities are essential:

Rent to Own Business

This business plan is known as FF24.Rent GmbH. FF24 Rent is a payment option for a number of established online retailers. Customers simply select the item and order quickly and easily with the FastFinance24 rental option.

Risks associated with are:

- **No Certainty:** The renters might not buy, which means that the business has to start all over again and find another buyer or renter—but at least the business gets to keep the extra money.
- **Slow money:** Business don't get a large lump sum, which they might need to purchase the business' next product.
- **Missing appreciation:** The business typically locks a sales price when signing a rent-to-own agreement, but the prices might rise faster than expected. In this the business has to accept this or wait a while to offer the option to buy.
- **Discovering flaws:** Buyers may discover flaws the business never knew about and they may decide not to buy. Although this defect never came up under the previous arrangement, it is now an issue the business has to fix or disclose to future buyers.

Ok.de - freemailer and messaging service

This business offers free mailing and messaging services to its customers through the subsidiary of the Group.

Risks associated with are:

- **Spamming:** Sending email to consumers who did not subscribe goes against the CAN-SPAM Act and can result in spamming reports and eventually get email black-listed and banned. The best results from email marketing come from starting a mailing list from scratch to people who actually subscribe to service.
- **Reputation:** A business puts its reputation on the line when starting an email marketing campaign, which is why it is important for businesses to stay genuine when sending out email. If you're not sure about your email, it can eventually result in a bad reputation of the business.

Risk of expansion strategy failure

The Group might fail to execute its development plans successfully and manage its growth efficiently. It has expanded its business significantly and intends to further advance such growth by expanding its production capacity, enhancing its product portfolio, increasing brand recognition. However, there can be no assurance that the Group may, in part or at all, be successful in these activities. Many strategic goals which are planned by the Group require high initial expenditures as well as on-going expenditures. Such investments can only be operated profitably if their sufficient utilization is warranted by corresponding demand.

Operational Risks

Intellectual property ownership and rights

Since the design and production of the Group products involve numerous software and hardware technologies, the protection of its software and hardware technology is very important to its success and competitive position. Up to now, the Group has taken steps to protect its technology by patents and by registering a number of copyrights of its own developed computer software and control systems. However, there is no complete protection of the Group technology and know-how and it did not register its trademark "FF24 Holding AG". Accordingly, there is a risk of third parties copying the technology and/or know-how of FF24 Holding AG without FF24 Holding AG being able to claim permanent injunction or damages based on these infringements and therefore reducing the Group market share. Further, it cannot be excluded that the Group's technology and know-how infringe third party rights, which could lead to claims for permanent injunction and damages by these third parties against the Group. Management obtained clearance to register its trademark in Germany and will arrange for registration of its trademark in other markets in which the Group intends to sell its products.

External risks

Risks from increasing market competition

The Group operates in a medium competitive market and the current level of or potentially increasing competition may result in a decline in its market share, turnover and / or gross profit. Domestic and international brands compete with each other based on, amongst other things, brand loyalty, product variety, product design, product quality and price. Competitors may also position their brand at the same level and target the same market segment as FF24 Holding AG. Moreover, many of the Group's competitors are larger and have achieved greater recognition of their brands, have captured higher market share and/or have substantially better financial, marketing, distribution and other resources than FF24 Holding AG. In order to cope with the competition, the Group maintains a highly experienced and talented team to ensure the continuation of products' improvements and the launch of new products. This will enable FF24 Holding AG to deliver products with high quality at an affordable price, which the management recognised as the key driver to compete, sustain and grow the business.

Changing technology trends

The Group may not be able to respond to changing technology trends and produce commercially viable products or gain access to new technology. The Group is of the opinion that FF24 Holding AG's success depends on its ability to keep abreast of, and to anticipate and react effectively to, rapidly changing technological trends in a timely manner. The launch and development of each new product line and design involve considerable time and resource commitments.

It cannot be ruled out that any new product line or product design that the Group will launch in the future might not be commercially viable or successful and might be unable to generate a positive cash flow. Further, it cannot be ruled out that FF24 Holding AG may not have access to new vital technology. The Group has established a strong research and development team, which play an important role in continuation on innovating and designing new and existing products to meet customers' needs. Frequent feedback on the products is obtained from distributors for improvement purposes. Management recognizes that the Group needs to produce designs and functions that appeal to Group's customers' target market. In line with this, the Group constantly stays alert to the technology developments in the industry and other related industries for any opportunities to tap in to.

Fluctuation of foreign exchange rates

Fluctuations in foreign exchange rates may materially and adversely affect the Group's future financial condition and results of operations. The management will continue to monitor the currencies trend and when necessary apply required changes in the approach to mitigate these risks. At the movement, all of the business transactions of the Group are mainly transacted in EUR and FF24 Holding AG foresee the strong currency trends will benefit the results.

Opportunities

Competitive Edge over competitors

Since the market is mainly dominated by a small number of local and international brands, the Group enjoys cost advantage thanks to its more flexible corporate hierarchy and the resulting higher operating efficiency. The Group will continue its efforts to monitor and benefit from these favorable conditions.

Increasing local & overseas demand for quality

Rapid technological advancement has facilitated product innovation and has greatly improved the quality of products. Since target customers of the mid-end segment are generally price sensitive provided that the products are of acceptable quality, our products are beginning to gain acceptance in the international market due to their competitive pricing. With other international players in the market having higher cost structures, the management expects the Group to offer the highest price-to-quality products compared to other competing products, which should contribute to the Group's development.

Report on Forecast

The outlook on the markets FF24 is operating are cautiously optimistic as the economy growth in Europe and rest of the world are improving despite the still virulent COVID-19 Pandemic worldwide.

Looking ahead to 2021, following the successful trial run of our launch of new products and websites, as the marketplace for rent-to-own products, we expect revenue of the operating companies to increase significantly as a result of our deeper market penetration and brand awareness in both Germany and European market. We also expect to launch new products and the sales of these products would further drive our business growth.

In summary, we expect that next year will be a challenging year for us given the expected slowdown worldwide economy. Nevertheless, we remain confident maintain operating profit. Contrary please note that these expectations are subject to uncertainty even if currently we do not have any information as to any contrary development. The future perspective of FF24 AG highly depends on the European and worldwide economic development, but also on our ability to develop, produce and distribute qualitative and affordable products.

Remuneration of the Management Board and of the Supervisory Board

According to Sections 87 para. 1, 107 para. 3 sentence 3 of the German Stock Corporation Act (Aktiengesetz), the Supervisory Board determines the remuneration of the Management Board. All Management and Supervisory Board members agreed to forgo payment for the time being, to not strain the cashflow of the FF24 Group at this early stage. The agreed remuneration structure is appropriate considering the size, the activity and the economic and financial situation of FF24 AG.

Financial Statements of Fast Finance 24 Holding AG

Balance sheet of Fast Finance 24 Holding AG as of 30 June 2020

ASSETS	30/6/2020 EUR	30/6/2019 EUR
A. FIXED ASSETS		
I. Intangible assets		
Concessions purchased against payment, industrial property rights and similar rights and values, and licences in such rights and assets	232.00	232.00
II. Tangible assets		
Equipment, fixtures and furnishings	1.00	1.00
III. Financial assets		
1. Shares in affiliated companies	39,300,000.00	39,300,000.00
B. CURRENT ASSETS		
I. Receivables and other assets		
1. Accounts receivable trade	0.00	42,000.00
2. Receivables from affiliated companies	720,342.36	18,000.00
3. Other assets	120,004.63	96,517.53
	<u>768,346.99</u>	<u>156,517.53</u>
II. Cash in hand, Federal bank deposits, balances with credit institutions and cheques	<u>10.67</u>	<u>0.00</u>
	<u>40,140,590.66</u>	<u>39,456,750.53</u>

LIABILITIES

A. EQUITY

I.	Subscribed capital	46,904,646.00	46,904,646.00
II.	Capital reserves	98,962.25	98,962.25
III.	Loss carried forward	-8,211,251.63	-8,229,433.77
IV.	Net profit/loss for the year	18,291.27	6,155.91
		<u>38,810,647.89</u>	<u>38,780,330.39</u>

B. PROVISIONS

	Other provisions	55,909.80	40,625.00
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C. PROVISIONS

1.	Bonds	500,000.00	500,000.00
2.	Advances received	588,367.45	0.00
3.	Trade payables and other liabilities	101,459.36	90,673.53
4.	Liabilities to affiliated companies	22,412.20	0.00
5.	Other liabilities	61,793.96	45,121.61
		<u>1,274,032.97</u>	<u>635,795.14</u>
		<u>40,140,590.66</u>	<u>39,456,750.53</u>

Profit and loss statement for the period from 1 January to 30 June 2020

	1.1.-30.6./2020	1.1.-30.6.2019
	EUR	EUR
1. Sales	90,000.00	60,000.00
2. Other operating income	1,243.00	0.00
3. Other operating expenses	-61,281.73	-45,719.09
4. Interest and similar expenses	-11,670.00	-8,125.00
5. Earnings after tax	18,291.27	6,155.91
6. Net profit/loss for the year	18,291.27	6,155.91

Notes to the Financial Statements for the First Half of 2020

General Information on the Half-Year Financial Statements

The Company is listed in the Basic Board (formerly Entry Standard) over-the-counter segment of the Frankfurt Stock Exchange under the identification number "ISIN: DE000A1PG508".

The half-yearly financial statements of Fast Finance 24 Holding AG, Frankfurt am Main, as of 30 June 2020 were prepared on the basis of the accounting, valuation and classification regulations under commercial law. In addition to this, the provisions of the German Stock Corporation Act ("AktG") prevail.

As of 30 June 2020, the company's size characteristics are those of a small corporation according to § 267 para. 1 HGB (German commercial code) and the company makes use of the facilities under § 264 para. 1 clause 4 HGB.

For the profit and loss statement, the total cost method according to §275 para. 2 HGB has been applied.

Information on Accounting and Valuation Methods

The valuation was based on the assumption that the company's business activities would continue.

At the creditors' meeting on 19 November 2018, an existing convertible bond with ISIN: DE000A1685R8 with a total nominal value of EUR 500 thousand, was extended by two years to November 2020. In addition, the interest rate was reduced to 3.25% p.a. As a result, the company's liquidity position has eased considerably, overcoming short-term critical mass compared to the previous year.

At the same time, as a holding company, the company's own profits and liquidity are usually dependent on dividends from its operating subsidiaries. If these returns do not materialise, the company must resort to alternative forms of financing, such as the raising of equity or debt capital.

Through the **sale of entitlement rights** to shares in affiliated companies, EUR 588 thousand had already been raised from investors by the reporting date on 30 June 2020. These down payments received become sales proceeds after the shares have been delivered to the investors but are already available in full as funds for the projects of subsidiaries, such as the development of the FF24.rent GmbH marketplace, the FF24.pay app or OK.secure app.

The assets and liabilities are valued individually as of the reporting date.

The **financial assets** are recognised at acquisition cost according to § 255 para. 1 HGB or, in the case of expected permanent impairment, shown in the balance sheet at the lower fair value on the balance sheet date.

The **receivables and other assets** are stated at nominal value unless the lower fair value is recognised in light of discernible individual risks.

The **bank balances** are stated at nominal value.

The **other provisions** adequately take into account recognisable risks and uncertain liabilities as of the reporting date. The settlement amount was calculated based on sound business judgment.

The **liabilities** were each stated at their settlement amount.

Information on the items of the Balance Sheet and Profit and Loss Statement

The **shares in affiliated companies** refer to, since +19 February 2019, 100% of the shares in Fast Finance 24 Holding Plc, London, in the amount of EUR 39,300 thousand. As of 31 December 2019, the equity of Fast Finance 24 Holding Plc, London, amounted to EUR 38,792 thousand and the profit for the year was EUR 61 thousand.

All **receivables and other assets** have a term of up to one year.

The **subscribed capital (share capital)**, as of 30 June 2020, was EUR 46,904,646.00

(30/06/2019: EUR 46,904,646.00). The share capital is divided into 46,904,646 (30/06/2019: 46,904,646.00) no-par value bearer shares.

The **capital reserve** of EUR 98,962.25 remained unchanged as of 30 June 2019 (EUR 98,962.25).

As of the reporting date, there were **provisions** in the amount of EUR 56 thousand (30/06/2019: EUR 41 thousand), which were mainly formed for the costs for the financial statements and auditing, costs of the Annual General Meeting and outstanding interest payments.

A convertible bond of EUR 500,000.00 is reported as a **bond of EUR 500,000.00** as of 30 June 2020. The convertible bond originally involved 500 subscribed and acquired partial debentures at a nominal value of EUR 1000.00 each with a term from November 2015 to November 2018 (ISIN: DE000A1685R8). With the resolutions of the creditors' meeting on 19 November 2018, the convertible bond was extended until 20 November 2020. The interest rate of the debentures was reduced from 10.25% p.a. to 3.25% p.a. with retroactive effect to 20 November 2018.

All **liabilities**, with the exception of the bonds, have a remaining term of up to one year, as in the previous year. No collateral or guarantees were granted.

The **down payments received** consist of the liabilities to the pre-IPO subscribers of the freemail and comparison platform OK.de Corporation, Canada, with which Fast Finance 24 Holding AG is planning an IPO in the first half of 2021.

Other Information

Members of the corporate bodies

Members of the Management Board:

- Mr Andreas Garke, CEO, Berlin

Composition of the supervisory board:

- Mr Armin Dartsch, Lawyer, Berlin (Chair),
- Mr Ole Hareskov Jensen, businessman, Berlin (Vice-Chair)
- Mr Torben Pedersen, businessman, Hoerning, Denmark

Employees

The company had an average of 0 employees in the period from 01/01/2020 to 30/06/2020 (30/06/2019: 0).

Contingent liabilities or other financial obligations that are not shown in the balance sheet did not exist as of 30 June 2020.

Frankfurt, 7 October 2020
Fast Finance 24 Holding AG,

Management Board
Andreas Garke