ANNUAL REPORT 2019

Wolftank-Adisa Holding AG

www.wolftank-holding.com

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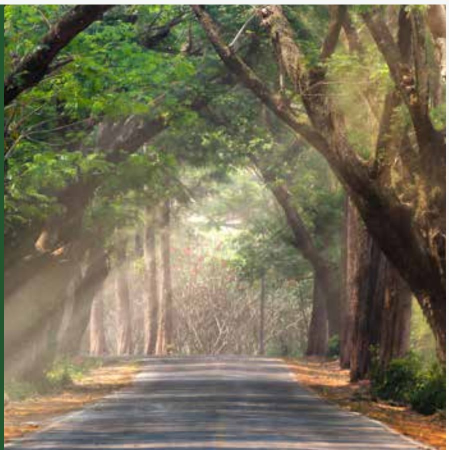
GROUP KEY FIGURES

		2019	2018
Sales revenues	in EUR k	51,829	44,550
Operating performance	in EUR k	50,610	45,786
EBITDA	in EUR k	3,004	3,207
EBIT	in EUR k	1,355	1,708
EBT	in EUR k	517	880
Equity	in EUR k	7,781	3,088
Equity per share	in EUR	6.64	2.99
Equity ratio	in %	17.57%	7.52%
Balance sheet total	in EUR k	44,295	41,088
Issued shares as at 31.12.	Number	1,171,000	1,034,421
Average number of employees	Number	196	169

Environmental remediation (soil & water)

The technology of the Wolftank Adisa corporate group in the area of oil & gas, retail (service stations) and chemicals industry has been used for 20 years where soil or groundwater is contaminated.

This includes highly specialised environmental consulting and full-service solutions from preliminary investigation to the final decontamination of a location, in compliance with the regional and national statutory requirements. More than 180 staff provide innovative, cost-efficient and reliable, as well as sustainable solutions also in respect of specific environmental issues. In particular, progressive in-situ environmental rehabilitations without interruptions to the actual service bring success, not only for the operators, but also for the whole environment.



Technical upgrades for tanks and pipes above ground and underground

Constant in-house developments combined with practical know-how create sophisticated solutions for storage tanks and pipes. Whether high chemical resistance, food-grade applications or double-wall refurbishments: ensuring the smooth transport of liquids is always top priority. For decades, our technologies have been installed worldwide and our solutions have been recommended, so that therefore a solid basic element with high-value upgrades for environmental protection and, not least, the economic development of our clients is given.

Technology, Procurement and Construction (EPC Services)

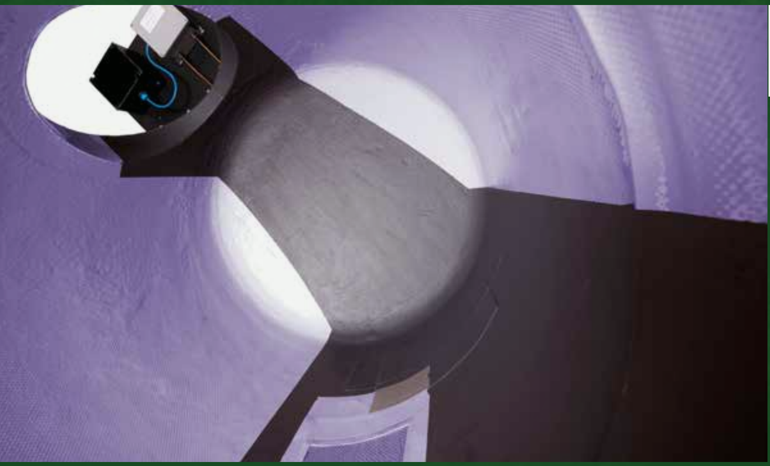
New construction, conversion, upgrading and dismantling of tank systems of all sorts, with emphasis on LNG, including the management of all environmental issues. A broad spectrum of competent services, including the site selection, due diligence, implementation projects, as well as the commissioning of new sites.

In-situ environmental remediations

Highly specialised engineering and project management in the area of environmental remediation, from brownfield to greenfield.

High-tech industrial coatings

Tank systems competently coated and made resistant against highly aggressive chemicals such as ethanol, methanol, acetone, or also in respect of contact with drinking water or waste water.



Tanks and pipes with double walls

Tanks and pipes are upgraded with our consistent double wall technology DOPA®. The useful life is extended many times over, and at the same time, the protection against environmental damages is significantly enhanced.

Automated tank cleaning

Efficient automated washing, degreasing, and degassing technologies with optimised water consumption and remote control of the process.

Efficient LNG / CNG tank systems

Turn-key EPC contracting, combined with diversified support in the location search and tendering of the sub projects, including the management of all environmental issues.

Wolftank Training Center

Good training leads to the best results. More than 100 companies in Europe, Asia, and Africa have already received training on the installations of the DOPA® Technology.

FOREWORD
BY THE CHIEF EXECUTIVE OFFICER

Dear Shareholders,

on the following pages, I may give you a detailed insight into the facts and figures of the Wolftank-Adisa Group.

2019 was a good year for the company, and now of all times, in the midst of the global COVID-19 lockdown, we are working will great dedication to ensure that 2020 will also be a good year under the circumstances.

2019 was also the year of our first listing at the Vienna and Munich stock markets. At this point, I would once again like to express my thanks for the extremely competent support of the stock exchange teams. In taking this step, we were able to significantly increase the value of the company.

In 2019, we were able to increase the group revenue from 44.5 million euros to 51.8 million euros. A large contribution to this was made by our company in China, in the area of the double-walled tank cleaning, as well as in Italy in the area of the in-situ soil decontamination, as well as the turn-key construction of LNG tank systems.

The organic growth drivers are thus already mentioned, which will define our medium-term path to a sustainable green future.

The awareness of a clean environment, a sustainably healthy living space, respectful use of resources, and above all, the finite nature of fossil resources is growing in many countries of our world. Whenever specific measures by the legislator and market investments are derived from this, the time has come for Wolftank Adisa to offer products and services in a format adapted to the local market conditions.

In the past, we were clearly successful in the selection, the takeover and the integration of know-how carriers in the Group, and were thus able to generate the prerequisites for sustainable and continuous growth; with a CAGR of 27.3% over the last five years. In 2020, we are expecting particularly favourable conditions, in order to generate such favourable preconditions for the coming years. I personally am already looking forward to informing you about this step by step.

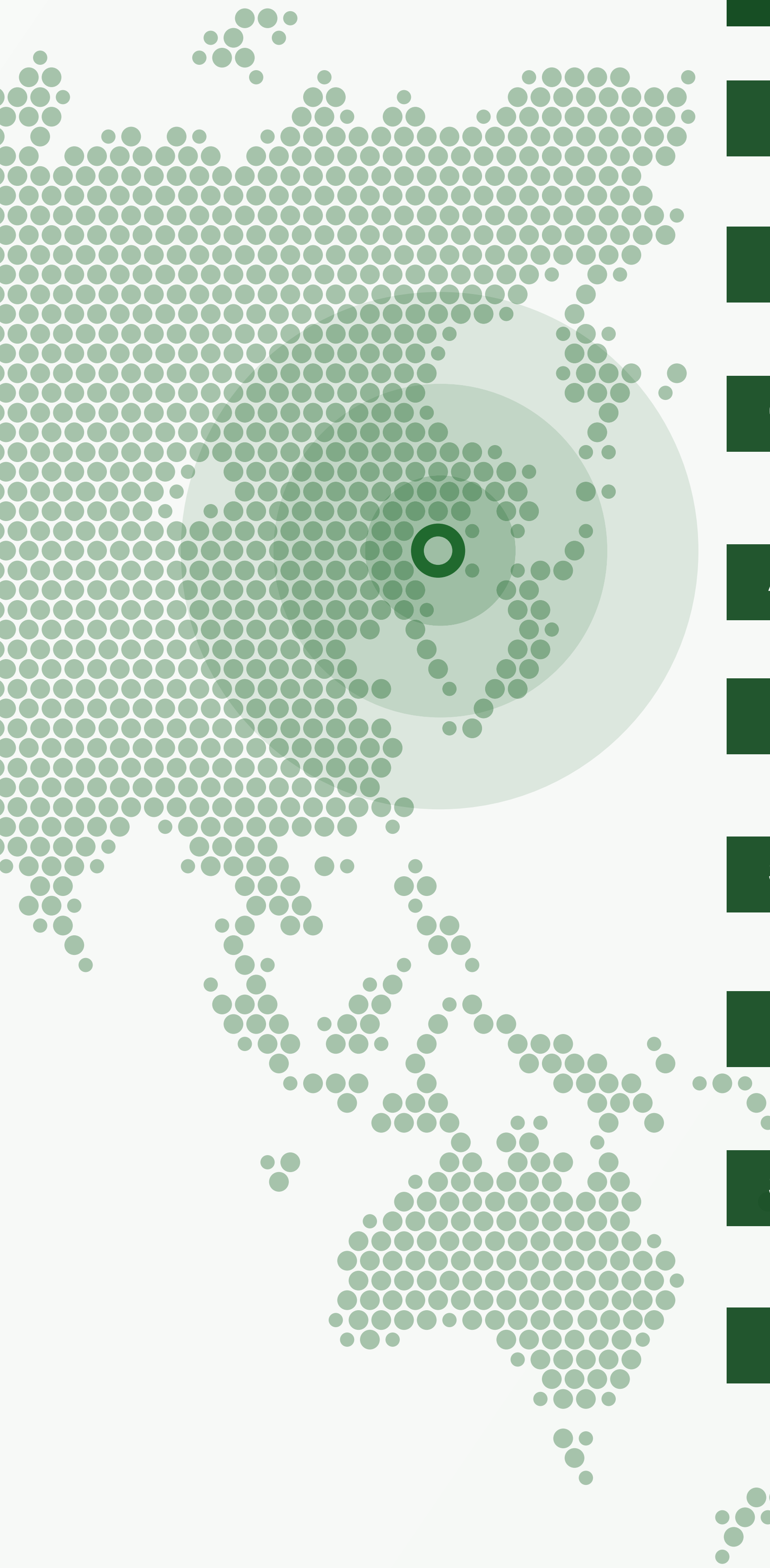
At the annual general meeting on 10 June 2020 in Innsbruck, the Supervisory Board will also be newly elected after five years. It would, in particular, like to express my thanks for the intensive and constructive cooperation, which has taken our company forward.

All of this would, however, not be possible without competent and motivated staff, and it is these employees who deserve my utmost thanks and respect. The lockdown has shown what a healthy team spirit can achieve even under adverse conditions!

Best regards,

Peter M. Werth
Chief Executive Officer

Uncompromising environmental technology



LOCATIONS

Innsbruck, AT
High-performance epoxy resins

Illertissen, DE
Double pipe construction, DOPA® Lite

Grosseto/Moncalieri/Rom/Rimini, IT
In-situ soil decontamination, environmental due diligence, double-wall tank cleaning

Asti/Bolzano, IT
Distribution, import of components

Milan/Bari, IT
LNG / LPG - tank system construction, Engineers' services

Shanghai, CN
Double-wall tank cleaning and Asia Training Centre.

Madrid, ES
Tank system service with WetStock Management (SIR) Analysis Centre

São Paulo, BR
Double-wall tank cleaning and Latin America Training Centre.

Marseille, FR
Distribution

"Nowadays, there is no technical reason why damage caused by leaking liquids cannot be completely avoided in the development, construction, renovation and dismantling of tank systems and fuel or chemical storage facilities. The economic, legal and, most importantly, environmental advantage of our consistently redundant technology is obvious."

Dr. Peter M. Werth
Chief Executive Officer

Management Board

Declaration of the Management Board

The Management Board of Wolftank-Adisa Holding AG is responsible for drawing up the Annual Financial Statements, the Management Report, the Consolidated Financial Statement and the Group Management Report of Wolftank Adisa Holding, which are prepared in compliance with the provisions of the Austrian accounting standards.

Dr. Peter M. Werth
Chief Executive Officer

This report represents a true and fair view of the net assets, financial position and result of operation. The design, implementation, and continuous adherence to an internal control system assure the accuracy of the Annual Financial Statements and its conformity with the Management Report.

The auditing company Crowe SOT GmbH has audited the Annual Financial Statements together with the Management Report of Wolftank-Adisa Holding AG for the financial year 2019, in accordance with the resolution of the Annual General Meeting, and issued an unqualified audit certificate. The result of the inspection by the Supervisory Board is stated in the report by the Supervisory Board. The auditing company Crowe SOT GmbH has also audited the Consolidated Financial Statements together with the Group Management Report of the Wolftank Adisa Holding Group for the financial year 2019, and issued an unqualified audit certificate.

SUPERVISORY BOARD

Dear Shareholders
of the Wolftank-Adisa Holding AG,

the Supervisory Board of Wolftank-Adisa Holding AG has conscientiously performed the duties incumbent upon it in accordance with the law and the Articles of Association in the reporting year 2019.

During the 2019 financial year, the Supervisory Board attended six face-to-face meetings with the Management Board.

The Supervisory Board regularly advised the Management Board on the management of the company and monitored its activities. The Supervisory Board was directly involved in all decisions of fundamental importance, in accordance with the applicable rules of procedure for the Management Board and also beyond. The Management regularly informed the Supervisory Board in oral and written reports, promptly, and comprehensively, on the economic and financial development of the company, on important business events, the development important business events, the development of the business of individual Group companies, the strategic development, as well as the current situation of the Group.

Deviations in the course of business from plans were explained in great detail before and during the quarterly reports and the proposed measures were subsequently implemented effectively.

Following thorough examination and consultation, the Supervisory Board has adapted and approved the Management Board's proposed resolutions. The Chairman of the Supervisory Board has been in regular contact with the Chief Executive Officer beyond the Supervisory Board meetings, and has obtained information about the current development of the business situation, the strategic orientation and significant business transactions. In particular, all transactions requiring approval in accordance with the rules of procedure and Section 95 AktG (German Stock Corporation Act) were approved individually and in writing in the form of Supervisory Board resolutions.

In separate strategy meetings, the Chairman of the Supervisory Board discussed the current situation of the company as a whole and individual companies, current perspectives and the future orientation of the respective businesses with the Management Board.

On his part, the Chairman of the Supervisory Board informed the Supervisory Board members at regular intervals or, in the case of urgent issues, also by telephone and consulted with them.

No committees were formed in 2019.

The Supervisory Board is satisfied that the Management Board has taken the required measures for monitoring and early detection of risks in an appropriate form. It has subjected the regular analyses that have been submitted to a joint assessment and provided additional information

Lawyer Markus Wenner
Chairman of the Supervisory Board

derived from this assessment.

The Management Board has thus fully and completely fulfilled its reporting obligations to the Supervisory Board in the year under review, in particular the extended obligations under the subordinated shareholder loan agreements.

The Annual Financial Statements and Management Report has been audited by Crowe SOT GmbH and an unqualified audit certificate has been issued. The Supervisory Board has also inspected the Annual Financial Statements submitted by the Management, as well as the Management Report. Following the final result of the examination, there are no objections.

The Supervisory Board has hereby approved and adopted the Annual Financial Statements, and proposes to the Annual General Meeting to approve the proposal for the appropriation of the annual financial result and to release he Management Board for the 2019 financial year.

At the end of the Annual General Meeting that resolves on the discharge for the 2019 financial year, the term of office of old, acting Supervisory Board members, who were in office unchanged in the 2019 financial year, ends. The Supervisory Board must be newly elected in the Annual General Meeting.

The Supervisory Board acknowledges the achievements of older employees of the Group and of the Management Board.

Gratitude and appreciation is expressed to all employees of the Group.

Dr. Andreas von Aufschnaiter
Deputy Chairman of the Supervisory Board

Dr. Christian Amorin
Supervisory Board

Alexander von Franckenstein
Supervisory Board

Dr. Hubert Hofer
Supervisory Board

BALANCE SHEET OF WOLFTANK-ADISA HOLDING AG

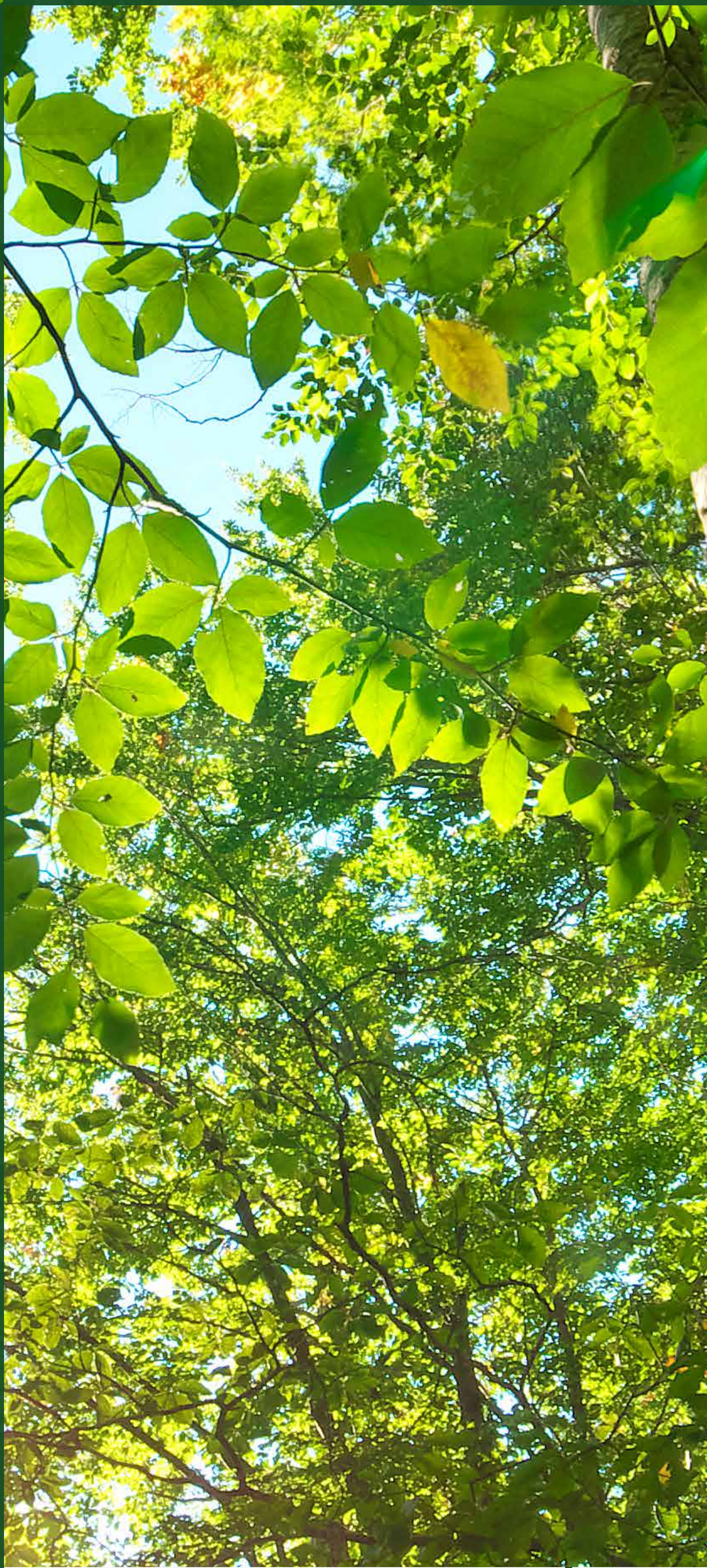
Balance Sheet of Wolftank-Adisa Holding AG as at 31 December 2019

ASSETS	31.12.2019	31.12.2018
	in EUR k	in EUR k
A. Fixed assets	7,662	4,451
I. Intangible assets	345	349
1. Industrial property rights and similar rights and benefits as well as licenses derived from these	345	349
II. Tangible assets	30	2
1. Real estate, rights equivalent to real estate and buildings, including buildings on third-party land	2	0
2. other equipment, factory and office equipment	29	2
III. Financial assets	7,287	4,100
1. Shares in affiliated companies	6,786	4,089
2. Shareholdings	1	11
3. Securities (stock rights) in fixed assets	500	0
B. Current assets	8,040	4,061
I. Receivables and other assets	6,463	3,950
1. Trade receivables	0	0
2. Receivables against affiliated companies	6,292	3,716
3. Receivables from businesses with which a shareholding relationship exists	27	0
4. Other receivables and assets	144	234
II. Cash balance, credit balance at banks	1,578	111
C. Accrued items	8	3
TOTAL ASSETS	15,710	8,515

SHAREHOLDER'S EQUITY AND LIABILITIES	31.12.2019	31.12.2018
	in EUR k	in EUR k
A. Shareholders' equity	12,124	5,753
I. Called-in nominal capital	1,171	1,034
1. share capital	1,171	1,034
II. Payment for resolved but not yet registered capital increase	32	0
III. Capital reserves	8,818	4,204
1. tied-up	7,415	2,801
2. free available	1,402	1,402
IV. Net profit	2,103	515
B. Provisions	241	631
1. Tax accruals	0	488
2. Provisions for deferred tax liabilities	86	0
3. Other provisions	156	143
C. Liabilities	3,346	2,131
1. Bank loans and overdrafts	1,503	0
2. Trade payables	67	44
3. Liabilities to affiliated companies	108	490
4. Other liabilities	1,667	1,597
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	15,710	8,515

PROFIT AND LOSS ACCOUNT OF WOLFTANK-ADISA HOLDING AG

	2019	2018
	in EUR k	in EUR k
1. Sales revenues	537	563
2. Other operating income	3	2
a. Income from the release of provisions	0	0
b. Other	3	2
3. Operating performance	540	565
4. Personnel expenses	469	375
a. Salaries	403	330
b. Social expenses	66	45
ba. Expenses for statutory social security contributions and payroll related taxes and statutory contributions	66	44
bb. Other social expenses	0	0
5. Depreciations	29	21
a. of intangible objects and property, plant and equipment	29	21
6. Other operating expenses	914	276
a. Taxes not included in line 15	4	6
b. Other	910	270
7. Subtotal from lines 1 to 6 (Operating result)	-873	-107
8. Income from shareholdings	1,792	1,500
9. Other interest and similar income	157	122
10. Income from the disposal of financial assets and securities from the current assets	1	0
11. Income from reorganisations	564	0
12. Interest and similar expenses	124	115
13. Subtotal from lines 8 to 12 (net financial income)	2,390	1,508
14. Result before taxes (subtotal from line 7 and line 13	1,517	1,400
15. Taxes on income and profits	-71	-39
16. Post-tax profits	1,588	1,440
17. Annual Net profit	1,588	1,440
18. Profit / loss carried forward from previous year	515	-925
19. Net profit	2,103	515



APPENDIX

Statement of changes in fixed assets

in EUR k

A. Fixed assets
I. Intangible assets
1. Industrial property rights and similar rights and benefits as well as licenses derived from these
II. Tangible assets
1. Real estate, rights equivalent to real estate and buildings, including buildings on third-party land
2. other equipment, factory and office equipment
III. Financial assets
1. Shares in affiliated companies
2. Shareholdings
3. Securities (stock rights) in fixed assets
Total

A. Fixed assets
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2. other equipment, factory and office equipment
III. Financial assets
1. Shares in affiliated companies
2. Shareholdings
3. Securities (stock rights) in fixed assets
Total

					Acquisition or production costs		Book values
01.01.2019	Additions	of which act. interest	Disposals	Transfer postings	31.12.2019	31.12.2019	31.12.2018
387	19	0	0	0	406	345	349
0	3	0	0	0	3	2	0
3	33	0	2	0	34	29	2
4,758	4,323	0	1,625	-1	7,455	6,786	4,089
11	0	0	11	1	1	1	11
0	500	0	0	0	500	500	0
5,160	4,877	0	1,639	0	8,398	7,662	4,451

				Depreciation movements		
Cumulated depreciations 01.01.2019	current depreciations	Write-ups	Additions	Disposals	Transfer postings	Cumulated depreciations 31.12.2019
39	23	0	0	0	0	61
0	1	0	0	0	0	1
2	6	0	0	2	0	5
669	0	0	0	0	0	669
0	0	0	0	0	0	0
0	0	0	0	0	0	0
709	29	0	0	2	0	736

1. Accounting and valuation methods

The Annual Financial Statements were prepared in accordance with the generally accepted accounting principles as well as, and in consideration of the general standard of presenting as true and fair view of the company's assets, financial and profit situation as possible (Section 222 (2) UGB [Commercial Code]).

In preparing the Annual Financial Statements, the principles of completeness and proper accounting were observed. The valuation was based on the assumption that the company was a going concern.

The principle of individual valuation was applied to assets and debts. Consideration was given to the principle of prudence, in that only the profits realised on the date of the balance sheet, in particular, were reported. All identifiable risks and impending losses that arose in the 2019 financial year or in one of the previous financial years were taken into account.

1.1. Fixed assets

1.1.1. Intangible fixed assets

Purchased intangible assets are valued at their acquisition cost less scheduled depreciation, corresponding to their operating life. The scheduled depreciations are determined according to the straight-line method.

The operating life is based on a period of 10 years. Unscheduled depreciations were not carried out.

1.1.2. Tangible fixed assets

The tangible fixed assets have been valued at acquisition and production cost less depreciation accumulated to date and amortised according to schedule in the 2019 reporting year. The straight-line depreciation method is generally used to determine depreciation rates.

The scope of the operating life for the individual system groups is: Other systems, operational and business equipment: from 3 to 8 years

Low-value assets within the meaning of Section 13 EStG (Austrian Income Tax Act) 1988 are fully depreciated in the year of acquisition in each case and are shown in the development of fixed assets as additions and disposals.

Unscheduled depreciations were not carried out.

Fixed values in accordance with Section 209 (1) are not applied.

1.1.3. Financial assets

The financial assets are reported as acquisition costs.

There were no unscheduled depreciations.

1.1.4. Receivables and other assets

In the valuation of receivables, identifiable risks were taken into account by means of individual write-downs.

Where necessary, the later maturity was accounted for by means of discounting.

1.2. Provisions

1.2.1. Other provisions

The provisions were valued at the best possible estimate of the settlement amount.

Provisions from previous years are reversed via other operating income, insofar as they are not used and the reason for their creation no longer applies.

The provision for the audit of the individual accounts and the audit of the voluntary Consolidated Financial Statements is EUR 28,500.00 in the year under review (previous year EUR 18,900.00).

1.3. Liabilities

The liabilities are valued at the settlement amount, taking into account the principle of prudence.

1.4. Currency conversion

Receivables and liabilities are calculated using the exchange rate at the time they arise, taking into account exchange rate losses from changes in exchange rates on the balance sheet date. In the case of cover by forward transactions, the valuation is carried out taking into account the forward rate.

1.5. Changes in the assessment methods

There are no changes made in the assessment methods.

2. Notes to the Balance Sheet

2.1. Fixed assets

The development of the individual items of the fixed assets and the breakdown of the annual depreciation into individual items are presented in the statement of changes in fixed assets.

2.1.1. Intangible assets

Patents are shown as intangible assets.

Scheduled depreciation of EUR 22,587.48 (previous year EUR 19,860.64) was applied to intangible assets.

The intangible assets shown on the balance sheet and acquired by affiliated companies amount to EUR 244,901.66 (previous year EUR 255,485.41).

2.1.2. Tangible assets

In the area of the tangible fixed assets, use-related depreciation in the amount of EUR 6,522.61 (previous year EUR 1,411.89) was applied.

2.1.3. Financial assets

The book value of the investment in Wolftank Systems S.p.A. as at 31.12.2019 is EUR 2,189,404.60 (previous year EUR 0.00).

The book value of the investment in Wolftank Systems S.p.A. in the Annual Financial Statements of Wolftank Holding GmbH on 31.12.2019 is EUR 6,534,968.37.

The valuation of the investment was made as at 31.12.2019 by way of a DCF method according to the concept of the APV (2-phase model with detailed planning phase until 2023 as per business plan). The capitalisation interest rate was applied rounded off at 7 %. This was done on the basis of the business plan adopted by the Management of Wolftank Systems S.p.A. in April 2020.

In the business plan, the Management of Wolftank Systems S.p.A. makes the following assumptions, among others:

- Increase of the operating performance by end of 2023 by approx. 45.0 %

- Stabilisation of the margin (trade margin) by end of 2023 to approx. 23.0 to 25.0 %
- Synergy effects from the merger at the end of 2019 of the Italian Group companies (Wolftank Systems S.p.A., Maremmana Ecologia Srl, Desmo-EPC Srl, Gastech Service Srl, and Hitrac Fuel Systems Srl)

Reference is made to the fact that the planning on which the assessment is based does not take into account possible effects of the COVID-19 pandemic.

The securities (book-entry securities) of the fixed assets consist of the shares in GAINN S.p.A., Italy. GAINN S.p.A. is a company under the majority control of Consorzio 906, a consortium of freight and transport companies. This company has been commissioned to play a major role in shaping the infrastructure for LNG refuelling facilities for heavy goods vehicles. GAINN is the executing branch for the construction of the filling stations that are required for this. The first filling station is currently under construction (Livorno), progress of approx. 50%, and a further 5 are planned or developed. In addition, there is a preferential right to work on future installations of the entire consortium, as well as direct and privileged sales access to all members of the consortium, which can open up a not inconsiderable sales channel for the subsidiary Wolftank Systems S.p.A.

The valuation in the context of the acquisition was made using a DCF method according to the WACC concept (2-phase model with detailed planning phase until 2022 as per business plan). The capitalisation interest rate was applied rounded off at 8 %.

The investments consist of the following:

Name and registered office	Share	Equity (in EUR)	Result of last financial year (in EUR)
Wolftank Adisa GmbH (Registered office: Innsbruck) - 2019	100%	3,154,033	1,189,169
Wolftank Adisa Environmental Techn. GmbH (Registered office: Innsbruck) - 2019	100%	47,415	-41,822
Wolftank Holding GmbH (Registered office: Innsbruck) - 2019	100%	1,758,451	-181,930
Wolftank France SaS (Registered office: Marseille - France) - 2019*	100%	179,881	91,867
Rus World Energy Int. Comp. Ltd. (Registered office: St. Petersburg - Russia) - 2019	34.30%	-28,166	-28,152
DRK32 GmbH (Registered office: Illertissen - Germany) - 2019	95%	56,968	31,690
Alternativas E.I.E., S.L. (Registered office: Madrid - Spain) - 2019	60%	161,661	14,797
Wolftank Systems S.p.A. (Registered office: Bolzano - Italy) - 2019	34.31%	2,732,820	-765,964
Wolftank Adisa Shanghai Env. Technol. Co. Ltd - 2019	90%	1,501,213	1,461,483

**provisional figures (Annual Financial Statements 2019 not yet established)*

2.2. Current assets

2.2.1. Receivables and other assets

The maturity of the receivables is presented as follows:

			thereof with a residual term of more than 1 year	
	Total 2019 EUR	Total 2018 EUR	2019 EUR	2018 EUR
Trade receivables	329.60	0.00	0.00	0.00
Receivables against affiliated companies	6,291,695.41	3,716,084.20	922,102.05	711,503.28
Receivables from businesses with which a shareholding relationship exists	26,521.53	0.00	0.00	0.00
other receivables and assets	143,953.79	233,810.09	0.00	0.00
Total	6,462,500.33	3,949,894.29	922,102.05	711,503.28

During the 2019 financial year, it was necessary to make individual value adjustment in the amount of EUR 102,907.53 (previous year EUR 0.00).

2.2.1.1. Receivables against affiliated companies

From the total amount of receivables, EUR 564,765.99 (previous year EUR 448,281.95) are trade receivables.

2.2.1.2. Other receivables

The other receivables are broken down into the following posts:

			thereof with a residual term of more than 1 year	
	Total 2019 EUR	Total 2018 EUR	2019 EUR	2018 EUR
Receivables from settlements with tax authorities	30,741.07	16,115.76	0.00	0.00
Other miscellaneous receivables	113,212.72	217,694.33	0.00	0.00
Total	143,953.79	233,810.09	0.00	0.00

2.3. Accrued items

2.3.1. Transitory items

Transitory items are shown at EUR 8,261.94 (previous year EUR 3,321.49) and include all expenses that will only be allocated to expenses in the following year in line with an assessment of profits for the period.

2.4. Share capital

The share capital has increased by EUR 136,579.00 and now amounts to EUR 1,171,000.00. A capital increase, that was already approved in December and paid in on 13. and 18.12.2019 in the amount of EUR 31,556.00 had not yet been entered in the Commercial Register by 31.12.2019.

2.4.1. Capital reserves

2.4.1.1. Tied-up capital reserves

The tied-up capital reserves consist entirely of the amount paid when shares are issued in excess of the nominal value (premium). During the year under review, the tied-up capital reserves are therefore increasing by EUR 4,614,014.82.

2.4.1.2. Free available capital reserves

The unallocated capital reserves still account for EUR 1,402,172.10.

2.4.2. Net profit / net loss

The net profit for 2019 is EUR 2,103,387.72 (previous year EUR 514,969.01).

2.5. Provisions

2.5.1. Provisions for deferred tax liabilities

Deferred tax liabilities amount to EUR 85,683.28 (previous year EUR 0.00).

The deferred tax liabilities arise from the difference between the corporate-legal strategy regarding investment in Wolftank Systems S.p.A. (affiliated company) and the carrying amount for tax purposes.

The temporary differences between valuation in terms of tax and corporate law are as follows:

	2019 EUR	2018 EUR
Shareholdings	342,733.12	0.00
Amount total difference	342,733.12	0.00
Tax loss carry-forwards	0.00	0.00
Total	342,733.12	0.00
Resulting deferred taxes (25 %)	85,683.28	0.00

The deferred taxes changed as follows:

	2019 EUR	2018 EUR
Status at the beginning	0.00	
Changes affecting net income	85,683.28	0.00
Profit-neutral changes due to reorganisations	0.00	
Status at the end	85,683.28	0.00

2.5.2. Other provisions

The other provisions consist of the following items:

	31.12.2019 EUR	31.12.2018 EUR
Provisions for liabilities to employees	3,358.54	0.00
Other provisions	152,300.00	142,500.00
Total	155,658.54	142,500.00

The other provisions contain the following substantial amounts:

Provision for the preparation of the Annual Financial Statements EUR 7,800.00

Provision for the Consolidated Financial Statements + Audit of the individual accounts EUR 28,500.00

2.6. Liabilities

The breakdown of liabilities pursuant to Section 225 (6) and Section 237 (1), line 5 is presented as follows:

	2019 EUR	Total EUR	up to 1 year EUR	Residual term between 1 and 5 years EUR	more than 5 years EUR
Liabilities owed to credit institutions	2019	1,503,478.17	1,503,478.17	0.00	0.00
	2018	0.00	0.00	0.00	0.00
Trade payables	2019	67,020.56	67,020.56	0.00	0.00
	2018	44,298.47	44,298.47	0.00	0.00
Liabilities to affiliated companies	2019	107,947.66	84,688.09	23,259.57	0.00
	2018	490,070.79	92,581.50	397,489.29	0.00
Other liabilities	2019	1,667,067.71	627,067.71	1,040,000.00	0.00
	2018	1,596,735.35	592,235.35	1,004,500.00	0.00
Total	2019	3,345,514.10	2,282,254.53	1,063,259.57	0.00
	2018	2,131,104.61	729,115.32	1,401,989.29	0.00

2.6.1. Bank loans and overdrafts

The liabilities to credit institutions changed compared to the previous year by EUR 1,503,478.17 to EUR 1,503,478.17.

2.6.2. Liabilities to affiliated companies

The liabilities to institutions affiliated companies changed compared to the previous year by EUR -382,123.13, and amount to EUR 107,947.66 as at 31.12.2019.

From the total amount of receivables, EUR 23,259.57(previous year EUR 19,492.18) are trade receivables.

2.7. Contingent liabilities

	2019	2018
Sureties	600,000.00	600,000.00
Letters of comfort	400,000.00	400,000.00
Guarantees	300,000.00	0.00

2.7.1. Sureties

Wolftank-Adisa Holding AG has taken over a bill guarantee for Wolftank Adisa GmbH, in favour of the Bank für Tirol und Vorarlberg, in the amount of EUR 600,000.00.

2.7.2. Letter of comfort

On 26.02.2015, Wolftank-Adisa Holding AG has accepted obligation towards Wolftank Adisa Environmental Technology GmbH (previously: OnO Water Protection GmbH), by way of an unrestricted letter of comfort, to ensure that Wolftank Adisa Environmental Technology GmbH (previously: OnO Water Protection GmbH), does not become insolvent or overindebted, in each case within the meaning of the provisions of insolvency law. There is currently no threat of any liability arising from this letter of comfort. The letter of comfort is valid until 31.12.2020.

On 20.07.2016, Wolftank-Adisa Holding AG has provided a binding letter of comfort in respect of Wolftank Systems S.p.A. to Banca Popolare di Sondrio in the amount of EUR 400,000.00.

2.7.3. Guarantees

On 25.11.2019, Wolftank-Adisa Holding AG has provided a bank guarantee in respect of Wolftank Systems S.p.A. as legal successor of DESMO-EPC S.r.l. to Banca Popolare di Sondrio in the amount of EUR 300,000.00.

3. Explanations for the Profit and Loss Account

3.1. Sales revenues

Revenues amount to EUR 536,745.75 (previous year EUR 562,558.94) and are broken down as follows:

	2019 EUR	2018 EUR
Service revenues (domestic)	112,280.90	285,504.49
Service revenues (abroad)	169,357.73	45,393.65
Other revenues (domestic)	118,550.04	81,995.60
Other revenues (abroad)	136,557.08	149,665.20
Total	536,745.75	562,558.94

3.2. Other operating income

The other operating revenues amount to EUR 2,830.46 (previous year EUR 2,167.95) and are broken down as follows:

	2019 EUR	2018 EUR
income from the release of provisions	0.00	149.75
Other operating revenues	2,830.46	2,018.20
Total	2,830.46	2,167.95

3.3. Personnel expenses

Personnel expenses have changed by EUR 94,369.11 compared to the previous year to EUR 469,137.22.

3.4. Depreciation of intangible and tangible assets

3.4.1. Scheduled depreciations

The scheduled depreciations in the financial year are EUR 29,110.09 and thus changed in comparison to the previous year by EUR 7,837.56.

	2019 EUR	2018 EUR
scheduled depreciation of intangible assets	22,587.48	19,860.64
scheduled depreciation of developed land and buildings on third-party land	875.23	0.00
scheduled depreciation of other facilities, operating and office equipment	4,069.50	852.16
Immediate amortisation of low-value assets	1,577.88	559.73
Total	29,110.09	21,272.53

3.5. Other operating expenses

3.5.1. Taxes, provided these are not taxes on income and earnings

Taxes not dependent on income amounted to EUR 4,141.90 in the financial year (previous year EUR 5,841.42) and are broken down as follows:

	2019 EUR	2018 EUR
Fees	1,370.83	4,636.62
Other taxes and duties	2,771.07	1,204.80
Total	4,141.90	5,841.42

3.5.2. Remaining operating expenses

Other operating expenses amount to EUR 910,083.92 and changed compared to the previous year by EUR 640,065.89.

Other operating expenses are broken down as follows:

	2019 EUR	2018 EUR
Repairs and maintenance	940.90	0.00
Cleaning by third parties	3.29	0.00
Insurance	8,538.03	8,388.96
Travel expenses and per diems	61,440.09	46,831.24
Postage and telephone charges	2,941.56	1,189.67
Rent and lease expenses, licensing fees	7,649.40	2,886.44
Vehicle costs Cars	41,406.92	39,050.07
Remunerations to Supervisory Board members	35,000.00	2,000.00
Office supplies, expenses for bookkeeping and wage accounting	1,278.23	806.77
Expenses for technical literature and newspapers	426.26	110.00
Advertising and representation expenses	53,884.55	5,000.98
Legal, auditing and consultation fees	563,787.32	159,772.11
Education and training	4,913.00	842.00
Membership subscriptions	148.00	148.00
Expenses incidental to monetary transactions	7,567.02	2,548.91
Donations and gratuities	52.30	0.00
Loss of receivables (individual value adjustment)	102,907.53	0.00
Losses from asset disposals	0.01	442.88
Other operating expenses	17,222.27	0.00
Cash discounts received for other operating expenses	-22.76	0.00
Total	910,083.92	270,018.03

The legal, auditing and consulting expenses include, among other things, the following expenses for the auditor attributable to the fiscal year:

	2019	2018
Statutory audit + Group audit (voluntary)	28,500.00	18,900.00
other assurance services	9,660.00	0.00
other services	3,680.00	0.00

3.6. Operating result

The operating result is EUR -872,896.92 and has therefore changed, compared to the previous year, by EUR -765,723.72.

3.7. Financial result

The financial result in the financial year is EUR 2,390,168.51. This means a change of EUR 882,523.96 compared to the previous year.

3.7.1. Income from reorganisations

During the current business year, all shares in “Maremmana Ecologia Srl” and in “DESMO EPC Srl” were contributed to “Wolftank Systems S.p.A.” by way of reorganisation, against the issuance of new shares. The book profit from the contribution amounts to EUR 564,089.21 and is shown as a special item. The income results from the proceeds from the disposal of investments of EUR 2,189,404.60 less the book value of the disposed investments of EUR 1,625,315.39.

3.7.2. Income from shareholdings

	2019 EUR	2018 EUR
Income from shareholdings in corporations	1,792,002.58	1,500,000.00
Total	1,792,002.58	1,500,000.00

3.7.3. Other interest and similar income

The other interest and similar income is broken down as follows:

	2019 EUR	2018 EUR
Interest earned	127,203.64	122,301.97
Default interest charged to clients and discount interest passed on	30,000.00	0.00
Total	157,203.64	122,301.97

During the financial year, Write-ups of securities held as current assets in the amount of EUR 564,089.21 were made (previous year EUR 0.00) .

3.7.4. Interest and similar expenses

The interest and similar expenses are broken down as follows:

	2019 EUR	2018 EUR
Commission on payments, commitment fees and overdraft commission	3,601.70	2.47
Court costs, reminder fees	10.00	0.00
Interest on bank credits, loans, and mortgages	92,064.68	50,003.96
Other interest expenses	28,450.54	64,650.99
Total	124,126.92	114,657.42

3.8. Taxes on income and earnings

The taxes on income and earnings are broken down as follows:

	2019 EUR	2018 EUR
Corporate income tax	103,401.00	495,516.00
Corporate income tax in previous years	6,006.00	-33.00
Tax allocation	-266,237.40	-534,640.66
Change in deferred taxes	85,683.28	0.00
Total	-71,147.12	-39,157.66

3.9. Net profit

The annual profit for the financial year 2019 amounts to EUR 1,588,418.71 and changed by EUR 148,789.70 (previous year's result EUR 1,439,629.01).

Due to the reversal of the profit/loss carried forward from the financial year 2018 the balance sheet profit amounts to EUR 2,103,387.72.

An amount of EUR 478,405.93 is subject to the distribution ban pursuant to Section 235 UGB. This originates from the contribution of the capital shares in Maremmana Ecologia Srl and DESMO EPC Srl, which were recognised in the balance sheet at fair value in connection with the tax-neutral reorganisation.

4. Other information

4.1. Number of employees

The average number of employees during the financial year was:

in total: 2.00 (previous year 1.00)

of which wage-earners: 0.00 (previous year 0.00)

of which salary-earners: 2.00 (previous year 1.00)

4.2. Information on significant events after the balance sheet date that are not reflected in the balance sheet or P&L statement

- The number of unit shares was increased from 1,171,000 to 1,202,556 with the entry in the commercial register on 14.01 2020.
- The listing on the Frankfurt stock exchange took place on 13.02.2020
- The listing on the trading platform XETRA Frankfurt took place on 14.02.2020
- Reference is made to the Management Report with regard to the impact of the COVID-19 pandemic on business.
- Issue of a bond 20-23 in the amount of 2 million euros on 14.04.2020, redeemable at maturity on 22.12.2023. In terms of the Group, an existing bond has thus been taken over, so that the planned liquidity in the Group does not change as a result.

4.3. Required explanatory notes on the Group taxation

By decision of 19 March 2014, Wolftank Adisa Holding GmbH was recognised as the group parent. The group of companies is in force from the assessment as of 31.12.2013.
The tax allocation was contractually agreed and is based on the "stand-alone" method.

4.4. Members of the Management Board and the Supervisory Board

The Management Board consists of the following persons:

- Dipl.-Ing. Dr. Peter Werth, born on 21.03.1973

The Supervisory Board consists of the following persons:

- Markus Wenner, born on 19.11.1967
- Dr. Andreas Aufschnaiter, born on 23.12.1962
- Dr. Christian Amorin, born on 06.01.1968
- Mag. Nikolaus-Alexander von Franckenstein, born on 24.05.1966
- Dr. Herbert Hofer, born on 28.09.1962

The total remuneration for the members of the Supervisory Board amounted to EUR 34,000.00 (previous year EUR 2,000.00). With regard to the information on the members of the Management Board, reference

4.5. Information on the total nominal amounts of the shares of each class in accordance with Section 241 UGB

The number of unit shares was increased from 1,171,000 to 1,202,556 with the entry in the commercial register on 14.01.2020. The following information therefore already takes into account the registered capital increase:

Section 241, number 1 UGB: The equity capital in the amount of EUR 1,202,556 consists of 1,202,556 bearer shares with a nominal value of EUR 1.00 per share from the equity capital.

Section 241, number 3 UGB: In the financial year, 168,135 no-par bearer shares were subscribed from the authorised capital.

Section 241, number 4 UGB: The Management Board is currently authorised to increase the share capital by up to EUR 555,499.00 until 31.07.2024.

Section 241, number 5 UGB: The shareholder loans totalling EUR 1,590,000.00 continue to be subordinate. The lenders have thus subordinated their claim to repayment and interest on the loans granted to all liabilities of Wolftank-Adisa Holding AG to banks.

4.6. Appropriation of profits

The Management Board proposes to proposes to carry forward the balance sheet profit of EUR 2,103,387.72 in its entirety to new account.

GROUP MANAGEMENT REPORT

1. Report on business performance and the economic situation

1.1. Business performance

The business performance of the Wolftank-Adisa Group in 2019 was characterised primarily by the consistent implementation of growth opportunities in other European and global countries, as well as internally by measures that were phased in to simplify the Group structure and increase efficiency in operating processes. The Italian market had to be served differently, and the organisational structure was greatly simplified by the merger of all Italian subsidiaries, which also greatly simplified group controlling. The tank cleaning business is shifting from service stations to large storage tanks in refineries and depots, while soil decontamination is growing disproportionately and is successfully working on new technical unique selling points for the benefit of our clients. The service station full-service sector is focussing increasingly more on the major investments in the area of infrastructures for LNG filling stations for freight transport or truck freight traffic, as well as the topic of hydrogen and associated facilities. This is particularly relevant due to the announced extraordinary investments in the hydrogen infrastructure in Holland, Germany, and especially China.

In Germany, the double-wall pipe business is well ahead of plan, and new tank interior linings adapted for the German market were successfully launched. In Spain, there are clear consistent results from the strategy of building a bridge from Spain to South America. The competence in analysis services for SIR software clients is being developed further. France is and will increasingly remain the gateway to African clients and markets, even if different in detail and according to local contacts, but united by French standards. In China, the first full financial year of the subsidiary Wolftank Adisa Shanghai Environmental Technology Ltd. ended above expectations and the first profits were distributed. In China alone, the number of coating products (epoxy resins) sold in 2019 was about the same as in the other core markets in Europe combined.

In order to strengthen the equity of Wolftank-Adisa Holding AG and to finance future growth and planned innovations, the Annual General Meeting on 20 August 2019 resolved to increase the share capital by a resolution of 16.01.2019 from EUR 1,034,421 to EUR 1,111,000 (2019), and by resolution of 24.06.2019 and 06.08.2019, to EUR 1,171,000 (2019), and by resolution of 12.12.2019 to EUR 1,202,556, registered on 14.01.2020 (2020).

Overall, research and development work was carried out at all Group locations, with the aim of investing around 10% of expenditure in providing future unique selling points for the benefit of our clients. In addition, the portfolio of patents and brands was regularly evaluated and maintained. The newly created website www.wolftank-holding.com was continuously expanded and provided with new information. The new customer presentation in the tank coating sector is well presented at www.adisa.com, with product finder and solution aids.

1.2. Report on the branches

The Wolftank-Adisa Group is currently not maintaining any branch offices

The locations of the Wolftank-Adisa Group are as outlined below:

Innsbruck (AT):

- High-performance epoxy resins

Illertissen (DE):

- Double pipe construction DRK32, DOPA® Lite

Grosseto/Moncalieri/Rom/Rimini (IT):

- In-situ soil decontamination, environmental due diligence, double-wall tank cleaning

Asti/Bolzano, (IT):

- Sales, import of components, and distribution

Milan/Bari, (IT):

- LNG / LPG-Tank system construction, engineering services

Shanghai(CN):

- Double-wall tank cleaning and Asia Training Centre

Madrid(ES):

- Tank system service with WetStock Management (SIR) Analysis Centre

Sao Paulo (BR):

- Double-wall tank cleaning and Latin America training centre.

For the sake of completeness it should be mentioned that there are still non-operating sites in the planning stage and non-operating shell companies that have not yet been dissolved for historical reasons.

1.3. Key figures on income situation

1.3.1. Sales revenues

The sales revenues are broken down as follows:

	2018 EUR	2019 EUR
Sales revenues	44,549,669	51,829,349

1.3.2. Investment and financing sector

The investments in the 2019 business year can be seen in the statement of changes in fixed assets.

1.3.3. Human resources and social affairs

In the 2019 financial year, 196 employees were employed (of which 52 blue-collar workers, 144 white-collar workers) (previous year 169 employees (60 blue-collar workers, 109 white-collar workers)).

1.3.4. Earnings before interest and taxes (EBIT)

Earnings before interest and taxes correspond to the profit on ordinary business activities adjusted for interest expenses (new: income before taxes).

The calculation is made as follows:

Result of the usual business activities (new: Income before taxes) + interest and similar expenses in accordance with Section 231 (2) no. 15 or (3) no. 14 UGB

= Earnings before interest and taxes (EBIT)

	2018 EUR	2019 EUR
EBIT	1,707,885.51	1,355,481.65

The above result contains the following special or one-time effects:

- EUR 1,636,227.39, mainly from the write-off of receivables relating to the termination of a supply agreement with a supplier.
- EUR 392,979.33 real costs of the takeover of the minority interests of the Italian subsidiaries, which cannot be capitalised under the Austrian Commercial Code, and the subsequent merger with Wolftank Systems S.p.A.

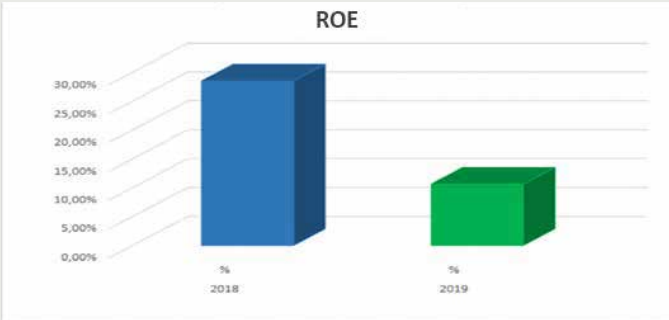
1.3.5. Capital profitability

1.3.5.1. Return on equity - ROE

The return on equity is derived from the ratio of the result from ordinary business activities to equity and is calculated as follows:

$$\text{Return on equity} = \frac{\text{Result from ordinary business activities}}{\text{Equity}} \times 100$$

	2018 %	2019 %
Ret. on equity	28.49	6.64



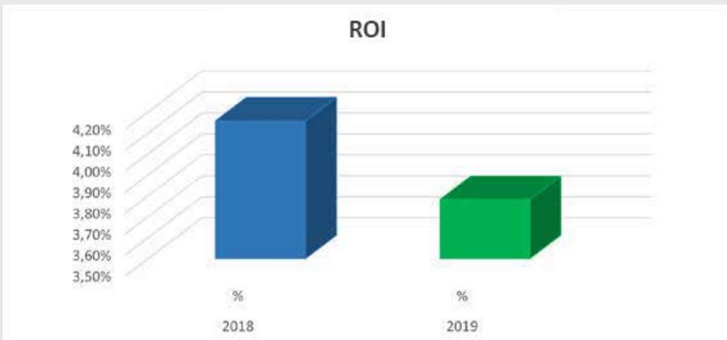
Express reference is made to the fact that the decline in the return on equity compared to the previous year is primarily due to the increase in equity.

1.3.5.2. Return on total capital / investment - ROI

The return on total capital is the ratio of earnings before interest and taxes to the total capital.

$$\text{Return on total capital} = \frac{\text{Result before interest and taxes}}{\text{Total equity}} \times 100$$

	2018 %	2019 %
Ret. on total capital	4.16	3.06



1.4. Key figures on the assets and financial position

1.4.1. Net debt

The net debt is the balance of interest-bearing loan capital and liquid funds.

interest-bearing loan capital
- liquid funds
= Net debt

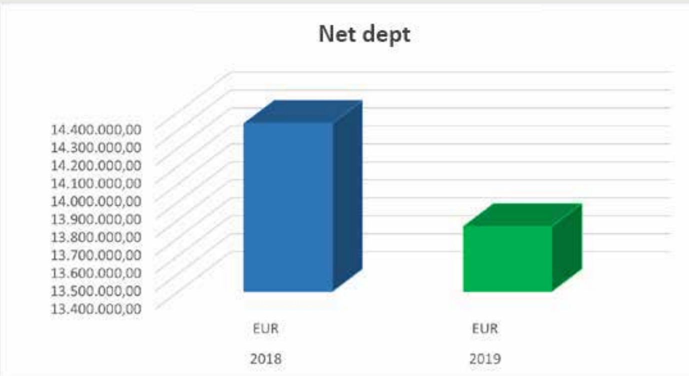
For the interest-bearing loan capital, the following posts were set up:

- Bonds
- Bank loans and overdrafts
- Liabilities from loans
- Reserves for severance payments
- Reserves for pensions
- Reserves for anniversary bonuses

The liquid funds are made up as follows:

- Cash balance, cheques, credit balance at banks
- Marketable securities

	2018 EUR	2019 EUR
Net liabilities	14,334,860.70	13,761,030.29

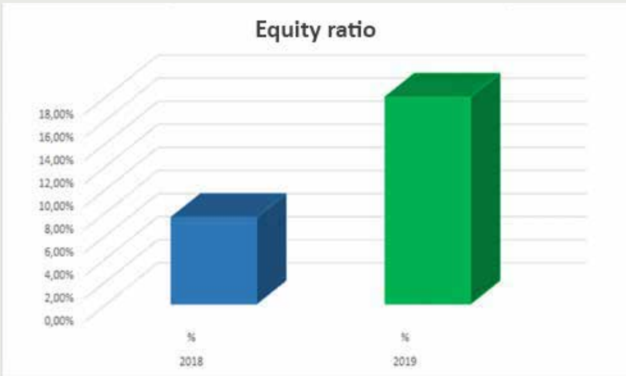


1.4.2. Equity ratio

The equity ratio represents the share of equity in the total capital.

$$\text{Equity ratio} = \frac{\text{Equity}}{\text{Total equity}} \times 100$$

	2018 %	2019 %
Equity ratio	7.52%	17.57%

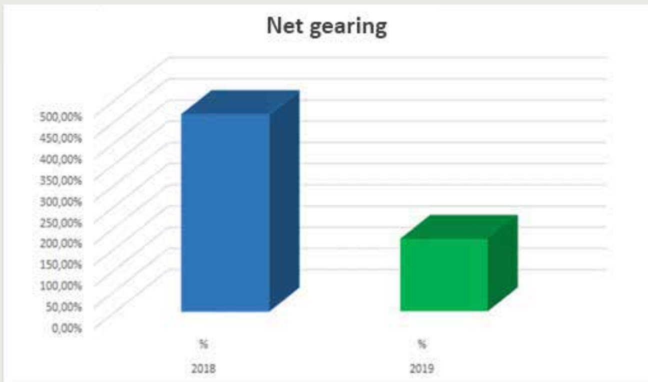


1.4.3. Net gearing

Net gearing is the ratio of net debt to equity.

$$\text{Net debt} = \frac{\text{Net liabilities}}{\text{Equity}} \times 100$$

	2018 %	2019 %
Net debt	464.23	176.85



1.4.4 Cash flow key figures

The cash flow was prepared in accordance with the calculation principles of KFS/BW 2 using the indirect method. The partial results of the cash flow statement are as follows:

	2019	2018
Cash flow from operating activities	- 1,141,297.29	1,970,510.71
Cash flow from investment activities	- 1,958,770.75	-898,456.60
Cash flow from financing activities	1,921,172.49	1,743,065.27

A negative cash flow from operating activities resulted primarily from the increase in working capital.
In addition, high investments were made in tangible assets (property, plant and equipment) in 2019.
The share capital was also increased in 2019.

2. Report on the expected development and the risks to the company

2.1. Expected development of the company

The strengthening of the activities in respect of flat-bottom tanks will be further promoted. It is thus the first of the three strategic units in good shape, with good prospects for expansion into the petrochemical branch. The trend towards LNG (liquid natural gas), which has been expected for several years, is now clearly reflected in the order books. In 2020, we expect disproportionately high growth in turnkey LNG tank systems, especially for refuelling commercial vehicles. European Union financing is announced in this respect.

As a third strategic branch of the company, soil and groundwater decontamination is pushed forward with consolidation and prepared for export. The interest in in-situ remediation technology is particularly strong in former developing countries, and the latest developments of Maremmana Ecologia Srl (now Wolftank Systems S.p.A.) will provide a clear unique selling point in this respect.

It is to be expected that environmental remediation will be the predominant business sector in the Group from 2020 onwards.

Work is continuing on the development of the sales channels in India. Consolidated sales of 50 million euros are expected in 2020, subject to the effects of the COVID-19 pandemic.

2.2. Significant risks and uncertainties

The most significant risk is and continues to be a loss in value of the Group companies. Strict planning and a comparison of plans is therefore carried out and documented both quantitatively and qualitatively in quarterly reports. If it appears necessary, appropriate support will be provided in the capacity of partner or shareholder within the framework of the legal options. Especially due to the long payment periods in Italy, it is pointed out that the Group companies may also lose value due to tight liquidity situations. In light of the current situation in the main market, Italy, these cannot be ruled out, even though the evaluation mechanisms for assessing the creditworthiness of potential clients are functioning very reliably. Furthermore, local market saturation in individual national markets may lead to a partial decline in sales. As a countermeasure to this, the three strategic corporate divisions have an anti-cyclical compensatory effect.

A general risk arises from the manual nature of the installation method in the first area of the tank coatings. This is where manufacturing faults can lead to warranty claims. These vary in their significance with the size of the individual tank.

2.2.1. Supply chain risk

Regarding the risk from the supply chain: we have succeeded in ending the existing exclusive relationship with the supplier of raw epoxy resin products, thus paving the way for a multi-supplier strategy. This significantly reduces the risk from global dependence, especially in times of difficult logistics (see 2.3: Influence of COVID-19), and thus permanently secures the supply chain. This will already have a positive effect on the EBIT margin in the current financial year, but especially in the coming financial years through improved purchase prices.

2.2.2. Industry risks/company specific risks

The volatile oil price, as mentioned, has ambivalent effects on the industry. High oil prices promote the profits of the oil multinationals and consequently the willingness to invest in general. Low prices benefit the profit margins of refineries and, downstream, the distribution of fuels. High volatility in general leads to high inventory levels and high utilisation of crude oil inventories worldwide. In this context, the issue of alternative liquid fuels LNG and H2 will gain in importance, albeit relatively little. We assess the risk from these developments as "medium", but we also see "high" opportunities for the Wolftank Group due to the increasing need for rehabilitation.

2.2.3. Financial risks

In the course of its business activities, the Wolftank-Adisa Group is also exposed to financial and economic risks. In essence, the risks for the Wolftank-Adisa Group comprise risks in respect of credit, interest rate, exchange rate and liquidity.

Wolftank-Adisa is feeling the effects of the increasingly strict liquidity policy of some major customers. So-called supplier financing appears to play an increasingly important role in the cost-cutting policies of some large corporations in particular. This presents increasingly a liquidity risk for medium-sized companies. Liquidity reserves therefore continue to be an important element of business policy in order to keep the risk as low as possible.

In view of the expansive monetary policy that has now lasted for a very long time, it could be expected that the central banks will initiate interest rate hikes at least in the medium term. Depending on the speed of these interest rate changes, this could also have an impact on the willingness to invest in the countries concerned and therefore represents a risk. Wolftank-Adisa Holding AG currently assesses the direct risk on interest rate change, credit and liquidity as "medium".

In the past, the Wolftank-Adisa Group was exposed to an exchange rate risk only to a limited extent. Due to the higher degree of internationalisation (currently mainly China and South America), the exchange rate risk has increased slightly. The Wolftank-Adisa Group addresses this risk with the usual hedging strategies (i.e. hedges or currency swaps). The main strategy is focus on EURO transactions also abroad, where and as far as possible. From the current perspective, the exchange rate risk can therefore be rated as "medium". Possible future financial burdens, whether from guarantee claims, bad debts or other contingencies, were either recorded in provisions or taken into account in liquidity planning. An immediate credit freeze and the insolvency of major OEMs continue to represent a residual risk.

2.2.4. Personnel risks

The conditions on the labour markets may create the risk that individual know-how carriers or even entire groups of employees may have to be poached and sometimes replaced at great expense.

For the Wolftank-Adisa Group, the qualifications of the employees are an important foundation. The individual skills, know-how and commitment of the workforce contribute significantly to our success. It is important for the strategic development of the Wolftank-Adisa Group to retain key personnel in the company.

In this context, discussions are currently held on the introduction of staff retention programmes. We assess the risk of losing top performers or not being able to recruit a sufficient number of qualified employees for our growth plans as "medium".

2.2.5. Legal risks

The increasing complexity of legal and tax regulations makes it difficult to comply with legal and internal regulations. The complex situation surrounding the legal regulations develops continuously worldwide. With regard to the individual products, there may be some slight adjustments of products and formulas from case to case. In such cases, further development of the formula and adapted protective measures will provide effective and complete relief. Due to the increasing international business activity, there is a risk of less legal certainty as a result of differing opinions. Furthermore, conscious, individual misconduct by individual persons cannot be completely prevented. Like any other company, the Wolftank-Adisa Group can become involved in legal disputes. The Wolftank-Adisa Group could be faced with warranty claims. Appropriate insurance policies are taken out and continuously monitored to provide security. The high quality standard of the system services reduces the risk in this regard. This is continuously ensured by improvement measures (ISO certification). Based on experience, we currently estimate the legal risk for the Wolftank-Adisa Group to be quite "low".

2.2.6. Information and IT risks

The high availability of data and information flows, worldwide presence is becoming increasingly more important. The rising degree of digitisation and increasing electronic networking increases the information and IT risks, which could potentially have an impact on the Wolftank-Adisa Group's assets, finances and income. The protection of business secrets and process data of our clients as well as our own data against unauthorised access, destruction and misuse is a very high priority. The Wolftank-Adisa Group is addressing the risk of unauthorised access by way of various measures. These protective measures include process-specific security precautions, standard measures such as virus scanners, firewall systems, admission and access controls at operating system and application level as well as internal test runs and regular supplementary data backups. This serves to protect confidentiality, integrity and authenticity. In recent years, the threat of cybercrime has generally increased. This issue must remain in focus with increasing internationalisation and networking.

Overall, we assess the IT risk to which the Wolftank-Adisa Group is exposed as "medium".

2.3. Business development in the perspective of 2020 and consideration of the COVID-19 pandemic

2.3.1. General situation

The first quarter of 2020 was first affected in China (see Ad-Hoc of 31.01.2020) by the novel lung disease COVID-19, triggered by infection of a human with the novel virus SARS-COV-19. Subsequently, due to the development into a pandemic also in the other countries of the world, starting in Italy (see also Ad-Hoc of 08.03.2020), via Austria - Switzerland - France - Spain - Germany, then to Russia and South America.

Based on the experience in China, a similar reaction of the markets to the infection with the SARS-COV-19 virus can be assumed: A first measure is a partial or complete cessation of all productive business activities that are not crucial, in order to be able to resume activities step by step, after the number of infections has levelled off or fallen, while observing specific protective measures.

The actual impacts in China were initially a decline in sales in the period from 3 February 2020 to the end of March, when the restrictions in China were gradually lifted and orders received by Wolftank in China gradually returned to a normal level. According to information from clients in China, the decline will most likely be reversed in the next three quarters.

In Russia and South America, the volume of business in planning for 2020 has not yet reached the relevant order of magnitude, but the current lock-down in Brazil is nevertheless a setback for the start-up sales work.

In Europe, a decline in fuel sales of over 70% is reported in the first quarter of 2020. Many fuel stations, especially in the very dense Italian market, will therefore cease operations and the oil companies will optimise their retail network accordingly. Based on discussions with clients, it can therefore be assumed that around 5,000 filling stations in Europe will be closed down.

With the acquisition of Maremmana Ecologia Srl in 2016 and the complete takeover of the shares in 2019, the Wolftank Group is extremely well prepared for this. This will be an additional significant driver in business development in 2020. In order to carry out these projects, the European Union has already provided concrete support running into billions to date. This will now be used to finance the restructuring, and the projects planned for 2020 will be postponed until 2021.

The decline in fuel sales also creates an ideal situation for remediation projects, since, in the case of tank lining, for example, these can be carried out by three workers in full consideration of all safety precautions.

A much discussed factor is the falling oil price arising from the overlap of the current crisis with the price war between Saudi Arabia and Russia. As has been proven in the past, the impact of higher margins from a low purchase price for refineries is having a positive counter effect, so that on the margin side of downstream customers a decline in sales can be compensated to a significant part. In any case, the globally available capacities for storing oil and gas will be filled to the limit and exploited to benefit from the high volatility of the oil price.

2.3.2. Information on the Group company Wolftank Systems S.p.A. (Italy)

Finally, at the time of writing this Management Report, it should be noted that due to the outbreak of the COVID-19 pandemic, the growth forecasts set out in the development plans of Wolftank Systems S.p.A. may vary.

With regard to the health emergency declared in Italy, the Management of Wolftank Systems S.p.A. is currently of the opinion that the impact on liquidity and sales can be considered "not significant". Remark: Here, we see a fluctuation range or worst case in the range of -25% to +25%.

At present, the company has taken all necessary precautions to protect employees. The restrictions imposed by the Government have not significantly changed the reference market of Wolftank Systems S.p.A.. The products offered have been adapted accordingly.

However, in the time of crises, the potential use of necessary sustainability and structural instruments cannot be ruled out, if the situation so requires.

2.3.3. Information on the Group company Wolftank Adisa (Shanghai) Env. Techn. Co. Ltd. (China)

The Management of Wolftank Adisa (Shanghai) Environmental Technology Co. Ltd. refers to sufficient existing stock, which has no material impact on deliveries.

The COVID-19 Pandemic could have an impact on the operating performance of Wolftank Adisa (Shanghai) Env. Techn. Co. Ltd. This is mainly because business is slowing down on the client side. The impact on future results is difficult to estimate.

2.3.4. Information on the Group company Wolftank Adisa GmbH (Austria)

The Management expects declines in revenues, EBITDA and pre-tax profit in 2020 due to the global spread of the COVID-19 pandemic. Moreover, additional complications in the supply chain and logistics can also not be ruled out.

2.3.5. Information on the Group

The Management Board continues to assume a positive business trend in the current year. The economic influences of the COVID-19 pandemic are both positive as well as negative for the business of Wolftank-Adisa Holding AG, and it is therefore cautiously expected for the time being that the business figures will be repeated in 2019.

2.3.6. Changes in the organisation

The changes described above generate increased activities and investments in soil/environmental remediation within the Group. These measures are flanked by temporary capacity adjustments with measures provided by the EU member states, such as short-time work and subsidised investments in smart working.

2.3.7. Changes in the market conditions

The market will react to the COVID-19 pandemic with changed marginal conditions. A positive point is that the processes of the Wolftank-Adisa Group's construction site work already meet the highest standards of occupational safety; the wearing of masks and protective equipment has always been standard. A first important step is to adapt the product portfolio to requirements such as the disinfection of entrances in restaurants/fuel stations or vehicles. In this respect, in the light of the existing spraying methods, product development was immediately focused on combating explosive hydrocarbon vapours, with good initial results. Another important issue in times of restricted mobility is the remote servicing of tank systems. An excellent product has already been introduced here in the form of "Ecomanager" from Altereco, the Spanish subsidiary of the Wolftank Group.

There will be increased investment across all branches in the central service of sales coordination and thus the development of an internal sales force and a so-called "tender office" for participation in national and international tenders.

Much influence is to be expected from the very fast growing packaging and pharmaceutical industries. From upstream paper production and chemical plants, there is an increased demand for the rehabilitation of existing tank and piping systems, which will accelerate a recovery, in particular in Brazil. Another effect is the need for training of local work teams, for which we immediately created online training courses that were in high demand and specifically tailored to our products. This largely replaces travel and personal training units, but will also have a positive effect on the efficiency of product training in the future.

3. Report on research and development

Research and development of the strategic expansion of the individual business areas is carried out in the subsidiaries themselves. There is no direct development work at holding company level; detailed R&D reports from the subsidiaries are available. The developments arise mainly from the question of which technical means could be used to minimise or eliminate the risks associated with workers' occupational safety, or how to increase efficiency and create unique selling points as future competitive advantages.

Research and development essentially involves the implementation of the following technical innovations:

- the use of DOPA® in areas other than the original applications in the oil and gas sector
- the investigation and design of a new leakage detection system for single-walled existing pipe and tank systems
- the development of a new DOPA-compatible leakage detection unit with a
- leak detection system for single-walled pipes including an additional alarm system at the installation site, fully compatible with Industry 4.0
- the further development of the system for pipe rehabilitation by way of interior coating with suitable application methods in operation of different pipe diameters and pipe lengths
- the development of a system to reduce the risk of explosion in the tank interior by way of targeted and dosed spraying of Aersol
- the development of a version of pre-assembled units for liquid gas systems with overflow pumps separated from the tank
- the investigation and design of an innovative environmentally-friendly system to accelerate the in-situ remediation processes
- the development of a remote monitoring system for monitoring holes
- the technical analysis and testing of innovative hydrocarbon-absorbing prod-

ucts based on basalt fibres with appropriate pre-treatment

- the development of a robot for the wall thickness measurement of LPG tanks for periodic statutory inspection
- the development and patenting of a model for a pre-assembled (mobile) tank system

4. Reporting on essential features of the internal control and risk management system with regard to the accounting process

The Management Board has established an internal control system, which ensures and guarantees that the individual resorts and persons effectively and efficiently perform the tasks assigned to them. Decisions are generally made after consultation with the Management Board or the respective superior in accordance with the principle of dual control.

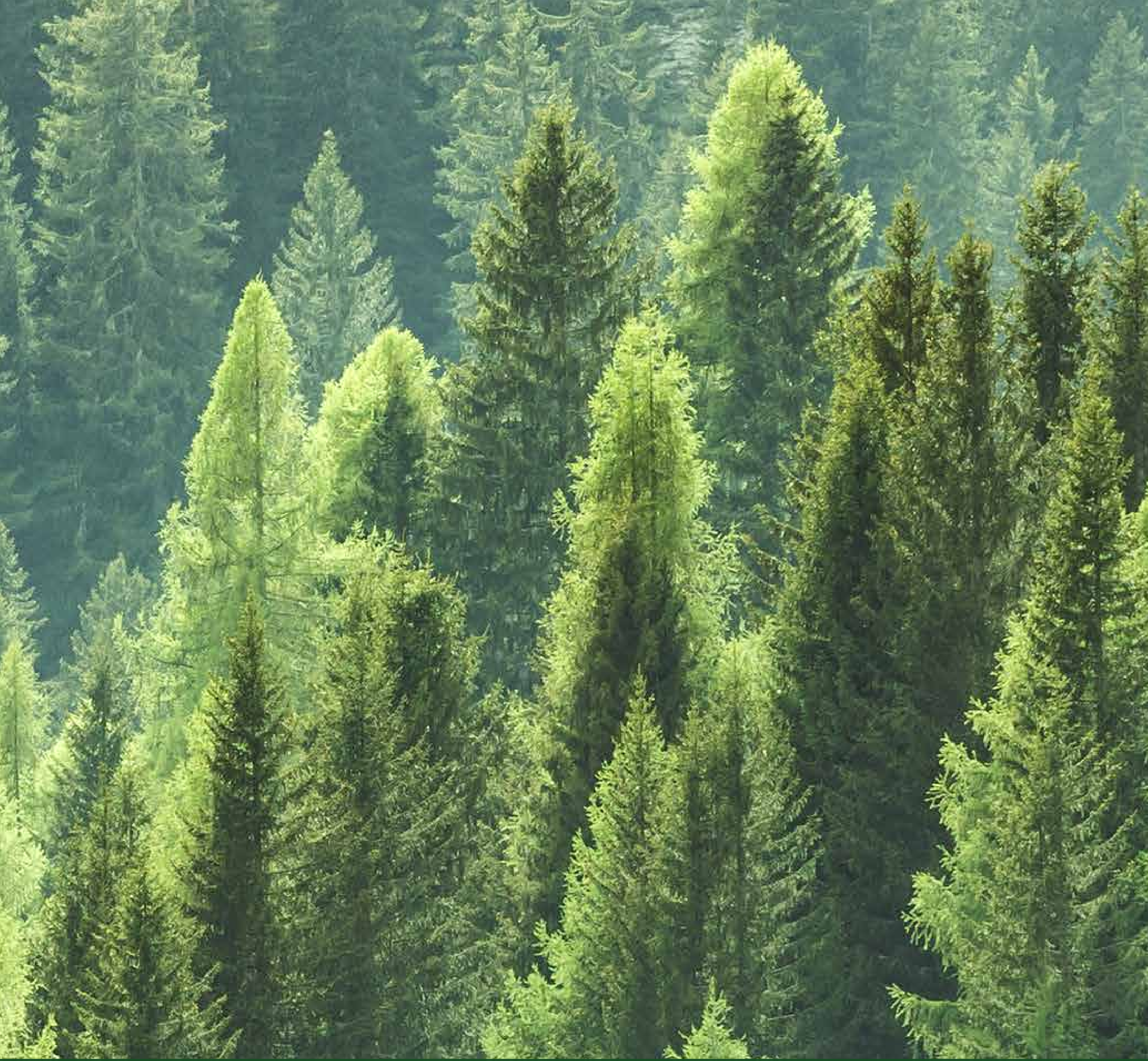
The main Group companies report monthly from the accounting department to the Management Board. The Group companies report the key figures to the Management Board quarterly, using standardised reporting packages. From 2019 onwards, an internal consolidation will be carried out on 30.06. of each year.

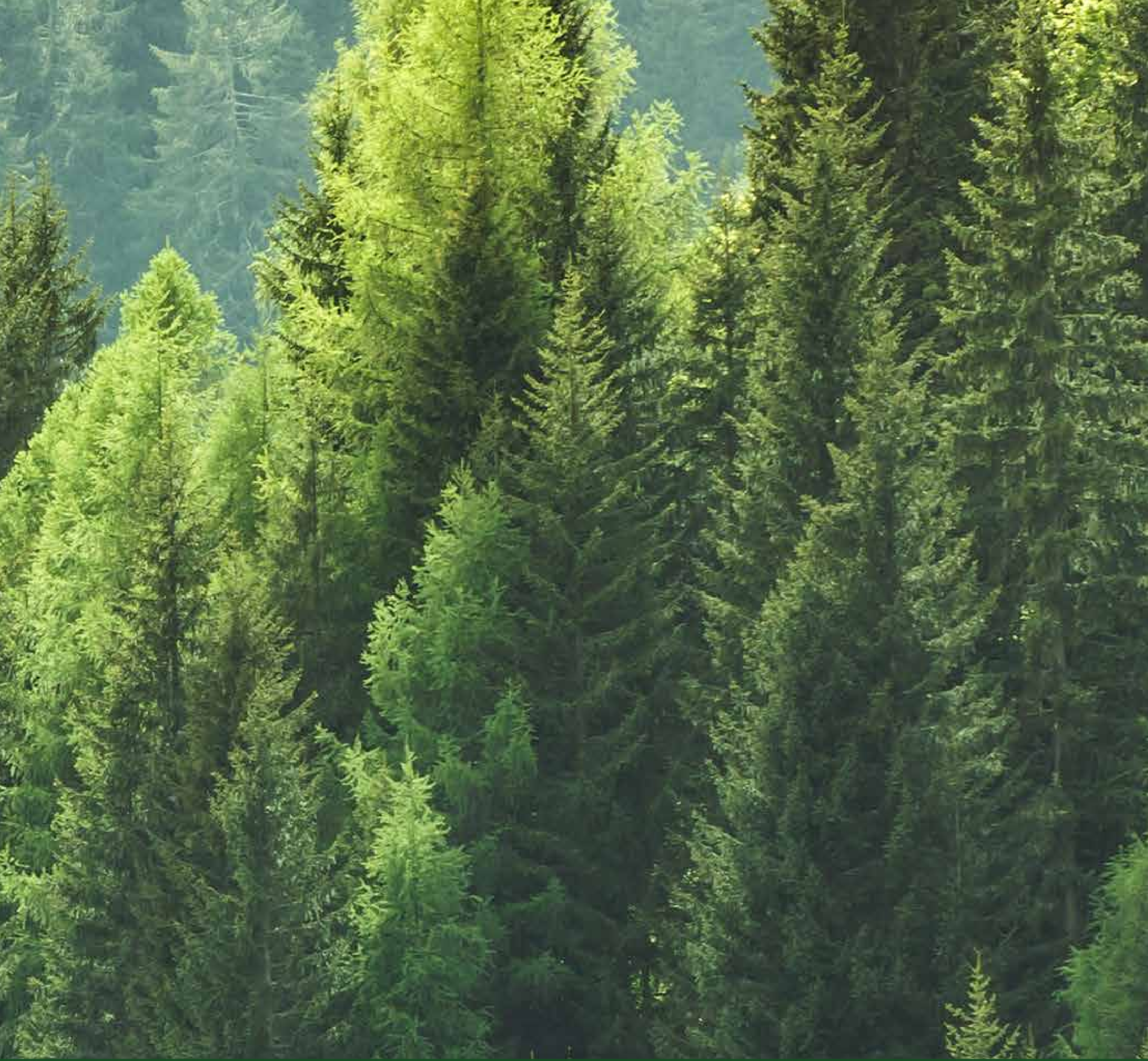
With regard to the Austrian Group companies, Group companies have created their own accounts since 2018, resulting in daily updated figures that have a positive effect on the internal control system. The clear separation between document management and document processing is ensured by different responsibilities.

A risk check was also carried out and documented.

Before establishing business relations in areas with critical situations, enquiries are consistently made and documented with the Austrian Economic Chamber and subsequently with the Austrian Foreign Ministry.

At Group level, the limitations on the powers of the Management Board of Wolftank-Adisa Holding AG were also applied individually to each company, which will allow for further control opportunities and risk mitigation or early warning.





CONSOLIDATED BALANCE SHEET

ASSETS

		31.12.2019 in EUR		31.12.2019 in EUR	
A.	**FIXED ASSETS**				
I.	INTANGIBLE ASSETS				
1.	Permits, industrial property rights				
	and similar rights and benefits as well as licenses derived from these	1,537,074		1,709,865	
2.	Goodwill (from individual financial statements)	0.01		0.01	
3.	Goodwill (from consolidation)	3,054,611		3,041,162	
4.	advance payments made	0	4,591,685	92,226	4,843,252
II.	TANGIBLE ASSETS				
1.	Real estate, rights equivalent to real estate and buildings, including buildings on				
	third-party land	3,445,338		3,807,642	
2.	Technical equipment and machines	1,628,583		1,672,145	
3.	Other equipment, operating and office equipment	204,266		802,461	
4.	Advance payments made and plants under construction	1,041,988	6,320,175	40,058	6,322,305
III.	FINANCIAL ASSETS				
1.	Securities (stock rights) in fixed assets	513,475		94,366	
2.	Other loans	0	513,475	51,951	146,317
IV.	SHARES IN ASSOCIATED COMPANIES		166,200		190,737
B.	**CURRENT ASSETS**				
I.	INVENTORIES				
1.	Raw materials, consumables and supplies	1,744,860		1,525,402	
2.	Unfinished goods	0		0	
3.	Finished goods and goods for sale	3,387,744		1,008,457	
4.	Work in progress	925,971		2,686,941	
5.	Advance payments made	60,176	6,118,751	294,916	5,515,715
II.	RECEIVABLES AND OTHER ASSETS				
1.	Trade receivables	19,517,229		17,848,706	
	thereof with a residual term of more than one year 0.00 (previous year: 377,521.78)				
2.	Receivables from companies in which participations are held	0		128,216	
	thereof with a residual term of more than one year 0.00 (previous year: 0.00)				
3.	Other receivables and assets	2,438,556		2,124,633	
	thereof with a residual term of more than one year 126,969.90 (previous year: 275,489.39)		21,955,784		20,101,556
III.	SECURITIES AND SHARES		30,810		2,826
IV.	CASH BALANCE, CHEQUES, CASH IN BANKS		4,156,122		3,391,816
C.	**ACCRUED ITEMS**		90,257		263,084
D.	**DEFERRED TAX ASSETS**		351,579		310,123
TOTAL ASSETS			**44,294,839**		**41,087,731**

SHAREHOLDERS’ EQUITY AND LIABILITIES

		31.12.2019 in EUR		31.12.2019 in EUR	
A.	**SHAREHOLDERS’ EQUITY**				
I.	CALLED IN NOMINAL CAPITAL (SHARE CAPITAL)		1,171,000		1,034,421
	of which paid in 1,171,000.00 (previous year: 1,034,421.00)				
II.	PAYMENT FOR RESOLVED BUT NOT YET REGISTERED CAPITAL INCREASE		31,556		0
III.	CAPITAL RESERVES				
1.	tied-up	7,415,497		2,801,482	
2.	free available	1,402,172	8,817,669	1,402,172	4,203,654
IV.	CURRENCY CONVERSION		4,264		-3,228
V.	NON-CONTROLLING INTERESTS		-186,223		-132,357
VI.	CUMULATED RESULT (NET LOSS)		-2,057,056		-2,014,622
	of which loss carried forward - 2,014,622.15 (previous year: -2,664,929.80)				
B.	**PROVISIONS**				
1.	Reserves for severance payments	733,630		519,300	
2.	Reserves for pensions	0		159,309	
3.	Tax accruals	271		494,608	
4.	Deferred tax liabilities	113,100		154,887	
5.	Other provisions	220,831	1,067,833	417,620	1,745,722
C.	**LIABILITIES**				
1.	Bonds	4,266,309		5,516,309	
	thereof with a residual term of up to one year 1,250,000.00 (previous year: 1,250,000.00)				
	thereof with a residual term of more than one year 3,016,308.93 (previous year: 4,266,308.93)				
2.	Bank loans and overdrafts	11,357,401		9,979,590	
	thereof with a residual term of up to one year 8,259,055.17 (previous year: 6,292,535.86)				
	thereof with a residual term of more than one year 3,098,345.65 (previous year: 3,687,053.66)				
3.	Advance payments received on account of orders	698,057		1,205,655	
	thereof with a residual term of up to one year 698,057.30 (previous year: 1,205,655.30)				
	thereof with a remaining term of more than one year 0.00 (previous year: 0.00)				
4.	Trade paybales	14,306,316		15,483,295	
	of which with a residual term of up to one year 14,306,315.93 (previous year: 15,458,387.24)				
	thereof with a remaining term of more than one year 0.00 (previous year: 24,907.63)				
5.	Other liabilities				
	thereof from taxes 1,889,255.06 (previous year: 1,077,327.04)	4,616,520		3,833,815	
	thereof for social security 225,113.74 (previous year: 237,096.13)				
	thereof with a residual term of up to one year 3,512,520.02 (previous year: 2,234,771.75)				
	thereof with a residual term of more than one year 1,104,000.00 (previous year: 1,599,042.79)		35,244,603		36,018,663
	thereof with a residual term of up to one year 28,025,948.42 (previous year: 26,441,350.15)				
	thereof with a residual term of more than one year 7,218,654.58 (previous year: 9,577,313.01)				
D.	**DEFERRED INCOME**		201,193		235,478
TOTAL	**SHAREHOLDERS’ EQUITY AND LIABILITIES**		**44,294,839**		**41,087,731**

CONSOLIDATED PROFIT AND LOSS ACCOUNT

			2019 EUR		2018 EUR
1.	Sales revenues		51,829,349		44,549,669
2.	Change to the inventory of finished and unfinished product as well as services not				
	yet invoiced		-2,380,821		-532,983
3.	Other own work capitalised		492,529		361,851
4.	Other operating income				
a)	Income from the disposal of and appreciation in value of fixed assets with the exception of financial assets	14,500		125	
b)	income from the release of provisions	88,170		409	
c)	Other	566,677	669,347	1,407,226	1,407,759
5.	Operating performance		50,610,404		45,786,296
6.	Expenses for materials and other related manufacturing services				
a)	Material expenses	-14,284,496		-17,347,407	
b)	Cost of purchased services	-21,030,734	-35,315,230	-18,342,838	-35,690,245
7.	Personnel expenses				
a)	Wages	-514,160		-854,873	
b)	Salaries	-4,395,040		-2,649,333	
c)	Social expenses				
ca)	Expenses for pension plan	-14,811		-22,398	
cb)	Expenses for severance payments and				
	services for operational company pension funds	-234,187		-175,714	
cc)	Expenses for statutory				
	social security contributions as well as charges and compulsory contributions based on remuneration	-1,297,945		-867,907	
cd)	Other social expenses	-24,749	-6,480,893	-153,047	-4,723,271
8.	Depreciations				
a)	of intangible objects and property, plant and equipment				
aa)	Scheduled depreciations	-1,648,674		-1,498,991	
b.	on items of current assets to the extent that they exceed the usual depreciation in the company	-1,636,227	-3,284,902	-218,204	-1,717,195
9.	Other operating expenses				
a)	Taxes not included in line 18	-59,611		-82,039	
b)	Other	-4,153,884	-4,213,496	-1,917,739	-1,999,778
10.	Subtotal from lines 1 to 9		1,315,884		1,655,806
	(Operating result)				

			2019 EUR		2018 EUR
11.	Income from other securities and loans from financial assets		2,098		0
	thereof from affiliated companies 0.00				
12.	Other interest and similar income		22,172		3,605
13.	Expenses from the disposal of financial assets and securities from the current assets				
a)	Depreciations	-2,881		0	
b)	Expenses from affiliated companies	0	-2,881	0	0
14.	Interest and similar expenses		-838,673		-828,009
15.	Subtotal from lines 11 to 14 (NET FINANCIAL INCOME)		-817,285		-824,405
16.	Results for associated companies		18,209		48,474
17.	Result before taxes		516,808		879,876
	Subtotal from lines 10, 15 and 16				
18.	Taxes on income and profits		-695,684		-624,231
19.	Deferred Taxes		262,844		176,134
20.	Post-tax profits		83,968		431,779
21.	Annual financial Statements / annual deficit		83,968		431,779
22.	-/+ minus/plus non-controlling interests in annual net profit/annual deficit		-126,402		218,528
23.	Share of the Group parent company in annual net profit		-42,434		650,308
24.	Profit / loss carried forward from previous year		-2,014,622		-2,664,930
25.	Cumulated result (net loss)		-2,057,056		-2,014,622

CONSOLIDATED CASH FLOW STATEMENT

1		Result before taxes
2	+/-	Depreciations/Write-up on assets in the area of investment activity
3	-/+	Profits/losses from the disposal of assets from investment activities
4	-/+	Investment income, income from other securities and loans from financial assets as well as other interest and similar income/interest and similar expenses
5	+/-	other non-cash expenses/income
6		**Net cash flow from operating result**
7	-/+	Increase/decrease of stock, trade receivables as well as other assets
8	+/-	Increase/decrease in provisions
9	+/-	Increase/decrease of liabilities from trade receivables as well as other liabilities
10	+/-	Adjustment item acquisition of subsidiaries
11	-/+	Adjustment item sale of subsidiaries
12		**Net cash flow from operating activities before tax**
13	-	Payments for income taxes
14		**Net cash flow from operating activities**
15	+	Payments received from disposal of fíxed assets without (financial assets)
16	+	Payments received for disposal of financial assets and other financial investments
17	-	Payments made for asset addition (without financial assets)
18	-	Payments made for additions to financial assets and other financial investments
19	+	Payments received for income from investments, interest and securities
20	+	Payments received from sale of subsidiaries
21	-	Payments made for acquisition of subsidiaries
22	+	Adjustment item acquisition of subsidiaries
23	-	Adjustment item sale of subsidiaries
24		**Net cash flow from investment activity**
25	+	Payments received on equity
26	-	Repayments received on equity
27	-	Paid out dividends
28	+	Payments received for issue of bonds and borrowing via financial credit
29	-	Payments made for the repayment of loans and financial credits
30	-	Payments made for interest and similar expenses
31	-	Adjustment item acquisition of subsidiaries
32	+	Adjustment item sale of subsidiaries
33		Net cash flow from financing activity
34		**Change in cash and cash equivalents (line 14+24+33)**
35	+/-	Currency-related and other changes in the value of cash and cash equivalents
36	+	Cash and cash equivalents at the beginning of the period
37		**Cash and cash equivalents at the end of the period**

2019	2018
516,808	879,876
1,649,032	1,498,991
263,292	-125
814,404	824,405
1,623,062	-48,061
4,866,599	**3,155,086**
-3,379,248	-2,422,128
-149,525	296,752
-1,468,704	1,005,727
0	68,378
0	0
-130,879	**2,103,815**
-1,010,419	-133,304
-1,141,297	**1,970,511**
280,000	349,053
0	0
-1,666,886	-1,256,805
-491,589	-4,487
24,269	3,605
0	10,177
-104,565	0
0	0
0	0
-1,958,771	**-898,457**
4,782,150	1,411,379
0	0
-35,090	0
0	0
-1,838,708	-1,839,633
-838,673	-828,009
-148,506	-486,802
0	0
1,921,172	**-1,743,065**
-1,178,896	**-671,011**
7,492	-3,228
-2,900,720	-2,226,481
-4,072,123	**-2,900,720**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Financial year 2019 in EUR	called-in nominal capital (share capital)	Payment for resolved but not yet registered cap. incr.	Capital reserves
Balance as at 01.01.2019	**1,034,421**	**0**	**4,203,654**
Reclassification			
Capital increase	136,579	31,556	4,614,015
Dividend distributions			
Currency adjustments			
Allocation to reserves			
Release of reserves			
Change of the consolidated entity			
Dividends to non-controlling Shareholders			
Change to non-controlling shares			
Annual net profit/loss			
Balance as at 31.12.2019	**1,171,000**	**31,556**	**8,817,669**

Retained profit	Currency conversion	non-Controlling Interests	Cumulated result (net loss)	**SHAREHOLDERS' EQUITY**
0	**-3,228**	**-132,357**	**-2,014,622**	**3,087,868**
				0
				4,782,150
				0
	7,492			7,492
				0
				0
		-9,656		-9,656
		-35,090		-35,090
		-135,522		-135,522
		126,402	-42,434	83,968
0	**4,264**	**-186,223**	**-2,057,056**	**7,781,210**

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS

			Acquisition and production costs					
			As at 1.1.	Additions	Reclassifica-tion	Disposals	Disposal of subsidiaries	As at 31.12.
A. FIXED ASSETS								
I.	Intangible assets							
	1.	Permits, industrial property rights and similar rights	4,578,882	292,847	0	-9,960	0	4,861,769
	2.	Goodwill (from individual financial statements)	60,000	0	0	0	0	60,000
	3.	Goodwill (from consolidation)	3,527,478	500,079	0	0	0	4,027,556
	4.	Advance payments made	239,146	0	0	-239,146	0	0
Total intangible assets			8,405,505	792,926	0	-249,106	0	8,949,326
II.	Tangible assets							
	1.	Real estate, rights equal to rights in real estate	1,241,192	0	0	-154,822	0	1,086,370
	1.	Buildings, buildings on third-party land	3,537,438	30,962	-25,000	-139,046	0	3,404,355
	1.	Investments in third-party buildings	3,624	2,626	0	0	0	6,250
	2.	Technical equipment and machines	3,178,200	369,826	0	0	0	3,548,026
	3.	Other equipment, operating and office equipment	2,617,194	147,084	-530,695	-97,814	0	2,135,769
	4.	Advance payments made and plants under construction	40,058	446,236	555,695	0	0	1,041,988
Total tangible assets			**10,617,706**	**996,734**	**0**	**-391,682**	**0**	**11,222,758**
III.	Financial assets							
	1.	Securities (stock rights) in fixed assets	94,365	500,042	0	-78,633	-2,299	513,475
	2.	Other loans	51,951	0	0	-51,951	0	0
Total financial assets			**146,316**	**500,042**	**0**	**-130,584**	**-2,299**	**513,475**
IV.	Shares in associated companies		190,737	-8,453	0	-16,083	0	166,200
TOTAL FIXED ASSETS			**19,360,264**	**2,281,249**	**0**	**-787,455**	**-2,299**	**20,851,759**

Accumulated depreciations

As at 1.1.	Scheduled depreciation	Non-scheduled depreciation	Transfer postings	Appreciation in value	Disposals	Disposal of subsidiaries	As at 31.12.	Book value 1.1.	Book value 31.12.
-2,869,017	-465,638	0	0	0	9,960	0	-3,324,695	1,709,865	1,537,074
-60,000	0	0	0	0	0	0	-60,000	0	0
-486,316	-486,630	0	0	0	0	0	-972,945	3,041,162	3,054,611
-146,920	0	0	0	0	146,920	0	0	92,226	0
-3,562,253	-952,268	0	0	0	156,880	0	-4,357,641	4,843,252	4,591,685
-43,412	0	0	0	0	0	0	-43,412	1,197,780	1,042,958
-927,577	-137,497	0	0	0	61,348	0	-1,003,726	2,609,862	2,400,629
-3,624	-875	0	0	0	0	0	-4,500	0	1,750
-1,506,055	-413,388	0	0	0	0	0	-1,919,443	1,672,145	1,628,583
-1,814,733	-145,004	0	0	0	28,234	0	-1,931,503	802,461	204,266
0	0	0	0	0	0	0	0	40,058	1,041,988
-4,295,401	**-696,765**	**0**	**0**	**0**	**89,582**	**0**	**-4,902,583**	**6,322,305**	**6,320,175**
0	0	0	0	0	0	0	0	94,366	513,475
0	0	0	0	0	0	0	0	51,951	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**146,317**	**513,475**
0	0	0	0	0	0	0	0	190,737	166,200
-7,857,653	**-1,649,032**	**0**	**0**	**0**	**246,462**	**0**	**-9,260,223**	**11,502,611**	**11,591,536**

GROUP ANNEX

1. Accounting and valuation methods

The Consolidated Financial Statements were prepared in accordance with the generally accepted accounting principles as well as, and in consideration of the general standard of presenting as true and fair view of the Group's assets, financial and profit situation as possible (Section 222 (2) UGB [Commercial Code]).

In preparing the Consolidated Financial Statements, the principles of completeness and proper accounting were observed. The valuation was based on the assumption that the Group company was a going concern.

The principle of individual valuation was applied to assets and debts. Consideration was given to the principle of prudence, in that only the profits realised on the date of the balance sheet, in particular, were reported. All identifiable risks and impending losses that arose in the 2019 financial year or in one of the previous financial years were taken into account.

With regard to the Group company Wolftank Systems S.P.A., provisions for severance payments and pensions were calculated using methods that differ from those applied to the consolidated financial statements. Due to the insignificant effects on the net assets, financial position and results of operations of the Group, no adjustment is made (Section 189a no. 10 UGB).

1.1. Fixed assets

1.1.1. Intangible fixed assets

Purchased intangible assets (including goodwill from consolidation of capital) are valued at their acquisition cost less scheduled depreciation, corresponding to their operating life. The scheduled depreciations are determined according to the straight-line method.

The operating life is based on a period of 10 years.

Unscheduled depreciations were not carried out.

1.1.2. Tangible fixed assets

The tangible fixed assets have been valued at acquisition and production cost less depreciation accumulated to date and amortised according to schedule in the 2019 reporting year. The straight-line depreciation method is generally used to determine depreciation rates.

The scope of the operating life for the individual system groups is:

Buildings:	40 years
Machinery:	5 years
Other equipment, operating and office equipment:	from 3 to 10 years

Low-value assets within the meaning of Section 13 EStG (Austrian Income Tax Act) 1988 are fully depreciated in the year of acquisition in each case and are shown in the development of fixed assets as additions and disposals.

Unscheduled depreciations were not carried out.

Fixed values in accordance with Section 209 (1) UGB are not applied.

1.1.3. Financial assets

The financial assets are reported as acquisition costs.

There were no unscheduled depreciations.

The securities (book-entry securities) of the fixed assets consist of the shares in GAINN S.p.A., Italy. GAINN S.p.A. is a company under the majority control of Consorzio 906, a consortium of freight and transport companies. This company has been commissioned to play a major role in shaping the infrastructure for LNG refuelling facilities for heavy goods vehicles. GAINN is the executing branch for the construction of the filling stations that are required for this. The first filling station is currently under construction (Livorno), progress of approx. 50%, and a further 5 are planned or developed. In addition, there is a preferential right to work on future installations of the entire consortium, as well as direct and privileged sales access to all members of the consortium, which can open up a not inconsiderable sales channel for the subsidiary Wolftank Systems S.p.A. The valuation in the context of the acquisition was made using a DCF method according to the WACC concept (2-phase model with detailed planning phase until 2022 as per business plan). The capitalisation interest rate was applied rounded off at 8 %.

1.2. Current assets

1.2.1. Receivables and other assets

In the valuation of receivables, identifiable risks were taken into account by means of individual write-downs.

Where necessary, the later maturity was accounted for by means of discounting.

1.3. Provisions

1.3.1. Other provisions

The provisions were valued at the best possible estimate of the settlement amount. Provisions from previous years are reversed via other operating income, insofar as they are not used and the reason for their creation no longer applies.

1.4. Liabilities

The liabilities are valued at the settlement amount, taking into account the principle of prudence.

1.5. Currency conversion

Receivables and liabilities are calculated using the exchange rate at the time they arise, taking into account exchange rate losses from changes in exchange rates on the balance sheet date. In the case of cover by forward transactions, the valuation is carried out taking into account the forward rate.

The modified current rate method is used for the currency conversion of the subsidiaries' local individual accounts.

1.6. Changes in the assessment methods

There are no changes made in the assessment methods.

2. Consolidated entity

In addition to the parent company, Wolftank-Adisa Holding AG, the consolidated entity is as follows as of the annual reporting date:

Company	Registered office		Share	Stakeholder	Consolidation
Wolftank Adisa GmbH	Innsbruck	AUT	100.00%	Wolftank-Adisa Holding AG	full
Wolftank Holding GmbH	Innsbruck	AUT	100.00%	Wolftank-Adisa Holding AG	full
Wolftank Adisa Env. Techn. GmbH (formerly OnO Water Prot. GmbH)	Innsbruck	AUT	100.00%	Wolftank-Adisa Holding AG	full
Wolftank - France SAS	Marseille	FRA	100.00%	Wolftank-Adisa Holding AG	full
Wolftank Systems S.P.A.	Bolzano	ITA	95.31%	Wolftank Holding GmbH	full
DRK32 GmbH	Illertissen	GER	95.00%	Wolftank-Adisa Holding AG	full
Wolftank Adisa (Shanghai) Environmental Technology Co. Ltd.	Shanghai	CHN	90.00%	Wolftank-Adisa Holding AG	full
Alternativas Ecologicas Ingenieria Energetica S.L.	Alcalá de Henares	ESP	60.00%	Wolftank-Adisa Holding AG	full
Penta Progetti Srl	Moncalieri	ITA	20.00%	Wolftank Holding GmbH	at Equity
RusWEIC Ltd.	St. Petersburg	RUS	34.30%	Wolftank-Adisa Holding AG	at Equity

3. Capital consolidation

3.1. Capital offset dates

The capital offset dates from the initial consolidation are as follows:

Company	Capital offset date	
Wolftank Adisa GmbH	10.03.2008	Date of acquisition of subsidiary
Wolftank Holding GmbH	08.11.2013	Date of acquisition of subsidiary
OnO Water Protection GmbH	01.01.2018	First-time consolidation at initial inclusion of the subsidiary
Wolftank - France SAS	01.01.2018	First-time consolidation at initial inclusion of the subsidiary
Wolftank Systems S.P.A.	08.01.2014	Date of acquisition of subsidiary
DRK32 GmbH	01.01.2018	Date of acquisition of subsidiary
Wolftank Adisa (Shanghai) Environmental Technology Co. Ltd.	30.05.2018	Date of establishment of the subsidiary
Alternativas Ecologicas Ingenieria Energetica S.L.	31.12.2018	First-time consolidation at initial inclusion of subsidiary

3.2. Differences arising from the offsetting of capital

Company	Difference (active/ passive)	Difference (amount)	Difference (Explanation)	Change compared to previous year
Wolftank Adisa Env. Techn. GmbH (formerly Water Protection GmbH)	active	679.50	Goodwill from consolidation	-
Wolftank - France SAS	active	943,368.59	Goodwill from consolidation	-
Wolftank Systems S.P.A.	active	4,418,796.69	Goodwill from consolidation	-
DRK32 GmbH	passive	3,742.43	Retained profits	-
Alternativas Ecologicas Ingenieria Energetica S.L.	passive	87,936.77	Creation Provision	-

*As of the effective date, 24.12.2019, the following Italian Group companies were merged with retroactive effect from 01.01.2019:

- Wolftank Systems S.P.A.
- Maremmana Ecologia Srl
- Desmo-EPC Srl
- Hitrac Fuel Systems Srl
- Gastech Service Srl

An additional active difference of EUR 500,078.67 is calculated from the share acquisitions made in preparation for the merger. This is allocated to Wolftank Systems S.P.A. and is amortised over its remaining useful life from 01.01.2020.

4. Consolidation of equity

4.1. Difference from first time application

Company	Book value initial recognition	Equity share ass. comp	Difference
Penta Progetti Srl	100,000.00	130,777.00	-30,777.00

The date of the first determination of the difference is 31.12.2017.
As the effects are insignificant, the valuation methods of the associated companies are not adjusted to the valuation methods of the Group.

5. Notes to the Balance Sheet

5.1. Fixed assets

The development of the individual items of the fixed assets and the breakdown of the annual depreciation into individual items are presented in the assets analysis.

5.1.1. Intangible assets

Industrial property rights and similar rights and benefits and licenses derived therefrom, such as patents and goodwill from capital consolidation, are reported as intangible assets.
Scheduled depreciation of EUR 952,267.61 (previous year EUR 937,049.95) was applied to intangible assets.

The book value as at 31.12.2019 is EUR 2,299,372.42 (previous year EUR 1,669,600.84).

The valuation of the investment was made as at 31.12.2019 by way of a DCF method according to the concept of the APV (2-phase model with detailed planning phase until 2023 as per business plan). The capitalisation interest rate was applied rounded off at 7 %. This was done on the basis of the business plan adopted by the Management of Wolftank Systems S.p.A. in April 2020. In the business plan, the Management of Wolftank Systems S.p.A. makes the following assumptions, among others:

- Increase of the operating performance by end of 2023 by approx. 45.0 %
- Stabilisation of the margin (trade margin) by end of 2023 to approx. 23.0 to 25.0 %
- Synergy effects from the merger at the end of 2019 of the Italian Group companies (Wolftank Systems S.p.A., Maremmana Ecologia Srl, Desmo-EPC Srl, Gastech Service Srl, and Hitrac Fuel Systems Srl)

Reference is made to the fact that the planning on which the assessment is based does not take into account possible effects of the COVID-19 pandemic.

5.1.2. Tangible assets

In the area of the tangible fixed assets, use-related depreciation in the amount of EUR 696,764.58 (previous year EUR 561,941.10) was applied.
Obligations from the use of tangible assets not shown in the balance sheet are as follows:

Leasing obligations	in the next financial year	in the next 5 financial years
Total (2019)	117,547.07	167,815.60
Total (2018)	164,634.70	181,715.53

5.1.3. Shares in associated companies

The shares in associated companies amount to EUR 166,526.54 (previous year EUR 190,736.60) and are made up as follows:

Associated company	Share	Book value 31.12.2019	Book value 13.12.2018
Hitrac Fuel Systems Srl			11,292.00
RusWEIC Ltd.	34.30 %	8,453.14	-
Penta Progetti Srl	20.00 %	174,653.60	179,444.60

5.2. Other receivables and assets

Other receivables and assets include, among other things, significant income in the amount of EUR 396,650.00, which will only become due after the balance sheet date.

5.3 Deferred tax assets

The deferred tax assets are shown as EUR 351,579.00 (previous year EUR 310,123.28). These relate to temporally or materially different recording of results in the respective company law and tax law. The disclosure serves the principles of period purity and balance sheet accuracy. The calculation of deferred tax assets is essentially based on the following income tax rates (corporate income tax):

- Austria 25.00 %
- Italy 24.00 % (IRES)
- China 25.00 %

The deferred tax assets are made up as follows:

	2019	2018
Deferred tax assets from book value differences in the respective individual accounts	213,167.39	256,914.52
Deferred tax assets from the consolidation (elimination of interim results)	138,411.61	53,208.76

5.3.1. Capital reserves

5.3.1.1. Tied-up capital reserves

The tied-up capital reserves consist entirely of the amount paid when shares are issued in excess of the nominal value (premium). During the year under review, the tied-up capital reserves are therefore increasing by EUR 4,614,014.82 (previous year EUR 920,448.00).

5.4. Provisions

5.4.1. Severance and pension provisions

The method applied by the Group company Wolftank Systems S.p.A. for the determination of the provisions differs insignificantly from the accounting principles according to the Group guidelines. The calculation was based on financial mathematics.

5.4.2. Tax accruals

The tax accruals relate to expected subsequent payments of corporate income tax.

5.4.3. Deferred tax liabilities

The deferred tax liabilities are shown as EUR 113,100.28 (previous year EUR 154,886.60).

5.4.4. Other liabilities

Other liabilities include, among other things, significant expenses in the amount of EUR 662,687.53, which will only become due after the balance sheet date.

The deferred tax liabilities are made up as follows:

	2019	2018
Deferred tax liabilities from book value differences in the respective individual accounts	113,100.28	93,189.90
Deferred tax liabilities from consolidation (capital consolidation)	0.00	61,696.70

5.5. Liabilities

The breakdown of liabilities pursuant to Section 225 (6) and Section 237 (1), no. 5 UGB is presented as follows:

Of the total amount of liabilities, EUR 595,944.76 (prior year: EUR 969,259.23) is materially secured by collateral.

The property in Rovigo (Italy) is mortgaged.

6. Explanations for the Profit and Loss account

6.1. Other own work capitalised

The other own work capitalised amounts to EUR 492,528.73 (VJ EUR 361,850.79) and mainly relates to the manufacture of new plant and machinery used in the Group's operating environment.

6.2. Depreciation of intangible and tangible assets

6.2.1. Scheduled depreciations

The scheduled depreciations in the financial year amount to 1,649,032.19 (previous year EUR 1,498,991.05).

The breakdown of annual depreciation by individual items is shown in the assets analysis.

Depreciation includes goodwill amortisation of EUR 486,629.52 (previous year EUR 492,315.81).

6.3. Depreciation of current assets.

With regard to the amount of EUR 1,636,227.39 (previous year 218,203.84), this is

a one-off amortisation of receivables.

6.4. Other operating expenses

Other expenses include, among others, the

		Total	up to 1 year	Residual term between 1 and 5 yr.	more than 5 years
		EUR	EUR	EUR	EUR
Bonds	2019	4,266,308.93	1,250,000.00	3,016,308.93	0.00
	2018	5,516,308.93	1,250,000.00	4,266,308.93	0.00
Liabilities to Credit institutions	2019	11,357,400.82	8,259,055.17	2,033,374.65	1,064,971.00
	2018	9,979,589.52	6,292,535.86	2,489,761.34	1,197,292.32
Advance payments received for orders	2019	698,057.30	698,057.30	0.00	0.00
	2018	1,205,655.30	1,205,655.30	0.00	0.00
Trade payables	2019	14,306,315.93	14,306,315.93	0.00	0.00
	2018	15,483,294.87	15,458,387.24	24,907.63	0.00
Other liabilities	2019	4,616,520.02	3,512,520.02	1,104,000.00	0.00
	2018	3,833,814.54	2,234,771.75	1,599,042.79	0.00
Total	**2019**	**35,244,603.01**	**28,025,948.42**	**6,153,683.58**	**1,064,971.00**
	2018	**36,018,663.16**	**26,441,350.15**	**8,380,020.69**	**1,197,292.32**

following items for which provisions have been set up:

	2019
Audit (Wolftank-Adisa Holding AG)	EUR 8,500.00
Group audit 2018 (voluntary)	EUR 20,000.00

Other operating expenses include expenses for the merger of the Italian Group companies

- Wolftank Systems S.P.A.
- Maremmana Ecologia Srl
- Desmo-EPC Srl
- Hitrac Fuel Systems Srl
- Gastech Service Srl

in the amount of EUR 392,979.33.

6.5. Results for associated Company

The result for associated companies is EUR 8,552.86 and results from updating of the investment valuations of the associated companies as follows:

Penta Progetti Srl EUR 18,209.00

6.6. Taxes on income and earnings

The taxes on income and earnings are broken down as follows:

	2019 EUR
Taxes on income and profits	695,683.97
Taxes on income and profits (latent)	-262,843.97
Total	**432,840.00**

7. Other expenses

7.1. Number of employees

The average number of employees during the financial year was:

in total:	196	(previous year 169.00)
of which wage-earners:	52	(previous year 60.00)
of which salary-earners:	144	(previous year 109.00)

7.2. Information on significant events after the balance sheet date that are not reflected in the balance sheet or P&L account

The number of unit shares was increased from 1,171,000 to 1,202,556 with the entry in the commercial register on 14.01.2020.

The listing on the Frankfurt stock exchange took place on 13.02.2020.

The listing on the trading platform XETRA Frankfurt took place on 14.02.2020.

Reference is made to the Management Report with regard to the impact of the COVID-19 pandemic on business.

Issue of a bond 20-23 in the amount of 2 Million Euros on 14.04.2020, redeemable at maturity on 22.12.2023. In terms of the Group, an existing bond has thus been taken over, so that the planned liquidity in the Group does not change as a result.

7.3. Members of the Management Board and the Supervisory Board

The Management Board consists of the following persons:

- Dipl.-Ing. Dr. Peter Werth,
  born on 21.03.1973

The Supervisory Board consists of the following persons:

- Markus Wenner (Chairman),
  born on 19.11.1967
- Dr. Andreas Aufschnaiter (Deputy Chairman),
  born on 23.12.1962
- Dr. Christian Amorin,
  born on 06.01.1968
- Mag. Nikolaus-Alexander von Franckenstein,
  born on 24.05.1966
- Dr. Herbert Hofer,
  born on 28.09.1962

The total remuneration for the members of the Supervisory Board amounted to EUR 34,000.00 (previous year EUR 2,000.00). With regard to the information on the members of the Management Board, reference is made to Section 242 (4) UGB.

7.4. Information on the total nominal amounts of the shares of each class in accordance with Section 241 UGB

The number of unit shares was increased from 1,171,000 to 1,202,556 with the entry in the commercial register on 14.01.2020. The following information therefore already takes into account the registered capital increase:

Section 241, number 1 UGB: The equity capital in the amount of EUR 1,202,556 consists of 1,202,556 bearer shares with a nominal value of EUR 1.00 per share from the equity capital.

Section 241, number 3 UGB: In the financial year, 168,135 no-par bearer shares were subscribed from the authorised capital.

Section 241, number 4 UGB: The Management Board is currently authorised to increase the share capital by up to EUR 555,499.00 until 31.07.2024.

Section 241, number 5 UGB: The shareholder loans totalling EUR 1,590,000.00 continue to be subordinate. The lenders have thus subordinated their claim to repayment and interest on the loans granted to all liabilities of Wolftank-Adisa Holding AG to banks.

8.5. Appropriation of profits

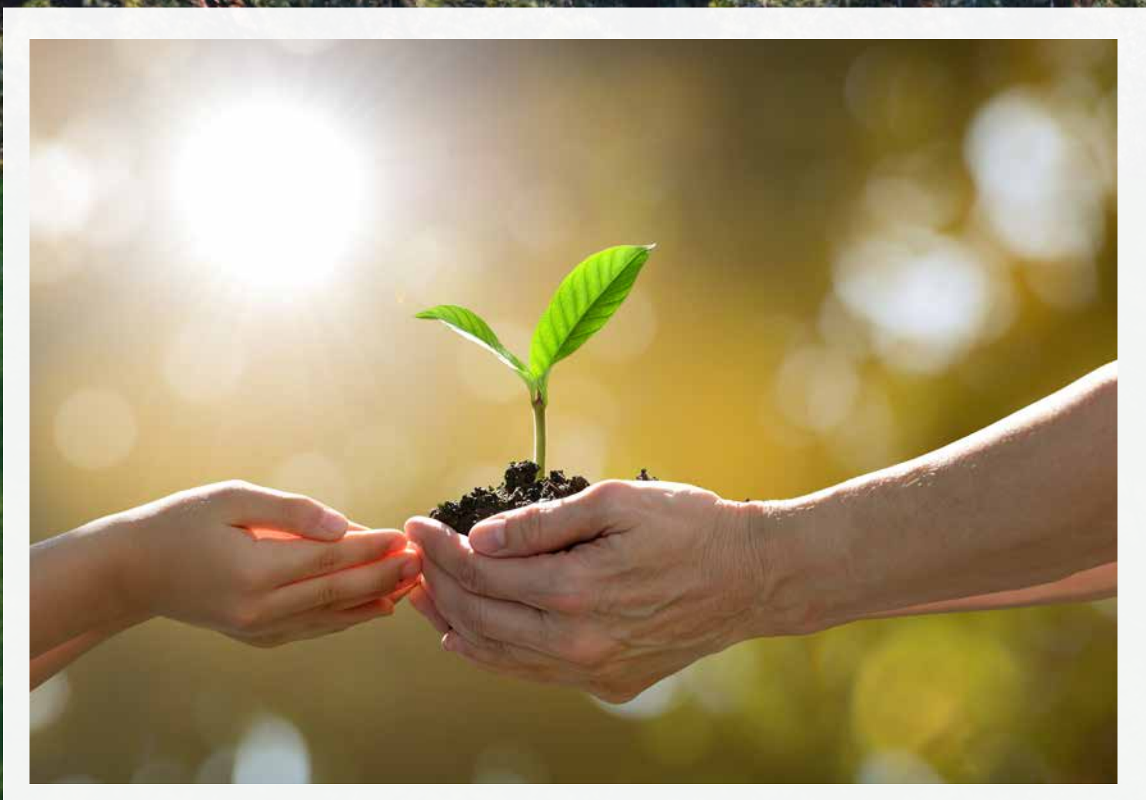
The Management Board proposes to proposes to carry forward the balance sheet profit of EUR 2,103,387.72 from the individual accounts of Wolftank-Adisa Holding AG in its entirety to new account.

> To work for Wolftank means to care about the future of our planet.

Michael Ladurner, Wolftank Systems Spa

OUR MISSION

We love and respect our planet.
Our mission is to make sure that all over the world air and soil are a healthy and vital resource for mankind and nature as it was originally.



OUR VISION

We are established experts and technology promoters for the transition to an environmentally sustainable economy. We have the most effective means and expertise to join the balance of the ecosystem and the growth of customers and partners.

We are W

Wolftank

TANK

Common goals for a clean future!

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