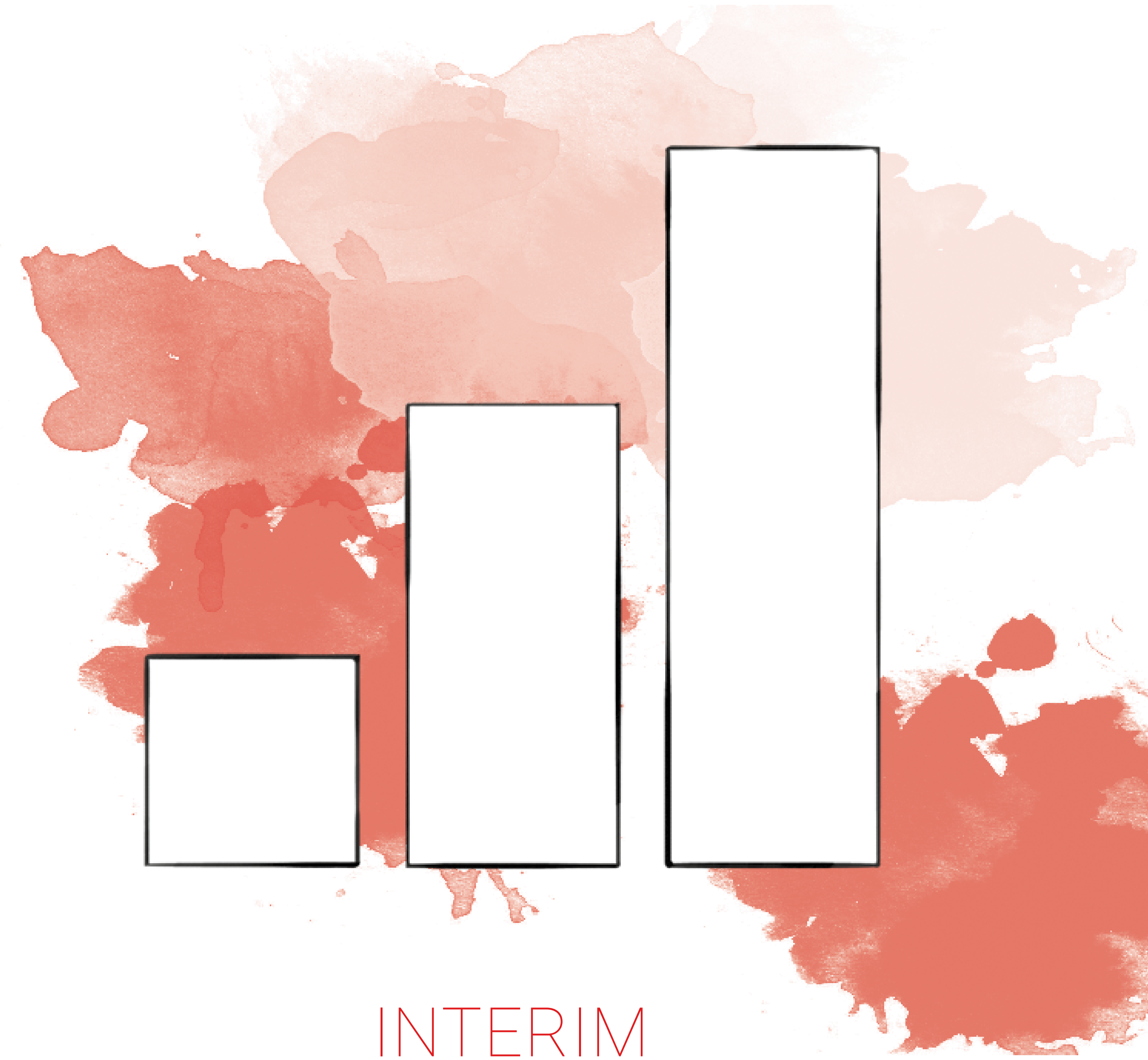
UiAG
UNTERNEHMENS
INVEST AG



INTERIM FINANCIAL REPORT 2019

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Dear Sir or Madam,

The business year 2019 started with several changes for Unternehmens Invest AG. As already reported, the extraordinary general meeting in November 2018 passed the resolution for a capital increase through contribution in kind and a cash capital increase. In the course of the capital increase through contribution in kind shareholdings and loans of UIAG Informatik-Holding GmbH and Plastech Holding GmbH were transferred to Unternehmens Invest AG.

Thus, Unternehmens Invest AG is now majority shareholder of UIAG Informatik-Holding GmbH (90.95%) and Plastech Holding GmbH (90.0%). Consequently, the shareholdings of All for One Group AG and Kautex Holding GmbH are fully consolidated in the interim financial statement 2019 and this fact considerably changes the balance sheet of Unternehmens Invest AG.

As All for One Group's balance sheet date is 30 September and to facilitate the preparation of the individual and consolidated financial statements, the general assembly in May 2019 passed the resolution to transfer the balance sheet date of Unternehmens Invest AG to 30 September and to form an abridged business year from 1 January to 30 September 2019. The balance sheet dates of the shareholdings of Pongratz Trailer-Group GmbH, BEGALOM Guss GmbH and Kautex Group and of the administrative holding companies were adjusted accordingly.

Based on the new structuring the shareholdings of Unternehmens Invest AG are now divided into four segments: IT, Plastics, Other and UIAG (individual company).

The capital increases changed the shareholder structure of Unternehmens Invest AG significantly. After the transfer of shareholdings and loans, QINO Pipe One Ltd. now holds 7.21% and Mr. Bernd Neumann holds 9.82% of the UIAG shares. Only 1% of the new UIAG shares issued in the context of the cash capital increase was subscribed by the free float (now 3.67%). Currently Knünz Group holds 47.59% and Neumann Group holds 31.71% of UIAG shares.

We look ahead with confidence although the global economic situation became significantly more defiant in recent months. The flagging economic momentum, the trade dispute between the USA, China and Europe and the difficulties in the automotive sector affect each shareholding of UIAG Group to a different extent, both positively and negatively. Customers from the automotive sector postpone or cancel major investments in capital goods, whereas others invest aggressively in the development of prototypes.

After the preliminary completion of acquisition activities Unternehmens Invest AG will now primarily focus on the management, development and strengthening of the existing shareholdings. Even if we cannot rule out near-term setbacks, we consider the midterm development potential of UIAG's shareholdings positively.

Vienna, September 2019

Rudolf Knünz
Chairman

Paul Neumann
Member

INTERIM GROUP MANAGEMENT REPORT

on the first half of 2019 of Unternehmens Invest AG

IMPORTANT EVENTS IN THE FIRST HALF OF 2019 (1 JAN TO 30 JUN 2019)

Capital increase through contribution in kind and cash capital increase

On 28 November 2018 the extraordinary general meeting of Unternehmens Invest AG resolved to increase the share capital from € 30,897,500.00 by € 14,545,183.51 to € 45,442,683.51 with a capital increase through contribution in kind by issuing 2,000,713 no-par bearer shares and to further increase the share capital by € 861,087.88 with a cash capital increase by issuing 118,444 no-par bearer shares at an issue price of € 25.30 per share.

For further details to the capital increase through contribution in kind and cash capital increase please refer to the notes in the consolidated financial statements on page 21.

Sale of LCS Holding GmbH

By acquisition and transfer agreement signed on 15 April 2019 the 32.5% share of LCS Holding GmbH was sold for € 4,997k. After the deduction of the contingent consideration in the amount of € 2,453k Unternehmens Invest AG obtained a reflux of funds in the amount of € 2,543k.

General Meeting

On 29 May 2019 the Annual General Meeting für the business year 2018 took place. Mr. Michael Magerl was elected into the Supervisory Board for four years – the maximum permissible period in accordance with section 87 para 7 of the Stock Corporation Act. With the appointment of Mr. Magerl the number of Supervisory Board members was increased to five.

Also, the resolution to transfer the balance sheet date to 30 September and to form an abridged business year from 1 January to 30 September 2019 passed.

This decision was made since it will facilitate the full consolidation of All for One Group AG – whose balance sheet is 30 September – in business year 2019. Therefore also the balance sheet dates of the shareholdings Pongratz Trailer-Group GmbH, BEGALOM Guss GmbH, Plastech Holding GmbH, UIAG Informatik-Holding GmbH and UIAG Beteiligungs GmbH were transferred to 30 September.

PORTFOLIO STATUS AND PERFORMANCE

As of 30 June 2019 Unternehmens Invest AG had holdings in the following companies:

Direct shareholdings	30 Jun 2019	31 Dec 2018
Pongratz Trailer-Group GmbH [1]	100.0%	100.0%
BEGALOM Guss GmbH	70.08%	65.28%
LCS Holding GmbH	–	32.50%
All for One Group AG [2]	25.07%	25.07%
Plastech Holding GmbH	90.0%	32.0%
UIAG Informatik-Holding GmbH	90.95%	49.55%
UIAG Beteiligungs GmbH	100.0%	100.0%

Unternehmens Invest AG has no branch offices.

REPORT ON THE SHAREHOLDINGS OF UNTERNEHMENS INVEST AG

IT segment

All for One Group AG

In the first three quarters of business year 2018/2019 (1 Oct 2018 to 30 Jun 2019) All for One Group AG increased revenues by 7% to € 266.9m. Revenues from cloud services & support increased by 18%, recurring revenues increased by 12% and account for 48% of the total revenues. Business development in the CORE segment (ERP and collaboration solutions for companies' core business processes) also remains characterized by expensive capital expenditure on SAP S/4HANA (know-how, building experience, business process library) and platform business. The adjusted EBIT for the first three quarters amounts to € 13.5m. One-time cost for the strategy offensive 2022 and the first-time application for IFRS 15 affect the EBIT with € 3.0m in total.

The new customer business of All for One Group AG is growing satisfactorily, while existing customers, especially the manufacturers of capital goods for the automotive sector are adopting a more cautious approach and increasingly defer projects and new capital expenditures. As a result, the EBIT guidance for 2018/2019 was adjusted. Instead of initial expectations of € 21m to € 22m the forecast now expects € 18m to € 21m (each before one-off costs relating to the strategy offensive und from the first-time application of IFRS 15). The revenue forecast for business year 2018/2019 – expecting revenues between € 345m and € 355m – can be confirmed based on the acquisitions carried out in the current business year.

From the shareholding of All for One Group AG Unternehmens Invest AG received a dividend payment in the amount of € 1.5m in March 2019.

[1] Thereof 1% via UIAG Beteiligungs GmbH
[2] UIAG Informatik-Holding GmbH holds another 25.07% of All for One Group AG

UIAG Informatik-Holding GmbH

After the capital increase through contribution in kind Unternehmens Invest AG now holds 90.95% of UIAG Informatik-Holding GmbH. For further details to the capital increase through contribution in kind and cash capital increase please refer to the notes in the consolidated financial statements on page 21.

UIAG Informatik-Holding GmbH holds 1,248,873 shares (25.07%) of All for One Group AG. UIAG Informatik-Holding GmbH received a dividend payment in the amount of € 1.5m in March 2019 from All for One Group AG

Plastics segment

Plastech Holding GmbH

After the capital increase through contribution in kind Unternehmens Invest AG now holds 90.0% of Plastech Holding GmbH. For further details to the capital increase through contribution in kind and cash capital increase please refer to the notes in the consolidated financial statements on page 21.

Plastech Holding GmbH and its 100% subsidiary Plastech Beteiligungs GmbH are holding companies for the acquisition and administration of industrial companies, for the management of associated companies and shareholdings of Plastech Holding Group, for the providing of group services for these companies as well as in the field of management consultancy in the area of plastics.

Plastech Holding GmbH holds 25.01% of **BAGE Recycling GmbH**, specialized in the recycling of plastics from electronic waste and post consumer fridge recycling. BAGE ranks among the largest European refrigerator recycling companies.

Plastech Beteiligungs GmbH holds 74.95% of **Kautex Holding GmbH**. Kautex Holding GmbH in Bonn/Germany as a holding company actively manages its subsidiaries. Kautex Maschinenbau GmbH (Bonn/Germany) and Shunde Kautex Plastics Technology Co., Ltd. (Shunde/China) are the operating companies. In addition to these two manufacturing companies, distribution companies in the USA, Russia, Hong Kong and Mexico exist.

Kautex Group is a world-wide manufacturer of special-purpose machinery. The company's corporate purpose is the development, manufacturing and distribution of machines and systems, the construction and start-up of plants, in particular for the processing of plastics, the management of related technical services and research. Kautex's product portfolio includes blow-molding machines in various sizes for different applications in four segments (automotive, industrial packaging, consumer packaging and special applications).

Due to the current strained situation in the automotive supply industry the order intake of the automotive segment was behind expectations in the first half of 2019. However, margins in other segments could be increased.

In the first half of 2019 Plastech Holding Group achieved revenues in the amount of € 55.6m.

UIAG segment

The first half of 2019 was characterized by the capital increase through contribution in kind and cash capital increase at the beginning of the year. The balance sheet of the individual financial statements of Unternehmens Invest AG changed considerably and the balance sheet total increased by approximately € 56m by 30 June 2019.

As already explained the share of LCS Holding GmbH was sold and the shareholding of BEGALOM Guss GmbH increased by 4.8%.

Other segment

Pongratz Trailer-Group GmbH

Despite a stagnant market Pongratz Group increased revenues by 7% to € 13.5m in the first half of 2019. Pongratz increased the market share to approximately 36.6% and thus remained number one on the Austrian trailer market.

The program to reduce procurement cost established in the second half of 2018 shows the first positive results and material price increases passed their peak. This will lead to an increase in revenues in the mid-term. For operative support of the management and to enhance the organizational and management structure a second management level was established in recent months.

UIAG Beteiligungs GmbH

UIAG Beteiligungs GmbH holds 1% of the shares of Pongratz Trailer-Group GmbH.

BEGALOM Guss GmbH

As of 17 June 2019, another 4.8% of BEGALOM Guss GmbH were acquired from a shareholder for € 75k. Unternehmens Invest AG now holds 70.08% of BEGALOM GUSS GmbH.

The order intake in the first half of 2019 made a new record high. BEGALOM still focusses on the reduction of rejects and the increase of efficiency of production processes as well as efficient material use to optimize their output in the long term.

The revenues of BEGALOM Guss GmbH are with € 2.9m at previous year’s level, whereby the share of in-house produced services was increased considerably. BEGALOM benefits from the current technology development in the automotive sector and generated a considerable percentage of their revenues in the first half of 2019 from development projects in the sector of electromobility.

EMPLOYEES

The average amount of employees increased considerably due to the first-time consolidation of UIAG Informatik-Holding Group and Plastech Holding Group.

Employees on average	H1 2019	2018
Employees	2,212	70
Workers	480	171
	2,692	**241**

RESEARCH AND DEVELOPMENT

In the first half of 2019 Plastech Holding Group and in particular Kautex Maschinenbau GmbH continued their ongoing research and development work, finished several projects and started new projects. The expenses for research and development of Kautex Maschinenbau GmbH in the first half of 2019 amounted to € 2,492k, thereof development cost for product capable developments in the amount of € 910k were capitalized.

Kautex Maschinenbau GmbH focused its development in the first half of 2019 specifically on the product modularization and the advancement of machine and process engineering in the automotive and industrial packaging segment.

In addition to that UIAG Group did not carry out any significant activities in the field of research and development.

RISK REPORT

All for One Group AG – first-time fully consolidated - continuously monitors opportunities and risks, currently focusing on the risks associated with social, political, macroeconomic and regulatory trends which are considered as high. The signs warning of an economic downsizing in Germany have increased considerably. These fears have not materialized so far in the midmarket – the area of particular focus for All for One Group AG. Risks associated with the competitive situations with strategic partners are persisting and high, whereas the close collaboration with strategic partner at all levels continue to mitigate these risks, as does the increase in mutual interdependencies in the wake of the growth of All for One Group AG.

For Kautex Group – also first-time fully consolidated – the economic development in the automotive segment presents a risk. The custom disputes between the USA, China and Europe are a risk for Kautex because of its production sites and the relevant buyer markets.

For further reference please refer to the notes in the consolidated financial statements 2018.

SHAREHOLDER STRUCTURE OF UNTERNEHMENS INVEST AG

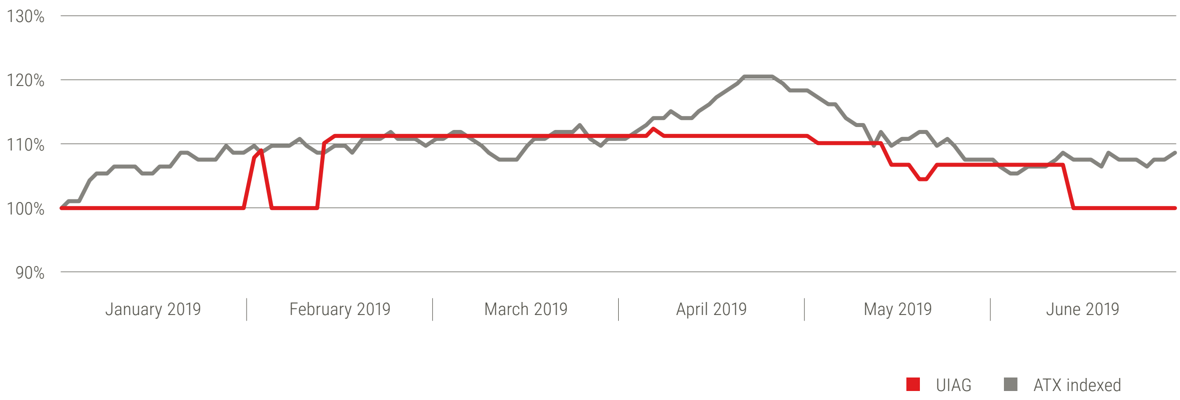
After the execution of the capital increase through contribution in kind and the cash capital increase in the first quarter of 2019 the share capital of Unternehmens Invest AG amounts to € 46,303,771.39 and is divided into 6,369,157 shares (before: € 30,897,500.00; 4,250,000 shares).

Shareholders	Sep 2019	31 Dec 2018
Knünz Invest Beteiligungs GmbH	36.20%	51.02%
Knünz GmbH	11.39%	15.94%
Robotec GmbH [1)]	–	0.86%
Nucleus Beteiligungs GmbH	17.82%	26.61%
Mr. Paul Neumann	13.89%	–
Mr. Bernd Neumann	9.82%	–
QINO Pipe One Ltd.	7.21%	–
Free float	3.67%	5.57%

[1)] As of 21 August 2018 Robotec GmbH and Knünz Invest Beteiligungs GmbH were merged. The UIAG shares held by Robotec GmbH were transferred to Knünz Invest Beteiligungs GmbH. At the time of merger Robotec GmbH held – after the capital increase in kind and cash capital increase – 2.15% UIAG shares, Knünz Invest Beteiligungs GmbH held 34.05% UIAG shares.

PERFORMANCE OF UIAG SHARES

As of 30 June 2019, the closing price of UIAG shares amounted to € 20.00 (market capitalization € 127.4m).
As of 25 September 2019, the closing price of UIAG shares amounted to € 18.70 (market capitalization € 119.1m).



OUTLOOK

We look ahead with confidence further on although the global economic situation became significantly more defiant. The flagging economic momentum, the trade dispute between the USA, China and Europe and the difficulties in the automotive sector affect each shareholding of UIAG Group to a different extent, both positively and negatively. Customers from the automotive sector postpone or cancel major investments in capital goods, whereas others invest aggressively in the development of prototypes.

After the preliminary completion of acquisition activities Unternehmens Invest AG will now primarily focus on the management, development and strengthening of the existing shareholdings. Even if we cannot rule out near-term setbacks, we consider the midterm development potential of UIAG's shareholdings positively.

Vienna, 27 September 2019

The Management Board of Unternehmens Invest AG

Rudolf Knünz
Chairman

Paul Neumann
Member

CONSOLIDATED FINANCIAL STATEMENTS

on the first half of 2019 of Unternehmens Invest AG

CONSOLIDATED BALANCE SHEET

ASSETS; €k	30 Jun 2019	31 Dec 2018
Non-current assets		
Intangible assets	271,010	568
Tangible assets	85,842	7,091
Financial assets recognized at-equity	4,634	91,838
Deferred taxes	2,606	254
Other non-current assets	9,509	9,929
	373,602	109,681
Current assets		
Inventory	38,094	5,612
Trade receivables and other receivables	93,022	4,096
Cash and cash equivalents	32,859	1,564
	163,975	11,272
Total assets	537,577	120,953

EQUITY AND LIABLITIES; €k	30 Jun 2019	31 Dec 2018
Equity		
Share capital	46,304	30,898
Provisions including consolidated profit/loss	117,849	78,637
Equity attributable to shareholders of the parent company	164,153	109,535
Non-controlling interests	42,502	11
	206,655	109,546
Non-current liabilities		
Financial liabilities	110,580	1,818
Personnel liabilities	17,176	707
Deferred tax liabilities	49,204	0
Other non-current liabilities	19,761	2,408
	196,721	4,933
Current liabilities		
Financial liabilities	30,152	2,273
Trade payables and other liabilities	97,628	4,151
Provisions	6,420	49
	134,200	6,473
Total equity and liablities	537,577	120,953

CONSOLIDATED INCOME STATEMENT

€k	H1 2019	H1 2018
Revenues	244,792	15,464
Changes in inventories	1,408	(109)
Other operating income	1,793	243
Material expenses	(94,726)	(9,013)
Personnel expenses	(106,491)	(5,141)
Other operating expenses	(30,381)	(2,144)
Depreciation	(18,015)	(1,425)
Results of associates recognized at-equity	(532)	1,339
Operating result (EBIT)	**(2,152)**	**(786)**
Interest income	(2,398)	128
Other finance and participation result	4,902	(2)
Result from the valuation of callable non-controlling interests	345	0
Profit before tax	**697**	**(660)**
Tax income	2,725	10
Profit after tax	**3,422**	**(650)**
Result from assets held for sale	0	(10)
Net profit for the period	**3,422**	**(660)**
thereof shareholders of parent company	*2,125*	*(541)*
thereof non-controllling interests	*1,297*	*(119)*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€k	H1 2019	H1 2018
Net profit for the period	**3,422**	**(660)**
Items, that can be subsequently reclassified into profit or loss:		
Cash flow hedge accounting – net change of fair value	(121)	0
Currency translation from assets recognized at-equity	0	32
Currency translation differences	(14)	(6)
Deferred taxes	30	0
	(105)	26
Items, that cannot be subsequently reclassified into profit or loss:		
Revaluation of defined benefit obligations	30	(4)
Deferred taxes	(8)	1
	23	(3)
Other comprehensive income for the period	**(82)**	**23**
Total comprehensive income for the period	**3,340**	**(637)**
thereof shareholders of parent company	*2,077*	*(518)*
thereof non-controllling interests	*1,263*	*(119)*
Result per share	**€ 0.54**	**(€ 0.16)**

CONSOLIDATED CASH FLOW STATEMENT

€k	H1 2019	H1 2018
Net profit for the period	**3,422**	**(660)**
Depreciation and impairment of tangible and intangible assets	18,015	470
Impairment of tangible and intangible assets	5	955
Result from associated companies recognized at-equity	532	(1,339)
Dividends received	0	1,499
Result from deconsolidation and debt waiver	0	(719)
Income from the sale of shareholdings	(2,025)	729
Other changes	(3,634)	5
Consolidated cash flow from the result	**16,316**	**940**
Changes of working capital	(12,935)	500
Income tax paid	(6,230)	(129)
Consolidated cash flow from operating activities	**(2,849)**	**1,311**
Investments in tangible and intangible assets	(12,923)	(287)
Acquisition of subsidiaries, less acquired cash and cash equivalents	30,151	0
Loans to companies recognized at-equity	0	(9,092)
Repayment of loans from companies recognized at-equity	0	2,000
Grants to companies recognized at-equity	0	(4,179)
Proceeds from the sale of financial assets	2,241	61
Other changes	2,543	6
Consolidated cash flow from investing activities	**22,012**	**(11,491)**
Changes in non-current financial liabilities	4,688	(124)
Changes in current financial liabilities	12,459	(32)
Changes in lease liabilities	(4,940)	(117)
Dividends paid	(2,997)	0
Transactions with non-controlling shareholders	(75)	0
Proceeds from capital increases	2,997	0
Consolidated cash flow from financial activities	**12,132**	**(273)**
Changes in cash and cash equivalents	**31,295**	**(10,453)**
Cash and cash equivalents at beginning of the period	1,564	15,676
Cash and cash equivalents at end of the period	**32,859**	**5,223**
Consisting of cash and cash in bank	*32,859*	*5,223*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€k	Attributable to shareholders of the parent company						Non-controlling interests	Total group equity
	Share capital	Provisions including consolidated profit/loss	IAS 19 reserve	Cash flow hedge reserve	IAS 19 reserve	Total		
As of 1 Jan 2018 = 31 Dec 2018 published	30,898	79,784	330	0	27	111,039	(389)	110,651
Adjustments from first-time application of IFRS 9 and IFRS 15	0	(6)	0	0	0	(6)	0	(6)
As of 1 Jan 2018 adjusted	30,898	79,778	330	0	27	111,033	(389)	110,645
Other comprehensive income	0	0	(3)	0	26	23	0	23
Net profit for the period	0	(541)	0	0	0	(541)	(119)	(660)
Total comprehensive income for the period	0	(541)	(3)	0	26	(518)	(119)	(636)
Deconsolidation	0	0	0	0	0	0	481	481
Other changes	0	(3)	0	0	0	(3)	1	(2)
Transactions with shareholders of the parent company	0	(3)	0	0	0	(3)	482	479
As of 30 Jun 2018	30,898	79,234	327	0	53	110,512	(26)	110,488
As of 1 Jan 2019 = 31 Dec 2018 published	30,898	78,249	394	(25)	18	109,534	11	109,546
Other comprehensive income	0	0	27	(82)	7	(48)	(34)	(82)
Net profit for the period	0	2,125	0	0	0	2,125	1,297	3,422
Total comprehensive income for the period	0	2,125	27	(82)	7	2,077	1,263	3,340
Capital increase	15,406	37,462	0	0	0	52,868	0	52,868
First-time consolidation of subsidiaries with non-controlling interests	0	0	0	0	0	0	44,161	44,161
Cost of capital increase	0	(325)	0	0	0	(325)	0	(325)
Distributions from subsidiaries	0	0	0	0	0	0	(2,997)	(2,997)
Other changes	0	(2)	0	0	0	(2)	64	62
Transactions with shareholders of the parent company	15,406	37,135	0	0	0	52,541	41,228	93,769
As of 30 Jun 2019	46,304	117,509	421	(107)	25	164,152	42,502	206,655

SEGMENT REPORTING

€k	IT	Plastics	UIAG	Other	Consoli-dation	Recon-ciliation	Group
H1 2019							
Revenues	172,729	55,629	0	16,434	0	0	**244,792**
thereof external	*172,729*	*55,629*	*0*	*16,434*	*0*	*0*	***244,792***
Depreciation	(14,605)	(2,847)	(33)	(419)	0	(111)	**(18,015)**
Result from companies recognized at-equity	0	(114)	0	0	0	(418)	**(532)**
EBIT (operating result)	715	(1,178)	(1,281)	(261)	0	(147)	**(2,152)**
Interest income	404	3	609	0	(609)	0	**407**
Interest expenses	(1,063)	(2,199)	(97)	(46)	608	(8)	**(2,805)**
Other finance and participation result	0	(1)	2,686	(1)	1,104	1,114	**4,902**
Result from the evaluation of callable non-controlling interests	0	345	0	0	0	0	**345**
EBT (profit before tax)	56	(3,030)	1,917	(308)	1,103	959	**697**
30 Jun 2019							
Assets	258,168	179,461	124,255	18,088	(48,019)	5,624	**537,577**
Shares of associated companies	0	4,634	0	0	0	0	**4,634**
Investments[1)]	31,471	2,539	1	254	0	476	**34,741**
Liabilities	183,986	175,395	3,582	15,924	(48,317)	352	**330,922**

[1)] Investments in the first half of 2019

€k	UIAG	Pongratz Group	UIAG Holding Group	Begalom	Consoli-dation	Recon-ciliation	Recon-ciliation UGB/IFRS	Group
H1 2018								
Revenues	0	12,506	0	2,982	0	(24)	0	**15,464**
thereof external	*0*	*12,506*	*0*	*2,982*	*0*	*(24)*	*0*	***15,464***
Depreciation	(32)	(312)	0	(115)	(943)	(11)	(12)	**(1,425)**
Result from companies recognized at-equity	0	0	0	0	0	0	1,339	**1,339**
EBIT (operating result)	(728)	(123)	0	(312)	(943)	(7)	1,327	**(786)**
Interest income	201	0	0	0	(69)	0	44	**176**
Interest expenses	(5)	(99)	0	(10)	69	(3)	0	**(48)**
Other finance and participation result	1,497	0	0	0	0	0	(1,499)	**(2)**
EBT (profit before tax)	965	(222)	0	(322)	(943)	(10)	(128)	**(660)**
Income from discontinued operations	(697)	0	687	0	0	0	0	**(10)**
31 Dec 2018								
Assets	68,142	12,911	0	2,737	(19,319)	46	56,436	**120,953**
Shares of associated companies	45,747	0	0	0	0	0	46,091	**91,838**
Investments[1]	285	739	0	135	0	0	0	**1,159**
Liabilities	3,193	10,946	0	2,713	(5,400)	(46)	0	**11,406**

[1] Investments in the first half of 2018

Both acquisitions (UIAG Informatik-Holding GmbH and Plastech Holding GmbH) as described in the notes to the consolidated interim financial statements for the first half of 2019 are two new reporting segments, guided by IFRS. UIAG Informatik-Holding Group is reported in the IT segment and Plastech Holding Group in the Plastics segment.

Because of the new acquisitions the existing segments were consolidated based on their size ratio. Due to the change of the basis of segmentation the Pongratz Group and Begalom segments are now joined in the Other segment. UIAG is an individual segment. The Other segment and UIAG are guided by UGB as before. The major reclassifications from UGB to IFRS are reported in the field “reconciliation” and derive from the different approach to leasing in UGB versus IFRS and the evaluation of shareholdings.

The retroactive adjustment of the segment reporting is forgone since the new segmentation results from the company mergers at the beginning of January 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

on the first half of 2019 of Unternehmens Invest AG

ACCOUNTING AND VALUATION METHODS

The consolidated financial statements as of 30 June 2019 of Unternehmens Invest AG were set up in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in accordance with interpretations of the International Reporting Interpretations Committee (IFRIC) to the extend used in the EU and in accordance with the rules for interim reports in IAS 34. The same reporting rules and accounting and valuation methods were used as of 31 December 2018 – except for the adjustments listed below.

This abridged consolidated financial statement for the first half of 2019 was neither audited nor subject to review.

As of 1 January 2019 Unternehmens, Invest AG applies the total cost method for the consolidated income statement. The transition from the cost of sales method was made to comply with All for One Group AG which is fully consolidated in business year 2019 and applying the total cost method for the income statement.

Hereinafter accounting and valuation methods are described applied for the newly acquired companies in business year 2019 (see note “Major acquisition in the first half of 2019”).

Research and development cost

Research cost are recognized as expenses in the period they accrued. Immaterial assets from the development of a single project are only recognized according to IAS 38.57 if the following evidence for the future economic benefit of the asset can be proved:

- technical feasibility until completion of the intangible asset;
- the intention and ability to complete the asset, to use it, or to sell it;
- the availability of the required technical, financial and other resources,
- the nature of the future economic benefit by proof of existence of a market for this asset, and
- the determination of a recoverable amount in accordance with IAS 36.

Derivative financial instruments

Derivative financial instruments are applied exclusively for the hedging of currency and interest rate risks. They are always recognized at fair value and reported in the balance sheet as “other financial asset” (positive fair value) or “financial liability” (negative fair value). The attributable fair value is based on current reference prices at the balance sheet date considering forward premiums and forward discounts.

Plastech Beteiligungs GmbH and UIAG Informatik-Holding GmbH apply interest swaps to hedge interest risks. The prerequisite for the recognition as cash flow hedge applies, thus the value fluctuations of the interest swap are recognized in the other comprehensive income. The cash flow hedge provision, as part of the equity of UIAG Group, includes the value fluctuations of these interest swaps.

Kautex Holding Group cannot picture a formal hedging relationship (macro hedging) with their underlying transactions (foreign currency receivables and liabilities), therefore the prerequisites for hedge accounting are not given. The fair value fluctuations for these derivatives are recognized in the income. In the income statement the value changes of the recognized underlying transactions and of the derivatives are largely offset. The same applies for interest hedging by interest rate caps.

Liabilities from callable non-controlling interests

In the course of the acquisition of 74.95% of Kautex Holding GmbH by Plastech Beteiligungs GmbH in February 2018, Plastech Holding GmbH controls the relation of Plastech Holding GmbH and the remaining shareholders by means of a shareholding contract with option agreement. The contract settles the option to acquire or sell the remaining 25.05% shares of Kautex Holding GmbH. These remaining shares are held by the company management (21.70%) and a holding of company employees (3.35%). Several options were established depending on time and nature of resignation of the management shareholders. In case a management shareholder resigns before the contractually agreed time or terminates the employment for good reason, a 20% discount from the purchase price in the option contract will apply.

25.05% of the shares of Kautex Holding GmbH are recognized as liability at the present value of the redemption amount and reported as callable non-controlling interests in the current and non-current liabilities. 80% of the expected exercise price of the option of the management shareholders are recognized as liability, the remaining 20% are recognized as expenses over the term of the employment contracts in question and added to the personnel provisions. The expected exercise price of the management shareholding company is recognized as liability at 100%.

The liability was recognized for the first-time according to the Anticipated Acquisition Method, without disclosure of the non-controlling interests. The company merger shows the acquisition of 100% of the shareholding.

The subsequent valuation of the put liability regarding future value fluctuations is recognized in the consolidated income statement.

Employee benefit liabilities and long-term personnel obligations

Current and former employees of All for One Group AG receive benefits and pensions based different national pension plans. Besides defined contribution plans, defined benefit plans which are evaluated using the projected unit credit method according to IAS 19.

Plastech Holding Group in Germany grants benefits in form of pension obligations. The obligation for defined contribution plans lies with the respective national pension plan. Payment obligations from these plans are recognized as expense in the income statement upon work performance.

The consolidated balance sheet shows the total amount of personnel liabilities at the respective balance sheet date. The consolidated income statement recognizes the actuarial gains and losses at the time of their development and considers the deferred taxes in the other comprehensive income. A subsidiary of Plastech Holding Group in the USA has a defined contribution plan.

Plastech Holding Group holds – besides pension obligations, obligations for partial retirement and pre-retirement benefits – long-term personnel obligations. These long-term personnel obligations include the expenses apportionable over the term of the service contracts of those management shareholders of Kautex Holding GmbH holding an option agreement for another 25.05% of the shares of Kautex Holding GmbH. This applies to 20% of the expected exercise price (see note “Accounting and valuation methods”, “Liabilities from callable non-controlling interests“). This is considered as other long-term benefit.

Contingent liabilities

Potential existing liabilities are not recognized in the consolidated balance sheet if the cash outflow is unlikely and their possible financial effect is recognized as contingent liability.

Realization of income

Income from the sales of goods – except from long-term production orders – is recognized at the time of delivery of goods or services and the transition of the legal ownership or risk to the buyer. At this point the amount of revenue can be determined reliably and the inflow of economic benefit is sufficiently probable. Customer bonuses, discounts, cash discounts and elimination of earnings reduce the revenues.

Where several services are provided to one customer, these services are either specified in individual separate contracts or summarized in a standardized agreement consisting of several performance obligations. Where services are agreed with a customer in separate, individual contracts in close temporal relation, these must be collated into a standard multi-component contract under IFRS 15. The entire transaction price of a multi-component contract must be split among the individual performance obligations. Contract assets are recognized in the balance sheet under “Other non-current assets” and contract liabilities are recognized in “Other liabilities” according to maturities.

According to IFRS 15 cost of contract acquisition must be capitalized and written off in accordance with the transfer of the right of disposal of the underlying goods and services to the customer. Unternehmens Invest AG exercises the option of immediate recognition of expenses provided that the period of amortization would be less than one year. The cost of contract acquisition is recognized in the balance sheet under “Other assets” according to maturities.

For revenue recognition of long-term production orders please refer to item “Projects” in the following.

Projects

Projects are recognized using the percentage-of-completion method. The stage of completion is determined according to the ratio of cost incurred to the estimated overall cost using the cost-to-cost method. The corresponding profit of the project is realized based on the calculated stage of completion. If the order result cannot be measured in a reliable manner, revenues are realized in the amount of cost incurred.

These projects are recognized in receivables respectively liabilities from long-term production contracts. If the processed services exceed the partial settings and pre-payments, the production orders are recognized on the assets side in trade receivables. If – after the recognition of partial settings and pre-payments – a negative balance remains, the production orders are recognized in trade liabilities. For impending losses provisions are set up if necessary.

SIGNIFICANT DISCRETIONARY DECISIONS AND ESTIMATES

In the following significant discretionary decisions and estimates for companies newly acquired in business year 2019 are explained (see note “Major acquisitions in the first half of 2019”).

Income taxes

Estimates are to be made for the set up of tax provisions. Additionally, it must be determined if the deferred tax assets require value adjustments. The probability whether deferred tax assets from temporary differences and losses carried forward can be offset against taxable profits must be assessed. Furthermore, uncertainties exist regarding the interpretation of complex tax regulations and the amount and time of future taxable income. Differences between actual results and estimates of future changes of these assumptions can affect future tax expenses and tax refunds.

Production orders

The recognition of production orders according to the percentage-of-completion method is based on the estimate of contract cost. Changes in estimates or deviations of actual cost from estimated cost directly affect the realized result.

Discretionary decisions

Information on significant discretionary decisions regarding the application of accounting and valuation methods with the most significant effect on the amounts recognized in the consolidated financial statements are included in the notes below:

- Accounting and valuation methods – derivative financial instruments
  Regarding the application requirement of hedge accounting and the compliance with the application requirements;
- Accounting and valuation methods
  Calculation of the expected exercise price of the option on callable non-controlling shares

CHANGES TO THE ACCOUNTING STANDARDS

IFRS 16 “Leasing”

IFRS 16 regulates the accounting of leases. The standard provides a single accounting model for the lessee. The lessee is required to recognize all assets and liabilities from leases in the balance sheet unless their term is twelve months or less, or the asset is of low value (right of choice). For balancing purposes, the lessor differentiates between finance or operate lease. IFRS 16 applies to business years starting on or after 1 January 2019.

UIAG Group applied IFRS 16 as of 1 January 2019 for the first-time and choose the method of cumulative adjustment effects, thereby the comparative results from business year 2018 were not changed. The cumulative effects from the first-time application are as follows:

Consolidated balance sheet; €k	31 Dec 2018	Adjustment from first-time application of IFRS 16	1 Jan 2019
ASSETS			
Tangible assets	7,091	348	7,439
LIABILITIES			
Non-current financial liabilities	1,818	271	2,089
Current financial liabilites	2,273	77	2,350

The usage rights as recognized in tangible assets refer to the following kind of assets:

€k	30 Jun 2019	1 Jan 2019
Land and buildings	27,159	16
Equipment and machinery, operational and office equipment	6,949	960
Usage rights	**34,108**	**976**

The transition from the operating leasing liabilities as of 31 December 2018 to the balance value of leasing liabilities as of 1 January 2019 is as follows:

Liabilities from operating leasing as of 31 December 2018	412
Lease liabilities recognized as of 31 December 2018 (finance lease)	578
Short-term leasing contracts, recognized as expenses	(14)
Effect from discounting at the time of first-time application	(70)
Other adjustments	20
Leasing liabilities as of 1 January 2019	**926**

UIAG Group applies the following exemptions according to IFRS 16.C10 for the transition:

- The definition of leasing was retained, meaning UIAG Group applies IFRS 16 to all contracts entered before 1 January 2019 and identified as leasing according to IAS 17 and IFRIC 4.
- For short-term leases with a remaining term of less than twelve months after first-time application and for the lease of assets of low value neither asset nor leasing liability were recognized.
- Initial direct cost was unconsidered in the evaluation of usage rights as of 1 January 2019.
- The evaluation of extension and termination options was done at the first-time application of IFRS 16.
- No onerous contracts were identified at the time of first-time application; thus an adjustment of usage rights was not necessary.

The weighted average incremental borrowing rate of interest of the lessee applied to the leasing liability as of 1 January 2019 was 0.47%.

For further information of valuation and accounting methods please refer to the recently published and audited consolidated financial statements as of 31 December 2018, which is the basis for these interim statements. Several explanatory notes regarding important events required for the understanding of the interim report as of 30 June 2019 are included in the abridged report.

As already explained in the interim group management report the balance sheet date is transferred from 31 December 2019 to 30 September 2019. An abridged business year from 1 January fo 30 September 2019 is formed.

CONTRIBUTION IN KIND AND CASH CAPITAL INCREASE OF UNTERNEHMENS INVEST AG

On 28 November 2018, the extraordinary general meeting of Unternehmens Invest AG resolved to increase the share capital from € 30,897,500.00 by € 14,545,183.51 to € 45,442,683.51 with a capital increase through contribution in kind by issuing 2,000,713 no-par bearer shares and to further increase the share capital by € 861,087.88 with a cash capital increase by issuing 118,444 no-par bearer shares at an issue price of € 25.30 per share.

On 3 January 2019 the respective contribution in kind agreements were signed. On 14 January 2019 Unternehmens Invest AG was informed of the authorization of the merger by the antitrust authorities. On 29 January 2019 the contribution in kind was registered in the company register.

Cash increase through contribution in kind

Shareholdings in UIAG Informatik-Holding GmbH and Plastech Holding GmbH were transferred as contributions in kind. The contributing persons (or in the case of Rudolf Knünz the attributable Knünz GmbH) being shareholders of UIAG Informatik-Holding GmbH and Plastech Holding GmbH also granted loans to those companies. These loans were contributed along with the shareholdings to the contribution in kind. The total of the claim from the loan to UIAG Informatik-Holding GmbH amounts to € 6,749k; the total of the claims from the loan to Plastech Holding GmbH amounts to € 18,010k.

Thus, Unternehmens Invest AG acquired by means of a capital increase through contribution in kind by issuance of new shares a shareholding of 41.40% of the equity capital of UIAG Informatik-Holding GmbH and a shareholding of 58% of the equity capital of Plastech Holding GmbH and now holds 90.95% of the equity of UIAG Informatik-Holding GmbH and 90.0% of the equity of Plastech Holding GmbH.

UIAG share	Before capital increase	After capital increase
UIAG Informatik-Holding GmbH	49.55%	90.95%
Plastech Holding GmbH	32.00%	90.00%

Capital increase

In order to compensate the dilution of the free float shareholders in the course of the capital increase through contribution in kind, a cash capital increase was carried out.The share capital of Unternehmens Invest AG was increased through issuance of 118,444 new no-par bearer shares. The subscription price per new share amounted to € 25.30, this equals an issuing amount of € 2,997k.

To ensure a full subscription of the cash capital increase, Mr. Paul Neumann has undertaken to subscribe for and acquire all new shares not subscribed for in the rights offering. The free float subscribed 1,185 (1%) new shares, Mr. Neumann subscribed 117,259 new shares.

The cost fort he capital increase in the amount of € 325k were recognized in the equity.

SCOPE OF CONSOLIDATION

All significant subsidiaries controlled by Unternehmens Invest AG are included in this consolidated interim report for the first half of 2019 from 1 January to 30 June 2019.

As of 30 June 2019 Unternehmens Invest AG holds the following direct shareholdings.

Direct shareholdings	UIAG share	Consolidation
Pongratz Trailer-Group GmbH	99.0%	FC
BEGALOM Guss GmbH	70.08%	FC
All for One Group AG, Deutschland	25.07%	FC
Plastech Holding GmbH	90.0%	FC
UIAG Informatik-Holding GmbH	90.95%	FC
UIAG Beteiligungs GmbH	100.0%	FVTPL

FC = Fully consolidated FVTPL = At fair value through profit or loss

LCS Holding GmbH was consolidated at-equity until 31 March 2019. With acquisition and transfer agreement signed on 15 April 2019 the 32.5% shareholding was sold for € 4,997k. After the deduction of liabilities from a purchase price allocation Unternehmens Invest AG received a reflux of funds in the amount of € 2,543k.

After the capital increase through contribution in kind and the cash capital increase the share of Plastech Holding GmbH increased from 32.0% to 90.0% and the share of UIAG Informatik-Holding GmbH from 49.55% to 90.95%. Both Unternehmens Invest AG and UIAG Informaik-Holding GmbH hold a direct share of 25.07% of All for One Group AG. From the group's perspective the calculated share on All for One Group AG amounts to 47.87%. Consequently, Plastech Holding Group (Plastech Holding GmbH and its subsidiaries) and UIAG Informatik-Holding Group (UIAG Informatik-Holding GmbH, All for One Group AG and their subsidiaries) are to be fully consolidated in the consolidated financial statements of Unternehmens Invest AG. These companies were consolidated at-equity before the capital increase through contribution in kind and the cash capital increase.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

Because of the company acquisitions in the first half of 2019 the notes for the comparative period can be compared with the previous periods only to a limited extent. UIAG's core business is the acquisition of equity stakes in companies, therefore the success of Unternehmens Invest AG must therefore be measured over a longer time period.

Revenues per region are as follows:

€k	H1 2019	H1 2018
IT segment		
Germany	148,432	0
Austria	8,924	0
Other EU countries	7,719	0
Other Europe	7,503	0
Asia	12	0
Northern America	133	0
Other regions	6	0
	172,729	0

€k	H1 2019	H1 2018
Plastics segment		
Germany	3,887	0
Austria	8	0
Other EU countries	8,293	0
Other Europe	10	0
Asia	25,466	0
Northern America	14,619	0
Other regions	3,346	0
	55,629	**0**
Other segment		
Germany	5,719	5,318
Austria	8,058	7,380
Other EU countries	1,897	1,998
Other Europe	760	768
	16,434	**15,464**
Revenues according to the consolidated income statement	**244,792**	**15,464**

In the first half of 2019 Unternehmens Invest AG achieved revenues in the amount of € 244,792k (H1 2018: € 15,464k), mainly from the two recently acquired shareholdings Plastech Holding Group and UIAG Informatik-Holding Group. Revenues of Pongratz Trailer-Group GmbH increased by 7.0% compared to the previous year, revenues of BEGALOM Guss GmbH are approximately at previous year's level.

The result of associated companies recognized at-equity include the current results from the associated companies BAGE Recycling GmbH and LCS Holding GmbH. The current result for LCS Holding GmbH was included for the first three months of 2019, since the shareholding was sold in April 2019.

A considerable increase of material, personnel and other operational expenses is due to the first-time consolidation of Plastech Holding Group and UIAG Informatik-Holding Group. The personnel and operational expenses include the one-time cost for the strategy offensive 2022 of All for One Group AG in the amount of € 2,000k.

The EBIT for the first half of 2019 amounts to € –2,152k (H1 2018: € –786k) and is burdened by the current write-off of the revaluation in the amount of € 4,882k from the purchase price allocation of Plastech Holding Group and UIAG Informatik-Holding Group.

The financial result in the first half of 2019 amounts to € 2,504k (H1 2018: € 126k) and can be attributed to the interest result in the amount of € –2,398k (H1 2018: € 128k) and to the other financial result in the amount of € 4,902k (H1 2018: € –2k). The other financial result consists of the result from the revaluation of the shares of UIAG Informatik-Holding GmbH, All for One Group AG and Plastech Holding GmbH in the amount of € 2,602k, the proceeds from LCS Holding GmbH in the amount of € 2,025k, and the dividend received from LCS Holding GmbH after the sale for business year 2018 in the amount € 276k.

The result from the evaluation of callable non-controlling interests amounts to € 345k. the liability from callable non-controlling interests exists for 25.05% of the shares of Kautex Holding GmbH.

Tax income includes income in the amount of € 799k from the settlement due to the exit of Unternehmens Invest AG, BEGALOM Guss GmbH and Pongratz Trailer-Group GmbH from the tax group Knünz GmbH. These companies exited the tax group Knünz GmbH with the beginning of business year 2019. From business year 2019 on these companies as well as Plastech Holding GmbH, Plastech Beteiligungs GmbH and UIAG Informatik-Holding GmbH will be members of the tax group Unternehmens Invest AG.

NOTES TO THE CONSOLIDATED BALANCE SHEET

The balance sheet total increased significantly as of 31 December 2018 from € 120,953k to € 537,577k, which can also be attributed to the first-time consolidation of UIAG Informatik-Holding Group and Plastech Holding Group. The equity ratio amounts to approximately 38.44% (31 Dec 2018: 90.57%).

In the previous business year shareholdings consolidated at equity were the major non-current assets (31 Dec 2018: € 91,838k). Due to the full consolidation as of 1 January 2019 of the companies All for One Group AG, UIAG Informatik-Holding GmbH and Plastech Holding GmbH as well as due to the the sale of LCS Holding GmbH this position now only includes the share of BAGE Recycling GmbH in the amount of € 4,634k.

The intangible assets at the interim balance sheet date 30 June 2019 amounted to € 271,010k (31 Dec 2018: € 568k) and mainly include goodwill (€ 145,327k), customer relations (€ 57,362k), trademark rights (€ 49,912k) and other intangible assets (€ 16,257k).

The tangible assets mainly increased from the first-time consolidations and the first-time application of IFRS 16. As of 30 June 2019, capitalized usage rights in the amount of € 34,108k exist and can be attributed to land and buildings in the amount of € 27,159k and to technical equipment, machinery and operating and office equipment in the amount of € 6,949k.

In the first half of 2019 investments in intangible assets in the amount of € 2,134k and in tangible assets in the amount of € 32,607k (H1 2018: € 287k) were made, whereby the majority of the investments can be attributed to All for One Group AG. These investments include the capitalized usage rights according to IFRS 16 and are not cash effective entirely.

Other non-current receivables include receivables from finance lease contracts in the amount of € 6,958k (31 Dec 2018: € 0k).

Current assets mainly include trade receivables in the amount of € 71,359k (31 Dec 2018: € 2,731k), inventories from operative subsidiaries in the amount of € 38,094k (31 Dec 2018: € 5,612k), receivables from finance lease contracts in the amount of € 4,056k (31 Dec 2018: € 0k) and cash and cash equivalents in the amount of € 32,859k (31 Dec 2018: € 1,564k).

The financial liabilities include non-current leasing liabilities in the amount of € 30,502k and current leasing liabilities in the amount of € 10,767k. Personnel liabilities include performance-related pension commitments in the amount of € 14,732k. The liabilities from callable non-controlled shares amount to € 17,494k as of 30 June 2019, whereby € 14,949k are non-current and € 2,535k current. This liability is included in other non-currents debts respectively trade liabilities and other liabilities in the balance sheet.

The equity including minority shares amounts to € 206,655k (31 Dec 2018: € 109,546k) as of 30 June 2019. The change results from the cash increase through contribution in kind and cash contribution and from the first-time consolidation of subsidiaries with non-controlling interests. The dividend payment from subsidiaries as stated in the changes in equity schedule was made by All for One Group AG to minorities.

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

The consolidated cash flow from operating activities in the first half of 2019 amounts to € –2,849k (H1 2018: € 1,311k). The income from the sale of shareholdings can be attributed to the sale of the share of LCS Holding GmbH.

The consolidated cash flow from investment activities includes investments in tangible assets and intangible assets, the acquisition of subsidiaries less liquid funds acquired. This position shows the acquisition of Plastech Holding Group and UIAG Informatik-Holding Group.

The consolidated cash flow from financing activities amounts to € 12,132k (H1 2018: € –273k). The dividend payment to minorities was made by All for One Group AG. The capital payment from non-controlling shareholders in the amount of € 2,997k is from the cash capital increase of Unternehmens Invest AG at the beginning of the business year.

Liquidity increased by € 31,295k to € 32,859k compared to 31 December 2018.

CONTINGENT LIABILITIES

As of 30 June 2019, a contingent liability from losses carried forward in the amount of € 3,213k (31 Dec 2018: € 0k) from UIAG Informatik-Holding Group exists. A derecognition of the losses carried forward based on existing tax-related uncertainties in accordance with IAS 37 is not unlikely. This contingent liability results from unrecognized losses carried forward by All for One Group AG in the amount of € 19.7m (§8 corporate tax law/Germany), derecognized in 2015 after changes within their scope of action in 2011. All for One Group AG appealed against the decision. In March 2018 the objection was granted by issuance of tax assessment notices with notice of provisional status for the assessment and reference period 2011. In the following the losses carried forward the changed tax assessment notices were fully offset against the profit including business year 2016. The reclaim of the refund from the tax authorities was considered probable thus the tax and interest income was recognized as current liability in the balance sheet. Considering all facts a reclaim of the refund in accordance with IAS 37 is unlikely. Therefore, the business transaction which was recognized in equity is now recognized in the income statement of UIAG Informatik-Holding Group and remains a contingent liability.

FINANCIAL INSTRUMENTS

The non-derivate financial instruments in the group are mainly financial assets, trade receivables and trade payables, liquid assets, financial receivables, financial debts and other receivables and liabilities.

The non-derivative financial instruments are shown in the consolidated balance sheet.

The fair value of financial instruments is determined by listed market prices for the identical instrument in active markets (level 1). In case no listed market price on active markets is available, the fair value is determined by valuation methods, whose parameters are based on monitorable market data (level 2). Otherwise the determination of the fair value is based on valuation methods whose parameters are not based on monitorable market data (level 3).

The use of derivative financial instruments in the group is marginal; they are recognized in Kautex Holding Group in the income statement and in Plastech Beteiligungs GmbH and UIAG Informatik-Holding GmbH at fair value through equity (level 2).

The following chart shows the carrying amount and/or fair values of financial assets (instruments on the assets side), separated by classification respectively valuation criteria. The current financial assets and liabilities mainly have short remaining maturities. The management considers the carrying amount a reasonable estimate of the fair value for current assets:

€k	Carrying amount	Fair value	Level 1	Level 2	Level 3
30 June 2019					
At amortized cost					
Cash and cash equivalents	32,859				
Trade receiveables	73,125				
Receivables from finance leasing	11,014	11,237			X
Other receivables	1,410				
	118,408	**11,237**			
At amortized cost (FLAC)					
Loans	70,866	70,866			X
Other financial liabilities	29,521				
Liabilities from finance leasing	41,269				X
Trade payables	30,892				
Other liabilities	19,089				
At Fair Value through Profit or Loss (FVTPL)					
Derivatives for hedging	257	257		X	
	191,894	**71,123**			
31 December 2018					
At amortized cost					
Cash and cash equivalents	1,564				
Trade receiveables	2,994				
Other non-current assets	9,929	9,929			X
Receivables from associated companies	546				
Other receivables	77				
	15,110	**9,929**			
At amortized cost (FLAC)					
Loans	3,509	3,509			X
Other financial liabilities	5				
Liabilities from finance leasing	578	578			X
Trade payables	1,941				
Liabilities to affiliated companies	2,565	2,565			X
	8,598	**6,652**			

In the first half of 2019 no reclassification between valuation classes was made.

MAJOR ACQUISITIONS IN THE FIRST HALF OF 2019

As of 31 December 2018 Unternehmens Invest AG held directly 1,248,853 shares or 25.07% of All for One Group AG. UIAG Informatik-Holding GmbH – whereof Unternehmens Invest AG held a direct share of 49.55% – held 1,248,873 shares or 25.07% of All for One Group AG. As of 31 December 2018 Unternehmens Invest AG held directly 32.0% of Plastech Holding GmbH, which holds indirectly – via Plastech Beteiligungs GmbH – a share of 74.95% of Kautex Holding GmbH.

As already explained in the note “Capital increase through contribution in kind and cash capital increase of Unternehmens Invest AG” the share of UIAG Informatik-Holding GmbH increased to 90.95% and the share of Plastech Holding GmbH increased to 90.0%.

On 3 January 2019 the respective contribution in kind agreements were signed. The legal effectiveness of the contribution agreements depended on the approval of the anti-trust authorities. On 14 January 2019 (date of first consolidation) Unternehmens Invest AG was informed of the authorization of the merger by the antitrust authorities. Thus, Unternehmens Invest AG acquired by means of a capital increase through contribution in kind a shareholding of 41.4% of the equity capital of UIAG Informatik-Holding GmbH and a shareholding of 58.0% of the equity capital of Plastech Holding GmbH. On 29 January 2019 the contribution in kind was registered in the company register.

The shares of All for One Group AG, of UIAG Informatik-Holding GmbH and of Plastech Holding GmbH were recognized at equity until 31 December 2018. Due to the full consolidation as of 14 January 2019 a purchase price allocation had to be set up because Unternehmens Invest AG now directly holds 90.95% of UIAG Informatik-Holding GmbH and 90.0% of Plastech Holding GmbH.

Acquisition of UIAG Informatik-Holding GmbH

Because of the contribution in kind Unternehmens Invest AG holds as of 14 January 2019 90.95% of the shares of UIAG Informatik-Holding GmbH. This means that both companies, UIAG Informatik-Holding GmbH and All for One Group AG, are included as of this date in the consolidation scope of Unternehmens Invest AG.

The contribution in kind of 41.4% of the equity of UIAG Informatik-Holding GmbH increased the equity of Unternehmens Invest AG by € 17,775k; 702,571 no-par bearer shares were issued at an issuing price of € 25.30.

The first consolidation was based on the next monthly statement as of 1 January 2019.

All for One Group AG is a leading IT service provider, and a coveted partner for digitalization in the midmarket. Main reasons for the purchase decisions are strong market position and the enormous growth potential. The increasing share of recurring revenues and the constantly increasing product portfolio provide for a solid business model.

As of 31 December 2018 Unternehmens Invest AG recognized the shares of All for One Group AG and of UIAG Informatik-Holding GmbH at equity, therefore the acquisition is considered gradually. Unternehmens Invest AG holds the following shares of these associated companies as of 31 December 2018:

€k	31 Dec 2018
All for One Group AG	66,299
UIAG Informatik-Holding GmbH	20,434
	86,733

The loss from the revaluation of the shares held so far is expected to amount to € 163k and is included in the other financial result.

The following table shows the fair value of identified assets and liabilities obtained at acquisition date and the purchase price for the acquisition. Additionally, it shows the non-controlling share of UIAG Informatik-Holding GmbH recognized at fair value at acquisition date.

Acquired identifiable assets and liabilities; €k	First consolidation
Intangible assets	108,779
Tangible assets	35,120
Financial assets	7,061
Other assets	2,242
Deferred taxes	1,481
Inventories	675
Trade receivables	59,813
Other receivables and assets	12,715
Cash and cash equivalents	26,495
Financial liabilites	(72,722)
Deferred tax liabilities	(35,528)
Personnel liabilities	(3,303)
Provisions	(964)
Trade payables and other liabilities	(65,985)
Net income	**75,879**
Non-controlling shares	(50,175)
Goodwill	77,893
Fair value of the acquired shares	**103,597**
thereof already held before	*86,570*
thereof received through contribution in kind	*17,028*

In the course of the acquisition cash in the amount of € 26,495k was acquired. The inflow of cash is recognized in the income from the acquisition of company shares.

The fair value of trade receivables amounts to € 59,813k. The gross amount of trade receivables due amounts to € 61,049k, thereof € 1,236k are expected to be uncollectible.

For the assessment of fair value in the course of the company merger the royalty method for the brand and the multi-period excess earnings method for the customer base was applied. The assessment of the fair value for the volume of orders is based on project controlling.

The amount of the non-controlling shares is based on the pro-rata share of the revalued net assets.

In the course of the acquisition goodwill in the amount of € 77,893k was recognized, which is non-deductible for tax reasons. The goodwill from the acquisition of the company was recognized using the partial goodwill method. The goodwill is based on a broad customer basis and the potential for further cross selling. Of significant value are also the highly qualified employees, low employee turnover and in-house SAP based ad-on solutions.

The recognition of the company acquisition must be adjusted if within one year from acquisition date new information on facts become known, that already existed at the time of acquisition and which might have caused adjustments of the amounts set above or additional provisions.

Since its first-time consolidation the acquisition contributed revenues in the amount of € 172,729k to the group revenues and € 2,759k to the group income.

Acquisition of Plastech Holding GmbH

As of 14 January 2019 Unternehmens Invest AG holds by means of contribution in kind 90.0% of the shares of Plastech Holding GmbH. Therefore, Plastech Holding GmbH, Plastech Beteiligungs GmbH and Kautex Holding GmbH are included as of 14 January 2019 into the consolidation scope of Unternehmens Invest AG.

The contribution in kind of 58.0% of the equity of Plastech Holding GmbH increased the equity of Unternehmens Invest AG by € 8,120k. 320,948 no-par bearer shares at a subscription price of € 25.30 per share were issued.

The first consolidation was based on the next monthly statement as of 1 January 2019.

Kautex Holding Group, the major shareholding of Plastech Holding Group, is a worldwide leading manufacturer of extrusion blow molding systems. Its high technical expertise and the potential for further development were major reasons for the purchase of Kautex Holding Group. Besides already satisfactory profitability at the time of acquisition, further significant efficiency potential – thus, in the medium term allowing for a further increase of profitability upon consistent implementation of operative measures - could be identified during the due diligence process. Additionally, Plastech Holding GmbH holds 25.1% auf BAGE Recycling GmbH, which could increase revenues considerably. In business year 2018 BAGE Group invested in the capacity expansion to enable further growth.

As the shareholding of Plastech Holding GmbH was recognized at equity by Unternehmens Invest AG as of 31 December 2018, the acquisition is considered gradually. The shareholding of the associated company as of 31 December 2018 amounted to € 1,715k.

The profit from the revaluation of the share held to date amounts to € 2,765k and is recognized in the other financial result.

The following table shows the preliminary values of the identified assets and debts, as acquired at the acquisition date and the purchase price of the acquisition. Additionally, the table shows the fair value of the non-controlling interest of Plastech Holding GmbH at the acquisition date.

Acquired identifiable assets and liabilities; €k	First consolidation
Intangible assets	22,957
Tangible assets	24,030
Deferred taxes	4,748
Inventories	29,534
Trade receivables and other receivables	25,271
Cash and cash equivalents	3,656
Financial liablities	(46,053)
Deferred tax liabilities	(14,864)
Personnel liabilities	(12,733)
Provisions	(7,972)
Trade payables and other liabilities	(89,236)
Net income	**(60,129)**
Non-controlling interests	6,013
Goodwill	66,716
Fair value of acquired shares	**12,600**
thereof already held before	*4,480*
thereof acquired through contribution in kind	*8,120*

In the course of the acquisition cash and cash equivalents in the amount of € 3,656k were acquired. The inflow of cash equivalents is recognized in the deposits from the contribution of shareholdings.

The fair value from trade receivables and other receivables amounts to € 25,271k and includes trade receivables in the amount of € 22,925k. The gross amount of the trade receivables due amounts to € 23,525k, thereof € 600k are expected to be uncollectible.

For the assessment of the fair value in the course of the company merger the royalty method (brand, technology), the replacement values (research cost) and the multiple period excess earnings method (order volume) were applied for intangible assets. Inventories were assessed based on market comparison, property on the customarily land values.

The amount of the non-controlling shares is based on the pro-rata share of the revaluated net asset.

In the course of the company acquisition goodwill in the amount of € 66,716k was recognized, which is non-deductible for tax reasons. The partial goodwill method was applied for the assessment of the goodwill for recognition. The goodwill mainly results from the skills and problem-solving expertise of the staff of Kautex Holding Group to support their customers with the complex requirements of technical solutions and to facilitate sustainable return potentials and growth perspectives for the Kautex Holding Group.

The recognition of the company acquisition will be adjusted if within one year from the acquisition date new information comes to be known, that already existed at the time of acquisition and requires adjustments of the above amounts or the accrual of additional provisions.

Since its first-time consolidation the acquisition contributed revenues in the amount of € 55,629k to the group revenues and € –3,805k to the group income.

MAJOR EVENTS AFTER THE INTERIM REPORTING PERIOD

It is planned to purchase the remaining 10% share of Plastech Holding GmbH from Otto Urbanek. Then, Unternehmens Invest AG will hold 100% of Plastech Holding GmbH

In September 2019 BAGE Recycling GmbH was granted a subordinate loan in the amount of € 1,500k.

RELATED PARTY DISCLOSURES

UIAG Group has a close relationship to its majority holders, Management and Supervisory Board and its affiliated and associated companies

As of 30 June 2019, Knünz Invest Beteiligungs GmbH, held 34.05% of the shares of Unternehmens Invest AG. The shares of Knünz Invest Beteiligungs GmbH were held by Knünz GmbH (49.9%) and Robotec GmbH (50.1%). 100% of Robotec GmbH are held directly by Knünz GmbH. Knünz GmbH – Mr. Rudolf Knünz is the CEO – held another 11.39% of the shares of Unternehmens Invest AG directly. Another 2.15% of the shares of Unternehmens Invest AG were held by Robotec GmbH. The voting rights of Knünz GmbH executed indirectly via Knünz Invest Beteiligungs

GmbH and Robotec GmbH and directly via Knünz GmbH amounted to 47.59% as of 30 June 2019. Nucleus Beteiligungs GmbH – Mr. Paul Neumann is the owner and holds 100% – held 17.82% of the shares of Unternehmens Invest AG and Mr. Paul Neumann held directly another 13.89% of the shares of Unternehmens Invest at 30 June 2019. Mr. Bernd Neumann held 9.82% of the shares of Unternehmens Invest AG and QINO Pipe One Ltd. held 7.21% of the UIAG shares, the remaining 3.67% of the UIAG shares were free float.

The UIAG shares held by Robotec GmbH were transferred to Knünz Invest Beteiligungs GmbH. Consequently, Knünz Invest Beteiligungs GmbH now holds 36.20% of UIAG shares.

Other related parties are described in the notes to the consolidated financial statements as of 31 December 2018. At the interim balance sheet date the following considerable changes existed.

€k	Receivables	Liabilities	Income	Expenses
H1 2019				
Haslinger/Nagele & Partner Rechtsanwälte GmbH	0	0	0	30
Dr. Urbanek Technologie Management GmbH	0	0	0	11
LCS Holding GmbH	0	0	1,187	0
Knünz GmbH	14	1,536	799	24
Nucleus Beteiligungs GmbH	0	1,529	0	19
	14	3,065	1,986	84
2018				
Haslinger/Nagele & Partner Rechtsanwälte GmbH	0	4	0	46
LCS Cable Cranes GmbH	0	0	15	0
Knünz GmbH	0	2,566	60	9
Mr. Rudolf Knünz	0	1	0	0
Mr. Paul Neumann	0	0	6	0
UIAG Informatik-Holding GmbH	17	0	0	0
KQ Holding GmbH (formerly: UIAG Holding GmbH)	0	0	5	0
Plastech Holding GmbH	10,441	0	383	0
Plastech Beteiligungs GmbH	16	0	14	0
	10,474	2,571	483	55

With acquisition and transfer agreement signed on 15 April 2019 the 32.5% shareholding was sold for € 4,997k to Knünz GmbH. A liability from a purchase price allocation to Knünz GmbH in the amount of € 2,454k was deducted from the purchase price.

In January 2019 Knünz GmbH and Nucleus Beteiligungs GmbH granted a credit line with a term of two years in the amount of € 1,510k each to Unternehmens Invest AG. As of 31 March 2019 an amount of € 3,020k was used. The credit line was increased to € 6,000k, whereby another € 2,000k were used by Unternehmens Invest AG in September.

As already explained Unternehmens Invest AG, BEGALOM Guss GmbH and Pongratz Trailer-Group GmbH exited from the tax group Knünz GmbH. From the closing settlement an income in the amount of € 799k from Knünz GmbH was received.

The Management Board of Unternehmens Invest AG assumes management responsibilities free of change for the group companies as specified in their management contracts.

STATEMENT OF ALL LEGAL REPRESENTATIVES

on the first half of 2019 of Unternehmens Invest AG

We confirm to the best of our knowledge that the abridged interim financial statements – neither audited nor subject to an auditor's review – give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of important events that have occurred during the first six months of the business year and their impact on the abridged interim financial statements and of the principal risks and uncertainties for the remaining three months of the business year and of the major related party transactions to be disclosed.

Vienna, 27 September 2019

The Management Board of Unternehmens Invest AG

Rudolf Knünz
Chairman

Paul Neumann
Member

OTHER INFORMATION

Financial calendar

31 January 2020	Publication of the Annual Financial Report for the abridged business year 2019
18 March 2020	Annual General Meeting
30 June 2020	Publication of Interim Financial Report 2019/2020

Investor relations

Andrea Salchenegger
Am Hof 4, 1010 Vienna, Austria

P (+43 1) 405 9771-12
F (+43 1) 405 9771-9
E office@uiag.at, www.uiag.at

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www.uiag.at/en