

# Consolidated Interim Statements 3M 2019

## Consolidated Interim Financial Statements

of InVision AG as of 31 March 2019

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## Financial Summary

(in TEUR)	3M 2019	3M 2018	Δ
<b>Revenues</b>	<b>3,228</b>	<b>3,092</b>	<b>+4%</b>
thereof Workforce Management	3,123	2,980	+5%
thereof Education	105	112	-6%
<b>EBIT</b>	<b>185</b>	<b>47</b>	<b>+295%</b>
as a % of revenues	6%	2%	+4 PP
<b>Consolidated result</b>	<b>101</b>	<b>-27</b>	<b>+468%</b>
as a % of revenues	3%	-1%	+4 PP
<b>Operating cash flow</b>	<b>2,923</b>	<b>2,687</b>	<b>+9%</b>
as a % of revenues	91%	87%	+4 PP
<b>Earnings per share (in EUR)</b>	<b>0.05</b>	<b>-0.01</b>	<b>+468%</b>

(in TEUR)	31 March 2019	31 Dec 2018	Δ
<b>Balance sheet total</b>	<b>18,334</b>	<b>12,082</b>	<b>+52%</b>
<b>Liquid funds</b>	<b>4,457</b>	<b>670</b>	<b>+565%</b>
<b>Equity</b>	<b>10,281</b>	<b>10,180</b>	<b>+2%</b>
as a % of balance sheet total	56%	84%	-28 PP

# Consolidated Balance Sheet

InVision AG, 31 March 2019

IFRS, in Euro

<b>Assets</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
<b>A. Short-term assets</b>		
1. Liquid funds	4,457,222	670,454
2. Trade receivables	2,262,708	1,397,793
3. Income tax claims	86,449	218,043
4. Prepaid expenses and other short-term assets	250,993	128,650
<b>Total short-term assets</b>	<b>7,057,372</b>	<b>2,414,940</b>
<b>B. Long-term assets</b>		
1. Intangible assets	1,992,228	334,667
2. Tangible assets	9,255,426	9,299,122
3. Deferred taxes	14,742	19,656
4. Other long-term assets	14,236	14,106
<b>Total long-term assets</b>	<b>11,276,632</b>	<b>9,667,551</b>
<b>Total assets</b>	<b>18,334,004</b>	<b>12,082,491</b>

<b>Equity and liabilities</b>	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>
<b>A. Short-term liabilities</b>		
1. Financial Liabilities	424,032	250,000
2. Trade payables	204,132	268,494
3. Provisions	364,838	377,146
4. Income tax liabilities	202,202	222,989
5. Short-term share of deferred income and other short-term liabilities	4,364,292	783,931
<b>Total short-term liabilities</b>	<b>5,559,496</b>	<b>1,902,560</b>
<b>B. Long-term liabilities</b>		
Financial Liabilities	2,493,442	0
<b>Total long-term liabilities</b>	<b>2,493,442</b>	<b>0</b>
<b>C. Equity</b>		
1. Subscribed capital	2,235,000	2,235,000
2. Reserves	1,191,184	1,191,184
3. Equity capital difference from currency translation	-408,434	-419,289
4. Group/consolidated result	7,263,316	7,173,036
<b>Total equity</b>	<b>10,281,066</b>	<b>10,179,931</b>
<b>Total equity and liabilities</b>	<b>18,334,004</b>	<b>12,082,491</b>

# Consolidated Statement of Comprehensive Income

InVision AG, 31 March 2019

IFRS, in Euro

	1 Jan - 31 Mar 2019	1 Jan - 31 Mar 2018
1. Revenues	3,227,758	3,091,561
2. Other operating income	49,585	40,279
3. Cost of materials/cost of goods and services purchased	0	-7,597
4. Personnel expenses	-2,053,569	-2,163,473
5. Amortisation/depreciation of intangible and tangible assets	-217,655	-135,278
6. Other operating expenses	-821,054	-778,682
<b>7. Operating result (EBIT)</b>	<b>185,065</b>	<b>46,810</b>
8. Financial result	-28,588	0
9. Currency losses/gains	-1,987	2,625
<b>10. Result before taxes (EBT)</b>	<b>154,490</b>	<b>49,435</b>
11. Income tax	-64,210	-43,743
<b>12. Consolidated net profit</b>	<b>90,280</b>	<b>5,692</b>
13. Exchange rate differences from converting foreign financial statements	10,855	-33,156
<b>14. Consolidated result</b>	<b>101,135</b>	<b>-27,464</b>
Earnings per share	0.05	-0.01

# Consolidated Cash Flow Statement

InVision AG, 31 March 2019

IFRS, in Euro

	1 Jan - 31 Mar 2019	1 Jan - 31 Mar 2018
<b>1. Cash flow from operating activities</b>		
<b>Consolidated net loss/profit</b>	<b>90,280</b>	<b>5,692</b>
+ Depreciation and amortisation of fixed assets	217,655	135,278
-/+ Profits/losses from the disposal of intangible and tangible assets	-10,148	0
-/+ Decrease/increase in provisions	-12,307	-56,642
+/- Decrease/increase in deferred taxes	4,914	4,914
-/+ Other non-cash income/expenses	-6,953	-19,144
-/+ Increase/decrease in inventories and trade receivables	-864,916	-1,012,846
-/+ Increase/decrease in other assets and prepaid expenses	-122,473	-32,539
+/- Decrease/increase in income tax claims/liabilities	110,807	-164,298
-/+ Increase/decrease in trade payables	-64,362	213,294
+/- Decrease/increase in other liabilities and deferred income	3,580,360	3,613,234
<b>Cash flow from operating activities</b>	<b>2,922,857</b>	<b>2,686,943</b>

	1 Jan - 31 Mar 2019	1 Jan - 31 Mar 2018
<b>2. Cash flow from investing activities</b>		
- Payments made for investments in tangible fixed assets	-113,435	-40,071
+ Payments received from the disposal of intangible and tangible assets	10,148	0
<b>Cash flow from investing activities</b>	<b>-103,286</b>	<b>-40,071</b>
<b>3. Cash flow from financing activities</b>		
+ Additions to long-term financing liabilities	1,000,000	0
- Payments made for redemption of long-term financing liabilities	0	-250,000
- Payments made for redemption of lease liabilities	-42,900	0
<b>Cash flow from financing activities</b>	<b>957,100</b>	<b>-250,000</b>
Change in cash and cash equivalents	3,776,671	2,396,872
Effect of foreign exchange rate changes on cash and cash equivalents	10,097	-17,072
<b>Cash and cash equivalents at the beginning of the period</b>	<b>670,454</b>	<b>2,209,999</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4,457,222</b>	<b>4,589,799</b>

# Consolidated Statement of Equity

InVision AG, 31 March 2019

IFRS, in Euro

	Subscribed capital	Reserves	Equity capital difference from currency translation	Profit/Losses	Equity
<b>31 December 2017</b>	<b>2,235,000</b>	<b>1,191,184</b>	<b>-457,684</b>	<b>7,411,045</b>	<b>10,379,545</b>
Consolidated net profit	0	0	0	-238,009	-238,009
Exchange rate difference from converting foreign financial statements	0	0	38,395	0	38,395
<b>Total of costs and income</b>	<b>0</b>	<b>0</b>	<b>38,395</b>	<b>-238,009</b>	<b>-199,614</b>
<b>31 December 2018</b>	<b>2,235,000</b>	<b>1,191,184</b>	<b>-419,289</b>	<b>7,173,036</b>	<b>10,179,931</b>
Consolidated net profit	0	0	0	90,280	90,280
Exchange rate difference from converting foreign financial statements	0	0	10,855	0	10,855
<b>Total of costs and income</b>	<b>0</b>	<b>0</b>	<b>10,855</b>	<b>90,280</b>	<b>101,135</b>
<b>31 March 2019</b>	<b>2,235,000</b>	<b>1,191,184</b>	<b>-408,434</b>	<b>7,263,316</b>	<b>10,281,066</b>

# Explanatory Notes

to the Consolidated Interim Statements of InVision AG as of 31 March 2019 (condensed/unaudited)

## Effects of New IFRS

In January 2016, the IASB published the new standard IFRS 16 "Leases", which in particular replaces the previous leasing standard IAS 17 and the related interpretations. The new standard introduces a uniform lease accounting model for lessees, under which rights of use and liabilities for all lease agreements with a term of more than twelve months are to be accounted for, unless they are immaterial. A distinction is no longer made for lessees between operating leases, in which assets and liabilities are not recognized, and finance leases.

The InVision Group applied IFRS 16 for the first time at the beginning of the 2019 fiscal year. As part of the transition, the InVision Group decided to apply the modified retrospective approach. As a result, the previous year's figures do not have to be adjusted. Instead, the cumulative effect of the first-time application of the standard has to be recognised by adjusting retained earnings. Since the first-time application of IFRS 16 primarily relates to a new lease agreement concluded at the beginning of fiscal year 2019 for the office facilities in Leipzig, the retained earnings were not adjusted for materiality reasons.

Instead of the rental obligations for office space previously reported under other financial obligations, the application of IFRS 16 leads to an increase in non-current assets due to the recognition of rights of use. The rights of use are depreciated on a straight-line basis over the shorter of the useful life and the lease term. Financial liabilities also increase due to the recognition of corresponding lease liabilities. These liabilities are measured at the discounted value of the remaining lease payments at the lessee's marginal borrowing rate as of January 1, 2019. The weighted average borrowing rate of the InVision Group, which was applied to the lease liabilities as of 1 January 2019, is 1.42%. Each lease payment is divided into repayment and financing expenses. Finance expenses are recognised in the income statement over the term of the lease so that there is a constant periodic interest rate on the remaining amount of the liability for each period.

Under otherwise identical conditions, the increase in the balance sheet total leads to a reduction in the equity ratio of the InVision Group.

The following tables show the main effects of the new IFRS 16 accounting standards for the classification and measurement of rights of use and for the recognition of current and non-current lease liabilities for the first quarter of fiscal year 2019.

### Effects of the first-time application of IFRS 16 on the consolidated balance sheet

IFRS, in Euro

<b>Assets</b>	<b>01 Jan 2019</b>	<b>31 Mar 2019</b>
<b>Long-term assets</b>		
Intangible assets	1,710,374	1,662,362
<b>Total long-term assets</b>	<b>1,710,374</b>	<b>1,662,362</b>
<b>Total assets</b>	<b>1,710,374</b>	<b>1,662,362</b>



<b>Equity and liabilities</b>	<b>01 Jan 2019</b>	<b>31 Mar 2019</b>
<b>A. Short-term liabilities</b>		
Financial Liabilities	173,037	174,032
<b>Total short-term liabilities</b>	<b>173,037</b>	<b>174,032</b>
<b>B. Long-term liabilities</b>		
Financial Liabilities	1,537,337	1,493,442
<b>Total long-term liabilities</b>	<b>1,537,337</b>	<b>1,493,442</b>
<b>C. Equity</b>		
Group/consolidated result	0	-5,112
<b>Total equity</b>	<b>0</b>	<b>-5,112</b>
<b>Total equity and liabilities</b>	<b>1,710,374</b>	<b>1,662,362</b>

With regard to the statement of comprehensive income, instead of the previous rents/operating leases, the depreciation of rights of use and the interest expenses for liabilities will in future be reported under other operating expenses under IFRS 16. This will have a positive impact on operating expenses and consequently on the operating result (EBIT) and finance expenses will increase as a result of additional interest expenses. Overall, only insignificant effects on profit before taxes, profit after taxes and earnings per share are expected.

#### **Effects of the first-time application of IFRS 16 on the consolidated statement of comprehensive income**

IFRS, in Euro

	<b>01 Jan - 31 Mar 2019</b>
Amortisation/depreciation of intangible and tangible assets	-48,013
Other operating expenses	48,922
<b>Operating result (EBIT)</b>	<b>909</b>
Financial result	-6,021
<b>Result before taxes (EBT)</b>	<b>-5,112</b>
<b>Consolidated net profit</b>	<b>-5,112</b>

## Significant Changes in Financial Liabilities

InVision AG has raised a bank loan of TEUR 6,000, secured by a land charge, to refinance investments and to carry out further investments. In the first quarter of the current fiscal year, the Company called TEUR 1,000 of this amount.

## Cost of Materials

Expenses for support services provided by external employees, which were previously recorded under cost of materials, will in future be reported under other operating expenses. The previous year's figures have been adjusted accordingly: For the first quarter of 2018, 13 TEUR was reclassified from cost of materials to other operating expenses.