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BRZ Germany GmbH

Nuremberg

Annual financial statements as of December 31, 2020**MANAGEMENT REPORT FOR THE 2020 FINANCIAL YEAR****BRZ Deutschland GmbH, Nuremberg****A. Fundamentals of Society****1. Company's business model**

BRZ is one of the leading providers of information and communication technology for the construction industry. With BRZ-SOFTWARE, BRZ-OUTSOURCING, BRZ-SYSTEMS and BRZ-CONSULTING all the specific needs of construction companies are covered.

2. Organizational and legal structure

Sole shareholder of BRZ is Nürnberger Assemblage GmbH + Co KG, Nuremberg. In the 2020 financial year, the merger took place retrospectively as of January 1, 2020 through the inclusion of BRZ Software + Service GmbH in accordance with Sections 2 et seq., 46 et seq. The background to the merger was the realignment of the organization combined with the closer connection of software development to market and customer needs. All assets, rights and obligations as well as the employees of BRZ Software + Service GmbH were transferred to BRZ Deutschland GmbH as part of the merger.

B. Economic report**1. Overall economy and industry situation**

According to the Kiel Institute for the World Economy, there will be a decline of 3.3% in the global economy for 2020 as a whole (previous year: +2.6%) due to the corona pandemic. Although this is the strongest slump in the global economy since the Second World War, it is significantly less than was expected in the middle of the year or in autumn 2020. Despite the second wave of the pandemic, global economic activity is likely to remain on an upward trend in the first quarter of 2021.

In the euro zone, gross domestic product fell by 6.8% (previous year +1.2%), but GDP is expected to recover to 4.8% in 2021. The inflation rate is 0.3% (previous year 1.2%). The unemployment rate rose slightly to 7.9% (previous year 7.5%).

Measured against the gross domestic product in the euro area, the decline in Germany was somewhat smaller and amounted to -4.9% (previous year: +0.6%). The annual average unemployment rate in 2020 is 5.9% (previous year 3.2%).

The willingness of the BRZ customer group to invest depends on the economic conditions and prospects in the construction and real estate industry as well as the overall budget for information technology.

In 2020, even more than in the previous year, the main construction trade became "Germany's economic pillar" and increased its sales by 6.0% compared to the previous year (previous year 6.7%).

housing around	10.5%	(previous year 5.1%)
commercial construction around	1.2%	(previous year 9.0%)
public construction around	6.2%	(previous year 5.8%)

However, a decline in incoming orders was recorded in commercial construction. The average number of employees in the main construction trades rose further to 893,000 (previous year: 870,000).

In the German information technology industry, sales in 2020 fell by 0.7% compared to the previous year (previous year: 2.9%) to €94.6 billion. The hardware sector recorded an increase of 3.2%, while the software sector decreased by 1.0% and service sales by 3.2%.

(Sources: www.ifw-kiel.de; www.destatis.de, www.zdb.de)

2. Course of Business

The BRZ is able to increase sales by 5.7% compared to the previous year to EUR 58,135 thousand and is benefiting from the continuing very good overall economic situation in the construction industry. Sales in the software area increased by 8.8%, in the area of consulting/training by 8.9%, in the area of outsourcing by 3.0%, while IT services fell by -5.7%.

Our planning provided for an increase in sales of EUR 1,500 thousand, which we were able to exceed. The decline in net income for the year from EUR 3,880 thousand to EUR 2,429 thousand can essentially be attributed to the higher allocation of overhead costs by the parent company. This was also the main reason why we were not able to achieve our earnings target.

3. Presentation of the situation**financial position**

Fixed assets increase after the merger and deduction of annual depreciation from EUR 2,640 thousand (previous year) to EUR 4,079 thousand.

At EUR 2,074 thousand, trade receivables are higher than in the previous year (EUR 1,776 thousand) due to growth.

The receivables in the association area increase by EUR 4,523 thousand to EUR 20,122 thousand. The amount of the claim mainly consists of the balance of BRZ Deutschland GmbH as part of the cash pooling within the Nuremberg assembly group (EUR 19,900 thousand). Due to higher tax prepayments, other assets increase to EUR 1,605 thousand (previous year: EUR 1,022 thousand).

Equity decreases by EUR 406 thousand to EUR 13,639 thousand. The subscribed capital will increase by EUR 200k as part of the merger. The net profit generated for the year was below the distribution of EUR 3,050k made in the financial year. The equity ratio fell to 47% (previous year: 60%), which is mainly due to the significant increase in the balance sheet total (+23.1%) as part of the merger.

Provisions for pensions and similar obligations increase by EUR 1,724 thousand to EUR 4,880 thousand. In addition to the increase in pension obligations to former BRZ employees, the high increase results primarily from transferred pension obligations as part of the merger (EUR 1,787k). The reclassification of provisions for pension obligations of related companies contained in the previous year to other provisions (EUR 250 thousand) had a reducing effect.

The increase in other provisions to EUR 7,555k (prior year: EUR 4,381k) results from newly formed pension obligations for related companies (EUR 651k) and the increase in obligations due to the merger. The provisions for severance payments (EUR 111 thousand), outstanding bonus and commission payments (EUR 1,617 thousand), outstanding holidays (EUR 428 thousand) and other provisions (EUR 367 thousand) increased in particular.

Trade payables also increased due to the merger to EUR 1,822 thousand (previous year: EUR 245 thousand), while liabilities to affiliated companies fell to EUR 514 thousand (previous year: EUR 1,285 thousand).

financial position

Investment projects can be financed from your own funds. There are no bank liabilities in 2020 either.

As of December 31, 2020, the excess liquidity consisting of bank balances and the receivable from the cash pooling within the Nuremberg construction group amounts to EUR 19,000k (prior year: EUR 17,437k).

earnings situation

Regarding the development of sales, reference is made to the explanations under point 2.

The other operating income consists primarily of the reversal of provisions and bad debt allowances and is reduced to EUR 375 thousand (previous year: EUR 631 thousand). The strong decline results from the activation of a license credit in the previous year, which was written down in the current year.

Personnel expenses increase to EUR 35,272 thousand (previous year: EUR 21,720 thousand). In addition to the growth from the merger (approx. EUR 13 million / 175 employees), an average increase in operational personnel of 18 FTE is decisive for the increase.

Depreciation increased by EUR 557k due to the merger and the adjustment of various property, plant and equipment and amounted to EUR 790k in the year under review (prior year: EUR 233k).

Other operating expenses increase by EUR 4,231 thousand to EUR 9,812 thousand. The main reasons for this are, on the one hand, a higher lump sum for overheads to reimburse the increased expenses in the central services located at Nürnberger Montage GmbH + Co KG (EUR 2,075k). On the other hand, the additional expenses from the merger have an effect here.

The interest result is KEUR -111 (previous year: KEUR -83). It mainly includes the interest portion for the pension obligations.

Financial performance indicators

Important performance indicators for us are the share of so-called "recurring sales" in total sales, the return on sales and the range of receivables.

By recurring sales, we mean maintenance sales and service sales, which are therefore independent of new software and hardware sales in the short term. Earnings before taxes are decisive for the return on sales.

As in the previous year, recurring sales remained at a high and stable level at 82%.

The return on sales is 6.3% (previous year: 10.5%) and is therefore lower than in the previous year. The main reason for this is the disproportionately high increase in expenses (+10.1%) compared to sales growth (+5.7%). We did not achieve our target of 12%. The reasons for this are the effects listed under point 2.

The range of receivables is 13.1 days (previous year 11.6 days). We have again clearly exceeded our target of less than 15 days.

C. Forecast Report

Due to the ongoing global corona pandemic, there is still a certain degree of uncertainty about economic development, although the prospects in our markets have improved significantly compared to the previous year.

In the euro area, the signs point to growth again, in the construction industry there is talk of a cautiously positive mood, which expressed in figures means zero growth (Das Deutsche Baugewerbe) or only slight growth of 1.3% (Bundesvereinigung construction industry) corresponds. The construction industry has obviously been relatively spared from the crisis so far and has been far less affected than other industries. The industry association Bitkom expects significantly higher growth of 4.2% for 2021, which is mainly due to increasing hardware and IT services.

The decision made in the fourth quarter of 2019 to realign the development of the new BRZ software generation and to rely entirely on a cloud strategy has been fully implemented since 2020. The first delivery stages have already been completed, but initially only lead to low sales. From 2022, further delivery stages will be completed according to our roadmap and should lead to significant sales figures.

Overall, we are planning sales of EUR 61,000k and earnings before taxes of EUR 6,200k for 2021. As of today, we assume that we will achieve the plan. This statement assumes that the effects of the Corona crisis will not hit our customers massively in the months that follow.

D. Opportunity and Risk Report

1. Risk Report

A quality and risk management system has been installed so that market opportunities and risks can be identified at an early stage and a regulated flow of business processes is ensured. Based on the overall strategic orientation, a detailed annual plan is drawn up. The current market, sales, earnings and order situation is analyzed in regular meetings.

As part of the merger through the absorption of BRZ Software + Service GmbH into BRZ Deutschland GmbH, we realigned our organization. On the one hand, a strong customer focus was placed in the foreground, on the other hand, we have structured our different business models according to business areas (business units) in such a way that we are always able to analyze them according to the relevant key figures such as gross profit, contribution margin, return on sales, etc. to assess and analyze.

The introduction of new software products, as we have planned for the next few years, usually has a negative impact on the annual results before the planned sales growth sets in. For this reason, we also expect returns on sales of a maximum of 12% in the software sector over the next three years.

We continue to see the greatest challenge in recruiting new employees, particularly in the areas of development and consulting. Due to demographic change and the consistently good economic conditions, it is becoming increasingly difficult to fill vacancies. We are reacting to this with increased personnel development and recruitment activities.

2. Opportunity Report

The largest growth area is counted in the digitization of the construction industry. This complex of topics includes "Cloud Computing" technology as well as mobile data acquisition and data analysis "Mobility". We want to participate in this growth with our new software products and our new software generation BRZ 365. We also see

growth opportunities in the area of outsourcing, where we anticipate rising demand due to the growing shortage of skilled workers. Our strong market position in the area of construction work continues to lead to solid and steady growth.

3. Overall statement

With its clear strategic focus on the construction industry, the BRZ is very well positioned. The new software products entail significantly higher opportunities than risks. There are no risks that could jeopardize the existence of the company.

E. Existing Branch Offices

The BRZ has 16 branches in Germany.

Nuremberg, May 12, 2021

The Board

Signed Dipl.-Betriebsw. (FH) Joerg Reckhardt

signed Prof. Dr. Ralf Peter Oepen

Signed Waldemar Kühn

BALANCE SHEET AS OF DECEMBER 31, 2020

BRZ DEUTSCHLAND GMBH, NUREMBERG

ASSETS

	12/31/2020	12/31/2019
	EUR	EUR
A. FIXED ASSETS	4,079,103.44	2,640,428.44
I. Intangible assets	584,201.00	41,572.00
1. Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	584,200.00	41,571.00
2. Goodwill	1.00	1.00
II. Tangible assets	1,113,289.00	292,243.00
1. Other equipment, fixtures and fittings	1,113,289.00	292,243.00
III. financial assets	2,381,613.44	2,306,613.44
1. Shares in affiliated companies	2,381,613.44	2,306,613.44
B. CURRENT ASSETS	23,873,155.84	20,674,460.63
I. Inventories	72,207.00	224,012.00
1. Finished Goods and Merchandise	72,207.00	6,812.00
2. Advance payments made	0.00	217,200.00
II. Receivables and other assets	23,800,944.44	18,396,663.66
1. Trade accounts receivable	2,074,178.44	1,775,649.67
2. Receivables from affiliated companies	20,121,606.78	15,598,709.73
3. Other Assets	1,605,159.22	1,022,304.26
III. Cash on hand, bank balances	4.40	2,053,784.97
C. PREPAID EXPENSES	875,606.99	98167.10
	28,827,866.27	23,413,056.17

LIABILITIES

	12/31/2020	12/31/2019
	EUR	EUR
A. EQUITY	13,639,299.91	14,044,831.84
I. Drawn capital	2,700,000.00	2,500,000.00
II. Retained Earnings	24,715.96	24,715.96
III. retained profit	10,914,583.95	11,520,115.88
B. PROVISIONS	12,434,809.54	7,536,597.00
1. Provisions for pensions and similar obligations	4,879,868.00	3,155,977.00
2. Other provisions	7,554,941.54	4,380,620.00
C. LIABILITIES	2,753,756.82	1,831,627.33
1. Trade accounts payable	1,822,024.18	244,787.99
2. Liabilities to affiliated companies	513,500.95	1,284,642.46
3. Other Liabilities	418,231.69	302,196.88
- thereof from taxes: EUR 376,939.29 (previous year EUR 224,775.99)		
- of which in the context of social security: EUR 2,032.53 (previous year EUR 3,832.76)		
	28,827,866.27	23,413,056.17

INCOME STATEMENT FOR FISCAL YEAR 2020

	2020	2019
	EUR	EUR
1. Revenue	58,134,561.34	55,005,203.36
2. other operating income	374,737.85	631,265.77

	2020 EUR	2019 EUR
3. Cost of Materials	-8,798,962.32	-22,247,437.80
a) Expenses for purchased goods	-3,889,613.26	-2,486,964.05
b) Expenses for purchased services	-4,909,349.06	-19,760,473.75
4. Personnel expenses	-35,271,870.93	-21,720,475.98
a) Wages and salaries	-29,594,477.74	-18,093,867.45
b) Social security contributions and expenses for pensions and for assistance	-5,677,393.19	-3,626,608.53
- of which for pensions: EUR 607,992.42 (previous year EUR 489,485.77)		
5. Depreciation	-789,915.40	-232,922.92
6. Other Operating Expenses	-9,811,580.72	-5,580,588.30
7. Other Interest and Similar Income	19,526.78	2,628.17
8. Interest and Similar Expenses	-130,815.80	-85,905.00
9. Income taxes	-1,294,335.23	-1,890,597.58
10. Earnings after taxes	2,431,345.57	3,881,169.72
11. Other Taxes	-2,157.00	-1,777.00
12. Net Income	2,429,188.57	3,879,392.72
13. Earnings Carry Forward	11,535,395.38	10,640,723.16
14. Appropriation of Earnings	-3,050,000.00	-3,000,000.00
15. Retained Earnings	10,914,583.95	11,520,115.88

APPENDIX FOR THE 2020 FINANCIAL YEAR

BRZ Deutschland GmbH, Nuremberg

I. General information on the annual financial statements

The company is a large corporation within the meaning of Section 267 (3) HGB.

The name of the company is BRZ Deutschland GmbH. It has its registered office in Nuremberg and is entered in the commercial register of the District Court of Nuremberg under HRB 175. In the 2020 financial year, BRZ Software + Service GmbH based in Nuremberg (Nuremberg District Court HRB 13850) was merged into BRZ Deutschland GmbH by contract dated September 9, 2020.

Due to the merger with the sister company BRZ Software + Service GmbH, the previous year's figures are only comparable to a limited extent.

The annual financial statements as of December 31, 2020 were prepared in accordance with the German commercial law provisions of §§ 242 ff. HGB for large corporations and the supplementary provisions of the GmbH Act.

The structure of the balance sheet corresponds to Section 266 (2) and (3) HGB.

The income statement was drawn up using the nature of expense method in accordance with Section 275 (2) HGB.

The accounting and valuation methods remained unchanged compared to the previous year, with the exception of the depreciation method for additions to movable, depreciable fixed assets.

II. Information on the accounting and valuation methods

The following accounting and valuation methods are used in preparing the balance sheet and the income statement:

Intangible assets are stated at acquisition cost less scheduled depreciation. Depreciation is always carried out on a straight-line basis and in the case of additions during the year pro rata temporis. If the value to be applied on the balance sheet date was permanently lower, an unscheduled depreciation was made on this value.

Property, plant and equipment are valued at acquisition or production cost less scheduled depreciation. If the value to be applied on the balance sheet date was permanently lower, an unscheduled depreciation was made on this value.

Low-value assets, ie depreciable movable assets whose acquisition/manufacturing costs are more than EUR 250.00 and do not exceed EUR 800.00 (excluding sales tax), are written off in full in the year of acquisition.

Scheduled depreciation is based on the customary useful life of the respective asset. Additions since the 2009 financial year are always depreciated on a straight-line basis. Movables acquired before January 1, 2009 are partially depreciated using the declining balance method. The transition from declining balance to straight-line depreciation takes place as soon as straight-line depreciation leads to higher depreciation amounts.

From the 2020 financial year, additions of depreciable movable assets with a useful life of more than 5 years will be depreciated using the declining balance method, insofar as this corresponds to the actual depreciation. These are in particular vehicles, technical systems and machines as well as general operating and office equipment. The experiences of the last few years have shown that the depreciation of these assets with first use, commissioning, vehicle registration does not run linearly in the first few years. An exchange of these assets was therefore mostly omitted or postponed to later periods in order to avoid book losses. For these reasons, we consider a change in depreciation to be necessary in these cases. The transition to constant depreciation amounts takes place as soon as straight-line depreciation leads to higher depreciation amounts.

Used assets are recognized with a shorter useful life and thus a higher depreciation rate.

Financial assets are stated at the lower of cost or fair value.

Merchandise is stated at the lower of cost or fair value.

Receivables and other assets are stated at their nominal value. Interest-free and low-interest-bearing receivables are recognized at their present value. Doubtful receivables are written down individually to the lower fair value on the reporting date. Bad debts are written off in full. The general receivables risk is adequately taken into account by means of general value adjustments with the help of past experience.

Cash on hand and bank balances are stated at their nominal value.

Active accruals and deferrals are recognized at the level of actual expenditure.

Provisions for pensions and similar obligations are discounted in accordance with Section 253 (2) Sentence 2 HGB using the average market interest rate resulting from an assumed residual term of 15 years.

For contingent liabilities and warranties without a legal obligation, provisions are made in the amount that is necessary to fulfill the obligation according to prudent business judgement. The provisions take into account all identifiable risks and contingent liabilities to a sufficient extent. The provisions with a remaining term of more

than one year are discounted at the average market interest rate for the past seven financial years corresponding to their remaining term in accordance with Section 253 (2) HGB.

Liabilities are recognized at their settlement amount. The highest value principle was applied as of the balance sheet date.

Income and expenses denominated in a foreign currency were converted at the relevant valid spot exchange rate at the time they arose. Assets and liabilities denominated in foreign currencies with a remaining term of less than one year are valued at the mean spot exchange rate on the balance sheet date.

III. Details of balance sheet items

1. Fixed assets

The development of the individual items of the fixed assets can be seen from the fixed asset movement schedule attached to this appendix. Based on the total acquisition and production costs, it lists the additions, disposals and depreciation for the financial year as well as the total depreciation.

The purchased goodwill was amortized over 10 years based on past experience of the average duration of the business relationship.

Fixed assets include the following capital shares of at least 20% in other companies:

	Equity 2020	capital share %	Result in the 2020 reporting year	currency
MJP-BRZ Bausoftware GmbH, Nuremberg	520,991	100.0	56,410	EUR
BRZ France SAS, Wasquehal France	-1,871,475	75.0	37,976	EUR
BIB Consulting Integration Construction Software GmbH	306,844	100.0	10,533	EUR

2. Receivables and other assets

As of the balance sheet date, there were receivables from the shareholder in the amount of EUR 19,819 thousand (previous year: EUR 15,409 thousand), of which EUR 135 thousand resulted from deliveries and services (previous year: EUR 26 thousand). Trade payables of EUR 217k were offset (prior year: EUR 0k). These are included in receivables from affiliated companies.

As of the balance sheet date, there are still receivables from affiliated companies in the amount of EUR 303 thousand (previous year: EUR 189 thousand) resulting from deliveries and services.

As in the previous year, receivables and other assets have a remaining term of less than one year.

3. Equity

The share capital of the company is EUR 2,700,000.00 (previous year EUR 2,500,000.00). As a result of the merger, the share capital increased by EUR 200,000.00 from the sister company.

The development of retained earnings from December 31, 2019 to December 31, 2020 is as follows:

Balance sheet profit as of December 31, 2019	EUR 11,520,115.88
+ Balance sheet profit from merger	EUR 15,279.50
./. Distribution for 2019	EUR 3,050,000.00
+ Net income in 2020	EUR 2,429,188.57
= Balance sheet profit as of December 31, 2020	EUR 10,914,583.95

4. Pension Accruals

Provisions for pensions were valued using the projected unit credit method (PUC method). The valuation was based on the following parameters:

Remaining term: flat-rate average remaining term of 15 years

Actuarial interest rate as of December 31, 2020: average market interest rate over the past 10 years of 2.30% pa (previous year average market interest rate over the past 10 years of 2.71% pa)

pension trend:	2.00% pa
Expected benefit trend:	0.00% pa
mortality tables:	2018 G mortality tables by Prof. Dr. Klaus Heubeck

A fluctuation in the number of employees entitled to a pension is not to be expected. Consequently, no consideration was given here either.

Discounting the pension provision using the average market interest rate for the past 10 years compared to discounting using the average market interest rate for the past 7 years (1.60%) results in a difference of EUR 547k (prior year: EUR 346k). This difference is barred from distribution.

5. Other Provisions

The other provisions essentially include personnel obligations and warranties.

6. Liabilities

As of the balance sheet date, there were liabilities to affiliated companies of EUR 514 thousand (previous year: EUR 1,285 thousand) resulting from deliveries and services.

There are no liabilities with a remaining term of more than one year.

The usual retention of title applies to liabilities from deliveries.

7. Contingent Liabilities and Other Financial Obligations

The following financial obligations that are not reported or noted in the balance sheet exist and are important for assessing the financial position:

Obligations from rental agreements

	total amount per year	Average remaining term
Rent office space	EUR 952 thousand	12 months

Obligations from leasing contracts

	total amount per year	Average remaining term
vehicles	EUR 440 thousand	16 months

Obligations from pension commitments

For two pension commitments to former managing directors, which were transferred to another company on December 31, 1999, there are still contingent liabilities of EUR 1,386 thousand (previous year: EUR 1,452 thousand).

Due to the economic development of the company assuming the obligations, utilization is now expected in the medium term. As a result, a provision of EUR 252 thousand was formed in the financial year. A provision of EUR 250,000 was already formed in the previous year. It is expected that it will be necessary to create provisions of the same amount for the coming years.

In the worst-case scenario, it would also be conceivable to make a claim based on the joint and several liability of the originally outsourcing companies. The obligation from this amounts to an additional EUR 4,106 thousand as of the reporting date. However, due to the creditworthiness of the jointly liable companies, the risk of claims being made is classified as negligible.

IV. Information on the profit and loss account

1. Revenue

Sales are generated through the sale of information and communication technology for the construction industry and the associated maintenance and service revenues.

These revenues can be broken down regionally as follows:

Domestic revenues	kEUR 57,341
Proceeds EU	EUR 560 thousand
Proceeds third country	EUR 234 thousand
Proceeds total	kEUR 58,135

2. Other Interest and Similar Expenses

The interest and similar expenses item contains interest from the discounting of provisions in the amount of EUR 117 thousand (previous year: EUR 86 thousand).

3. Out-of-period and extraordinary expenses and income

The other operating expenses include EUR 156 thousand for these pension commitments from the assumption of joint and several default liability for sister companies.

Furthermore, the advance payments for licenses capitalized in the previous year were written down in the 2020 financial year in the amount of EUR 217 thousand.

In addition, expenses of EUR 496 thousand are included for restoring data and for crisis communication as part of the cyber attack in 2020.

V. Additional information

Managing directors

Prof. Dr. Ralf Peter Oepen, Technical Director

Dipl.-Betriebsw. (FH) Jörg Reckhardt, commercial director

The entry in the commercial register took place on October 9th, 2020

Waldemar Kühn, Technical Director

The entry in the commercial register took place on October 9th, 2020

Dipl.-Kfm. Rudolf Edelmann, commercial director

retired 10/09/2020

Dipl.-Ing. Joseph Kronfli, Technical Director

retired 06/26/2020

No advances or loans were granted to board members.

No unusual transactions were made with related parties in the financial year.

The disclosure of the remuneration of the members of the management is omitted due to the use of the protective clause of Section 286 (4) HGB in conjunction with Section 285 No. 9 HGB.

number of employees

An average of 523 people were employed in the 2020 financial year. The employees are employees in the technical and commercial areas.

Events after the reporting period

The spread of the novel corona virus has developed very dynamically and worldwide since January 2020. Given the dynamics of the spread, the difficulty of protecting people from transmission and the danger of the virus, governments and national authorities have taken and are taking measures that extremely restrict public life and have a severe negative impact on the economy (including the movement of goods and goods). However, the effects of this development are not yet foreseeable.

Contrary to these assessments, we expect controllable effects for building informatics. The prerequisites are orderly operational processes and, above all, that large parts of the workforce do not fall ill or have to be quarantined. This also applies under the assumption that our customers are not massively affected by the effects of the Corona crisis. As a result, we assume that negative financial effects on our company cannot be ruled out, but based on current knowledge for the year 2021 the net assets, financial position and results of operations will not have a significant impact and will in no way threaten our existence.

parent company

The parent company of the company is Nürnberger Assemblage GmbH + Co KG, Nuremberg. The consolidated financial statements of the parent company are published in the Federal Gazette. According to § 291 HGB, BRZ Deutschland GmbH is exempt from the obligation to prepare consolidated financial statements and a group management report.

Auditor's fee

The auditor's fee for the audit of the 2020 financial year is EUR 11,100.00.

Appropriation of earnings

The annual surplus for 2020 is EUR 2,429,188.57. Management proposes to the shareholders' meeting that the remaining unappropriated profit of EUR 10,914,583.95 be carried forward to new account.

Nuremberg, May 12, 2021

BRZ Germany GmbH

The Board

Signed Dipl.-Betriebsw. (FH) Joerg Reckhardt

signed Prof. Dr. Ralf Peter Oepen

Signed Waldemar Kühn

date of determination**The annual financial statements as of December 31, 2020 were approved at the shareholders' meeting on August 9, 2021.**

	ACQUISITION AND PRODUCTION COSTS				31 Dec 2020 EUR
	1 Jan 2020 EUR	merger EUR	Additions EUR	Departures EUR	
I. INTANGIBLE ASSETS					
1. Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	630,414.87	933,351.01	563,489.80	0.00	2,127,255.68
2. Goodwill	1,000,000.00	0.00	0.00	0.00	1,000,000.00
	1,630,414.87	933,351.01	563,489.80	0.00	3,127,255.68
II. TANGIBLE ASSETS					
Technical equipment and machinery	0.00	576,811.19	0.00	0.00	576,811.19
1. Other equipment, fixtures and fittings	1,425,923.94	2,191,846.07	687,630.60	175,561.50	4,129,839.11
	1,425,923.94	2,768,657.26	687,630.60	175,561.50	4,706,650.30
III. FINANCIAL ASSETS					
1. Shares in affiliated companies	3,358,782.44	0.00	75,000.00	0.00	3,433,782.44
	3,358,782.44	0.00	75,000.00	0.00	3,433,782.44
	6,415,121.25	3,702,008.27	1,326,120.40	175,561.50	11,267,688.42
	ACCUMULATED DEPRECIATION				
	1 Jan 2020 EUR	merger EUR	Additions EUR	Departures EUR	31 Dec 2020 EUR
I. INTANGIBLE ASSETS					
1. Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	588,843.87	644,212.01	309,999.80	0.00	1,543,055.68
2. Goodwill	999,999.00	0.00	0.00	0.00	999,999.00
	1,588,842.87	644,212.01	309,999.80	0.00	2,543,054.68
II. TANGIBLE ASSETS					
Technical equipment and machinery	0.00	576,811.19	0.00	0.00	576,811.19
1. Other equipment, fixtures and fittings	1,133,680.94	1,553,535.07	479,915.60	150,581.50	3,016,550.11
	1,133,680.94	2,130,346.26	479,915.60	150,581.50	3,593,361.30
III. FINANCIAL ASSETS					
1. Shares in affiliated companies	1,052,169.00	0.00	0.00	0.00	1,052,169.00
	1,052,169.00	0.00	0.00	0.00	1,052,169.00
	3,774,692.81	2,774,558.27	789,915.40	150,581.50	7,188,584.98
	NET CARRYING VALUES				
					31 Dec 2020 EUR
					31 Dec 2019 EUR
I. INTANGIBLE ASSETS					
1. Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values				584,200.00	41,571.00
2. Goodwill				1.00	1.00
				584,201.00	41,572.00
II. TANGIBLE ASSETS					
Technical equipment and machinery				0.00	0.00
1. Other equipment, fixtures and fittings				1,113,289.00	292,243.00
				1,113,289.00	292,243.00
III. FINANCIAL ASSETS					
1. Shares in affiliated companies				2,381,613.44	2,306,613.44
				2,381,613.44	2,306,613.44
				4,079,103.44	2,640,428.44

Independent Auditor's Report**To BRZ Deutschland GmbH, Nuremberg****audit opinions**

We have the annual financial statements of BRZ Deutschland GmbH, Nuremberg - consisting of the balance sheet as of December 31, 2020 and the income statement for the financial year from January 1 to December 31, 2020 and the notes, including the presentation of the accounting and Valuation methods - checked. In addition, we have audited the management report of BRZ Deutschland GmbH, Nuremberg, for the financial year from January 1 to December 31, 2020.

According to our assessment based on the knowledge gained during the audit

- The attached annual financial statements correspond in all material respects to the German commercial law regulations applicable to corporations and, in compliance with the German principles of proper accounting, convey a true and fair view of the assets and financial position of the company as of December 31, 2020 and its earnings position for the financial year from January 1 to December 31, 2020 and

- the attached management report as a whole provides an accurate picture of the company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

In accordance with Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections to the regularity of the annual financial statements and the management report.

Basis for the test results

We conducted our audit of the annual financial statements and the management report in accordance with Section 317 of the German Commercial Code, taking into account the German generally accepted auditing principles established by the Institute of Public Auditors in Germany (IDW). Our responsibility under those requirements and standards is further described in the "Auditor's responsibility for the audit of the financial statements and management report" section of our auditor's report. We are independent of the company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe

Responsibility of the legal representatives for the annual financial statements and the management report

The legal representatives are responsible for the preparation of the annual financial statements, which comply with the German commercial law provisions applicable to corporations in all material respects, and for the fact that the annual financial statements, in compliance with the German principles of proper accounting, give a true and fair view of the assets, financial - and results of operations of the company. Furthermore, the legal representatives are responsible for the internal controls which they have determined to be necessary in accordance with the German principles of proper accounting in order to enable the preparation of annual financial statements,

In preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

In addition, the legal representatives are responsible for preparing the management report, which as a whole provides a suitable view of the company's position and is consistent with the annual financial statements in all material respects, complies with German legal requirements and suitably presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) they have deemed necessary to enable the preparation of a management report in accordance with the applicable German legal provisions and to provide sufficient suitable evidence for the statements in the management report be able.

Auditor's responsibility for the audit of the annual financial statements and the management report

Our objective is to obtain reasonable assurance as to whether the annual financial statements as a whole are free from material - intentional or unintentional - misstatements and whether the management report as a whole provides a suitable view of the company's position and, in all material respects, with the annual financial statements and is consistent with the findings obtained in the audit, complies with German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report which contains our audit opinions on the annual financial statements and on the management report.

Adequate assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with Section 317 of the German Commercial Code, taking into account the German principles of proper auditing established by the Institut der Wirtschaftsprüfer (IDW) will always uncover a material misstatement. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements and management report.

During the audit, we exercise professional judgment and maintain a critical attitude. Furthermore

- We identify and assess the risks of material - intentional or unintentional - misstatements in the annual financial statements and in the management report, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is greater than that arising from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- we gain an understanding of the internal control system relevant to the audit of the annual financial statements and the precautions and measures relevant to the audit of the management report in order to plan audit procedures that are appropriate in the given circumstances, but not with the aim of providing an audit opinion on effectiveness of these systems to society.
- We evaluate the appropriateness of the accounting methods used by the legal representatives and the justifiability of the estimated values presented by the legal representatives and the related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that cast significant doubt on the Company's ability to continue as a going concern can raise. If we conclude that there is a material uncertainty, we are required to draw attention to the related disclosures in the financial statements and management report in the auditor's report or, if such disclosures are inappropriate, to modify our respective audit opinion. We base our conclusions on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- We evaluate the overall presentation, the structure and the content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in such a way that the annual financial statements, in compliance with the German principles of proper accounting, give a true and fair view of the assets, financial and earnings situation of the company.
- We assess the consistency of the management report with the annual financial statements, its compliance with the law and the view it conveys of the company's situation.
- we perform audit procedures on the future-oriented information presented by the legal representatives in the management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not provide a separate audit opinion on the future-oriented information and the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We discuss with those charged with governance, among other things, the planned scope and timing of the audit and significant audit findings, including any deficiencies in the internal control system that we identify during our audit.

Kulmbach, May 12, 2021

**CPA Wirtschaftsprüfungsgesellschaft mbH
Wirtschaftsprüfungsgesellschaft**

dr Mehnert, auditor

Magica, auditor

