



Financial Statements 2020
of
Exasol AG, Nuremberg



Balance sheet as at 31 December 2020

Assets

	31 Dec. 2020	31 Dec. 2019
	EUR	EUR
A. Fixed assets		
I. Intangible assets	8,524,996.41	9,021,980.94
II. Property, plant and equipment	75,995.00	58,170.00
III. Financial assets	9,051,526.85	8,092,370.43
	17,652,518.26	17,172,521.37
B. Current assets		
I. Receivables and other assets	20,078,859.00	6,707,569.41
II. Securities	35,604,032.04	0.00
III. Cash and cash equivalents	28,448,118.75	69,388.97
	84,131,009.79	6,776,958.38
C. Prepaid expenses	855,685.60	107,577.78
	102,639,213.65	24,057,057.53



Balance sheet as at 31 December 2020

Equity and liabilities

	31 Dec. 2020		31 Dec. 2019	
	EUR	EUR	EUR	EUR
A. Equity				
I. Issued capital				
1. Subscribed capital	24,438,870.00		15,654,000.00	
2. Nominal value of own shares	-596,794.00	23,842,076.00	-502,127.00	15,151,873.00
II. Capital reserve		107,672,906.48		13,457,859.97
III. Accumulated losses brought forward		-27,983,461.54		-21,547,375.39
IV. Net loss for the year		-21,757,564.07		-6,436,086.15
		81,773,956.87		626,271.43
B. Contributions made to implement the resolved capital increase		0.00		8,490,449.51
C. Provisions		19,978,687.87		8,326,635.74
D. Liabilities		886,568.91		6,604,013.49
E. Deferred income		0.00		9,687.36
		102,639,213.65		24,057,057.53



**Income statement for the period
from 1 January to 31 December 2020**

	2020		2019	
	EUR	EUR	EUR	EUR
1. Gross profit		13,771,863.97		14,835,056.73
2. Personnel expenses				
a) Wages and salaries	-15,265,868.83		-7,853,838.11	
b) Social security	-38,947.12	-15,304,815.95	-57,375.51	-7,911,213.62
3. Amortisation of intangible assets and depreciation of property, plant and equipment		-4,068,966.97		-2,168,121.87
4. Other operating expenses – thereof from currency translation: EUR 46,466.48 (PY: EUR 16,702.94) –		-16,243,697.47		-10,812,985.95
5. Other interest and similar income – thereof from affiliated companies: EUR 332,117.85 (PY: EUR 332,117.85) –		334,084.74		332,117.85
6. Interest and similar expenses		-194,214.59		-669,306.29
7. Income taxes		-50,579.80		-40,000.00
8. Earnings after taxes		-21,756,326.07		-6,434,453.15
9. Other taxes		-1,238.00		-1,633.00
10. Net loss for the year		-21,757,564.07		-6,436,086.15
11. Accumulated losses brought forward		-27,983,461.54		-21,547,375.39
12. Accumulated deficit		-49,741,025.61		-27,983,461.54



Notes to the financial statements for financial year 2020

A. General information and explanatory notes

- (1) EXASOL AG is based in Nuremberg and listed in the commercial register of Nuremberg District Court (register file number HRB 23037).
- (2) The financial statements have been prepared in accordance with the general recognition and valuation requirements set out in Sections 246 to 256a HGB and by taking account of the special recognition, valuation and classification requirements applicable to corporations (Sections 264 to 277 HGB); they are presented in euros. The income statement has been prepared using the nature of expense method.

The Company meets the criteria of a small corporation as defined by Section 267 (1) HGB.

With respect to the disclosures in the notes, the Company makes partial use of the disclosure relief for small corporations set out under Sections 274a, 276 and 288 HGB.

Assets and liabilities are presented also in compliance with the recognition and valuation requirements for tax purposes if and to the extent that this is permissible in accordance with commercial law.

- (3) The assets and liabilities were measured under the assumption that the Company is able to continue as a going concern.
- (4) Fixed assets are stated at cost less amortisation and depreciation. No impairment losses or extraordinary write-downs for tax purposes were recognised. Internally generated intangible fixed assets were recognised and valued in accordance with Section 248 (2) and Section 255 (2a) HGB. These assets are written down over five years.

Any low-value assets acquired at a cost of EUR 800,00 or less are written down in full in the year of acquisition. This has no impact on the transparency of the Company's assets, liabilities, financial position and financial performance.

- (5) Receivables and other assets are stated at nominal value. A general bad debt provision has been recognised for general credit risk and the costs usually incurred in connection with delayed payment. Specific bad debt provisions have been made for all discernible individual risks.
- (6) Other securities are recognised at cost respectively written off to the lower market value as at the reporting date. Insofar as the reasons for a write-off to a lower market value do not longer exist, the requirement to reinstate original values has been taken into account.
- (7) Cash and cash equivalents are recognised at nominal value.



- (8) Tax provisions as well as other provisions are recognised at the settlement amount deemed necessary based on sound business judgment and take account of all identifiable risks. Provisions with a remaining term of more than one year are discounted in accordance with legal requirements.
- (9) Liabilities are stated at their settlement amounts.
- (10) Items denominated in foreign currency are stated at the official mid-market rates as at the reporting date in accordance with the recognition-of-loss principle.
- (11) Prepayments and deferred income include receipts or expenditures prior to the reporting date that represent income or expenses after the reporting date.

B. Disclosures and explanatory notes to the balance sheet

1. Fixed assets

The Company has ownership interests in companies in which the investments held serve to establish a permanent affiliation:

The Company holds all the shares of EXASOL Vertriebsholding GmbH based in Berlin. The subsidiary's equity amounted to KEUR 0 as of 31 December 2020, with net income for 2020 of KEUR -409.

Furthermore, the Company holds all the shares of yotilla GmbH based in Cologne. The subsidiary's equity amounted to KEUR 47 as of 31 December 2020, with net income for 2020 of KEUR 7.

2. Current assets

Receivables and other assets are as follows:

EUR	Financial year	thereof due after more than one year	Prior year	thereof due after more than one year
Trade receivables	0	0	0	0
Receivables from affiliated companies	19,688,807	0	6,377,026	0
Other assets	390,052	20,382	330,543	20,382
	<u>20,078,859</u>	<u>20,382</u>	<u>6,707,569</u>	<u>20,382</u>

'Other assets' does not include any larger amounts that are not legally incurred until after the reporting date. Other assets include interest receivables from affiliated companies amounted to KEUR 332 (PY: KEUR 308).



3. Other Securities

The financial instruments reported under other securities are exclusively shares in a money market fund.

4. Equity

(1) Subscribed capital

	1. Jan 2020	Increase	Decrease	31. Dec 2020
	EUR	EUR	EUR	EUR
Original capital	86,950	---	---	86,950
Capital increase	15,567,050	8,784,870	---	24,351,920
Share capital	15,654,000	8,784,870	---	24,438,870

On 5 December 2019, an extraordinary general meeting resolved to increase the share capital against contribution in kind. The share capital was increased by EUR 1,463,870.00 from EUR 15,654,000.00 to EUR 17,117,870.00 by issuing 1,463,870 new registered no-par value shares with a nominal value of EUR 1.00 per share. This was registered with the Nuremberg Local Court on 6 February 2020.

Furthermore, on 5 December 2019, an extraordinary general shareholder meeting resolved Authorized capital. The Executive Board was authorized, subject to the approval of the Supervisory Board, to increase the share capital on one or more occasions on or before 4 December 2024 by up to EUR 8,558,935.00 against cash and/or contributions in-kind by issuing up to 8,558,935 new no-par value registered shares ("Authorized Capital 2019/I"). The Authorized Capital 2019/I was registered with the Nuremberg Local Court on 6 February 2020.

With resolution of 13 May 2020, the Executive Board resolved with respect to this authorization to increase the share capital by EUR 5,100,000.00 from EUR 17,117,870.00 up to EUR 22,217,870.00 by issuing 5,100,000 new registered no-par value shares with a nominal value of EUR 1.00 per share against cash contribution. This was approved by the Supervisory Board on 19 May 2020 and was registered with the Nuremberg Local Court on 25 May 2020.

On 22 July 2020, the general meeting resolved to repeal the remaining Authorized capital ("Authorized Capital 2019/I") and further resolved Authorized capital ("Authorized Capital 2020/I") amounted to EUR 11,108,935.00. The Executive Board is authorized, subject to the approval of the Supervisory Board, to increase the share capital on one or more occasions on or before 21 July 2025 by up to



EUR 11,108,935.00 against cash and/or contributions in-kind. The Authorized Capital 2020/I was registered with Nuremberg Local Court on 2 October 2020.

With resolution of 2 December 2020, the Executive Board resolved with respect to this authorization to increase the share capital by EUR 2,221,000.00 from EUR 22,217,870.00 up to EUR 24,438,870.00 by issuing 2,221,000 new registered no-par value shares with a nominal value of EUR 1.00 per share against cash contribution. This was approved by the Supervisory Board on 2 December 2020 and was registered with the Nuremberg Local Court on 11 December 2020.

(2) Capital reserve

	1. Jan 2020	Increase	Decrease	31. Dec 2020
	EUR	EUR	EUR	EUR
Offering premium arising from capital increase	12,955,733	101,441,380	9,743,500	104,653,612
Other additional payments	502,127	379,667	285,000	596,794
Offering premium arising from reselling treasury stocks	---	2,422,500	---	2,422,500
	<u>13,457.860</u>	<u>104,243,547</u>	<u>10,028,500</u>	<u>107,672,907</u>

(3) Treasury stock

As of the balance sheet date, the Company held a total of 596,794 treasury shares of which 881,794 were contributed by the shareholders free of charge in December 2019, January 2020 and February 2020 and 285,000 were sold in May 2020. The 596,794 treasury shares represent EUR 596,794.00 (2.44%) of the share capital. The Company was obliged to return the no-par value shares if no IPO would have been carried out by 31 December 2020. Due to the IPO in May 2020, the obligation to return the no-par value shares ceased.

(4) Conditional capital

By resolution of the Company's extraordinary general shareholders' meeting held on 5 December 2019, the registered share capital of the Company was conditionally increased by up to EUR 6,200,000.00 by issuing up to 6,200,000 new registered shares with no-par value ("Conditional Capital 2019/I"). The



Conditional capital is limited until the end of 4 December 2024. The Conditional Capital 2019/I was registered with the Nuremberg Local Court on 6 February 2020.

Besides this, the general shareholder meeting held on 22 July 2020 resolved the creation of Conditional capital ("Conditional Capital 2020/I"). The registered share capital of the Company was conditionally increased by up to EUR 2,221,787.00 by issuing up to 2,221,787 new registered shares with no-par value. The Conditional capital is solely designed to serve the granting of stock options to selected employees or members of the Executive Board. The Conditional Capital 2020/I was registered with the Nuremberg Local Court on 2 October 2020.

5. Liabilities

The remaining terms of liabilities are as follows:

EUR	Aggregate amount in financial year	thereof due		
		within one year	between one and five years	after more than five years
To Banks	0 (PY: 2,081,954)	0 (PY: 2,081,954)	0 (PY: 0)	0 (PY: 0)
Trade payables	343,278 (PY: 527,014)	343,278 (PY: 527,014)	0 (PY: 0)	0 (PY: 0)
To affiliated companies	439,540 (PY: 798,209)	439,540 (PY: 798,209)	0 (PY: 0)	0 (PY: 0)
To shareholders	0 (PY: 3,140,166)	0 (PY: 3,140,166)	0 (PY: 0)	0 (PY: 0)
Other liabilities	103,751 (PY: 56,670)	103,751 (PY: 56,670)	0 (PY: 0)	0 (PY: 0)
	886,569 (PY: 6,604,013)	886,569 (PY: 6,604,013)	0 (PY: 0)	0 (PY: 0)

None of the liabilities are securitised.



C. Disclosures and explanatory notes to the income statement

1. Other operating income

Other operating income includes foreign currency translation gains in the amount of EUR 36,912 (PY: EUR 7,183).

2. Personnel expenses

Short-time worker's allowances received in the fiscal year were treated as transitory items. The corresponding social security contributions were recognized as a reduction of personnel expenses.

3. Depreciation and amortisation

Depreciation and amortisation includes amortisation of intangible assets unjustifiably omitted in previous years amounted to KEUR 1,704, which would have reduced the result for the financial years 2006 to 2016 by the same amount.

4. Other operating expenses

Other operating expenses include extraordinary expenses (expenses in connection with capital measures) amounted to KEUR 5,665 (PY: KEUR 1,235).

Other operating expenses include foreign currency translation expenses in the amount of EUR 46,466 (PY: EUR 16,703).

D. Contingencies and other financial obligations

1. Contingent liabilities pursuant to Section 251 HGB

There were no contingent liabilities in accordance with Section 251 HGB.



2. Other financial obligations

Type of obligation	Annual amounts from 2021 EUR
Rent for offices	454,544
Rents and leases for office equipment	31,718
Advertising rights	3,913,889
Stock awards	1,185,000
	5,585,151

The members of the Executive Board were granted stock awards as a component of their remuneration for the first time in 2020. The number of stock awards is calculated on the basis of the respective fixed remuneration multiplied by a percentage based on the performance of the EXASOL AG share. For each fiscal year, the share package is calculated on the basis of the data for the respective fiscal year. The entitlement does not arise in full at the end of the respective fiscal year, but in three tranches, the maturity of which arises when the entitlement arises.

The number of stock awards for the first, second and third tranche in 2020 totals 127,603.

For the financial year 2020, the first tranche is included in other provisions. The second and third tranches amounted to KEUR 2,369 are not recognized as provisions/liabilities due to the lack of entitlement. For the subsequent financial years, new main tranches will then again be created with three tranches each, insofar as the members of the Executive Board still have an existing employment contract.

E. Other disclosures

1. Number of employees

	Financial year	Prior year
Total	0	0
Executive Board	3	3

Part-time staff are counted per head and not presented on a full-time equivalent basis.



2. Executive Board

Members of the Executive Board in financial year 2020:

Aaron Auld, CEO, Munich
Mathias Golombek, CTO, Ottensoos
Michael Konrad, CFO, Karlsruhe

The above Executive Board members continued to be appointed on the date the consolidated financial statements were prepared.

3. Supervisory Board

Members of the Supervisory Board in financial year 2020:

Prof. h.c. Jochen Tschunke, corporate consultant, Munich
Gerhard Rumpff, corporate consultant, Munich
Dr. Knud Klingler, corporate consultant, Engerwitzdorf/Austria
Karl Hopfner, corporate consultant, Oberhaching

4. Proposal on the appropriation of profit

The Executive Board proposes that EXASOL AG's net income for the year of EUR -21,757,564.07 be carried forward to the following year.



F. Subsequent events

No events subject to mandatory disclosure occurred after the balance sheet date.

Nuremberg, 4 May 2021

EXASOL AG

- Executive Board -

Aaron Auld

Mathias Golombek

Michael Konrad



[Note: This is a translation of the German original. Solely the original text in German language is authoritative.]

Independent Auditor's Report

To the EXASOL AG, Nürnberg

Opinions

We have audited the annual financial statements of EXASOL AG, Nürnberg, which comprise the balance sheet as at December 31, 2020, and the statement of profit and loss for the financial year from January 1, 2020 to December 31, 2020, and notes to the financial statements, including the recognition and measurement policies presented therein.

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2020 and of its financial performance for the financial year from January 1, 2020 to December 31, 2020 in compliance with German Legally Required Accounting Principles.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial.

Basis for the Opinion

We conducted our audit of the annual financial statements in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements" 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 that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the annual financial statements.

Responsibilities of Management and the Supervisory Board for the Annual Financial Statements

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business



corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, management is responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is 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.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as to issue an auditor's report that includes our opinion on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can 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 taken on the basis of these annual financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by the executive directors and 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 may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based 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.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

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

Nürnberg, May 5, 2021

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Dr. Schroff
Wirtschaftsprüfer
[German Public Auditor]

Zippel
Wirtschaftsprüfer
[German Public Auditor]