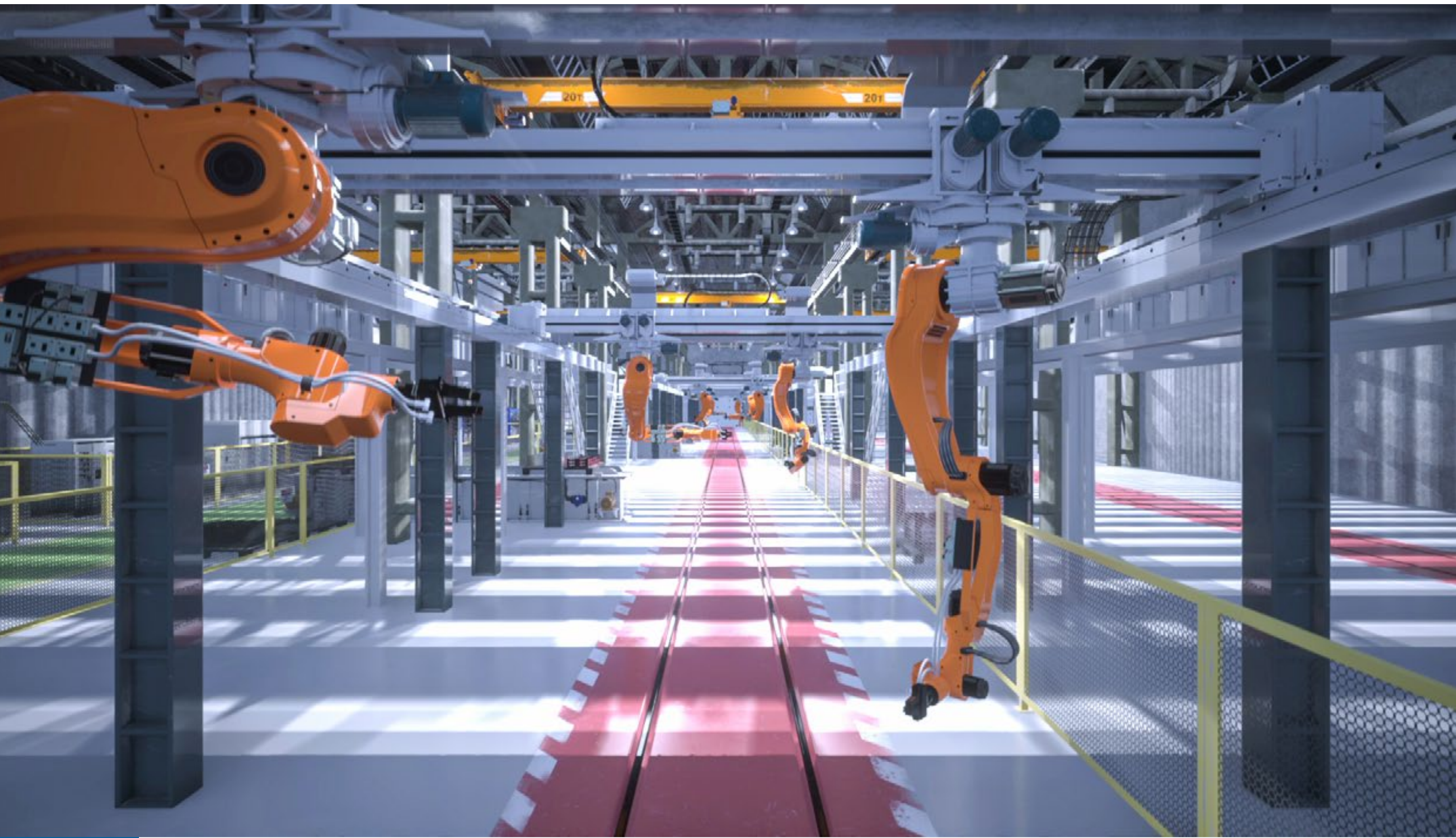
www.dfag.de



DF Deutsche Forfait AG

Moving forward

Combined Management Report and Group Management Report of
DF Deutsche Forfait AG for the period from 1 January 2023 to 30 June 2023

DF Deutsche Forfait AG

CONTENT

INTERIM GROUP MANAGEMENT REPORT 1-1-2023 – 30-6-2023

1. Fundamentals of the Group 3
2. Economic report 5
3. Opportunity and risk report 10
4. Forecast 12

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheet, Assets 14
Consolidated Balance Sheet, Liabilities 15
Condensed Consolidated Income Statement 16
Consolidated Statement of Comprehensive Income 17
Consolidated statement of cash flows 18
Consolidated Statement of Changes in Equity 19
Selected explanatory notes to the condensed interim consolidated financial statements 20

INDEPENDENT AUDITOR´S REPORT 29

RESPONSIBILITY STATEMENT BY THE BOARD OF MANAGEMENT 30

I. FUNDAMENTALS OF THE GROUP

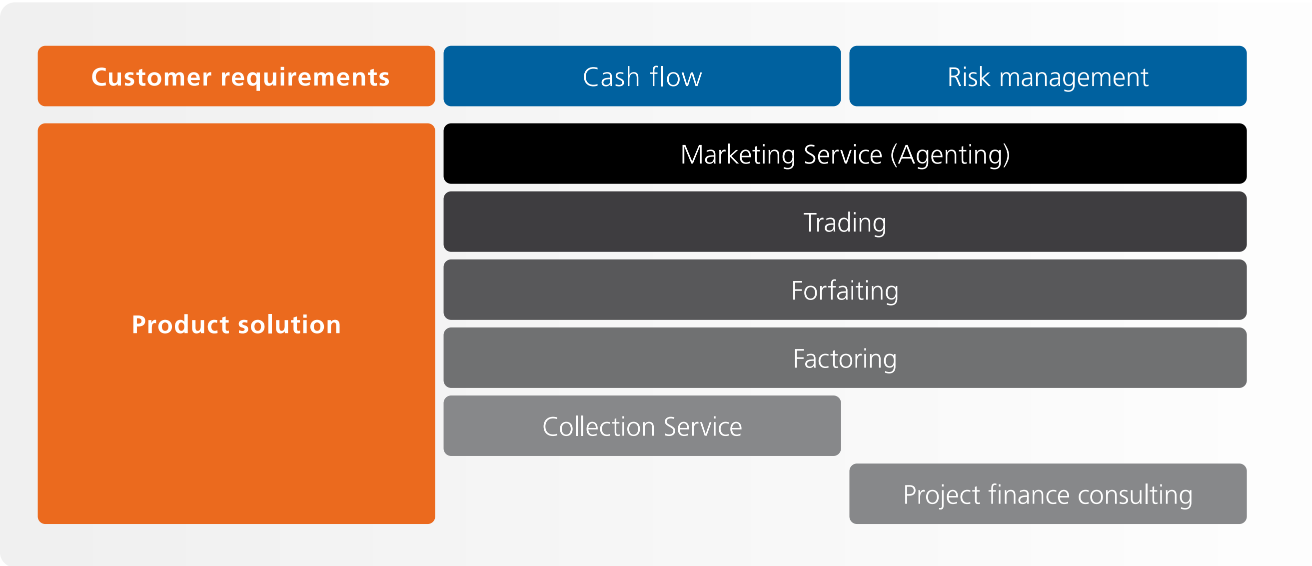
(1) Business model of the Group

DF Group is a specialist for foreign trade finance and related services. Its customers include exporters, importers and other financial companies. DF Group currently specializes in the countries of the Near and Middle East, with the main focus on Iran. Where trade with Iran is concerned, it has focused its activities exclusively on humanitarian goods since the summer of 2018 for business policy reasons.

DF Group's product portfolio is tailored to the geographical focus and specific customer needs. In the context of its marketing services, the Group – after having carried out its own compliance check – brokers transactions relating to the food, pharmaceuticals and healthcare sectors to its strategic partners for further processing. The Group also collects foreign trade receivables, which is done via its Czech subsidiary, DF Deutsche Forfait Middle East s.r.o., for the Near and Middle East region. DF Deutsche Forfait s.r.o. covers the remaining geographies with a focus on emerging markets.

Factoring services, which were added to DF Group's product portfolio in late 2020, are also provided by the Prague-based subsidiary, primarily to Czech customers. Forfaiting – where receivables are purchased by Deutsche Forfait GmbH or by DF ME s.r.o. taking into account the specific risks of each individual transaction – also made a contribution to revenues in the reporting period. DF Group generally originates business through its own sales force or through agents or strategic partners in the country of the importer. DF Group moreover markets its country-specific know-how, its network as well as its compliance expertise by providing compliance consulting and training services.

The chart below shows the structure of the product solutions offered by DF Group in the reporting year.



For further diversification, DF Group has added project finance activities to its product portfolio. Here, the focus is on consulting and other services in the context of project financing, which are also offered beyond the target region – primarily in emerging markets. This increases the geographical diversification of DF Group's business activity.

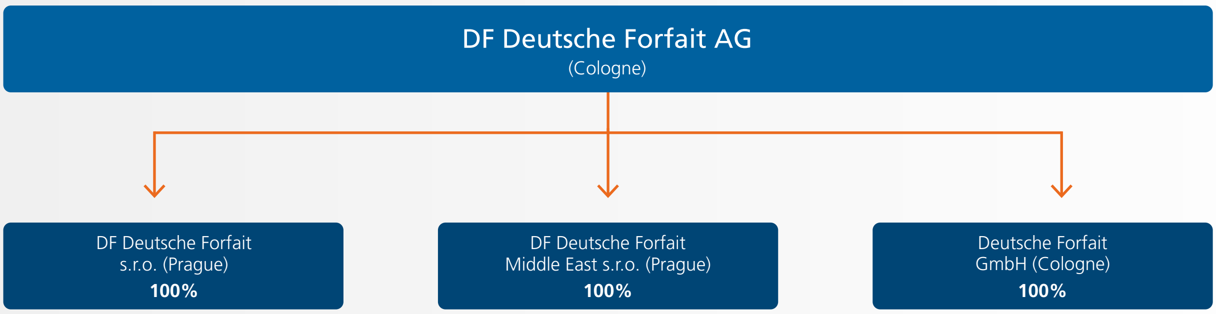
Since 2023, DF Group has additionally been acting as an independent trader of agricultural products in the new Trading segment in compliance with applicable regulations.

DF Group's business model is influenced by legal, political and economic factors, especially with regard to sanctions and trade restrictions. In particular, compliance with restrictions is intensively monitored by the company's internal and experienced Compliance Team.

(2) Structure of DF Group

DF Deutsche Forfait AG ("**DF AG**" or "**company**"), headquartered in Cologne, is the holding company and ultimate parent of DF Group. DF AG has three operating subsidiaries, namely Deutsche Forfait GmbH ("DF GmbH") in Cologne, Germany, DF Deutsche Forfait s.r.o. ("DF s.r.o.") as well as DF Deutsche Forfait Middle East s.r.o. ("DF ME s.r.o.") in Prague, Czech Republic.

Organizational structure



DF GmbH focuses its products, which mainly comprise marketing services, forfaiting and the collection of foreign trade receivables as well as consulting services, on the Near and Middle East. In addition, the company provides services to other DF Group entities. These include, among other things, accounting, contract management, compliance, sales and risk management.

The Prague subsidiaries are responsible for the factoring business, the handling of individual transactions such as the granting of loans, the purchase and sale of promissory notes as well as debt collection activities. DF ME s.r.o. focuses on transactions and the Trading product in the Near and Middle East, especially Iran, while DF s.r.o. covers the remaining geographies with a focus on emerging markets. All subsidiaries are legally independent entities.

II. ECONOMIC REPORT

(1) Macroeconomic and industry-related environment

In the first half of 2023, the global economic situation continued to be dominated by the effects of the war in Ukraine and the related impact on the global economy.

At the beginning of 2023, the IMF expected the world economy to grow by 2.9% and 3.1% in 2023 and 2024, respectively. Compared with the last forecast from October 2022, this represents an upward revision of 0.2 percentage points for 2023 and a downward revision of 0.1 percentage points for 2024. This means, however, that growth is expected to slow down markedly by another 0.5 percentage points compared to 2022 and to remain well below the long-term average of 3.8% in the period from 2000 to 2019.

The slowdown in economic momentum is attributed in particular to the industrialized countries, which are projected to grow by only 1.2% this year, compared to 2.7% last year. The situation is different in the emerging and developing countries, which, according to IMF calculations, bottomed out already in 2022. Accordingly, a very slight recovery is expected from 2023 onwards – partly as a result of the opening of the Chinese economy after the pandemic. In 2023, China and India could account for more than 50% of global economic growth.

In 2022, the IMF still expected the volume of world trade to grow by 2.2% and 3.3% in 2023 and 2024, respectively. According to a WTO publication released in April 2023, global trade is expected to grow by only 1.7% in 2023. While this is more than previously estimated in October 2022, when the WTO had assumed an increase in trade volume of only one percent, it is still very low. For comparison: Trade volume grew by 10.4% in 2021 and still by 5.6% in 2022.

The WTO has now raised its forecast for 2023 because the outlook for global economic growth improved from 2.3% to 2.4%. A growth rate of 3.2% is expected for 2024. However, factors such as geopolitical tensions, supply bottlenecks on the food market and negative effects of the interest rate hikes may still reduce this rate.

In the World Economic Outlook (WEO) update from July 2023, the experts of the International Monetary Fund (IMF) also upgraded last year's estimate of global economic growth for 2023 by 0.2% to 3% and maintained their forecast for 2024 at 3%. Nevertheless, many problems still remain, and the IMF is particularly concerned about the high global inflation. Growth is driven primarily by the major emerging countries such as China and India, with the emerging countries as a whole expected to grow by 4% in both 2023 and 2024.

For the eurozone, the experts project a decline to 0.9% and 1.4% in 2023 and 2024, respectively (from 3.5% in 2022). The German economy is forecast to contract by as much as 0.3% in 2023 and then to pick up again by 1.2% in 2024. Growth in the USA is expected to slow from 2.1% in 2022 to 1.8% in 2023 and 1.0% in 2024. The IMF attributes the slowdown to the fact that US consumers used up most of their savings during the COVID-19 pandemic.

Core inflation is projected to decline to 6.8% in 2023 (from 8.7% in 2022) and then to fall to 5.2% in 2024.

In April 2023, the Czech Ministry of Finance forecast "mini growth" of 0.1% in 2023 and a 3.0% increase in gross domestic product in 2024 for the Czech market relevant to DF Group. The annual rate of inflation is expected to be just over 10% in 2023 and to drop sharply to 2.4% in 2024.

Estimates for the financial year 2022/23 in Iran, which is an important target market for DF Group, ranged from an increase of 2.5% (IMF) to 2.7% (World Bank) and an inflation rate around 50%. According to preliminary calculations by the Iranian Central Bank, the economy in Iran grew by 5.3% in 2022/23. After three years of strong declines, Iran's foreign trade has also picked up again since 2021/22. According to Iranian customs data, imports, for example, increased by 12.6% to USD 59.7 billion in 2022/23.

According to the latest statistical report of the United Nations Food and Agriculture Organization (FAO), the monetary value of global food exports increased 3.6-fold in nominal terms between 2000 and 2019, from about USD 380 billion in 2000 to nearly USD 1.4 trillion in 2019. Global spending on medicine or medical products also picked up in recent years. According to current surveys of the Organization for Economic Co-operation and Development (OECD), healthcare spending increased in relation to the respective gross domestic product as a result of the pandemic. Spending in the OECD countries rose from 8.8% in 2019 to 9.7% in the following year. In Germany, healthcare spending climbed from 11.7% to 12.5% in the same period.

(2) Business performance

a. Results of operation

In the first half of the year, DF Group's consolidated total profit was almost unchanged from the previous year. DF Group generated profits in the amount of EUR 1.9 million (previous year: EUR 2.0 million) from a volume of continuing operations totaling EUR 83.1 million (previous year: EUR 72.2 million).

Accounting entries for the first Trading transaction as at the balance sheet date resulted in an increase in transaction-related income to a total of EUR 25.4 million (previous year: EUR 5.3 million). As expected, commission income from marketing services declined to EUR 4.1 million (previous year: EUR 4.7 million), while forfaiting income was lower than in the previous year at EUR 0.3 million. The main reason for this was the uncertainty felt by many market participants as a result of the BaFin investigations at Varengold Bank AG (see also under III. Opportunity and Risk Report).

Transaction-related expenses rose in line with the income generated by the Trading transaction from EUR 0.4 million to EUR 20.9 million, which sent the gross result falling to EUR 4.4 million (previous year: EUR 4.9 million).

Personnel expenses increased by EUR 0.1 million year on year to EUR 1.1 million. Other operating expenses rose from EUR 0.9 million to EUR 1.2 million due to higher legal fees and general price increases. Interest income increased to EUR 0.6 million due to higher contractually agreed interest on arrears for forfaiting receivables repaid in the first half of the year and due to the Trading segment. Interest expenses rose to EUR 0.4 million in the first half of 2023 and resulted almost exclusively from interest on the loan granted by the majority shareholder of DF AG to DF GmbH.

At EUR 2.4 million, the consolidated profit before taxes in the first half of 2023 was clearly below the previous year's EUR 3.0 million. The decline is largely attributable to the expected lower gross result. By contrast, the consolidated profit after taxes remained unchanged from the previous year at EUR 2.0 million, with earnings per share declining to EUR 0.16.

On balance, DF Group thus achieved a satisfactory result under the prevailing market conditions.

b. Financial position

DF Group's cash flow from operating activities amounted to EUR -13.4 million in the first half of 2023 (previous year: EUR 6.6 million). The main reason for the decline as at the balance sheet date is the noticeable increase in trade receivables and other assets. These result from the first Trading transaction initiated before the balance sheet date, which was not concluded until after the balance sheet date and led to income in the high six-figure range in the second half of the year.

Cash flow from investing activities was negligible in the reporting period. Mainly due to the payment of a dividend to our shareholders, cash flow from financing activities amounted to EUR -0.6 million. In the past financial year, DF Group met all its payment obligations on time and on target.

Cash and cash equivalents totaled EUR 9.5 million at the end of the reporting period, of which EUR 5.5 million was held in blocked accounts at Varengold Bank AG. Free cash and cash equivalents thus amounted to EUR 4.0 million as at the balance sheet date.

The increase in DF Group's equity to EUR 29.1 million as of 30 June 2023 (previous year: EUR 27.6 million) is attributable to the increase in revenue reserves. The equity ratio stood at 58.9%, compared to 58.7% as of 31 December 2022.

As of 30 June 2023, DF Group had no loans or credit lines with banks or other persons apart from the loan granted by the majority shareholder of DF AG.

c. Net assets position

DF Group's assets totaled EUR 49.3 million as at the balance sheet date of 30 June 2023 (end of 2022: EUR 46.9 million). Non-current assets decreased slightly to a total of EUR 6.3 million due to the reduction in deferred tax receivables (end of 2022: EUR 6.6 million); current assets amounted to EUR 43.0 million (end of 2022: EUR 40.4 million). The increase is mainly attributable to accounting entries in connection with the Trading transaction.

As of 30 June 2023, DF Group had cash and cash equivalents in the amount of EUR 9.5 million, which rose sharply due to the successful conclusion of the Trading transaction after the balance sheet date.

d. Impact of economic developments and the war in Ukraine

In the first half of 2023, the key financial performance indicators for DF Group – business volume, gross result and consolidated profit before taxes – were not materially affected by the deteriorating global economic conditions. Especially the profitable marketing services again proved to be a stable element of the services offered by the Group. The difficult economic situation as well as market participants' restraint due to the BaFin investigations at Varengold Bank AG delayed the planned diversification.

Russia's military action against Ukraine launched in February 2022 continues to have negative political and economic repercussions worldwide. As DF Group has no direct customers in Russia, how-ever, there was hardly any impact on the company's operating business in the first half of 2023. The recurring turmoil in Iran has no impact on our business.

(3) Performance of the DF share

The share of DF Deutsche Forfait AG performed positively in the first half of 2023. Starting the year at EUR 1.96, the share price initially moved sideways in a range of between EUR 2.10 and EUR 2.30, with an outlier to EUR 1.93. The share price then closed at EUR 2.32 on 30 June 2023. This corresponds to an increase by EUR 0.36 or 18.4% compared to the end of 2022.

The reason for the positive performance was certainly the again very strong consolidated profit in 2022 as well as the announced payment of a dividend.

The SDAX small caps index rose by 14% in the reporting period, while the sector index for financial stocks, DAXsector Financial Services, stagnated during the same period.

As at the reporting date of 30 June 2022, DF Deutsche Forfait AG had a market capitalization of EUR 27.6 million (previous year: EUR 21.4 million). A total of around 255,000 DF shares were traded on the Frankfurt Stock Exchange and XETRA during the first half of the year.

(4) Annual General Meeting

DF Deutsche Forfait AG held its ordinary Annual General Meeting for the financial year 2022 on 29 June 2023. At the meeting held physically in Cologne, the Board of Management and the Supervisory Board reported on the company's operating performance in the past year and explained the strategic initiatives and plans for the future.

All items on the agenda were approved by the Annual General Meeting with a clear majority of the present share capital of over 86%. The proposed resolutions put to the vote included the partial distribution of the unappropriated profits from the financial year 2022, the election of Grant Thornton AG as auditors, the approval of the compensation report, the authorization of the Board of Management to provide for a virtual Annual General Meeting and the election of two new Supervisory Board members.

At the constituent Supervisory Board meeting at the end of the Annual General Meeting, DF Deutsche Forfait AG welcomed its new Supervisory Board member, Mr Wolfgang Habermann, as well as the re-elected Supervisory Board member, Prof. Wulf-W. Lapins; the Supervisory Board then elected Dr. Ludolf von Wartenberg as Chairman and Prof. Dr. Wulf-W. Lapins as Deputy Chairman of the Supervisory Board from among its members. Mr Wolfgang Habermann is also an ordinary member of the Supervisory Board.

III. OPPORTUNITY AND RISK REPORT

A detailed presentation of the risks and opportunities is provided in the Group management report as of 31 December 2022.

The risks explained therein remained unchanged until the end of the reporting period, even taking into account the ongoing war in Ukraine. The substantial risks for DF Group continue to exist on the earnings side. Due to DF Group's geographic specialization, there is a high dependence on future political and economic developments in the Near and Middle East – referred to as "country risk" – as well as on the cooperation with its strategic partners.

Thanks to its specialization and unique positioning in the market, DF Group is able to generate high income. At the same time, however, the specialization of DF Group's business model and the close cooperation with well-established partners also represent a considerable risk. Should an important partner of DF Group default for political or military reasons, this could have an adverse effect on DF Group's business performance.

In addition to the business risks outlined above, rising inflation, increasing energy prices and the war in Ukraine continue to impact global economic performance and, hence, global trade. However, as humanitarian goods such as food, pharmaceuticals and healthcare products, on which DF Group focuses, were affected far less strongly by the respective influencing factors than trade in other goods and this is expected to again be the case in the current financial year 2023, DF Group assumes that the risk situation will be similar to that of the previous year. Furthermore, there is a risk that only limited funds will be available for the import of medical goods and food in the Near and Middle East or that individual products of DF Group can no longer be marketed due to regulatory or other circumstances, which may lead to a reduction in DF Group's business volume.

Constant monitoring of the markets, its high degree of flexibility and many years of expertise in the trade finance sector, combined with a proven compliance system, offer the company good opportunities to further expand its business volume in the future.

The existing sanctions continue to restrict the use of available financial resources in Iran, while keeping transaction costs at a high level, as a result of which existing demand cannot be fully met. Due to the priority given to the non-sanctioned goods movements underlying DF Group's business, no impairment has been observed to date. In addition, economic relations between Iran and China are currently improving, which might also have a positive effect on DF Group's business volume.

On 2 June 2023, Varengold Bank AG announced that the German Federal Financial Supervisory Authority (BaFin) had audited the payment transactions business of its Commercial Banking division in connection with a special audit and claimed possible compliance violations. In this context, Varengold Bank AG announced that it would restrict payment transactions with some of its international corporate customers in the Commercial Banking division who also have a connection to Iran until final clarification of the matter. DF Deutsche Forfait AG, which holds accounts with Varengold Bank, was and is also affected by these restrictions.

The announcement by Varengold Bank led to general uncertainty among participants in the international trading market and thus also in DF Deutsche Forfait AG's Trading segment with Iran, which had a negative effect on the company's business activities.

In an ad hoc announcement dated 27 July 2023, the Board of Management of DF Deutsche Forfait AG therefore announced that, due to this uncertainty in the market, which was not and is not in the company's power, the forecast for the consolidated profit before taxes for the financial year 2023 would be adjusted from EUR 6.6 million to EUR 4.7 million in line with current plans and budgets. According to the plans and budgets as at the balance sheet date, gross profit will be down by 20% on the previous year's EUR 10.6 million, whereas an increase had previously been projected.

DF Deutsche Forfait AG emphasizes that it was not and is not a subject of the BaFin investigations. However, DF Deutsche Forfait AG has an account relationship with Varengold Bank AG and has a credit balance of approximately EUR 5.5 million in its accounts with the bank. These accounts were temporarily blocked by Varengold Bank AG in the course of the investigations until completion of the investigations. We point out that this amount only represents a part of the liquid funds available to us. In addition, we have the possibility to process our payment activities via other banks, so that there is also no cluster risk due to the blocking of this bank account.

DF Deutsche Forfait AG's Management Board immediately took appropriate measures, including legal action, against the blocking of the accounts, which in the Company's view was unjustified, in order to make the funds available again as quickly as possible.

Provisions of EUR 0.1 million were made for possible or outstanding court and legal costs in connection with Varengold Bank AG.

At the time of preparing the interim consolidated financial statements and the present interim report, the Board of Management believes that despite the current events surrounding Varengold Bank AG, based on the political, geographical and economic developments during the past months, the opportunities clearly outweigh the risks. DF Group expects continued profitability.

IV. FORECAST

According to current expectations of the experts of the International Monetary Fund (IMF) from May 2023, the economic situation will remain difficult in the coming months. The main reasons for this are the continued high inflation resulting from central banks' restrictive monetary policy and the associated loss of purchasing power, the economic uncertainty due to the war in Ukraine and the rising interest rates, which are curbing investment demand.

In its current forecast, the IMF also expects lower growth than previously assumed for the industrialized countries. Economic output is projected to increase by only 3.0% in each 2023 and 2024. By contrast, the outlook for the emerging and developing countries was revised upward to 4% for both 2023 and 2024.

The forecast for the economic performance of the eurozone countries has also been downgraded. Assuming an unchanged political scenario, economic output is now expected to grow by only 0.9% and 1.4% in 2023 and 2024, respectively (after 3.5% in 2022).

World trade is forecast to be stronger this year and next. The WTO experts project an increase of 1.7% for 2023 and of 3.2% for 2024.

Iran, which is an important target market for DF Group, is also affected by this development. The IMF expects GDP to grow by 2.5% in 2022/23 and by 3% in 2023/24. Economic output in the Czech Republic is forecast to increase by only 0.1% in 2023, with year-on-year inflation at 10.0%. In 2024, the economy is expected to grow by 3%, with an inflation rate falling sharply to 2.4%.

The focus of DF Group's business activities in the Near and Middle East remains on the food, pharmaceutical and healthcare product groups. As these goods serve the basic needs of the population, they are exempt from the existing sanctions against Iran. DF Group expects a continued increase in demand compared to the previous year and thus a generally positive effect for the financial year 2023. While existing US sanctions continue to restrict the use of available financial resources in Iran, negotiations on the Joint Comprehensive Plan of Action (JCPOA) are continuing, which might result in an easing of the sanctions imposed by the US government against Iran.

With respect to Russia's military action against Ukraine launched in February 2022 and the resulting sanctions imposed on Russia by countries such as the USA, the EU and the United Kingdom, negative effects on the world economy and global trade continue to be expected.

The new Trading segment is expected to make a significant contribution to revenues and earnings for the first time in the financial year 2023.

On 27 July 2023, DF Deutsche Forfait AG adjusted its forecast for the full year 2023 due to the events surrounding Varengold Bank AG. In view of the restraint among market participants resulting from the investigations against Varengold Bank AG, provided that the economic and political environment remains stable in the coming months, especially in the target region, and that the negative effects of the Russia-Ukraine conflict do not increase, the Board of Management continues to assume, as published in the ad hoc announcement on 27 July 2023, that DF Group will generate a slightly reduced business volume and a slightly lower gross result and consolidated profit before taxes in the financial year 2023 compared to the previous year.

Cologne, 29 September 2023

The Board of Management

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2023 TO 30 JUNE 2023

Consolidated Balance Sheet – Assets	14
Consolidated Balance Sheet – Liabilities	15
Condensed Consolidated Income Statement	16
Consolidated Statement of Comprehensive Income	17
Consolidated Statement of Cash Flows	18
Consolidated Statement of Changes in Equity	19
Selected explanatory notes to the condensed interim consolidated financial statements	20

Assets (in EUR)	Notes No.	30-06-2023	31-12-2022
Non-current assets			
Intangible assets		36,974.20	43,165.08
Tangible assets		1,338,149.82	1,427,550.63
Non-current financial assets		61,298.62	54,968.68
Deferred taxes	(11)	4,843,317.80	5,028,155.32
		6,279,740.44	6,553,839.71
Current assets			
Creditor assets	(17)	18,177.16	31,378.58
Trade receivables	(12)	22,164,778.52	15,747,234.88
Tax receivables	(11)	383,959.67	383,189.29
Other current assets		10,879,087.36	681,477.30
Cash and cash equivalents	(13)	9,545,533.96	23,565,133.35
		42,991,536.67	40,408,413.40
Total assets		**49,271,277.11**	**46,962,253.11**

Liabilities (in EUR)	Notes No.	30-06-2023	31-12-2022
Equity	(14)		
Subscribed capital		11,887,483.00	11,887,483.00
Costs of the capital increase		-623,481.04	-623,481.04
Revenue reserves		17,940,561.57	16,467,287.22
Adjustment item from currency translation		-176,758.25	-172,241.37
		29,027,805.28	27,559,047.81
Non-current liabilities	(18)		
Loan		15,000,000.00	15,000,000.00
Provisions		20,054.33	19,975.95
Lease obligations		1,060,667.30	1,133,409.66
		16,080,721.63	16,153,385.61
Current liabilities			
Provisions		131,000.00	0.00
Creditor liabilities	(17)	18,177.16	31,378.58
Liabilities to banks		77.22	4.33
Income tax liabilities	(11)	1,678,412.00	1,511,537.00
Trade accounts payable	(15)	521,751.50	218,616.08
Other current debt	(16)	1,813,332.32	1,488,283.69
		4,162,750.20	3,249,819.68
Total liabilities		**49,271,277.11**	**46,962,253.11**

Condensed Consolidated Income Statement (in EUR)	Notes No.	01-01 – 30-06-2023	01-01 – 30-06-2022
Transaction-related income	(5)		
a) Forfaiting income		292,016.15	393,895.13
b) Commission income		4,145,604.62	4,715,172.30
c) Exchange gains		287,087.06	116,130.29
d) Trading income		20,652,158.44	0.00
e) Write-up of receivables		0.00	57,029.18
		25,376,866.26	**5,282,226.90**
Transaction-related expenses	(6)		
a) Forfaiting expenses		643.75	0.00
b) Commission expenses		199,225.67	225,029.43
c) Exchange losses		921.83	163,217.60
d) Trading expenses		20,738,842.83	0.00
		20,939,634.08	**388,247.03**
Gross result	(7)	**4,437,232.19**	**4,893,979.87**
Other income	(8)	68,390.42	17,003.09
Personal expenses			
a) Wages and salaries		1,024,001.48	946,686.41
b) Social security contributions and expenditure for pensions and social welfare		117,816.49	139,307.13
		1,141,817.97	**1,085,993.54**
Amortization of intangible assets and tangible assets		105,370.83	119,025.15
Other operating expenses	(9)	1,196,166.36	915,682.92
Interest income	(10)	615,440.64	365,151.98
Interest paid	(10)	377,221.92	122,180.55
Profit before income tax		**2,300,486.18**	**3,033,252.78**
Income tax	(11)		
a) Income and earnings tax		166,875.00	281,430.00
b) Deferred taxes		184,837.52	766,290.00
Consolidated profit		**1,948,773.66**	**1,985,532.78**
Undiluted earnings per share		0.16	0.17
Diluted earnings per share		0.16	0.17

Consolidated Statement of Comprehensive Income (in EUR)	Notes No.	01-01 – 30-06-2023	01-01 – 30-06-2022
Consolidated profit		**1,948,773.66**	**1,985,532.78**
Other comprehensive income			
Components, which may be reclassified to the income statemend in the future			
Currency translation differences from the inclusion of foreign subsidiaries	(21)	4,516.88	1,090.37
		4,516.88	**1,090.37**
Comprehensive income		**1,944,256.78**	**1,986,623.15**

The consolidated profit and the comprehensive income are fully attributable to the shareholders of the parent company.

	Consolidated Statement of Cash Flows (in EUR)	Notes No.	01-01 – 30-06-2023	01-01 – 30-06-2022
	Consolidated income		1,948,773.66	1,985,532.78
+	Amortization/depreciation of intangible and tangible assets		105,370.83	119,025.15
+	Income tax		351,712.52	1,047,720.00
+	Interest paid		377,221.92	122,180.55
-	Interest income		-615,440.64	-365,151.98
+/-	Result from disposals of non-current assets		1.00	0.00
+/-	Other non-cash transactions		24,257.78	-356,918.65
+/-	Changes in creditor assets		13,201.42	-1,986.39
+/-	Changes in trade receivables		-6,417,543.64	3,829,477.19
+/-	Changes in other assets		-10,204,710.38	-274,804.85
+/-	Changes in creditor liabilities		-13,201.42	1,986.39
+/-	Changes in provisions		131,078.38	0.00
+/-	Changes in trade accounts payable		303,135.42	58,411.48
+/-	Changes in other liabilities		511,848.30	131,956.12
-	Income tax paid		0.00	0.00
=	**Operating Cash Flow**		**-13,484,294.86**	**6,297,427.79**
-	Interest paid		-14,084.82	-43,706.26
+	Interest receives		52,500.00	362,166.34
=	**Cash Flow from operating activities**		**-13,445,879.68**	**6,615,887.87**
-	Payments for investments in non-current assets		-5,626.25	-41,844.78
=	**Cash Flow from investing activities**		**-5,626.25**	**-41,844.78**
-	Repayment portion of lease liabilities		-92,594.14	-84,314.03
+/-	Changes in financial liabilities		0.00	156.17
+/-	Dividend paid to the shareholders of the company		-475,499.32	0.00
=	**Cash Flow from financing activities**		**-568,093.46**	**-84,157.86**
	Net changes in cash and cash equivalents		**-14,019,599.39**	**6,489,885.23**
+	Cash and cash equivalents at beginning of the period		23,565,133.35	6,993,617.34
+/-	Currency translation effects		0.00	71.36
=	**Cash and cash equivalents at end of the period**		**9,545,533.96**	**13,483,573.93**
-	Bank balances pledged		-55,000.00	-55,000.00
-	Bank balances Varengoldbank		-5,514,030.21	0.00
=	**free cash and cash equivalents at end of the period**	(33)	**3,976,503.75**	**13,428,573.93**

Consolidated Statement of Changes in Equity **01-01-2023 to 30-06-2023** **(in EUR)**	**Notes No.**	**Subscribed Capital**	**Capital earmarked for capital increase**	**Capital reserves**	**Costs of capital increase**	**Revenue reserves**	**Adjustment item from currency translation[1]**	**Total**
As at 1 January 2022		**11,887,483.00**	**-**	**-**	**(623,481.04)**	**11,065,459.36**	**(167,849.48)**	**22,161,611.84**
Comprehensive income						1,985,532.78	1,090.37	1,986,623.15
As at 30 June 2022	(14)	**11,887,483.00**	**-**	**-**	**(623,481.04)**	**13,050,992.14**	**(166,759.11)**	**24,148,234.99**
As at 1 January 2023		**11,887,483.00**	**-**	**-**	**(623,481.04)**	**16,467,287.22**	**(172,241.37)**	**27,559,047.81**
Comprehensive income						1,948,773.66	(4,516.88)	1,944,256.78
Dividend payment						(475,499.32)		(475,499.32)
As at 30 June 2023	(14)	**11,887,483.00**	**-**	**-**	**(623,481.04)**	**17,940,561.56**	**(176,758.25)**	**29,027,805.27**

[1] Other Comprehensive Income (OCI)

I. POLICIES

(1) General information

DF Deutsche Forfait AG (also referred to as "DF AG" or "the company") is the parent company of DF Group (also referred to as "Group") and has the legal status of a joint stock company. The company's address is Gustav-Heinemann-Ufer 56, 50968 Köln. It is registered at Cologne Local Court ("Amtsgericht") under HRB 112638.

DF AG is a financial enterprise within the definition of Section 1 (3) No. 2 of the German Banking Act (KWG). It also performs the function of a holding company within DF Group.

DF Group specializes in foreign trade finance and related services for exporters, importers and other financial companies. The company is consequently regarded as a single-segment entity. Reporting within the meaning of IFRS 8 does therefore not take place. DF Group's geographic focus within this market segment lies on Near and Middle East countries and, in particular, Iran. With respect to trade with Iran, DF Group currently restricts its activities to humanitarian goods for business policy reasons.

In accordance with IAS 34, the interim financial statements are presented in a condensed form compared to the consolidated annual financial statements. The unaudited condensed interim consolidated financial statements of DF AG as of 30 June 2023 were prepared on the basis of the applicable International Financial Reporting Standards (IFRS) for interim reporting as endorsed by the EU. The interim financial statements were generally prepared on the basis of the same accounting and valuation policies on which the previous consolidated financial statements for the period ended 31 December 2022 were based. The term "IFRS" also includes the prevailing International Accounting Standards (IAS). All the binding interpretations of the International Financial Reporting Interpretations Committee (IFRIC) for the first half of 2023 have also been applied. The functional currency of the Group is the euro. All figures are presented in thousands of euros (kEUR) unless otherwise stated. The figures are commercially rounded. This may lead to minor rounding differences in totals and percentages.

Starting with the consolidated financial statements for the period ended 1 July 2016, the assets and liabilities that have been recognized as recoverable mass and/or as filed for the insolvency table have been grouped into "creditor assets" and "creditor liabilities" to make the presentation clearer. These items are shown separately in the consolidated financial statements and explained in the notes. The income statement is prepared according to the total expenditure method. In the consolidated income statement, income and expenses are grouped by category and income and expense totals are presented to reflect the particular characteristics of a forfaiting company.

There have been no major changes in the material estimates and assumptions used in accounting; please therefore also refer to the notes to the consolidated financial statements for the period ended 31 December 2022.

(2) Amendments to the standards made by the IASB

The same accounting policies as applied in the consolidated financial statements for the financial year 2022 are applied in these condensed interim consolidated financial statements. For information on the accounting policies and methods applied in the consolidated financial statements, please refer to the notes in the 2022 Annual Report.

In the first half of 2023, the Group observed and, where relevant, applied the statements or amendments to statements of the IASB published by the IASB and endorsed by the EU to be applied for the first time as of 1 January 2023. These amendments had no material effects on the presentation of the net assets, financial position and results of operation of DF AG.

The future application of standards, interpretations and amendments that have been published but not yet applied is not expected to have any or any material impact on the consolidated financial statements, either. The amendments to IAS 12 'International Tax Reform – Pillar Two Model Rules' published by the IASB in May 2023 introduce disclosure requirements that will apply to reporting for the financial year immediately after endorsement by the EU. DF AG does not expect this amendment to have any material effects on the Group.

(3) Basis of consolidation

The basis of consolidation of DF AG is shown below and has not changed compared to the consolidated financial statements for the period ended 31 December 2022. The reporting date of the parent company and the subsidiaries is 31 December. The shares in equity have remained unchanged from the previous year.

Basis of consolidation	Share in equity	Consolidation
DF Deutsche Forfait AG, Cologne (parent company)		fully consolidated
Deutsche Forfait GmbH, Cologne ("DF GmbH")	100%	fully consolidated
DF Deutsche Forfait s.r.o., Prague / Czech Republic ("DF s.r.o.")	100%	fully consolidated
DF Deutsche Forfait Middle East s.r.o., Prague / Czech Republic ("DF ME")	100%	fully consolidated

(4) Currency translation

The interim consolidated financial statements are prepared in euros, the functional and reporting currency of the parent company, pursuant to IAS 21 "The Effects of Changes in Foreign Exchange Rates".

Since the subsidiaries carry out their business autonomously in financial, economic and organizational terms, the functional currency is essentially identical to each subsidiary's local currency. Therefore, in the interim consolidated financial statements, the income and expenses from the financial statements of subsidiaries prepared in a foreign currency are translated into euros at the average rate; assets and liabilities are translated at the closing rate.

Exchange differences resulting from the translation of equity are recognized in equity in the form of an adjustment item from currency translation. The translation differences resulting from differing translation rates between the balance sheet and the statement of comprehensive income are recognized in other comprehensive income.

Foreign currency receivables and liabilities are measured at the cost of acquisition on accrual. Exchange gains and losses on the balance sheet date are shown in the income statement.

The exchange rates on which translation into euros is based correspond to the euro reference rates published by the European Central Bank and are as follows:

	Closing rate		Average rate	
	30-06-2023	31-12-2022	01-01 – 30-06-2023	01-01 – 30 06 2022
Czech koruna	23.742	24.116	23.690	24.636

II. NOTES TO THE INCOME STATEMENT

(5) Transaction-related income

Transaction-related income includes:

Transaction-related income in kEUR	01-01 – 30-06-2023	01-01 – 30-06-2022
Forfaiting income	292	394
Commission income	4,146	4,715
Exchange gains	287	116
Trading income	20,652	-
Income from the reduction of value adjustments on receivables	-	57
Total	**25,377**	**5,282**

Commission income mainly results from brokerage, consulting and other services provided in connection with payment transactions. Marketing revenues included therein are generated by DF GmbH exclusively with one customer in the Near East region. The factoring income of kEUR 15 (previous year: kEUR 309) included in commission income is generated exclusively by DF s.r.o. in the Czech Republic.

The trading income results from the trading business started in the financial year 2023 and is related to the corresponding trading expenses. For further information on the Trading business, please refer to our comments in the Interim Group Management Report.

(6) Transaction-related expenses

Transaction-related expenses in kEUR	01-01 – 30-06-2023	01-01 – 30-06-2022
Forfaiting expenses	1	-
Commission expenses	199	225
Exchange losses	1	163
Trading expenses	20,739	-
Total	**20,940**	**388**

The commission expenses and the trading expenses are related to the corresponding income. Commission expenses mainly result from brokerage services provided for DF Group and mainly relate to marketing services in the amount of kEUR 171 (previous year: kEUR 145) and bank commissions in the amount of kEUR 28 (previous year: kEUR 13).

(7) Balance of transaction-related income and expenses (gross result)

The gross result is the difference between transaction-related income and expenses.

Gross result in kEUR	01-01 – 30-06-2023	01-01 – 30-06-2022
Net forfaiting income	291	394
Net commission income	3,947	4,490
Result from exchange gains and losses	286	(47)
Trading result	(87)	-
Other valuation result	-	57
Total	**4,437**	**4,894**

(8) Other income

Other income breaks down as follows:

Other income in kEUR	01-01 – 30-06-2023	01-01 – 30-06-2022
Income from fees for the sale of creditor assets	6	15
Income from the reversal of other liabilities	25	-
Income from the allocation of charges	5	1
Miscellaneous other operating income	32	1
Total	**68**	**17**

(9) Other operating expenses

Other operating expenses break down as follows:

Other operating expenses in kEUR	01-01 – 30-06-2023	01-01 – 30-06-2022
Legal and consultation fees, accounting expenses	471	187
Investor relations, AGM	163	113
Cost of premises	45	101
Insurance, fees, contributions	78	73
Travel expenses	81	65
IT costs	70	61
Payment transaction fees	44	51
Administrative expenses / cooperation partners	26	47
Miscellaneous other expenses	218	117
Total	**1,196**	**916**

Legal and consultation fees as well as accounting expenses relate primarily to expenses for annual and interim audits as well as for tax advice and advice on company law. Provisions of kEUR 130 were recognised for an ongoing court case in connection with Varengold Bank AG.

(10) Financial result

The interest income of kEUR 615 in the first half of 2023 (previous year: kEUR 365) is based on interest on arrears from the forfaiting business and the trading business. Interest expenses in the reporting period result almost exclusively from interest of kEUR 354 (previous year: kEUR 67) on the loan granted by the majority shareholder of DF AG to DF GmbH.

(11) Income tax

Until 2019, DF AG incurred tax losses of which it could not be assumed with sufficient probability that taxable results would be available against which the deductible temporary differences could be utilized. With the application of the profit transfer agreement between DF AG and DF GmbH, which was approved by the Annual General Meeting on 30 June 2020 and which became effective with retrospective effect from 1 January 2020 by entry in the Commercial Register on 3 August 2020, the previous assumption with respect to the offsetting of losses had to be revised. With respect to the tax situation of DF AG, please also refer to the notes to the consolidated financial statements for the period ended 31 December 2022.

Tax expenses recognized for the first half of 2023 comprise income tax attributable to the reporting period in the amount of kEUR 167 (previous year: kEUR 281) and the reversal of deferred tax receivables in the amount of kEUR 185 (previous year: kEUR 766). The deferred taxes of kEUR 5,028 recognized in the consolidated financial statements for the period ended 31 December 2022 thus decreased to kEUR 4,843 as of 30 June 2023.

There are tax receivables of kEUR 384 (previous year: kEUR 383 as of 31 December 2022), of which kEUR 335 result from offsetting paid capital gains tax plus solidarity surcharge against corporate income tax plus solidarity surcharge of DF AG calculated for the 2020 assessment period, while kEUR 49 (previous year: kEUR 98) result from refund claims of DF Deutsche Forfait Middle East s.r.o.

Of the income tax liabilities recognized in the amount of kEUR 1,678 (previous year: kEUR 1,512 as of 31 December 2022), kEUR 167 (previous year: kEUR 281) relate to the result generated in the reporting period, kEUR 841 to trade tax and kEUR 671 to corporation tax for previous years.

III. NOTES TO THE BALANCE SHEET

(12) Trade receivables

The increase in trade receivables in the first half of 2023 by kEUR 6,418 to kEUR 22,165 is essentially due to receivables outstanding as at the reporting date in connection with the Trading transaction. The receivables from the Trading transaction in the amount of kEUR 21,601 had been paid in full by the time the interim consolidated financial statements were prepared.

(13) Cash and cash equivalents

Cash and cash equivalents amounted to kEUR 9,546 (previous year: kEUR 23,565) and related to bank deposits with a maturity of up to three months. Cash and cash equivalents in the amount of kEUR 5,513 are currently subject to access restrictions at Varengold Bank.

(14) Equity

Changes in the equity of DF Group as of 30 June 2023 are shown in the statement of changes in equity.

The share capital of the Group is fully paid in and, as in the previous year, amounted to EUR 11,887,483 as at the balance sheet date. As in the previous year, it continues to be divided into 11,887,483 no-par registered shares.

Taking into account the dividend payment of kEUR 476 and the consolidated profit generated in the reporting period, equity increased to kEUR 29,027 as of 30 June 2023, compared to kEUR 27,559 as of 31 December 2022. The equity ratio thus stands at 58.9% (previous year: 58.7%).

(15) Trade accounts payable

Trade accounts payable consist almost exclusively of obligations from services purchased in the second quarter of 2023 and increased by kEUR 303 to kEUR 522 as at the reporting date (previous year: kEUR 219).

(16) Other current debt

The increase in other current debt from kEUR 1,488 as of 31 December 2022 by kEUR 325 to now kEUR 1,813 is mainly attributable to the distribution to shareholders in the reporting period. Otherwise, current debt as at the reporting date mainly relates to current lease liabilities in the amount of kEUR 148, bonus obligations of kEUR 180, interest liabilities of kEUR 764 as well as accounting and audit expenses of kEUR 84.

(17) Creditor assets and creditor liabilities

The **creditor assets** comprise the full estate of the company. The distributable estate essentially consists of receivables from forfaiting business prior to the insolvency and is composed as follows:

Creditor assets in kEUR	30-06-2023	31-12-2022
Restructuring portfolio	18	18
Trading portfolio	-	-
Bank balances	-	13
Total	**18**	**31**

The restructuring portfolio relates to overdue and legally pending receivables from various debtors. The change in value of the trading and restructuring portfolio mainly results from fair value adjustments.

Creditor assets (receivables of the restructuring portfolio) are measured at fair value through profit or loss, which also corresponds to the carrying amount. The estimated prospect of successfully enforcing the pending claims is essentially taken into account for this measurement. According to the categorization described in the notes to the consolidated financial statements for the period ended 31 December 2022, these are Level 3 assets in the measurement hierarchy. The measurement bases of the creditor assets and the creditor liabilities have remained unchanged compared to the previous year; please refer to the notes to the consolidated financial statements for the period ended 31 December 2022.

The **creditor liabilities** are liabilities filed with the insolvency table.

Offsetting payments received from the debtors and expenses that essentially resulted from legal proceedings as well as cash and cash equivalents provided by the trustee for future legal expenses, trust assets were offset against liabilities to the trustee in the amount of kEUR 277.

According to the insolvency plan, the liabilities that remain after the creditors' partial waiver will be settled exclusively to the extent that, and at such times when, DF AG's assets existing at the time of the official adoption of the insolvency plan are liquidated. Under the regulations of the insolvency plan, all opportunities and risks resulting from the liquidation of the creditor assets thus pass to the creditors. This means that the creditor liabilities may at no time exceed the creditor assets. To avoid an accounting mismatch, the creditor liabilities are recognized at the fair value resulting from the change in the value of the assets (IAS 39.9b). In the reporting period, this resulted in income of kEUR 13 (previous year: expenses of kEUR 2).

IV. OTHER INFORMATION

(18) Relationships with related parties

As in the prior period, DF Group is affected by the disclosure requirements of IAS 24 solely in terms of business with entities with a significant influence as well as with members of the management in key positions (Board of Management and Supervisory Board) of DF AG. The Board of Management, the Supervisory Board and non-consolidated subsidiaries are considered to be related parties as at the balance sheet date.

Due to his share ownership, Dr. Shahab Manzouri is a person with substantial influence and represents the highest controlling level of the Group. In February 2019, Dr. Manzouri granted DF GmbH a loan of EUR 15.0 million with a minimum term of three years, which bears interest at the 12-months EURIBOR plus 1.0% and minus any credit fees (negative interest). In the reporting period, DF GmbH expensed interest on the loan in the amount of kEUR 354 (previous year: kEUR 67) and reported it as other current liabilities as of 30 June 2023. As at the balance sheet date, a total of kEUR 15,410 was outstanding.

(19) Adjusting events after the end of the reporting period

The ordinary Annual General Meeting for the financial year 2023 was held on 29 June 2023. It approved all items on the agenda, including the dividend payment to the shareholders of DF AG, as proposed. The dividend payment to the shareholders was made on 4 July 2023.

No other extraordinary events occurred after the reporting date on 30 June 2023.

Cologne, 29 September 2023

The Board of Management

AUDITOR´S REVIEW REPORT

RESPONSIBILITY STATEMENT BY THE BOARD OF MANAGEMENT

REVIEW REPORT

To DF Deutsche Forfait AG

We have reviewed the condensed interim consolidated financial statements – comprising the condensed balance sheet, condensed statement of comprehensive income, condensed cash flow statement, condensed statement of changes in equity and selected explanatory notes – and the interim Group management report of DF Deutsche Forfait AG, Cologne, for the period from 1 January 2023 to 30 June 2023, which are part of the interim financial report pursuant to section 115 of the German Securities Trading Act (WpHG). The preparation of the condensed interim consolidated financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim Group management report in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports, is the responsibility of the company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim Group management report based on our review.

We completed our review of the condensed interim consolidated financial statements and the interim Group management report based on German principles for financial reporting review engagements established by the IDW ("Institut der Wirtschaftsprüfer", German institute of auditors). According to these principles, a review engagement must be planned and carried out so that, based on a critical appraisal, we can be reasonably certain that the condensed interim consolidated financial statements comply with the IFRS principles for interim reporting as they apply to the EU in all material respects and that the interim Group management report complies with the WpHG (German Securities Trading Act) regulations as they apply to interim group management reports in all material respects. A review engagement is mainly limited to interviews with company employees and an analytical evaluation, which means it does not result in the same level of certainty attained by an audit. Since we were not engaged to complete an audit, we are not issuing an audit opinion.

During our review engagement, we did not become aware of any information that would indicate that the condensed interim consolidated financial statements of DF Deutsche Forfait AG, Cologne, for the period from 1 January 2023 to 30 June 2023 do not comply with the IFRS principles for interim reporting as they apply to the EU in all material respects or that the interim Group management report does not comply with the WpHG (German Securities Trading Act) regulations as they apply to interim group management reports in all material respects.

Frankfurt am Main, 29 September 2023

Grant Thornton AG
Wirtschaftsprüfungsgesellschaft

Maximilian Meyer zu Schwabedissen
Wirtschaftsprüfer [German Public Auditor]

Fabian Kuhn
Wirtschaftsprüfer [German Public Auditor]

RESPONSIBILITY STATEMENT BY THE BOARD OF MANAGEMENT

To the best of our knowledge and in accordance with the applicable accounting principles, the interim consolidated financial statements for the period ended 30 June 2023 give a true and fair view of the assets, liabilities, financial position and the profit or loss of the Group. The interim group management report includes a fair review of the business development and the position of the Group together with the principal opportunities and risks associated with the expected development of the Group.

Cologne, 29 September 2023

The Board of Management

DF Deutsche Forfait AG

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