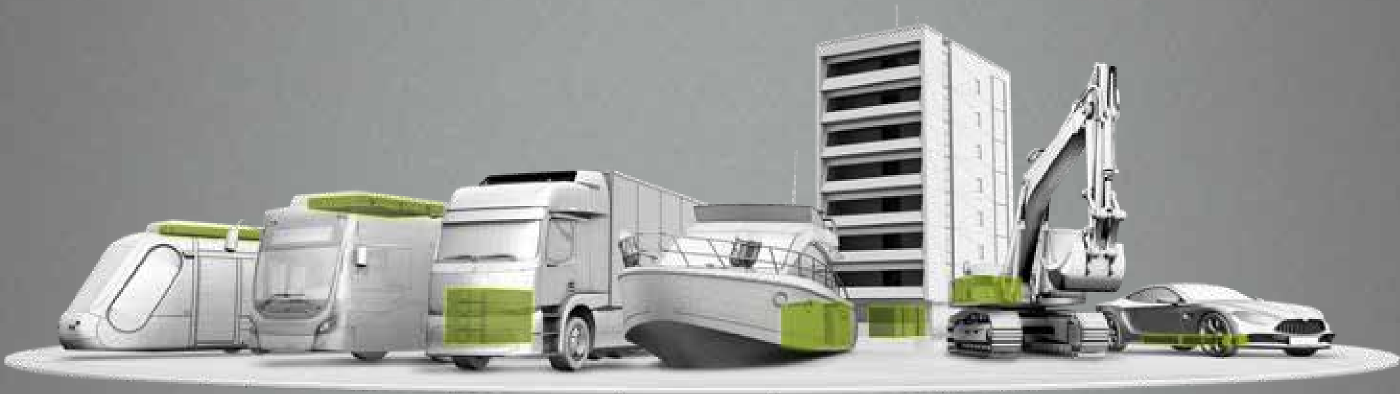
AKASOL



Q3 FINANCIAL REPORT
01/01/2018 - 30/09/2018

CONTENT

KEY FIGURES FOR THE 9-MONTH PERIOD 2018 AND 2017

	Q1-Q3 2018 EUR in K	Q1-Q3 2017 EUR in K
Net sales	**13.558**	**9.342**
One-off IPO costs	-2.214	0
EBITDA*	-599	2.322
EBITDA (adjusted)	1.615	2.322
EBITDA margin (adjusted)	11,9 %	24,9 %
EBIT (earnings before interest and taxes)	-995	1.903
EBIT (adjusted)	**1.219**	**1.903**
EBIT margin (adjusted)	9,0%	20,4%
EBT (earnings before taxes)	-1.204	1.742
Net profit or loss for the period	**-1.205**	**1.176**
Earnings per share in EUR	-0,32	0,59
Capital	100.912	1.624
Equity ratio	88,4%	10,8%
Total assets	114.152	15.027
Operating cash flow	-42.701	-2.248
Employees as of Sep. 30	137	84

KEY FIGURES FOR THE THIRD QUARTER 2018 AND 2017

	Q3 2018 EUR in K	Q3 2017 EUR in K
Turnover	**4.275**	**2.365**
One-off IPO costs	0	0
EBITDA*	220	1.309
EBITDA (adjusted)	220	1.309
EBITDA margin (adjusted)	5,1%	55,3%
EBIT (earnings before interest and taxes)	58	1.170
EBIT (adjusted)	**58**	**1.170**
EBIT margin (adjusted)	1,4%	49,5%
EBT (earnings before taxes)	8	1.082
Net profit or loss for the period	**96**	**715**
Earnings per share in EUR	0,02	0,36

* Earnings before interest, taxes, depreciation and amortization

LETTER TO SHAREHOLDERS

Dear Shareholders, Ladies and Gentlemen,

in the first nine months of the current financial year 2018, AKASOL AG generated sales of € 13.6 million. The adjusted earnings before interest and taxes (EBIT) amounted to € 1.2 million and the unadjusted earnings amounted to € -1.0 million. The company can therefore look back on a successful nine months period.

We want to continue effectively on our path and sustainably strengthen our leading position as a German manufacturer for high performance lithium-ion battery systems for the current financial year. To this end, we continue to pursue our strategy of continuously expanding our production facilities at the Langen site, promoting the recruitment of production personnel and further specialists. Thanks to this active management, series production started successfully and on time towards the end of the third quarter of 2018.

As expected, the company increased its sales in the first nine months of the financial year of 2018 by 45.1% to € 13.6 million. The start of the series production was a milestone for AKASOL AG. Accordingly, we are expecting a significant increase in sales, especially for the fourth quarter of 2018.

For the successful initial public offering, IPO-related one-off costs of € 2.2 million were incurred in the first nine months of the financial year of 2018, among others for legal and transaction advice as well as auditing services. Adjusted by the IPO-related costs, the adjusted EBIT margin is approx. 9.0% (unadjusted: 7.3%) and the adjusted EBITDA-margin is 11.9% (unadjusted: 4.4%).

Due to the very dynamic business development, we are consistently expanding semi-automated series production at the Langen site. The already successfully commissioned production line in Langen with a capacity of 300 MWh is to be doubled to a capacity of 600 MWh through the commissioning of the second hall section. The required facilities will be commissioned very promptly together with the production facilities for the series production in USA so that the complete installed total capacity in Langen will almost certainly be available at the end of 2019 and thus nine months earlier than originally planned. This gives us a strong basis for sustainable growth with our clients.

According to current planning, the production site of our subsidiary company in USA, AKASOL Inc., that is currently not yet operationally active, is due to commence production with an annual production capacity of 300 MWh from the end of 2019, so that production can also begin here at the start of 2020. In early October this year, Roy Schulde, an experienced and recognized expert from the supply sector of the US automotive industry, was appointed as Managing Director for our subsidiary company. Shortly after his appointment, he had already spent several weeks at our sites in Darmstadt and Langen and is now actively involved in the further strategic and operative steps, such as the location search for a production site in USA. Deciding on the right location with regards to our clients, markets, suppliers and the best possible use of funding opportunities are of particular importance. We are thereby actively supported by an auditing company with many years of experience in international location analysis.

The shortage of some electronic components continues to be a challenge in the further expansion of the series production. We ensure the supply of materials both operatively and strategically. The management is sustainably handling potential supply bottlenecks by creating allocations for component parts that are not readily available and by establishing a consignment warehouse at one of our suppliers. We continue to build a medium-term stock supply of mainly low-cost parts that are in short supply. These are not complex components, such as crucial processors for our electronics, but mostly so-called commodities, such as simple resistors, that are affected by the shortage.

AKASOL AG continued to steadily improve its production process and business operations during the third quarter of 2018. The proceeds from the capital increase in the course of the IPO amounted to approx. € 100 million and will be used for the doubling of the production capacity at the Langen site, the expansion in USA, for investments in further testing and validation facilities, as well as research and development. These plans emphasize our strategy of continuously expanding the AKASOL AG product portfolio. In the course of this, innovations play a key role in offering our clients specific and sustainable solutions for their respective applications.

Both sales as well as the adjusted earnings before interest and taxes (EBIT) are in line with our annual planning, which forecast a sales of between € 22.0 and € 24.0 million and an adjusted EBIT margin of approx. 7% for the current financial year 2018.

We maintain a trusting and close co-operation with our long-standing clients, and additionally note a buoyant and promising demand for our products. In light of this we will concentrate on the further development of our existing business and our organic growth. We appreciate that you continue to support us confidently in these projects.

Yours sincerely,

SVEN SCHULZ
Chief Executive Officer

DR. CURT PHILIPP LORBER
Chief Financial Officer

BUSINESS DEVELOPMENT OVERVIEW

SALES DEVELOPMENT AND MARKET TRENDS

Our marketing efforts seek to increase sales through a variety of channels and initiatives. Alongside ten in-house sales representatives, we closely cooperate with two regional external sales partners in Italy and Scandinavia. In addition to this, we have decided to further professionalize the Sales Department and to create a Head of Sales position, which will already be filled from mid-November 2018.

Meanwhile, the most important marketing activities include active online marketing particularly via social media platforms, participation in leading trade fairs and conferences, as well as publications in newspapers, trade journals and press releases regarding business developments of the AKASOL AG.

Our marketing is broadly divided between our On-Highway and Off-Highway Segments. Our marketing team supports the expansion of our business through maintaining close contact with our sales representatives, implements short and mid-term marketing strategies, develops new business opportunities and monitors relevant market trends.

Leading international trade fairs provide our company with an efficient opportunity to address customers by sector and regions. In the first nine months of the financial year of 2018, AKASOL AG successfully presented its product portfolio at Battery Show Europe in Hannover, ees Europe in Munich and EHMWE in Amsterdam, where we recorded increasing customer interest. This trend was confirmed at the end of September at the IAA Nutzfahrzeuge (Commercial Vehicles) in Hannover, a trade fair focusing on automated and networked driving, e-mobility and new mobility services. Our battery systems were presented at our own booth as well as in vehicles by many of our clients. At the same time as the IAA, AKASOL AG also presented their battery systems suitable for trains at the InnoTrans trade fair in Berlin, which were also presented by our long-standing clients Alstom and Bombardier in various applications including a fuel cell locomotive and a fully electric train with our systems. In mid-November our Off-Highway segment also generated promising customer contacts at the MELSTRADE in Amsterdam, the world's largest trade fair for marine equipment and accessories.

Over the report period, AKASOL AG continued to record stable business with established clients due to a long-term, constructive, trusting collaboration and close anchoring with our clients and expects additional sustainable potential sales for the next years.

In addition to maintaining existing customers relationships, our sales activities also focus on acquiring new clients. We continue to expand our customer base due to our in-depth understanding of relevant customer demands of individual and focused sectors and an active dialogue with potential new clients. In light of the overall promising sales pipeline, the company continues to anticipate sales success by the end of the financial year of 2018.

PRODUCT DEVELOPMENT

Our research and development activities are focused on mobility innovations as well as improving our products and processes as well as quality and costs.

We believe that our long-term and reliable experience in research and development, as well as our knowledge are significant differentiating factors enhancing our competitiveness. AKASOL AG also researches and develops within the scope of customer-specific projects. In these projects, we develop individual solutions for battery systems that can then be used in future generations of products. This ensures reliable and predictable business and continuous technological advantage over the competition.

Moreover, we develop new products that are very similar to our existing product portfolio but can be used in entirely different sectors. For example the stationary fast charging stations with AKASOL AG battery technologies that are capable of providing several vehicles simultaneously with quick charging technology without having to increase the power supply capacity. This technology also persuaded a large German automotive manufacturer to commission us with the further development, which could lead to a new interesting and fast-growing line of business.

EARNINGS, FINANCIAL AND ASSETS SITUATION

EARNINGS SITUATION

The **sales** on September 30, 2018, amounts to € 13.6 million and thus € 4.2 million over the sales for the same period of the previous year, equating to a 45.1% increase, insofar as the first nine months of the current financial year are in accordance with the plans of AKASOL AG. The comparable prior-year period includes a special payment of six-digit amount due to a lawsuit won, so that the previous quarter was marked by this special effect.

Analogically, the cost of materials has increased from the previous year from € 3.8 million to € 6.9 million, which equates to an increase of 82.0% or a material usage ratio of 50.7% (40.4% previous year).

Conversely, **personnel expenditure** has under-proportionally increased compared to the development of sales by € 1.2 million, or by 33.4% to € 4.6 million. The personnel expenditure ratio decreased slightly from the previous year from 37.2% to 34.2%.

As of September 30, 2018, **other operating expenses amounted** to € 4.7 million (€ 2.4 million previous year), of which € 2.2 million are IPO-related one-off costs, among others for legal and transaction advice, as well as auditing services.

For the reporting period, the results before interest, taxes, depreciation and amortization (EBITDA) amounts to € -0.6 million (€ 2.3 million previous year). Taking into account the one-off IPO-costs, the adjusted EBITDA amounts to € 1.6 million.

As of September 30, 2018, **amortizations** amount to € 397 K (€ 419 K previous year).

The **earnings** before taxes and interest (EBIT) amounts to € -1.0 million for the first three quarters of the current fiscal year (€ 1.9 million previous year). Adjusted by the one-off IPO-costs, the EBIT amounts to € 1.2 million.

The **financial result** amounts to € -0.2 million for the first nine months of the current financial year and is therefore at the same level as during the same period of the previous year.

After deducting tax expenses of € 1 K, as of September 30, 2018, AKASOL AG achieved period earnings of € -1,2 million (€ 1.2 million previous year). Earnings per share amount to € -0.32 (€ 0.59 previous year).

FINANCIAL SITUATION

Bank deposits have increased in the first nine months of 2018 by € 52.6 million and as of September 30, 2018, amount to € 55.5 million in total. As of September 30, 2018, AKASOL AG had long-term financial liabilities amounting to € 4.5 million. This equates to a reduction of € 1.7 million.

Short- and long-term liabilities amount to € 13.2 million. Reduced by the liquid funds, the net cash position amounts to € 42.2 million (€ -10.6 million previous year), which equates to a change of € 52.8 million.

The **operative cash flow** amounts to € -1.4 million. Due to the increase of assets amounting to €1.5 million, as well as the acquisition of financial assets amounting to € 38.2 million, which the company uses to eliminate a negative interest charge, AKASOL AG generated a **cash flow from its operating activities**, amounting to € -42.7 million.

The **operative cash flow** in the addition to the cash flow from investment activity in the first nine months of the current financial year amounts to € -44.1 million **(free cash flow).**

The **cash flow from financing activity** amounts to € 95.2 million (€ 2.2 million previous year). In the third quarter of 2018 this was reduced by the payment of the one-off IPO-costs amounting to € 5.8 million.

ASSETS SITUATION

Current assets have increased by € 58.8 million and on the reporting date September 30, 2018, amounted to € 69.4 million.

Trade receivables were at € 3.5 million as of the balance sheet date, of which € 2.5 million amount to receivables that were invoiced and € 1.0 million were assets not covered by payments on account.

Liquid assets developed positively and increased during the third quarter of 2018 by € 52.6 million to € 55.5 million. **Non-current assets** increased by € 40.3 million and as of September 30, 2018 amount to € 44.7 million. This increase is due to a rise of financial assets as well as a € 1.2 million increase in deferred taxes. Intangible assets, in particular relating to the capitalization of development costs, increased by € 0.3 million to € 1.6 million. **Deferred tax assets** amount to € 1.2 million at the end of the third quarter.

Short-term liabilities have increased to € 1.6 million and amount to € 8.7 million on the balance sheet date. A key factor behind this increase is miscellaneous short-term liabilities, which increased by € 1.0 million and include current VAT, profit and income tax liabilities.

In the first nine months of the financial year of 2018, **trade payables** have increased by € 0.8 to € 2.1 million. **Shareholder's liabilities** developed in the opposite direction. Due to the debt-to-equity swap, these loans were transferred to the capital reserves.

Short-term financial liabilities increased by € 0.8 million to € 1.9 million. Overall long-term liabilities amount to € 4.5 million (€ 6.2 million in the previous year). These could be decreased by € 1.7 million. This corresponds with the repayment of bank loans. On September 30, 2018, no passive deferred tax liabilities were recognized.

As of September 30, 2018, **equity capital** amounts to € 100.9 million and has, in comparison with December 31, 2017, increased by € 99.3 million. The equity ratio at September 30, 2018 amounts to 88.4%.

As of now, **total IPO-costs** amount to € 5.8 million, of which € 2.5 million were recognized in equity capital, taking into account deferred tax assets of € 1.1 million. The remaining € 2.2 million are recognized as expenses. The premium of the IPO, amounting to € 97.9 million, was recorded in the capital reserve.

To date AKASOL AG is not organized in different segments. Preparations are currently underway to differentiate the On-Highway and Off-Highway segments in future. This means that a distinction between the On-Highway Segment, comprising manufacturers of buses and commercial vehicles, and the Off-Highway Segment, comprising battery systems and services for manufacturers and tier-one suppliers of rail vehicles, industrial vehicles (for example construction, mining and logistics), marine vehicles and stationary application in the housing and commercial sector, will be made. A corresponding internal reporting system is currently being established.

EMPLOYEES

At the end of September 2018, AKASOL AG employed 137 permanent staff excluding the Board (on September 30, 2017: 84 permanent staff; on December 31, 2017: 80 permanent staff excluding Board). Personnel capacity has increased by 60% over the past 12 months compared to the previous year. This is a particularly positive development as AKASOL AG's performance has exceeded original expectations in a highly competitive market for qualified staff.

FORECAST REPORT

AKASOL AG continues to develop and produce trend-setting, high-performance lithium-ion battery systems for hybrid and all-electric drive solutions in On- and Off-Highway applications, as well as for stationary systems for the storage of renewable energies.

Thanks to its leading technology, AKASOL AG is globally regarded as an innovator in this sector, paving the way to an economically viable e-mobility and support an efficient, environmentally friendly energy supply with its products.

AKASOL AG was able to sign long-term, multi-year framework agreements with two renowned European commercial vehicle manufactures, regarding the respective series production of battery systems. Accordingly, series production for a Scandinavian bus manufacturer and the automotive client Daimler has commenced in the second half of 2018 and is proceeding according to plan.

In order to meet the pending order volume and the series production successfully, AKASOL AG has, apart from its production site in Darmstadt, also started production at the series production facility in Langen/Hessen since the end of 2017, and further expanded in the first nine months of 2018.

During the third quarter of 2018, the original single-shift operation was increased by an additional half-shift. The introduction of the additional shift serves to meet client needs with regards to contractually agreed orders and to ensure on-time delivery. Long-term capacity growth is set to move to a full two-shift operation at the Langen production site from January 2019. Management also plans to implement a three-shift operation by around mid-2019.

In addition, concrete steps were taken to further automate the production line. During the fourth quarter, a production plant will be installed to automate the high-voltage connection of our battery systems. The plant has already been installed at our supplier and is in the final acceptance phase. Currently this process is still carried out by a specially trained expert, which is relatively time-consuming. The production plant is due to be delivered at the end of November 2018 and is expected to be commissioned in early December 2018. In future, it will contribute to increasing process efficiency and quality. The process will be changed from semi-automatic, with some manual process steps to completely automated and standardized processes and will thus significantly reduce cycle times.

An efficient cost structure and increase of cash flow will thus remain the management's focus.

Measures to automate the entire production line were supplemented by the on-time delivery of two further EOL (end of line) stations in October 2018. These EOL test stations will be used for quality assurance. Previously, only one test station was actively used in the production process. The two additional test stations have meanwhile been put into operation. A high capacity of EOL test stations is a crucial factor in series production as the test routine can take up to two hours depending on customer specifications. By installing the full test capacity within the functional final check, product capacity can thus be increased by up to 200%, ensuring the highest quality as well as process efficiency and thus allow us to maximum yields in production.

Furthermore, concrete expressions of interest and advanced negotiations with clients are included in the order backlog, rated by probability but in doing so, only those activities were included where at least a RFQ (request for quotation) was received and the Management Board assumes at least a 50% probability of an order. All further customer pitches and negotiations ("long list") were completely excluded from the order backlog. The order backlog covers the planning period between 2018 and 2024.

Apart from order volumes already agreed with clients for the series production, further small client projects will continue to increase the volume of orders of AKASOL AG.

The volume of orders as of September 30, 2018 is stable at € 1.47 billion. Our volume of orders comprises signed customer orders and framework agreements that are included in the order backlog with 100% certainty.

For the current financial year 2018 AKASOL AG expects sales between € 22.0 and € 24.0 million, and an adjusted EBIT margin of approx. 7%.

OPPORTUNITIES AND RISK REPORT

With regard to further opportunities and risks AKASOL AG refers to the respective parts of the reports for the financial year of 2017, as according to present predictions there have been no significant changes regarding to this.

REPORT ON SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

In the reporting period there are no significant transactions with related parties that would require separate reporting – with the exemption of the transactions listed in the appendix.

PROFIT AND LOSS ACCOUNT

FOR THE 9-MONTH PERIOD 2018 AND 2017

	Jan. 1 to Sep. 30, 2018 EUR in K	Jan. 1 to Sep. 30, 2017 EUR in K
Revenue	**13.558**	**9.342**
Change in inventory	940	1.120
Own work capitalized	834	214
Other income	241	1.326
Cost of materials	-6.875	-3.778
Personnel expense	-4.635	-3.475
Other expenses	-4.663	-2.428
Amortizations of tangible and intangible assets	-397	-419
EBIT (operating results)	-995	1.903
EBIT (adjusted operating results)	1.219	1.903
Interest costs	-208	-161
EBT (earnings before taxes)	-1.204	1.742
Taxes on income and profit	-1	-566
Net profit or loss for the period	-1.205	1.176
Earnings per share (undiluted)	**- 0,32**	**0,59**
Earnings per share (diluted)	**3.812.727 ****	**2.000.000*****
Average number of shares in circulation (undiluted)	**3.812.727 ****	**2.000.000*****
Average number of shares in circulation (diluted)	**2.674.606****	**2.000.000*****

** Actual average value

*** To achieve comparability the GmbH's share capital has been presented as capital stock.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE 9-MONTH PERIOD 2018 AND 2017

	Jan. 1 to Sep. 30, 2018 EUR in K	Jan. 1 to Sep. 30, 2017 EUR in K
Net profit or loss for the period	**-1.205**	**1.176**
Comprehensive income after taxes	-1.205	1.176

PROFIT AND LOSS ACCOUNT

FOR THE THIRD QUARTER OF 2018 AND 2017

	Jul. 1 to Sep. 30, 2018 EUR in K	Jul. 1 to Sep. 30, 2017 EUR in K
Revenue	**4.275**	**2.365**
Change in inventory	1.070	1.237
Own work capitalized	246	-52
Other income	155	1.200
Cost of materials	-2.936	-1.169
Personnel expense	-1.828	-1.170
Other expenses	-763	-1.103
Amortizations of tangible and intangible assets	-161	-139
Operating results (EBIT)	58	1.170
Adjusted operating results (EBIT)	58	1.170
Interest costs	-50	-88
Earnings before taxes (EBT)	8	1.082
Taxes on income and profit	88	-367
Net profit or loss for the period	96	715
Earnings per share (undiluted)	**0,02**	**0,36**
Earnings per share (diluted)	**6.051.856 ****	**2.000.000*****
Average number of shares in circulation (undiluted)	**6.051.856 ****	**2.000.000*****
Average number of shares in circulation (diluted)	**3.341.799****	**2.000.000*****

** Actual average value

*** To achieve comparability the GmbH's share capital has been presented as capital stock.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THIRD QUARTER OF 2018 AND 2017

	Jul. 1 to Sep. 30, 2018 EUR in K	Jul. 1 to Sep. 30, 2017 EUR in K
Net profit or loss for the period	**96**	**715**
Comprehensive income after taxes	96	715

BALANCE SHEET

ASSETS

	Sep. 30, 2018 EUR in K	Dec. 31, 2017 EUR in K
Current assets		
Inventories	9.050	5.342
Cash and cash equivalents	55.488	2.839
Trade receivables	2.553	1.515
Contract-based assets	975	554
Other current assets	1.380	419
Total current assets	**69.447**	**10.668**
Non-current assets		
Intangible assets	1.560	1.214
Tangible assets	3.744	3.131
Financial assets	38.210	0
Other financial assets	30	14
Deferred tax assets	1.160	0
Total non-current assets	**44.705**	**4.360**
Total assets	**114.152**	**15.027**

EQUITY DEVELOPMENT

	Sep. 30, 2018 EUR in K	Dec. 31, 2017 EUR in K
Current liabilities		
Trade payables	2.126	1.365
Financial liabilities	1.919	1.138
Liabilities towards associated companies	0	1.071
Other accrued liabilities	487	356
Other current liabilities	4.205	3.250
Total current liabilities	**8.737**	**7.179**
Non-current liabilities		
Financial liabilities	4.503	6.176
Deferred tax liabilities	0	48
Total non-current liabilities	**4.503**	**6.224**
Total liabilities	**13.240**	**13.403**
Equity		
Subscribed capital	6.062	2.000****
Capital reserve	96.431	0
Accumulated loss	-1.581	- 376
Total equity	**100.912**	**1.624**
Total equity and liabilities	**114.152**	**15.027**

**** To achieve comparability the GmbH's share capital has been presented as capital stock.

CASH FLOW STATEMENT

ASSETS

	Jan. 1 to Sep. 30, 2018 EUR in K	Jan. 1 to Sep. 30, 2017 EUR in K
Earnings before taxes (EBT)	**-995**	**1.903**
Earnings before taxes (EBT) adjusted	**1.219**	
Amortizations of tangible and intangible assets	397	419
Other expenses and earnings	-150	0
Adjustments to reconcile the cash flow result from operating activities	**247**	**419**
Changes to:		
Changes from disposal of tangible and intangible assets	-3.709	-1.758
Trade receivables	-1.460	-1.455
Other assets / Other financial receivables	-961	25
Trade payables	761	106
Other accruals	131	250
Other liabilities / financial liabilities	1.089	745
Financial investments	-38.210	0
Interest paid	-208	-161
Taxes paid	-134	0
Cash flow from operating activities	**-42.701**	**-2.248**

	Jan. 1 to Sep. 30, 2018 EUR in K	Jan. 1 to Sep. 30, 2017 EUR in K
Cash flow from investment activities		
Assets	-484	-269
Investment in tangible assets	-872	-71
Cash flow from investment activities	**-1.356**	**-339**
Cash flow from financing activities		
Repayments of long-term financial liabilities	-961	2.215
Payment from capital increase	4.062	0
Costs of equity procurement	-5.796	0
Payment from issuing of equity and dept securities	**97.936**	**0**
Cash flow from financing activities	**95.242**	**2.215**
Cash changes in financial resources	**52.650**	**1.949**
Cash and cash equivalents at the start of the reporting period	**2.839**	**811**
Cash and cash equivalents at the end of the reporting period	**55.488**	**2.760**

EQUITY DEVELOPMENT

	Subscribed capital EUR in K	Capital reserve EUR in K	Accumulated loss EUR in K	Total equity EUR in K
As of Jan. 1, 2017	**2.000**	**-**	**- 980**	**1.020**
Total result		-	1.176	1.176
As of Sep. 30, 2017	**2.000**	**-**	**196**	**2.196**
As of Jan. 1, 2018	**2.000**	**-**	**- 375**	**1.625**
Total result	-	-	-1.205	-1.205
Capital increase	4.062	98.938	-	103.000
Cost of equity procurement	-	-2.507	-	-2.507
As of Sep. 30, 2017	**6.062**	**96.431**	**-1.580**	**100.913**

APPENDIX

AKASOL AG was founded as Akasol GmbH on October 8, 2008, and its registered office is at Landwehrstraße 55, 64293 Darmstadt, Germany. The company is registered with the German Commercial Register maintained by the local court in Darmstadt under docket number HRB 87340. The Schulz Group GmbH, Ravensburg, is a majority shareholder and holds a share of 47,08% over the total reporting period.

AKASOL AG develops and produces lithium-ion battery systems for hybrid and electric drive solutions, systems for mobile applications and for storing renewable energies for stationary systems.

The shortened interim financial reporting as of June 30, 2018, was prepared in euros (€), the functional and reporting currency. Figures in the financial statements are stated in thousands of Euro, unless otherwise stated. This can result in rounding differences up to one currency unit.

ACCOUNTING PRINCIPLES

The present interim report of AKASOL AG was prepared in accordance with IAS 34 "Interim Financial Reporting" considering applicable International Financial Reporting Standards (IFRS) on the closing date of the balance sheet in the company currency euro. The accounting methods and policies applied in the end of year report of December 31, 2017, and the calculating methods have not changed. For further information, please refer to the year-end report of the AKASOL AG GmbH on December 31, 2017.

At the time of the half-year accounts on September 30, 2018, the only subsidiary company is AKASOL Inc., which has its registered office in Michigan, USA, which has not started its economic activity yet. As soon as the company starts trading, a financial statement will be prepared in accordance with the IFRS.

The business model of AKASOL AG is not seasonal. Therefore, an additional disclosure of financial information as required by IAS 34.21 is not necessary for the interim statement.

CAPITAL STOCK

At the start of the financial year, AKASOL AG had a capital stock of € 2.0 million. By resolution of the Shareholders' Meeting on April 24, 2018, the share capital was increased by € 2.0 million to € 4.0 million. A premium of € 1.0 million was afforded. The capital increase was entered into the Commercial Register on May 3, 2018. The contributions were made in cash (€ 2.0 million) and as outstanding money of the Schulz Group GmbH against AKASOL AG as a non-cash contribution amounting to € 1.0 million.

Due to the initial public offering on June 29, 2018, capital shares were increased by a further € 2,061,856 to € 6,061,856. The premium of the IPO amounting to € 97.9 million are recognized as capital reserve. Of the total IPO-costs of € 5.8 million, € 2.5 million were recognized in equity capital and € 1.1 million as deferred taxes. The remaining € 2.2 million are recognized as expense.

At the reporting date, the subscribed capital therefore amounts to € 6,061,856. The subscribed capital is divided into ordinary bearer shares with no-par value of € 1.00 each. The number of shares issued is therefore also 6,061,856.

CONTINGENT LIABILITIES AND RECEIVABLES

There are no contingent receivables. There have been no significant changes with regards to contingent liabilities in comparison with reporting date of December 31, 2017.

FOREIGN CURRENCY TRANSACTIONS/ PERCEPTION ACCOUNTING

Foreign currency transactions are translated according to the functional currency concept in accordance with IAS 21 with exchange rates applicable on the date when the transactions were initially recognized. Gains and losses are recognized in income.

ADDITIONAL INFORMATION REGARDING FINANCIAL TOOLS

AKASOL AG has the following financial instruments, comprising of accounts receivable, loans and derivative financial instruments such as forward exchange transactions.

Financial assets or liabilities are initially recognized at fair value. Financial assets are subsequently valuated at amortized acquisition costs in application of the effective interest method depending on the initial classification or at fair value.

With current receivables and payables, amortized cost is equal to the nominal amount or the repayment amount.

Customary purchases and sales of financial assets are generally accounted for on the settlement date. Financial assets are derecognized as soon as the contractual rights on the cash flow have expired or these rights were passed to a third party by the company in such a way that criteria for a de-recognition are met. Financial liabilities are derecognized from the balance sheet if they are settled, i.e. if the contractual obligations have been settled, cancelled or expired.

AKASOL AG uses derivative financial tools (forward exchange transactions) for security purposes in order to reduce currency risks from the operative business. According to IFRS 9 all derivative financial instruments such as forward exchange transactions reported at market value, regardless for what purpose or with what intention they were concluded. The valuation of derivative financial instruments is based on market data or recognized valuation methods.

ADDITIONAL INFORMATION REGARDING FINANCIAL TOOLS

The fair values of the financial assets and liabilities as compared to the book value are as follows:

			Valuation Balance according to IFRS 9		
	Assessment categories EUR in K	**Book value Sep. 30, 2018** EUR in K	**Amortized cost** EUR in K	**Affecting net income** EUR in K	**Fair value** EUR in K
Financial assets	FAAC	38.210	38.210	-	38.210 [3]
Accounts receivable	FAAC	3.528	3.528	-	3.528 [3]
Payment methods and cash equivalents	FAAC	55.488	55.488	-	55.488 [3]
Amounts owed to credit institutions	FLAC	-	-	-	-
Short-term	-	1.919	1.919	-	1.919 [3]
Long-term	-	4.503	4.503	-	4.503 [3]
Accounts payable	FLAC	2.126	2.126	-	2.126 [3]
Aggregated according to measurement categories					
Financial assets available for sale	**FAAC**	**97.226**	**97.226**	**-**	**97.226 [3]**
Liabilities at amortized cost	**FLAC**	**8.548**	**8.548**	**-**	**8.548 [3]**

FAAC: Financial assets measured at amortized costs

FAFVOCI: Financial assets measured at fair value through other comprehensive income

FLAC: Financial liabilities measured at amortized cost

FLFVPL: Financial liabilities at fair value through profit and loss

1) measured at acquisition costs (not used)

2) Level 2 of the fair value hierarchy (not used)

3) The values stated for financial assets and financial liabilities are measured not at fair value but at the amortized cost/carrying amounts, which represent an appropriate approximation of fair value.

OTHER TRANSACTIONS WITH RELATED PARTIES

Information regarding the Purchase and Sale of Shares by Board Members and Board Directors

According to Article 19 of the European Market Abuse Directive (Marktmissbrauchs-Verordnung), individuals who are entrusted with executive duties, as well as individuals who are in close relationships with them, are obliged to inform the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) and the company, regarding any purchase and sale of AKASOL AG shares and among others, types of transactions specified in Article 10, paragraph 2 of the Delegated Regulation (Delegierten VO (EU) 2016/522), if it exceeds the limit of five thousand euro within a calendar year.

In the first nine month of the accounting year 2018 there have been no reportable transactions by members of the executive and supervisory boards or individuals close to them. Reportable transactions are published on the AKASOL AG website.

The following table includes the total amounts resulting from transactions between associated companies for the reporting year:

As of Sep. 30, 2018	Income from transactions with related companies EUR in K	Expenses from transactions with related companies EUR in K	Amounts due from related companies EUR in K	Amounts due to related companies EUR in K
Related Party				
Lang Tube Tec GmbH	0	0,7	0	0,3
Schulz Engineering GmbH	45,8	91,0	0	73,5
Sven & Reinhold Schulz Immobilienverwaltungs GbR	0	38,1	0	0
Schulz Soluware GmbH	0	100,8	0	0
Schulz Group GmbH	59,2	885,4	59,2	0

The contributions were made in cash (€ 2.0 million) and as outstanding money of the Schulz Group GmbH against AKASOL GmbH as a non-cash contribution amounting to € 1.0 million.

The Cash Management Contract concluded in 2013 between Schulz Group GmbH with AKASOL GmbH was terminated on July 31, 2017. This pooling agreement had a fixed interest rate of 5% per annum.

With effect from January 1, 2009, a contract for the outsourcing of Finance and Accounting, Human Resources, Sales and Marketing and Secretarial Services was entered. AKASOL AG is in the process of establishing their own in-house departments in order to end these services from Schulz Group GmbH.

SUPPLEMENTARY REPORT

After the end of the reporting period (September 30, 2018), no further significant events occurred. Also, after the date of approval (June 15, 2018) by the German Federal Financial Supervisory Authority (BaFin) no further significant events occurred.

AUDIT REVIEW

This nine-month financial report was not subject to an audit examination.

Darmstadt, November 26, 2018

THE WORLD OF AKASOL

THE AKASOL SHARE

MARKET SEGMENT regulated market (Prime Standard), Frankfurt

NUMBER OF SHARES 6.061.856

ISIN DE000A2JNWZ9

WKN A2JNWZ

FIRST DAY OF TRADING June 29, 2018

CONTACT

DARMSTADT

AKASOL AG
Head Office and R&D-Center

Landwehrstrasse 55
64293 Darmstadt
Germany

T +49 6151 800500
F +49 6151 800500-129
ir@akasol.com