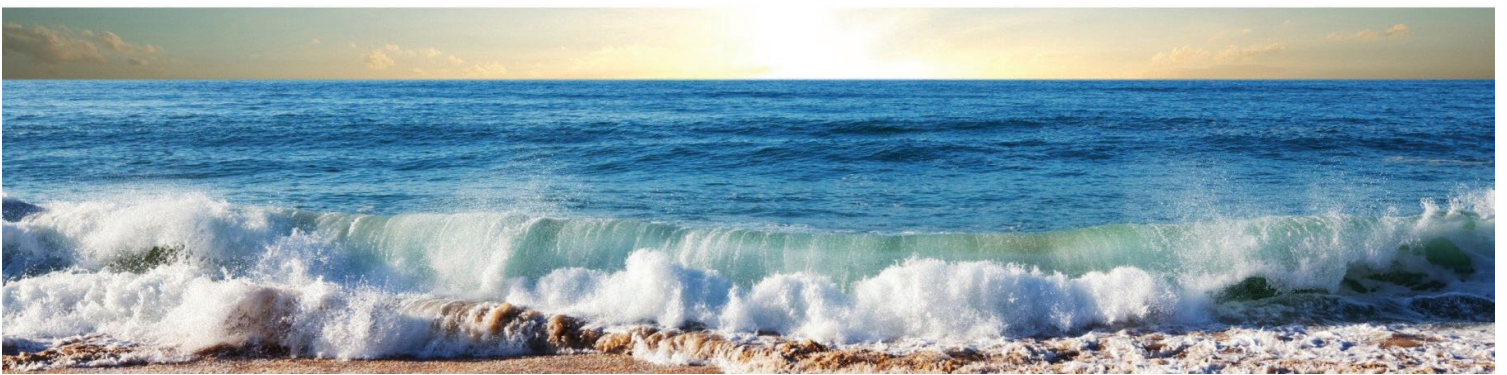


HanseYachts

Aktiengesellschaft

Six Month's Report 2019/2020



Interim Group management report.....	3
Consolidated statement of financial position.....	6
Consolidated statement of comprehensive income.....	7
Consolidated statement of cash flows.....	8
Consolidated statement of changes in equity.....	9
Notes to the condensed interim financial statements.....	10
Responsibility statement.....	17
Publication details.....	18

KEY FACTS

- As expected, earnings were below the year-ago level due to the operational integration of the catamaran manufacturer Privilège Marine SAS in the 2019/2020 financial year
- Dehler 30 one design named “Boat of the Year Europe” in the newly introduced category of racers
- Revenues of EUR 49.2 million in the first half of 2019/2020
- Significantly higher order backlog for sailing yachts, motor yachts and catamarans proves that HanseYachts is pursuing the right strategy
- Unchanged positive outlook for the full year 2019/2020: profit expected
- Medium-term targets affirmed: revenues of EUR 200 million and EBITDA margin of 10% to 12%

1. MARKET AND MARKET ENVIRONMENT

HanseYachts AG (referred to in the following as “HanseYachts,” the “Group” or “HanseGroup”) is the world’s second-biggest manufacturer of sailing yachts with hull lengths of approximately 30 to 74 ft (= 10 - 22 m). In the motor yacht segment with hull lengths of approximately 30 to 55 ft (= 10 - 16 m), the boatyard is among the top 10 worldwide. Most of the Group’s boats are sold to customers in Europe and the United States. HanseYachts exports roughly 80% of its production, with the highest unit sales to customers in Germany, Spain, France, the United States and Italy. Sales are currently high in all markets except England and Turkey. The developments in Holland, Switzerland and Greece have been particularly positive.

The product portfolio of HanseYachts AG is marketed by its worldwide dealer network and at 79 international boat exhibitions in 27 countries. Innovations are continually introduced to accommodate customers’ wishes for personalization, guaranteeing lasting sales success. The sailing boats manufactured by the HanseGroup are sold under the **Hanse**, **Moody** and **Dehler** brands, motor yachts under the **Fjord** and **Sealine** brands, and catamarans under the **Privilège** brand. The Group is represented in many important market segments with 40 different models.

As in prior periods, the core brand **Hanse** was a major driver of the Group’s success in the first half of the 2019/2020 financial year. While buyers could be found for all **Hanse** sailing yachts, demand for the

models 388, 418 and 458 yachts was especially strong. Demand for **Dehler** yachts is particularly strong among athletically ambitious sailors and the blue-water yachts of the **Moody** brand are in high demand for long journeys. In the motor yacht segment, the Group has benefited from the sustained success of the **Fjord** series and the expansion of the **Sealine** brand product line. The **Privilège** brand catamarans still represent a relatively small share of the Group’s revenues because this manufacturer has only belonged to the HanseYachts Group since June 2019.

The various awards given by the trade press to our sailing and motor yachts vindicate our strategy of investing in the development of innovative, premium-quality, reliable yachts. The Group is especially proud of the Boat of the Year Europe award, which was given out in the racer category for the first time, which the Dehler 30 one design just won. This is an important milestone on the way to the Olympic Class 2022.

Moreover, the large order backlog for sailing and motor yachts, as well as the only recently ordered catamarans, in the total amount of EUR 93.5 million (PY 31/12/2018: EUR 76.1 million), as of 31/12/2019 proves that our boats fully meet the exacting demands and wishes of sailing yacht and motor yacht owners.

2. DEVELOPMENT OF REVENUES AND EARNINGS

The financial year of HanseGroup begins on 1 July and ends on 30 June of the following year. Accordingly, the present semiannual report covers the period from 1 July to 31 December 2019, that being the first half of the 2019/2020 financial year. The comparison figures refer to the period from 1 July to 31 December 2018 ("PY" for short).

HanseGroup's business is highly seasonal. From July to December, the Group usually incurs high expenses for inventory build-up, but also for boat exhibitions, model maintenance and production launches for new products. Not all boats produced in the first half of the year are completed and delivered. Most revenues and profits are typically only generated later in the months of February to June, that being the second half of the financial year of HanseYachts AG, when the boats are delivered. Consequently, the cost of purchased goods and services and personnel expenses are traditionally higher as a percentage of total operating performance in the first half. For this reason, the expenses incurred in the first half are traditionally not very meaningful and certainly not representative of the full year's performance.

HanseYachts AG generated revenues of EUR 49.2 million in the first half of 2019/2020 (PY: EUR 54.8 million). Including the substantial increase in inventories of EUR 8.3 million (H1 2018/2019: EUR 10.4 million) for ordered, but not yet delivered yachts and capitalized production, the total operating performance amounted to EUR 59.0 million (H1 2018/2019: EUR 66.1 million).

The other operating expenses in the amount of EUR 1.2 million (PY: EUR 1.9 million) include our spare parts business, proceeds from court cases won, insurance payments and the charging of advertising expenses to dealers. The year-ago figure also included income from cooperation agreements with Privilège Marine SAS, which has been directly affiliated with the HanseYachts Group since June 2019.

Purchased goods and services amounted to EUR 33.6 million (PY: EUR 38.1 million). The ratio of purchased goods and services to total operating performance declined by 0.8% to 56.9% (PY: 57.7%). The main reason for this renewed positive effect was the implementation of optimization projects in production.

Gross income (total operating performance minus purchased goods and services plus other operating income) amounted to EUR 25.4 million (PY: EUR 28.0 million). The gross profit margin calculated as the ratio of gross income to total operating performance came to

43.1%, which was 0.8% higher than the prior-period figure.

In absolute terms, the personnel expenses of EUR 19.8 million were EUR 0.6 million higher than the comparable prior-period figure. The ratio of personnel expenses to total operating performance increased by 4.5% to 33.5% (PY: 29.0%). Due in particular to the first-time inclusion of Privilège Marine SAS in the basis of consolidation, other operating expenses increased by EUR 1.0 million to EUR 10.4 million (PY: EUR 9.4 million). Expenses for sales, trade fairs and advertising represent the largest share of other operating expenses, at EUR 3.4 million (PY: EUR 3.1 million), followed by freight costs (EUR 1.3 million), expenses for consulting services (EUR 0.9 million), energy costs (EUR 0.7 million) and license fees (EUR 0.6 million).

Depreciation and amortization in the amount of EUR 3.2 million mainly consisted of depreciation of the production molds for the newer yacht models.

The financial result amounted to EUR -0.7 million (PY: EUR -1.0 million). It includes the scheduled interest on financial liabilities.

As expected, the Group generated a loss of EUR -7.1 million in the first half of its financial year. The start-up losses for integrating the catamaran manufacturer that was acquired in June 2019 accounted for the worse result compared to the comparable prior period (PY: EUR -2.5 million).

The loss generated in the first half is basically typical of the seasonal pattern of the business of HanseYachts AG: In the period from July to December, high expenses are incurred for trade fairs and the development of new products, while relatively low revenues and income are generated. The result for the first half of this year was additionally burdened by the restructuring expenses for Privilège. The main profit contributions will be generated in the second half when production ramps up and the yachts are delivered. We anticipate a profit for the full year 2019/2020.

3. INVESTING AND FINANCING ACTIVITIES

As in the prior period, the cash flow from operating activities was negative in the first half of 2019/2020 (EUR -2.0 million as compared to EUR -5.0 million in H1 2018/2019). The negative operating result was the main reason for the negative cash flow from operating activities.

The investments made in the reporting period mainly related to the development of new boat types and the production and purchase of production molds (EUR 1.9 million). It was not necessary to make significant investments in production equipment because the production lines used to manufacture the yachts in continuous flow production are regularly maintained and repaired. A purchase price of EUR 0.5 million was invested for the acquisition of Privilège Marine SAS and its parent company.

The positive cash flow from financing activities resulted particularly from the borrowing of a short-term liquidity loan of EUR 4.2 million in October 2019. In the prior-year period, the high negative cash flow from financing activities in the amount of EUR 9.4 million resulted particularly from the early redemption of bearer bonds. In the comparison period, funding was raised from bank loans in June 2018, which is why cash and cash equivalents were so high at the beginning of the first half of last year (see p.8 Statement of Cash Flows).

At the reporting date, cash in banks amounted to EUR 3.6 million (PY: EUR 6.0 million). An amount of EUR 0.5 million is restricted cash. Current account facilities were drawn down in the amount of EUR 8.1 million (PY: EUR 8.5 million).

4. OPPORTUNITIES AND RISKS OF DEVELOPMENT IN THE SECOND HALF

In a market environment characterized by intensive competition, sales of the sailing yachts and motor yachts of HanseYachts AG were strong. With a clearly positioned multi-brand strategy, a broad range of boat models and industrial series production, we are in a very strong position compared to our competitors.

Nonetheless, sales of luxury goods such as our sailing yachts, motor yachts and catamarans are subject to general market risk. Further weakness of world trade, unresolved trade talks between the United States, Europe and China, and weaker global growth prospects could have a significant influence on our future sales.

Additional information about the opportunities and risks of the HanseGroup can be found in the 2018/2019 Annual Report.

5. OUTLOOK

The accumulated, planned start-up losses from the integration of the French catamaran manufacturer will not increase significantly in the second half. Based on our existing orders for yachts and the positive market

response at the latest boat exhibition in Düsseldorf, we continue to expect a positive result for the full year 2019/2020. This expectation is also supported by the fact that our revenues and profit margins are traditionally strong in the second half of the year due to the seasonal nature of our business. It is also supported by the improvements made in our operating business and other productivity enhancements.

6. SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

No events that would have a significant influence on the Group's financial position, cash flows and financial performance occurred after 31 December 2019.

Greifswald, 28 February 2020

The Executive Board

Dr. Jens Gerhardt Sven Göbel

HANSEYACHTS AG
GREIFSWALD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

EUR	<u>31/12/2019</u>	<u>30/6/2019</u>
ASSETS	106.021.674,65	97.346.686,24
Non-current assets	57.496.827,99	55.538.905,58
Intangible assets	29.714.597,77	29.658.369,77
Property, plant and equipment	27.404.213,78	25.800.475,42
Deferred tax assets	378.016,44	80.060,39
Current assets	48.524.846,66	41.807.780,66
Inventories	36.336.043,85	27.441.251,29
Trade receivables	5.182.605,36	5.201.137,20
Income tax assets	83.443,16	0,00
Other assets	3.366.864,74	3.179.152,95
Cash and cash equivalents	3.555.889,55	5.986.239,22
EQUITY AND LIABILITIES	106.021.674,65	97.346.686,24
Equity	15.661.766,33	16.604.742,33
Subscribed capital	12.154.927,00	11.091.430,00
Additional paid-in capital	8.850.773,14	3.663.726,37
Reserve for foreign currency translation	197.722,52	193.524,97
Accumulated loss/profit	(5.056.473,80)	2.058.663,56
Non-controlling interests	(485.182,53)	(402.602,57)
Non-current liabilities	15.431.005,49	21.015.406,16
Non-current financial liabilities	8.758.710,07	10.315.176,55
Liabilities under finance leases	1.657.073,20	1.195.229,61
Liabilities to related entities and persons	5.015.222,22	9.505.000,00
Current liabilities	74.928.902,83	59.726.537,75
Other provisions	3.300.948,12	3.737.842,07
Other financial liabilities	11.691.674,31	11.620.361,82
Liabilities under finance leases	1.230.370,82	655.529,89
Advance payments received on account of orders	31.952.863,76	17.011.303,87
Trade payables	14.452.277,73	16.426.282,69
Income tax liabilities	257.803,48	257.122,64
Liabilities to related entities and persons	6.464.037,10	2.846.640,49
Other liabilities	5.578.927,51	7.171.454,28

HANSEYACHTS AG
GREIFSWALD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

EUR	1/7/2019 - 31/12/2019	1/7/2018 - 31/12/2018
Revenues	49.161.460,04	54.774.859,25
Increase in finished and unfinished goods	8.277.284,24	10.362.418,08
Other internal production capitalized	1.587.250,34	947.634,79
Other operating income	1.249.944,75	1.877.057,27
Purchased goods and services	(33.582.453,22)	(38.098.854,95)
Personnel expenses	(19.773.402,77)	(19.169.633,47)
Other operating expenses	(10.408.651,33)	(9.407.679,17)
EBITDA	(3.488.567,95)	1.285.801,80
Depreciation, amortization and impairments	(3.214.158,82)	(2.951.740,55)
EBIT	(6.702.726,77)	(1.665.938,75)
Financial result	(660.530,96)	(1.054.326,49)
Earnings before taxes	(7.363.257,73)	(2.720.265,24)
Income taxes	248.120,50	225.206,06
Consolidated profit/loss	(7.115.137,23)	(2.495.059,18)
Earnings per share (diluted/ basic)	(0,60)	(0,22)
Consolidated profit/loss	(7.115.137,23)	(2.495.059,18)
Other comprehensive income		
Currency translation difference	4.197,55	4.161,44
Comprehensive loss	(7.110.939,68)	(2.490.897,74)

HANSEYACHTS AG
GREIFSWALD

CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

EUR	1/7/2019 - 31/12/2019	1/7/2018 - 31/12/2018
Operating earnings before interest and taxes	(6.702.726,77)	(1.665.938,75)
Depreciation, amortization and impairments	3.214.158,82	2.951.740,55
Interest payments (netted)	(472.744,94)	(834.183,64)
Income taxes paid (netted)	(49.889,45)	(228.779,81)
(-) Gains (+) losses on disposal of non-current assets	(8.336,00)	2.285,89
Change in inventories, trade receivables and other assets, not attributable to investing or financing activities	(8.893.521,33)	(14.718.723,77)
Change in liabilities, not attributable to investing or financing activities	10.946.559,55	9.523.461,91
Cash flow from operating activities	(1.966.500,12)	(4.970.137,62)
Cash outflows for investments in		
- intangible assets	(875.915,58)	(588.298,80)
- property, plant and equipment	(2.523.377,28)	(1.871.186,46)
- non-current financial assets	(500.000,00)	0,00
Cash flow from investing activities	(3.899.292,86)	(2.459.485,26)
Change in liabilities under finance leases	(342.135,08)	1.499.362,41
Cash inflows from the borrowing of financial liabilities	4.981.319,26	3.150.834,52
Cash outflows for the repayment of financial liabilities	(1.628.913,67)	(14.054.227,27)
Change in equity	749.426,25	0,00
Cash flow from financing activities	3.759.696,76	(9.404.030,34)
Change in cash and cash equivalents	(2.106.096,22)	(16.833.653,22)
Exchange rate-caused change in cash and cash equivalent	(3.737,00)	(2.879,00)
Cash and cash equivalents at beginning of period	(2.475.204,90)	12.960.149,54
Cash and cash equivalents at end of period	(4.585.038,12)	(3.876.382,68)
Composition of cash and cash equivalents		
Cash in banks	3.552.942,63	3.892.200,96
Cash on hand	2.946,92	2.591,40
Current account liabilities	(8.140.927,67)	(7.771.175,04)
	(4.585.038,12)	(3.876.382,68)

HANSEYACHTS AG**GREIFSWALD****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)
FOR THE REPORTING PERIOD FROM 1 JULY 2019 TO 31 DECEMBER 2019**

	Subscribed capital	Additional paid-in capital	Accumulated profit/loss	Reserve for foreign currency translation	Attributable to shareholders of HanseYachts AG	Attributable to non-controlling interests	Group equity *)
	EUR	EUR	EUR	EUR	EUR	EUR	EUR
1 July 2018	11.091.430,00	3.663.726,37	(1.270.111,49)	190.287,16	13.675.332,04	0,00	13.675.332,04
1) Period profit/loss			(2.495.059,18)		(2.495.059,18)		(2.495.059,18)
2) Gains/ losses on foreign currency translation				4.161,44	4.161,44		4.161,44
3) Total comprehensive income	0,00	0,00	(2.495.059,18)	4.161,44	(2.490.897,74)	0,00	(2.490.897,74)
4) Other							
31 December 2018	11.091.430,00	3.663.726,37	(3.765.170,67)	194.448,60	11.184.434,30	0,00	11.184.434,30
1 July 2019	11.091.430,00	3.663.726,37	2.058.663,56	193.524,97	17.007.344,90	(402.602,57)	16.604.742,33
1) Cash capital increase	130.335,00	561.339,90			691.674,90		691.674,90
2) Non-cash capital increase	933.162,00	4.625.706,87			5.558.868,87		5.558.868,87
3) Period profit/loss			(7.115.137,23)		(7.115.137,23)	(82.580,09)	(7.197.717,32)
4) Gains/ losses on foreign currency translation				4.197,55	4.197,55		4.197,55
5) Total comprehensive income	0,00	0,00	(7.115.137,23)	4.197,55	(7.110.939,68)	(82.580,09)	(7.193.519,77)
6) Other							
31 December 2019	12.154.927,00	8.850.773,14	(5.056.473,67)	197.722,52	16.146.948,99	(485.182,66)	15.661.766,33

*) Privilege Marine SAS was fully consolidated in the consolidated financial statements as an indirect equity interest via Privilege Marine Holding GmbH at 97.3% as of 30 June 2019. This resulted in non-controlling interests in the amount of EUR 485 thousand.

HANSEYACHTS AG
GREIFSWALD

Notes to the condensed consolidated interim financial statements at 31 December 2019

1. GENERAL INFORMATION

HanseYachts AG with its registered head office in Greifswald/Germany is an exchange-listed stock corporation and the highest-level parent company of the HanseYachts Group. The initial listing in the Regulated Market (General Standard) of the Frankfurt Stock Exchange occurred on 9 March 2007.

The business activities of the companies of the HanseYachts Group comprise the development, production and distribution of sailing yachts under the brand names HANSE, MOODY and DEHLER and motor yachts under the brand names FJORD and SEALINE. In addition to its previous brands, the sailing and motor catamarans of the PRIVILEGE brand are distributed via the worldwide dealer network. The Group performs its business activities in Greifswald, France and Poland and through its own distribution companies in Greifswald, France and the United States. In addition, its products are sold in more than 45 countries via a dealer network.

The condensed consolidated interim financial statements of HanseYachts AG have been prepared in euros. Unless otherwise noted, all figures are rounded and stated in euro thousands. Differences of up to one unit (thousand euros, %) are technical rounding differences. The Group's financial year differs from the calendar year in that it runs from 1 July to 30 June of the following year. This financial year reflects the seasonal cycle of the Group's business.

HanseYachts AG is registered in the Commercial Register of the Stralsund Local Court under the number HRB 7035. The address of the company is Ladebower Chaussee 11, 17493 Greifswald.

2. ACCOUNTING PRINCIPLES

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated interim financial statements do not include all the required information of a complete set of consolidated financial statements and are therefore to be read in conjunction with the consolidated financial statements at 30 June 2019, which were prepared in accordance with IFRS as they are to be applied in the EU. In the opinion of the Executive Board, the interim financial statements include all

adjustments required to present a true and fair view of the Group's financial performance in the reporting period.

In the preparation of the consolidated interim financial statements in accordance with IAS 34, the Executive Board is required to make judgments, estimates and assumptions that influence the application of accounting principles in the Group and the presentation of assets and liabilities, income and expenses. The actual amounts can differ from these estimates.

The accounting methods applied in the interim financial statements are the same as those applied in the last consolidated financial statements at 30 June 2019.

3. BASIS OF CONSOLIDATION

The highest-level Group company is HanseYachts AG. Besides HanseYachts AG, nine (PY: eight) companies with their registered head offices in Germany and four (PY: three) companies with their registered head offices in foreign countries are included in the consolidated financial statements.

Name	Head Office	Shareholding	
<u>Direct:</u>			
1. Dehler Yachts GmbH	Greifswald	100%	(PY: 100%)
2. Hanse (Deutschland) Vertriebs GmbH & Co. KG	Greifswald	100%	(PY: 100%)
3. Verwaltung Hanse (Deutschland) Vertriebs GmbH	Greifswald	100%	(PY: 100%)
4. Yachtzentrum Greifswald Beteiligungs-GmbH	Greifswald	100%	(PY: 100%)
5. Hanse Yachts US, LLC	Savannah, USA	100%	(PY: 100%)
6. Technologie Tworzyw Sztucznych Sp. Z o.o.	Goleniów, Poland	100%	(PY: 100%)
7. HanseYachts TVH GmbH	Greifswald	100%	(PY: 100%)
8. Moody Yachts GmbH	Greifswald	100%	(PY: 100%)
9. Sealine Yachts GmbH	Greifswald	100%	(PY: 100%)
10. Privilege Marine Holding GmbH	Greifswald	100%	(PY: 100%)
<u>Indirect:</u>			
11. <i>through No. 4.</i> Mediterranean Yacht Service Center SARL	Canet en Roussillon France	100%	(PY: 100%)
12. <i>through No. 7.</i> HanseYachts Technologie und Vermögens- verwaltungs GmbH	Greifswald	100%	(PY: 100%)
13. <i>through No. 10.</i> Privilege Marine SAS	Les Sables d'Olonne France	97%	(PY: 100%)

4. SEGMENT REPORT

IFRS 8 requires exchange-listed stock corporations to prepare a segment report in order to transparently present the financial performance, success prospects, opportunities and risks of an entity's different operating segments. The segmentation should reflect the internal reporting structure, i.e. the internal information used by the management to make decisions about resources to be allocated to the segments and assess their performance. Internally, the HanseYachts Group classifies its revenues by product lines. In total, approx. 59% (PY: approx. 56 %) of revenues result from the production and distribution of sailing yachts and 33% (PY: approx. 41 %) from motor yachts. Revenues generated on sales of "Privilege" brand catamarans were presented within revenues for the first time in the current 2019/2020 financial year.

	01/07 - 31/12/2019 <u>EUR'000</u>	01/07 - 31/12/2018 <u>EUR'000</u>
Revenues		
Sailing yachts	29.015	30.726
Motor yachts	16.385	22.614
Catamarans	2.752	0
Other	1.379	1.465
Sales deductions	<u>(370)</u>	<u>(30)</u>
	<u>49.161</u>	<u>54.775</u>

The Group does not present the other information on the defined operating segments required by IFRS 8 due to the inability to directly allocate data to the segments and the lack of reliable key indicators. For example, the earnings, assets, liabilities, depreciation and investments of the HanseYachts Group cannot be allocated reliably to the product lines of sailing yachts, motor yachts and other because the sailing yachts and motor yachts are manufactured on one production line. A breakdown based on revenues or the number of boats produced would be arbitrary and would not provide useful decision-making information. Direct allocation is likewise impossible. The allocation of data to the operating segments of sailing yachts, motor yachts, catamarans and other is also not communicated to or used by the management as an internal indicator.

5. NON-CURRENT ASSETS

The Group invested EUR 2.5 million in non-current assets in the first half of 2019/2020, including EUR 1.9 million in production molds for new and current models.

Depreciation and amortization of non-current assets amounted to EUR 3.2 million.

Non-current assets held for sale are classified as such and presented separately in the statement of financial position if the carrying amount will be recovered mainly by a sale transaction within 12 months and not by continued use. These assets are measured at their carrying amount or the lower fair value less costs to sell and are not subjected to regular depreciation. Impairments are recognized in profit or loss if the fair value minus the costs to sell is less than the carrying amount.

6. LIQUIDITY AND FINANCIAL LIABILITIES

The management is guided by the basic principle of maintaining a stable capital base. In June 2019, the company's Executive Board adopted, with the consent of the Supervisory Board, a fundamental resolution to conduct an in-kind capital increase in exchange for the contribution of payment claims, mainly for loans, and an offsetting cash capital increase which the shareholders would be entitled to subscribe. Based on this resolution, the company's share capital was increased by EUR 933,162.00 in exchange for the issuance of 933,162 new shares created by the contribution of repayment claims under loans with a total market value of approx. EUR 5.4 million. The new shares from the cash capital increase were offered to the shareholders at a subscription price of EUR 5.75 per new share. The newly issued shares from the cash capital increase and the in-kind capital increase fully qualify for dividends for the 2018/2019 financial year. During the subscription period from 20 August to 10 September 2019, 130,335 new shares were subscribed for a subscription price of EUR 5.75 per share. The payment claims contributed as part of the in-kind capital increase resulted mainly from various loans that AURELIUS Equity Opportunities SE & Co. KGaA and HY Beteiligungs GmbH had granted to Privilège Marine Holding GmbH, which HanseYachts AG assumed by declaration dated 1 July 2019. AURELIUS Equity Opportunities SE & Co. KGaA and HY Beteiligungs GmbH waived their subscription rights under the cash capital increase so that the shares under the cash capital increase could be subscribed by the other shareholders in a subscription ratio of 1 new share for 9 old shares.

At 31/12/2019, the fully paid-up share capital of HanseYachts AG amounted to EUR 12,154,927.00. At the same date, the equity ratio was approx. 15% of total equity and liabilities (at 31/12/2018: approx. 13%).

The HanseYachts Group conducts short-term to medium-term financial planning to manage and control its liquidity. With the support of this instrument, short-term liquidity can be assured at all times on the basis of operating cash flow, the current account facilities granted by banks, and cash and cash equivalents.

The cash and cash equivalents of EUR 3,895 thousand consist of sight deposits that can be called at any time. Cash and cash equivalents totaling EUR 531 thousand (at 30/06/2019: EUR 643 thousand) are subject to restrictions on disposal imposed by banks. Bank deposits are held with banks with strong credit ratings.

The interest-bearing obligations in effect at the reporting date are presented within financial liabilities. They are mainly owed to banks from fixed-interest and variable-interest loans.

7. SIGNIFICANT TRANSACTIONS WITH RELATED PERSONS AND COMPANIES

Persons and companies who can be influenced by the reporting entity or can influence the reporting entity are defined as related persons and companies.

Generally speaking, the members of the Executive Board and Supervisory Board are considered to be related persons of the HanseYachts Group. Other related persons are the members of the Executive Board and Supervisory Board of AURELIUS Equity Opportunities SE & Co. KGaA, Grünwald, in the consolidated financial statements of which HanseYachts AG has been included since the acquisition of a majority interest on 4 November 2011. At the present time, related companies are particularly the Group companies of AURELIUS Equity Opportunities SE & Co. KGaA.

The transfer prices for intragroup revenues and deliveries of goods and services have been set on the basis of market prices. Under the circumstances known at the time of conducting the transactions, HanseYachts AG received appropriate consideration.

The following significant business relationships exist with related companies and persons according to the definition of IAS 24:

Expenses of EUR 147 thousand were incurred in relation to the companies of the Aurelius Group as a result of deliveries, consulting services and license fees. Liabilities from current trading activities amounted to EUR 722 thousand at 31 December 2019.

In addition, liabilities of EUR 2,693 thousand were owed to HY Beteiligungs GmbH and liabilities of EUR 3,827 thousand were owed to AURELIUS Equity Opportunities SE & Co. KGaA at 31 December 2019. By contract of 14 October 2019, Aurelius Finance Company Ltd., England, granted a loan of EUR 4.2 million to HanseYachts AG. This loan serves to

fund working capital in line with the seasonal pattern of the Group's business and has a fixed term to 30 June 2020. HanseYachts AG incurred interest expenses payable to the Aurelius Group in the amount of EUR 314 thousand in the reporting period.

In the first half, HanseYachts AG sold yachts to an external dealer who has also ordered yachts from HanseYachts AG. The external dealer will sell the yachts to a company in which an Executive Board member is a silent partner with a 10% minority interest. Afterwards, the company will offer the yachts for chartering in exchange for a fee.

The Executive Board members together held 143,992 shares of HanseYachts AG at the reporting date.

8. CONTINGENT LIABILITIES, OTHER FINANCIAL COMMITMENTS AND LITIGATION

8.1. Contingent liabilities

A financing program is in effect with an independent sales financing company which dealers can use to finance purchases of their yachts from HanseYachts AG. At the reporting date, an amount of EUR 4,921 thousand (PY: EUR 4,676 thousand) had been borrowed under the financing program. Under certain conditions, HanseYachts AG may be obligated to buy back the yachts financed under the financing program if the participating dealers do not fulfill their obligations to the sales financing company. Because the contract with the sales financing company specifies an initial collateral realization phase for the yachts pledged as collateral by the dealers to the sales financing company, the risk of claims based on potential buy-back obligations is considered to be low.

HanseYachts AG is liable for an amount of EUR 15 thousand (PY: EUR 15 thousand) under other guarantees.

There are no other guarantees and contingent liabilities to third parties.

8.2. Other financial commitments

The Group is subject to financial commitments mainly under leases and rental agreements. We refer to our comments in the 2018/2019 Annual Report. There were no significant commitments under initiated investment projects at the reporting date.

8.3. Litigation

Neither HanseYachts AG nor any of its Group companies is involved in ongoing or foreseeable court or arbitration proceedings from which earnings effects beyond the amounts set

aside in provisions are to be expected. Additional information on this subject can be found in the 2018/2019 Annual Report.

9. EVENTS AFTER THE REPORTING DATE

No events that would have a significant effect on the Group's financial position, cash flows and financial performance have occurred after the reporting date.

Greifswald, 28 February 2020

The Executive Board

Dr. Jens Gerhardt

Sven Göbel

Responsibility statement

We hereby affirm to the best of our knowledge and in accordance with the applicable financial reporting principles for interim financial reporting, the consolidated interim financial statements provide a true and fair view of the Group's financial position, cash flows and financial performance, and that the interim Group management report provides a true and fair view of the Group's business performance, including its results, and situation, together with a description of the Group's principal risks and opportunities in the remainder of the financial year.

Greifswald, 28 February 2020

The Executive Board

Dr. Jens Gerhardt

Sven Göbel

Publication details

Publisher

HANSEYACHTS AG
Ladebower Chaussee 11
17493 Greifswald

www.hanseyachtsag.com

Contacts

We will be glad to assist you:

Investor Relations

Dr. Jens Gerhardt
Phone: +49 (0) 3834 5792 200
Fax: +49 (0) 3834 5792 810
ir@hanseyachtsag.com

Communications:

Morten Strauch
Phone: +49 (0) 3834 5792 512
Fax: +49 (0) 3834 5792 830
mstrauch@hanseyachtsag.com

Address

HANSEYACHTS AG
Ladebower Chaussee 11
17493 Greifswald

www.hanseyachtsag.com