

20-21

ANNUAL REPORT
GESCHÄFTSBERICHT

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20-21

**LETTER FROM THE
EXECUTIVE BOARD**

DEAR SHAREHOLDERS, LADIES AND GENTLEMEN,

The 2020/2021 financial year was extraordinary in every respect, if not sensational. The coronavirus pandemic that began at the end of the 2019/2020 financial year led to significant price volatility on the financial and commodities markets throughout the 2020/2021 financial year, with high trading volumes accompanied by extremely rapid changes in market conditions. At the end of our financial year in March 2021 and with progress made in handling the pandemic, the economic forecasts of banks and economic research institutes generally painted an optimistic picture, although they remained relatively conservative in relation to when the recovery will occur. By contrast, the DAX – and with it the broad spectrum of financial and commodities markets – has for some months been anticipating that the economy will stage a comprehensive post-pandemic recovery. It climbed to new record heights, buoyed also by expansionary central bank policy.

In this challenging market environment, ICF BANK AG never hesitated in responding quickly and appropriately to the new conditions on financial markets and the mandated changes to work arrangements (i.e. working from home). Thanks to targeted and dedicated efforts, a stable business model and motivated staff, ICF BANK AG closed out the 2020/2021 financial year with an exceptional result from ordinary activities of EUR 16 million.

Even though the markets may move a step closer to normality in 2021/2022, negative events such as the collapse of Wirecard and the insolvency of Greensill Bank have left deep scars. The authorities are currently working through the issues involved. As a result, market participants such as financial service providers will likely have to prepare for further regulatory intervention. On the other hand, the successful market entry of neobrokers has attracted a new and tech-savvy generation of small investors.

We see this as an opportunity and will progressively adapt our business models to the digital age without giving up our solid traditional segments.

We know that digitalisation and automation must be integrated in our processes even quicker than before. We have therefore analysed, technically upgraded and automated structures and processes, both internally and in collaboration with our partners.

Our desire and our obligation at this time is to create an environment that will ensure the continued success of our business model in the market, both now and in the future. In doing so, we will focus on the needs of our business partners. Customer satisfaction and customer service are always paramount.

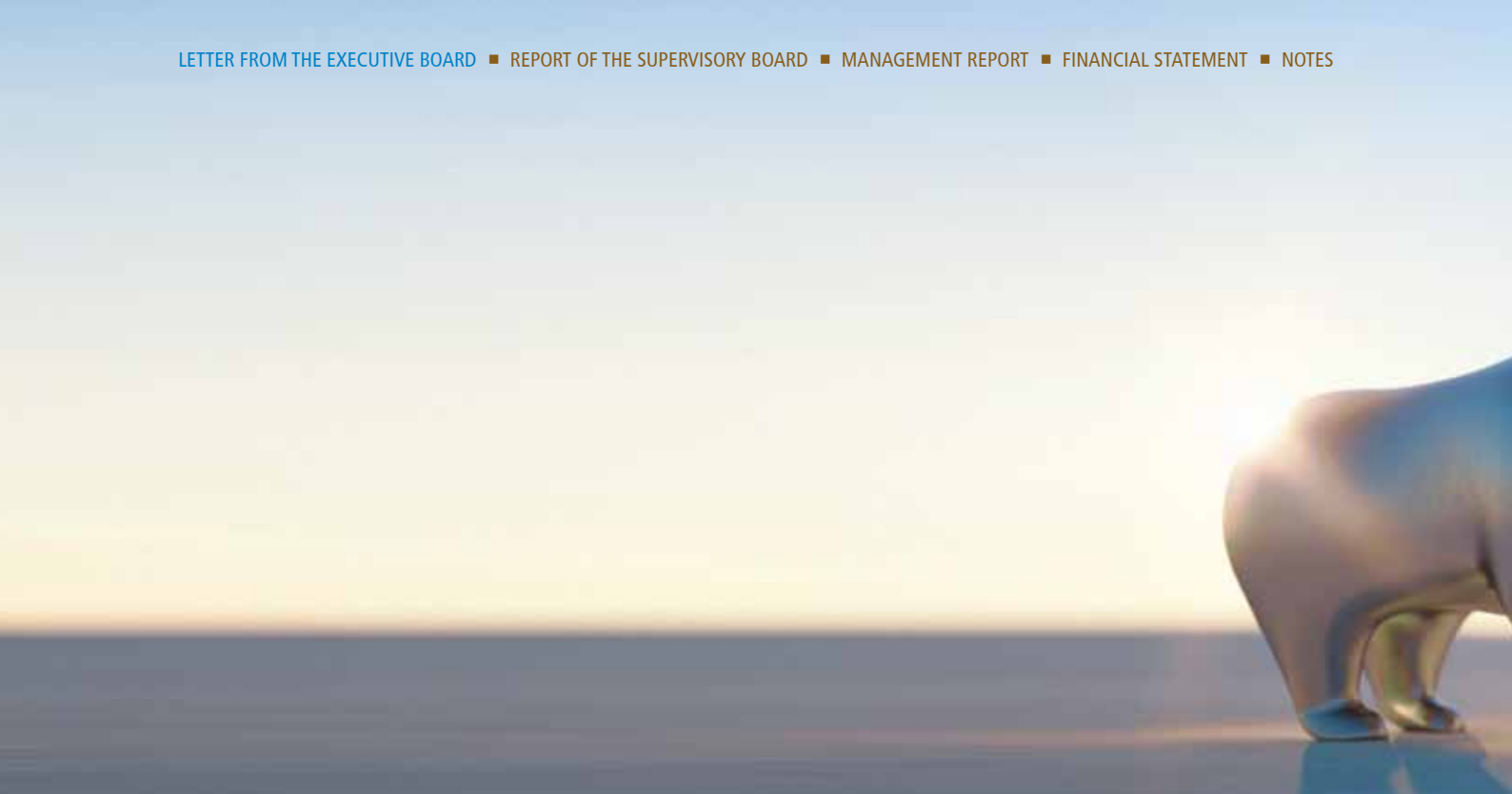
In this context, we successfully completed the "Internaliser" project. The "Dynamic Best Execution Policy" and the "Internaliser" projects round out our product portfolio and our range of services for customers, and our new office in Düsseldorf ensures that we have a toehold in the important economic hub of North Rhine-Westphalia, enabling us to contact and provide services to our customers on their home ground.

We have continued to develop complex software solutions in partnership with our subsidiaries, which we use to regularly carry out quality analyses to determine and monitor quote and trade quality on Quotrix. The quality analyses prove that ICF outperforms the competition to offer its customers the best price and trade quality on Quotrix.

Designated sponsoring continues to be challenging. Many service providers have withdrawn from liquidity provision activities and many clients are questioning the extent to which it is possible to provide fair market quotes when markets are highly volatile. This makes it all the more pleasing that ICF BANK AG succeeded in significantly expanding the quality and quantity of managed mandates. Despite high volatility on capital markets and the negative impact of the pandemic on many business models, our Company was able to execute successful equity and debt financing transactions to provide our customers with bespoke capital markets financing solutions.

In spite of the overall resilience of our business models, shifting conditions such as regulatory changes, the above-mentioned requirements relating to work arrangements during the pandemic and higher capital requirements put a strain on the Company. Faced with these developments, we are of course responsible for safeguarding existing assets in the long term.

For ICF BANK AG, the 2020/2021 financial year was unparalleled. High market volatility, the associated rise in trading volume and the broad positioning of our business segments meant that ICF BANK AG was able to generate an exceptionally good annual result. We achieved or exceeded all of our earnings targets. Thus the balance sheet for 2020/2021 shows net retained earnings of EUR 1.4 million. The result from ordinary activities amounted to EUR 16 million as at the end of the year. Two transfers were made to the fund for general banking risks: EUR 1.5 million in accordance with section 340e (4) of the German Commercial Code (Handelsgesetzbuch, "HGB") and EUR 9.2 million in accordance with section 340g (1) HGB. Following a tax expense of EUR 5.3 million, the net income for the financial year amounted to EUR 5 thousand. Thanks to efficient cost control, administrative expenses increased by approximately 15.2% to EUR 20.6 million, thus at a lower rate than that of net trading income. Regulatory tier 1 capital amounted to EUR 31.8 million, with the equity ratio at approximately 56%.



Based on the positive earnings trend in the 2020/2021 financial year, the Executive Board and the Supervisory Board will propose to the Annual General Meeting of ICF BANK AG that a dividend of EUR 0.15 per outstanding share be distributed. This will enable the Company to reinvest a portion of its profits in further growth and make investments for the future. An adequate equity ratio is likewise essential to be able to survive long-term in the market and act during volatile market phases.

However, the pleasing results achieved in the 2020/2021 financial year are only one side of the coin. We must not forget to invest in future growth so that we can tap into innovative markets. Likewise, investments in high-performance system infrastructure is an indispensable part of remaining competitive. We must successfully align our technological enhancements and digitalisation with our existing structures and processes in order to survive in the long term. Key elements of our strategy are to stimulate sustainable economic activity, to strike a good balance between profitability and growth and to exercise strict cost discipline. It is to be expected that progressive digitalisation will change market structures.

However, we are optimistic that our established and regularly updated corporate strategy will ensure the lasting success of ICF BANK AG, and that even if trading volumes decline, the Company's profitable development will continue into the 2021/2022 financial year and beyond.

In this context, we are pleased that BÖAG Börsen AG purchased the majority of shares in ICF BANK AG in the 2020/2021 financial year and currently holds 76.11% of ICF BANK AG's share capital. Acquiring this majority interest strengthens BÖAG Börsen AG's position as part of the strategic partnership, and ICF BANK AG gains a reliable partner with which to continue taking advantage of sources of growth and earnings alongside its original focus on securities trading.

Dear shareholders, ladies and gentlemen,

The ICF Group suffered a great loss this last financial year with the passing in January of Mr Rainer Roubal, Chairman of the Supervisory Board, (co-)founder and initiator of ICF. He was a motivator, a guide and a thinker for the entire ICF Group. It was his commitment, dedication and expertise that made ICF BANK AG's what it is today – one of Germany's leading securities trading banks.

Mr Roubal was highly respected and held in the greatest esteem by employees, our customers and business partners alike. His passing is devastating and leaves a huge gap.

As far as the composition of the Supervisory Board is concerned, Dr Thomas Ledermann has assumed Mr Roubal's position and Mr Hendrik Janssen has succeeded Mr Christian Culver, whose term of office ended in November 2020. In March this year, Prof. Rüdiger von Rosen was elected as Chairman of the Supervisory Board.

The Chairman of the Executive Board, Mr Bernd Gegenheimer, left ICF BANK AG of his own accord at the end of 2020. As the head of ICF BANK AG for over 10 years, he has our sincere gratitude for his exceptional and productive cooperation, and we greatly regret his departure.



We are furthermore happy to report that Mr Oliver Szabries joined ICF BANK AG's Executive Board on 1 January 2021. Mr Szabries is responsible among other things for Market Making and Brokerage Services at ICF BANK AG. We are confident that Mr Szabries, with his talent for innovation, his network and his expertise, will be able to successfully drive the development of these segments.

Dear shareholders,

We stand on the brink of major change, and regrettably we are unable to provide a realistic assessment of how 2021/2022 will shape up on stock exchanges. The uncertainties in the current environment are significant. New market structures, extensive regulation, further developments in the pandemic and the prospect of further lockdowns, global political events, natural disasters. We do not know what lies ahead, but we have shown that we and our business model are flexible and resilient. And that gives us confidence. We are firmly convinced that our corporate strategy will ensure the success of ICF BANK AG in the long term.

I would like to express special thanks – also on behalf of my colleagues on the Executive Board – to all our employees for their commitment during this highly unusual year. Many worked from home, some moved to other locations, and still others continued to work from the office despite the pandemic to ensure that our business processes run smoothly. It was an extraordinary achievement that deserves special acknowledgement.

We would also like to thank the Supervisory Board for the constructive and positive cooperation as well as our shareholders for the trust they place in us. And it goes without saying we must also thank our customers and business partners for the trust they have shown in us.

We are well on track. Together we successfully handled this crisis, and we feel able to face the new financial year with confidence and optimism.

Sincerely,

Sascha Rinno
Executive Board Spokesman

REPORT OF THE SUPERVISORY BOARD

The Supervisory Board performed all of the duties assigned to it by law and the Company's Articles of Association and monitored the Company's management on an ongoing basis. In written and oral reports, it was provided with regular, timely and comprehensive information on the position and key developments of the Company. The subsidiaries ICF Systems AG and NOVIS Software GmbH were included in the reporting. A total of seven Supervisory Board meetings and various meetings of the Strategy Committee and the Personnel Committee were held in the year under review from 1 April 2020 to 31 March 2021.

During the year under review, the Supervisory Board and its Committees examined in depth the Company's position and prospects. At the Supervisory Board meetings, the Executive Board provided timely reports on the development of business, on fundamental issues of business strategy and on potential courses of action in accordance with all statutory requirements. Ways of increasing the income of the individual divisions, sustainable cost management and the performance of the subsidiaries were the subjects of discussion at each of the meetings. Extensive talks were held on setting up new and expanding existing divisions as well as diversifying products and markets.

During the year under review, the Supervisory Board focused in particular on how to address the impacts of the lingering coronavirus pandemic. To that end, it received regular reports on the contingency measures put in place to maintain the Company's business operations and protect the health of its employees, as well as on its risk and liquidity status and its staffing capacities in light of the significant increase in trading activities and market volatility. The contingency measures implemented early on in the previous financial year – such as leasing further trading venues and equipping the entire staff to work from home – remain in force. The Supervisory Board remained in constant contact with the Executive Board on these matters. Additionally, the Supervisory Board also received regular reports on the efforts to further step up the activities of the Brokerage Services division by introducing dynamic best execution as an order flow driver. The Capital Markets segment successfully implemented a wide range of transactions and placements of corporate issuances, as well as winning a host of new mandates in the Designated Sponsoring segment. Particular attention was paid to the growth path of ICF Systems AG and NOVIS Software GmbH, with value being placed on continually guaranteeing data security and operational stability.

The Strategy Committee and the Supervisory Board closely scrutinised the project to secure the future shareholder structure in light of the demographic changes in the pool of shareholders. The Supervisory Board believes that the acquisition of 51.13% of the Company's shares by its longstanding business partner, BÖAG Börsen AG, at the end of 2020 and the exercise of the option to acquire a further 24.98% fulfils the objective of securing the Company's future prospects for further sustainable growth. The Supervisory Board expressly welcomes BÖAG Börsen AG as the new majority shareholder and believes that the foundation has now been laid for significant synergies in the context of a lasting, successful and innovative collaboration in the spirit of partnership which will be to the benefit of shareholders and stakeholders alike.

The Supervisory Board meetings passed resolutions on all business that required its approval under the law, the Articles of Associations and the rules of procedure. In addition, the implications of the global threat posed by the coronavirus pandemic and the instability in global politics for the financial markets were discussed in particular, as were the political activities with respect to climate protection and sustainability. In addition, current issues relating to business policy, risk assessment, regulatory matters and the Company's position and results of operations were dealt with in regular discussions between the Executive Board and the Supervisory Board.

In light of the risks arising in connection with the coronavirus pandemic and the associated restrictions, the Annual General Meeting was held in a virtual format for the first time on 17 November 2020. Upon conclusion of the Annual General Meeting, the term of office of the Supervisory Board member Christian R. Culver expired. His seat was filled through the election of a new member, Mr Hendrik Janssen, who is a member of the Executive Board of BÖAG Börsen AG. The members of the Supervisory Board were deeply saddened to learn of the passing of the Chairman of the Supervisory Board, Mr Rainer Roubal, at the beginning of the year. The Supervisory Board wishes to commemorate his extraordinary and successful commitment as the Company's (co-)founder and his longstanding chairmanship of its Executive Board and Supervisory Board, and express its great esteem and respect. By court appointment in mid-March 2021, his seat on the Supervisory Board was assumed by Dr. Thomas Ledermann, member of the Executive Board of BÖAG Börsen AG. The then-Deputy Chairman of the Supervisory Board, Prof. Rüdiger von Rosen, was elected to serve as the Chairman of the Supervisory Board at the meeting on 23 March 2021.

The Chairman of the Company's Executive Board, Mr. Bernd Gegenheimer, left the Company at his own request as at the end of 2020. The Supervisory Board also wishes to thank him for his longstanding, successful commitment. At the beginning of 2021, Mr. Oliver Szabries, former member of the management of Tradegate Exchange and the Executive Board of the Berlin Stock Exchange, joined the Executive Board.

The books and records, the annual financial statements and the management report for financial year 2020/2021, as well as the consolidated financial statements and the Group management report for financial year 2020/2021 were audited by Dohm Schmidt Janka, Revision und Treuhand AG, 60325 Frankfurt am Main, who were elected as auditors by the Annual General Meeting on 17 November 2020, and issued an unqualified audit opinion.

The auditors' reports by Dohm Schmidt Janka were submitted to the Supervisory Board. The Supervisory Board conducted an in-depth examination of the annual and consolidated financial statements, taking into account the auditors' audit reports, as well as of the Executive Board's proposal for the appropriation of the net retained profits. The auditors took part in the discussion. The Supervisory Board's examination has not led to any reservations. On the basis of its own examination, the Supervisory Board concurs with the result of the audit of the annual and consolidated financial statements by the auditors.

At its meeting on 19 July 2021, the Supervisory Board resolved to approve the annual financial statements prepared by the Executive Board, and resolved to adopt the consolidated financial statements as prepared. The Supervisory Board discussed the Executive Board's proposal on the appropriation of net retained profits with the Executive Board, in light of the interests of the Company and its shareholders. Following that discussion and its own review, the Supervisory Board approved the Executive Board's proposal for the appropriation of the net retained profits.

Thanks to the hard work of the Executive Board and all employees, the Company generated the best results in its history during the year under review, exceeding all forecasts. In a competitive environment still driven by constant change, the Supervisory Board believes that ICF BANK AG is well prepared for the future. The Supervisory Board will continue to make every effort to work toward sustained positive business performance in order to secure the long-term future of ICF BANK AG in the interests of its owners and employees. The Supervisory Board would like to thank the Executive Board and all employees of the ICF Group for their extraordinary commitment, dedication and successful efforts in particular in the midst of the coronavirus crisis.

Supervisory Board of ICF BANK AG

Frankfurt am Main, 19 July 2021



Prof. Dr. Rüdiger von Rosen
Chairman of the Supervisory Board



A low-angle, upward-looking photograph of several modern skyscrapers. The buildings are constructed with light-colored stone or concrete and feature large windows. The sky is a clear, pale blue. A large, semi-transparent blue rectangle is overlaid in the center of the image, containing the text '20-21' and 'MANAGEMENT REPORT' in white.

20-21

MANAGEMENT
REPORT

BUSINESS DEVELOPMENT

The 2020/2021 financial year was dominated by the global spread of the COVID-19 pandemic and the resulting economic impact. At the beginning of the year, tight restrictions were imposed on economic and social activity throughout Germany and Europe until the month of May. For the most part, the lockdown in Germany paralysed public life and the economy, with business activity plummeting. Governments and the European Central Bank launched large-scale economic measures in an attempt to mitigate the consequences. As infection rates eased in the summer months, the restrictions were gradually lifted and the economy began to pick up again. However, the recovery only held until the fourth quarter of 2020. A sharp increase in infections resulted in lockdown measures gradually being reimposed in Germany, which primarily affected the service sector. These developments plunged Germany into a recession in 2020, the scope and breadth of which mirrored that of the crash of 2009 in the wake of the global financial crisis. Governments around the world attempted to keep companies afloat through lending and guarantee schemes, tax deferrals and subsidy programmes. Together, these measures helped to ensure that the economic downturn in 2020 was less severe than originally feared. The value added in the industrial and construction sectors as well as the industrial and construction service sectors even increased by the end of 2020. The export-oriented manufacturing segment in particular benefited from a progressive recovery of the global economy. On the whole, Germany's real GDP in Q4 2020 rose by 0.3% as compared to the same quarter of the previous year. By contrast, the economic recovery originally anticipated for spring 2021 has been pushed off until later in the year.

The pandemic and its impacts affected the global economy, the stock exchanges and thus the entire financial year. The simmering tensions resulting from the trade conflict between the United States and China, the United Kingdom's withdrawal from the EU and the presidential elections in the United States all took a back seat. These developments led volatility on the stock exchanges to skyrocket at the beginning of financial year 2020/2021, combined with an initial sharp rise in trading volumes. The concerted monetary policy measures to mitigate the economic impact of the COVID-19 pandemic reduced the outlook for an interest rate hike in Europe and further thinned bond liquidity.

The DAX got off to a positive start in 2020. In March 2020, the markets collapsed. The DAX eventually fell by 8,500 points. By 30 December 2020, the DAX had recovered to close at 13,718 points, up slightly year on year, by 3.5%. Average stock volatility for 2020 was well above that of the prior year. The number of IPOs in the Xetra segment rose again slightly in 2020 to 7. The DAX closed at 15,008 points at the end of March 2021, representing an increase of roughly 9.4%. Trading volumes on the Xetra® trading platform used primarily by institutional investors increased by approximately 26% year on year in 2020. Trading volumes on the Frankfurt Stock Exchange benefited from the extreme increase in volatility in 2020. The Frankfurt Stock Exchange's trading volume rose from EUR 32.9 billion in 2019 to EUR 59.5 billion in 2020, representing a roughly 80% increase since the close of 2020. In Q1 2021, order book

volume on the Frankfurt Stock Exchange remained constant as compared to the strong first quarter of the previous year. By contrast, order book volume on the Xetra® trading platform fell by approximately 19% in Q1 2021 as compared to the same quarter of the previous year. In this challenging environment, ICF BANK AG benefited greatly from the increase in trading volume in particular, and closed the financial year with an excellent operating result.

MARKET MAKING

As a specialist at the Frankfurt Stock Exchange, ICF BANK AG manages approximately 880 stocks (previous year: approximately 800), approximately 550 ETPs (previous year: approximately 450), approximately 8,700 fixed-income bonds (previous year: approximately 9,400) and approximately 1,300 funds (previous year: approximately 1,350). In the Market Making Derivatives Products segment, ICF BANK AG currently manages some 670,000 products on the Frankfurt Stock Exchange's segment for certificates, Börse Frankfurt Zertifikate (previous year approximately 610,000). On the Quotrix exchange in Düsseldorf, ICF BANK AG manages approximately 4,350 stocks (previous year: approximately 4,100), approximately 1,750 ETPs (previous year: approximately 1,550), approximately 11,150 fixed-income bonds (previous year: approximately 8,300) and approximately 1,950 funds (previous year: approximately 2,100). On the Düsseldorf Stock Exchange, ICF BANK AG is the lead broker for approximately 3,700 stocks (previous year: approximately 3,300), approximately 1,900 ETPs (previous year: approximately 1,500), approximately 12,100 fixed-income bonds (previous year: approximately 9,400) and approximately 3,050 funds (previous year: approximately 3,200).

The Market Making FWB Equities segment's income is significantly influenced by the development of trading volume on the Frankfurt Stock Exchange (FSE). Given the sharp increase in market volatility combined with historically high order book volume due to the coronavirus pandemic, income in financial year 2020/2021 rose sharply.

The historically low interest rate environment around the globe acted as a spoiler on the performance of the Market Making FWB Bonds segment. The broad interpretation of the PRIIPs Regulation restricted retail investors' investment opportunities considerably. By contrast, we continued to expand our collaboration with issuers and issuing banks, and the inclusion of new bonds on the Frankfurt Stock Exchange had a significantly positive influence on our earnings.

Turnover in the Market Making FWB Funds and ETPs segment was a tale of two trends during the year. The first three quarters following the record turnover figures on global stock exchanges due to the coronavirus were marked by a normalisation of turnover. In the final quarter, the Frankfurt Stock Exchange, too, was able to participate in the overall rise in volume and the general public's rediscovery of the equities markets. On the whole, performance in financial year 2020/2021 was encouraging. ETP turnover was highly positive, thanks in part to the addition of certain interesting mandates, particularly in the field of crypto ETPs.

Trading in fund units, the majority of which are not subject to a best execution policy, was largely stable by contrast. Turnover remained steady in the first half of the year and then continually rose.

In the Market Making Derivatives Products segment, ICF BANK AG managed 685,337 structured products from various big-name issuers as at the end of the financial year. The financial year saw a further consolidation of the issuers' product range. Despite this reduction, in absolute terms, of managed securities, turnover stabilised at a very high level, both in terms of revenue and in terms of the number of orders executed.

On a monthly basis, ICF BANK AG boasted as much as a 55% share in the total turnover in all traded structured products on the Börse Frankfurt Zertifikate segment. This positive trend was also reflected in the absolute number of traded orders, which accounted for up to 54% of all orders on Börse Frankfurt Zertifikate on a month-by-month basis.

The Market Making Derivatives Products department looks back on its most successful year yet thanks to high market volatility, correspondingly high turnover and the highly professional collaboration between ICF BANK AG and its business partners.

Quotrix serves as a BestEx venue that operates in fierce competition with other exchanges. ICF BANK AG has implemented a quality analysis system using internally generated software for the purposes of determining and monitoring quote and trade quality on Quotrix. This quality analysis emphasises the best price and trade quality on Quotrix as compared to the competition. According to the quality standards stipulated by MiFID II, price and trade quality are among the most important criteria, alongside costs, for deciding how to steer BestEx flow. By connecting further customers to the Quotrix exchange and by winning over additional BestEx Flows, we were able to significantly increase trading volumes on the Quotrix exchange. Due to the extreme market movements during the coronavirus pandemic, trading volumes for equities on the Quotrix exchange doubled year on year. By contrast, the trading volume for bonds fell by comparison to the extremely high trading volumes in the final quarter of the previous year. The switch to a best execution policy and the return to normality for turnover caused ETP turnover to weaken in the first half of the 2020/2021 financial year. However, this was more than offset in the course of the second half of the year. By contrast, trading in fund units remained largely stable. Turnover remained steady in the first half of the year and then continually rose. On the whole, the Quotrix Market Making segment concluded the financial year with an outstanding result.

The Company's performance as lead broker on the Düsseldorf Stock Exchange remained highly positive in financial year 2020/2021. ICF BANK AG expanded the range of securities managed by it, particularly as far as foreign equities and foreign-denominated bonds were concerned. Trading in funds and ETP units on the Düsseldorf Stock Exchange remained encouraging. Aggressive pricing with high volumes and optimised allocation of holdings rendered it possible to achieve a good performance once again. On the whole, the Company's position as lead broker on the Düsseldorf Stock Exchange enabled it to close the financial year with an outstanding result.

BROKERAGE SERVICES

In financial year 2020/2021, the trend in previous financial years continued. The new lockdowns in Europe proved no match for the upwards trend on the capital markets. In financial year 2020/2021, Global Markets exceeded its targets thanks to yet another excellent year.

In the Customised Indices segment, business with existing customers stabilised and the improvements to the Company's proprietary software led to very good systems availability throughout the entire year.

CAPITAL MARKETS

ICF BANK AG's capital markets team successfully carried out several transactions in the 2020/2021 financial year through its Equity & Debt Capital Markets and Institutional Sales Equity & Debt departments. At the same time, the issuance business slowed considerably as the result of rising turbulence on the capital and commodities markets stemming from the coronavirus pandemic – particularly in the first six months of the 2021 financial year; this manifested itself in the postponement of planned capital markets projects and a recovery in transactions business which did not get underway until the autumn of 2020. The focus of the transaction business in financial year 2020/2021 was once again in the Fixed Income and Debt Advisory segments. The successful implementation of financing for Rochade Finance-GbR (transaction volume approximately EUR 120 million) and Fakt AG (transaction volume approximately EUR 19 million) saw the Debt Advisory team once again develop and implement bespoke financing structures – not only for our corporate clients but also for the investors we serve.

In the Fixed Income Financing segment, the Capital Markets team was involved in the Noratis AG bond issuance (approximately EUR 30 million), as well as those of the Greencells Group GmbH (approximately EUR 25 million) and Publy AG (approximately EUR 50 million). The Noratis AG and the Greencells Group GmbH deals were each cited as deal of the year 2020 by the renowned capital markets report "BOND MAGAZINE" which presented them with the "Best Issuer Award" in the categories "Real Estate SME Bonds 2020" and "Green SME Bonds 2020", respectively.

In the equity financing area, both the successful capital increase at GK Software SE (approximately EUR 25 million) and the Noratis AG capital increase (approximately EUR 17 million) bore special mention.

In addition to serving debt advisory clients and marketing capital market transactions, the segment organised a variety of corporate roadshows and was once again co-organiser or active sponsor of relevant investor conferences and capital market platform events (such as the German Equity Forum, the Munich Capital Markets Conference, HIT Hamburger Investorentag).

In summary, the capital markets team's Equity & Debt Capital Markets and Institutional Sales Equity & Debt departments generated a positive overall result despite the significant obstacles arising as the result of the coronavirus pandemic.

As before, the Designated Sponsoring segment faced a challenging competitive environment due on the one hand to the sustained large number of competitors as well as to highly volatile markets, which in many instances render it difficult to offer fair market quotes. The number of business relationships (total number of available DS mandates) between issuers and designated sponsors declined significantly. This was also due to the fact that several service providers have withdrawn from the field of liquidity provision. However, this also resulted in excellent opportunities for ICF BANK AG in the past financial year. The majority of Lang & Schwarz Broker GmbH's designated sponsor mandates were taken on after the firm withdrew from this business in mid-2020. In that connection, ICF BANK AG recruited one employee from Lang & Schwarz. At the same time, a dependent branch office in Düsseldorf was founded. A large number of mandates were furthermore acquired from HSBC Deutschland, which had also suspended its designated sponsoring activities as at the end of 2020. Thanks to these two positive developments, the total number of DS mandates as at 31 March 2021 rose by a net 35 mandates to 91. At the same time, 10 business relationships were terminated, 7 of which due to companies on the stock exchange being delisted or downgraded to a lower market segment. The quality of the managed mandates once again increased significantly. At the balance sheet date, more than one-third of the managed companies were included in a Deutsche Börse AG selection index. Currently, 14 mandates from the MDAX, 13 from the SDAX and 6 from the TecDAX are managed. In the past financial year, companies on the MDAX such as Airbus, Freenet, Gerresheimer, Rational, Telefonica Deutschland and United Internet were won over. The business relationship with Bank of America Merrill Lynch was initiated due to the assumption of the mandate in the wake of the successful Vantage Towers AG IPO. In terms of pure trading income, the Designated Sponsoring segment also made a significantly positive contribution.

OTHER SIGNIFICANT EVENTS OF THE FINANCIAL YEAR

BÖAG Börsen AG, the operator of exchanges in Düsseldorf, Hamburg and Hanover, acquired 51.13% of shares in ICF BANK AG from the founders of the Company, and has secured an option to acquire additional shares.

As part of the preventative measures enacted to combat the spread of the coronavirus (COVID-19), the Frankfurt Stock Exchange on 10 March 2020 suspended its requirement that traders be available in the trading halls until further notice, subject to strict conditions. In particular, it must be ensured that at no time is orderly exchange trading jeopardised by participation in exchange trading on FSE outside of the registered and approved trading location(s). ICF BANK AG must always comply with the applicable stock exchange rules and regulations, specifically the Exchange Rules for the Frankfurt Stock Exchange and the Conditions of Trading on the Frankfurt Stock Exchange.

Given the risks caused by the coronavirus (COVID-19), the contingency manual and the contingency plans have been expanded to include pandemics. Comprehensive measures have been taken which are intended to help guarantee ICF BANK AG's ability to continue to operate, as well as the functioning of its systems

and the operational readiness of its employees, even in the event of illness and/or quarantine measures. Business continuity will be secured by implementing the following measures in the event of an emergency:

- ICF BANK AG has alternative workspaces which make it possible for traders to divert to several alternative locations in the event one trading venue is closed; these workspaces are equipped with tested, functioning trading applications and alternative workstations for traders.
- In addition, at present home office workstations have been established and tested for every employee at every functional area, allowing them to carry out their work from home at short notice, if necessary until further notice.
- Furthermore, the trading departments were spread out over a total of three locations. This preventative measure reduces the risk that all employees might be ordered to work from home at the same time.
- ICF BANK AG consults regularly with the exchanges, trading venues and clients about their contingency planning.
- ICF BANK AG has issued internal instructions to its employees on safeguarding operations and employee health; these include a general prohibition on business trips, the replacement of meetings – whether externally with clients or internally with employees of subsidiaries – with conference calls and video conferences, limiting communications to the furthest extent possible to telephone and e-mail, and prohibiting participation at trade fairs, conferences and seminars until further notice.
- Employees returning from holiday are subject to further measures, such as a duty to notify management and take a coronavirus test if they are returning from high-risk areas.
- Employees have furthermore been called upon to comply with instructions from public authorities and keep abreast of current developments.
- ICF BANK AG offers all employees at the Kaiserstraße, Speicherstraße and Stock Exchange locations the option of taking voluntary rapid COVID-19 tests each week.

These preventative measures are intended to ensure business continuity in all areas and functions in the event of an emergency, particularly if quarantine measures are imposed.

PERSONNEL

ICF BANK AG had an average of 69 employees and 3 Executive Board members during the year under review. An average of 30 people were employed in the Market Making segment, 6 in Brokerage Services, 11 in Capital Markets and 22 in Administration.

FINANCIAL SITUATION

RESULTS OF OPERATIONS

Net commission income

Net commission income rose sharply year on year by EUR 2,528 thousand or 16.1%, and was highly positive in nearly every segment. Thus a significant increase in commission income was reported by Designated Sponsoring (EUR +183 thousand; +27.4%), Global Markets (EUR +1,454 thousand; +45.7%), Specialist Market Making Equities and Funds (EUR +752 thousand; +71.9%) and Derivatives Products (EUR +459 thousand; +8.8%). Only the Equity & Debt Capital Markets segment reported a decline by EUR 394 thousand (-6.9%).

Net trading portfolio result

The net trading portfolio result rose in the past financial year by EUR 9,149 thousand to EUR 18,870 thousand.

This extraordinarily positive development was due primarily to an increase in trading volume, particularly hitting its peak during the initial phase of the coronavirus pandemic.

Of the 15.2% increase in administrative expenses, EUR 2,588 thousand related to additional personnel expenses, offset by a further EUR 118 thousand attributable to a reduction in non-personnel expenses.

The result from ordinary activities was EUR 15,988 thousand in the year under review, more than doubling the previous year's EUR 7,897 thousand.

A EUR 1,504 thousand contribution to the fund for general banking risks pursuant to section 340e (4) HGB was made. EUR 9,201 thousand was transferred to the fund for general banking risks in accordance with section 340g (1) HGB. Following a tax expense of EUR 5,278 thousand, the net income for the financial year amounted to EUR 5 thousand.

NET ASSETS

Assets – loans and advances to banks, trading portfolio, and intangible assets

Loans and advances to banks and the trading portfolio accounted for 92% of total assets at the end of the financial year (previous year: 87%). The net trading portfolio increased by EUR 600 thousand to EUR 749 thousand, while the balances held with banks, net of corresponding liabilities, rose by EUR 14,051 thousand to EUR 40,784 thousand.

Equity and liabilities – provisions, equity, fund for general banking risks

Provisions (EUR 11,014 thousand) increased year on year by EUR 4,265 thousand. This development was caused by personnel pro-

visions and income tax provisions, a large amount of which were recognised and required due to the increase in earnings.

The equity base, including the fund for general banking risks, increased from EUR 23,903 thousand in the previous financial year to EUR 33,206 thousand as at the balance sheet date.

If the Annual General Meeting accepts the Executive Board's proposal, the net retained profits will be used to pay a dividend of EUR 0.15 per outstanding share on the day of the Annual General Meeting.

The remaining amount will be carried forward to new account.

Following the distribution, the regulatory Tier 1 capital will amount to EUR 31,799 thousand.

The equity ratio is approximately 56% (previous year: 57%).

As at 31 March 2021, ICF BANK AG had total assets of EUR 59,520 thousand (previous year: EUR 41,647 thousand), of which loans and advances to banks accounted for 80.5% (previous year: 68%).

FINANCIAL POSITION

The Company's liquidity was secured throughout the whole financial year; at the end of the financial year, cash and cash equivalents available at short notice – excluding the trading portfolio assets – exceeded current liabilities including trading portfolio liabilities and the corresponding provisions by EUR 21,166 thousand.

The net assets, financial position and results of operations of ICF BANK AG continue to be in good order.

RISK REPORT

Risk management is a fundamental component of management and control within ICF BANK AG. An effective and efficient risk management system helps the Company to achieve its goals and ensures its continued existence. For this reason, ICF BANK AG applies an established, comprehensive risk concept that ensures that any risks are detected early and immediately controlled with adequate measures. In addition, as a securities trading bank, ICF BANK AG is subject to supervision by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin"). The earnings of our core business correlate closely with turnover trends on securities markets.

RISK MANAGEMENT

The Risk Management department monitors risks throughout ICF BANK AG's various segments. It uses state-of-the-art software solutions which help the department's employees to carry out detailed analyses and controls of external and internal limits. An online position management system gives trading departments a full overview of their positions in real time.

One primary responsibility of Risk Management is thus to use state-of-the-art systems and processes to make risks and opportunities quantifiable and transparent as they arise out of the daily movements on the various financial markets.

Risk Management compiles a quarterly risk report to provide information to the Executive Board and the Supervisory Board. This report contains any significant abnormalities with regard to market price risks, default risks and liquidity risks, and provides an overview of operational risks.

INTERNAL AUDIT

Internal Audit is an objective auditing and project management activity at ICF BANK AG that is independent of the day-to-day business. Internal Audit helps ICF BANK AG to achieve its objectives through a systematic and disciplined approach towards measuring and optimising effectiveness in risk management, the internal controls environment and corporate governance. The objective is to continually improve upon business processes and create added value for the organisation. Internal Audit supports the Executive Board and the Supervisory Board of ICF BANK AG in carrying out their control, management and steering functions by carrying out independent internal audits.

The internal audit report prepared by Internal Audit is an objective tool for management to identify risks. To this end, audits are conducted in all divisions of ICF BANK AG to test the compliance, functionality, efficiency and security of workflows and of the organisational structure. These internal audit activities are based on the Minimum Requirements for Risk Management (Mindestanforderungen an das Risikomanagement, "MaRisk"). The audits are conducted every one to three years depending on the risk assessment. This audit frequency is documented in the audit plan.

Internal Audit's audit plan for the 2020/2021 financial year was implemented as planned.

The Internal Audit function at ICF BANK AG is performed by the external service provider GAR Gesellschaft für Aufsichtsrecht und Revision mbH, Frankfurt.

CONTROLLING

Controlling comprises cost/budget control, equity investment control as well as project control. It provides the Executive Board with comprehensive, up-to-date information on the Company's performance. Both financial and operational risks can be detected early and countermeasures can be initiated.

For the detection and prevention of operational risks, the Company has created a risk inventory, which is assessed by Risk Management in consultation with the Executive Board. In connection with the quarterly risk reports to the Supervisory Board, the inventory is checked for completeness and the risks are reassessed.

RISK STRUCTURING AND MEASUREMENT

ICF BANK AG has a business and risk strategy in accordance with MaRisk, which assesses the risks to which the business activities and trading activities, as well as the organisational and operational structure of the individual segments and departments of ICF BANK AG are exposed and derives appropriate measures to manage those risks.

The individual risks relevant to ICF BANK AG are described in detail below:

MARKET PRICE RISK

Market price risk is a core risk to which ICF BANK AG's business model is exposed. This breaks down into interest rate risk, share price/index risk, bond risk, funds risk, derivatives risk, foreign currency risk and commodity risk.

ICF BANK AG's business is not at all exposed to commodities risks, and interest rate and currency risks are merely of insignificant influence. By contrast, risks relating to specific asset classes are given particular significance.

Market price risk in relation to shares and funds is the result of fluctuation in the market value of the instruments traded in response to market developments and this may lead to losses in ICF BANK AG's securities portfolios. Interest rate risk is the primary market risk to which bonds are exposed. Trading in derivatives is exposed in particular to the risk that the price of the underlying will change.

ICF BANK AG holds various classes of assets in its own portfolio due to its activities as a specialist/market maker on German stock exchanges and as an intermediary between institutional market participants. In addition, it also holds assets in its own

portfolio resulting from its activities as a designated sponsor and in the issuance business, although these assets are only held in the short term.

In order to enable the adequate measurement and management of the risk from changing market prices, ICF BANK AG uses a value-at-risk model with a confidence level of 95%. It also assigns and monitors portfolio and loss limits for all trading areas.

The DECIDE system is used to monitor market price risks for the current securities portfolio. To that end, the purchase prices are constantly compared against the exchange prices (reference prices). The reference prices are automatically obtained from price information services and updated constantly. The estimated market liquidity is used to determine which markets should be used as reference markets for risk management purposes.

DEFAULT RISK

Default risk is a core risk to which ICF BANK AG's business model is exposed. Default risk arises primarily from credit/settlement risks, performance risks, advance delivery risks and large exposure risks under sections 13 and 13a of the German Banking Act (Kreditwesengesetz, "KWG").

Default risks outside of the securities trading business relate in particular to loans and advances to banks, loans and advances to customers, equity investments, and other receivables.

ICF BANK AG's objective is to minimise default risks in every area. To that end, structures and processes have been established in Risk Management, Accounting, Middle Office, Compliance and Anti Money Laundering to effectively minimise, manage and monitor these risks.

To minimise default risk, ICF BANK AG performs credit checks for new customers and defines settlement terms for transactions with the new customers. In this process, ICF BANK AG uses a defined internal procedure for entering into new business relations. New business is always conducted only with institutions that are subject to supervision by BaFin or an equivalent foreign supervisory body and which settle via recognised and respected settlement banks. To manage default risks arising from trading in bonds, bond issuers are classified based on publicly available ratings (Moody's). Depending on how the respective issuers are rated, they are assigned internally defined default probabilities based on Moody's default risks.

LIQUIDITY RISK

ICF BANK AG compiles a daily liquidity status report, which is distributed to the institution's senior managers. This enables daily assessment of the liquidity and minimises the risk of liquidity losses. In addition, all the trading units have fixed position limits in the form of set market values, which limit the maximum liquidity available for the individual trading unit. Daily liquidity is additionally monitored using a traffic light system. At the balance sheet date, all of the regulatory liquidity requirements were fulfilled

with funds available at short notice totalling more than EUR 41.8 million (balance of loans and advances to banks and customers and deposits from banks against the netted trading portfolio).

OPERATIONAL RISKS

Operational risks (OpRisk) are defined as risks which are difficult or impossible to quantify. Operational risks include for instance personnel risks, data processing risks, legal risks and customer risks.

Operational risks are mapped in the risk inventory. Identified operational risks include potentially intended or unintended errors on the part of employees, the loss of customers and mandates, prospectus liability risks and risks from investments.

ICF BANK AG has outsourced the material operational elements of its IT infrastructure (computer centre, hardware maintenance and operation, systems monitoring, network security, etc.) to Group subsidiary ICF Systems AG. ICF Systems AG is responsible for operating ICF BANK AG's IT systems to the latter's specifications using an infrastructure-as-a-service (IaaS) model, which has been expanded to include a platform-as-a-service (PaaS) model for certain services. ICF Systems AG is certified in accordance with DIN EN ISO 9001:2015, ISO 27001:2013 and ISO 22301:2019 and has its own dedicated contingency plan and an internal control system. This system is audited annually by an external auditor engaged in accordance with IDW PS 951 type B and IDW PS 983. The audit report that is issued is updated annually. The integration of ICF Systems AG into ICF BANK AG's Group control and internal audit system ensures that all control and inspection rights are exercised pursuant to section 25b KWG. ICF Systems AG prepares a comprehensive risk report each quarter on the basis of its own risk inventory.

ICF BANK AG has its own contingency plan. This is regularly reviewed to ensure that the reaction scenarios contained therein are current. A key component includes emergency workstations in external offices, primarily for employees exercising particularly critical functions. These are regularly tested to ensure that they work and logged. This also includes unavailability due to pandemic-related events such as the most recent coronavirus outbreak.

To minimise personnel risks, new employees are only allowed to work at ICF BANK AG following the submission and examination of police certificates of good conduct. Each new employee receives induction into ICF BANK AG's framework.

Legal risks resulting from entry into contracts with customers and suppliers are identified and assessed by the Legal/Compliance department.

ICF BANK AG minimises risks arising from entering into business relationships in connection with trading in securities by subjecting all new customers – other than those with whom transactions are concluded via the exchanges as market participants – to a check by the compliance office and the anti-money laundering officer before they are admitted as customers. ICF BANK AG only deals with institutional clients in Germany and abroad who are classified as eligible counterparties or professional clients.

Operational risks are monitored by the Risk Management department based on a traffic light system. Every identified risk is assigned a likely impact intensity and the likelihood of occurrence is estimated.

Measures to manage operational risks are defined by the Executive Board. Those include for instance the elimination of risks by taking out insurance and reducing risks by establishing an internal control system.

At present, operational risks are quantified and taken into account in the risk-bearing capacity analysis using a base indicator approach in accordance with the CRR which is based on various income and expense components for the Bank.

DEPENDENCE ON MAJOR CUSTOMERS

The customer base was expanded again during the past financial year, thus further reducing dependence on major customers. In order to ensure that we maintain and strengthen existing customer relationships, we continually adapt our technical solutions to the individual needs of our customers. Our Group structure allows us to carry out technical adjustments rapidly and flexibly.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE FINANCIAL YEAR

On 19 April 2021 BÖAG Börsen AG, the operator of stock exchanges in Düsseldorf, Hamburg and Hanover, exercised its option to acquire further shares in ICF BANK AG, and now holds a 76.11% equity interest in ICF BANK AG.

OUTLOOK AND REPORT ON OPPORTUNITIES

In the previous year's outlook and report on opportunities, the Executive Board of ICF BANK AG assumed that the Bank would achieve its earnings target for financial year 2020/2021, corresponding to a return on subscribed capital of approximately 5%. It was assumed the earnings contributions from the trading departments in financial year 2019/2020 that were significantly above expectations in some cases would not be replicated in the current year.

Given a result from ordinary activities amounting to EUR 15,988 thousand and subscribed capital of EUR 9,378 thousand, this corresponded to a return of approximately 170%. The Executive Board of ICF BANK AG thus considers its estimate for the past financial year and the associated conservative earnings projections to be significantly surpassed. This significant outperformance of the projected earnings target was due primarily to the sharp increase in trading volume in financial year 2020/2021 in the wake of the coronavirus pandemic and the measures initiated to staunch it.

ICF BANK AG's earnings prospects are highly dependent on capital market developments. Trading volumes on the capital markets are influenced by the development of stock markets and the volatility associated with this. For financial year 2020/2021, ICF BANK AG expects an economic recovery over the course of 2021 based on the progress made in the vaccination programme and the global economy regaining its strength. The German Federal Ministry for Economic Affairs and Energy projects the economy to achieve 3% growth again in 2021. However, the development of the economy will initially remain divided: On the one hand is the services sector, which is more heavily dependent on social contact and has thus been more severely impacted by the pandemic, and on the other an industrial sector that has seen robust growth. The pandemic is expected to gradually abate and the service sector is expected to recover over the course of the year. The gradual easing of measures to halt the spread of the virus and the prospects of effective vaccines will likely cause a significant improvement in the global economy. Against this background, German exports are also expected to increase significantly, which in turn should lead to greater investment activity by companies. However, the risk that it will take longer than anticipated to contain the pandemic is high. Contrary to expectations, for example, the situation continued to deteriorate at the beginning of financial year 2021/2022. Vaccination roll-out is slower than expected. Containment measures have been extended in reaction to the course of the pandemic. Due to the prolonged restrictions there is a risk that negative effects will also spread to value added in the manufacturing sector, which to date has proven robust. Further potential risks arise in particular from the high level of corporate debt around the world, the high level of sovereign debt, and possible overheating on financial and real estate markets. ICF BANK AG therefore expects the uncertainty and high volatility on the financial markets to persist at least into the first half of financial year 2021/2022. The economic aid offered through tax cuts, liquidity injections and government guarantees also bring new risks into play when it comes to government finances. ICF BANK AG there-

fore expects that there will not be any fundamental shift away from the current policy of low interest rates in Europe.

ICF BANK AG expects the market environment to remain highly challenging in the 2021/2022 financial year. Due to continued growth in existing business fields, the Company considers itself to be well positioned and it expects to be able to leverage revenue potential, particularly by winning over new clients. The Company will continue to adapt its range of products to suit specific client needs. By doing so, the Bank aims to increase client satisfaction and tap into further client groups. Tapping into new fields of business will open up new prospects for revenue.

MARKET MAKING

The development of the earnings situation in the Market Making FWB Equities, Bonds, Funds und ETPs segment will be heavily influenced by the development of trading volume and the Frankfurt Stock Exchange's position in an increasingly competitive environment. Given the ongoing coronavirus pandemic, ICF BANK AG expects that the first half of the new financial year will continue to be marked by high volatility and associated peaks in turnover. Expectations as to the course of business over the remainder of the year are moderate. Growth opportunities arising in connection with the expansion of managed assets across all segments are considered more modest in the coming financial year, because fewer new issuances are likely. Performance will depend on how severely the coronavirus pandemic will ultimately impact the economy.

The development of activities as lead broker on the Düsseldorf Stock Exchange depends heavily on the development of securities trading volume. The active marketing of the Düsseldorf marketplace, combined with best pricing quality, leads ICF BANK AG to expect to be able to leverage further earnings potential.

The turnover in structured products and hence the success of the Market Making Derivatives Products department depends to a significant extent on volatility among the various asset classes and the interest rate policy. The impact of the 2021 German Annual Tax Act (Jahressteuergesetz 2021) and the corresponding changes remain to be seen in the new financial year. In this amendment, the government has restricted the tax loss offset for investors on the back of introducing an offset limit. Further changes or measures by government authorities and/or regulators may also have a significant impact on sales and/or the product portfolio.

In the Market Making Quotrix segment, the focus in financial year 2021/2022 will remain on adding new market participants in order to increase earnings potential. The price quoting and trade quality analysis initiated by ICF BANK AG confirmed the best price and trading quality on Quotrix. In particular, the quality standards under MiFID II should result in the addition of new linked market participants on Quotrix due to price and trade quality and increase trades through the addition of additional BestEx flow. The securities market is in flux. Market participants are tapping into new groups of customers who are enthusiastic about trading and drawn to the Quotrix market model. Aside from winning over new customers, the focus will lie on incre-

asing the degree of automation in order to be able to process greater trading volumes in line with ICF BANK AG's standards of quality.

BROKERAGE SERVICES

Global Markets anticipates a sustained positive trend in the new financial year. Going forward, the introduction of internalisation will improve execution quality for our customers who use ICF BANK's dynamic best execution. In addition, we will be guided by the needs of our customers in developing our business strategy and will make bespoke modifications to our processes.

We will realign the strategy of the Customised Indices segment in financial year 2021/2022 in order to ensure its continued success.

CAPITAL MARKETS

In the area of capital markets financing, an extremely challenging business environment continues to be expected, particularly in view of the unclear but expected massive economic impact of the coronavirus pandemic, as well as trade conflicts which are likely to flare up and the associated effects on the capital and commodity markets.

With an eye on the current pipeline of primary and secondary market projects managed by the division, the division is confident that it will be able to successfully implement further transactions in a stable capital market environment.

The Designated Sponsoring segment intends to further expand its market position by adding new mandates and retaining existing ones, with the focus remaining on adding high-quality companies.

OUTLOOK

The Executive Board of ICF BANK AG believes the Company is well positioned to face the challenges of the future. With respect to the multi-year average for annual results generated, it is assumed that the Bank will achieve its earnings target for financial year 2021/2022, corresponding to a return on subscribed capital of approximately 5%. This also takes into account the current expectation that the earnings contributions from the trading departments in the year under review, which in some cases significantly exceeded expectations, will not be replicated in financial year 2021/2022.

Frankfurt am Main, 6 July 2021

ICF BANK AG
The Executive Board



The background features a stack of gold coins on the left side, partially obscured by a blue grid overlay. The grid consists of solid and dotted lines. On the right side, there is a blurred image of a candlestick chart. The overall color palette is dominated by blue and gold tones.

20-21

FINANCIAL
STATEMENT

BALANCE SHEET

of ICF BANK AG, Frankfurt am Main for the fiscal year from April 1, 2020 to March 31, 2021

ASSETS

(in EUR)	31. March 2021		31. March 2020
1. Cash reserve			
a) Cash balance		1,729.35	3,009.99
2. Loans and advances to banks			
a) Payable on demand	46,956,842.21		27,500,246.23
b) Other loans and advances	942,384.50	47,899,226.71	842,384.50
3. Loans and advances to customers		1,578,256.17	1,506,787.18
4. Trading portfolio		7,114,270.92	7,996,369.86
5. Investments in affiliated companies		1,641,500.00	2,031,500.00
6. Intangible assets Purchased concessions, industrial and similar rights and assets, and licenses to such rights and assets		728,716.00	933,250.84
7. Tangible fixed assets		61,716.63	115,354.47
8. Other assets		189,167.44	286,687.82
9. Prepaid expenses		224,157.68	178,426.19
10. Excess of plan assets over pension liability		81,609.64	253,422.39
Total assets		59,520,350.54	41,647,439.47

EQUITY AND LIABILITIES

(in EUR)	31. March 2021			31. March 2020
1. Deposits from banks				
a) Payable on demand		7,114,771.21		1,610,238.16
b) Subject to agreed term or notice period		0.00	7,114,771.21	0.00
2. Trading portfolio			6,364,941.86	7,847,377.41
3. Other liabilities			1,297,759.10	1,266,214.63
4. Deferred income			522,875.96	271,876.08
5. Provisions				
a) Tax provisions		4,459,503.47		2,361,593.42
b) Other provisions		6,554,124.89	11,013,628.36	4,386,852.03
6. Fund for general banking risks of which: Special tax-allowable reserves pursuant to section 340e (4) HGB EUR 4,547,800.00 (previous year: EUR 3,044,280.00)			19,190,000.00	8,485,000.00
7. Equity				
a) Subscribed capital	9,387,984.00			9,387,984.00
Notional value of treasury shares	-9,984.00	9,378,000.00		-9,984.00
b) Capital reserves		220,589.59		220,589.59
c) Revenue reserves				
ca) Legal reserve	718,208.81			718,208.81
cb) Reserves provided for by the Articles of Association	1,448,000.00			1,448,000.00
cc) Other revenue reserves	837,521.61	3,003,730.42		2,237,521.61
d) Net retained profits		1,414,054.04	14,016,374.05	1,415,967.73
Total liabilities and equity			59,520,350.54	41,647,439.47

PROFIT AND LOSS STATEMENT

of ICF BANK AG, Frankfurt am Main for the fiscal year from April 1, 2020 to March 31, 2021

(in EUR)	2020 / 2021			Previous year		
1. Interest income from						
a) Lending and money market transactions	1,385.58			7,067.94		
less negative interest from money market transactions	114,693.55			0.00		
b) Fixed-income securities and book-entry securities	123,685.03	10,377.06		222,530.65	229,598.59	
2. Interest expense		135,300.40	-124,923.34		119,166.76	110,431.83
3. Current income from						
a) Equities and other non-fixed income securities		202,014.13			174,884.17	
b) Investments in affiliated companies		48,000.00	250,014.13		0.00	174,884.17
4. Fee and commission income of which: Brokerage income EUR 5,042,913.77 (previous year: EUR 3,470,358.55)		18,695,449.75			16,317,054.57	
5. Fee and commission expense		505,078.47	18,190,371.28		655,372.89	15,661,681.68
6a. Trading portfolio income						
aa) Securities	77,079,754.52			47,897,824.60		
ab) Futures	1,106,821.57			2,171,877.00		
ac) Price differences from issuance transactions	8,413,225.52	86,599,801.61		2,284,229.89	52,353,931.49	
6b. Trading portfolio expense						
ba) Securities	59,732,773.53			39,020,651.24		
bb) Futures	1,475,770.80			1,851,146.50		
bc) Price differences from issuance transactions	6,521,072.72	67,729,617.05	18,870,184.56	1,761,335.40	42,633,133.14	9,720,798.35
7. Other operating income			413,794.46			575,979.38

(in EUR)	2020 / 2021			Previous year		
8. General and administrative expenses						
a) Personnel expenses						
aa) Wages and salaries	12,005,070.56			9,736,659.77		
ab) Social security, post-employment and other employee benefit costs of which: for pensions EUR 448,273.49 (previous year: EUR 251,905.18)	1,416,887.10	13,421,957.66		1,097,164.60	10,833,824.37	
b) Other administrative expenses		7,130,666.78	20,552,624.44		7,013,332.98	17,847,157.35
9. Depreciation, amortisation and write-downs of intangible assets and tangible fixed assets			290,958.87			353,425.44
10. Other operating expenses			306,632.87			182,094.73
11. Write-downs and adjustments to loans and advances and certain securities, and additions to provisions for credit risks		72,227.58			6,070.00	
12. Income from reversals of write-downs of loans and advances and certain securities and from the reversal of provisions for credit risks		1,278.07	-70,949.51		42,197.12	36,127.12
13. Write-downs and adjustments to equity investments, investments in affiliated companies and securities treated as long-term financial assets			390,000.00			0.00
14. Result from ordinary activities			15,988,275.40			7,897,225.01
15. Transfer from fund for general banking risks			10,705,000.00			5,340,000.00
16. Income taxes		5,310,215.78			2,601,741.25	
17. Other taxes not reported under item 10		-31,726.69	5,278,489.09		-49,577.77	2,552,163.48
18. Net income for the financial year			4,786.31			5,061.53
19. Retained profits brought forward			9,267.73			10,906.20
20. Withdrawals from revenue reserves						
a) From other revenue reserves			1,400,000.00			1,400,000.00
21. Net retained profits			1,414,054.04			1,415,967.73





20-21

NOTES

GENERAL

The annual financial statements as at 31 March 2021 for ICF BANK AG Wertpapierhandelsbank, with its registered office in Frankfurt am Main (entered into commercial register B at the Frankfurt am Main Local Court (Amtsgericht) under number 43755), were prepared in accordance with the relevant provisions of the German Commercial Code (Handelsgesetzbuch, "HGB") and the German Stock Corporation Act (Aktiengesetz, "AktG") as well as the Regulation on the Accounting of Banks and Financial Services Institutions (Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute, "RechKredV").

The income statement is presented in vertical format.

ACCOUNTING POLICIES

Loans and advances to customers and to banks, as well as **securities exclusively held for trading** are measured according to the rules applicable to current assets; **securities** held for trading (assets and liabilities) are recognised either as assets at fair value less a **risk discount** or as liabilities plus a risk premium.

Default risks are accounted for by recognising appropriate allowances. In the income statement, we have exercised the option under section 340f (3) HGB and are offsetting expenses and income from changes in the risk provision against receivables.

Investments in affiliated companies are recognised at amortised cost. Investments in affiliated companies are measured on the basis of a simplified procedure. Any losses in value that are expected to be permanent are accounted for by recognising impairment losses.

Intangible assets and **tangible fixed assets** with finite useful lives are recognised over their useful lives at cost less depreciation, amortisation and write-downs, simultaneously taking into account arrangements permitted for tax purposes.

Other assets are recognised at cost, unless they had to be written down to the lower fair value as at the balance sheet date.

Prepaid expenses include expenses paid in the year under review but recognised as an expense in the subsequent period.

The **excess of plan assets over pension liability** is determined by netting the pension provision against the reinsurance policy.

Deposits from banks and other **liabilities** are recognised at their settlement amount plus accrued interest.

The income reported under **deferred income** reflects inflows in the year under review, which will be recognised as income in the subsequent period.

Provisions have been recognised for uncertain obligations and expected losses from pending transactions; they are **recognised according to prudent business judgement at the necessary settlement amount** and, **if their term exceeds one year, discounted** by the average market interest rate of the past seven financial years that corresponds to their term, as published by Deutsche Bundesbank pursuant to the German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung).

The provisions for **pensions** are calculated in accordance with actuarial principles pursuant to section 253 (1) sentence 2 HGB. They are reported under the item "excess of plan assets over pension liability", which is determined by netting the pension provision against the existing reinsurance policy.

Currency translation is performed in accordance with section 340h HGB in conjunction with section 256a HGB. Assets and liabilities and pending cash transactions denominated in **foreign currencies** are translated at the ECB reference rates, and pending forward transactions are translated at the corresponding rates as at the balance sheet date.

BALANCE SHEET DISCLOSURES

The **residual terms** of the loans, advances and liabilities reported on the balance sheet break down as follows:

(in EUR '000)	Up to three months	Indefinite term	Previous year
Other loans and advances to banks	942.4		842.4
Loans and advances to customers		1,578.3	1,506.7

Where the breakdown by maturity required pro rata interest to be taken into account, it was allocated to the "Up to three months" category.

There are restrictions on an amount of EUR 49,528.6 thousand under loans and advances to banks.

The securities allocated to the **trading portfolio** are listed; they break down as follows:

(in EUR '000)	Trading portfolio			
	Assets	previous year	Liabilities	previous year
Bonds and other fixed-income securities	2,127.7	1,328.4	1,024.7	864.9
Equities and other non-fixed income securities	5,038.5	6,920.4	5,325.7	7,032.6
Risk discount/premium	31.3	40.0	27.7	38.0

The **risk discount** is determined according to the management criteria for market price risks specified in the risk report using the value-at-risk model, which assumes a confidence level of 95%, a holding period of one trading day and an observation period of 30 days.

The internally specified criteria for including financial instruments in the trading portfolio were not changed in the year under review.

The business relations with **affiliated companies** were as follows as at the balance sheet date:

(in EUR '000)	31 March 2021	Previous year
Shares in affiliated companies (non-marketable)	1,641.5	2,031.5
Other assets	4.4	70.8
Other liabilities	549.2	131.7

The total amount of all assets and liabilities denominated in **foreign currencies** were as follows:

(in EUR '000)	31 March 2021	Previous year
Assets	1,021.0	2,150.6
Liabilities	2,022.3	311.3

The differences in amounts attributable to assets and liabilities do not provide any indication of open positions.

The currencies, amounts and maturities of the corresponding hedges entered into are shown in section E.

Fixed assets changed as follows in the year under review:

(in EUR '000)	Investments in affiliated companies	Purchased concessions, industrial and similar rights and assets, and licenses to such rights and assets	Tangible fixed assets	Total
Cost	2,031.5	1,718.9	738.5	4,488.9
Additions	0.0	39.1	25.4	64.5
Reclassifications	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	-64.4	-64.4
As at: 31 Mar. 2021	2,031.5	1,758.0	699.5	4,489.0
Depreciation, amortisation and write-downs Carried forward	0.0	-785.6	-623.2	-1,408.8
Additions	-390.0	-243.7	-47.2	-680.9
Reclassifications	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	32.6	32.6
As at: 31 Mar. 2021	-390.0	-1,029.3	-637.8	-2,057.1
Carrying amount 31 March 2021	1,641.5	728.7	61.7	2,431.9
Carrying amount Previous year	2,031.5	933.3	115.4	3,080.1

The items reported under tangible fixed assets are allocated to operating and office equipment.

For low-value assets, a summary account pursuant to section 6 (2a) of the German Income Tax Act (Einkommensteuergesetz, "EStG") was recognised annually up to and including 2017, and reduced by accounting depreciation over a period of five years. In the year in which the summary account is reduced to zero, the respective assets are shown as a disposal. From 2018 onwards, low-value assets have been written off in full as an operating expense in the year in which they were acquired, in accordance with section 6 (2) EStG.

Investments in affiliated companies recognised on the balance sheet break down as follows:

(in EUR '000)	Carrying amount	Nominal	Interest (in %)	Equity of the company	Net profit/loss for the 2020/2021 financial year
ICF Systems AG, Frankfurt am Main	1,141.5	1,000.0	100.0	2,667.4	156.6
NOVIS Software GmbH, Braunschwalde	500.0	30.0	60.0	951.2	-28.2

Taking into account the recognised equity of NOVIS Software GmbH amounting to approximately EUR 1.0 million, a simplified income capitalisation approach was applied to calculate an enterprise value (100%) of approximately EUR 830 thousand and an investment value (60%) of approximately EUR 500 thousand. Because the value of the investment is expected to fall short of the recognised carrying amount of EUR 890 thousand on a permanent basis, the carrying amount was reduced by a EUR 390 thousand impairment to EUR 500 thousand.

The **other assets** item mainly comprises EUR 164.0 thousand in income tax refund claims.

Other liabilities resulted in particular from a loan from the subsidiary ICF Systems AG (EUR 509.7 thousand) as well as from goods and services purchased (EUR 616.4 thousand) and taxes payable (VAT and church tax) totalling EUR 139.8 thousand.

Pension provisions are measured in accordance with recognised actuarial principles in application of the projected unit credit method (PUC method) using the simplification rule in section 253 (2) sentence 2 HGB (residual term of 15 years). The 2018G mortality tables published by Prof. Klaus Heubeck serve as the biometric basis of measurement. Pension adjustments of 2.0% p.a. are factored in. The discount rate used (2.21%) was based on the average market rate of interest as at the balance sheet date for the past 10 years, as determined by Deutsche Bundesbank. The addition to provisions for pensions and other employee benefits necessitated by the amended measurement method in accordance with the German Accounting Law Modernisation Act (Bilanzierungsmodernisierungsgesetz, "BilMoG") has already been fully recognised (Art. 67 (1) Introductory Act to the German Commercial Code [Einführungsgesetz zum Handelsgesetzbuch, "EGHGB"]); thus there is no funding shortfall. In addition, the discounting of these provisions using the average market interest rate for the past ten years rather than the past seven (1.52%) results in a difference amounting to EUR 76.9 thousand. The conditions for the distribution restriction pursuant to section 253 (6) sentence 2 HGB have not been met.

The retirement age on which the calculations are based is the contractually stipulated age threshold. The pension obligation (EUR 825.1 thousand) was offset against the reinsurance claim from an effectively pledged reinsurance policy, whose actuarial reserves according to the business plan, including the allocated share of the surplus, amounted to EUR 906.7 thousand as at the balance sheet date. In the income statement, the expenses and income from interest on offset liabilities and assets are reported under interest expense (EUR 29.6 thousand), and the contributions to the reinsurance policy are netted with the increase in the reinsurance claim and reported in other administrative expenses (EUR 73.4 thousand). Due to the EUR 81.6 thousand asset surplus of the reinsurance claim over the pension obligation as at the balance sheet date, this is reported in the "Excess of plan assets over pension liability" item.

Other provisions consist primarily of:

(in EUR '000)	31 March 2021	31 March 2020
Bonuses and profit sharing	5,340	3,500
Outstanding invoices	211	65
Supervisory Board remuneration	209	220
Unclaimed holiday leave	182	153

On the balance sheet date, the **share capital** (subscribed capital) amounted to EUR 9,387,984.00, divided into 9,387,984 no-par-value bearer shares.

On the basis of a resolution of the Annual General Meeting of 9 September 2019, the Executive Board was authorised to increase the share capital by issuing new no-par-value bearer shares against cash or non-cash contributions on one or several occasions, but in total limited to a maximum of EUR 4,650,000.00 (**authorised capital**). The Executive Board was authorised to disapply, with approval from the Supervisory Board, the statutory pre-emptive subscription rights of shareholders. The disapplication of the statutory pre-emptive subscription rights is linked to conditions that depend on the respective purpose.

Further details of how a capital increase from authorised capital is to be implemented are specified by the Executive Board with the Supervisory Board's approval.

The authorised capital expires on 9 September 2024.

As at the balance sheet date, there were 9,984 **treasury shares** with a notional value of EUR 9,984 (previous year: EUR 9,984) in the portfolio for the purpose of offering them to employees for purchase pursuant to section 71 (1) number 2 of the German Stock Corporation Act (Aktiengesetz, "AktG").

An amount of EUR 10.0 thousand is attributable to the Company's treasury shares, accounting for 0.11%.

No treasury shares were acquired or sold in the past financial year.

The **capital reserves** are unchanged compared with the previous year.

The Company's equity changed as follows in the course of the financial year:

(in EUR '000)	Balance at the beginning of the financial year	Withdrawals	Contributions		Balance at the end of the financial year
Subscribed capital					
(Share capital)	9,388.0	0.0	0.0	9,388.0	
Treasury shares in portfolio	-10.0	0.0	0.0	-10.0	9,378.0
Capital reserves	220.6	0.0	0.0	0.0	220.6
Revenue reserves					
Legal reserves	718.2	0.0	0.0	718.2	
Reserves provided for by the Articles of Association	1,448.0	0.0	0.0	1,448.0	
Other revenue reserves	2,237.5	1,400.0	0.0	837.5	3,003.7
Net retained profits	1,416.0	6.6	4.7		1,414.1
Equity					14,016.4

A transfer was made to the **fund for general banking risks** pursuant to section 340g HGB in conjunction with section 340e (4) HGB during the year under review. EUR 1,503.6 thousand was duly transferred to the fund in accordance with section 340e (4) HGB and EUR 9,201.4 thousand was transferred to the **fund for general banking risks** in accordance with section 340g HGB. As at the balance sheet date, the total amount of this item was EUR 19,190.0 thousand.

The **net retained profits** for the financial year amounted to EUR 1,414,054.04 and resulted from the net income for the 2020/2021 financial year amounting to EUR 4,786.31, the retained profit carried forward from the previous year amounting to EUR 9,267.73 (after distribution of the dividend) and transfers from the revenue reserves amounting to EUR 1,400,000.00.

The Executive Board and Supervisory Board propose to the Annual General Meeting that the **net retained profits be appropriated** as follows:

Payment of a dividend of EUR 0.15 per outstanding share on the day of the Annual General Meeting.

The unused portion of the net retained profits will be carried forward to new account.

The **distribution restriction** pursuant to section 268 (8) sentence 2 HGB does not apply, because the option under section 274 (1) sentence 2 HGB has been exercised and deferred tax assets **have not been recognised**.

Deferred tax assets resulted from differences between the carrying amounts for pension provisions recognised in the financial statements and their tax base, amounting to EUR 319.5 thousand.

Return on assets pursuant to section 26a (1) sentence 4 of the German Banking Act (Kreditwesengesetz, "KWG") amounted to 2.46% during the reporting year.

INCOME STATEMENT DISCLOSURES

The **interest and commission income** including **income from shares, trading income** and **other operating income** was generated primarily in Germany. Interest expenses included EUR 29.6 thousand in relation to discounting.

Of the **other operating income**, EUR 58.8 thousand related to the reversal of provisions, EUR 275.1 thousand to currency translation gains, EUR 20.7 thousand to income from the provision of market data and EUR 0.4 thousand from prior-period income. The disposal of fixed assets resulted in EUR 26.7 thousand in income. Income from services to affiliated companies amounted to EUR 29.7 thousand.

Other operating expenses included EUR 180.0 thousand in prior-period expenses. These related mainly to other administrative expenses (EUR 130 thousand) and accounting losses (EUR 50 thousand) from the previous year.

OFF-BALANCE-SHEET OBLIGATIONS

Other obligations relate to lease and rental agreements as well as maintenance agreements for technical equipment in an amount of EUR 2,501.5 thousand, of which EUR 1,442.7 thousand is attributable to obligations to affiliated companies.

ICF BANK AG, Wertpapierhandelsbank exclusively entered into **currency-based cash** and/or **forward transactions** to **cover short-term currency positions**; their equivalent amounted to a total of EUR 151.9 thousand at the end of the financial year (previous year: EUR 931.3 thousand).

The **volumes** of the **transactions** were as follows as at the end of the financial year:

T€	Financial year		Previous year	
	Purchases	Sales	Purchases	Sales
AUD	0.0	19.4	8.9	36.9
CAD	19.5	0.0	12.5	5.9
CHF	52.9	0.0	0.0	0.0
GBP	0.0	0.0	0.0	40.9
MXN	0.0	0.0	9.5	0.0
NOK	0.0	16.3	51.3	0.0
NZD	31.0	0.0	0.0	0.0
RUB	12.6	0.0	14.6	0.0
SEK	0.0	0.0	0.0	0.0
TRY	0.0	0.0	0.0	2.6
USD	0.0	0.0	0.0	703.6
ZAR	0.0	0.0	0.0	44.6
Other currencies	0.0	0.0	0.0	0.0

The difference between the amounts to be settled and the fair values of all currencies to be included amounted to EUR 1.0 thousand on the balance sheet date.

ADDITIONAL DISCLOSURES

NAME AND REGISTERED OFFICE OF THE PARENT ENTITY

BÖAG Börsen AG, the operator of exchanges in Düsseldorf, Hamburg and Hanover, acquired a majority of shares in ICF BANK AG from its founders in October 2020.

CONSOLIDATED FINANCIAL STATEMENTS

ICF BANK AG, Wertpapierhandelsbank, Frankfurt am Main, prepares consolidated financial statements in accordance with section 340i HGB; these statements are published in the Federal Gazette. The disclosures pertaining to the auditors' fees pursuant to section 285 no. 17 HGB are contained in the notes to ICF BANK AG's consolidated financial statements.

PERSONNEL

Excluding the Executive Board, the Company had an average of 69 (previous year: 64) employees in the past financial year, including 30 in Market Making, 6 in Brokerage Services, 11 in Capital Markets and a further 22 in Administration.

EXECUTIVE BODIES

SUPERVISORY BOARD

Rainer Roubal Consultant	Chairman	until 26 January 2021
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Prof. Dr. Rüdiger von Rosen Managing Director	Chairman	from 22 March 2021
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Dr. Thomas Ledermann (from 11 March 2021) Banker, lawyer Dr. rer. pol.	Deputy Chairman	from 22 March 2021
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Hendrik Janssen (from 17 November 2020) Banker, economist		
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Lars Hille Executive Board		
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Franz A. Rüegg Board of Directors		
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Werner Suhl German public auditor, tax advisor		
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Christian R. Culver (until 17 November 2020) Systems analyst, management board member		
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EXECUTIVE BOARD

Sascha Rinno Capital Markets, Central Staff	Spokesman	from January 2021
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Oliver Szabries (from 01 January 2021) Market Making, Brokerage Services, Central Staff	Deputy Spokesman	from January 2021
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Adrian Braun Risk Management, Operations & Investments		
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Bernd Gegenheimer (until 31 December 2020) Central Staff Function, Market Making, Brokerage Services	Chairman	
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The following members of the Company's executive bodies were members of Supervisory Boards or other supervisory bodies in the year under review:

Rainer Roubal	Chairman of the Supervisory Board (until 26 January 2021) of ICF Systems AG, Frankfurt am Main
Franz A. Rüegg	Board of Directors, Managing Director of Finanzargovia AG, Brugg, Switzerland Board of Directors of Campussaal Immobilien AG, Brugg, Switzerland
Prof. Dr. Rüdiger von Rosen	Chairman of the Supervisory Board of Paladin Asset Management Investmentaktiengesellschaft mit TGV, Hanover
Lars Hille	Chairman of the Supervisory Board (until 30 June 2020) of V-Bank AG, Munich Chairman of the Supervisory Board of Bankhaus Ellwanger & Geiger AG, Stuttgart Chairman of the Supervisory Board of Spiekermann & Co. AG, Osnabrück
Hendrik Janssen	Member of the Supervisory Board of mwb fairtrade Wertpapierhandelsbank AG, Gräfelfing Deputy Chairman of the Supervisory Board of vwd TransactionSolutions AG, Frankfurt am Main Member of the Supervisory Board (from 8 April 2021) of ICF Systems AG, Frankfurt am Main Deputy Chairman of the Supervisory Board (from 15 April 2021) of ICF Systems AG, Frankfurt am Main
Dr. Thomas Ledermann	Member of the Supervisory Board of Fondsbörse Deutschland Beteiligungsmakler AG, Hamburg Member of the Supervisory Board of Deutsche Zweitmarkt AG, Hamburg Member of the Supervisory Board of Hamburger Sparkasse AG, Hamburg Member of the Board of Directors of HASPA Finanzholding, Hamburg
Sascha Rinno	Member of the Exchange Council of the Berlin Stock Exchange, Berlin
Oliver Szabries	Member of the Exchange Council (from 25 March 2021) of the Frankfurt Stock Exchange, Frankfurt am Main Deputy Chairman of the "Standing Committee of the Exchange Council of the Frankfurt Stock Exchange" (from 25 March 2021), Frankfurt am Main Member of the Supervisory Board (from 8 April 2021) of ICF Systems AG, Frankfurt am Main Chairman of the Supervisory Board (from 15 April 2021) of ICF Systems AG, Frankfurt am Main
Bernd Gegenheimer	Deputy Chairman of the Supervisory Board (until 31 December 2020) of ICF Systems AG, Frankfurt am Main Member of the Exchange Council (until 31 December 2020) of the Frankfurt Stock Exchange, Frankfurt am Main Member of the Exchange Council (until 31 December 2020) of the Baden-Württemberg Stock Exchange, Stuttgart Member of the Exchange Council (until 31 December 2020) of the Düsseldorf Stock Exchange, Düsseldorf Member of the Exchange Council (until 31 December 2020) of the Munich Stock Exchange, Munich Expert on the Exchange Council (until 31 December 2020) of the Hanseatic Stock Exchange, Hamburg Member of the General Assembly of the Frankfurt Chamber of Commerce and Industry (until 31 December 2020), Frankfurt am Main Chairman of the "Standing Committee of the Exchange Council of the Frankfurt Stock Exchange" (until 31 December 2020), Frankfurt am Main Member of the Banking Committee (until 31 December 2020) of the Frankfurt Chamber of Commerce and Industry, Frankfurt am Main Member of the Secondary Markets Advisory Committee (SMAC) (until 31 December 2020) of the Frankfurt Stock Exchange, Frankfurt am Main Member of the Working Group (until 31 December 2020) of Börse Frankfurt Zertifikate AG, Frankfurt

The total remuneration of the Supervisory Board in the year under review amounted to EUR 209.1 thousand, while Executive Board remuneration was EUR 2,072.3 thousand.

REPORT ON EVENTS AFTER THE BALANCE SHEET DATE

In April 2021, BÖAG Börsen AG exercised its option to acquire further shares in ICF BANK AG, and thus holds 76.11% of the shares in ICF BANK AG.

Frankfurt am Main, 6 July 2021


Sascha Rinno


Oliver Szabries


Adrian Braun

INDEPENDENT AUDITOR'S REPORT

To ICF BANK AG Wertpapierhandelsbank, Frankfurt am Main

AUDIT OPINIONS

We have audited the annual financial statements of ICF BANK AG Wertpapierhandelsbank, Frankfurt am Main, which comprise the balance sheet as at 31 March 2021, the statement of profit and loss for the financial year from 1 April 2020 to 31 March 2021, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of ICF BANK AG Wertpapierhandelsbank, Frankfurt am Main, for the financial year from 1 April 2020 to 31 March 2021.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2021 and of its financial performance for the financial year from 1 April 2020 to 31 March 2021 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS FOR THE ANNUAL FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

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

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

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

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

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Berlin, 6 July 2021

Dohm ■ Schmidt ■ Janka
Revision und Treuhand AG
Wirtschaftsprüfungsgesellschaft


Matthias Schmidt
Wirtschaftsprüfer
(Public Auditor)


Iris Abraham
Wirtschaftsprüferin
(Public Auditor)



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The background of the page is an abstract composition of vertical, slightly curved stripes. The colors range from deep, dark blue on the left to a lighter, almost white-blue on the right, with various shades of brown and tan interspersed throughout, creating a sense of depth and movement.

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