

# **APTG AG**

**HALF-YEAR REPORT 2019**

## KEY FIGURES

in TEUR  
**HY 2019** <sup>1</sup> :      in TEUR  
**HY 2018** <sup>2, 3</sup>

<b>Consolidated income statement</b>		
Operating Income	2'065	12'559
Operating expense	-9'384	-24'903
EBITDA	-7'319	-12'344
EBIT	-11'774	-22'499
Net result	84'858	-26'311
Net result per share in EUR	4.25	-1.32

<b>Consolidated cash flow</b>	<b>-10'879</b>	<b>-6'453</b>
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<b>Consolidated balance sheet</b>		
Cash and cash equivalents	403	793
Shareholders' equity	-2'986	-52'197
Balance sheet total	599	134'475

- 1) Including the IPS Group until Carve out on 18 March 2019
- 2) Restated figures as reported in the Annual Report 2018
- 3) Including the Airofiller acquisition from February 2018 onwards

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## PROFILE OF APTG AG

**APTG AG** (since 16 August 2019, formerly named Airopack Technology Group AG) is a Swiss listed limited company, domiciled in Baar, and until 18 March 2019, under the former name Airopack Technology Group AG has been the parent company of the operating subsidiaries of Airopack Group.

The manufacturing operations (separated from the Holding company as of 18 March 2019) included an Airopack Ready to Fill manufacturing facility in Waalwijk (The Netherlands), which opened in December 2016, as well as a Full-Service Filling operation in Heist-op-den-Berg (Belgium) and a filling machine building operation in Houten (The Netherlands). The Global Research and Development Team as well as the Global Management and Customer Service Organisation are located in Waalwijk (The Netherlands).

On 18 March 2019, the operating activities of Airopack Technology Group were separated from the holding company and transferred to an entity controlled by Apollo Global Management ("Apollo Funds") through a share pledge enforcement. The Swiss holding company, which has been placed under definitive composition moratorium (*definitive Nachlassstundung*) in June 2019, is listed on the SIX Swiss Exchange (Ticker: AIRN / ISIN: CH0242606942).

As set forth in Note 14 on page 16, the SIX Exchange Regulation approved the APTG AG's application for a delisting of all of its shares. The last day of trading of APTG AG's shares has been set for 31 October 2019.

# REPORT FROM THE BOARD OF DIRECTORS

**Reference is made to introduction to the annual report of the company, published on July 1st, 2019, with respect to the major events of the first half-year 2019, including the judicial carve-out of the operational subsidiaries with effect to March 18, 2019.**

**Since then, the following needs to be highlighted:**

## **Delisting**

On 3 July 2019 SIX Exchange Regulation approved the company's application for a delisting of all of its shares. The last day of trading of the company's shares has been set for 31 October 2019.

## **Agreement with major lenders**

On 22 July 2019, the Cantonal Court of Zug, at the request of the company and its administrator, has approved certain agreements entered into by the company and its sole remaining subsidiary I.P.S. Holding B.V. with the major lenders. Under the agreements the company and I.P.S. Holding B.V. have received an amount of EUR 2 million. The company and I.P.S. Holding B.V. will further be released from all of their residual guarantee obligations in a nominal amount in the range of EUR 30 million which were assumed by the company and I.P.S. Holding B.V. in connection with the financing of the former Airopack Group. All other security interests granted by the company and I.P.S. Holding B.V. for such financing have also been released.

In consideration, the company has agreed, amongst others, to assign certain IP rights which are no longer required by it to I.P.S. B.V. (which was previously owned by I.P.S. Holding B.V. and subsequently separated from the company), and the company has further entered into an agreement on the coordination of steps and the sharing of potential proceeds in relation to certain liability claims the company may have. It is not clear at this stage whether any such claims exist and will be pursued. Furthermore, I.P.S. Holding B.V. has agreed to transfer certain minority shares and tax loss carry forwards no longer required by it. Court approval was required in view of the contemplated transfer of certain IP rights by the company.

## **Name change**

During the Annual General Meeting held on 15 August 2019, the AGM favourably voted for the change of the name of the Company into APTG AG.

Baar, September 2019

Antoine Kohler  
Chairman of the  
Board of Directors

# FINANCIAL REVIEW

## Capital structure

For a detailed description of developments in the capital structure, reference is made to Note 10 Capital structure on page 15.

## Income statement

Due to the carve-out of the operating companies in March 2019, the H1 2019 financials are not directly comparable to the same period in 2018.

In the first half of 2019, the consolidated loss at EBITDA level amounted to EUR 7.3 million, compared to a loss of EUR 12.3 million in the first half of 2018. The consolidated net result was EUR 84.9 million, compared to a loss of EUR 26.3 million in the first half of 2018.

The major positions of the income statement can be commented as follows:

### Operating income

In the first six months of 2019, operating income decreased to EUR 2.1 million, down from EUR 12.6 million in the first half of 2018.

### Raw material expense

Raw material expense consisted of plastic granulate, parts purchased from third parties as well as decorating materials and bulk formulations purchased to fill Airopacks.

### Personnel expense

Personnel expenses decreased to EUR 4.3 million in the first half of 2019, down from EUR 10.4 million in the first half of 2018. The decrease is due to the carve-out of the operating companies, partly offset by the higher production capacity that was build up in 2018.

### Other operating expense

Other operating expense decreased to EUR 3.8 million in the first half of 2019 compared to EUR 7.3 million in 2018. A detailed breakdown of other operating expense can be found in Note 2 on page 13 of the Half-year Report.

### Depreciation / Amortization

In the first half of 2019 depreciation of tangible fixed assets decreased to EUR 1.7 million mainly due to the carve-out of the operating companies.

In the first half of 2019, amortization of intangible assets decreased to EUR 2.7 million from EUR 7.1 million in the first half of 2018.

### Financial result

The financial result amounted to a negative EUR 4.8 million compared to a negative EUR 5.1 million in the first half of 2018. The financing cost decreased as a result of the carve-out of the operating companies, offset by the additional debt incurred in 2018 for the expansion of the production capacity for Airopack and operational losses.

### Non-operating result

The non-cash and non-recurring result amounting to EUR 101.4 million is related to the carve-out of the operating entities and results from the release of negative net assets for EUR 101.4 million.

## Balance sheet

Due to the carve-out of the operating companies in March 2019, the Company lost most of its assets in the first half of 2019. Due to the net result in the first 6 months of 2019 the shareholders' equity increased to a negative EUR 3.0 million.

## Liquidity

The cash flow from operating activities amounted to negative EUR 16.5 million, which was mainly due to the loss in working capital as a result of the carve-out of the operating entities. The resulting negative cash flow has been financed through debt. The cash position of the Group amounted to EUR 0.4 million at the end of June 2019, a decrease of EUR 10.6 million since the December 2018 close.

Baar, September 2019

### Antoine Kohler

Chairman of the  
Board of Directors

## CONSOLIDATED INCOME STATEMENT

	Notes	in TEUR <u>1st Half</u> <u>2019</u>	in TEUR <u>1st Half</u> <u>2018<sup>1</sup></u>
Net sales		1'793	7'117
Other operating income	2	0	32
Change in inventory of finished and semi-finished goods		272	5'410
<b>Operating income</b>		<b>2'065</b>	<b>12'559</b>
Raw material expense		-1'274	-7'192
Personnel expense	3	-4'310	-10'408
Other operating expense	2	-3'800	-7'303
<b>Operating expense</b>		<b>-9'384</b>	<b>-24'903</b>
<b>Earnings before interest, taxes, depreciation and amortization (EBITDA)</b>		<b>-7'319</b>	<b>-12'344</b>
Depreciation of tangible fixed assets		-1'719	-3'013
Amortization of intangible assets		-2'736	-7'141
<b>Operating result / Earnings before interest and taxes (EBIT)</b>		<b>-11'774</b>	<b>-22'499</b>
Financial result		-4'786	-5'076
Total non-operating result	4	101'418	-
<b>Ordinary result / Earnings before taxes (EBT)</b>		<b>84'858</b>	<b>-27'575</b>
Income taxes		0	1'265
<b>Net result</b>		<b>84'858</b>	<b>-26'311</b>
Net result per share in EUR	5	4.25	-1.32

<sup>1</sup> Restated 1st Half 2018 as presented in Annual Report 2018

# CONSOLIDATED BALANCE SHEET

Assets	Notes	in TEUR	in TEUR
		<u>30.06.2019</u>	<u>31.12.2018</u>
Cash and cash equivalents		403	10'981
Trade accounts receivable		-	3'911
Other receivables	6	184	-152
Inventories	7	-	13'900
Prepayments and accrued income		-	2'300
<b>Current assets</b>		<b>587</b>	<b>30'939</b>
Financial assets	8	-	15'346
Tangible fixed assets	9	-	49'275
Intangible assets		12	46'116
<b>Non-current assets</b>		<b>12</b>	<b>110'738</b>
<b>Total assets</b>		<b>599</b>	<b>141'677</b>
<b>Liabilities and shareholders' equity</b>			
Financial liabilities		-	32'840
Trade accounts payable		2'377	12'098
Other current payables		-	2'432
Accrued liabilities and deferred income		1'208	13'226
<b>Current liabilities</b>		<b>3'585</b>	<b>60'596</b>
Financial liabilities		-	167'446
Provisions		-	439
<b>Non-current liabilities</b>		<b>-</b>	<b>167'885</b>
<b>Liabilities</b>		<b>3'585</b>	<b>228'481</b>
Share capital	10	81'808	81'808
Capital reserves	10	17'314	17'616
Cumulative translation adjustments		-6'650	-5'782
Accumulated losses		-95'458	-180'445
<b>Shareholders' equity</b>		<b>-2'986</b>	<b>-86'803</b>
<b>Total Liabilities and Shareholders' equity</b>		<b>599</b>	<b>141'677</b>

# CONSOLIDATED CASH FLOW STATEMENT

	Notes	in TEUR <u>1st half</u> <u>2019</u>	in TEUR <u>1st half</u> <u>2018<sup>1</sup></u>
<b>Net result</b>		<b>84'858</b>	<b>-26'311</b>
Depreciation and amortization		4'455	10'154
Other positions with no impact on liquidity		-96'320	-2'296
<b>Operating cash flow</b>		<b>-7'007</b>	<b>-18'453</b>
Change in trade accounts receivable		3'965	-3'182
Change in other current receivables		19	-332
Change in inventories		-4'910	-6'437
Change in prepayments and accrued income		885	643
Change in trade accounts payable		-3'990	9'519
Change in other current payables		-2'698	2
Change in accrued liabilities and deferred income		-2'769	2'797
<b>Cash flow from operating activities</b>		<b>-16'505</b>	<b>-8'051</b>
Tangible assets			
Investments		-486	-13'135
Disposals		58	35
Cash transfer due to carve-out		-7'283	-3'102
<b>Cash flow from investing activities</b>		<b>-7'711</b>	<b>-16'202</b>
Inflow / (Outflow) from current financial liabilities		14'872	11'296
Inflow from shareholder loan		0	0
Inflow from long-term financial liabilities		-1'535	6'504
Inflow from capital increase	12	0	0
<b>Cash flow from financing activities</b>		<b>13'337</b>	<b>17'800</b>
<b>Total Cash flow</b>		<b>-10'879</b>	<b>-6'453</b>
<b>Cash and cash equivalents as at 1 January</b>		<b>10'981</b>	<b>7'196</b>
Total Cash flow		-10'879	-6'453
Impact of currency translation		-301	50
<b>Cash and cash equivalents as at 30 June</b>		<b>403</b>	<b>793</b>

<sup>1</sup> Restated 1st Half 2018 as presented in Annual Report 2018

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital		Capital reserve	Accu- mulated exchange differences	Accu- mulated losses	Total Equity
	Number of shares	in TEUR	in TEUR	in TEUR	in TEUR	in TEUR
<b>Equity as at 01.01.2018</b>	<b>19'945'372</b>	<b>81'808</b>	<b>17'616</b>	<b>32</b>	<b>-122'667</b>	<b>-23'211</b>
Capital increase from option exercise	-	-	-	-	-	-
Capital increase from authorized capital	-	-	-	-	-	-
Equity transaction cost	-	-	-	-	-	-
Net result of the period	-	-	-	-	-57'778	<b>-57'778</b>
Exchange differences	-	-	-	-5'814	-	<b>-5'814</b>
<b>Equity as at 31.12.2018</b>	<b>19'945'372</b>	<b>81'808</b>	<b>17'616</b>	<b>-5'782</b>	<b>-180'445</b>	<b>-86'803</b>
	Number of shares	in TEUR	in TEUR	in TEUR	in TEUR	in TEUR
<b>Equity as at 01.01.2019</b>	<b>19'945'372</b>	<b>81'808</b>	<b>17'616</b>	<b>-5'782</b>	<b>-180'445</b>	<b>-86'803</b>
Capital increase from option exercise	-	-	-	-	-	-
Capital increase from authorized capital	-	-	-	-	-	-
Equity transaction cost	-	-	-	-	-	-
Net result of the period	-	-	-	-	84'858	<b>84'858</b>
Exchange differences	-	-	-302	-868	229	<b>-941</b>
<b>Equity as at 30.06.2019</b>	<b>19'945'372</b>	<b>81'808</b>	<b>17'314</b>	<b>-6'650</b>	<b>-95'358</b>	<b>-2'886</b>

### Share capital

The share capital of APTG AG (formerly Airopack Technology Group AG) is held in Swiss Franc (CHF) and converted to Euro at historical rates. All shares issued as at 30 June 2019 are entitled to dividends and voting rights in relation to their nominal value at the meeting of shareholders.

### Issued capital

No changes in the first half of 2019 compared to year-end 2018.

For a detailed description of developments in the capital structure, reference is made to Note 10 Capital structure on page 15.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## Authorized and conditional capital

	in TEUR <u>30.06.2019</u>	in TEUR <u>31.12.2018</u>
Authorized capital: registered shares at CHF 5 par value	10'000	10'000
Conditional capital: registered shares at CHF 5 par value	<u>27'926</u>	<u>27'926</u>
	<b>37'926</b>	<b>37'926</b>

# SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL POLICIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

### General

APTG AG (formerly Airopack Technology Group AG) is a Swiss limited company, domiciled in Baar, and was the parent company of the Airopack Group. After the carve-out of the operating companies only APTG AG (formerly Airopack Technology Group AG) and I.P.S. Holding B.V. remain.

### Basis of preparation

The consolidated financial statements comprise the unaudited half-year results of APTG AG (formerly Airopack Technology Group AG) and its Group companies for the period ending 30 June 2019. The half-year statements are prepared in accordance with Swiss GAAP FER 31 Complementary recommendation for listed companies, section Interim Reporting. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated financial statements compiled for the financial year ending 31 December 2018 as they represent an update of the last complete financial statements.

The consolidated 2019 half-year statements were approved by the Board of Directors on 30 September 2019. The half-year statements are prepared under the assumption of going concern. See also Note 13.

The preparation of half-year financial statements requires management to make estimates and other judgments that affect the reported amounts of assets and liabilities as well as the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from those estimates.

### Consolidated companies

The consolidated financial statements include the annual accounts of APTG AG (formerly Airopack Technology Group AG) as well as the Group companies in which APTG AG (formerly Airopack Technology Group AG) directly or indirectly holds 50% or more of the voting rights or has a controlling influence by contractual agreement (control principle). Investments of 50% where the Group does not hold sole management control (joint ventures) are consolidated using the quota-method and investments between 20% and 49% (associated companies) are accounted for using the equity method. Minority holdings of less than 20% are carried in the balance sheet at acquisition cost less any adjustments for impairment required by generally accepted accounting principles.

### Changes to the Group of consolidated companies

#### Changes in first half-year 2019

APTG AG (formerly Airopack Technology Group AG) (the Holding company) and its direct subsidiary I.P.S. Holding B.V. were separated from the operating subsidiaries of Airopack Group as of 18 March 2019.

#### Changes in full year 2018

On 8 February 2018, the Group acquired 100% of the shares of Scholle IPN Equipment B.V. in Houten, the Netherlands. After the acquisition the company was renamed to Airfiller Equipment Solutions B.V.

### Consolidation principles

Capital has been consolidated using the purchase method. Assets and liabilities as well as expenses and income of the fully consolidated companies are included in their entirety; those of classical joint ventures with voting share of exactly 50% are included at 50%. Minority holdings in consolidated shareholders' equity and Group profit are shown separately. Companies and businesses acquired during the course of the year are re-valued on their acquisition date on the basis of uniform Group principles and consolidated from that date onwards. Any goodwill or negative goodwill remaining after this revaluation (the difference between the purchase price and the total shareholders' equity reported) is recognized under assets or liabilities and written off through the income statement over its useful life which is usually five years. A provision in the amount of negative goodwill is written back over a maximum of five years. Companies sold during the year are excluded from the consolidated financial statements from the date of sale.

### Transactions with related parties

Parties (individuals or legal entities) are considered to be related if one party has the ability to directly or indirectly exercise significant influence on the other party (organisation) in making financial or operating decisions. Organisations that are controlled directly or indirectly by the same related parties are also considered to be related. In addition, members of the Board of Directors and the Group Management or close members of their families are also considered related parties. We refer to Note 11 on page 15 of this Half-year Report.

# SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Foreign currencies translation

The Euro is the Group's reporting currency. Financial statements of consolidated companies in other currencies are translated as follows: current assets, fixed assets and liabilities at year-end rates (rate on balance sheet date); shareholders' equity at historical rates. The income statement and cash flow statement are translated at the average rate for the year. Any resulting exchange differences are recognized in shareholders' equity with no effect on the income statement. Foreign currency effects on long-term intergroup loans with equity character are to be recognised in the equity (with no effect on the income statement). The foreign currency items contained in the individual financial statements of the consolidated companies are translated as follows: foreign currency transactions at the rate on the date of the transaction (current rate); foreign currency balances are translated at balance sheet using the balance sheet rate (rate on the balance sheet date). The resulting exchange differences are recognized in the income statement.

The foreign exchange rates shown below were used in compiling the consolidated financial statements.

Currency	Balance sheet		Income statement / Cash flow statement	
	<u>30.06.2019</u>	<u>31.12.2018</u>	<u>HY 2019</u>	<u>HY 2018</u>
CHF	0.9003	0.8885	0.8855	0.8579

## Income statement

The consolidated income statement of APTG Group (formerly Airopack Technology Group) has been prepared pursuant to the period-based costing method.

## Cash flow statement

Cash and cash equivalents are the basis for the cash flow statement. Cash flow from operating activities is calculated using the indirect method.

## Segment reporting

APTG Group (formerly Airopack Technology Group Group) operates in one business segment.

	in TEUR <u>HY 2019</u>	in TEUR <u>HY 2018</u>
<b>2. OTHER OPERATING INCOME AND EXPENSE</b>		
<b>INCOME</b>		
Other operating income	-	32
	-	<b>32</b>
<b>EXPENSE</b>		
Research and development cost	-60	-138
Charges for operation of the production facility	-22	-406
Office rental and maintenance	-851	-2.018
Marketing and public relations	-385	-774
Audit, legal and consulting	-383	-1.534
Other operating cost	-600	-1.064
Other production & warehouse costs	-	-871
Incidental other costs	-1'498	-485
Incidental consulting expense <sup>1)</sup>	0	-13
	<b>-3'799</b>	<b>-7.303</b>

<sup>1)</sup> The incidental other costs in H1 2019 mainly concern legal and advisory fees for the additional loans secured in H1 2019 and costs for organizational and legal support.

## SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 3. PERSONNEL EXPENSE

For share-based payments to employees, Swiss GAAP FER 31/3 requires entities to recognize personnel expense over the vesting period. The Group issues new shares to employees exercising share options.

	in TEUR <u>HY 2019</u>	in TEUR <u>HY 2018</u>
Salaries, social security expense and other personnel expense	-4'310	-10'384
Share-based payments	-	-24
	<b>-4'310</b>	<b>-10'408</b>

### 4. NON-OPERATING RESULT

The non-cash and non-recurring result amounting to EUR 101.4 million is related to the carve-out of the operating entities and results from the release of negative net assets for EUR 101.4 million.

### 5. EARNINGS PER SHARE

Earnings per share are calculated by dividing the APTG Group's (formerly Airopack Technology Group's) net result for the half-year by the weighted average number of shares outstanding.

	in TEUR <u>HY 2019</u>	in TEUR <u>HY 2018</u>
Net result for the period	84'858	-26'311
Weighted average number of shares outstanding	19'945'372	19'945'372
<b>Basic earnings per share in EUR</b>	<b>4.25</b>	<b>-1.32</b>

### 6. OTHER RECEIVABLES

	in TEUR <u>30.06.2019</u>	in TEUR <u>31.12.2018</u>
Value added tax receivables	97	-
Other receivables from third parties	46	-152
Receivable from related parties	41	-
	<b>184</b>	<b>-152</b>

### 7. INVENTORIES

	in TEUR <u>30.06.2019</u>	in TEUR <u>31.12.2018</u>
Raw materials and consumables	-	2'046
Semi-finished goods	-	2'724
Finished goods	-	9'130
Work in progress	-	0
	<b>-</b>	<b>13'900</b>

The work in progress relates to machines and equipment manufactured by Airopack, recognized applying the percentage-of-completion method. The work in progress consists of all directly and indirectly allocable production costs and a proportional part of the profit based on the degree of completion of the projects. Prepayments received are recognized as part of the work in progress without impacting the profit.

## SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	in TEUR	in TEUR
<b>8. FINANCIAL ASSETS</b>	<b><u>30.06.2019</u></b>	<b><u>31.12.2018</u></b>
Other receivables from third parties	-	1'962
Deferred tax assets	-	13'384
	-	<b>15'346</b>

### 9. TANGIBLE ASSETS

Tangible fixed assets are used for the production and filling of Airopacks. The recoverability of these values depends on future sales. As the Group Management believes in the realization of the business plan the valuation is based on the going concern principle. Should the business plan not be realized as expected, a significant value adjustment would be required. These conditions indicate the existence of a material uncertainty that may cause significant doubt about the valuation.

### 10. CAPITAL STRUCTURE

#### Share capital

The share capital of Airopack Technology Group AG is held in Swiss Franc (CHF) and converted to Euro at historical rates. All shares issued as at 30 June 2019 are entitled to dividends and voting rights in relation to their par value at the meeting of shareholders.

#### Issued capital

No changes in the first half of 2019 compared to year-end 2018.

#### Authorized capital

On 18 April 2018, the General Assembly of Shareholders has approved the proposal of the Board of Directors to amend art. 3bis of the Articles of Association ("Authorized Capital"), whereby the Board of Directors is given the possibility to issue new authorized capital up to a maximum of CHF 10'000'000 by issuing maximum 2'000'000 new shares with a nominal value of CHF 5 at any time up to 19 April 2020.

At 30 June 2019, the total authorized capital amounts to CHF 10'000'000.

#### Conditional capital

On 28 May 2015, the General Assembly of Shareholders approved the proposal of the Board of Directors to create new conditional capital up to CHF 10'000'000 through the issuance of up to 2'000'000 fully paid registered shares with a nominal value of CHF 5 each through the exercise of share option rights which shall be granted to the key employees and members of the Board of Directors of the Company or Group companies according to a share option plan as adopted by the Board of Directors. For the same purpose, on 10 May 2017 the General Assembly of Shareholders approved the creation of additional conditional share capital in the amount of CHF 6'605'150 through the issue of 1'321'030 new and fully payable registered shares, each with a par value of CHF 5. Under art. 3ter of the Articles of Association dated 18 April 2018, the remaining conditional capital for the purpose of exercise of share option rights granted to key employees and members of the Board of Directors amounts to up to CHF 13'196'435 through the issuance of up to 2'639'287 fully paid registered shares with a nominal value of CHF 5 each.

On 23 June 2016, the General Assembly of Shareholders approved the proposal of the Board of Directors to create conditional capital in the maximum amount of CHF 9'347'870 for the issuance of a maximum number of 1'869'574 fully payable registered shares with a nominal value of CHF 5 each to affiliates of Apollo Global Management LLC ("Apollo"). On 10 May 2017, the General Assembly of Shareholders furthermore approved the creation of additional conditional share capital in the amount of CHF 5'381'590 through the issue of 1'076'318 fully payable registered shares, each with a par value of CHF 5, for option rights of affiliates of Apollo Global Management LLC.

At 30 June 2019, the total conditional capital amounts to CHF 27'925'895.

### 11. TRANSACTIONS WITH SHAREHOLDERS AND RELATED PARTIES

Compared to the consolidated financial statements as at 31 December 2018, the following changes have occurred in the composition of the related parties.

- Antoine Kohler was re-elected as Chairman of the Board of Directors at the Annual General Meeting on 15 August 2019;
- Attila A. Tamer, Member, non-executive, resigned as per 15 January 2019
- Okko Filius, Member, non-executive, resigned as per 29 January 2019
- Christophe Villemin, Member, non-executive, resigned as per 15 January 2019
- Jeremy Honeth, Member, non-executive, resigned as per 15 January 2019
- Robert Seminara, Member, non-executive, resigned as per 15 January 2019

Compared to the consolidated financial statements as at 31 December 2018, no significant changes have occurred in the nature of the transactions with related parties.

# SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 12. CONTINGENT LIABILITIES

### Legal disputes

APTG Group (formerly Airopack Group) is involved in legal disputes in connection with ordinary operating activities. Although the outcome of these disputes cannot be predicted with certainty at present, APTG Group assumes that it will not have a major negative impact on business activity or the financial situation of the Group. Expected outgoing payments are provided for accordingly.

## 13. GOING CONCERN

After the announcement that the Cantonal Court of Zug granted Airopack's request for a provisional moratorium on 12 February 2019, a master restructuring plan was initiated. This master restructuring plan should, if successful, lead to the release of the moratorium. Therefore it was concluded that there is sufficient ground for valuation based on going concern.

## 14. EVENTS AFTER THE BALANCE SHEET DATE

### Delisting

On 3 July 2019 SIX Exchange Regulation approved the APTG AG's (formerly Airopack Technology Group AG's) application for a delisting of all of its shares. The last day of trading of Airopack's shares has been set for 31 October 2019.

### Agreement with major lenders

On 22 July 2019, the Cantonal Court of Zug, at the request of Airopack and its administrator, has approved certain agreements entered into by Airopack and its sole remaining subsidiary I.P.S. Holding B.V. with the major lenders. Under the agreements Airopack and I.P.S. Holding B.V. will receive an amount of EUR 2 million. Airopack and I.P.S. Holding B.V. will further be released from all of their residual guarantee obligations in a nominal amount in the range of EUR 30 million which were assumed by Airopack and I.P.S. Holding B.V. in connection with the financing of the former Airopack Group. All other security interests granted by Airopack and I.P.S. Holding B.V. for such financing have also been released.

In consideration, Airopack has agreed, amongst others, to assign certain IP rights which are no longer required by it to I.P.S. B.V. (which was previously owned by I.P.S. Holding B.V. and subsequently separated from Airopack), and Airopack has further entered into an agreement on the coordination of steps and the sharing of potential proceeds in relation to certain liability claims Airopack may have. It is not clear at this stage whether any such claims exist and will be pursued. Furthermore, I.P.S. Holding B.V. has agreed to transfer certain minority shares and tax loss carry forwards no longer required by it. Court approval was required in view of the contemplated transfer of certain IP rights by Airopack.

### Name change

During the Annual General Meeting held on 15 August 2019, the AGM favourably voted for the change of the name of the Company into APTG AG.

# CORPORATE ADDRESSES

## APTG registered shares

<b>Exchange</b>	SIX Swiss Exchange Swiss Reporting Standard
<b>Ticker</b>	AIRN
<b>ISIN Code</b>	CH 024 260 694 2

## Important Web-links

**[www.aptgag.com](http://www.aptgag.com)**

Website of APTG

**<http://www.aptgag.com/en/investor-relations/financial-news/>**

Ad-hoc-Information

**<http://www.aptgag.com/en/investor-relations/investor-relations-contact/>**

Registration in the mailing list

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## **Disclaimer**

This report contains future related statements which offer no guarantee with regards to future performance.

These statements are made on the basis of management's views and assumptions regarding future events and business performance at the time the statements are made. They are subject to risks and uncertainties including, but not limited to, future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors outside the company's control.

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