



JACOBS
UNIVERSITY

2020 ANNUAL REPORT

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Annual Report of Jacobs University Bremen

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KEY PERFORMANCE INDICATORS (KPI)

	Unit	2020	2019
Annual profit or loss	€ million	0.0*	-2.3
Undergraduate Education (SBF 1)	€ million	19.1	16.2
Graduate Education/Special Programs (SBF 2)	€ million	3.3	4.0
Research & Transfer (SBF 3)	€ million	10.9	10.9
Business Solutions (SBF 4)	€ million	5.0	8.1
Donations (SBF 5)	€ million	1.3	1.4
Institutional Grants (SBF 6)	€ million	11.5	8.7
Human Resources (Average number during the business year)			
Academic personnel	Number	255	262
Sales and service	Number	171	165
Total	Number	426	427
Bachelor's degree graduating class: pass rate	in %	n.a.**	94,8
Academic master's graduating class: pass rate	in %	n.a.**	79,4
Graduates in graduating class	Number	340	340
Of this total, bachelor	Number	219	254
Of this total, master	Number	80	71
Of this total, Ph.D.	Number	41	15
Number of enrolled students in fall semester	Number	1,614	1,649
Of this total, in preparatory programs	Number	35	65
Of this total, bachelor	Number	1,085	1,015
Of this total, freshmen bachelor	Number	362	407
Freshmen discount rate	in %	30.3	29.4
Of this total, master	Number	194	230
Of this total, freshmen master	Number	32	84
Of this total, Ph.D.	Number	235	247
Visiting students	Number	65	92

* The year 2020 was adversely impacted by the corona pandemic. Nevertheless, the financial year closed with an annual result – including the annual contributions provided by JF in the amount of CHF10 million or €9.2 million – at the previous year's level of €-2.4 million (prior year: net loss €2.3 million) in operative terms. With recognition of the "Grants not yet utilized", a balanced annual result of €0.0 million is presented in 2020.

** Publication of the year after the end of the semester

I. GENERAL INFORMATION ABOUT JACOBS UNIVERSITY BREMEN gGMBH

I.I BUSINESS MODEL

Jacobs University Bremen gGmbH (hereinafter "JUB") is a place of academic education for students from over 110 nations, offering academic training according to the Anglo-Saxon model of education. The university has a strong international and English-language focus and pursues the goal of educating young people from all continents to become global citizens with a sense of responsibility and leadership qualities. Students, professors and research associates work together on both the acquisition of knowledge and the transfer of knowledge. In its research and teaching activities, the JUB collaborates with scientific, societal and business partners around the world.

The range of studies includes Bachelor, Master and Ph.D. degree programs. The academic degrees Bachelor of Arts, Bachelor of Science, Master of Arts, Master of Science, and Ph.D. are awarded, as well as the title of professor.

JUB has its own campus. This is where the lecture halls, seminar rooms, the library and research areas, as well as the colleges with their own services are located. The four colleges house bachelor students, in particular, directly on campus. The spatial unity of research, teaching and residential accommodation enjoys great popularity and is a significant competitive advantage over most other universities. Thanks to the large number of students and academic staff from different countries, the English-language studies are characterized by a high degree of internationality and intercultural understanding.

I.II STRATEGY

Strategically, JUB continues to be in a transition phase from restructuring in the period from 2014 to 2017 to sustainable longterm revenue and earnings growth. The four-year restructuring phase was also used for reorientation at program level. In 2018 and 2019, the focus was on expanding JUB's core business and on further developing the Executive Education and MICE (Meeting, Incentives, Conferences, Exhibitions) segments.

The 2020 financial year was characterized by the fact that, with the change of President to Professor Antonio Loprieno at the end of 2019, a strategic realignment was aimed at on the basis of a private sponsorship of Free Hanseatic City of Bremen (hereinafter also referred to as "FHB"). A state sponsorship model could not be implemented and was not pursued further. Instead, at the end of the year 2020, as part of a professionally supported M&A process, a start was made to acquire a longterm majority shareholder with sufficient financial strength to accompany the growth path from initial earnings towards profitability.

Professor Antonio Loprieno held the position as Chairman of the Executive Board and President until December 15, 2020. Provost Professor Thomas Auf der Heyde, member of the Management Board until June, was appointed Managing Director in July 2020 and since then has been responsible for all academic areas. Dr. Michael Dubbert, Managing Director since August 2018, retired in August 2020. Ms. Andrea Herzig-Erler, former member of the Management Board and authorized signatory, has been appointed Managing Director for the university's commercial areas as of September 2020.

As a consequence of the loss of revenue due to the corona pandemic, the resulting payment delays and thus further shortterm liquidity requirements as well as the desire of Jacobs Foundation (hereinafter "JF"), Zurich (Switzerland), to concentrate on other strategic projects outside the field of Higher Education, JF, JUB and FHB have concluded a pre-complete agreement with the following effect:

- Grant agreement and business shares: JF has undertaken vis à vis JUB to meet in full and ahead of schedule its still outstanding payment obligations totaling CHF63 million resulting from the grant agreement. JUB received the first installment of CHF40 million, subject to the condition precedent of the pre-complete agreement being signed by all three parties by July 8, 2020. JUB shall receive the second installment of CHF23 million under the condition precedent that all JUB business shares of JF are effectively assigned to a new shareholder to be defined within the scope of the strategy process. JF reserves the right to transfer its business shares to JUB itself if no suitable purchaser has acquired the business shares from JF by December 31, 2020. JF shall transfer the two installments within two weeks after occurrence of the following conditions precedent.

- Trilateral agreement: With reference to the trilateral agreement, all obligations of JF end upon fulfillment of the conditions precedent and installments. As described above, this applies to the grants and also to the reporting obligations and the right to appoint members to the Board of Governors.

As a consequence, the further development and finalization of a strategy commenced in 2019 was initially set aside and the search for an adequate new majority shareholder was begun. To support the investor search and safeguard the interests of the City of Bremen as a science location, the business shares were initially transferred to the Association for the Promotion of Scientific Research in the Free Hanseatic City of Bremen (Verein zur Förderung der wissenschaftlichen Forschung in der Freien Hansestadt Bremen e.V., hereinafter "VFwF") as of January 1, 2021. The association will initially hold the shares until June 30, 2021 and look for a suitable longterm shareholder, together with the JUB management.

The grants described above were paid out by JF to JUB in the form of two installments of CHF40 million in July 2020 and CHF23 million in January 2021.

I.III MANAGEMENT SYSTEMS

The following financial and nonfinancial performance indicators are used for corporate management purposes:

- Revenues and earnings of the six strategic business fields (hereinafter "SBF"). These include as SBF 1 (Undergraduate Education) revenues from bachelor program tuition fees and related discounts (hereinafter "discount rate") and, since 2020, the university fee for German broadcasting fee and semester tickets, as SBF 2 (Graduate Education & Special-Programs) revenues from predegree programs, master programs and visiting programs as well as associated discounts and as SBF 3 (Research & Transfer) revenues from research. SBF 4 (Business Solutions) contains revenues from the sale of goods and services to companies as well as accounting effects such as changes arising from the valuation of receivables and the release of the special item for investment grants. SBF 5 (Donations) includes revenues from sponsoring and donations for ongoing operations resulting from the release of the special item "Grants not yet utilized". SBF 6 (Institutional Grants) includes releases of the special item "Grants not yet utilized" concerning the grants of the JF shareholder from the grant agreement or the pre-complete agreement, respectively. SBF 5 and 6 have been presented separately from 2020 onwards with a view to improving transparency.
- Net income/loss for the year
- Number of first-year students

II. BUSINESS REPORT

II.I MACROECONOMIC AND SECTOR-SPECIFIC CONDITIONS

No country in the world has been spared from the corona pandemic and its impact on the economy.¹ Accordingly, economic performance fell significantly in the regions from which most students come – Europe and Asia – although economic performance varied from country to country.² The resulting uncertainty is also reflected in a decline in the number of new students in 2020³. However, the total number of students is on an alltime high and the demand for tertiary education remains obvious⁴. Protectionist tendencies in some target markets are leading to an increasingly long lead time for students' visa approvals or are affecting the number of visas granted and thus the awarding of study places.

The management assumes that educational institutions with an attractive academic portfolio will prevail in the global university market. With its academic disciplines and its international focus, in particular, and given its placement in the relevant national and international rankings, JUB aims to position itself exceptionally well in a global comparison. JUB is pursuing these ambitious goals although it has only been active on the market for a short period compared to its competitors and has below-average basic financing. JUB's guiding principles emphasize interdisciplinary academic teaching and research, and interactivity based on a networked teaching/learning environment that, in addition to its own campus, contributes to its attractiveness.

II.II COURSE OF BUSINESS

Enrollment in the 2020 fall semester was as follows:

Status	2020	2019	Change vs. prior year
Enrolled	1,614	1,649	-2.1%
thereof			
Preparatory programs	35	65	-46.2%
Undergraduate	1,085	1,015	+6.9%
Master	194	230	-15.7%
Ph.D.	235	247	-4.9%
Visiting students	65	92	-29.3%

1 https://www.sachverstaendigenrat-wirtschaft.de/fileadmin/dateiablage/gutachten/jg202021/JG202021_Gesamtausgabe.pdf

2 https://ec.europa.eu/germany/news/20201105-herbstprognose-2020_de

3 <https://de.statista.com/statistik/daten/studie/4907/umfrage/studienanfänger-in-deutschland-seit-1995>

4 <https://de.statista.com/statistik/daten/studie/221/umfrage/anzahl-der-studenten-an-deutschen-hochschulen>

The financial year 2020 was characterized by uncertainty as to whether and to what extent international students would continue their studies and new students would be able to begin their studies despite financial uncertainties, applicable travel restrictions, and visa difficulties. Measured against the adjusted forecasts with pandemic outbreaks in Q1 and Q2 2020 and taking into account the currently assessable corona assumptions for this financial year, more students chose to study at JUB than expected in the previous year. Overall, the level of students enrolled was on par with the level of 2018. In order to alleviate uncertainty for new students during this time, lectures were offered both as online and presence courses for first-year students, in particular. This was realized by fast and comprehensive implementation of digitization measures. By the end of 2020, all students enrolled could be welcomed on campus. For students who were unable to return to their home country for the summer, the option was created to remain on campus during that period.

The seventeenth undergraduate class of students successfully completed their studies after three years with a Bachelor degree. The success rate was 94.8% (prior year: 85.4%). The students were formally graduated on June 12, 2020. Due to the restrictions imposed by the Corona pandemic, JUB allowed students for the first time to have a virtual graduation ceremony. The "Class of 2020" comprised a total of 340 graduates (prior year: 340) including 219 with Bachelor degrees (prior year: 254), 80 with Master degrees (prior year: 71) and 41 Ph.D.s (prior year 15).

In the 2020 financial year also, all students were offered longterm and sustainable student financing. To this end, a cooperation agreement with the financing partner, Brain Capital GmbH, based in Vallendar, was concluded in 2018. As a result, students and alumni can be offered improved services due to the external professionalization. In addition, the cooperation opens up new financing options for realizing growth potential. Within the scope of this income-based and parent-independent student financing ("JUStudyAtEase"), starting with the 2019 cohort, students will receive funding for a portion of their tuition fees based on their expected future income.

Repayment is based on the annual salary once a certain income threshold has been reached following graduation. The majority of students already use this student financing and have accepted this new financing offer very well. To ensure that alumni also benefit from the offer, the cooperation with Brain Capital GmbH also relates to existing tuition claims.

JUB transfers the existing receivables from alumni tuition financing to Jacobs Education Financial Funding Eins GmbH" (hereinafter "JEFF1") and the receivables from students from the 2019 cohort onwards continuously to "Jacobs Education Financial Funding Zwei GmbH" (hereinafter "JEFF2"), based on an assignment of receivables. Brain Capital GmbH is the sole shareholder of JEFF1 and JEFF2, and manages these entities' business on the basis of a service agreement. Within the scope of the

cooperation, JUB has extensive participation and veto rights with respect to JEFF1 and JEFF2. In economic terms, the default risk remains with JUB so that JUB continues to recognize the receivables from students and alumni on its balance sheet. Moreover, JEFF1 and JEFF2 issue participation rights that were fully acquired by JUB. Any additional proceeds exceeding the sales prices are transferred to JUB via the profit participation rights.

Undergraduate Education (SBF 1)

The university's core business is the three-year bachelor program involving 16 different courses of study. In financial year 2020, 362 (prior year: 407) new students were recruited despite the ongoing pandemic. This success despite and with the pandemic is based, among other things, on the re-orientation of sales in the previous year, rapid communication oriented towards the challenges of students from all countries, newly developed hybrid and online teaching solution options, the quick and successful implementation of a comprehensive hygiene, health and care concept on campus, and the new opportunity for longterm student financing with the Brain Capital GmbH cooperation partner.

Some of the bachelor students are granted a discount on their regular tuition fees depending on the students' educational background, social commitment and financial situation. The discount rate targeting is an operative tool to ensure that the increase in the number of students leads to above-proportionate revenue growth. This measure was successfully implemented in the financial year: In keeping with the previous year's forecasts and in compliance with JUB's high academic standards, the discount rate of 30.3% (prior year: 29.4 %) for new students was almost on par with the previous year's level. The large number of students and the actively managed discount rate led to a significant increase in revenue of €16.2 million and reclassified semester and German broadcasting fee fees of €0.5 million in 2019 to €19.1 million in the financial year 2020. This by far exceeds the expectations of the 2019 forecast.

Graduate Education/Special Programs (SBF 2)

This business field includes the master programs, the preparatory programs and the exchange programs with partner universities. In 2020, the number of new students decreased in the master segment from 98 to 32 students year-on-year while the number of first-year students in the preparatory segments dropped from 65 to 35. The preparatory programs for the first-year students, recruited together with the cooperation partner, Oxford International Education Group, should have started in 2020. However, this new cooperation could not be started in 2020 due to the effects of the corona pandemic, and the start had to be postponed to the 2021 fall semester. Owing to the already lower number of new students in the previous year and the developments expected to result from corona, the revenues realized in the financial year under review amounted to €3.3 million (prior year: €4.0 million) in keeping with the prior year's forecast.

Research & Transfer (SBF 3)

The Research & Transfer business field comprises the university's research activities with external, primarily public research funding bodies, such as the German Research Foundation, and research partnerships with the private sector. Applications for third-party funding are submitted when

collaborating with public research funding bodies. If approved, these funds can be used for the research projects applied for. Third-party funds are used for both non-personnel and personnel costs, as well as for investments. At €10.9 million, revenues in 2020 were on a par with the previous year and slightly up on budget expectations.

Business Solutions (SBF 4)

Business Solutions includes the areas of development and sales that go beyond traditional university education, mainly including executive education and income generated in the context of MICE. In addition, the business field discloses income from the release of the special item for investment grants as well as income and expenses arising from the valuation of receivables.

Next to Germany, the focus of executive education since 2019 has continued to be on China. Due to the high level of dependency on the market and key customers, the further development of this business field lies in opening up markets outside China and Germany. In financial year 2020, revenues of €5.0 million (prior: €8.1 million) were realized due to the weak order situation in the product area, triggered by the corona pandemic and ongoing travel restrictions. Revenues were mainly influenced by income from the release of the special item for investment grants amounting to €1.3 million (prior year: €1.4 million) and by the reduction of specific valuation allowances for student receivables in the amount of €2.5 million (prior year: €2.6 million).

Donations (SBF 5)

SBF 5 comprises income from payments of scholarships and endowed professorships as well as donations for ongoing operations which result from the release of the special item "Grants not yet utilized". In financial year 2020, income of €1.3 million (prior year: €1.4 million) was almost on par with the previous year's level.

Institutional Grants (SBF 6)

The Institutional Grants business field discloses grants received from the shareholder JF in the amount of €11.5 million (prior year: €8.7 million) that are also attributable to the release of the special item "Grants not yet utilized".

By fulfilling the first of two conditions precedent stipulated in the pre-complete agreement between FHB, JUB and the Foundation, JF has made the outstanding total obligation vis à vis JUB from the grant agreement in the amount of CHF63 million more flexible.⁵ Thus, the first installment of CHF40 million, respectively €37.6 million, was already recognized in the financial year under review. In 2019, the amount of €6.7 million of the 2021 grant was already made available to JUB as an interest-free loan. The repayment was cancelled in 2020 and agreed as a flexible grant from 2021.

For the purpose of clear accounting and a more transparent presentation of the net assets, results of operations and financial position, payments of €37.6 million and €6.7 million made by the shareholder as well as donations for ongoing operations amounting to €0.1 million are reported in a special item "Grants not yet utilized" after equity as of the December 31, 2020 balance sheet date.

⁵ See also the comments under Financial Position in Section II.V.

II.III RESULTS OF OPERATIONS

At €12.8 million, the grants for ongoing operations, consisting of grants from JF and donations, are clearly above the previous year's level of €10.2 million. Using the initially agreed annual grants of JF in the amount of CHF10 million as a basis, the grants for ongoing operations would come to €10.4 million (prior year: €10.2 million) The delta of €2.4 million results from the first-time release of the special item "Grants not yet utilized".

Revenues from research and teaching increased once again from €30.8 million to €32.4 million, thus exceeding the amount planned. The increase is mainly due to the success of SBF 1 (Undergraduate Education) as described in the Course of Business section.

At €1.4 million, other revenues in the reporting year were down from the previous year's level of €2.6 million due mainly to the pandemic-related worsening of orders intake and the fact that SBF 4 was more severely affected by travel restrictions.

Sundry other operating income dropped by €1.8 million to €4.7 million. The decline is primarily due to the income from the release of individual value adjustments on receivables from students, the release of the special item for investment grants and the release of other provisions.

At €1.8 million, cost of materials declined slightly in comparison with the previous year's figure of €2.0 million.

Personnel expenses increased by €1.3 million to €27.1 million in a year-on-year comparison. In the previous year, provisions for vacation, bonuses and litigation were lower than in the financial year under review.

At €3.8 million, amortization/depreciation of intangible assets and tangible assets was slightly down from the prior year's value of €4.3 million.

Other operating expenses were reduced from €20.1 million to €18.5 million in financial year 2020, mainly as a consequence of the pandemic-related reduction of campus operating expenses and consulting costs as well as significantly lower travel and hospitality costs resulting from the corona pandemic.

II.IV NET ASSETS

Total assets increased to €140.5 million as at December 31, 2020 in comparison to the previous year's value of €105.9 million. On the assets side, the increase is largely due to the increase of € 30.5 million to €32.9 million of the item "Cash on hand, bank credit balances" resulting from the payment made by JF due to the release of the grant agreement. In addition, the trade receivables realized in the financial year increased by €5.1 million to €19.4 million due, in particular, to the deferred receivables of the new cohorts that were assigned to JEFF1 and JEFF2. Since, from an economic point of view, the risk remains with JUB, the assigned receivables continue to be recognized at JUB. The reduction in fixed assets from €86.4 million to €85.2 million have the opposite accounting effect.

The increase in equity and liabilities is determined by the deferral of unused grants, so that, for the first time in the 2020 financial year, the balance sheet item "Grants not yet utilized" is reported in the amount of €41.9 million. This compares to the change in other liabilities, which were

reduced from €12.8 million in the previous year to €9.0 million as of the December 31, 2020 balance sheet date. This is primarily due to the cancelled interest-free loan agreement concerning the liability vis à vis JF and allocation as income allowance within the special item "Grants not yet utilized" for 2020 as defined in the original grant agreement. In the previous year, JF had granted this advance financing because the second tranche of €6.5 million from the current account credit line agreed with Commerzbank could not be provided due to the suspended release of the Bremer Aufbau-Bank guarantee. In addition, subsequent VAT (value-added tax) payments amounting to €0.7 million were recognized under other liabilities in the 2020 financial year. Deferred income decreased from €5.4 million in the previous year to €3.6 million in the financial year under review. The special item for investment grants was used up by €1.1 million as planned thus decreasing to €41.6 million.

II.V FINANCIAL POSITION

The payment obligations could be met by JUB at all times in the 2020 financial year.

Liquidity in the amount of €2.4 million was available at the beginning of the financial year. JUB's liquidity as at the December 31, 2020 balance sheet date amounted to €32.9 million.

CASH FLOW STATEMENT	2020	2019
	€k	€k
Result for the period	0	-2,330
Cash flow from operating activities	33,221	-8,124
Cash flow from investing activities	-2,649	-3,645
Cash flow from financing activities	-52	6,491
Changes in cash and cash equivalents	30,520	-5,278
Cash and cash equivalents on January 1	2,415	7,693
Cash and cash equivalents on December 31	32,935	2,415

The cash flow from operating activities was characterized to a large extent by the special payment from the pre-complete agreement.

In its capacity as shareholder, JF had agreed in a grant agreement to support the university from 2018 to 2027 by up to a maximum of CHF100.0 million, of which annual payments of CHF10.0 million were planned. A trilateral agreement was concluded which stipulates a flexibility of payments to earlier call-off years as soon as FHB declares subordinations respecting its priority reconveyance notice concerning partial areas of the campus property to finance capitalizable on campus investments.

In order to further strengthen liquidity and thus ensure future growth, Bremer Aufbau-Bank GmbH provided JUB with an 80% deficiency guarantee, subdivided into two tranches. The first tranche of the guarantee in the amount of €4.8 million was issued for a current account credit line with Commerzbank in the amount of €6.0 million. Due to the change of President in December 2019, the strategy development and implementation into operationalization was suspended and continued only in the financial year 2020. The release of the second tranche was also postponed for the

same reason. For bridging the gap in 2019, JF granted pre-financing at the same amount as a flexibilization from 2021, which was then credited as a grant in terms of the grant agreement or the pre-Complete agreement, respectively.

Furthermore, JF was prepared to support JUB financially and, to this end, pay its outstanding obligations under the grant agreement to JUB ahead of schedule. Therefore, on July 8, 2020, the contractual partners JUB, JF and FHB, concluded the following agreement:

JF agrees to meet its total outstanding payment obligations of CHF63 million under the grant agreement vis-à-vis JUB ahead of time. JUB received the first installment of CHF40 million, subject to the condition precedent of the pre-complete agreement being signed by all three parties by July 8, 2020. The second installment of CHF23 million was subject to the condition precedent that all JUB business of JF are effectively assigned to a new shareholder to be defined within the scope of the strategy process. JF reserves the right to transfer its business shares to JUB itself if no suitable purchaser has acquired the business shares from JF by December 31, 2020. The two instalments are to be paid by JF within two weeks after occurrence of the following conditions precedent in each case.

The business shares were transferred to Verein zur Förderung der wissenschaftlichen Forschung in der Freien Hansestadt Bremen e.V. (Association for the Promotion of Scientific Research in the Free Hanseatic City of Bremen) by notarization as of January 1, 2021, and the second installment was thus received in January 2021. To safeguard the interests of FHB, the VFwF has taken over the shares for a limited period until June 30, 2021, with the aim of then transferring them to a suitable new majority shareholder. If no financially strong majority shareholder is found by then, the business shares will be transferred to JUB in accordance with this agreement.

The current account facility with Commerzbank was not utilized in the 2020 financial year and was terminated as of October 8, 2020. At the same time, the default guarantee of Bremer Aufbau-Bank GmbH was returned.

The support provided by FHB will continue until 2023. By assuming the loan in 2018 and thus before maturity in 2023, liquidity will be sustainably improved by €2.5 million per year since repayments, interest and guarantee commission payments no longer apply.

II.VI MANAGEMENT SUMMARY

The year 2020 was adversely impacted by the corona pandemic. Nevertheless, the financial year closed with an annual result – including the annual contributions provided by JF in the amount of CHF10 million or €9.2 million – at the previous year's level of €–2.4 million (prior year: net loss €2.3 million) in operative terms. With recognition of the “Grants not yet utilized”, a balanced annual result of €0.0 million is presented in 2020. The first-year students as well as the students already enrolled were enabled to start or continue their studies on campus with the help of intensive support and quick changeover to online lectures and accompanying events in compliance with security regulations. In this uncertain corona period, it was possible to benefit in particular from the trust built up in JUB in recent years. Therefore, the management also judges the high enrollment numbers in an exceptional year due to the pandemic as a renewed sign of confidence of the students in the professors and staff of JUB.

II.VII ADDENDUM

As a supplement to the information provided in chapters I.II Strategy and II.V Financial Position, the transfer of business shares to the Verein zur Förderung der wissenschaftlichen Forschung in der Freien Hansestadt Bremen e.V. and the mandate to hold these shares until June 30, 2021.

Following approval of the 2020 annual financial statements, this mandate was extended in June 2021 for a period of up to three further months. The investor discussions held up to this point are evidence of the internationally outstanding reputation and future potential of teaching and research at Jacobs University.

INCOME & LOSS STATEMENT

	2020 €	2019 €
1. Grants for ongoing operations	12,788,995.27	10,185,419.85
2. Revenues from research and teaching	32,426,486.88	30,746,169.37
3. Other revenues	1,368,411.43	2,590,249.78
4. Sundry other operating income	4,654,231.79	6,440,711.38
	51,238,125.37	49,962,550.38
5. Cost of materials		
a) Cost of raw materials, consumables and of purchased merchandise	595,862.66	570,825.99
b) Cost of purchased services	1,188,428.43	1,457,647.53
	1,784,291.09	2,028,473.52
6. Personnel expenses		
a) Wages and salaries	23,075,593.63	21,958,526.45
b) Social security, pensions and other benefit costs (there of pension costs €28,752.18; previous year €41,249.31)	4,049,432.44	3,851,140.53
	27,125,026.07	25,809,666.98
7. Amortization/depreciation of intangible assets and of property, plant and equipment	3,792,820.14	4,331,410.70
8. Other operating expenses	18,454,179.01	20,065,429.02
9. Income from equity interests	17,374.52	17,374.52
10. Income from other investments and loans forming part of the fixed assets	1,495.78	0.00
11. Other interest receivable and similar income	1,651.13	13,680.00
12. Interest payable and similar expenses	52,372.06	9,183.85
13. Tax on profit	31,318.67	51,038.47
14. Profit or loss after taxation	18,639.76	-2,301,597.64
15. Other taxes	18,639.76	28,345.44
16. Profit for the financial year (previous year: loss)	0.00	-2,329,943.08

STATEMENT OF FINANCIAL POSITION

ASSETS

	12/31/2020 €	12/31/2019 €
A. FIXED ASSETS		
I. Intangible assets		
1. Acquired concessions, trademarks and similar rights and assets	2,775,950.58	2,494,651.58
2. Payment on account	0.00	75,355.15
	2,775,950.58	2,570,006.73
II. Tangible assets		
1. Land and buildings	78,873,023.10	80,582,699.10
2. Plant and machinery	411,193.00	525,450.00
3. Other plant, fitting and office equipment	2,149,875.96	1,670,636.80
4. Payment on account and assets in course of construction	754,369.37	814,710.34
	82,188,461.43	83,593,496.24
III. Financial assets		
1. Shares in affiliated companies	25,000.00	25,000.00
2. Loans to affiliated companies	33,000.00	33,000.00
3. Equity interests	1,600.00	1,600.00
4. Long-term securities	154,640.57	153,979.87
	214,240.57	213,579.87
	85,178,652.58	86,377,082.84
B. CURRENT ASSETS		
I. Inventories		
1. Raw materials	34,213.35	39,190.00
2. Finished goods and goods for resale	8,507.85	22,349.65
3. Payments on account	0.00	831.85
	42,721.20	62,371.50
II. Debtors and other assets		
1. Trade receivables	19,407,767.65	14,297,663.63
2. Other assets	2,461,259.03	2,436,309.06
	21,869,026.68	16,733,972.69
III. Cash in hand, bank balances	32,935,101.55	2,415,224.35
	54,846,849.43	19,211,568.54
C. PREPAID EXPENSES	442,714.39	281,591.56
D. DIFFERENCE ON THE ASSETS SIDE FROM ASSET OFFSETTING	8,725.65	36,178.27
	140,476,942.05	105,906,421.21

LIABILITIES

	12/31/2020 €	12/31/2019 €
A. EQUITY		
I. Subscribed capital	33,000.00	33,000.00
II. Share premium account	11,562,119.88	11,562,119.88
III. Profit brought forward	25,451,296.11	27,781,239.19
IV. Profit for the financial year (previous year: loss)	0.00	-2,329,943.08
	37,046,415.99	37,046,415.99
B. GRANTS NOT YET UTILIZED	41,934,053.60	0.00
C. SPECIAL ITEM FOR INVESTMENT GRANTS	41,621,279.47	42,672,780.03
D. PROVISIONS		
1. Tax provisions	29,100.00	47,893.32
2. Other provisions	4,811,273.23	5,596,120.25
	4,840,373.23	5,644,013.57
E. LIABILITIES		
1. Trade payables	2,463,743.21	2,262,429.07
2. Other liabilities (thereof taxes € 997,673.49; previous year: € 687,199.10)	9,020,614.63	12,833,311.32
	11,484,357.84	15,095,740.39
F. DEFERRED INCOME	3,550,461.92	5,447,471.23
	140,476,942.05	105,906,421.21

NOTES

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PUBLISHING INFORMATION

Publisher

Jacobs University Bremen gGmbH
Campus Ring 1
28759 Bremen, Germany
Phone: +49-421-200-40
Fax: +49-421-200-4113
E-mail: info@jacobs-university.de
Website: www.jacobs-university.de

Responsible for Content

Andrea Herzig-Erlor
MANAGING DIRECTOR

Prof. Dr. Thomas Auf der Heyde
MANAGING DIRECTOR

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