

**Report on the audit of the
annual financial
statements and the
management report**

as of 31.12.2023

Company
ASAP Engineering GmbH
Sachsstraße 1 a

85080 Gaimersheim



REVISA
Treuhand GmbH
-auditing firm-

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A. Audit assignment

The management of the company

ASAP Engineering GmbH, Gaimersheim,
- hereinafter also referred to as the "Company" for short

has engaged us, in accordance with the resolution of the shareholders' meeting dated June 16, 2023, to audit the annual financial statements as of December 31, 2023, including the underlying accounting records and the management report for the financial year 2023, and to report in writing on the results of our audit.

We confirm in accordance with § 321 Abs. 4a HGB that we have complied with the applicable independence requirements in our audit.

In accordance with our engagement, we have extended the audit report to include Appendices VI - VII, which contain additional disclosures and explanatory notes. The explanatory notes contain breakdowns and notes on individual items of the annual financial statements for the financial year from January 1 to December 31, 2023 that are not required by law, stating the respective prior-year figures.

We issue the following report on the nature, scope and results of our audit in accordance with the "German generally accepted standards for the audit of financial statements" promulgated by the Institut der Wirtschaftsprüfer in Deutschland e. V. (IDW) (IDW PS 450 n. F. (10.2021)), to which we append the audited annual financial statements (Appendices I - III) and the management report (Appendix IV).

For the performance of the engagement and our responsibility, also in relation to third parties, the agreed "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften" in the version dated January 1, 2017, attached to this report as Annex VIII, apply. We also refer to the liability provisions contained in Section 9 and to the exclusion of liability towards third parties as well as the further provisions of the "Special Engagement Terms" attached as Annex IX.

This audit report is addressed to ASAP Engineering GmbH, Gaimersheim.

B. Basic findings

Statement on the assessment of the situation by the legal representatives

We believe that the management's presentation and assessment of the company's position and its expected development in the annual financial statements and the management report are accurate.

The following aspects should be emphasized with regard to the company's **business performance and position**:

- ASAP Engineering GmbH generated net income of EUR 7,887 thousand in the 2023 financial year, compared to EUR 6,407 thousand in the previous year. The company continued to grow despite the numerous challenges in the market environment. With revenue of EUR 74,388 thousand, an increase of around 19.8% was achieved compared to the previous year. The basis for this very positive development is the strategic focus on future-oriented technologies in the automotive industry that has already been pursued in recent years. Future-oriented topics are being actively promoted with services relating to electronics development, e-mobility, software development and testing.
- At around 23.8%, the cost of materials ratio is 2.3 percentage points higher than the previous year's cost of materials ratio. This development reflects the increased use of external services in the reporting year to cover order peaks. The increased order volume in the reporting year is also clearly reflected in the development of personnel expenses. These rose by EUR 6,218 thousand to EUR 41,876 thousand. This is due to the increase in the average number of employees by 40 to 600 in the reporting year. Due to the high level of employee capacity utilization, the personnel expenses ratio was nevertheless reduced by 1.4 percentage points to 56.0%, which has a correspondingly positive effect on the annual result.
- Total assets decreased slightly in the reporting year from EUR 23,021 thousand to EUR 22,891 thousand. At EUR 12,266 thousand, the level of trade receivables is also slightly higher than in the previous year, in line with the increase in total operating performance. In contrast, receivables from affiliated companies in particular were reduced by EUR 538 thousand to EUR 7,049 thousand.
- The equity ratio increased slightly due to the slight reduction in total assets and now stands at around 14.3%, compared to around 14.2% in the previous year. The net profit for the year is transferred in full under the existing profit and loss transfer agreement.
- In the reporting year, ASAP Engineering GmbH generated a positive cash flow from operating activities of EUR 972 thousand. This is primarily the result of the clearly positive annual result and the cash inflow from depreciation and amortization as well as the increase in advance payments received on orders. This was offset by the reduction in liabilities to affiliated companies before profit transfer.

We consider the presentation of the **expected development** of the company in the management report and the management's going concern assumption to be plausible. We would like to draw attention to the following key statements:

- For the 2024 financial year, the company's management is planning significant revenue growth in the future-oriented areas. Revenue will therefore be around 10% higher than in the reporting year. The management of ASAP Engineering GmbH expects net income for the year and EBIT to grow slightly faster than revenue, with almost constant growth in the number of employees and a proportional increase in FTEs.
- The opportunities for ASAP Engineering GmbH lie above all in its stringent focus on future-oriented areas such as electronics and software development as well as e-mobility and offer the Group a very good starting position on the market. New service areas and larger market shares can be tapped into through the networking of areas and knowledge of new technologies. By integrating offshore and nearshore resources, ASAP Engineering GmbH can counteract the shortage of skilled workers and cost pressure.
- The main risks currently lie in the persistently poor macroeconomic environment. In particular, high inflation and higher interest rates, combined with the challenges that already exist, are leading to rather poor economic conditions. The resulting effects on ASAP Engineering GmbH's main customers from the OEM environment and system suppliers may have negative consequences for the company's business development. These effects may have a particularly negative impact on capacity utilization, value creation and earnings.
- There are also risks associated with the pronounced shortage of skilled workers in Germany. The resulting competition for the best employees leads to a disproportionate increase in wage costs, which can have a negative impact on profitability. The recruitment of suitably qualified employees is critical to the success of future growth. Recruiting suitable technical experts, particularly in the areas of software and e-mobility, is therefore becoming increasingly difficult, cost-intensive and therefore growth-limiting.

C. Subject, type and scope of the audit

I. Subject of the audit

Within the scope of our engagement, we have audited the accounting records, the annual financial statements as of December 31, 2023 - comprising the balance sheet, the income statement and the notes to the financial statements - and the management report for the financial year 2023 in accordance with § 317 HGB ("Handelsgesetzbuch": German Commercial Code) for compliance with the relevant legal requirements for financial reporting. There are no supplementary provisions from the articles of association. There is also a profit and loss transfer agreement with ASAP Holding GmbH, Gaimersheim.

We have audited the annual financial statements for compliance with the accounting provisions of Sections 242 to 256a and Sections 264 to 288 HGB and the special provisions of the GmbHG.

We have audited the management report as to whether it is consistent with the annual financial statements and the findings of our audit, as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development. The audit of the management report also includes assessing whether the legal requirements relating to the preparation of the management report have been complied with. In this context, the completeness and - to the extent that the information relates to forecasts - the plausibility of the information were examined. We have assessed the disclosures taking into account our knowledge gained during the audit.

The Company's management is responsible for the accounting records, the internal controls established for this purpose, the preparation of the annual financial statements and management report and the disclosures made to us. Our responsibility is to express an opinion on the documents submitted by the management and the disclosures made within the scope of our audit in accordance with German commercial law and the provisions of the German Limited Liability Companies Act (Gesetz betreffend die Gesellschaften mit beschränkter Haftung - GmbHG).

II. Type and scope of the audit

In conducting our audit of the annual financial statements, we observed the provisions of §§ 316 ff. HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the accounting records, the annual financial statements and the management report are free from material misstatement. We conducted our audit such that misstatements materially affecting the presentation of a true and fair view of the net assets, financial position and results of operations of the Company in accordance with section 264 (2) HGB are detected.

Our audit does not extend to whether the continued existence of the audited company or the effectiveness and efficiency of its management can be assured. The scope of our engagement did not include the detection and investigation of criminal offenses, such as embezzlement or other acts of misappropriation, or of administrative offenses committed outside the scope of accounting.

The audit of compliance with other legal requirements was only part of our audit to the extent that it usually has an impact on the annual financial statements or the management report.

The audit was based on a planning of the focal points of the audit, taking into account our preliminary assessment of the company's position and an assessment of the effectiveness of the accounting-related internal control system. The assessment was based in particular on knowledge of the legal and economic environment, industry risks, the corporate strategy and the resulting business risks.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

We have documented the nature, scope and results of the individual audit procedures performed in our working papers.

The annual financial statements as at December 31, 2023 submitted to us for audit were prepared by Kern & Partner, Steuerberatungsgesellschaft, Bad Friedrichshall.

Based on our assessment of the accounting-related internal control system, we observed the principles of materiality and efficiency when determining the audit procedures. Both the analytical audit procedures and the case-by-case audits were performed on a sample basis according to type and scope, taking into account the significance of the audit areas and the organization of the accounting system. The samples were selected to reflect the economic significance of the individual items in the annual financial statements and to enable an assessment of compliance with the statutory accounting requirements.

We believe that our audit provides a reasonable basis for our opinion.

The findings made during the audit planning resulted in the following key audit areas:

- Audit of additions to fixed assets
- Review of the valuation of work in progress
- Impairment testing of the receivables portfolio
- Reconciliation of receivables from and liabilities to affiliated companies for corresponding accounting treatment
- Audit of completeness and valuation of provisions
- Audit of revenue and expense deferrals as at the balance sheet date
- Audit of the forecast disclosures in the management report

In addition, we performed the following standard audit procedures:

- We satisfied ourselves of the correct recognition of trade receivables and payables by obtaining balance confirmations.
- We have obtained bank confirmations from credit institutions.
- We have requested confirmations from lawyers on the status of the proceedings in progress as at the balance sheet date.

All information, clarifications and evidence requested by us were readily provided to us by the management and the employees designated to provide information. The management has confirmed to us in writing the completeness of this information, clarifications and evidence as well as the accounting records, the annual financial statements and the management report.

D. Findings and notes on the financial reporting

I. Propriety of the financial reporting

1. Previous year's financial statements

The previous year's financial statements were adopted at the shareholders' meeting on June 16, 2023. The actions of the management were approved for the 2022 financial year.

The shareholders' meeting resolved to carry forward the balance sheet profit of EUR 3,239,961.52 to new account.

2. Accounting and other audited documents

The organization of accounting, the accounting-related internal control system, the data flow and the document system enable the complete, correct, timely and orderly recording and posting of business transactions.

The information taken from the other audited documents led to a proper presentation in the accounts, annual financial statements and management report.

In our opinion, the accounting records comply with the legal requirements, including generally accepted accounting principles.

We found no indications that the accounting-relevant data is not secure.

3. Annual financial statements

As at the reporting date, the company is classified as a large company within the meaning of Section 267 (3) HGB. The annual financial statements were prepared in accordance with Sections 242 et seq. and 264 et seq. HGB were prepared. The annual financial statements as at December 31, 2023 and the accounting and valuation methods applied comply with the statutory provisions in accordance with generally accepted accounting principles.

The annual financial statements have been properly prepared on the basis of the accounting records and the other audited documents based on the previous year's financial statements, which were audited by us and issued with an unqualified audit opinion. The opening balance sheet values were properly adopted from the previous year's financial statements.

The information provided in the notes is complete and correct. The explanations and justifications required by law are sufficient.

4. Management report

The management report complies with the legal requirements. It is consistent with the annual financial statements and the findings of our audit and as a whole provides a suitable view of the Company's position.

Our audit in accordance with Section 317 (2) sentence 2 HGB has led to the conclusion that the management report accurately presents the material opportunities and risks of future development and that the legal requirements for the preparation of the management report have been complied with. The disclosures pursuant to § Section 289 (2) HGB are complete and accurate.

II. Overall statement of the annual financial statements

1. Significant Valuation principles

Please refer to the company's disclosures in the notes (Appendix III) for the main valuation principles applied in the reporting year (accounting and valuation principles as well as the factors relevant to the valuation of assets and liabilities).

There were no changes in the valuation principles, including the exercise of accounting and valuation options with an impact on the presentation of the net assets, financial position and results of operations as conveyed by the annual financial statements, nor were there any factual changes in the reporting year.

In addition to this information, we would like to point out the following facts:

Intangible assets under development

The capitalization option for internally generated intangible fixed assets in accordance with Section 248 (2) HGB was exercised. These are capitalized in accordance with § Section 255 para. 2a HGB at the production costs incurred during their development, which correspond to the full costs. The internally generated intangible fixed assets are scheduled for completion in the first half of 2024, which is why they are reported as intangible assets under development in the annual financial statements as at December 31, 2023. Due to the consolidated income tax group with ASAP Holding GmbH, the deferred tax liabilities resulting from this situation must be recognized in the annual financial statements of ASAP Holding GmbH as the parent company.

Goodwill

By purchase agreement dated February 24, 2017 and effective December 31, 2016, the company acquired the operating business of ASAP Engineering GmbH, Weissach. The resulting goodwill amounts to EUR 600 thousand. Goodwill is amortized in accordance with Section 253 (3) sentence 3 f. HGB due to the lack of a reliable estimate of the expected useful life over a period of ten years. The residual carrying amount as at December 31, 2023 is EUR 175 thousand.

Work in progress

Work in progress comprises hours worked but not yet invoiced on various projects. Work in progress is measured as at the balance sheet date on the basis of the contract hours worked up to that date. The hours worked and the materials used are valued accordingly for recognition at production cost. Capitalizable overheads are included. The valuations take into account the loss-free valuation.

Trade receivables

Trade receivables were measured at nominal value. General bad debt allowances of 0.5% were recognized to cover the general bad debt risk. No individual value adjustments were made for particularly risky items in the reporting year.

2. Summarizing Assessment

Based on our audit, which we conducted in accordance with professional standards, we have come to the conclusion that the annual financial statements as a whole give a true and fair view of the net assets, financial position and results of operations of the company in accordance with German principles of proper accounting.

III. Analysis of the net assets, financial position and results of operations

In the following comments, we present the main developments in the net assets, financial position and results of operations. In particular, we discuss significant changes compared to the previous year and their causes.

1. multi-year comparison

	2023	2022	2021	2020
	KEUR	KEUR	KEUR	KEUR
Balance sheet total	22.891	23.021	15.151	11.885
Economic equity	12.912	13.081	8.072	4.306
in % Balance sheet total	56,4	56,8	53,3	36,2
Sales revenue	74.388	62.414	42.258	34.113
Overall performance	74.840	62.135	42.149	34.268
Material ratio in %	23,8	21,6	18,4	19,9
Personnel ratio in %	56,0	57,4	60,8	65,2
Depreciation ratio in %	1,3	1,3	1,5	1,5
Net income for the year	7.887	6.407	3.680	74
thereof from financial result	2	-6	-5	-17
of which from neutral result	-86	-154	-50	-4
Investments in fixed assets	1.147	1.359	567	385

Economic equity is broken down as follows:

	2023	2022	2021	2020
	KEUR	KEUR	KEUR	KEUR
Subscribed capital	25	25	25	25
Retained earnings	3.240	3.240	3.240	3.240
	3.265	3.265	3.265	3.265
Liabilities ASAP Holding GmbH (excl. VAT group)	9.647	9.816	4.807	1.041
	12.912	13.081	8.072	4.306

Number of employees:

	2023	2022	2021	2020
	600	560	403	397

2. Financial position

In the following overview, the items of the balance sheet as at December 31, 2023 are summarized according to economic aspects and compared with the corresponding balance sheet items of the previous year.

	31.12.2023		31.12.2022		Change in	
	KEUR	%	KEUR	%	KEUR	%
ASSETS						
Intangible fixed assets	547	2,5	578	2,5	-31	-5,4
Property, plant and equipment	2.289	10,0	2.290	9,9	-1	0,0
Inventories	363	1,6	127	0,6	236	>100,0
Trade receivables	12.266	53,6	11.921	51,8	345	2,9
Receivables Verbund	7.049	30,8	7.587	33,0	-538	-7,1
Other assets	254	1,1	245	1,1	10	4,0
Cash and cash equivalents	27	0,1	14	0,1	13	95,5
Prepaid expenses and deferred charges	95	0,4	259	1,1	-164	-63,3
	22.891	100,0	23.021	100,0	-130	-0,6

	31.12.2023		31.12.2022		Change in	
	KEUR	%	KEUR	%	KEUR	%
PASSIVA						
Equity	3.265	14,4	3.265	14,2	0	
Provisions	3.073	13,4	3.671	15,9	-598	-16,3
Loan liabilities	91	0,4	134	0,6	-43	-32,2
incl. advance payments received	3.671	16,0	3.109	13,5	562	18,1
Joint liabilities	12.293	53,7	12.265	53,3	28	0,2
Other liabilities	499	2,2	577	2,5	-78	-13,5
	22.891	100,0	23.021	100,0	-130	-0,6

The company's fixed assets consist of **intangible assets** in the amount of EUR 547 thousand and **property, plant and equipment in the amount of** EUR 2,289 thousand. Investments in fixed assets of EUR 1,147 thousand are offset by scheduled depreciation and amortization of EUR 948 thousand. The consistently high level of investment in the reporting year therefore results in a virtually constant value of fixed assets. Compared to the previous year, this has decreased by a total of just EUR 32 thousand. The investments in the reporting year mainly relate to a new open-plan office and software.

Inventories result entirely from work **in progress**, which represent projects not yet billable as at the balance sheet date. Work in progress increased significantly in the reporting year by EUR 236 thousand compared to the previous year to EUR 363 thousand.

Receivables include trade receivables (EUR 12,266 thousand) and receivables from affiliated companies (EUR 7,049 thousand).

The increase in trade receivables is attributable to the significant rise in total operating performance in the reporting year. Accordingly, trade receivables increased by EUR 345 thousand to EUR 12,266 thousand. The general default risk is adequately covered by a general bad debt provision. A specific valuation allowance of EUR 177 thousand was also recognized due to a customer filing for insolvency.

Receivables from affiliated companies result primarily from cash pool balances at ASAP Holding GmbH.

Other assets mainly consist of credit balances with an insurance company (EUR 177 thousand) and paid rent deposits (EUR 36 thousand). As in the previous year, there are no longer any outstanding receivables from the tax authorities in the reporting year due to the income tax grouping concluded with ASAP Holding GmbH as the parent company. This led to a constant level of other assets compared to the previous year.

As a result of Group-wide cash pooling, **cash and cash equivalents** remain at a low level and amount to just EUR 27 thousand. Group-wide cash pooling ensures that liquidity is available at all times.

The **prepaid expenses** reported in the balance sheet mainly result from deferrals for licenses that can be used in the future and for current maintenance contracts.

The company's **equity is derived from** subscribed capital (EUR 25 thousand) and retained earnings (EUR 3,240 thousand). Due to the profit and loss transfer agreement with ASAP Holding GmbH, Gaimersheim, as the controlling company, equity remains unchanged.

Other provisions were primarily recognized for vacation and overtime obligations (EUR 1,179 thousand) and for performance-related remuneration components (EUR 1,231 thousand). In this context, the slight decrease in other provisions is primarily due to the performance-related remuneration components (EUR -212 thousand) and the significantly reduced provisions for onerous contracts (EUR -473 thousand).

The existing **loan liabilities** continued to be serviced in the financial year. No new loans were taken out.

Liabilities include advance payments received (EUR 3,099 thousand) as well as trade payables (EUR 572 thousand) and liabilities to affiliated companies (EUR 12,293 thousand).

The **liabilities to affiliated companies** are mainly due to ASAP Engineering GmbH, Weyhausen, ASAP Engineering GmbH, Böblingen, and ASAP Electronics GmbH, Gaimersheim. The reported liabilities to affiliated companies include EUR 1,760 thousand in trade p a y a b l e s . In addition, there are liabilities of EUR 10,533 thousand to ASAP Holding GmbH from the profit and loss transfer agreement and the existing consolidated VAT group. The increase in liabilities to affiliated companies is due in particular to the significantly higher net profit for the year and the resulting increase in liabilities from the profit and loss transfer agreement.

Other liabilities primarily comprise liabilities from wage and church tax for the month of December 2023 (EUR 425 thousand).

3. Financial position

**Cash flow statement in accordance with the principles of
German Accounting Standard No. 21 (DRS 21)**

Outline II ("Indirect method")

	<u>2023</u>	<u>2022</u>
	KEUR	KEUR
1. Profit for the period before extraordinary items	7.887	6.407
2. +/- Depreciation/write-ups of fixed assets	948	816
3. +/- Increase/decrease in provisions	-598	1.380
4. +/- Increase/decrease in inventories, trade receivables and other assets	135	-7.558
5. +/- Increase/decrease in trade payables and other liabilities	-7.398	124
6. +/- Interest expenses/interest income	-2	6
7. +/- Income tax payments	0	225
8. = Cash flow from operating activities	972	1.400
9. - Payments for investments in intangible assets	-246	-234
10. + Proceeds from the disposal of property, plant and equipment	230	0
11. - Payments for investments in property, plant and equipment	-902	-1.125
12. + Interest received	5	5
13. = Cash flow from investing activities	-913	-1.354
14. - Payments from the redemption of bonds and (financial) loans	-43	-43
15. - Interest paid	-3	-9
16. = Cash flow from financing activities	-46	-52
17. cash-effective changes in cash and cash equivalents	13	-6
18. + Cash and cash equivalents at the beginning of the period	14	20
19. = Cash and cash equivalents at the end of the period	27	14

The positive **cash flow from operating activities** of EUR 972 thousand is primarily the result of the clearly positive annual result and the inflow of liquidity from the write-downs and the increase in advance payments received on orders. This is offset by the reduction in liabilities to affiliated companies before profit transfer.

The **cash flow from investing activities** in the 2023 reporting year fully reflects the company's investment level. The investments in the reporting year mainly relate to a new open-plan office and software.

The **cash flow from financing activities represents** the further scheduled repayment of the existing loan from a bank.

In accordance with DRS 21, **cash and cash equivalents** as at the balance sheet date consist of cash and cash equivalents of EUR 27 thousand.

4. Earnings situation

The comparison of the income statements for the 2023 and 2022 financial years derived from the income statement shows the company's earnings position as follows

	2023		2022		Change	
	KEUR	%	KEUR	%	TEUR	%
Sales revenue	74.388	99,4	62.414	100,4	11.974	19,2
+/- Changes in inventories	236	0,3	-279	-0,4	516	>100,0
= Overall performance	74.840	100,0	62.135	100,0	12.705	20,4
- Cost of materials	17.845	23,8	13.392	21,6	4.454	33,3
= Gross profit	56.995	76,2	48.743	78,4	8.251	16,9
- Personnel expenses	41.876	56,0	35.658	57,4	6.218	17,4
- Depreciation and amortization	948	1,3	816	1,3	133	16,3
- Other operating expenses	6.701	9,0	6.080	9,8	620	10,2
+ Other operating income	256	0,3	243	0,4	13	5,4
= Operating result	7.724	10,3	6.432	10,4	1.292	20,1
+/- Financial result	2	0,0	-6	-0,0	8	>100,0
+/- Neutral result	161	0,2	-20	-0,0	181	>100,0
+/- Profit transfer due to Profit and loss transfer agreement	-7.887	-10,6	-6.407	-10,3	-1.480	-23,1
= Annual result	0	0,0	0	0,0	0	0,0

Revenue increased significantly in the reporting year to EUR 74,388 thousand after EUR 62,414 thousand in the previous year. This was primarily due to the increasing long-term order volume, particularly in the future automotive topics of e-mobility and autonomous driving, as well as the gradual increase in the number of highly qualified employees for the corresponding support of projects and orders, which began in the previous year.

At around 23.7%, the **cost of materials ratio** was 2.1 percentage points higher than in the previous year. This is primarily due to the increased use of external services to cover order peaks.

The increased order volume in the reporting year is also clearly reflected in the development of **personnel expenses**. These rose by EUR 6,218 thousand to EUR 41,876 thousand. On the one hand, this is due to the increase in the average number of employees by 40 to 600 in the reporting year. In addition, we also contributed to the increase in personnel expenses through the necessary salary increases. Due to the high level of employee utilization, the personnel expense ratio was nevertheless reduced by 1.3 percentage points to 56.1%, which has a correspondingly positive effect on the annual result.

The increase in **depreciation and amortization is primarily** due to the continued high level of investment in the reporting year.

Compared to the previous year, **other operating expenses** have risen in line with the significant increase in total operating performance. Other operating expenses mainly comprise rent (EUR 1,701 thousand), maintenance costs (EUR 1,068 thousand), training costs (EUR 966 thousand) and expenses for licenses (EUR 274 thousand). Compared to the previous year, the increase in rental expenses (EUR 1,701 thousand) and the increase in training costs (EUR 966 thousand) are particularly noteworthy.

Other operating income includes, in particular, remuneration in kind (EUR 246 thousand).

The **financial result consists** of interest expenses of EUR 3 thousand and interest income of EUR 5 thousand and includes interest on loan liabilities and the cash pool with ASAP Holding GmbH, Gaimersheim.

The **non-operating result** is calculated as follows:

	2023	2022	Change
	KEUR	KEUR	KEUR
Yields			
from the reduction of the general bad debt allowance for receivables	2	0	2
Income from the reversal of provisions	508	332	176
Research allowances	0	134	-134
Other	0	37	-37
Grants	58	59	-1
	568	562	6
Expenses			
from book losses on asset disposals	230	0	230
from change in value adjustment to receivables	177	9	168
from transfers to provisions for anticipated losses	0	573	-573
	407	582	-175
Neutral result	161	-20	181

Due to the profit and loss transfer agreement in place with ASAP Holding GmbH, Gaimersheim, since January 1, 2019, the company's earnings are not subject to income taxes. The net profit for the year is therefore transferred in full to the parent company.

E. Reproduction of the auditor's report and Concluding remarks

Based on the final results of our audit, we have issued the following unqualified audit opinion on the annual financial statements as of December 31, 2023 (Appendices I to III) and the management report for the financial year 2023 (Appendix IV) of ASAP Engineering GmbH, Gaimersheim, dated March 5, 2024, which is reproduced here:

"Independent Auditor's Report To ASAP Engineering GmbH,

Gaimersheim Audit Opinions

We have audited the annual financial statements of ASAP Engineering GmbH, Gaimersheim, which comprise the balance sheet as at December 31, 2023, and the income statement for the financial year from January 1, 2023 to December 31, 2023, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of ASAP Engineering GmbH for the financial year from January 1, 2023 to December 31, 2023.

In our opinion, based on the findings of our audit

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the company as at December 31, 2023 and of its financial performance for the financial year from January 1, 2023 to December 31, 2023 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides a suitable 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 suitably presents the opportunities and risks of future development.

Pursuant to § 322 Abs. 3 Satz 1 HGB, 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

We conducted our audit in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (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 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.

Management's responsibility for the annual financial statements and the management report

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, 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, management is responsible for such internal control as they, in accordance with German Generally Accepted Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. accounting misstatement or fraudulent misrepresentation) or error.

In preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. Furthermore, they are responsible 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 unless there are factual or legal circumstances to the contrary.

In addition, management is 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, management is 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.

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 section 317 HGB and German generally accepted standards for the audit of financial statements 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 management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. In addition

- 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 the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 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 accounting estimates and related disclosures made by the executive directors.
- Conclude on the appropriateness of the legal representatives' 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 opinions. We draw our conclusions on the basis of 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 legal representatives in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management 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 opinion on the forward-looking statements or on the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

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."

We issue the above report on our audit of the annual financial statements and the management report of ASAP Engineering GmbH, Gaimersheim, for the financial year from January 1, 2023 to December 31, 2023 in accordance with Section 321 HGB and generally accepted standards for the preparation of audit reports promulgated by the Institut der Wirtschaftsprüfer in Deutschland e. V., Düsseldorf (IDW PS 450 n. F.).

The audit report is signed as follows in accordance with Section 321 (5) HGB, taking into account Section 32 WPO.

Neckarsulm, March 5, 2024



Document signed by:
Norbert Kühlwein on:
05.03.2024 20:14



Document signed by:
Sascha Tröster
on: 05.03.2024 20:19



Appendices to the audit report

BALANCE SHEET

ASAP Engineering GmbH, Gaimersheim
as of December 31, 2023

ASSETS

PASSIVA

	EUR	Financial year EUR	Previous year TEUR		EUR	Financial year EUR	Previous year TEUR
A. Fixed assets				A. Equity			
I. Intangible assets				I. Subscribed capital		25.000,00	25
1. self-created industrial property rights and similar rights and assets	1,00		53	II. Retained earnings		3.239.961,52	3.240
2. intangible assets under development	158.945,90		0	Total equity		<u>3.264.961,52</u>	<u>3.265</u>
3. concessions, industrial property rights and similar rights and assets acquired for consideration, as well as licenses to such rights and assets	213.049,00		290	B. Provisions			
4. goodwill	<u>175.000,00</u>		<u>235</u>	Other provisions		3.072.035,08	3.670
		546.995,90	578	C. Liabilities			
II. Property, plant and equipment				1. liabilities to banks	91.192,43		134
1. land, land rights and buildings including buildings on third-party land	248.163,00		427	2. advance payments received on orders	3.099.383,16		2.366
2. technical equipment and machinery	84.266,00		108	3. trade payables	571.597,41		743
3. other equipment, operating and office equipment	<u>1.956.448,00</u>		<u>1.754</u>	4. liabilities to affiliated companies men	12.293.264,78		12.265
		2.288.877,00	2.290	5. Other liabilities	<u>498.822,02</u>		<u>577</u>
B. Current assets						16.554.259,80	16.085
I. Inventories							
Work in progress		363.002,38	127				
II. Receivables and other assets							
1. trade receivables	12.265.653,56		11.921				
2. receivables from affiliated companies	7.049.069,05		7.587				
3. other assets	<u>255.327,87</u>		<u>246</u>				
		19.570.050,48	19.753				
III. cash on hand, bank balances		27.281,51	14				
C. Prepaid expenses and deferred charges		95.049,13	259				
		<u>22.891.256,40</u>	<u>23.021</u>			<u>22.891.256,40</u>	<u>23.021</u>

Profit and loss account

ASAP Engineering GmbH, Gaimersheim
from January 1, 2023 to December 31, 2023

	EUR	Financial year EUR	Previous year TEUR
1. sales revenue		74.388.231,25	62.414
2. increase in work in progress		236.262,90	279-
3. other own work capitalized		215.269,13	0
4. other operating income		824.084,96	805
5. cost of materials			
a) Expenses for raw materials, consumables and supplies and for purchased goods	655.281,27		198
b) Expenses for purchased services	<u>17.189.869,53</u>		<u>13.194</u>
		17.845.150,80	13.392
6. personnel expenses			
a) Wages and salaries	33.799.173,34		29.674
b) Social security contributions and expenses for pensions and support	<u>8.077.247,44</u>		<u>5.983</u>
		41.876.420,78	35.658
7. depreciation and amortization on intangible fixed assets and property, plant and equipment		948.438,43	816
8. other operating expenses		7.103.639,79	6.653
9. other interest and similar income		5.110,70	5
10. interest and similar expenses		3.004,70	11
11. earnings after taxes		<u>7.892.304,44</u>	<u>6.416</u>
12. other taxes		5.066,45	10
13. profits transferred on the basis of a profit transfer agreement		7.887.237,99	6.407
14. net income for the year		<u>0,00</u>	<u>0</u>
15. profit carried forward from the previous year		3.239.961,52	3.240
16. retained earnings		<u><u>3.239.961,52</u></u>	<u><u>3.240</u></u>

Notes for the financial year 2023

A. General information about the company

ASAP Engineering GmbH has its registered office in Gaimersheim. It is entered in the commercial register of the Ingolstadt district court under HRB 5408.

B. General information

The annual financial statements as at December 31, 2023 were prepared in accordance with the provisions of the German Commercial Code (HGB) and the supplementary provisions of the German Limited Liability Companies Act (GmbHG). The regulations for large corporations apply.

The income statement is structured according to the nature of expense method, which corresponds to the previous method.

In order to improve the clarity and transparency of the presentation in the annual financial statements, the "of which" notes to the balance sheet and income statement are presented uniformly in the notes.

C. Accounting and valuation methods

The following accounting and valuation methods were applied unchanged for the preparation of the annual financial statements.

The capitalization option for **internally generated intangible fixed assets** in accordance with Section 248 (2) HGB is exercised. They are capitalized acc.

§ In accordance with Section 255 (2a) HGB, assets are measured at the production costs incurred during their development. These correspond to the full costs (Section 255 (2) HGB). Interest on borrowed capital is not included. For our development projects, we determine whether an asset qualifies for capitalization on the basis of individually defined targets as part of detailed overall planning. The achievement of the targets is continuously monitored by our project controlling department. Scheduled amortization is carried out on a straight-line basis over the expected economic useful life of three years. Development costs of EUR 159 thousand were incurred in the reporting year. These are reported as intangible assets under development.

Acquired **intangible** fixed assets are recognized at acquisition or production cost and are amortized over their useful lives.

The use of the acquired **goodwill is** influenced by a variety of factors, some of which have opposing **effects**. We were therefore unable to reliably estimate its useful life and have therefore based our amortization on the standardized useful life of 10 years.

Property, plant and equipment are recognized at acquisition or production cost less scheduled depreciation.

Property, plant and equipment are depreciated on a straight-line basis over their expected useful lives. Low-value assets up to a net individual value of EUR 800.00 are fully depreciated in the year of acquisition; their immediate disposal was assumed. Depreciation on additions to property, plant and equipment is otherwise carried out pro rata temporis.

Work in progress is valued at production cost. General administration costs and interest on borrowed capital were not included in the production costs. The carrying amounts reflect the loss-free valuation.

Receivables and other assets are recognized at nominal value. The general credit risk is taken into account through general discounts. Non-interest-bearing or low-interest receivables with a term of more than one year are discounted.

Cash on hand, bank balances and **prepaid expenses** are recognized at their nominal amount.

Other provisions take into account all uncertain liabilities and impending losses from pending transactions. They are recognized at the settlement amount required according to prudent business judgment (i.e. including future cost and price increases). Provisions with a remaining term of more than one year were discounted using the average market interest rate of the past seven years.

Liabilities are recognized at the settlement amount.

D. Notes to the balance sheet

1. Fixed assets

The development of the individual fixed asset items is shown in the statement of changes in fixed assets (appendix to the notes), including depreciation and amortization for the financial year.

2. Receivables and other assets

As in the previous year, the receivables have a remaining term of less than one year.

Other assets amounting to EUR 213 thousand (previous year: EUR 191 thousand) have a remaining term of more than one year.

Receivables from affiliated companies include receivables from shareholders amounting to EUR 6,425 thousand (previous year: EUR 6,633 thousand). Of these, EUR 6,361 thousand (previous year: EUR 6,610 thousand) result from clearing transactions and EUR 64 thousand (previous year: EUR 23 thousand) from trade transactions.

EUR 688 thousand (previous year: EUR 997 thousand) of the receivables from affiliated companies result from trade in goods and services and EUR 6,361 thousand (previous year: EUR 6,610 thousand) from clearing transactions.

3. Other provisions

The other provisions were mainly formed for special remuneration as well as vacation and flexitime entitlements.

4. Liabilities

The remaining terms of the liabilities are shown in detail in the statement of liabilities:

	up to 1 year	Remaining term over 1 year	over 5 years	Book value 31.12.2023
	KEUR	KEUR	KEUR	KEUR
Liabilities to banks	43	48	0	91
Advance payments received on orders	3.099	0	0	3.099
Liabilities from deliveries and services				
Services	572	0	0	572
Liabilities to affiliated companies				
The company	12.293	0	0	12.293
Other liabilities	499	0	0	499
Total	16.506	48	0	16.554
Previous year				
	up to 1 year	Remaining term over 1 year	over 5 years	Carrying amount 12/31/2022
	KEUR	KEUR	KEUR	KEUR
Liabilities to banks	43	91	0	134
Advance payments received on orders	2.366	0	0	2.366
Liabilities from deliveries and services				
Services	743	0	0	743
Liabilities to affiliated companies				
The company	12.265	0	0	12.265
Other liabilities	577	0	0	577
Total	15.994	91	0	16.085

Loans amounting to EUR 220 thousand are secured by a joint and several obligation of the parent company. The loan amounted to EUR 91 thousand as at the balance sheet date.

Trade payables are subject to the customary retention of title.

Liabilities to affiliated companies include liabilities to shareholders in the amount of EUR 10,702 thousand (previous year: EUR 10,556 thousand). Of these, EUR 10,533 thousand (previous year: EUR 8,856 thousand) result from clearing transactions and EUR 168 thousand (previous year: EUR 1,700 thousand) from deliveries and services.

EUR 1,760 thousand (previous year: EUR 3,409 thousand) of the liabilities to affiliated companies result from trade in goods and services and EUR 10,533 thousand (previous year: EUR 8,856 thousand) from clearing transactions.

Other liabilities include tax liabilities of EUR 425 thousand (previous year: EUR 402 thousand) and social security liabilities of EUR 69 thousand (previous year: EUR 47 thousand).

5. Other financial obligations and contingent liabilities

	Commitments			Total KEUR
	up to 1 year KEUR	over 1 year KEUR	over 5 years KEUR	
Rental agreements	1.667	6.028	0	7.695
Leasing contracts	163	159	0	322
Total	1.830	6.187	0	8.017

E. Notes to the income statement

1. Sales by geographically defined markets

Geographically defined markets	2023 KEUR	2022 KEUR
Domestic	73.163	61.169
Abroad	1.225	1.245
	74.388	62.414

2. Other operating income

Income relating to other periods in the amount of EUR 567 thousand (previous year: EUR 428 thousand) mainly relates to income from the reversal of provisions.

3. Personnel expenses

Of the social security contributions and expenses for pensions and other employee benefits, EUR 138 thousand (previous year: EUR 123 thousand) is attributable to pensions.

4. Other operating expenses

Other operating expenses include expenses relating to other periods in the amount of EUR 407 thousand (previous year: EUR 9 thousand) and mainly result from losses on receivables and book losses from asset disposals.

5. Other interest and similar income

Other interest and similar income includes EUR 5 thousand (previous year: EUR 5 thousand) from affiliated companies.

6. Other interest and similar expenses

Other interest and similar expenses include EUR 0 thousand (previous year: EUR 10 thousand) from affiliated companies.

F. Other information

1. Contingent liabilities

The company is jointly and severally liable with six affiliated companies as co-obligors for all liabilities and obligations of an affiliated company arising from a real estate lease agreement.

The company is jointly and severally liable through a blanket assignment of all existing and future trade receivables for a loan issued by the parent company up to a maximum amount of EUR 1,500 thousand. The utilization of the loan agreement amounted to EUR 171 thousand as at the balance sheet date.

Due to the good economic and financial situation of the affiliated companies, the company's management does not currently expect any claims to be made under the contingent liabilities.

2. Distribution block

In accordance with Section 268 (8) HGB, the following amounts are subject to a restriction on profit distribution due to capitalization:

	<u>KEUR</u>
Internally generated intangible assets	159

3. Management

Members of the Management Board were appointed in the reporting year:

- Mr. Dipl. Ing. Michael Neisen, Ingolstadt
- Mr. Dipl. Ing. Robert Werner, Eichstätt
- Mr. Christian Schweiger, electrical engineer, Vohburg a.d. Donau

No loans were granted to members of the Management Board in the 2023 financial year. No contingent liabilities were entered into in favor of members of the executive bodies.

The total remuneration of the members of the Management Board amounted to EUR 893 thousand in the financial year.

The profession exercised by the managing directors corresponds to the position on the executive body.

4. Employees

The annual average number of employees was 600.

5. Auditor's fee

The information on the auditor's fee is included in the notes to the consolidated financial statements of ASAP Holding GmbH, Gaimersheim, in accordance with Section 285 No. 17 HGB.

6. Group relationships

The annual financial statements are included in the consolidated financial statements of ASAP Holding GmbH, Gaimersheim. These are available at the headquarters of the parent company and are published in the electronic Federal Gazette.

7. Appropriation of earnings

The annual result is transferred in full on the basis of the profit and loss transfer agreement in place with the parent company.


8. Significant events after the reporting date (supplementary report)

There were no other significant events after the balance sheet date that have an impact on the net assets, financial position and results of operations.

Gaimersheim, March 5, 2024



.....
Michael



.....
NeisenRobert



.....
WernerChristian Schweiger

**Statement of changes in fixed assets as at
December 31, 2023 of ASAP Engineering
GmbH, Gaimersheim**

	Development of				original AK 31.12.2023 EUR	acquisition values				Depreciation and amortization	
	original AK 01.01.2023 EUR	Additions 2023 EUR	Rebookings 2023 EUR	Departures 2023 EUR		cumulative 01.01.2023 EUR	Current year 2023 EUR	Departures 2023 EUR	cumulative 31.12.2023 EUR	Stand 31.12.2023 EUR	Stand 31.12.2022 EUR
I. Intangible assets											
1. self-created concessions, industrial property rights and similar rights and assets, and licenses and in such rights and Values	172.822,84	0,00	0,00	0,00	172.822,84	120.010,84	52.811,00	0,00	172.821,84	1,00	52.812,00
2. under development											
Intangible assets	0,00	158.945,90	0,00	0,00	158.945,90	0,00	0,00	0,00	0,00	158.945,90	0,00
3. purchased concessions, industrial property rights and similar rights and assets, as well as licenses and interests in such rights and assets	1.411.856,45	86.624,27	0,00	147.281,20	1.351.199,52	1.121.638,45	163.775,27	147.263,20	1.138.150,52	213.049,00	290.218,00
4. Goodwill	600.000,00	0,00	0,00	0,00	600.000,00	365.000,00	60.000,00	0,00	425.000,00	175.000,00	235.000,00
	2.184.679,29	245.570,17	0,00	147.281,20	2.282.968,26	1.606.649,29	276.586,27	147.263,20	1.735.972,36	546.995,90	578.030,00
II. Property, plant and equipment											
1. Land, land and buildings Rights and buildings, including the Buildings on third-party land	645.932,56	82.746,50	0,00	347.424,27	381.254,79	219.263,56	44.365,50	130.537,27	133.091,79	248.163,00	426.669,00
2. technical equipment and machinery	268.915,73	0,00	0,00	0,00	268.915,73	160.486,73	24.163,00	-	184.649,73	84.266,00	108.429,00
3. other equipment, operating and office equipment	4.174.427,77	759.841,95	59.096,71	603.042,70	4.390.323,73	2.420.004,77	603.323,66	589.452,70	2.433.875,73	1.956.448,00	1.754.423,00
4. Payments on account and assets under construction	0,00	59.096,71	-59.096,71	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	5.089.276,06	901.685,16	0,00	950.466,97	5.040.494,25	2.799.755,06	671.852,16	719.989,97	2.751.617,25	2.288.877,00	2.289.521,00
Total fixed assets	7.273.955,35	1.147.255,33	0,00	1.097.748,17	7.323.462,51	4.406.404,35	948.438,43	867.253,17	4.487.589,61	2.835.872,90	2.867.551,00

Management report for the financial year 2023

A. PRESENTATION OF THE COURSE OF BUSINESS

1. General conditions and general business development

The general conditions at ASAP Engineering in the 2023 financial year were mainly characterized by the following topics:

- The topics of ADAS/AD, e-mobility and software-defined vehicles were also the key factors in the transformation of the automotive industry in 2023.
- In the field of driver assistance, ADAS and automated driving remain the key technological drivers in the automotive industry. The focus is currently on the realization of sation of level 3 and level 4 functions. The associated development and investment requirements remain considerable and lead to budget shifts towards these topics and thus to additional budget tensions for traditional topics. At the same time, the need for automation and integration of BCC resources is growing.
- Due to the increasing share of software in automotive value creation, the ability to link development and series production, DevOps, is crucial to the success of automotive companies. innovations in the vehicle. Continuous Deployment (CD) and Continuous Integration (CI) present our customers with new challenges in terms of development processes and development tools.
- The changes in drive technology towards e-vehicles were also a driving factor in the industry in financial year 2023. The background here is the legal The requirements to reduce CO2 emissions and the looming ban on internal combustion engines. The availability of competitive e-vehicles is becoming increasingly decisive for OEMs.
- The shortage of skilled workers is a limiting factor in Germany. Particularly in the software sector, but also in traditional E/E, the demand for skilled workers is significantly higher than the offer.

As a development partner to the automotive industry, which addresses topics from the E/E, ADAS/AD, software and e-mobility sectors with over 80% of its output, ASAP was also able to grow significantly faster than the industry trend in 2023. At EUR 74.4 million, the company's revenue is almost 19.2% above the previous year's level, which underlines ASAP's performance in the aforementioned fields.

At EUR 1.1 million, the investment volume was slightly below the previous year's level.

Due to our technological focus and the improved framework conditions with HCL Tech, we assume that we will continue to grow faster than the market in the coming years.

Overall, the annual result achieved in the reporting year is within the management's expected range.

2. Overview of the company's business activities

As a partner to the automotive industry, we offer services that cover the entire automotive product life cycle. We focus in particular on the megatrends of autonomous driving, electromobility and connected cars.

In the E/E service segment, ASAP stands for holistic support for developments in the field of vehicle electronics, driving assistance and e-mobility. ASAP provides system engineering, testing and integration services at component, subsystem and system level. In the area of vehicle electrical system development, we support our customers in the fields of 2D electrical logic, 3D cable routing, 3D component development and project and zone management. In the field of test systems, ASAP manufactures individual test systems for OEMs and system suppliers, including the implementation of test automation.

In the software service segment, we support our customers in the area of DevOps by adapting processes, methods and tools to the requirements of a state-of-the-art development environment. We support customers in the area of virtual testing and test automation. In function development, we develop close to series production in accordance with Automotive Spice.

In the testing performance segment, ASAP's focus is on e-mobility. Our portfolio ranges from the prototypical construction and measurement of electric machines, the functional validation of high-voltage power electronics to the testing of battery cells. ASAP has its own extensive laboratories and test areas for this purpose.

In the Consulting & Service segment, we support customers in project and process management as well as quality management. In the Communication Service segment, ASAP supports customers in bringing technology to life visually.

In the Vehicle Engineering service segment, we support our customers as part of series production support in accordance with SOP. In the area of CAD engineering, ASAP is responsible for concept design, geometric modelling and visualization, series development and support, right through to data management. We build prototype vehicles, integrate new developments for testing purposes and carry out road tests

B. PRESENTATION OF THE ECONOMIC SITUATION

1. Financial position

The balance sheet total decreased slightly by EUR 130 thousand to EUR 22,891 thousand in the reporting year. On the one hand, investments of EUR 1,147 thousand were made in property, plant and equipment, while on the other, scheduled depreciation of EUR 948 thousand was recorded. The investments in property, plant and equipment primarily relate to a new open-plan office and software. Investments at a slightly lower level are planned for the coming financial year.

At EUR 12,266 thousand, the level of trade receivables is also slightly higher than in the previous year, corresponding to the increase in total operating performance. By contrast, receivables from affiliated companies in particular were reduced by EUR 538 thousand to EUR 7,049 thousand.

Other assets are at a similar level to the previous year. Overall, they increased by just EUR 10 thousand.

On the liabilities side of the balance sheet, there was a reduction in provisions of EUR 598 thousand compared to the previous year. This is due to the reversal of provisions for impending losses and the decrease in provisions for annual premiums. In contrast, the provisions for vacation

and overtime increased by EUR 146 thousand to EUR 1,179 thousand. This primarily reflects the increase in total operating performance in the reporting year and the resulting need to recruit new employees

The equity ratio increased slightly due to the slight reduction in total assets and now stands at around 14.3%, compared to around 14.2% in the previous year. The net profit for the year is transferred in full under the existing profit and loss transfer agreement.

2. Earnings situation

The company generated a net profit of EUR 7,887 thousand in the 2023 financial year after a net profit of EUR 6,407 thousand in the previous year. The net profit for the year is transferred in full to ASAP Holding GmbH as part of a profit and loss transfer agreement. In this context, total operating performance increased significantly by around 20.4% compared to the previous year. This was primarily due to the increasing, long-term order volume, particularly in the areas of e-mobility and autonomous driving, as well as the gradual build-up of highly qualified employees for the corresponding support of projects and orders, which began in the previous year.

At around 23.8%, the cost of materials ratio was 2.3 percentage points higher than in the previous year. This is primarily due to the increased use of external services to cover order peaks in the reporting year.

The order volume increased significantly again in the reporting year. As in the previous year, this is also clearly reflected in the development of personnel expenses. These increased significantly by EUR 6,218 thousand compared to the previous year to EUR 41,876 thousand. Due to the high level of employee utilization, the personnel expenses ratio was nevertheless reduced by 1.4 percentage points to around 56.0%, which has a correspondingly positive effect on the annual result.

Other operating expenses also increased by a total of EUR 451 thousand. This was primarily due to higher rental and training costs, but also to increased maintenance of operating premises and expenses for IT maintenance.

Overall, the planned significant increase in sales for the reporting year was achieved. As predicted, demand remained high. Against this backdrop, the development of EBIT and the annual result was also higher than originally planned. The main reason for this was the disproportionately low development of personnel expenses and, in particular, other operating expenses.

The Management Board therefore considers the course of the 2023 financial year to be good and above expectations.

3. Financial position

The company's cash and cash equivalents amounted to EUR 27 thousand as at the balance sheet date, compared to EUR 14 thousand in the previous year. Liabilities to banks were further reduced as planned by EUR 43 thousand to EUR 91 thousand. The existing loan continued to be repaid gradually.

In the reporting year, ASAP Engineering GmbH generated a positive cash flow from operating activities of EUR 972 thousand. This is primarily the result of the clearly positive annual result and the inflow of liquidity from depreciation and amortization as well as the build-up of the received advance payments.

payments on orders. This is offset by the reduction in liabilities to affiliated companies before profit transfer.

The company's liquidity is ensured by Group-wide cash management and ongoing controls and was guaranteed at all times during the financial year. Furthermore, the company is integrated into a cash pool procedure implemented at the level of the parent company.

4. Financial and non-financial performance indicators

Due to the high demand for ASAP core services, sales increased significantly in the financial year and an EBIT of EUR 7.9 million was achieved, compared to EUR 6.4 million in the previous year. As in previous years, the company therefore grew significantly faster than the market. The growth in sales was supported by a corresponding increase in the number of employees of around 7.1%.

Despite the induction of new employees, the utilization rate of operating employees was maintained at around 79%, roughly the same level as in the previous year. The number of employees increased by around 40 to 600 in the financial year.

5. Overall statement on the economic situation of the company

In summary, the net assets, financial position and results of operations of ASAP Engineering GmbH show that the company is still in a secure and stable economic position at the time of preparing the management report.

C. OPPORTUNITY AND RISK REPORT

1. Risks Macroeconomic risks:

The overall economic environment stabilized slightly last year. In particular, high inflation and higher interest rates, combined with the existing challenges, have led to rather poor economic conditions. The resulting effects on our main customers from the OEM environment and system suppliers may have negative consequences for the business development of ASAP Engineering GmbH. These effects may have a particularly negative impact on capacity utilization, value creation and earnings.

The shortage of skilled workers in Germany, particularly in the software sector, will be the key challenge for the automotive industry in the coming years. The resulting competition for the best employees will lead to a disproportionate increase in wage costs, which can have a negative impact on profitability. The recruitment of suitably qualified employees is critical to the success of future growth.

The management of ASAP Engineering GmbH monitors and evaluates the situation on an ongoing basis and develops countermeasures. The aim of the countermeasures is to minimize possible negative financial effects.

Customer risks:

The awarding of projects in increasingly large trades is making it more difficult to enter new business and technology fields, especially for new customers. Due to general budget pressure, even complex large-scale trades are currently being awarded at very challenging prices, which can have an impact on returns.

The default risk associated with receivables is countered by consistent receivables management.

Restructuring and organizational changes as well as changes in the value chain can lead to longer decision-making processes when awarding contracts. This in turn can have an impact on sales and returns.

The changing value creation between OEMs and system suppliers as part of the megatrends may lead to a shift in demand from OEMs to system suppliers in the medium term. This may result in risks if the core service strategy of system suppliers overlaps with our services.

Operational risks:

We are currently seeing a pronounced shortage of skilled workers in all future-oriented fields in Germany. Recruiting suitable experts, particularly in the areas of software and e-mobility, is therefore becoming increasingly difficult, cost-intensive and therefore growth-limiting.

We do not currently see any risks that could jeopardize the continued existence of ASAP Engineering GmbH.

2. Opportunities

ASAP Engineering GmbH has a very good starting position in the market thanks to its stringent focus on future-oriented areas such as electronics and software development as well as e-mobility. The networking of areas and knowledge of new technologies can open up new areas of performance and larger market shares. On the German market, we still see significant potential in the Volkswagen Group, BMW and Mercedes as well as the system suppliers. We assume that we will grow faster than the market here in the medium term.

By integrating offshore and nearshore resources, we can counteract the shortage of skilled workers and cost pressure.

Further potential also arises from the cooperation with HCL Tech.

For 2024, we expect significant growth in the future-oriented areas.

3. Risk management system

The management uses a management information system (MIS) to perform its tasks, in which the key company figures are recorded and controlled. In addition, the financial statements of all Group companies are consolidated at Group level on a monthly basis and the relevant key figures are analyzed in order to assess the net assets and results of operations in accordance with the German Commercial Code (HGB). Financial requirements are planned with a short, medium and long-term horizon.

On the basis of the current financial statements and current planning, there are currently no risks to ASAP Engineering GmbH's net assets, financial position and results of operations that could jeopardize its continued existence.

D. FORECAST REPORT

For 2024, we expect significant sales growth in the future-oriented areas. Revenue will therefore be around 10% above the level of the reporting year. We expect annual earnings and EBIT to grow at a slightly higher rate with an almost constant development in capacity utilization and a proportional increase in FTEs.

Against the backdrop of growth and the aforementioned risks, ASAP Engineering GmbH's cash management is of particular importance. Against this background, ASAP Engineering GmbH will further intensify the monitoring of cash flows and thus ensure liquidity.

Possible effects of the current economic turmoil due to the overall economic risks, in particular the effects of the war in Ukraine and any economic effects of the interest rate turnaround, are not part of the forecast.

Gaimersheim, March 5, 2024

signed.
Michael Neisen

signed.
Christian Schweiger

signed.
Robert Werner

Independent auditor's report Auditor's report

To ASAP Engineering GmbH, Gaimersheim

Audit assessments

We have audited the annual financial statements of ASAP Engineering GmbH, Gaimersheim, which comprise the balance sheet as at December 31, 2023, and the income statement for the financial year from January 1, 2023 to December 31, 2023, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of ASAP Engineering GmbH for the financial year from January 1, 2023 to December 31, 2023.

In our opinion, based on the findings of our audit

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the company as at December 31, 2023 and of its financial performance for the financial year from January 1, 2023 to December 31, 2023 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides a suitable 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 suitably presents the opportunities and risks of future development.

Pursuant to § 322 Abs. 3 Satz 1 HGB, 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

We conducted our audit in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (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 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.

Management's responsibility for the annual financial statements and the management report

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, 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, management is responsible for such internal control as they, in accordance with German Generally Accepted Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. accounting fraud or fraudulent misrepresentation) or error.

In preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. Furthermore, they are responsible 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 unless there are factual or legal circumstances to the contrary.

In addition, management is 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, management is 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.

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 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 section 317 HGB and German generally accepted standards for the audit of financial statements 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 management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. In addition

- 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 the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 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 accounting estimates and related disclosures made by the executive directors.
- Conclude on the appropriateness of the legal representatives' 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 opinions. We draw our conclusions on the basis of 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 legal representatives in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management 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 opinion on the forward-looking statements or on the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

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.

Neckarsulm, March 5, 2024

REVISA Treuhand GmbH
-Auditing company



Kühlwein Auditor

~~schaft~~


Tröster Auditor



Presentation of the legal circumstances

I. Corporate law principles

a.) Legal form/commercial register

ASAP Engineering GmbH, Gaimersheim, was founded by notarial deed dated December 18, 2009. The company has its registered office in Gaimersheim and is entered in the commercial register of Ingolstadt Local Court under HRB No. 5408. The last extract from the commercial register available to us is dated December 4, 2023 with the last amendment dated January 23, 2023.

The Articles of Association in the version dated December 18, 2009, last amended by resolution dated September 5, 2012, apply.

b.) Object of the company

The object of the company is all engineering and service activities, in particular design, development, construction, realization, production of prototypes and prototype parts, research, testing, planning and project management as well as CAD services of all kinds relating to vehicles and vehicle components, traffic systems, tools, devices and special machines.

The company also provides services, in particular personnel services, as well as the planning, construction, financing and operation of operator models for all of the aforementioned activities. Furthermore, the company is authorized to take all actions and measures that serve to achieve the purpose of the company. Activities that require a license in accordance with the German Banking Act (KWG) are expressly not part of the purpose of the company.

The company may establish branches in Germany and abroad and acquire interests in other companies, even if these have a different corporate purpose. The company may acquire companies or sell them, combine them under uniform management and conclude intercompany agreements with them or limit itself to the management of the investment. It is entitled to spin off all or part of its operations into associated companies.

c.) Financial year

The financial year is the calendar year.

d.) Share capital

The share capital of the company amounts to EUR

25,000.00. The share capital is fully paid up.

The share capital is held by the following shareholder as at December 31, 2023:

	<u>EUR</u>	<u>percentage rate</u>
ASAP Holding GmbH, Gaimersheim	<u>25.000,00</u>	<u>100,00</u>
	<u>25.000,00</u>	<u>100,00</u>

e.) Management and representation

The management of the company is composed as follows:

- Mr. Michael Neisen, graduate engineer, Ingolstadt
- Mr. Robert Werner, graduate engineer, Eichstätt
- Mr. Christian Schweiger, electrical engineer, Vohburg a.d. Donau

The managing director, Mr. Michael Neisen, has sole power of representation and is exempt from the restrictions of Section 181 of the German Civil Code (BGB).

f.) Shareholders' meeting

The following resolutions were passed at the shareholders' meeting on June 16, 2023:

- The annual financial statements for 2022 with a net profit for the year of EUR 6,406,550.11 are adopted.
- The balance sheet profit of EUR 3,239,961.52 will be carried forward to new account.
- The actions of the members of the Management Board are approved for the 2022 financial year.
- REVISA Treuhand GmbH, - Wirtschaftsprüfungsgesellschaft-, Neckarsulm, was elected as the auditor for the 2023 financial year.

II. Tax situation

The company is registered with the Ingolstadt tax office under tax number 124/121/81520.

The company is subject to standard taxation in accordance with §§ 16 - 18 of the UStG.

The business operations are subject to trade tax in accordance with Section 2 (1)

GewStG. The following tax groups exist with ASAP Holding GmbH, Gaimersheim:

- VAT group in accordance with Section 2 (2) no. 2 UStG
- Trade tax group in accordance with section 2 (2) sentence 2 GewStG
- Corporate tax group in accordance with Section 17

KStG The company is the controlled company in each case.

III. Material contracts

Profit and loss transfer agreement with ASAP Holding GmbH dated November 26, 2018

There is a profit and loss transfer agreement between ASAP Holding GmbH (parent company) and ASAP Engineering GmbH (subsidiary). The subsidiary has undertaken to transfer its entire profit to the parent company. In return, the parent company must offset any net loss for the year. The profit and loss transfer agreement applies for the first time to financial years from January 1, 2019 and can be terminated with six months' notice, but no earlier than the end of December 31, 2024.

Notes to the items in the annual financial statements

1. balance**sheet ASSETS**

A presentation of the development of the individual balance sheet items of fixed assets based on acquisition and production costs is included in the statement of changes in fixed assets as an appendix to the notes (Appendix III) to the annual financial statements.

A. Fixed assets**I. Intangible assets****1. Self-created industrial property rights and similar rights and Values**

	<u>EUR</u>	<u>1,00</u>
	Previous year:	EUR
	52.812,00	
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Framework	<u>1,00</u>	<u>52.812,00</u>
	<u>1,00</u>	<u>52.812,00</u>

2. intangible assets under development Assets

	<u>EUR</u>	<u>158.945,90</u>
	Previous year:	EUR
	0,00	
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
A-Spice process model	<u>158.945,90</u>	<u>0,00</u>
	<u>158.945,90</u>	<u>0,00</u>

3. purchased concessions, industrial property rights and similar rights and assets as well as licenses to such rights and values

	EUR	213.049,00
Previous year:	EUR	290.218,00
	31.12.2023	31.12.2022
	EUR	EUR
IT software	193.516,00	257.195,00
Licenses to industrial property rights	<u>19.533,00</u>	<u>33.023,00</u>
	<u>213.049,00</u>	<u>290.218,00</u>

4. goodwill

	EUR	175.000,00
Previous year:	EUR	235.000,00

II Property, plant and equipment

1. land and leasehold rights and buildings, including buildings on third-party properties

	EUR	248.163,00
Previous year:	EUR	426.669,00
	31.12.2023	31.12.2022
	EUR	EUR
Fixtures Felix-Wankel-Ring 10, Lenting	129.027,00	141.466,00
Fixtures Sachsstaße 1a, Gaimersheim	106.711,00	215.686,00
Outdoor facilities	12.275,00	15.445,00
Buildings on third-party land	150,00	406,00
Installations Straußenlettenstraße 15, Ingolstadt	0,00	36.478,00
Installations Daimlerstraße 9, Gaimersheim	<u>0,00</u>	<u>17.188,00</u>
	<u>248.163,00</u>	<u>426.669,00</u>

2. Technical equipment and machinery

	EUR	84.266,00
Previous year:	EUR	108.429,00
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Technical equipment and machinery	81.775,00	104.999,00
Operating equipment	<u>2.491,00</u>	<u>3.430,00</u>
	<u>84.266,00</u>	<u>108.429,00</u>

3. Other equipment, operating and business equipment

	EUR	1.956.448,00
Previous year:	EUR	1.754.423,00
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Operating and office equipment	841.812,00	707.096,00
Fixtures SS5	234.500,00	210.906,00
Horchstrasse fixtures	233.797,00	263.424,00
Fixtures SS3	232.357,00	275.319,00
Installations in third-party properties	154.140,00	194.598,00
Conversion SS1	125.808,00	0,00
Office furnishings	66.681,00	17.090,00
Tools	24.781,00	36.576,00
Fixtures Friedrichshafen office	18.173,00	20.596,00
Other means of transportation	17.493,00	20.623,00
Fixtures SS4	6.905,00	8.194,00
Passenger car	<u>1,00</u>	<u>1,00</u>
	<u>1.956.448,00</u>	<u>1.754.423,00</u>

B. Current assets**I. Inventories****Work in progress**

	EUR	363.002,38
Previous year:	EUR	126.739,48

II. Receivables and other assets**1. Trade receivables from goods and services payments**

	EUR 12,265,653.56	
	Previous year: EUR 11,920,887.28	
	31.12.2023	31.12.2022
	EUR	EUR
Trade receivables	12.495.337,67	11.975.292,28
General bad debt allowance	-52.719,00	-54.405,00
Individual value adjustment	-176.965,11	0,00
	<u>12.265.653,56</u>	<u>11.920.887,28</u>

Trade receivables are evidenced by balance lists. Balance confirmations have been obtained. The goods were shipped by and returned to us.

Individual value adjustments due to existing individual risks were as follows as at the balance sheet date
December 31, 2023 are not to be recognized.

A general bad debt provision of 0.5% was recognized on net receivables, including trade receivables from affiliated companies.

2. Receivables from affiliated companies take

	EUR 7,049,069,05	
	Previous year: EUR 7.586.675,52	
	31.12.2023	31.12.2022
	EUR	EUR
ASAP Holding GmbH, cash pooling	6.361.407,17	6.553.883,53
ASAP Electronics GmbH, Gaimersheim	255.716,07	307.101,43
ASAP Engineering GmbH, Friedrichshafen	169.490,06	188.713,83
ASAP Engineering GmbH, Weyhausen	121.715,09	91.807,65
ASAP Holding GmbH, Gaimersheim	63.676,00	22.498,88
ASAP Engineering GmbH, Leonberg	47.474,33	303.514,18
ASAP Engineering GmbH, Rüsselsheim	17.098,00	37.068,25
Sigl Bordnetz Design GmbH, Munich	12.492,33	25.711,52
ASAP Holding GmbH, non-genuine repurchase agreement	0,00	56.376,25
	<u>7.049.069,05</u>	<u>7.586.675,52</u>

3. Other assets	EUR 255.327,87	
	Previous year:	EUR 245.643,67
	31.12.2023	31.12.2022
	EUR	EUR
Credit balances with insurance companies	176.839,90	157.359,50
Deposits	36.170,00	33.706,00
Other	24.129,12	17.369,63
Receivables from personnel	14.871,27	18.441,54
Claim against the Federal Agency	3.317,58	3.317,58
BAV receivables	0,00	15.449,42
	<u>255.327,87</u>	<u>245.643,67</u>

III. Cash on hand, credit balances with banks institutes

	EUR 6.388.688,68	
	Previous year:	EUR 13.952,94
	31.12.2023	31.12.2022
	EUR	EUR
Raiffeisenbank Gaimersheim-Buxheim eG, Current account	15.105,45	4.834,38
VR-Bank Heilbronn Schwäbisch-Hall eG, Current account	7.452,78	8.891,50
Cash register	<u>4.723,28</u>	<u>227,06</u>
	<u>27.281,51</u>	<u>13.952,94</u>

The reported credit balances agree with the confirmation letter from the bank on the balance sheet date, taking into account payments in transit.

C. Prepaid expenses and deferred charges

	EUR 95.049,13	
	Previous year:	EUR 259.327,96
	31.12.2023	31.12.2022
	EUR	EUR
Other	<u>95.049,13</u>	<u>259.327,96</u>
	<u>95.049,13</u>	<u>259.327,96</u>

PASSIVA**A. Equity**

I. Subscribed capital		EUR 25.000,00
	Previous year:	EUR 25.000,00

II. Retained earnings		EUR 3.239.961,52
	Previous year:	EUR 3.239.961,52

B. Provisions

Other provisions		EUR 3.072.035,08
	Previous year:	EUR 3.670.449,91

Type of provision	Status as of 01.01.2023	Consumption 2023	Resolution 2023	Allocation 2023	Status as at 31.12.2023
	EUR	EUR	EUR	EUR	EUR
Overtime and Flexitime entitlements	558.605,39	558.605,39	0,00	704.834,36	704.834,36
Vacation entitlements	474.889,04	474.889,04	0,00	474.188,66	474.188,66
Premiums and royalties	1.442.460,00	1.442.460,00	0,00	1.230.599,00	1.230.599,00
Outstanding Invoices	200.650,31	200.650,31	0,00	79.584,16	79.584,16
Closing and Audit costs	23.400,00	23.400,00	0,00	26.720,00	26.720,00
Professional associations contribution	148.286,60	66.559,48	0,00	53.736,37	135.463,49
Severely disabled equalization levy	98.520,00	88.560,00	0,00	95.760,00	105.720,00
Other	723.638,57	85.824,67	508.063,90	185.175,41	314.925,41
Total	3.670.449,91	2.940.948,89	508.063,90	2.850.597,96	3.072.035,08

The main provisions are explained as follows:

Overtime and flexitime entitlements:

The provision was calculated by the company's HR department based on the existing overtime credit of the employees concerned as at December 31, 2023, including the employer's social security contribution.

Vacation entitlements:

The provision was calculated by the company's HR department based on the vacation entitlement of the employees concerned as at 31 December 2023, including the employer's share of social security contributions.

Acquisition and audit costs:

The provisions for closing and audit costs include both internal closing costs and external expenses for the preparation and audit of the annual financial statements.

C. Liabilities**1. Liabilities to credit institutions
tuten**

	<u>EUR</u>	<u>91.192,43</u>
Previous year:	EUR	134.454,92
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Kreissparkasse Heilbronn, loan	<u>91.192,43</u>	<u>134.454,92</u>
	<u>91.192,43</u>	<u>134.454,92</u>

2. advance payments received on orders

	<u>EUR</u>	<u>3.099.383,16</u>
Previous year:	EUR	2.366.188,69

3. trade accounts payable

	<u>EUR</u>	<u>571.597,41</u>
Previous year:	EUR	742.854,15

Trade payables are evidenced by balance lists. Balance confirmations have been obtained. The goods were shipped by and returned to us.

The liabilities mainly stem from the months of November and December 2023.

4. Liabilities to affiliated companies**Company****EUR 12,293,264.78**

Previous year: EUR 12,265,345.49

	31.12.2023 EUR	31.12.2022 EUR
ASAP Holding GmbH, profit and loss transfer	7.887.237,99	6.406.550,11
ASAP Holding GmbH, VAT company	2.645.797,28	2.449.724,05
ASAP Electronics GmbH, Gaimersheim	1.040.816,00	1.368.293,80
ASAP Engineering GmbH, Weyhausen	200.175,90	158.011,65
ASAP Engineering GmbH, Friedrichshafen	197.144,42	2.314,00
ASAP Holding GmbH, Gaimersheim	168.636,37	1.700.072,24
ASAP Holding GmbH, Gaimersheim,	93.920,62	180.234,04
ASAP Engineering GmbH, Rüsselsheim	59.536,20	145,60
	<u>12.293.264,78</u>	<u>12.265.345,49</u>

5. other liabilities**EUR 498.822,02**

Previous year: EUR 576.523,17

	31.12.2023 EUR	31.12.2022 EUR
Liabilities from wage and church tax	425.034,01	401.599,98
Liabilities from social security	68.862,77	46.765,44
Other	3.764,30	14.253,07
Liabilities from wages and salaries	1.000,00	16.375,17
Liabilities from taxes and duties	160,94	0,00
Liabilities from customer defaults	0,00	97.529,51
	<u>498.822,02</u>	<u>576.523,17</u>

2. Profit and loss account

1. sales revenue	EUR 74,388,231.25	
	Previous year: EUR 62,414,413.54	
	31.12.2023	31.12.2022
	EUR	EUR
Domestic revenue	73.164.222,47	60.988.592,96
Revenue abroad	1.224.008,78	1.245.276,69
Rental income	<u>0,00</u>	<u>180.543,89</u>
	<u>74.388.231,25</u>	<u>62.414.413,54</u>
2. increase in work in progress		
Services		EUR 236.262,90
	Previous year:	EUR -279.442,17
	31.12.2023	31.12.2022
	EUR	EUR
Change in work in progress	<u>236.262,90</u>	<u>-279.442,17</u>
	<u>236.262,90</u>	<u>-279.442,17</u>
3. other own work capitalized		EUR 215.269,13
	Previous year:	EUR 0,00
	31.12.2023	31.12.2022
	EUR	EUR
Other own work capitalized	<u>215.269,13</u>	<u>0,00</u>
	<u>215.269,13</u>	<u>0,00</u>

4. Other operating income	EUR 824.084,96	
	Previous year:	EUR 805.404,31
	31.12.2023	31.12.2022
	EUR	EUR
Income from the reversal of provisions	508.063,90	332.083,35
Remuneration in kind	245.978,59	241.557,98
Investment grants	57.337,87	58.679,60
Other	10.647,05	655,46
Income from reduction of general bad debt allowance	1.686,00	0,00
Insurance compensation	371,55	1.741,05
Research allowance	0,00	133.686,00
Income relating to other periods	0,00	37.000,87
	<u>824.084,96</u>	<u>805.404,31</u>

5. Cost of materials

a) Cost of raw materials, consumables and supplies and of purchased merchandise

ren	EUR 655.281,27	
	Previous year:	EUR 197.611,77
	31.12.2023	31.12.2022
	EUR	EUR
IT costs	582.414,32	0,00
Incoming goods	75.982,77	203.607,75
Bonuses, discounts, rebates received	<u>-3.115,82</u>	<u>-5.995,98</u>
	<u>655.281,27</u>	<u>197.611,77</u>

b) Expenses for purchased services

	EUR 17.189.869,53	
	Previous year:	EUR 13.193.904,25
	31.12.2023	31.12.2022
	EUR	EUR
Third-party services affiliated companies	13.088.039,21	9.814.133,02
ASAP Holding GmbH levy	2.951.700,00	2.471.100,00
Third-party services	<u>1.150.130,32</u>	<u>908.671,23</u>
	<u>17.189.869,53</u>	<u>13.193.904,25</u>

6. Personnel expenses**a) Wages and salaries****EUR 33,799,173.34**

Previous year: EUR 29,674,469.58

	31.12.2023 EUR	31.12.2022 EUR
Wages and salaries	33.689.159,02	29.420.861,36
Other	<u>110.014,32</u>	<u>253.608,22</u>
	<u>33.799.173,34</u>	<u>29.674.469,58</u>

b) Social security contributions and expenses for Pension provision and for support**EUR 8.077.247,44**

Previous year: EUR 5.983.477,19

	31.12.2023 EUR	31.12.2022 EUR
Statutory social security expenses	6.309.364,57	5.296.891,40
Voluntary social expenses	1.336.418,40	395.826,82
Contributions to the employers' liability insurance association	283.506,61	160.712,63
Expenses for pensions and other employee benefits	138.042,89	122.870,19
Flat-rate tax for insurance	<u>9.914,97</u>	<u>7.176,15</u>
	<u>8.077.247,44</u>	<u>5.983.477,19</u>

7. depreciation and amortization**on intangible assets
of fixed assets and property, plant and equipment****EUR 948.438,43**

Previous year: EUR 815.696,64

	31.12.2023 EUR	31.12.2022 EUR
Depreciation of property, plant and equipment	548.682,29	423.110,18
Amortization of intangible assets	164.170,73	177.430,49
Immediate depreciation GWG	116.218,41	148.594,97
Amortization of goodwill	60.000,00	60.000,00
Amortization of internally generated intangible assets VG	52.811,00	0,00
Depreciation on buildings	3.426,00	3.426,00
Depreciation on motor vehicles	<u>3.130,00</u>	<u>3.135,00</u>
	<u>948.438,43</u>	<u>815.696,64</u>

8. Other operating expenses	Previous year:	EUR 7.103.639,79
	31.12.2023 EUR	31.12.2022 EUR
Rent, immovable assets	1.700.736,25	1.579.307,03
Maintenance costs for hardware and software	1.067.849,60	1.218.784,67
Training costs	966.196,64	694.241,21
Other	706.480,36	655.640,12
Repairs and maintenance	378.965,68	233.125,69
Travel expenses	322.064,15	163.414,48
Expenses for licenses	274.441,91	379.259,78
Vehicle costs	233.805,71	217.906,06
Car leasing	231.090,19	224.170,03
Book losses from asset disposals	230.495,00	215,00
Rent for movable assets	208.511,76	132.139,97
Allocation to the general bad debt provision for Claims	176.965,11	9.162,00
Telephone and Internet costs	176.182,52	175.176,74
Accounting costs	95.517,56	88.454,73
Office supplies	53.101,78	27.087,19
Representation costs	52.049,27	102.819,34
Gas, electricity, water	43.071,18	18.673,95
Expenses for overburden/waste disposal	38.890,06	38.354,35
Legal and consulting costs	28.040,45	15.590,92
Tools and small appliances	22.766,82	24.347,57
Acquisition and audit costs	21.185,00	26.188,40
Cleaning	17.365,80	16.085,91
Ancillary rental and lease costs	13.647,57	4.538,21
Hospitality costs	12.580,25	4.235,92
Advertising costs	12.345,41	10.171,23
Postage	9.497,36	8.181,79
Ancillary costs of monetary transactions	5.988,42	3.256,54
Contributions	3.807,98	9.226,99
Allocation to provisions for impending losses	0,00	573.256,35
	<u>7.103.639,79</u>	<u>6.653.012,17</u>

9. Other interest and similar income		EUR	5.110,70
	Previous year:	EUR	5.345,04
	31.12.2023		31.12.2022
	EUR		EUR
Interest income cash pooling	5.016,70		5.345,04
Other	<u>94,00</u>		<u>0,00</u>
	<u>5.110,70</u>		<u>5.345,04</u>
10. Interest and similar expenses		EUR	3.004,70
	Previous year:	EUR	11.132,01
	31.12.2023		31.12.2022
	EUR		EUR
Interest expenses for current liabilities	2.645,30		1.205,02
Other	359,40		0,00
Interest expenses cash pooling	<u>0,00</u>		<u>9.926,99</u>
	<u>3.004,70</u>		<u>11.132,01</u>
11. Earnings after taxes		EUR	7.892.304,44
	Previous year:	EUR	6.416.417,11
12. Other taxes		EUR	5.066,45
	Previous year:	EUR	9.867,00
	31.12.2023		31.12.2022
	EUR		EUR
Vehicle taxes	<u>5.066,45</u>		<u>9.867,00</u>
	<u>5.066,45</u>		<u>9.867,00</u>
13. on the basis of a profit and loss transfer agreement			
Profits transferred		EUR	7.887.237,99
	Previous year:	EUR	6.406.550,11

14. Net income for the year		EUR	0,00
	Previous year:	EUR	0,00
15. Profit carried forward from the previous year		EUR	3.239.961,52
	Previous year:	EUR	3.239.961,52
16. Retained earnings		EUR	3.239.961,52
	Previous year:	EUR	3.239.961,52

General Terms and Conditions of Contract

for

Auditors and auditing companies

from January 1, 2017

1. Scope of application

(1) The engagement terms apply to contracts between auditors or audit firms (hereinafter collectively referred to as "auditors") and their clients for audits, tax advice, advice on economic matters and other engagements, unless otherwise expressly agreed in writing or prescribed by law.

(2) Third parties may only derive claims from the contract between the German Public Auditor and the client if this has been expressly agreed or results from mandatory statutory provisions. With regard to such claims, these engagement terms also apply to these third parties.

2. Scope and execution of the order

(1) The object of the order is the agreed service, not a specific economic success. The engagement is carried out in accordance with the principles of proper professional practice. The German Public Auditor does not assume any management tasks in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to use the services of experts to carry out the engagement.

(2) The consideration of foreign law requires - except in the case of business audits - an express written agreement.

(3) If the factual or legal situation changes after the final professional statement has been issued, the German Public Auditor is not obliged to draw the client's attention to the changes or the resulting consequences.

3. Obligation of the client to cooperate

(1) The client must ensure that the German Public Auditor is provided in a timely manner with all documents and other information necessary for the performance of the engagement and that he is informed of all events and circumstances that may be of significance for the performance of the engagement. This also applies to documents and other information, processes and circumstances that only become known during the Wirtschaftsprüfer's work. The client shall appoint suitable persons to provide information to the German Public Auditor.

(2) At the auditor's request, the client must confirm the completeness of the documents submitted and the other information as well as the information and explanations provided in a written declaration formulated by the auditor.

4. Safeguarding independence

(1) The client must refrain from doing anything that jeopardizes the independence of the Wirtschaftsprüfer's employees. For the duration of the engagement, this applies in particular to offers of employment or the assumption of board functions and to offers to accept engagements for the client's own account.

(2) If the performance of the engagement impairs the independence of the German Public Auditor, its affiliated companies, its network companies or those companies associated with it to which the independence requirements apply in the same way as to the German Public Auditor in other engagements, the German Public Auditor is entitled to terminate the engagement for cause.

5. Reporting and verbal information

Insofar as the German Public Auditor is required to present results in writing in the course of the engagement, this written presentation alone is authoritative. Drafts of written presentations are not binding. Unless otherwise agreed, oral statements and information provided by the German Public Auditor are only binding if they are confirmed in writing. Statements and information provided by the German Public Auditor outside the scope of the engagement are always non-binding.

6. Disclosure of a professional statement by the auditor

(1) The disclosure of the German Public Auditor's professional statements (work results or excerpts of work results - whether in draft or final form) or information about the German Public Auditor's work for the client to a third party requires the German Public Auditor's written consent, unless the client is obliged to disclose or provide information on the basis of a law or an official order.

(2) The use of the German Public Auditor's professional statements and information about the German Public Auditor's work for the client for advertising purposes by the client is not permitted.

7. Remedy of defects

(1) In the event of any defects, the client is entitled to subsequent performance by the Wirtschaftsprüfer. Only in the event of failure, omission or unjustified refusal, unreasonableness or impossibility of subsequent performance may he reduce the remuneration or withdraw from the contract; if the engagement has not been placed by a consumer, the client may only withdraw from the contract due to a defect if the service rendered is of no interest to him due to failure, omission, unreasonableness or impossibility of subsequent performance. Insofar as claims for damages exist beyond this, No. 9 shall apply.

(2) The claim for rectification of defects must be asserted by the client immediately in text form. Claims pursuant to para. 1 that are not based on an intentional act shall become time-barred one year after the start of the statutory limitation period.

(3) Obvious inaccuracies, such as typographical errors, calculation errors and formal deficiencies contained in a professional statement (report, expert opinion and the like) of the German Public Auditor may be corrected by the German Public Auditor at any time, also vis-à-vis third parties. Inaccuracies that are likely to call into question the results contained in the German Public Auditor's professional statement entitle the German Public Auditor to withdraw the statement, also vis-à-vis third parties. In the aforementioned cases, the client must be heard by the German Public Auditor in advance if possible.

8. Duty of confidentiality towards third parties, data protection

(1) In accordance with the law (Section 323 (1) HGB, § Section 43 WPO, Section 203 StGB) is obliged to maintain confidentiality about facts and circumstances that are entrusted to him or become known to him in the course of his professional activity, unless the client releases him from this obligation of confidentiality.

(2) When processing personal data, the auditor will comply with national and European data protection regulations.

9. Liability

(1) The applicable statutory limitations of liability, in particular the limitation of liability of the German Commercial Code, apply to legally prescribed services of the auditor, in particular audits.
§ Section 323 (2) HGG.

(2) Insofar as neither a statutory limitation of liability applies nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any kind, with the exception of damages resulting from injury to life, body and health, as well as damages that give rise to a manufacturer's obligation to pay compensation pursuant to Section 1 of the German Product Liability Act (ProdHaftG), is limited in the event of a negligently caused individual case of damage pursuant to Section 1 of the German Product Liability Act (ProdHaftG).
§ Section 54a (1) no. 2 WPO is limited to € 4 million.

(3) The auditor is also entitled to defenses and objections arising from the contractual relationship with the client vis-à-vis third parties.

(4) If several claimants derive claims from the contractual relationship with the German Public Auditor from a negligent breach of duty by the German Public Auditor, the maximum amount stated in para. 2 applies to the respective claims of all claimants in total.

(5) A single case of damage within the meaning of para. 2 is also deemed to exist with regard to uniform damage resulting from several breaches of duty. The individual case of damage includes all consequences of a breach of duty irrespective of whether damage occurred in one or several consecutive years. Multiple acts or omissions based on the same or similar source of error are deemed to be a single breach of duty if the matters concerned are legally or economically connected. In this case, the auditor can only be held liable up to an amount of € 5 million. The limitation to five times the minimum sum insured does not apply to statutory audits.

(6) A claim for damages shall lapse if no action is brought within six months of the written refusal of compensation and the client has been informed of this consequence. This shall not apply to claims for damages that are attributable to intentional conduct, or in the event of culpable injury to life, limb or health, or in the event of damage that gives rise to a manufacturer's obligation to pay compensation in accordance with Section 1 of the German Product Liability Act (ProdHaftG). The right to plead the statute of limitations remains unaffected.

10. Supplementary provisions for audit engagements

(1) If the client subsequently amends the financial statements or management report audited by the auditor and provided with an auditor's report, it may not continue to use this auditor's report.

If the auditor has not issued an audit opinion, a reference to the audit carried out by the auditor in the management report or in another place intended for the public is only permitted with the written consent of the auditor and with the wording approved by the auditor.

(2) If the auditor revokes the audit opinion, the audit opinion may no longer be used. If the client has already used the auditor's report, it must disclose the revocation at the auditor's request.

(3) The client is entitled to five copies of the report. Additional copies will be invoiced separately.

11. Supplementary provisions for assistance in tax matters

(1) The German Public Auditor is entitled, both when advising on individual tax issues and in the case of ongoing advice, to assume that the facts stated by the client, in particular figures, are correct and complete; this also applies to accounting engagements. However, he must inform the client of any inaccuracies he has identified.

(2) The tax consulting engagement does not include the actions required to meet deadlines, unless the German Public Auditor has expressly accepted the engagement for this purpose. In this case, the client must provide the German Public Auditor with all documents essential for meeting deadlines, in particular tax assessment notices, in good time so that the German Public Auditor has a reasonable amount of time to process them.

(3) In the absence of a written agreement to the contrary, ongoing tax advice shall include the following activities falling within the term of the contract:

- a) Preparation of annual tax returns for income tax, corporation tax and trade tax as well as wealth tax returns, based on the annual financial statements to be submitted by the client and other statements and evidence required for taxation purposes
- b) Review of tax assessments for the taxes mentioned under a)
- c) Negotiations with the tax authorities in connection with the declarations and notices mentioned under a) and b)
- d) Participation in tax audits and evaluation of the results of tax audits with regard to the taxes mentioned under a)
- e) Participation in objection and appeal proceedings with regard to the taxes mentioned under a).

In performing the aforementioned tasks, the auditor takes into account the main published case law and administrative opinions.

(4) If the German Public Auditor receives a flat fee for ongoing tax advice, in the absence of written agreements to the contrary, the activities listed under para. 3 letters d) and e) are to be remunerated separately.

(5) If the auditor is also a tax advisor and the Tax Advisor Remuneration Ordinance is applicable for the assessment of the remuneration, a higher or lower remuneration than the statutory remuneration can be agreed in text form.

(6) The processing of special individual questions of income tax, corporation tax, trade tax, unitary valuation and property tax as well as all questions of value added tax, wage tax, other taxes and duties is carried out on the basis of a special assignment. This also applies to

- a) the processing of one-off tax matters, e.g. in the area of inheritance tax, capital transfer tax, real estate transfer tax,
- b) Participation and representation in proceedings before the courts of financial and administrative jurisdiction as well as in criminal tax matters,
- c) providing advice and expert opinions in connection with reorganizations, capital increases and decreases, restructuring, entry and exit of a shareholder, sale of a business, liquidation and the like, and
- d) Support in the fulfillment of reporting and documentation obligations.

(7) Insofar as the preparation of the annual VAT return is also undertaken as an additional activity, this does not include the review of any special accounting requirements or the question of whether all possible VAT benefits have been utilized. No guarantee is given for the complete recording of the documents for the assertion of the input tax deduction.

12. Electronic communication

Communication between the German Public Auditor and the client may also take place by e-mail. If the client does not wish to communicate by e-mail or has special security requirements, such as the encryption of e-mails, the client shall inform the German Public Auditor accordingly in text form.

13. Remuneration

(1) In addition to his fee claim, the German Public Auditor is entitled to reimbursement of his expenses; VAT is charged additionally. The German Public Auditor may demand reasonable advances on remuneration and reimbursement of expenses and make the delivery of his services dependent on the full satisfaction of his claims. Several clients shall be liable as joint and several debtors.

(2) If the client is not a consumer, offsetting against the Wirtschaftsprüfer's claims for remuneration and reimbursement of expenses is only permitted with undisputed or legally established claims.

14. Dispute settlements

The auditor is not prepared to participate in a dispute resolution procedure before a consumer arbitration board within the meaning of Section 2 of the Consumer Dispute Resolution Act.

15. Applicable law

Only German law shall apply to the order, its execution and the claims arising from it.

Special terms of engagement for audits and audit-related services

of REVISA Treuhand GmbH
-auditing firm-

Status: August 1, 2018

Preamble

These Terms and Conditions of Engagement of REVISA Treuhand GmbH - Wirtschaftsprüfungsgesellschaft - supplement and specify the General Terms and Conditions of Engagement for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (in the version attached to the engagement confirmation letter) issued by the Institut der Wirtschaftsprüfer e. V. (IDW) and shall take precedence over them. They apply subordinate to an engagement letter. The order confirmation letter together with all attachments constitutes the "All order conditions".

A. Supplementary provisions for audits of financial statements in accordance with Section 317 HGB and comparable audits in accordance with national and international auditing standards

REVISA Treuhand GmbH will perform the audit in accordance with

§ 317 HGB and in accordance with German generally accepted standards for the audit of financial statements promulgated by the IDW ("GoA"). Accordingly, REVISA Treuhand GmbH will plan and structure the audit in accordance with the principles of conscientious professional practice in such a way that misstatements and violations that have a material effect on the subject matter of the audit according to the engagement letter are detected with reasonable assurance.

REVISA Treuhand GmbH will perform all audit procedures that it deems necessary for the assessment under the circumstances and will examine the form in which the report on the subject matter of the audit provided for in Section 322 HGB or the GoA can be issued. REVISA Treuhand GmbH will report on the audit of the subject matter to the extent customary in the profession. In order to determine the type, time and scope of the individual audit procedures in an appropriate manner, REVISA Treuhand GmbH will, if it deems it necessary, audit and assess the system of accounting-related internal controls, in particular insofar as it serves to ensure proper accounting. As is customary in the profession, REVISA Treuhand GmbH will perform the audit procedures on a test basis, so that there is an unavoidable risk that material misstatements may remain undetected even if the audit is performed in accordance with professional standards. As a result, the audit does not necessarily uncover misrepresentations and other irregularities. REVISA Treuhand GmbH points out that the audit is not designed to detect misappropriations and other irregularities that do not comply with the relevant accounting principles. However, should REVISA Treuhand GmbH discover such matters during the course of the audit, the client will be informed immediately.

It is the responsibility of the client's management to correct any material misstatements in the subject matter and to confirm to us in the representation letter that the effects of any uncorrected misstatements identified by us during the current engagement, both individually and in aggregate, are immaterial to the subject matter.

B. Contractual relationship

Under certain circumstances, REVISA Treuhand GmbH may be provided with documents of legal relevance that are directly related to the client within the scope of the mandate and in order to safeguard the client's economic interests. REVISA Treuhand GmbH expressly states that it has no obligation to provide legal advice or review, nor that this mandate includes general legal advice; therefore, the client must also submit any sample formulations provided by REVISA Treuhand GmbH in connection with the execution of this mandate to its responsible legal advisor for final legal review. The client shall be responsible for all management decisions in connection with the services of REVISA Treuhand GmbH as well as the use of the results of the services and the decision as to the extent to which the services of REVISA Treuhand GmbH are suitable for the client's own internal purposes.

C. Access to information

It is the responsibility of the client's legal representatives to ensure that REVISA Treuhand GmbH has unrestricted access to the records, documents and other information required for the engagement. The same applies to the submission of additional information (e.g. annual report, findings regarding the declaration of compliance pursuant to Section 161 AktG), which are published by the client together with the financial statements and, if applicable, the associated management report. The client shall make these available in good time before issuing the auditor's report or as soon as they are available. All information provided to REVISA Treuhand GmbH by or on behalf of the client ("*client information*") must be complete.

D. Verbal information

If the client intends to make a decision or other economic disposition on the basis of information and/or advice provided verbally by REVISA Treuhand GmbH to the client, the client shall be obliged to do so,

either (a) to inform REVISA Treuhand GmbH in good time before making such a decision and to ask it to confirm the client's understanding of such information and/or advice in writing or (b) to make that decision at its own discretion and under its sole responsibility in the knowledge of the above-mentioned risk of such information and/or advice being given orally.

E. Exemption

The client shall be obliged to indemnify REVISA Treuhand GmbH against all claims by third parties (including affiliated companies) and the resulting obligations, damages, costs and expenses (in particular reasonable external legal fees) resulting from the use of the work result by third parties and the disclosure was made directly or indirectly by the client or at the client's instigation. This obligation shall not apply to the extent that REVISA Treuhand GmbH has expressly agreed in writing that the third party may rely on the work result.

F. Electronic data transmission (e-mail)

The parties are permitted to use electronic media for the exchange and transmission of information and this form of communication as such does not constitute a breach of any confidentiality obligations. The parties are aware that the electronic transmission of information (in particular by e-mail) entails risks (e.g. unauthorized access by third parties).

Any changes to the documents sent electronically by REVISA Treuhand GmbH as well as any forwarding of such documents electronically to third parties may only be made with the written consent of REVISA Treuhand GmbH.

G. Data protection

For the aforementioned processing purposes, REVISA Treuhand GmbH is authorized to process client information that can be attributed to specific persons ("*personal data*") in the various jurisdictions in which they operate.

REVISA Treuhand GmbH processes personal data in accordance with applicable law and professional regulations, in particular in compliance with national (BDSG) and European data protection regulations. REVISA Treuhand GmbH requires service providers who process personal data on behalf of REVISA Treuhand GmbH to also comply with these provisions.

H. Declaration of completeness

The representation letter requested by REVISA Treuhand GmbH from the legal representatives may also include confirmation that the effects of uncorrected misstatements in the subject matter of the audit summarized in an annex to the representation letter are immaterial, both individually and in total.

I. Scope of application

The provisions contained in the *General Terms and Conditions of Contract* - including the provision on liability - shall also apply accordingly to all other future orders placed by the client, unless separate agreements are made in each case or are covered by a framework agreement or unless individual provisions in favor of the client conflict with binding domestic or foreign statutory or official requirements for REVISA Treuhand GmbH.

REVISA Treuhand GmbH's services shall be governed exclusively by the terms and conditions of the *General Terms and Conditions of Contract*; other terms and conditions shall not become part of the contract unless the client has expressly agreed them with REVISA Treuhand GmbH in writing. General Terms and Conditions of Purchase to which reference is made in the context of automated orders shall not be deemed to be included even if REVISA Treuhand GmbH does not expressly object to them or REVISA Treuhand GmbH begins to provide the services without reservation.

J. Applicable law / place of jurisdiction

The professional principles developed and adopted by the relevant German professional organizations (WPK, IDW, StBK), insofar as they are applicable to the engagement in the individual case, are decisive for the performance of the engagement.

German law shall apply to the contractual relationship and to all non-contractual matters or obligations resulting from it or from the provision of the services agreed therein.

The exclusive place of jurisdiction for all legal disputes arising in connection with the order or the services rendered thereunder shall be the registered office of our law firm / professional association in Germany.