

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

as of 31.12.2023

Company
ASAP Engineering GmbH
An der Klanze 9

38554 Weyhausen



REVISA
Treuhand GmbH
-auditing firm-

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A. Audit assignment

The management of the company

ASAP Engineering GmbH, Weyhausen,
- 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, Weyhausen.

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**:

- The company generated a net profit of EUR 237 thousand in the 2023 financial year after a net profit of EUR 1,421 thousand in the previous year. In this context, sales increased by around 3.2% compared to the previous year to EUR 30,635 thousand. This was primarily due to the increasing long-term order volume and the gradual increase in the number of highly qualified employees to support projects and orders, which began in the previous year. The previous year's sales were also positively influenced by the sale of a hall at the Weyhausen site in the amount of EUR 2,329 thousand.
- The cost of materials ratio decreased by around 6.1 percentage points, which is primarily due to lower expenses for external services. On the other hand, personnel expenses increased significantly by EUR 2,637 thousand compared to the previous year. The main reason for this was the adjustment of existing personnel capacities from an average of 312 employees in the previous year to 349 employees in the reporting year.
- The balance sheet total increased by EUR 1,712 thousand to EUR 9,920 thousand in the reporting year. In this context, the increase in the balance sheet total is primarily due to higher fixed assets and trade receivables. Investments were made in property, plant and equipment in the amount of EUR 913 thousand, which were offset by scheduled depreciation of EUR 557 thousand.
- The liabilities side is characterized by the increase in liabilities to affiliated companies and higher other provisions. The increase in other provisions corresponds to the significantly higher total operating performance in the reporting year. In particular, personnel provisions increased by EUR 81 thousand compared to the previous year. The higher liabilities to affiliated companies, on the other hand, result primarily from the existing cash pool procedure with ASAP Holding GmbH.
- In the reporting year, ASAP Engineering GmbH generated a clearly positive cash flow from operating activities of EUR 1,024 thousand. This was mainly due to the net profit for the year, the cash inflow from depreciation and amortization and the slight increase in other provisions.

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 anticipates an annual result and EBIT with disproportionately high growth with an almost constant development in capacity utilization 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 such that it can be assessed with reasonable assurance whether the accounting records, the annual financial statements and the management report are free of material misstatements and violations. 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 accounting system.

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.

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:

- Review of the valuation of work in progress and construction contracts 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 willingly provided by the management and the employees named to provide information. The management has confirmed to us in writing that this information, clarifications and evidence as well as the accounting records and the annual financial statements are complete.

D. Findings and notes to the financial statements

I. Regularity of the accounting

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 730,598.22 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 accounting records and annual financial statements.

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 medium-sized company within the meaning of Section 267 (2) 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 policies 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.

Use was rightly made of the protective clause in Section 286 (4) HGB regarding the disclosure of the total remuneration of the Management Board in the notes.

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 measurement 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 in the annual financial statements in the reporting year.

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

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.

Prepaid expenses and deferred charges

In the case of rental agreements with decreasing annual rents over time and constant use, the advance payments made in excess of the rent resulting from straight-line rental payments are deferred. Deferred income amounted to EUR 259 thousand as at the balance sheet date (previous year: EUR 244 thousand).

2. Summarized 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	9.920	8.208	6.734	7.051
Economic equity	5.748	5.089	4.321	3.927
in % Balance sheet total	57,9	62,0	64,2	55,7
Sales revenue	30.635	29.675	21.664	20.676
Overall performance	30.563	30.075	21.916	20.669
Material ratio in %	13,4	19,5	15,7	12,9
Personnel ratio in %	72,3	64,7	68,7	68,9
Depreciation ratio in %	1,8	1,4	1,4	1,2
Net income for the year	237	1.421	404	1.387
thereof from financial result	-110	-91	-47	-13
of which from neutral result	82	100	-3	2
Investments in fixed assets	913	1.230	628	674

Economic equity is broken down as follows:

	2023	2022	2021	2020
	KEUR	KEUR	KEUR	KEUR
Subscribed capital	100	100	100	100
Capital reserve	1.500	1.500	1.500	1.500
Retained earnings	731	731	731	731
	2.331	2.331	2.331	2.331
Liabilities ASAP Holding GmbH (excl. VAT group)	3.417	2.758	1.990	1.596
	5.748	5.089	4.321	3.927

Number of employees:

	2023	2022	2021	2020
	349	312	281	280

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	177	1,8	105	1,3	73	69,6
Property, plant and equipment	2.142	21,6	2.237	27,3	-95	-4,2
Financial assets	1.560	15,7	1.202	14,6	358	29,8
Inventories	513	5,2	571	7,0	-59	-10,3
Claims	4.738	47,8	3.312	40,4	1.426	43,0
Receivables Verbund	358	3,6	357	4,3	1	0,4
Other assets	35	0,4	46	0,6	-11	-23,4
Cash and cash equivalents	3	0,0	7	0,1	-5	-64,4
Prepaid expenses and deferred charges	394	4,0	370	4,5	24	6,6
	9.920	100,0	8.208	100,0	1.712	20,9
PASSIVA						
Equity	2.331	23,5	2.331	28,4	0	
Provisions	1.096	11,0	975	11,9	121	12,4
Loan liabilities	261	2,6	393	4,8	-132	-33,5
Trade payables	1.420	14,3	724	8,8	696	96,2
Joint liabilities	4.571	46,1	3.582	43,6	989	27,6
Other liabilities	241	2,4	203	2,5	38	18,7
	9.920	100,0	8.208	100,0	1.712	20,9

The company's **fixed assets consist of** intangible assets in the amount of EUR 177 thousand, property, plant and equipment in the amount of EUR 2,142 thousand and financial assets in the amount of EUR 1,560 thousand. Investments of EUR 913 thousand are offset by scheduled depreciation of EUR 557 thousand. The main investments in the financial year relate to loans to associated companies, software and a battery test center.

Inventories include projects not yet invoiced as at the balance sheet date. Despite the further increase in total operating performance and the order situation at the company as a whole, these were actually reduced slightly compared to the previous year.

The development of **trade receivables** corresponds to the development of total operating performance in the reporting year. Accordingly, trade receivables increased significantly from EUR 3,312 thousand to EUR 4,738 thousand.

Receivables from affiliated companies mainly include receivables from ASAP Engineering GmbH, Gaimersheim, amounting to EUR 200 thousand, from ASAP Engineering GmbH, Rüsselsheim, amounting to EUR 106 thousand and from ASAP Quality Consulting GmbH, Gaimersheim, amounting to EUR 38 thousand, which result entirely from the sale of goods and services.

In particular, creditors with debit balances (EUR 10 thousand) and receivables from the Federal Employment Agency (EUR 11 thousand) are included in **other assets**.

As a result of Group-wide cash pooling, **cash and cash equivalents** remain at a low level and amount to just EUR 3 thousand. Group-wide cash pooling ensures that liquidity is available at all times.

Prepaid expenses include advance rental payments (EUR 259 thousand) as well as prepaid maintenance and license costs (EUR 135 thousand). Overall, prepaid expenses increased by EUR 24 thousand compared to the previous year. This is mainly due to higher prepayments for maintenance and licence costs (+ EUR 10 thousand) and the linearization of lease expenses.

Equity consists of subscribed capital (EUR 100 thousand), the capital reserve (EUR 1,500 thousand) and retained earnings (EUR 731 thousand). Due to the conclusion of a profit and loss transfer agreement with ASAP Holding GmbH, Gaimersheim, the company's equity remains unchanged.

The company's **provisions are primarily** for employees' vacation and overtime entitlements (EUR 341 thousand) as well as for annual bonuses (EUR 318 thousand) and outstanding contributions to the employers' liability insurance association (EUR 114 thousand). Other provisions are EUR 121 thousand higher than in the previous year. The increase is mainly the result of higher personnel provisions (+ EUR 81 thousand) due to the increased capacity utilization and higher variable remuneration components.

The existing **bank loans** continued to be repaid on schedule in the reporting year.

Liabilities mainly include advance payments received on orders (EUR 1,053 thousand) and trade payables (EUR 367 thousand). The overall increase in liabilities is mainly due to significantly higher advance payments received and the existing cash pool procedure with ASAP Holding GmbH.

Liabilities to affiliated companies are EUR 989 thousand higher than in the previous year. This is primarily due to the VAT group with ASAP Holding GmbH as the parent company (EUR 876 thousand) and the recognition of the cash pooling account as a liability (EUR 3,092 thousand). In addition, there are liabilities due to the profit and loss transfer agreement concluded with ASAP Holding GmbH, Gaimersheim (EUR 237 thousand) as well as liabilities from service transactions with ASAP Engineering GmbH, Gaimersheim (EUR 122 thousand), ASAP Holding GmbH, Gaimersheim (EUR 88 thousand) and ASAP Electronics GmbH, Gaimersheim (EUR 64 thousand).

Other liabilities mainly result from wage and church tax liabilities for the month of December 2023 (EUR 213 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>
	TEUR	TEUR
1. Profit for the period before extraordinary items	237	1.421
2. +/- Depreciation/write-ups on fixed assets	557	419
3. +/- Increase/decrease in provisions	121	353
4. +/- Increase/decrease in inventories, trade receivables and other assets	-1.381	-661
5. +/- Increase/decrease in trade payables and other liabilities	1.380	-257
6. +/- Profit/loss from the disposal of fixed assets	0	0
7. +/- Interest expenses/interest income	110	91
8. +/- Income tax expense/income	0	19
9. = Cash flow from operating activities	1.024	1.385
10. - Payments for investments in intangible assets	-164	-100
11. + Proceeds from the disposal of property, plant and equipment	20	0
12. - Payments for investments in property, plant and equipment	-391	-783
13. - Payments for investments in financial assets	-358	-347
14. = Cash flow from investing activities	-893	-1.230
15. - Payments from the redemption of bonds and (financial) loans	-132	-150
16. - Interest paid	-3	-4
17. = Cash flow from financing activities	-135	-154
18. cash-effective changes in cash and cash equivalents	-4	1
19. + Cash and cash equivalents at the beginning of the period	7	6
20. = Cash and cash equivalents at the end of the period	3	7

The positive **cash flow from operating activities** of EUR 1,024 thousand is mainly due to the net profit for the year as well as the cash inflow from the write-downs and the increase in other provisions.

The **cash flow from investing activities** reflects the company's investments in the reporting year. The main investments in the financial year relate to loans to companies with participating interests, software and a battery test center.

The **cash flow from financing activities** shows the scheduled repayment of existing loans in the reporting year.

In accordance with DRS 21, **cash and cash equivalents** as at the balance sheet date consist of cash and cash equivalents of EUR 7 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	30.635	100,2	29.675	98,7	960	3,2
+/- Changes in inventories	-205	-0,7	344	1,1	-549	>-100,0
+ Own work capitalized	132	0,4	56	0,2	76	>100,0
= Overall performance	30.563	100,0	30.075	100,0	487	1,6
- Cost of materials	4.086	13,4	5.874	19,5	-1.788	-30,4
= Gross profit	26.477	86,6	24.201	80,5	2.276	9,4
- Personnel expenses	22.092	72,3	19.455	64,7	2.637	13,6
- Depreciation and amortization	557	1,8	419	1,4	138	33,0
- Other operating expenses	3.514	11,5	3.041	10,1	473	15,5
+ Other operating income	160	0,5	149	0,5	12	7,8
- Other taxes	18	0,1	4	0,0	14	>100,0
= Operating result	456	1,5	1.431	4,8	-975	-68,1
+/- Financial result	-110	-0,4	-91	-0,3	-20	-21,5
+/- Neutral result	-109	-0,4	100	0,3	-209	>-100,0
- Income taxes	0	0,0	19	0,1	-19	100,0
+/- Profit transfer due to Profit transfer agreement	-237	-0,8	-1.421	-4,8	1.184	83,4
= Annual result	0	0,0	0	0,0	0	0,0

Sales revenue increased further in the reporting year to EUR 30,635 thousand after EUR 29,675 thousand in the previous year. This was primarily due to the increasing, long-term order volume as well as the gradual build-up of qualified employees for the corresponding support of projects and orders, which began in the previous year. The previous year's sales were also positively influenced by the sale of a newly built hall at the Weyhausen site in the amount of EUR 2,329 thousand.

The **cost of materials** fell by EUR 1,788 thousand compared to the previous year to EUR 4,086 thousand. This is mainly due to the special effect of the cost of materials for construction services received in connection with the sale of the hall in the amount of EUR 2,346 thousand in the previous year. Without this special item, the cost of materials would have increased by EUR 559 thousand compared to the previous year, which corresponds to the increase in total operating performance.

By contrast, the **personnel expenses ratio** of around 72.3% was around 7.6 percentage points higher than in the previous year. In absolute terms, personnel expenses increased by EUR 2,637 thousand, which is significantly more than in the previous year. The existing personnel capacities are being successively adjusted to the increased overall performance. In 2023, the company had an average of 349 employees after an average of 312 employees in the previous year.

The further increase in **depreciation and amortization** is primarily due to the company's investments in the reporting year and in the previous year.

Other operating expenses primarily include rental expenses for immovable assets (EUR 557 thousand), expenses for licenses (EUR 240 thousand), IT costs (EUR 429 thousand), vehicle costs (EUR 237 thousand) and travel expenses (EUR 146 thousand). Compared to the previous year, other operating expenses increased by EUR 473 thousand. The increase in other operating expenses in the reporting year is due to the increase in total operating performance and the higher number of employees at the company.

Other operating income mainly consists of offset benefits in kind amounting to EUR 137 thousand.

The **financial result** in the reporting year corresponds to interest expenses of EUR 110 thousand. The interest expenses stem from the use of cash pooling and from the outstanding loans from banks. The reduction in the financial result compared to the previous year is due to the increased cash pooling interest.

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

	2023	2022	Change
	KEUR	KEUR	KEUR
Yields			
Income from tax audit	0	68	-68
Income from the reversal of provisions from insurance compensation	104	34	70
	5	0	5
	109	102	7
Expenses			
from book losses on asset disposals	19	0	19
from change in value adjustment to receivables	8	2	6
Allocation to provisions for impending losses	191	0	191
	218	2	216
Neutral result	-109	100	-209

Due to the profit and loss transfer agreement in place with ASAP Holding GmbH, Gaimersheim, since January 1, 2020, 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, Weyhausen, dated March 5, 2024, which is reproduced here:

"Independent Auditor's Report of the Independent Auditor

To ASAP Engineering GmbH, Weyhausen

Audit assessments

We have audited the annual financial statements of ASAP Engineering GmbH, Weyhausen, 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.

January 1, 2023 to December 31, 2023 and the notes to the financial statements, including the presentation of the accounting policies. 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 [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report.

We are independent of the Company in accordance with the requirements of 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 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 Weyhausen 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 REVISA

Treuhand GmbH
-Auditing company

schafft


Kühlwein Auditor

Tröster Auditor



Document signed by:
Norbert Kühlwein on:
05.03.2024 20:16

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



Appendices to the audit report

BALANCE SHEET

ASAP Engineering GmbH, Weyhausen
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		100.000,00	100
Purchased concessions, industrial property rights and similar rights and assets as well as licenses in such rights and assets		177.460,00	105	II. Capital reserve		1.500.000,00	1.500
II. Property, plant and equipment				III. Retained earnings		730.598,22	731
1. land, leasehold rights and buildings				Total equity		<u>2.330.598,22</u>	<u>2.331</u>
Finally, buildings on third-party land	39.931,00		45	B. Provisions			
2. technical equipment and machinery	911.838,00		1.025	1. tax provisions	19.300,00		19
3. other equipment, operating and office equipment	1.190.559,00		1.119	2. other provisions	<u>1.076.684,77</u>		<u>956</u>
4. advance payments and assets under construction	<u>0,00</u>		<u>48</u>			1.095.984,77	<u>975</u>
		2.142.328,00	2.237	C. Liabilities			
III. Financial assets				1. liabilities to banks	261.411,77		393
1. Shareholdings	4.700,00		5	2. advance payments received on orders	1.052.500,09		453
2. Loans to companies with which a participating interest is relationship exists	<u>1.555.271,58</u>		<u>1.197</u>	3. trade accounts payable	367.429,51		271
		1.559.971,58	1.202	4. liabilities to affiliated companies	4.565.534,95		3.576
B. Current assets				5. liabilities to companies in which participations are held	5.904,91		6
I. Inventories				6. other liabilities	<u>240.797,78</u>		<u>203</u>
1. raw materials, consumables and supplies	5.600,00		6			6.493.579,01	4.902
2. unfinished goods, unfinished services	<u>507.099,90</u>		<u>567</u>				
		512.699,90	572				
II. receivables and other assets							
1. trade receivables	4.737.807,81		3.312				
2. receivables from affiliated companies	358.166,31		357				
3. other assets	<u>35.103,91</u>		<u>46</u>				
		5.131.078,03	3.715				
III. cash on hand, bank balances		2.633,13	7				
C. Prepaid expenses and deferred charges		393.991,36	370				
		<u>9.920.162,00</u>	<u>8.208</u>			<u>9.920.162,00</u>	<u>8.208</u>

Profit and loss account

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

	EUR	Financial year EUR	Previous year TEUR
1. sales revenue		30.635.038,10	29.675
2. decrease in inventories of finished goods and work in progress		204.601,32	344-
3. other own work capitalized		132.185,73	56
4. other operating income		269.273,50	251
5. cost of materials			
a) Expenses for raw materials, consumables and supplies and for purchased goods	102.593,86		77
b) Expenses for purchased services	<u>3.983.251,77</u>		<u>5.797</u>
		4.085.845,63	5.874
6. personnel expenses			
a) Wages and salaries	17.860.798,87		16.099
b) Social security contributions and expenses for pensions and support	<u>4.231.186,79</u>		<u>3.355</u>
		22.091.985,66	19.455
7. depreciation and amortization on intangible fixed assets and property, plant and equipment		557.147,73	419
8. other operating expenses		3.731.961,72	3.043
9. interest and similar expenses		110.480,24	91
10. taxes on income and earnings		0,00	19
11. earnings after taxes		<u>254.475,03</u>	<u>1.425</u>
12. other taxes		17.958,56	4
13. Profits transferred due to a profit transfer agreement		236.516,47	1.421
14. net income for the year		<u>0,00</u>	<u>0</u>
15. profit carried forward from the previous year		730.598,22	731
16. retained earnings		<u><u>730.598,22</u></u>	<u><u>731</u></u>

Notes for the 2023 financial year

A. General information about the company

ASAP Engineering GmbH has its registered office in Weyhausen. It is entered in the commercial register of the Braunschweig district court under HRB 203953.

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 medium-sized 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.

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

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.

Financial assets are recognized at the lower of cost or fair value. Loans are generally recognized at nominal value.

Inventories of **raw materials and supplies** are capitalized at the lower of average cost or market on the balance sheet date.

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 flat-rate 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.

Tax provisions and 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 at 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 7 thousand (previous year: EUR 7 thousand) have a remaining term of more than one year.

Receivables from affiliated companies do not include any receivables from shareholders in either the reporting year or the previous year.

As in the previous year, receivables from affiliated companies result in full from trade in goods and services.

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		Book value
	TEUR	over 1 year	over 5 years	31.12.2023
		TEUR	TEUR	KEUR
Liabilities to banks	121	140	0	261
Advance payments received on orders Trade payables	1.052	0	0	1.052
Services	367	0	0	367
Liabilities to affiliated companies				
The company	4.566	0	0	4.566
Liabilities to companies, with in which a participating interest exists	6	0	0	6
Other liabilities	241	0	0	241
Total	6.353	140	0	6.493
Previous year				
	up to 1 year	Remaining term		Carrying amount
	KEUR	over 1 year	over 5 years	12/31/2022
		years	years	KEUR
Liabilities to banks	132	261	0	393
Advance payments received on orders	453	0	0	453
Liabilities from deliveries and services	271	0	0	271
Liabilities to affiliated companies				
The company	3.576	0	0	3.576
Liabilities to companies, with in which a participating interest exists	6	0	0	6
Other liabilities	203	0	0	203
Total	4.641	261	0	4.902

Liabilities to banks are secured by a joint and several liability of the parent company in the amount of EUR 620 thousand. The loans amounted to EUR 261 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 4,293 thousand (previous year: EUR 3,378 thousand). EUR 4,205 thousand (previous year: EUR 3,103 thousand) of these result from clearing transactions and EUR 88 thousand (previous year: EUR 275 thousand) from deliveries and services.

EUR 361 thousand (previous year: EUR 474 thousand) of the liabilities to affiliated companies result from trade in goods and services and EUR 4,205 thousand (previous year: EUR 3,103 thousand) from clearing transactions.

Other liabilities include tax liabilities of EUR 213 thousand (previous year: EUR 192 thousand) and social security liabilities of EUR 17 thousand (previous year: EUR 5 thousand).

5. Other financial obligations

	Commitments			Total KEUR
	up to 1 year KEUR	over 1 year KEUR	over 5 years KEUR	
Rental agreements	570	1.394	0	1.964
Leasing contracts	128	104	0	232
Other	0	0	0	0
of which against affiliated The company	0	0	0	0
Total	698	1.498	0	2.196

E. Notes to the income statement

1. Other operating income

Income relating to other periods in the amount of EUR 109 thousand (previous year: EUR 68 thousand) mainly relates to income from the reversal of provisions.

2. Personnel expenses

Of the social security contributions and expenses for pensions and other employee benefits, EUR 88 thousand (previous year: EUR 85 thousand) is attributable to pensions.

3. Other operating expenses

Other operating expenses unrelated to the accounting period amounting to EUR 27 thousand (previous year: EUR 2 thousand) are allocations to value adjustments on receivables and book losses from asset disposals.

4. Other interest and similar expenses

Other interest and similar expenses include EUR 108 thousand (previous year: EUR 87 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. 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 the contingent liabilities to be utilized.

2. Management

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

- Mr. Dipl. Ing. Michael Neisen, Ingolstadt
- Dipl. Ing. Thomas Martens, Hankensbüttel (until January 25, 2024)
- Mr. Gernot Joswig, Lehre (from July 3, 2023)

With regard to the disclosure of the total remuneration of the Management Board, the protective clause of the § Section 286 (4) HGB was utilized.

No advances or loans were granted to board members in the 2023 financial year. No contingent liabilities were entered into in favor of board members.

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

3. Employees

The average number of employees during the year was 349.

4. 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.


5. 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.

6. 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.

Weyhausen, March 5, 2024



.....
Michael



.....
NeisenGernot Joswig

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

	Development of amortization				original AK 31.12.2023 EUR	acquisition				values	
	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											
Concessions acquired against payment, industrial property rights and similar rights and assets, as well as licenses and in such rights and values	247.739,49	163.882,46	0,00	42.656,17	368.965,78	143.082,49	91.069,46	42.646,17	191.505,78	177.460,00	104.657,00
	247.739,49	163.882,46	0,00	42.656,17	368.965,78	143.082,49	91.069,46	42.646,17	191.505,78	177.460,00	104.657,00
II. Property, plant and equipment											
1. land and leasehold rights and buildings, including buildings on third-party properties	72.553,75	0,00	0,00	0,00	72.553,75	27.234,75	5.388,00	0,00	32.622,75	39.931,00	45.319,00
2. technical equipment and machinery	1.626.196,75	46.940,00	0,00	15.337,17	1.657.799,58	601.047,75	152.148,00	7.234,17	745.961,58	911.838,00	1.025.149,00
3. other equipment, operating and office equipment	1.928.749,39	177.882,25	213.740,02	203.122,54	2.117.249,12	809.326,39	308.542,27	191.178,54	926.690,12	1.190.559,00	1.119.423,00
4. advance payments and assets under construction Building	47.509,59	166.230,43	-213.740,02	0,00	0,00	0,00	0,00	0,00	0,00	0,00	47.509,59
	3.675.009,48	391.052,68	0,00	218.459,71	3.847.602,45	1.437.608,89	466.078,27	198.412,71	1.705.274,45	2.142.328,00	2.237.400,59
III. Financial assets											
1. investments	4.700,00	0,00	0,00	0,00	4.700,00	0,00	0,00	0,00	0,00	4.700,00	4.700,00
2. Loans to companies with which a participating interest exists	1.197.195,54	358.076,04	0,00	0,00	1.555.271,58	0,00	0,00	0,00	0,00	1.555.271,58	1.197.195,54
	1.201.895,54	358.076,04	0,00	0,00	1.559.971,58	0,00	0,00	0,00	0,00	1.559.971,58	1.201.895,54
Total fixed assets	5.124.644,51	913.011,18	0,00	261.115,88	5.776.539,81	1.580.691,38	557.147,73	241.058,88	1.896.780,23	3.879.759,58	3.543.953,13

Management report for the 2023 financial year

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 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 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 connect development and series production, DevOps, is crucial to the success of innovations in the vehicle. Continuous Deployment (CD) and Continuous Integration (CI) provide our customers with
The new development processes and tools present new challenges.
- ' The changes in drive technology towards e-vehicles were also a driving factor in the industry in 2023. The background here is the legal requirements to reduce CO2 emissions and the looming ban on combustion engines. For OEMs, the availability of competitive e-vehicles is becoming increasingly decisive for competition.
- ' The shortage of skilled workers is a limiting factor in Germany. Particularly in the area of software, but also in traditional E/E, the demand for skilled workers is significantly higher than the supply.

As a development partner to the automotive industry, which addresses E/E, ADAS/AD, software and e-mobility topics with over 80% of its output, ASAP was also able to grow significantly faster than the industry trend in 2023. At EUR 30.6 million, the company's sales are around 3.2% higher than the previous year, which underlines ASAP's performance in the aforementioned fields.

At EUR 0.9 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, however, the annual result achieved in the reporting year was well below the management's expectations.

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 electrology, 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 according to 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 increased by EUR 1,712 thousand to EUR 9,920 thousand in the reporting year. The increase in the balance sheet total is primarily due to trade receivables and higher fixed assets. Investments of EUR 913 thousand were made in fixed assets, which were offset by scheduled depreciation of EUR 557 thousand. The main investments in the financial year relate to loans to associated companies, software and a battery test center.

As a result of the slight increase in total operating performance in the reporting year, trade receivables also increased significantly once again. These now amount to EUR 4,738 thousand after EUR 3,312 thousand in the previous year.

The further increase in prepaid expenses is mainly due to the advance rental payments made.

The liabilities side is characterized by the increase in liabilities to affiliated companies and higher other provisions. The increase in other provisions

corresponds to the significantly higher total operating performance in the reporting year. In particular, personnel provisions increased by EUR 81 thousand compared to the previous year. The higher liabilities to affiliated companies, on the other hand, result primarily from the cash pool procedure in place with ASAP Holding GmbH.

The equity ratio is now around 23.5% after around 28.4% in the previous year. The net profit for the year is transferred in full under the existing profit and loss transfer agreement. The reduction in the equity ratio is due to the increase in total assets described above.

2. Earnings situation

The company generated a net profit of EUR 237 thousand in the 2023 financial year after a net profit of EUR 1,421 thousand in the previous year. The net profit for the year will be transferred in full to ASAP Holding GmbH. In this context, total operating performance increased slightly by around 1.6% compared to the previous year. This was primarily due to the increasing long-term order volume and the gradual increase in the number of qualified employees to support projects and orders, which began in the previous year.

The cost of materials ratio was reduced by around 6.1 percentage points, which is primarily due to lower expenses for external services. On the other hand, personnel expenses increased significantly by EUR 2,637 thousand compared to the previous year. The main reason for this was the adjustment of existing personnel capacities from an average of 312 employees in the previous year to 349 employees in the reporting year.

Other operating expenses also increased by a total of EUR 689 thousand. The increase in other operating expenses in the reporting year is primarily due to expenses passed on within the ASAP Group as well as higher material costs in connection with the development of the company's workforce.

The sales target forecast for the 2023 financial year was therefore achieved and increased slightly compared to the previous year. Employee capacity utilization was also achieved in line with planning. Contrary to expectations, EBIT and net income for the year were significantly lower than in the previous year. This was primarily due to the disproportionately high increase in personnel expenses, which is also a result of the current general shortage of skilled workers.

Overall, the Management Board considers the course of the 2023 financial year to be improvable and not in line with original expectations.

3. Financial position

The company's cash and cash equivalents amounted to EUR 3 thousand as at the balance sheet date, compared to EUR 7 thousand in the previous year. The existing liabilities to banks serve to finance investments in property, plant and equipment. Existing loans were repaid as scheduled in the reporting year. The company is integrated into the Group-wide cash pooling system. The liability from the cash pool account as at the balance sheet date increased significantly by EUR 2,053 thousand compared to the previous year.

In the reporting year, ASAP Engineering GmbH generated a clearly positive cash flow from operating activities of EUR 1,024 thousand. This was mainly due to the net profit for the year, the cash inflow from depreciation and amortization and the slight increase in other provisions.

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

4. Financial performance indicators

Due to the high demand for ASAP core services, the high sales volume of the previous year was maintained and even increased slightly in the Group financial year. An EBIT of EUR 0.35 million was achieved. As in previous years, the company therefore grew significantly faster than the market. The growth in sales was accompanied by a corresponding increase in the number of employees by 11.9 % supported.

At 76%, the utilization rate of operating employees was almost maintained at the previous year's level despite the induction of new employees. The number of employees increased by around 37 to 349 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 in Weyhausen show that the company is still in a secure and stable economic position at the time the management report was prepared.

C. OPPORTUNITY AND RISK REPORT

1. Risks Macroeconomic risks:

The overall economic environment stabilized slightly last year. In particular, the high level of inflation and the rise in 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. In particular, these effects may have a 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 potential 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 the 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 prolonged 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 and cost-intensive, thus limiting growth.

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 anticipate an annual result and EBIT with above-average growth with 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 backdrop, 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.

Weyhausen, March 5, 2024

signed.
Michael

signed.
NeisenGernot Joswig

Independent auditor's report

To ASAP Engineering GmbH, Weyhausen

Audit assessments

We have audited the annual financial statements of ASAP Engineering GmbH, Weyhausen, 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.

1. the annual financial statements from January 1, 2023 to December 31, 2023 and the notes to the financial statements, including the presentation of the accounting policies. 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 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 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

Comforter
Auditor



Presentation of the legal situation

I. Corporate law principles

a.) Legal form/commercial register

ASAP Engineering GmbH, Weyhausen, was founded by notarial deed dated December 19, 2012. The company is based in Weyhausen and is entered in the commercial register of Braunschweig Local Court under HRB no. 203953. The last extract from the commercial register available to us is dated March 4, 2024 with the last amendment dated January 25, 2024.

The Articles of Association in the version dated December 19, 2012, last amended by resolution dated April 26, 2016, 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 company's 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 100,000.00.

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>per cent rate</u>
ASAP Holding GmbH, Gaimersheim	<u>100.000,00</u>	<u>100,00</u>
	<u>100.000,00</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. Thomas Martens, graduate engineer, Hankensbüttel (until 25 January 2024)
- Mr. Gernot Joswig, Lehre (from July 3, 2023)

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 1,420,936.93 are adopted.
- The balance sheet profit of EUR 730,598.22 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 Gifhorn tax office under tax number 19/206/06588. The company is subject to standard taxation in accordance with §§ 16 - 18 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 GewSt
- 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 July 7, 2020

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 for financial years from January 1, 2020 and can be terminated with six months' notice, but no earlier than the end of December 31, 2025.

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**

Purchased concessions, industrial property rights and similar rights and assets as well as licenses to such rights and values

	EUR	177.460,00
Previous year:	EUR	104.657,00
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>

IT software	<u>177.460,00</u>	<u>104.657,00</u>
	<u>177.460,00</u>	<u>104.657,00</u>

II. Property, plant and equipment

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

	EUR	39.931,00
Previous year:	EUR	45.319,00

2. Technical equipment and machinery

	<u>EUR</u>	<u>911.838,00</u>
Previous year:	EUR	1.025.149,00
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Technical equipment and machinery	362.584,00	385.197,00
Battery test center	269.374,00	313.192,00
Walk-in climate chamber	208.888,00	235.868,00
MDK test station	29.332,00	35.009,00
Screw compressor	17.284,00	18.686,00
Mobile HUD test benches	11.896,00	18.701,00
Zwick test bench	4.161,00	5.721,00
Test bench 3	3.658,00	4.502,00
Material tester headrest DLMA	3.528,00	4.775,00
Other	589,00	1.682,00
EE laboratory	<u>544,00</u>	<u>1.816,00</u>
	<u>911.838,00</u>	<u>1.025.149,00</u>

3. Other equipment, operating and business equipment

	<u>EUR</u>	<u>1.190.559,00</u>
Previous year:	EUR	1.119.423,00
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Operating and office equipment	405.552,00	357.419,00
VW network workshop	203.065,00	172.020,00
Installations An der Klanze 3	167.531,00	182.866,00
Battery test center installations	149.199,00	166.251,00
Fixtures Heßlinger Straße	84.791,00	98.112,00
Tools	83.451,00	29.269,00
Server park	66.763,00	87.846,00
Installations in third-party properties	<u>30.207,00</u>	<u>25.640,00</u>
	<u>1.190.559,00</u>	<u>1.119.423,00</u>

4. Prepayments and assets under construction
Construction

	<u>EUR</u>	<u>0,00</u>
Previous year:	EUR	EUR
	47.509,59	

III. Financial assets**1. Shareholdings**

	Previous year:	<u>EUR</u>	<u>4.700,00</u>
		EUR	4.700,00
	31.12.2023		31.12.2022
	<u>EUR</u>		<u>EUR</u>
Dicturus Grundstücksverwaltungsgesellschaft mbH & Co. Letting KG	<u>4.700,00</u>		<u>4.700,00</u>
	<u>4.700,00</u>		<u>4.700,00</u>

2. Loans to companies with which a participating interest exists

	Previous year:	<u>EUR</u>	<u>1.555.271,58</u>
		EUR	1.197.195,54
	31.12.2023		31.12.2022
	<u>EUR</u>		<u>EUR</u>
Rental loan Dicturus Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG	<u>1.555.271,58</u>		<u>1.197.195,54</u>
	<u>1.555.271,58</u>		<u>1.197.195,54</u>

B. Current assets**I. Inventories****1. Raw materials and supplies**

	Previous year:	<u>EUR</u>	<u>5.600,00</u>
		EUR	5.600,00
	31.12.2023		31.12.2022
	<u>EUR</u>		<u>EUR</u>
Office supplies	<u>5.600,00</u>		<u>5.600,00</u>
	<u>5.600,00</u>		<u>5.600,00</u>

2. Work in progress, work in process payments

	EUR	507.099,90
Previous year:	EUR	566.711,86

II. Receivables and other assets

1. Trade receivables from goods and services payments

	EUR	4.737.807,81
Previous year:	EUR	3.312.091,08
	31.12.2023	31.12.2022
	EUR	EUR

Trade receivables	4.759.663,27	3.326.098,08
Individual value adjustment	-1.673,46	0,00
General bad debt allowance	<u>-20.182,00</u>	<u>-14.007,00</u>
	<u>4.737.807,81</u>	<u>3.312.091,08</u>

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

A general bad debt provision of 0.5% was recognized on the net receivables.

2. Receivables from affiliated companies take

	EUR	358.166,31
Previous year:	EUR	356.872,67
	31.12.2023	31.12.2022
	EUR	EUR

ASAP Engineering GmbH, Gaimersheim	200.175,90	158.011,65
ASAP Engineering GmbH, Rüsselsheim	105.869,36	157.308,44
ASAP Quality Consulting GmbH, Gaimersheim	37.927,85	41.136,53
ASAP Engineering GmbH, Leonberg	14.193,20	0,00
ASAP Engineering GmbH, Friedrichshafen	<u>0,00</u>	<u>416,05</u>
	<u>358.166,31</u>	<u>356.872,67</u>

3. Other assets

	EUR	35.103,91
Previous year:		EUR 45.799,25
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Claim against the Federal Agency	10.600,75	11.563,12
Creditors with debit balances	9.873,48	14.617,51
Deposits	6.790,12	6.790,12
Travel expense advances	4.641,05	0,00
Other	2.083,61	12.828,50
Receivables from personnel	<u>1.114,90</u>	<u>0,00</u>
	<u>35.103,91</u>	<u>45.799,25</u>

III. Cash on hand, credit balances with Credit institutions

	EUR	2.633,13
Previous year:		EUR 7.390,15
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
VR Bank Heilbronn Schwäbisch-Hall eG, Current account	2.547,46	6.657,77
Cash register	<u>85,67</u>	<u>732,38</u>
	<u>2.633,13</u>	<u>7.390,15</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	393.991,36
Previous year:		EUR 369.504,80
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Rent prepayments	258.612,52	244.162,45
Other	<u>135.378,84</u>	<u>125.342,35</u>
	<u>393.991,36</u>	<u>369.504,80</u>

PASSIVA**A. Equity****I. Subscribed capital**

	EUR 100.000,00
Previous year:	EUR 100.000,00

II. Capital reserve

	EUR 1.500.000,00
Previous year:	EUR 1.500.000,00

III. Retained earnings

	EUR 730.598,22
Previous year:	EUR 730.598,22

B. Provisions**1. Tax provisions**

	EUR 19.300,00
Previous year:	EUR 19.300,00

	31.12.2023	31.12.2022
	EUR	EUR
Corporation tax provision	10.900,00	10.900,00
Trade tax provision	<u>8.400,00</u>	<u>8.400,00</u>
	<u>19.300,00</u>	<u>19.300,00</u>

2. Other provisions**EUR 1.076.684,77**

Previous year: EUR 955.847,31

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	177.944,34	177.944,34	0,00	118.105,48	118.105,48
Vacation entitlements	81.409,99	81.409,99	0,00	222.649,67	222.649,67
Personnel costs/ Royalty	379.139,00	379.139,00	0,00	318.219,08	318.219,08
Employer's liability insurance association	120.759,64	18.620,36	0,00	11.698,43	113.837,71
Equalization levy	41.040,00	41.040,00	0,00	45.360,00	45.360,00
Closing and Audit costs	22.190,00	22.190,00	0,00	21.160,00	21.160,00
Outstanding Invoices	17.000,00	17.000,00	0,00	902,07	902,07
Other	104.424,12		104.424,12	32.459,12	32.459,12
Customer bonuses	2.773,76	2.773,76	0,00	4.096,18	4.096,18
Impending losses	0,00	0,00	0,00	190.729,00	190.729,00
Warranty	9.166,46	0,00	0,00	0,00	9.166,46
Total	955.847,31	740.117,45	104.424,12	965.379,03	1.076.684,77

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 the internal closing costs and the external expenses for the preparation and audit of the annual financial statements.

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

tuten	EUR	261.411,77
	Previous year:	EUR 393.329,85
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Kreissparkasse Heilbronn, loan	153.369,25	226.128,80
Kreissparkasse Heilbronn, loan	108.042,52	155.716,90
VR-Bank Heilbronn Schwäbisch-Hall eG, Loan	<u>0,00</u>	<u>11.484,15</u>
	<u>261.411,77</u>	<u>393.329,85</u>

The reported liabilities to banks correspond to the confirmation letters from the individual banks as at the balance sheet date.

2. Advance payments received on orders

EUR	1.052.500,09
Previous year:	EUR 453.115,49

3. Liabilities from deliveries and services

Benefits	EUR	367.429,51
	Previous year:	EUR 270.590,01

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

	Previous year:	<u>EUR</u> 4.565.534,95
	EUR	EUR 3.576.442,08
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
ASAP Holding GmbH, cash pooling	3.092.049,49	1.038.954,38
ASAP Holding GmbH, VAT group	876.230,18	619.078,22
ASAP Holding GmbH, profit transfer	236.516,47	1.444.530,07
ASAP Engineering GmbH, Gaimersheim	121.715,09	91.807,65
ASAP Holding GmbH, Gaimersheim	88.355,09	275.033,92
ASAP Electronics GmbH, Gaimersheim	63.637,11	2.658,49
ASAP Engineering GmbH, Friedrichshafen	54.746,10	12.525,75
ASAP Engineering GmbH, Leonberg	30.464,70	91.853,60
ASAP Engineering GmbH, Rüsselsheim	<u>1.820,72</u>	<u>0,00</u>
	<u>4.565.534,95</u>	<u>3.576.442,08</u>

5. Liabilities to companies in which a participating interest is held exists

	Previous year:	<u>EUR</u> 5.904,91
	EUR	EUR 5.904,91
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Dicturus Grundstücksverwaltungsgesellschaft mbH & Co. Letting KG	<u>5.904,91</u>	<u>5.904,91</u>
	<u>5.904,91</u>	<u>5.904,91</u>

6. Other liabilities

	Previous year:	<u>EUR</u> 240.797,78
	EUR	EUR 202.795,07
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Liabilities from wage and church tax	212.685,85	192.197,27
Liabilities from social security	17.130,65	4.790,05
Transitory items	10.524,46	0,00
Liabilities from wages and salaries	388,82	2.282,30
Miscellaneous	68,00	3.256,55
Debtors with credit balances	<u>0,00</u>	<u>268,90</u>
	<u>240.797,78</u>	<u>202.795,07</u>

2. profit and loss account

1. sales revenue		<u>EUR 30,635,038.10</u>
	Previous year:	EUR 29,674,684.54
	31.12.2023	31.12.2022
	EUR	EUR
Domestic revenue	30.113.006,76	29.514.776,89
Revenue abroad	<u>522.031,34</u>	<u>159.907,65</u>
	<u>30.635.038,10</u>	<u>29.674.684,54</u>
2. work in progress		<u>EUR 204.601,32</u>
	Previous year:	EUR -344.106,90
	31.12.2023	31.12.2022
	EUR	EUR
Changes in work in progress	<u>204.601,32</u>	<u>-344.106,90</u>
	<u>204.601,32</u>	<u>-344.106,90</u>
3. Other own work capitalized		<u>EUR 132.185,73</u>
	Previous year:	EUR 56.472,29

4. Other operating income

	Previous year:	<u>EUR</u> 269.273,50
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Income from benefits in kind	137.007,06	108.460,48
Income from the reversal of provisions	104.424,12	33.906,00
Investment grants	22.800,00	28.500,00
Insurance compensation	4.957,32	11.251,62
Proceeds from the sale of property, plant and equipment	85,00	0,00
Income from tax audit	0,00	68.139,42
Other	<u>0,00</u>	<u>453,80</u>
	<u>269.273,50</u>	<u>250.711,32</u>

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

	Previous year:	<u>EUR</u> 102.593,86
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Incoming goods	103.686,44	78.941,61
Bonuses, discounts and rebates received	<u>-1.092,58</u>	<u>-1.607,42</u>
	<u>102.593,86</u>	<u>77.334,19</u>

b) Expenses for purchased services	EUR 3.983.251,77	
	Previous year:	EUR 5.796.763,19
	31.12.2023	31.12.2022
	EUR	EUR
External services affiliated companies	1.627.928,79	792.826,00
Holding levy	1.444.700,00	1.276.600,00
Third-party services	<u>910.622,98</u>	<u>3.727.337,19</u>
	<u>3.983.251,77</u>	<u>5.796.763,19</u>

6. Personnel expenses

a) Wages and salaries	EUR 17.860.798,87	
	Previous year:	EUR 16.099.422,53
	31.12.2023	31.12.2022
	EUR	EUR
Wages and salaries	17.857.451,73	16.155.665,93
Temporary wages	3.347,14	3.598,57
Reimbursement KUG employment agency	<u>0,00</u>	<u>-59.841,97</u>
	<u>17.860.798,87</u>	<u>16.099.422,53</u>

b) Social security contributions and expenses for Pensions and support

	Previous year:	<u>EUR</u> 4.231.186,79
	EUR	EUR
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Statutory social security expenses	3.410.641,14	3.072.983,70
Voluntary social expenses	585.099,52	97.363,80
Contributions to the employers' liability insurance association	147.338,47	120.919,32
Expenses for retirement benefits	87.719,70	84.693,96
Flat-rate tax for insurance	387,96	387,96
Reimbursement of social insurance KUG	<u>0,00</u>	<u>-21.156,63</u>
	<u>4.231.186,79</u>	<u>3.355.192,11</u>

7. depreciation and amortization

**on intangible assets
of fixed assets and property, plant and equipment**

	Previous year:	<u>EUR</u> 557.147,73
	EUR	EUR
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Depreciation of property, plant and equipment	386.766,66	346.327,06
Amortization of intangible assets	91.069,46	34.137,25
Immediate depreciation GWG	73.923,61	33.142,32
Depreciation on buildings	<u>5.388,00</u>	<u>5.388,00</u>
	<u>557.147,73</u>	<u>418.994,63</u>

8. Other operating expenses	EUR 3.731.961,72	
	Previous year:	EUR 3.043.412,82
	31.12.2023	31.12.2022
	EUR	EUR
Other	613.237,07	167.253,81
Rent, immovable assets	557.448,95	570.464,29
Maintenance costs for hardware and software	429.095,96	297.496,00
Training costs	243.530,22	270.454,07
Expenses for licenses	239.791,99	323.713,60
Vehicle costs	236.583,32	216.463,86
Allocation to provisions for impending losses	190.729,00	0,00
Gas, electricity, water	182.776,50	91.231,61
Repairs and maintenance	167.691,98	189.755,23
Travel expenses	159.108,67	161.967,89
Telephone and Internet	155.707,65	145.497,83
Cleaning	127.013,28	116.469,51
Rent, movable assets	104.242,02	114.759,71
Ancillary rental and lease costs	87.811,50	82.915,18
Accounting costs	53.202,14	48.646,40
IT costs	37.802,45	35.611,48
Representation costs	21.310,60	41.637,98
Book losses from asset disposals	18.868,00	0,00
Workwear	17.275,03	12.314,79
Tools and small appliances	17.027,66	28.511,96
Acquisition and audit costs	13.985,00	18.658,47
Expenses for overburden/waste disposal	12.510,04	20.114,13
Heating	11.447,96	14.293,62
Office supplies	10.225,93	10.189,46
Contributions	9.155,33	8.781,93
Allocation to the PWB for receivables	6.175,00	1.526,00
Postage	3.082,35	2.839,85
Hospitality costs	3.052,66	612,45
Transfer to the EWB for receivables	1.673,46	0,00
Donations	400,00	1.025,25
Compensatory levy for severely disabled persons	0,00	41.040,00
Expenses for warranties	0,00	9.166,46
	<u>3.731.961,72</u>	<u>3.043.412,82</u>

9. Interest and similar expenses

	EUR	110.480,24
Previous year:	EUR	90.899,65
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Interest expenses cash pooling	107.648,42	87.074,05
Interest expenses for non-current liabilities	<u>2.831,82</u>	<u>3.825,60</u>
	<u>110.480,24</u>	<u>90.899,65</u>

10. Taxes on income and earnings

	EUR	0,00
Previous year:	EUR	19.300,00
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Corporation tax for previous years	0,00	10.300,00
Trade tax for previous years	0,00	8.400,00
Solidarity surcharge for previous years	<u>0,00</u>	<u>600,00</u>
	<u>0,00</u>	<u>19.300,00</u>

11. Earnings after taxes

	EUR	254.475,03
Previous year:	EUR	1.424.655,93

12. Other taxes

	EUR	17.958,56
Previous year:	EUR	3.719,00
	31.12.2023	31.12.2022
	<u>EUR</u>	<u>EUR</u>
Property tax	13.769,56	0,00
Vehicle taxes	<u>4.189,00</u>	<u>3.719,00</u>
	<u>17.958,56</u>	<u>3.719,00</u>

13. due to a profit and loss transfer agreement		
Profits transferred		EUR 236.516,47
	Previous year:	EUR 1.420.936,93
14. Net income for the year		EUR 0,00
	Previous year:	EUR 0,00
15. Profit carried forward from the previous year		EUR 730.598,22
	Previous year:	EUR 730.598,22
16. Retained earnings		EUR 730.598,22
	Previous year:	EUR 730.598,22

General terms and conditions 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 business 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 oral 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, The auditor is obliged under § 43 WPO, § 203 StGB) to maintain secrecy 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 duty 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 which are attributable to intentional conduct, or in the event of culpable injury to life, limb or health, or in the event of damage which gives rise to a manufacturer's obligation to pay compensation under 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 permissible 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 any 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 mentioned 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 company-

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 perform 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 as stated in 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 which REVISA Treuhand GmbH has provided to the client verbally, 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 and 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.