

Report

Herhof-Management Company Ltd
Solms

Checking of Financial Statements as per December 31 2023

Version - No.: 4

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For calculation reasons, rounding differences of up to \pm one unit (€, % etc.) may occur in the tables.

List of Abbreviations

Abs.	Paragraph
bzw.	Respectively
EStG	Income tax legislation
f.	seq.
ff.	et seq.
gem.	according to
GmbH	Limited liability companies
GmbHG	Law on Limited Liability Companies
HGB	Commercial Code
HRB	Commercial Register Section B
i.d.F.	in the issue
IDW	Institute of Public Auditors in Germany Inc.
IT	Information Technology
i.V.	in the previous year
i.V.m.	in connection with
n.F.	new version
Nr.	Number
PS	Auditing principle of the IDW
S.	Sentence
T€	thousand euro
z.B.	for example
Ziff.	Digit

A. Audit Assignment

I. Audit Assignment

1. Due to our election as auditor by shareholders' resolution the management of

Herhof GmbH, Solms

(hereinafter referred to as "Company»)

instructed us to audit the Company's annual financial statements for the financial year from January 1, 2023 to December 31, 2023, including the underlying accounting records according to articles 316 et sec. German Commercial Code, and to report in writing on the results of our audit.

2. As a small corporation within the meaning of Section 267 par.3 and 4 of the German Commercial Code (HGB) in accordance with Section 264 of the German Commercial Code (HGB), the Company is obliged to prepare annual financial. The annual financial statements must be submitted electronically to the operator of the company register in accordance with Section 325 of the German Commercial Code (HGB) and published in the company register. There is no obligation to audit in accordance with Section 316 ff. of the German Commercial Code (HGB).

3. The General Terms and Conditions of Engagement for Auditors and Audit Firms dated January 1, 2024, attached as an appendix, apply to this engagement, including in relation to third parties. We also refer to the liability provisions contained therein in Section 9 and to the exclusion of liability towards third parties as well as the other provisions of the attached appendix "Special Terms and Conditions of Engagement for Audits and Audit-Related Services" (as of March 1, 2021).

4. We are submitting this report on the nature, scope and result of our audit in accordance with the principles of IDW PS 450 new issue (10.2021), to which the audited annual financial statements and the audited management report are attached as an appendix. This audit report is addressed to the audited company.

II. Confirmation of independence

5. We confirm in accordance with Section 321 Para. 4a HGB that we have observed the applicable provisions on independence in our audit.

6. Based on the final result of our audit, we issued the following audit report dated 6 June 2024

B. Reproduction of the Auditor's Report

“Independent Auditor's Report.

To Herhof Ltd, Solms

Audit Assessment

We audited the annual financial statements of Herhof Ltd, Solms - consisting of the balance sheet as at 31.12.2023 and the income statement for the fiscal year from 01.01.2023 to 31.12.2023 as well as the notes to the financial statements, including the presentation of the accounting and valuation methods.

According to our assessment, based on the findings of our audit, the attached annual financial statements comply in all material respects with the provisions of German commercial law applicable to capital corporations and give a true and fair view of the net assets and financial position of the Company as at 31.12.2023 and of its results of operations for the fiscal year from 01.01.2023 to 31.12.2023 in accordance with German principles of proper accounting.

In accordance with § 322 para. 3 sentence 1 of the German Commercial Code (HGB), we declare that our audit has not led to any reservations concerning the propriety of the annual financial statements and the management report.

Standards for the Audit Assessment

We conducted our audit of the annual financial statements in accordance with Section 317 HGB and the generally accepted standards for financial statement audits determined by the Institute of Public Auditors in Germany (IDW). Our responsibilities under these requirements and principles are further described in the “Auditor’s responsibilities for the audit of the annual financial statements” section of our auditor’s report. We are independent of the Company in accordance with German commercial and professional law requirements and 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 opinion on the annual financial statements.

Material uncertainty in connection with the continuation of the company's activities

We refer to the comments on the general information on the company in the notes, in which the legal representatives describe that financial risks exist in that after the expiry of the letter of comfort valid until December 31, 2025, contrary to current planning, there is a fundamental risk that, without further support from the shareholder, sufficient liquid funds cannot be generated to maintain the going concern forecast.

As set out in the general information on the company in the notes, these events and circumstances indicate the existence of a material uncertainty that may raise significant doubts about the company's ability to continue as a going concern and that represents a risk to the company's continued existence within the meaning of Section 322 Paragraph 2 Sentence 3 of the German Commercial Code (HGB).

Our audit opinions are not modified with regard to this matter.

Responsibility of the legal representatives for the annual financial statements

The legal representatives are responsible for the preparation of the annual financial statements that comply in all material respects with the German commercial law provisions applicable to capital companies and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company in compliance with German generally accepted accounting principles. In addition, the legal representatives are responsible for the internal controls that they have determined necessary in accordance with German generally accepted accounting principles to enable the preparation of annual financial statements that are free from material misstatement due to fraud (i.e. manipulation of the accounting and damage to assets) or errors.

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 have the responsibility to disclose matters related to the going concern, where relevant. In addition, they are responsible for preparing financial statements based on the going concern basis of accounting, unless actual or legal circumstances conflict therewith.

Responsibility of the Legal Representatives for the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement due to fraud or error, and to issue an auditor's report that includes our opinion on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (IDW) will always detect a material misstatement. Misstatements can result 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.

During the audit, we exercise professional judgment and maintain a critical attitude. In addition,

- we identify and assess the risks of material misstatements in the annual financial statements due to fraud or error, plan and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than the risk of not detecting material misstatements resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- we obtain an understanding of the internal control system relevant to the audit of the annual financial statements in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the Company's system.
- we evaluate the appropriateness of the accounting policies used by management and the reasonableness of estimates and related disclosures made by management.
- we draw conclusions about the appropriateness of the going concern basis of accounting applied by management 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 or, if such disclosures are inadequate, to modify our audit opinion. 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 no longer be able to continue as a going concern.

- we evaluate the presentation, structure and content of the annual financial statements as a whole, including the disclosures, and whether the annual financial statements present the underlying transactions and events in such a way that the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company in compliance with German generally accepted accounting principles.

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

C. Fundamental Findings

I. Statement on the assessment of the situation by the legal representatives

7. Since no management report was prepared, we are unable to comment on the management's assessment of the situation as it would be expressed in the management report, in accordance with Section 321 Paragraph 1 Sentence 2 of the German Commercial Code (HGB).

II. Facts that impair development / endanger the company's existence

8. In accordance with Section 321 Paragraph 1 Sentence 3 of the German Commercial Code (HGB), we as auditors must also report on facts that may significantly impair the development of the company or endanger its existence. We must also mention these if they could seriously affect the company's development or endanger the continuation of the company's activities, and not only when the company's development has already been significantly impaired or its existence is specifically endangered.

9. In the reporting year, the company generated an annual loss of €1,393.6 thousand (previous year: €855.9 thousand), so that the company's balance sheet as of December 31, 2023 shows a deficit not covered by equity of €1,758.2 thousand (previous year: €364.6 thousand).

10. The shareholder Helector S.A. has issued a letter of comfort in favor of the company dated May 21, 2024, valid until December 31, 2025.

11. If, contrary to the company's expectations, it is not possible to generate sufficient income and cash inflows with the project pipeline or to compensate for them with further financing commitments from the shareholder or third parties, the company's continued existence would be at risk.

12. In this context, we also refer to the management's statements in Section I of the appendix.

13. Based on the results of our audit and the findings obtained from it, the management's assessment of the situation with regard to the positive forecast for the company's continued existence is appropriate..

III. Findings in accordance with Section 321 Paragraph 1 Sentence 3 of the German Commercial Code (HGB)

1. Objections to accounting

14. As auditors, we are also required to report on any misrepresentations and violations identified during our audit in accordance with Section 321 Paragraph 1 Sentence 3 of the German Commercial Code (HGB).

15. Legal provisions within the meaning of Section 321 Paragraph 1 Sentence 3 of the German Commercial Code (HGB) are the accounting standards applicable to the preparation of the annual financial statements or management report within the meaning of Section 317 Paragraph 1 Sentence 2 of the German Commercial Code (HGB). These include the principles of proper accounting, recognition, disclosure and valuation rules for the annual financial statements as well as disclosure and explanation requirements in the appendix and regulations for preparing the management report and, where applicable, relevant standards of the articles of association.

16. In the course of our audit, we did not identify any misrepresentations or violations of legal provisions.

2. Other fraudulent acts

17. As auditors, we are required under Section 321 Paragraph 1 Clause 3 of the German Commercial Code (HGB) to report on facts discovered during our audit that represent or indicate serious violations of legal provisions and/or the Articles of Association (other violations).

18. In the course of our audit, we did not identify any facts that indicate serious violations of the law or the articles of association by the managing director or employees.

D. Subject, type and scope of the audit

19. The subject of our audit was the bookkeeping, the annual financial statements for the financial year from January 1 to December 31, 2023, consisting of the balance sheet, profit and loss account and the appendix, prepared in accordance with the commercial law provisions applicable to all merchants (§§ 242 to 256a HGB), the supplementary provisions for corporations and certain commercial partnerships (§§ 264 to 288 HGB) and the other legal form-specific provisions (e.g. § 42 GmbHG), consisting of the balance sheet, profit and loss account and the appendix.

20. The legal representatives of the company are responsible for the correctness of the bookkeeping and annual financial statements.

21. Our task was to examine these documents to determine whether the statutory accounting requirements had been observed.

22. The assessment of the adequacy of the company's insurance coverage, in particular whether all risks are taken into account and adequately insured, was not the subject of the engagement given to us to audit the annual financial statements.

23. We carried out our audit with interruptions in the period from January to June 2024 in our office in Lauchringen.

24. The starting point of our audit was the annual financial statements for the financial year from January 1 to December 31, 2022, which we audited, provided with an unqualified audit opinion and approved by resolution of the shareholders' meeting on November 21, 2023.

25. We conducted our audit in accordance with Section 317 of the German Commercial Code (HGB) and in compliance with German generally accepted standards for auditing established by the Institute of Public Auditors in Germany (IDW). We then designed our audit in such a way that we could identify misrepresentations due to fraudulent acts or errors and other violations of the legal requirements that have a material impact on the presentation of the true and fair view of the assets, financial position and results of operations.

The subject of our engagement was not the detection and investigation of criminal offenses, such as embezzlement or other acts of breach of trust, or administrative offenses committed outside of the financial statements, nor the assessment of the effectiveness and efficiency of management. However, we designed the audit planning and execution in such a way that those irregularities that are material to the financial statements are detected with sufficient certainty. The legal representatives of the company are responsible for establishing and implementing appropriate measures to prevent or detect irregularities.

26. The audit does not extend to whether the continued existence of the audited company or the effectiveness and efficiency of management can be assured. The subject of our engagement was also not the detection and investigation of criminal offenses, such as embezzlement or other acts of breach of trust, and administrative offenses committed outside of the accounting system.

27. The basis of our risk-oriented audit approach is the development of an audit strategy and a coordinated audit program with the aim of obtaining sufficient appropriate audit evidence in order to

reduce the audit risk to an acceptable low level. The audit program contains the audit procedures to be carried out by the members of the audit team according to type, timing and scope.

28. As part of our risk-oriented audit approach, we first obtained a current overview of the company's economic and legal environment and, through discussions with the company's management, addressed the business risks that could lead to material errors in the accounting. We also examined what measures the company has taken to manage these business risks. In this context, we conducted an audit of the adequacy of the company's accounting-related internal control system. We took this knowledge into account when determining our further audit procedure.

29. In compliance with the principle of materiality and efficiency, we therefore carried out substantive audit procedures below to obtain audit assurance.

30. As part of the individual audit procedures, we have carried out the following standard audit procedures, among others:

- Inspection of commercial register extracts, delivery and service contracts, loan agreements, annual financial statements of affiliated companies and other business documents
- Obtaining bank confirmations as of December 31, 2023
- Obtaining lawyer confirmations
- Obtaining balance confirmations as of December 31, 2023 to check accounts receivable and accounts payable

31. Below we provide an overview of the audit priorities we set for the annual financial statement audit:

- Appropriateness of the assumption of going concern
- Accounting and valuation of inventories,
- Accounting and valuation of receivables from and liabilities to affiliated companies and shareholders,
- Accounting and valuation of credit balances with credit institutions,
- Accounting and valuation of other provisions.
- Realization of sales revenue

32. The management and the employees commissioned by them have provided us with all the information and evidence we requested.

33. The management has issued us with the standard declaration of completeness for the annual financial statements

E. Findings on the Financial Statements

I. Propriety of the Accounts

34. Based on the final result of our audit, we find that the bookkeeping and the other audited documents as well as the annual financial statements comply with the legal requirements.

1. Bookkeeping and other audited documents

35. According to our findings, the bookkeeping and documentation are correct in all material respects and comply with the legal requirements. The information obtained from the other audited documents leads to a proper representation in the bookkeeping and annual financial statements.

36. During our audit, we did not find any facts that contradict the fact that the organizational and technical measures taken by the company are suitable for ensuring the security of the accounting-relevant data and IT systems.

Accounting (financial and asset accounting) is carried out on a separate IT system using the jKARAT program from jKARAT GmbH industry solutions, Sinn.

Payroll accounting is carried out on our own IT system using the SAGE HR Payroll - Professional program from SAGE GmbH, Frankfurt am Main.

37. According to our findings, the accounting-related internal control system is fundamentally suitable for ensuring the complete and correct recording, processing, documentation and securing of the accounting material.

2. Annual financial statements

38. In the annual financial statements consisting of the balance sheet, profit and loss statement and appendix for the financial year from January 1 to December 31, 2023, the statutory provisions, including the legal form-specific provisions, and the principles of proper accounting were observed in all material respects.

39. The balance sheet as of December 31, 2023 and the profit and loss account for the financial year from January 1 to December 31, 2023 are properly derived from the accounting records and the other audited documents - based on the previous year's financial statements as of December 31, 2022, which we audited and issued with an unqualified audit opinion on October 13, 2023.

40. The appendix complies with the statutory requirements. The information provided in the appendix is complete and correct in all material respects.

41. The protective clause in Section 286 (4) of the German Commercial Code (HGB) regarding the disclosure of the total remuneration of the legal representatives in the appendix in accordance with Section 285 No. 9 of the German Commercial Code (HGB) was correctly used in the preparation of the financial statements.

II. Overall statement of the annual financial statements

42. The annual financial statements comply with the statutory provisions in all material respects and, in accordance with the principles of proper accounting, provide a true and fair view of the company's assets, financial position and earnings.

43. To better understand the overall statement of the annual financial statements, we will now dutifully discuss the key valuation principles and the influence that changes in the valuation principles have on the overall statement of the annual financial statements (Section 321 Paragraph 2 Sentence 4 of the German Commercial Code).

Key valuation principles and changes to them

44. The main accounting and valuation methods are correctly presented in the notes to the company's financial statements (see Appendix III). Accounting and valuation options and discretionary powers were generally exercised unchanged from the previous year.

F. Conclusion

We submit the above report on our audit of the annual financial statements of Herhof GmbH, Solms, as of December 31, 2023, in accordance with Section 321 of the German Commercial Code (HGB) and the principles of proper preparation of audit reports of the Institute of Public Auditors in Germany e. V., Düsseldorf (IDW PS 450 n. F. (10.2021)).

The auditor's report issued by us is included in Section B under "Reproduction of the auditor's report".

Lauchringen, June 6, 2024

Treuhand Hochrhein Revision GmbH

Auditing company

Patrick Stärk

Auditor

Annexes

List of annexes

- I. Balance sheet as of December 31, 2023
- II. Profit and loss account for the 2023 financial year
- III. Appendix for the 2023 financial year
- IV. Legal, economic and tax circumstances
- V. Analysis of the assets, financial position and earnings
- VI. Account statements for the balance sheet and profit and loss account for the financial year 2023

Special terms and conditions of engagement (as of March 1, 2021)

General terms and conditions of engagement for auditors and
auditing firms from January 1, 2024

Balance Sheet

on 31.12.2023

of

Herhof Ltd

35606 Solms

Assets

	31.12.2023 €	31.12.2022 €
A. Fixed assets		
<i>I. Intangible fixed assets</i>		
1. computer software acquired against payment	3,06	923,06
<i>II. Tangible assets</i>		
1. Technical equipment and machinery	2,55	2,55
3. Other equipment, operating and office supplies	<u>50.735,26</u>	<u>62.375,26</u>
	<u>50.737,81</u>	<u>62.377,81</u>
	<u>50.740,87</u>	<u>63.300,87</u>
B. Current assets		
<i>I. Inventories</i>		
1. Raw materials, consumables and supplies	0,00	8,86
2. Recyclable materials	<u>3.399.862,15</u>	9.644.972,92
3. Realized down payments	<u>29.400,00</u>	<u>7.000,00</u>
	<u>3.429.262,15</u>	<u>9.651.981,78</u>
<i>II. Receivables and other current assets</i>		
1. Receivables due from supplies and services	156.982,68	22.801,77
2. Receivables due from affiliated companies	19.397,00	1.776,90
3. Receivables from shareholders	0,00	51.157,35
4. Other fixed assets	<u>40.872,36</u>	<u>128.777,33</u>
	<u>217.252,04</u>	<u>204.513,35</u>
<i>III. Cash on hand, credit balances with credit institutions</i>	<u>255.157,82</u>	<u>72.455,49</u>
	<u>3.901.672,01</u>	<u>9.928.950,62</u>
C. Accruals and deferrals	26.662,27	26.647,86
D. Deficit not covered by equity	1.758.214,43	364.634,48
	<u>5.737.289,58</u>	<u>10.383.533,83</u>

	Liabilities	
	31.12.2023	31.12.2022
	€	€
A. Equity capital		
<i>I. Subscribed capital</i>	800.000,00	800.000,00
<i>II. Capital reserve</i>	6.402.496,90	6.402.496,90
<i>III. Loss carried forward</i>	-7.567.131,38	-6.711.211,50
<i>IV. Annual deficit</i>	-1.393.579,95	-855.919,88
<i>V. Deficit not covered by equity</i>	<u>1.758.214,43</u>	<u>364.634,48</u>
	0,00	0,00
B. Accrued expenses		
Other accrued expenses	235.326,80	409.977,22
C. Liabilities		
1.Received down payments on orders	3.517.843,30	8.631.377,51
2. Liabilities from deliveries and services	105.994,71	272.559,86
3.Liabilities to affiliated companies	900.898,51	495.857,41
4.Liabilities to shareholders	819.152,87	440.476,96
5.other liabilities	<u>142.953,39</u>	<u>118.284,87</u>
of which from taxes: € 63.330,79 (prev year: € 25.325,54)	<u>5.486.842,78</u>	<u>9.958.556,61</u>
Of which in frames of social security € 5.203,71 (previous year € 5.369,26)		
D.Deferred items	<u>15.120,00</u>	<u>15.000,00</u>
	<u>5.737.289,59</u>	<u>10.383.533,83</u>

Profit and Loss Account

For the period from 01.01.2023 to 31.12.2023

of

Herhof Ltd

35606 Solms

	2023	2022
	€	T€
1. Turnover revenue	8.536.542,85	1.376.144,63
2. Reduction (in the prev.year increase) of goods-in-process-stock	<u>-6.245.110,77</u>	<u>5.152.508,64</u>
3. Overall performance	2.291.432,00	6.528.653,27
4. other operating income	173.942,57	102.249,39
5. Cost of materials		
a) Cost of raw materials, consumables and supplies and of purchased products	-197.996,45	-350.160,31
b) Cost of procured services	<u>-751.448,13</u>	<u>-4.343.472,80</u>
	-949.444,58	-4.693.633,11
6. Personnel expenses		
a) Wages and salaries	-1.777.955,21	-1.636.358,38
b) Social security and pension costs of which for pensions: € 11.398,35 (prev. year € 10.978,72)	<u>-323.583,82</u>	<u>-298.593,31</u>
	-2.101.539,03	-1.934.951,69
7. Amortisation of intangible fixed assets and depreciation of tangible fixed assets	-24.918,77	-21.922,75
8. Other operating expenses	-733.353,77	-854.870,96
9. Interest and similar income	0,00	53.651,57
10. Interest and similar expenses	-47.215,75	-32.058,58
11. Taxes from income and revenue	0,00	-1.314m 53
8. Result after tax	-1.391.097,25	-854.197,39
9. Other taxes	-2.482,70	-1.722,49
10. Annual surplus (prev.year Annual deficit)	-1.393.579,95	-855.919,88

Annex

Of the annual statement on 31.12.2023

of

Herhof Ltd

Solms

Annex for the financial year 2023

I. General information

The annual financial statements were prepared on the basis of the statutory provisions (HGB, GmbHG) and in compliance with the principles of proper accounting. The balance sheet is structured in accordance with the provisions of Section 266 HGB. The profit and loss statement is structured in accordance with Section 275 Paragraph 2 HGB using the total cost method.

The company is a small capital company in accordance with Section 267a Paragraph 1 HGB.

As of the balance sheet date, the company is over-indebted due to the annual loss. The annual financial statements are prepared on the assumption that the company will continue as a going concern, as the shareholder has issued a letter of comfort in favor of the company until December 31, 2025. For the period after this date, there is a fundamental risk that the company will not generate sufficient liquid funds to maintain the going concern forecast, contrary to current planning.

II. Accounting and valuation methods

The accounting and valuation methods are applied unchanged from the previous year.

Intangible assets, if acquired for a fee, are capitalized at acquisition cost and depreciated on a straight-line basis according to their expected useful life.

The assets of the tangible assets are valued at acquisition or production cost less scheduled depreciation in accordance with the expected useful life. Depreciation is carried out on a straight-line basis, taking into account the usual useful life of usually 1 to 4 years. Low-value assets up to a net individual value of € 250.00 are fully depreciated or recorded as an expense in the year of acquisition; their immediate disposal is assumed. Low-value assets with acquisition costs of more than € 250.00 to € 800.00 are fully depreciated in the year of acquisition; their immediate disposal is assumed.

Inventories are valued at acquisition or production cost, taking into account the lower of cost or market principle and the requirement of commercial prudence. **The production costs** of unfinished products include an appropriate share of overheads.

Receivables and other assets are valued at their nominal value or a lower value as of the reporting date. Individual value adjustments on receivables were made in an appropriate amount, and general value adjustments were made on the net receivables not individually adjusted.

Cash and cash equivalents are valued at their nominal value.

In order to allocate expenses to the relevant period, corresponding **deferred items** were created in accordance with Section 250 Paragraph 1 of the German Commercial Code.

The share capital (= subscribed capital) shown in the commercial register is, as in the previous year, accounted for at a nominal amount of €800,000.00.

Other provisions are created for imminent risks and uncertain obligations in the amount of the settlement amount required according to reasonable commercial assessment.

Liabilities are stated at the settlement amount.

The annual financial statements contain **foreign currency receivables and liabilities**. These are converted at the average spot exchange rate on the balance sheet date in accordance with

Section 256a of the German Commercial Code (HGB). The items included in the profit and loss account are generally valued at the exchange rate on the date of origin.

III. Information on the balance sheet

Assets

Capital assets

The development of fixed assets is shown in the separate investment level as part of the appendix.

Circulation assets

Other assets in the amount of T€ 30.1 (prev. year T€ 26.1) have a remaining term of more than a year. The other claims and other assets have a remaining run time of up to one year.

The claims against affiliated companies account in full for other assets.

The claims against shareholders account in full for other assets.

Liabilities

All **liabilities** have a remaining term of up to one year.

As in the previous year, **the liabilities against affiliated companies** account in full on other liabilities.

As in the previous year, **the liabilities against shareholders** account in full on liabilities from deliveries and services.

IV. Information on the profit and loss account

The **other operating income** contains extraordinary income from a completed tax audit in the amount of T€ 0.0 (previous year T € 44.1) and income from currency conversion in the amount of T€ 0 (previous year T€0, 1).

The **other interest and similar yields** contain such from affiliated companies in the amount of T€ 0.0 (previous year. T € 53.7).

The **interest and similar expenses** contain such to affiliated companies in the amount of T€ 47.2 (previous year T € 31.7).

V. Other information

Number of employees

In the past financial year, an average of 30.0 employees were employed in the company

Management

In the 2022 financial year, the company's business was managed by:

- Mr. Martin Lehmann, Managing Director
- Mr. Nikolaos Stathakis, Chairman of the Board of Management of Helector S.A. (since July 26, 2023)

- Mr. Ioannis Margiollos, Member of the Board of Management of Aktpr S.A. (until July 26, 2023)

- Mr. Georgios Skouteropoulos, Deputy Chairman of the Board of Management of Helector S.A. (since January 11, 2023)

Mr. Konstantinos Papadimas, Commercial Managing Director (until January 11, 2023)

Other financial obligations

There are other financial obligations from rental and leasing contracts of T€ 245.5.

• Group affiliation

The company's annual financial statements are included in the consolidated financial statements of the shareholder Helector S.A., Kifissia / Greece (smallest consolidation group). The consolidated financial statements are published on the shareholder's website (<https://ellaktor.com/en/etaireies-omiloy/ilektor/oikonomika-stoicheia/>).

Proposal for the use of profit

The managing directors propose that the retained profit of T €8.960,7 be carried forward to the account of the new financial year.

Solms, June 5, 2024

.....
Martin Lehmann

.....
Nikolaos Stathakis

.....
Georgios Skouteropoulos

Attachment to the Annex

Fixed Assets schedule as at 31.12.2023

	historical acquisition and production costs			31.12.2023 €
	01.01.2023 €	Inflow €	Outflow €	
I. Intangible fixed assets				
Software acquired against remuneration	81.921,69			81.921,69
II. Tangible fixed assets				
1. Technical equipment and machinery	32.974,40			32.974,40
2. other equipment, factory and office supplies	218.239,10	12.465,77	3.118,52	227.586,35
	251.213,50	12.465,77	3.118,52	260.560,75
	333.135,19	12.465,77	3.118,52	342.482,44

Depreciation				Book values	
01.01.2023	Inflow	Outflow	31.12.20223	31.12.2023	31.12.2023
€	€	€	€	€	€
80.998,63	920,00		81.918,63	3,06	923,06
32.971,85			32.971,85	2,55	2,55
155.863,84	23.998,77	3.011,52	176.851,09	50.735,26	62.375,26
188.835,69	23.998,77	3.011,52	209.822,94	50.737,81	62.377,81
269.834,32	24,918,77	3.011,52	291.741,57	50.740,87	63.300,87

Legal, economic and tax circumstances

Company	Herhof GmbH
Registered office	Solms
Commercial register	HRB 4932 in the commercial register of the Wetzlar District Court
Articles of association	Articles of association of March 10, 2004, last amended by decision of June 6, 2018
Financial year	Calendar year
Capital structure and shareholders	The share capital of € 800,000.00 is fully paid. The sole partner is the Helector S.A. based in Nea Kifissia /Greece
Important shareholders' resolutions	<p>By decision of the shareholders' meeting on January 11, 2023, Konstantinos Papadimas was recalled as managing director and Georgios Skouteropoulos appointed as the new managing director.</p> <p>By decision of the shareholders' meeting of July 26, 2023, Ioannis Margiolos was recalled as managing director and Nikolaos Stathakis was appointed as the new managing director. By decision of the shareholder of November 21, 2023</p> <ul style="list-style-type: none"> • The annual financial statements we audited for the 2022 financial year, • The managing directors were released for the financial year 2022, • The balance sheet profit in 2022 was carried forward • The Treuhand Hochrhein Revision GmbH Wirtschaftsprüfungsgesellschaft was elected as the final auditor for the 2023 financial year..
Management	<p>In the reporting year, managing directors were ordered:</p> <ul style="list-style-type: none"> • Martin Lehmann, Athens • Mr. Ioannis Margiolos, Athens (until July 26, 2023) • Nikolaos Stathakis, Athens (since July 26, 2023) • Konstantinos Papadimas, Athens (until January 11, 2023) • Georgios Skouteropoulos, Athens (since January 11, 2023) <p>The managing directors are exempt from the restrictions of § 181 Civil Code</p>
Power of attorney	No power of attorney has been granted.
Business activities	The subject of the Herhof GmbH company is, according to the entry in the commercial register, research, planning, development, hearing, sales and the operation of waste processing plants and the provision of construction, service and services in the field of waste management. In this hille, society can operate all business that are indirectly and directly to serve the subject of the company. In particular, the sales, the turnkey construction, the implementation of engineering services, operation, maintenance and maintenance in the area of waste preparation systems and the implementation of all services and services
Personnel	The company employed 27 employees on the balance sheet date.

Key contracts	There is a rental agreement for the premises at the Solms location with a basic rental period until May 31, 2025.
Tax principles	The company is subject to corporate, commercial and sales tax due to its work. The company is subject to the regular taxation of §§ 16 - 18 UStG. The last tax external examination comprises the years 2017 to 2020 and was completed in 2023. The tax assessments for the assessment periods 2021 and 2022 have been issued under the reservation of the review according to § 164 AO.

Analysis of the Net Assets, Financial Status and Results of Operations

For computational reasons, there may be rounding differences in the following tables compared to the exact values (monetary units, percentages, etc.).

I. Multiannual Comparison

The following is a comparison of the key company data for the past **five** financial years. The values for the financial years 2017 - 2018 were not audited by us.

Closing date	31.12.2019 T€	31.12.2020 T€	31.12.2021 T€	31.12.2022 T€	31.12.2023 T€
Intangible assets	0	4,2	2,6	0,9	0,0
Tangible assets	24	27,2	60,5	62,4	50,7
Inventories	1.992	4.244,0	5.654,4	9.652,0	3.429,3
Receivables and other assets	472	1.108,8	2.607,3	204,5	217,2
Cash in hand, credit balances with banks	155	2.528,5	542,8	72,5	255,2
Accrued income and prepaid expenses	9	57,7	58,6	26,6	26,7
Deficit not covered by equity	0	0,0	0,0	364,6	1.758,2
Total assets	2.652	7.970,4	8.926,2	10.383,5	5.737,3
Equity	1.441	1.262,1	491,3	0,0	0,0
Reserves	73	507,0	293,6	410,0	235,3
Liabilities	1.137	6.201,3	8.141,3	9.958,5	5.486,9
Accruals and deferrals	0	0,0	0,0	15,0	15,1
Total liabilities	2.652	7.790,4	8.926,2	10.383,5	5.737,3

Financial year	2019 T€	2020 T€	2021 T€	2022 T€	2023 T€
Revenue	1.836	3.839,3	10.944,0	1.376,1	8.536,5
<u>Stock changes</u>	<u>-462</u>	<u>4.049,2</u>	<u>350,9</u>	<u>5.152,5</u>	<u>-6.245,1</u>
Total output	1.374	7.888,5	11.294,9	6.528,6	2.291,4
Material expense	-260	-2.088,6	-1.976,9	-350,2	-198,0
External services	<u>-195</u>	<u>-3.327,8</u>	<u>-7.218,3</u>	<u>-4.343,4</u>	<u>-751,4</u>
Raw profit	919	2.472,1	2.099,7	1.835,0	1.342,0
Other operating income	148	272,2	86,2	102,2	174,0
	1.067	2.744,3	2.185,9	1.937,2	1.516,0
Personnel expenses	-1.548	-1.911,6	-2.072,3	-1.934,9	-2.101,5
Amortizations	-70	-16,1	-20,6	-21,9	-24,9
Other operating expenses	<u>-568</u>	<u>-933,5</u>	<u>-973,1</u>	<u>-854,9</u>	<u>-733,4</u>
Operating results	-1.119	-116,9	-880,1	-874,5	-1.343,8
Financial result	<u>2</u>	<u>-44,0</u>	<u>17,4</u>	<u>21,6</u>	<u>-47,3</u>
Result before income taxes	-1.117	-160,9	-862,7	-852,9	-1.391,1
Income taxes/other taxes-	13	<u>-17,7</u>	<u>91,9</u>	<u>-3,0</u>	<u>-2,5</u>
Annual deficit	-1.130	-178,6	-770,8	-855,9	-1.393,6

	2019	2020	2021	2022	2023
Closing Date	%	%	%	%	%
Key figures on profitability, economy and financing					
Return on equity (annual result / equity previous year)	-44,0	-12,4	-16,1	-174,2	
Return On Sales (annual result / sales revenue)	-61,5	-4,7	-7,0	-62,2	-16,3
Gross Profit Margin (gross profit / sales revenue)	50,	64,4	19,2	133,3	15,7
Cost of sales ratio (cost of materials / gross performance)	17,1	68,7	81,4	71,9	41,4
	2019	2020	2021	2022	2023
	%	%	%	%	%
Key figures on the asset structure					
Investment assets / total assets	0,9	0,4	0,7	0,6	1,3
Current assets / total assets	99,1	99,6	99,3	99,4	98,7
Key figures on capital structure					
Equity ratio (equity capital / total capital)	54,4	15,8	5,5	0,0	0,0
Debt-equity ratio (external capital / total capital)	45,6	84,2	94,5	100,0	100,0
Key figures on liquidity					
short-term tied assets / short-term external capital	217, 0	118,3	105,1	96,0	68,7
Total assets=balance sheet total ./ deficit not covered by equity					

II. Analysis of the Results of Operations

1. Presentation of the results of operations

The following table shows the profit and loss statements for the last two financial years. The expenses and income are partly structured according to business management principles, which differs from the structure of the commercial profit and loss statement.

	2023		2021		Change	
	T€	%	T€	%	T€	%
Sales revenue	8.536,5	372,5	1.376,1	21,1	7.160,4	>100
Changes in inventories	-6.245,1	-272,5	5.152,5	78,9	-11.397,6	-221,2
Gross performance	2.291,4	100,0	6.528,6	100,00	-4.237,2	-64,9
Cost of materials	-198,0	-8,6	-350,2	-5,4	152,2	-43,5
External services	-751,4	-32,8	-4.343,4	-66,5	3.592,0	-82,7
Cost of materials	-949,4	-41,4	-4.693,6	-71,9	3.744,2	-79,8
Gross revenue	1.342,0	58,6	1.835,0	28,1	-493,0	-26,9
Other operating revenue	174,0	7,6	102,2	1,6	71,8	70,3
Personnel expenses	-2.101,5	-91,7	-1.934,9	-29,6	-166,6	8,6
Amortisations	-24,9	-1,1	-21,9	-0,3	-3,0	13,7
Rent and leasing	-179,4	-7,8	-213,4	-3,3	34,0	-15,9
Travel expenses	-71,7	-3,1	-157,6	-2,4	85,9	-54,5
Auditing and consulting	-219,7	-9,6	-128,3	-2,0	-91,4	71,2
Insurance and contributions	-62,6	-2,7	-68,0	-1,0	-5,4	-7,9
Warranties	0,0	0,0	-73,5	-1,1	73,5	-100,0
Other miscellaneous expenses	-200,0	-8,7	-214,1	-3,6	120,2	-29,4
Other operating expenses	-733,4	-31,9	-854,9	-13,1	121,5	-14,2
Operating result	-1.343,8	-58,5	-874,5	-13,3	-469,3	53,7
Financial result	-47,3	-2,1	21,06	0,3	-68,9	-319,0
Result before tax	-1.391,1	-60,6	-852,9	-13,0	-538,2	63,1
Income taxes	0,0	0,0	-1,3	0,0	1,3	
Other taxes	-2,5	-0,1	-1,7	0,0	-0,8	<-100
Annual deficit	-1.393,6	-60,7	-855,9	-13,0	-537,7	62,8

The **gross profit** decreased in absolute terms by T€ 493,0 (26,9 %) from T€ 1.835,0 to T€ 1.342,0. This decrease is mainly due to the significantly decreased total output of T€ 4.237,2 (= 64,9 %). The reduction in unfinished construction sites by T€ 6,245.1 is mainly due to the completion of construction projects in Germany.

Other operating income increased by T€ 71.8 to T€ 174.0 compared to the previous year, primarily as a result of income from the release of provisions.

III. Analysis of the Asset and Financial Status

1. Cash flow statement for the period 01.01.2023 to 31.12.2023

The change in financial resources as well as the causal movements of funds are shown in the following cash flow statement:

		2023 T€	2022 T€
1.	Annual deficit	-1.393,6	-855,9
2.	+ / - depreciation / revaluation of fixed assets	24,9	21,9
3.	+ / - increase / decrease in accrued liabilities	-174,7	116,4
4.	+ / - other non-cash expenses / revenues	1,7	5,4
5.	cash flow	-1.541,7	-712,2
6.	- / + increase / decrease in inventories, receivables from supplies and services as well as other assets which are not to be allocated to the investment or financing activity	6.210,0	-3.468,6
7.	+ / - increase / decrease in liabilities from supplies and services as well as other liabilities which are not to be allocated to the investment or financing activity	-4.876,6	1.672,3
9.	+ / - interest expenses / interest income	47,0	-22,0
10.	+ / - income tax expense / revenue	0,0	1,3
11.	- / + income tax payments / refunds	-1,3	0,0
12.	= cash flow from operating activities	-162,6	-2.592,2
13.	- payments for investments in fixed assets	-12,5	-22,1
14.	+ cash inflows due to financial investments in the context of short-term financial disposition	0,0	1.915,8
15.	+ interest received	0,0	37,3
16.	= cash flow from investment activities	-12,5	1.931,0
17.	- interest paid	-42,2	-32,1
18.	+ payments received for the redemption of bonds and (financial) loans	400,0	160,0
19.	= cash flow from financing activities	357,8	127,9

		2022 T€	2021 T€
20.	Cash-effective changes in financial resources (sum of lines 9, 12 and 16)	182,7	-470,3
21.	+ / - exchange rate and other changes in the value of financial resources payments	0,0	0,0
22.	+ financial resources at the beginning of the period	72,5	542,8
23.	= Financial resources at the end of the period	255,2	72,5
24.	Composition of financial resources		
	cash on hand. credit balances with banks	255,2	72,5
	liabilities against credit institutions	0,0	0,0
	Financial resources at the end of the period	255,2	72,5

2. Net Assets and Capital Structure

The following overview is derived from the balance sheets of the last two financial years after summarisations and balancing, which were carried out according to business management perspectives. Receivables and liabilities due later than one year from the closing date are considered to be long-term. all other receivables and liabilities are considered to be short-term.

	31.12.2023		31.12.2022		change	
	T€	%	T€	%	T€	%
intangible fixed assets	0,0	0,0	0,9	0,0	-0,9	-100,0
technical equipment and machinery	0,0	0,0	0,0	0,0	0,0	
other equipment, operating and office supplies	50,7	0,9	62,4	0,6	-11,7	-18,8
other fixed assets	30,1	0,5	26,1	0,3	4,0	15,5
Medium and long-term committed assets	80,8	1,4	89,4	0,9	-8,6	-0,6
work / services in progress	3.399,9	59,3	9.645,0	92,9	-6.245,1	-64,7
advance payments made	29,4	0,5	7,0	0,1	22,4	>100
Inventories	3.429,3	59,8	9.653,0	93,0	-6.227,7	-64,5
receivables due from supplies and services	157,0	2,7	22,8	0,1	134,2	>100
receivables due from affiliated companies	19,3	0,3	1,8	0,0	17,5	>100
receivables due from shareholders	0,0	0,0	51,1	0,5	-51,1	-100,0
other assets	10,8	0,2	102,7	1,0	-91,9	-89,5
cash in hand and bank balances	255,2	4,4	72,5	0,7	182,7	>100
short-term committed assets	442,3	7,6	250,9	2,3	191,4	76,3
accruals and deferrals	26,7	0,5	26,6	0,3	0,1	0,4
deficit not covered by equity	1.758,2	30,7	364,6	3,5	1.393,6	>100
total assets	5.737,3	100,00	10.383,5	100,00	-4.646,2	-44,7

With a reduction in the balance sheet total of €4,646.2 thousand (-44.7%), long-term assets in the asset area decreased in absolute terms by €8.6 thousand (-9.6%) compared to the previous year. Inventories decreased by €6,222.7 thousand or 64.5% due to the completion of construction projects in Germany.

Short-term assets increased by €191.4 thousand to €442.3 thousand in the reporting year. This is due in particular to higher trade accounts receivable (+€134.2 thousand) and higher credit balances at banks (+€182.7 thousand) as of the reporting date, which are only partially offset by lower accounts receivable from shareholders (-€51.1 thousand) and other assets (-€91.9 thousand).

The deficit not covered by equity increased by T€ 1,393.6 to T€ 1,758.2 as a result of the annual loss.

	31.12.2023		31.12.2022		Change	
	T€	%	T€	%	T€	%
subscribed capital	800,0	13,9	800,0	7,7	0,0	0,0
capital reserve	6.402,5	111,6	6.402,5	61,7	0,0	0,0
loss carried forward	-7.567,1	-131,9	-6.711,2	-64,7	-855,9	12,8
annual deficit	-1.393,6	-24,3	-855,9	-8,2	-537,7	62,8
deficit not covered by equity	1.758,2	30,7	364,6	3,5	1.393,6	>100
Equity capital	0,0	0,0	0,0	0,0	0,0	
other accruals	235,3	4,1	410,0	3,9	-174,7	-42,6
advance payments received on orders	3.517,8	61,2	8.631,3	83,2	-5.113,5	-59,2
liabilities from supplies and services	106,0	1,8	272,5	2,6	-166,5	-61,1
liabilities against affiliated companies	900,9	15,8	495,9	4,9	405,0	81,7
liabilities against shareholders	819,2	14,3	440,5	4,2	378,7	86,0
other liabilities	143,0	2,5	118,3	1,1	24,7	20,9
Short-term external capital	5.722,2	99,7	10.368,5	99,9	-4.646,3	-44,8
accruals and deferrals	15,1	0,3	15,0	0,1	0,1	0,7
Total equity and external capital	5.737,3	100,0	10.383,5	100,0	-4.646,2	44,7

As a result of the annual loss, equity capital has decreased by T€1,393.6 compared to the previous year, so that a deficit not covered by equity capital of T€1,758.2 is reported. Together with the balance sheet total being lower by T€4,646.2, this leads to a decrease in the equity ratio (before the deficit not covered by equity capital) to -30.7% after -3.5% in the previous year.

Current liabilities have decreased by T€4,646.3 to T€5,722.2, particularly due to the lower advance payments for unfinished construction and planning projects (./T€5,113.5) and the counter-increase in liabilities to affiliated companies (+T€405.0) and shareholders (+T€378.7).

Statement of Accounts for the Balance Sheet – Assets

ASSETS

Account	Description	EUR	Financial Year EUR	Previous year EUR
Concessions. industrial property rights and similar rights and assets acquired against payment as well as licences to such rights and assets				
135	IT software and associated licences		3,06	923,06
Technical equipment and machinery				
410	Technical equipment	2,04		2,04
430	Machinery and appliances	0,51		0,51
			2,55	2,55
Other equipment. factory and office supplies				
395	Facilities	2.108,00		2.485,00
500	Other equipment	7.922,00		4.978,00
520	Vehicles	3.330,00		8.472,02
600	Other operating and business equipment	37.367,08		46.432,08
650	Office furnishings	8,16		8,16
			50.735,26	62.375,26
Raw materials, consumables and supplies				
1003	Stock of raw materials, consumables and supplies		0,00	8,86
Work in progress. unfinished services				
1050	Semi-finished construction sites	3.399.862,15		2.554.668,94
1051	Semi-finished construction sites Consortium	0,00		7.090.303,98
			3.399.862,15	9.644.972,92
Advance payments made				
1181	Advance payments made before tax			7.000,00
			29.400,00	7.000,00
Receivables due from supplies and services				
1210	Receivables due from supplies & services #1200	157.371,68		22.890,77
1248	General allowance for receivables	389,00-		89,00-
			156.982,68	22.801,77
Carry forward			3.636.985,70	9.738.084,42

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward			3.636.985,70	9.738.084,42
Receivables against affiliated companies				
1270	Receivables HRO		19.397,00	1.776,90
Receivables against shareholders				
1256	Receivables Helector S.A. (BP)		0,00	51.157,35
Other assets				
821	Participation HSG	4.000,00		4.000,00
1211	Creditors on debit	0,00		961,24
1231	Other receivables (from insurance)	1.835,45		6.874,16
1235	Tax receivables	8.426,08		63.743,38
1236	Foreign pre-tax receivables	537,19		18.966,75
1351	Deposits	26.061,00		33.711,00
1435	Pre-tax deductible in the following year	0,00		520,80
3735	Liabilities to insurance Krankenkassen	12,64		0,00
			40.872,36	128.777,33
Cash on hand. Federal Bank balances. credit balances with credit institutions and cheques				
1600	Cash register	2.748,41		1.695,27
1602	Cash register Kozani branch	647,25		797,25
1603	Cash desk Hamburg branch	0,00		92,29
1604	Cash register (Bulg. LEV)	567,28		567,28
1605	Cash register CHF	12,23		0,00
1880	Volksbank Mittelhessen 79583006	218.598,71		54.076,52
1886	Alpha Bank GR # 2320018047	32.583,94		15.226,88
			255.157,82	72.455,49
Accruals and deferrals				
1900	Accruals and deferrals entries (ARAP)		26.662,27	26.647,86
Deficit not covered by equity				
	Deficit not covered by equity		1.758.214,43	364.634,48
			<u>5.737.289,58</u>	<u>10.383.533,83</u>

Statement of Accounts for the Balance Sheet – Liabilities

Account	Description	EUR	Financial year EUR	Previous year EUR
Subscribed capital				
2900	Registered capital (#2000)		800.000,00	800.000,00
Capital reserve				
2920	Capital reserve		6.402.496,90	6.402.496,90
Loss carried forward				
2970	Carry-forward account		7.567.131,38-	6.711.211,50-
Annual deficit				
	Annual deficit		1.393.579,95-	855.919,88-
Deficit mpt covered				
	Deficit not covered		1.758.214,43	364.634,48
other accruals				
3000	Accruals	64.681,80		77.396,22
3070	Accruals for employers' liability insurance	3.200,00		0,00
3075	Accruals for outstanding project services	23.675,00		80.175,00
3090	Accruals for warranties	130.770,00		240.056,00
3095	Accruals for financial statements & audits	<u>13.000,00</u>		<u>12.350,00</u>
			235.326,80	409.977,22
Advance payments received on orders				
1495	Settlement of advance payments received	0,00		0,00
3250	Advance payments received on orders	2.166.239,83		1.833.500,00
3251	Advance payments received on orders abroad	1.351.603,47		926.572,17
3254	Advance payments received from consortium	<u>0,00</u>		<u>5.871.305,34</u>
			3.517.843,30	8.631.377,51
Liabilities from Supplies and services				
3304	Liabilities from S+S (#3300)	81.677,37		224.946,30
3310	Creditors on debit (3301)	0,00		961,24
3311	Liabilities S+S without current account	<u>24.317,34</u>		<u>46.652,32</u>
			105.994,71	272.559,86
Liabilities against affiliated companies				
1290	Clearing account HVG	495.857,41		495.857,41
3420	Liabilities AIFORIKI #3310	400.000,00		0,00
3421	Liabilities against affil.companies	<u>5.041,10</u>		<u>0,00</u>
			900.898,51	495.857,41
Carry forward			<u>4.760.063,32</u>	<u>9.809.772,00</u>

LIABILITIES

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward			4.760.063,32	9.809.772,00
Liabilities against shareholders				
3510	liabilities against shareholders		819.152,87	440.476,96
Other liabilities				
3504	Liabilities from travel expenses Co.	2.653,35		2.206,24
3710	Liabilities taxes and levies (1-5 Y)	44.583,37		1.402,53
3720	Liabilities from wages and salaries	71.435,54		85.383,83
3730	Liabilities from payroll and church tax	19.077,42		23.923,01
3735	Liabilities against health insurance funds	0,00		355,33
3740	Liabilities from direct insurance	4.771,86		4.698,93
3770	Liabilities from capital formation	431,85		315,00
3845	Value added tax previous years	0,00		0,00
			142.953,39	118.284,87
Accruals and deferrals				
3900	Accruals and deferrals		15.120,00	15.000,00
			<u>5.737.289,58</u>	<u>10.383.533,83</u>

Account Statement for the Profit and Loss Account

Account	Description	EUR	Financial year EUR	Previous year EUR
Sales revenue				
4000	Sales revenue	589.683,26		401.393,00
4010	Revenues from administrative cost allocation	60.000,00		60.000,00
4050	Revenues from service and maintenance	195.401,64		40.264,00
4060	Revenues from services according to 13b	7.443.272,69		3.713,75
4100	Tax-exempt revenues § 4 No. 8 et seq. VAT Act	160.652,40		792.120,59
4125	Tax-exempt intra-Group transactions Deliveries	0,00		32.823,70
4150	Tax free revenue § 4no.. 2-7 VAT act	840,00		0,00
4160	Other revenues abroad corporate income tax	0,00		45.829,59
4240	Internal revenue with VAT	60.044,66		0,00
4400	Other revenues with tax	26.648,30		0,00
4735	Discounts granted 16% VAT	<u>0,10-</u>		<u>0,00</u>
			8.536.542,85	1.376.144,63
Increase in inventories of finished and unfinished products				
4800	Inventory Change Semi-Finished Construction	845.193,21		833.656,34
4811	Inventory Change Semi Fin. Construction	<u>7.090.303,98-</u>		<u>4.318.852,30</u>
			6.245.110,77-	5.152.508,64
Revenue from the write-off of the lump-sum value adjustment on receivables				
4920	Other operating revenue	0,00		8.400,00
4922	Income from reduction of lump-sum value	<u>0,00</u>		<u>1.670,00</u>
			0,00	10.070,00
Transfer from the provision				
4930	Transfer from the provision.		95.470,50	0,00
Miscellaneous other operating revenues				
4461	Passenger car use by employees 19%	40.109,82		45.972,14
4830	Other operating amounts	556,08		41,92
4839	Other income irregular	0,00		34.762,08
4840	Revenue from currency conversion	31,72		10,60
4960	Out-of-period revenues	35.002,00		126,05
4962	Out-of-period revenues (cost units)	0,00		547,50
4970	Insurance remunerations	2.772,45		0,00
7410	Revenue from insurance cases	<u>0,00</u>		<u>10.719,10</u>
			78.472,07	92.179,39
Aufwendungen für Roh-, Hilfs- und Betriebsstoffe und für bezogene Waren				
5100	Baustoffe für Kostenträger	76.879,53-		107.921,95-
5101	Elektromaterial für Kostenträger	2.673,24-		126.472,29-
5103	Baumaterial Baustellen Ausland	0,00		10.750,00-
5104	Elektromaterial für Kostenstelle (#5121)	4.937,56-		0,00
Carry forward		<u>84.490,33-</u>	<u>2.465.374,65</u>	<u>245.144,24-</u> <u>6.630.902,66</u>

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward		84.490,33-	2.465.374,65	6.630.902,66 245.144,24-
Aufwendungen für Roh-, Hilfs- und Betriebsstoffe und für bezogene Waren				
5105	Ventilation material for cost center (#5122)	1.708,62-		0,00
5111	Building materials for resale	77.634,05-		9.568,18-
5115	Purchase of raw materials, consumables and	0,00		18.196,00-
5160	Consumables/small tools	0,00		650,22-
5161	Consumables/Small tools corporate tax (foreign)	773,69-		91,94-
5165	Consumables construction site	1.026,21		18.288,28-
5166	Consumables construction site abroad	0,00		324,35-
5190	Petrol fuel for cost centre	15.080,84-		10.825,97-
5191	Petrol fuel for KTR (#5180)	95,88-		0,00
5195	Diesel fuel for cost centre	16.577,70-		35.342,62-
5730	Supplier accounts 19%	486,85		661,67
5732	Cash discounts received 5% input tax	0,00		1.796,53
5770	Discounts obtained	0,00		10.108,23
5840	Incoming freight for cost unit	3.004,16-		24.139,83-
5841	Incoming freight for cost unit §13b VAT Act	0,00		9,59-
5845	Incoming freight for cost centre	90,70-		117,54-
5850	Incoming freight for cost centre	53,54-		27,98-
			197.996,45-	350.160,31-
Expenses for purchased services				
5900	External services for construction sites	31.388,98-		69.695,20-
5902	External services for construction sites abroad	26.512,08-		86.596,30-
5903	External services for construction sites cost units	202.250,91-		3.790.234,72-
5940	Fees for cost units	429.405,96-		381.105,68-
5943	Fees cost centre / freelancers	60.000,00-		0,00
5955	QM monitoring audit	1.890,20-		1.840,90-
6450	Accruals for construction work	0,00		14.000,00-
			751.448,13-	4.343.472,80-
Wages and salaries				
6010	Salaries foremen	0,00		0,00
6020	Salaries administrative staff (cost of sales)	1.138.631,09-		1.193.988,26-
6021	Salaries administrative staff (administrative)	138.534,32-		157.094,63-
6023	Salaries administrative staff (selling)	205.666,50-		192.084,63-
6029	Other salaries	28.409,47-		14.029,25-
6030	Temporary wages	19.621,34-		4.340,66-
6035	Temporary wages for commercial staff	0,00		0,00
6060	Voluntary social expenses for employees	4.209,69-		5.626,99-
6063	Premium account	188.789,74-		0,00
6080	Capital-forming benefits (sales)	1.500,00-		1.775,00-
6081	Capital-forming benefits (administ)	0,00		600,00-
6093	Allowances, travel allowances. tax-free cost	4.873,20-		12.304,64-
6095	Passenger car use by employees	47.719,86-		54.514,32-
			1.777.955,21-	1.636.358,38-
Carry			262.025,14-	300.911,17

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward			262.025,14-	300.911,17
	Social security contributions and expenses for pensions and other benefits			
6100	PLC share in social security (sales)	187.187,59-		198.357,33-
6101	PLC share in social security (admin.)	34.698,33-		36.850,98-
6102	PLC share in social security (selling)	59.252,69-		24.192,63-
6110	Payroll and church tax	737,19-		737,18-
6120	Contributions to the trade association	28.782,86-		26.660,36-
6121	Contributions to the trade association Previous	1.526,81-		816,11-
6140	Company pension scheme	<u>11.398,35-</u>		<u>10.978,72-</u>
			323.583,82-	298.593,31-
	Depreciation on intangible fixed assets and tangible fixed assets			
6200	Depreciation of intangible fixed assets	920,00-		1.649,00-
6220	Depreciation of tangible fixed assets (sales)	22.159,79-		19.564,86-
6290	Instant depreciation of minor assets	<u>1.838,98-</u>		<u>708,89-</u>
			24.918,77-	21.922,75-
	Expenses for premises			
6305	other rents	763,24-		2.687,24-
6315	Rent office Hamburg	0,00		20.844,00-
6317	Rent office Solms	87.600,00-		87.600,00-
6320	Gas, electricity, water	14.100,00-		18.902,32-
6325	Electricity costs (cost centre)	15.078,60-		8.894,06-
6330	Cleaning costs	<u>2.456,67-</u>		<u>10.532,00-</u>
			119.998,51-	149.459,62-
	Insurances, contributions and levies			
5945	Audit fees cost centre	975,00-		176,47-
6346	Tax-deductible late payment surcharge	184,50-		473,50-
6400	Business insurances for cost centres	17.828,75-		16.332,80-
6405	Business insurances for cost units	28.100,16-		30.283,71-
6420	Contributions and fees	<u>4.911,32-</u>		<u>12.551,00-</u>
			51.999,73-	59.817,48-
	Repairs and maintenance			
5950	External repairs and spare parts	359,55-		0,00
6470	Repair & maintenance of operating equipment	0,00		25,12-
6490	Other repairs & maintenance	1.495,50-		5.891,46-
6495	Maintenance costs for hardware & software	<u>9.096,23-</u>		<u>6.818,95-</u>
			10.951,28-	12.735,53-
	Vehicle expenses			
6237	Leasing PKW DIL EL 18E (VW-Leasing)	913,50-		0,00
Carry		<u>913,50-</u>	<u>793.477,25-</u>	<u>241.617,52-</u>

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward		913,50-	793.477,25-	241.617,52-
Vehicle expenses				
6238	Leasing PKW DIL EL 708 (VW-Leasing)	1.222,00-		0,00
6239	Leasing PKW DIL EL 22 (VW Leasing)	4.820,00-		0,00
6250	Leasing PKW LDK-HH 656 (VW)	2.660,33-		4.164,00-
6251	Leasing PKW LDK-EL 113 (FCA Bank GmbH)	9.289,56-		9.289,56-
6252	#6241 Leasing PKW DIL EL 77 (VW Leasing)	15.512,64-		0,00
6253	#6243 Leasing PKW LDK-HH 885 (VW)	0,00		2.514,00-
6255	#6245 Leasing PKW LDK-HH 977 (Audi)	1.188,33-		9.300,00-
6256	#6246 Leasing PKW DIL-HH 888 (VW)	879,20-		3.768,00-
6257	#6247 Leasing PKW LDK-HH 696 (BMW)	0,00		5.029,21-
6258	#6248 Leasing PKW LDK-HH 333 (VW)	0,00		2.835,00-
6259	#6249 Leasing PKW LDK-HH 708 (VW)	6.272,13-		6.926,28-
6265	Leasing PKW LDK-EL 393 (VW Leasing)	3.464,60-		4.080,00-
6266	Leasing PKW LDK-EL 93E (VW Leasing)	6.237,00-		4.737,00-
6267	Leasing PKW LDK-EL 99E (VW Leasing)	4.620,00-		4.620,00-
6268	Leasing PKW LDK-EL 696 (BMW Bank)	9.403,32-		3.786,19-
6500	Vehicle costs	25.753,38-		14.348,36-
6520	Vehicle insurance	10.634,45-		8.141,25-
6540	Vehicle repairs	7.593,24-		12.094,94-
6595	Third-party vehicle costs (rentals)	0,00		3.425,60-
			110.463,68-	99.059,39-
Advertising and travel expenses				
6600	Advertising costs	5.500,97-		23.631,01-
6605	Exhibition costs	20.255,13-		36.953,71-
6610	Gifts up to EUR 35	0,00		17,50-
6611	Gifts over EUR 35	100,00-		364,70-
6620	Gifts reduct.without §37b Inc.Tax Law	0,00		0,00
6626	Other distribution costs Cost unit	55,00-		35,00-
6630	Entertainment costs Cost unit	507,25-		1.843,57-
6631	Entertainment costs Cost unit non-deductible	133,92-		0,00
6640	Entertainment costs Cost centre	3.039,63-		1.337,69-
6641	Entertainment Cost centre non-deductible	536,82-		0,00
6643	Entertainment - drinks. sweets etc.	3.666,39-		2.270,19-
6650	Travel expenses	22.594,88-		27.052,64-
6651	Travel expenses production order	14.580,09-		49.181,19-
6654	Travel expenses FoulaFala	0,00		12.552,14-
6656	Overnight accommodation costs - external cost	0,00		1.482,93-
6657	Overnight expenses for external cost centre	771,03-		844,35-
			71.741,11-	157.566,62-
Costs of the delivery of products				
6740	Outgoing freight for cost unit	349,04-		349,57-
6741	Outgoing freights for cost centre	349,27-		490,76-
			698,31-	840,33-
Carry			976.380,35-	499.083,86-

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward			976.380,35-	499.083,86-
	Miscellaneous operating expenses			
6027	Managing director salaries	0,00		92.500,00-
6173	Kosten Mitarbeitersuche	32.439,00-		0,00
6301	Employee recruitment costs	430,67-		4.090,23-
6302	Other operating expenses	22.576,96-		35.795,21-
6304	Rental external equipment for construction sites	2.022,00-		2.022,00-
6790	Rental of external equipment for cost centres	0,00		73.455,00-
6800	Warranty expenses	233,04-		479,13-
6805	Postage	26.604,24-		28.248,98-
6806	Telephone costs	231,86-		261,99-
6815	Office & administrative costs	4.798,79-		5.637,00-
6817	Electronic data processing costs	9.719,46-		9.506,87-
6818	Costs for onward invoicing (IC)	279,83-		52.597,10-
6820	Journals. books	1.491,40-		1.214,15-
6821	Education & training costs	14.662,97-		4.254,00-
6822	Occupational safety measures & work clothes	2.041,12-		3.621,16-
6825	Legal & consulting costs	208.430,05-		24.890,88-
6827	Other licences	13.074,11-		14.403,64-
6828	Closing & audit costs	11.300,00-		10.950,00-
6833	#6823 Voluntary social benefits	0,00		3.594,23-
6855	Incidental costs of monetary transactions Cost	1.218,84-		1.865,86-
6856	Ancillary costs of monetary transactions Cost unit	0,00		309,50-
			351.554,34-	369.696,93-
	Losses from the disposal of fixed assets			
6900	Expenses from the disposal of fixed assets		107,00-	0,00
	Losses from impairment of current assets and allocation to the value adjustment for receivables			
6920	Allocation to the PWB for receivables		300,00-	0,00
	Miscellaneous other operating expenses			
6642	non-deductible operating expenses	1.112,19-		765,60-
6960	Expenses unrelated to the accounting period	9.252,12-		2.829,46-
7510	Expenses from insurance claims	5.175,50-		2.100,00-
			15.539,81-	5.695,06-
	Other interest and similar revenues			
7111	Interest revenue internal	0,00		37.256,30
7119	Other interest revenue from affiliated companies	0,00		16.395,27
			0,00	53.651,57
Carry			1.343.881,50-	820.824,28-

Annex 8

Account Description	EUR	Financial year EUR	Previous year EUR
Carried forward		820.824,28-	799.238,70-
Interest and similar expenses			
7300 Guarantee fees (cost unit)	31.688,49		63.342,25
7301 Guarantee fees (cost centre)	0,00		0,00
7304 Non-deductible and ancillary tax services	88,00		0,00
7310 Interest & discount expenses	<u>282,09</u>		<u>68,90</u>
		32.058,58	63.411,15
Taxes on income and revenue			
7603 Corporation tax for previous years	1.246,00		0,00
7609 Solidarity surcharge for previous years	<u>68,53</u>		<u>0,00</u>
		1.314,53	0,00
Other taxes			
7660 Imputed tax expense trade tax	0,00		94.645,83-
7663 Imputed tax expense corporate income tax	0,00		0,00
7685 Vehicle tax	<u>1.722,49</u>		<u>2.778,00</u>
		1.722,49	91.867,83-
Annual deficit		855.919,88	770.782,02

Account	Description	EUR	Financial year EUR	Previous year EUR
Carried forward			1.343.881,50-	820.824,28-
	Interest and similar expenses			
7300	Guarantee fees (cost unit)	33.464,37-		31.688,49-
7301	Guarantee fees (cost centre)	260,31-		0,00
7304	Non-deductible and ancillary tax services	0,00		88,00-
7310	Interest & discount expenses	1,71-		282,09-
7330	Interest of affiliated companies	<u>13.489,36-</u>		<u>0,00</u>
			47.215,75-	32.058,58-
	Taxes on income and revenue			
7603	Corporation tax for previous years	0,00		1.246,00-
7609	Solidarity surcharge for previous years	<u>0,00</u>		<u>68,53-</u>
			0,00	1.314,53-
	Other taxes			
7685	Vehicle taxes -		2.482,70-	1.722,49-
	Annual deficit		<u>1.393.579,95-</u>	<u>855.919,88-</u>

Special terms and conditions of engagement for audits and audit-related services

of

Treuhand Hochrhein Revision GmbH

Wirtschaftsprüfungsgesellschaft

Status: March 1, 2021

Preliminary remarks

These terms and conditions of engagement of Treuhand Hochrhein Revision GmbH Wirtschaftsprüfungsgesellschaft supplement and specify the General Terms and Conditions of Engagement for auditors and auditing firms issued by the Institute of Public Auditors e. V. on January 1, 2024 and are to be applied with priority over these. They are subordinate to an engagement confirmation letter. The engagement confirmation letter together with all attachments constitutes the "All Terms and Conditions of Engagement".

A. Audit principles

Treuhand Hochrhein Revision GmbH Wirtschaftsprüfungsgesellschaft will carry out the audit in accordance with Section 317 of the German Commercial Code (HGB) and in compliance with the standards issued by the Institute of Public Auditors e. V. in a risk-oriented manner. Accordingly, we will plan and design the audit in compliance with the principles of conscientious professional practice in such a way that misrepresentations and violations that have a material impact on the subject matter of the audit according to the engagement confirmation letter are identified with sufficient certainty.

We will carry out the audit procedures we consider necessary and issue a report in accordance with Section 322 of the German Commercial Code (HGB). We will report on the conduct of our audit to the extent customary in the profession. In order to determine the type, time and extent of the individual audit procedures in an appropriate manner, we will, to the extent we consider it necessary, examine and assess the system of accounting-related internal controls, in particular to the extent that it serves to ensure proper financial reporting. However, we will not use this to assess whether the continued existence of the audited company or the effectiveness and efficiency of the management can be assured (Section 317 IVa HGB). As is customary in the profession, we will carry out the audit procedures on a sample basis, so that there is an unavoidable risk that even if the audit is carried out properly, even material misstatements may remain undetected. Therefore, for example, embezzlement and other irregularities will not necessarily be uncovered by the audit. We would like to point out that the objective of the audit is not to uncover embezzlement and other irregularities that do not relate to the compliance of the audit subject with the relevant accounting principles. However, if we discover such facts during the audit, we will inform the client immediately.

It is the responsibility of the client's legal representatives to correct any significant errors in the subject matter of the audit and to confirm to us in the declaration of completeness that the effects of any uncorrected errors identified by us during the current assignment are insignificant for the subject matter of the audit, both individually and in their entirety.

B. Contractual relationship

If documents of legal relevance are made available to us, we expressly state that we have no obligation to provide legal advice or review, nor does this assignment include general legal advice. The client must therefore also submit any sample wordings provided by us in connection with the execution of this assignment to his responsible legal advisor for final legal review. The client is responsible for all management decisions in connection with our services, the use of our results and the decision as to the extent to which our services 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 we have unrestricted access to the records, documents and other information required for the order. The same applies to the submission of additional information published by the client together with the financial statements and, if applicable, the associated management report. The client will make this available in good time before the audit opinion is issued or immediately as soon as it is available. All information provided to us by the client or on his behalf ("client information") must be complete.

D. Indemnification

The client is obliged to indemnify us against all claims by third parties (including affiliated companies) and the resulting obligations, damages, costs and expenses (in particular reasonable external legal fees) that result from the use of the work results by third parties and that were passed on directly or indirectly by the client or at his instigation. This obligation does not apply to the extent that we have expressly agreed in writing that the third party may rely on the work results.

F. Scope

The provisions contained in the All Terms and Conditions of Contract - including the liability provisions - also apply accordingly to all future other orders placed by the client, unless separate agreements are made or covered by a framework agreement or unless domestic or foreign legal or official requirements that are binding on us conflict with individual provisions in favor of the client.

The terms of the All Terms and Conditions of Contract apply exclusively to our services; other conditions do not become part of the contract if the customer has not expressly agreed them with us in writing. General purchasing conditions referred to in automated orders are not considered to be included even if we have not expressly objected to them.

The exclusive place of jurisdiction for all legal disputes arising in connection with the order or the services provided under it is the registered office of our law firm / professional association in Germany.