

VALUE-HOLDINGS Aktiengesellschaft



VALUE-HOLDINGS
Aktiengesellschaft

Annual Report 2021

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CREATING VALUE WITH PATIENCE AND DISCIPLINE

Value-Holdings AG invests in German companies, that are listed on the stock market. Non-listed companies from the medium-sized companies complete our portfolio.

We often invest in family businesses. Families want to secure the success of their company for future generations. This prevents short-term quarterly thinking. Investments that ensure long-term success but burden earnings in the short term, are made anyway. This also reduces conflicts of interest between managers and owners.

We invest in companies whose products or services create value. Companies from the manufacturing industry, building materials producers and chemical companies are often in our portfolio. In addition, there are consumer goods, trading or service companies. We also focus on technology and software, although their valuations often do not match our price expectations.

We do not invest in banks and insurance companies, not in utilities, not in gaming companies and arms manufacturers. In our opinion, these companies cannot be valued, are subject to excessive regulatory intervention or their business models do not match with our values.

We attach great importance to a high balance sheet quality in the selection process. With a high equity ratio and low indebtedness, their chance to survive crisis is much higher. The decisive factor for the purchase is the valuation: if the price paid is too high, even a good company will not be a good investment!

FOREWORD BY THE CEO

Dear Shareholders,

investors were satisfied with the performance of their shares in the past financial year 2021. The German stock market index DAX gained 15.6 % and closed at 15,885 points. That is more than before the Corona pandemic. But the development on the stock exchange was divided: The strong first half of the year with high price gains was spurred by the successes of Biontech & Co., which were able to provide effective Corona vaccines. In the second half of the year, on the other hand, the trend went sideways with fluctuations. The stock markets were slowed down in autumn by the slow progress of the vaccination campaign in Germany and the emergence of new virus variants such as Delta and Omikron. In addition, it became apparent that the initially pandemic-related distortions in the global supply chains with the shortage of semiconductors in particular lasted longer than expected. This was also true for the increased inflation, which has remained at a high level until today, instead of being only a temporary phenomenon as hoped last year. This was the reason for the central banks to end their ultra-loose monetary policy and switch to a more restrictive course.

Corona and the economic difficulties had not yet been overcome when Russian troops invaded Ukraine on 24th February 2022. War in Europe was not imaginable for us. This shock accelerated the downward slide on the stock market. It is not yet clear what economic damage, not to mention the human suffering, the war will cause. Therefore, we expect a longer phase of uncertainty. But the ups and downs on the stock markets also offer opportunities that we want to take advantage of through active portfolio management.

The 2021 financial year was very successful for Value-Holdings AG. We started the year with a high equity ratio and almost no debt and were able to invest heavily after the pandemic had lost its highest scare. On the sell side, we then became more active in the summer after some of the shares we held had reached their fair values. In the fourth quarter there was a high income from the sale of our majority-stake in CAPCAD SYSTEMS AG, which we originally had not planned.

The success of the past year is clearly reflected in the development of the net asset value (NAV). The NAV per share increased by 37.1 % from € 5.04 to € 6.91. This is very pleasing, especially if you compare this with the increase of the DAX, that rose by 15.8 %. How was this outperformance possible? Value investors had hard times in 2018 to 2020. Growth stocks were in demand, especially from the technology sectors. The share prices of companies from the online retail, technology, software/IT, fintech and crypto sectors went through the roof. This trend was exacerbated by the Corona pandemic. In the 2020 annual report of Value-Holdings AG, we had referred at this point to a quote by Warren Buffett: "Valuation is counting money, not hopes and wishes". Many wishes, visions and goals of the highly praised technology companies did not materialise, investors' hopes were disappointed. Delivery Hero, for example, was admitted to the DAX in August 2020 with a market capitalisation of almost € 25 billion. After all, the food delivery company was able to more than double its turnover from € 2.5 billion to € 5.8 billion thanks to acquisitions. But Delivery Hero has never made money during its 6-year history on the stock exchange.

The operating loss increased from € 890 million to € 1,080 million. In addition, the interest rate turnaround has been the undoing of the growth stocks in the past year. High expected profits in the future, discounted at higher interest rates, are worth less in the present. The present values of these companies have decreased significantly. Incidentally, investors' attitudes towards such business models have also changed. Promising a lot and delivering little was no longer the order of the day. Instead, solid companies with proven earnings power moved back into the focus of investors. Many companies from the manufacturing sector, often business models of the so-called "old economy", had improved their cost structures during the pandemic and were now able to achieve unbelievable margins after demand for their products had returned, despite difficult material availability and rising input costs. The share prices of the companies in our portfolio have benefited from this. We were also able to sell our stake in CAPCAD SYSTEMS AG to a strategic investor. The price achieved was significantly higher than the conservative valuation we had previously applied in determining the NAV.

Value-Holdings AG was able to close the 2021 financial year with a record profit. High realised capital gains, higher service revenues, a further increase in dividend income and only minor write-downs on our securities positions made this good result possible. Our stable balance sheet and the high level of liquidity currently allow us to take advantage of depressed prices for new investments and to increase existing holdings. According to our calculations, many companies in our universe currently have margins of safety to their intrinsic value of 50 % or more. This means that the share price would have to double by the time the fair value is reached. This will not happen this year, the political and economic uncertainties are too great for that. But when the next economic upswing sets in and the mood on the stock markets becomes more optimistic again, we should be rewarded for our courage in investing anti-cyclically now. We would be pleased if you were still a shareholder then.

Your, Georg Geiger, CEO

Development of the Value-Holdings AG portfolio compared to DAX and SDAX (in %)*:

Year	VH-Depot	DAX	SDAX
1992	-2,88	-11,47	-10,62
1993	54,40	46,71	32,00
1994	6,30	-7,10	-10,40
1995	10,60	7,00	-14,60
1996	30,20	28,20	2,10
1997	47,08	47,11	34,61
1998	18,51	18,52	15,30
1999	55,20	39,00	7,40
2000	18,60	-7,50	6,40
2001	6,68	-19,79	-23,04
2002	-11,57	-43,94	-27,73
2003	48,91	37,08	51,30
2004	17,17	7,34	21,56
2005	27,23	27,07	35,16
2006	19,83	21,98	31,03
2007	12,25	22,29	-6,75
2008	-35,97	-40,37	-46,05
2009	13,71	23,85	26,72
2010	37,77	16,06	45,78
2011	4,81	-14,69	-14,54
2012	15,50	29,06	19,74
2013	12,84	25,48	28,23
2014	-1,88	2,65	5,85
2015	9,84	9,56	26,61
2016	12,72	6,87	4,63
2017	27,13	12,51	24,87
2018	-22,58	-18,26	-20,00
2019	9,11	25,48	31,58
2020	2,36	3,55	18,01
2021	31,86	15,79	11,17
Ø	13,93	7,66	7,49

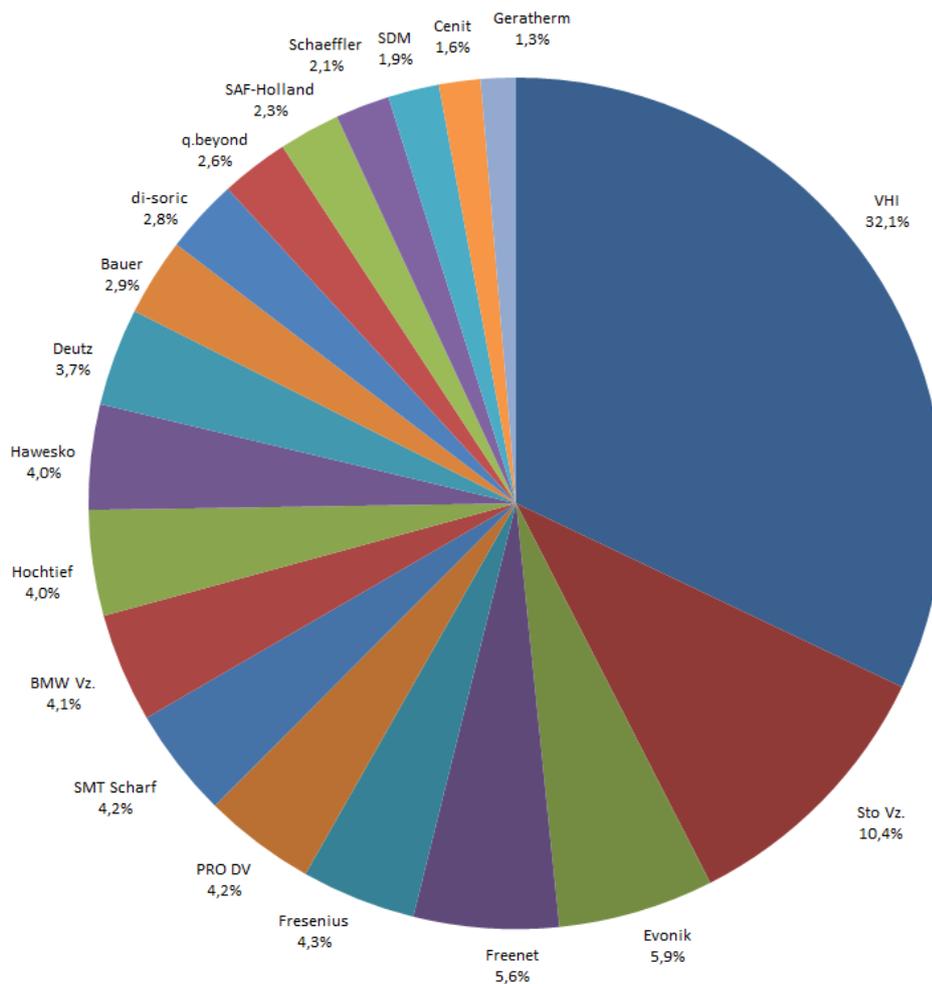
*) Since 2003, the reference value of the Value Holdings portfolio has been the gross value development of the Value Holdings Deutschland Fund.

PORTFOLIO

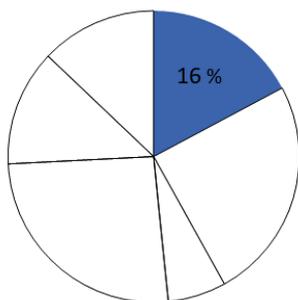
In the portfolio of Value-Holdings AG, the participation in Value-Holdings International AG (VHI) has the highest weighting, as in previous years. In the past years, CAPCAD SYSTEMS AG has always followed in second place. In the past financial year, we sold our stake in CAPCAD. Due to its good positioning in the IT service market, the company became interesting for both strategic investors and financial investors. In consultation with CAPCAD's management, we decided to sell to a strategic investor from the healthcare sector, as this combination opens up very promising development prospects for CAPCAD.

We have also completely sold our shares in Audius, Takkt, Metro, K+S, Hugo Boss, RIB Software, InnoTec and HeidelbergCement. BASF, TeamViewer, SDM, Bauer, Hochtief and Freenet were newly added to the portfolio.

The following chart shows the weightings of our investments in relation to the overall portfolio. Investments with a weighting of less than 1% were not included in the chart.



1. Technology / IT-Service / Software



The share of technology stocks in the portfolio is 16 %. Value-Holdings AG continues to focus on investments in IT service and software companies, but also holds a sensor manufacturer in its portfolio, di-soric KG. Last year Audius was sold after a good share price performance and RIB Software AG was sold as part of the takeover bid. We also sold our majority shareholding in CAPCAD SYSTEMS AG, an IT systems company based in Ismaning near Munich, to a strategic investor. On the other hand, we bought a small stake in TeamViewer AG. This company was in the focus of investors due to the Covid-related expansion of home office activities.

However, since the ambitious expectations were not met, the valuation of the company fell drastically, which was a good opportunity for us to get in.

di-soric (turnover € 24.0 million, 160 employees)

di-soric has been an established manufacturer in the field of industrial automation for around 40 years. di-soric develops, produces and distributes a wide range of innovative sensors, high-performance image processing components, high-quality LED machine and signal lighting as well as products from the field of safety technology. The company's flexibility in adapting its own products for customer-specific solutions is highly appreciated, especially by its medium-sized customers. The products of di-soric are mainly used in the fields of assembly & handling, robotics, packaging, machine tools and measurement & testing. The focus is on the automotive, food & beverage, pharmaceutical & cosmetic and electronics industries. Intelligent sensors are indispensable due to the advancing digitalisation of medium-sized production companies and Industry 4.0 with networked and automated factories. For this purpose, di-soric builds sensors that record data, measure distances, convert the physical signals into electronic signals, forward this to the control system or carry out automatic evaluations themselves. This modern sensor technology enables safer production with less downtime and better coordination of different systems and machines: the smart factory.



q.beyond AG (turnover € 155.2 million, EBIT € 15.2 million, 1,139 employees)

q.beyond AG focuses on the three key markets of digitalisation, SAP, Cloud and SaaS. Many customers of SAP's ERP systems are currently about to switch to SAP S4/HANA. During the transformation to the new system, the specialists at q.beyond also ensure smooth processes in production and logistics during and after the changeover. In the area of Internet of Things (IoT), the entire value chain of a company is optimised by q.beyond. The basis is the intelligent linking of state-of-the-art automation technology with hardware and software on a cloud-based IT platform. In addition, the automated exchange of data from the "Smart Factory" with the SAP landscape is guaranteed. q.beyond is particularly active for customers from the industry, energy and trade sectors. For these sectors, q.beyond has developed its own software solutions, such as StoreButler for digital shops in retail or Edgizer as a platform for managing all edge devices and software for Industrial IoT solutions. Individual cloud solutions are developed for companies, whereby the security and connectivity of the data is guaranteed via the company's own TÜV-

certified high-performance data centre in Germany. Alternatively, the implementation can also be realised via the public cloud of the leading providers at the customer's request.

CENIT AG (turnover € 146.1 million, EBIT € 6.2 million, 685 employees)

CENIT specialises in the sale of software and IT services in the Product Lifecycle Management (PLM) and Enterprise Information Management (EIM) segments. Customers in the PLM segment are primarily active in the mechanical engineering, automotive and aviation sectors, while the EIM segment mainly addresses financial service providers and public administrations. In addition to the sale, installation and operation of standard solutions from DASSAULT, SAP and IBM, CENIT has developed its own software solutions to supplement and expand the standard solutions in a value-creating manner. CENIT has set itself the goal of becoming the leading integrator for business processes on SAP and Dassault Systems platforms. If it succeeds in further expanding its own software applications, CENIT can become a leading provider of digital process continuity.

PRO DV AG (turnover € 3.3 million, EBIT € 0.1 million, 21 employees)

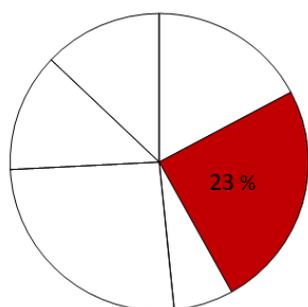
PRO DV's consulting and solutions portfolio addresses the top trends in the IT market: In the area of "Secure Modern Collaboration", PRO DV advises clients on IT security, data protection issues and migration of existing applications to a cloud architecture. The area "Business Continuity Management" ensures information security (ISMS) as well as emergency and crisis management for clients. In the third area, „Workforce Management“, PRO DV offers the programmes "Workforce" and "Emergency", which are used in the dispatching of service staff and fault teams. In addition, PRO DV offers TecBOS.command, its own software solution for emergency and crisis training, as well as training and exercises. In addition to state and municipal administrations, customers here are primarily corporations with critical infrastructures, such as energy and water suppliers. The need for software-supported emergency and crisis exercises as well as the coordination of operations was tragically revealed by last year's flood disasters. The need has been recognised in municipalities and counties, but budgetary constraints often stand in the way of investment decisions.



TeamViewer AG (turnover 501,1 million. €, EBIT 117,4 million. €, 1.477 employees)

TeamViewer develops remote connectivity software, comprehensive solutions for remote access, remote control and remote maintenance with secure connections to any device, from any device. With TeamViewer Remote Support, IT experts provide support over any distance and at any time, instead of having to travel long distances for every problem. With TeamViewer Remote Access, it is possible to be productive anywhere at any time by providing secure access to all desktop files and applications. Remote access to mobile devices or even IoT, POS and kiosk systems is possible via TeamViewer Mobile Device Support. TeamViewer markets its software mainly to medium-sized users, but recently also increasingly through partnerships with major customers such as SAP, Google or Siemens.

2. Industry / Vehicles



The manufacturing industry and vehicle construction are classic sectors in which Value-Holdings has regularly invested in the past. At the end of last year, the share of the portfolio was 23 %. The car manufacturer BMW and the supplier Schaeffler remain in the portfolio. We have also invested in the engine manufacturer Deutz, the mechanical engineering company SMT Scharf and the component manufacturer for Truck & Trailer, SAF-Holland.

BMW AG (turnover € 111,239 million, EBIT € 13,400 million, 118,626 employees)

BMW manufactures premium vehicles under the BMW, Mini and Rolls Royce brands. The Group has 31 production and 41 sales locations worldwide. The most important sales markets are Europe with a share of 42 %, followed by Asia with 33 % and America with 23 %. The share of electrified vehicles has increased to 13 % in 2021. BMW intends to operate in a completely climate-neutral manner within the Group by 2050. To this end, the goal of a circular economy is already being pursued today, with circular design, the use of secondary materials and battery recycling being important building blocks.

Schaeffler AG (turnover € 13,852 million, EBIT € 1,264 million, 82,981 employees)

The Schaeffler Group operates in the divisions "Automotive OEM" (components for engines, transmissions and chassis), "Automotive Aftermarket" (spare parts business and services for workshops), and "Industrial" (systems for rotary and linear motion). With its Roadmap 2025, Schaeffler is pursuing the goal of transforming itself from a traditional automotive supplier towards future-oriented topics such as CO₂-efficient drives, chassis applications and renewable energies.



Deutz AG (turnover € 1,617 million, EBIT € 34 million, 4,751 employees)

Deutz AG is one of the world's largest and most innovative engine manufacturers (diesel, gas, hybrid, electric). They are mainly used in construction and agricultural machinery, forklift trucks, lifting platforms, commercial and rail vehicles and boat drives. Although the engines are mainly used "off-highway", Deutz is an innovation leader in the direction of alternative drives. In August 2021, the first market-ready hydrogen engine was presented, which meets the EU limits for "zero emissions".

SMT Scharf AG (turnover € 85.9 million, EBIT € 11.2 million, 420 employees)

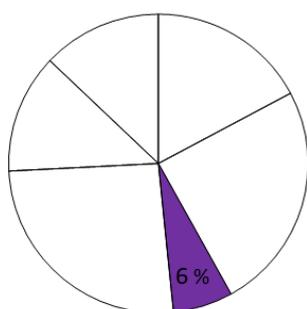
SMT Scharf's core products are rail-bound monorail systems for use in underground mining. The systems can transport material and personnel with payloads of up to 48 tonnes and inclines of up to 35 degrees. In addition, SMT offers chairlifts for passenger transport in mining. Complimentary to mining, SMT is also positioning itself in tunnel logistics, where transport systems for passenger and emergency transport are offered. This also makes SMT's business less

volatile to fluctuations. While mine operators depend on commodity price cycles, demand for infrastructure, such as the construction of tunnels and subways, develops independently.

SAF-Holland SE (turnover € 1,247 million, EBIT € 70.5 million, 3,572 employees)

SAF-Holland SE is the largest independent manufacturer of suspension-related assemblies and components for trailers, trucks and buses in Europe. The product range includes axle and suspension systems for trailers, fifth wheels and coupling systems for trucks, trailers and semi-trailers. It also manufactures kingpins and landing legs. SAF-Holland supplies original equipment to vehicle manufacturers on 6 continents. In the aftermarket business, manufacturers' service points, wholesalers and, via its own global service network, end customers are supplied directly.

3. Consumption / Retail



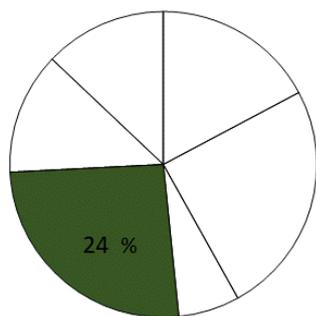
In the retail and consumer segment, we sold our shares in Metro, Takkt and Hugo Boss last year. The segment now only includes our shares in Hawesko. The weighting has been reduced to 6 % as a result of the sales. The retail was also affected by the Corona pandemic in 2021 through shop closures. However, the good demand for wine, especially for high-quality premium wines, has increased again, from which Hawesko has benefited.

Hawesko Holding AG (turnover € 681 million, EBIT € 53.1 million, 1,193 employees)

Hawesko Holding AG and its subsidiaries specialise in trading in wines from the premium segment. The group is No. 1 in this segment in Europe with a market share of 25 %. Sales are made through three distribution channels: In the retail segment, 325 Jacques' Wein-Depots are operated in Germany and 22 Wein & Co. outlets in Austria. In the B2B segment Hawesko reaches customers in the catering, hotel, food retail and specialist wine-shop sectors via an extensive wholesale logistics network. The e-commerce segment comprises all online and distance selling businesses. During the pandemic, the e-commerce segment has become the most important sales channel, accounting for 40 % of total sales, followed by retail with 35 %. The B2B segment has fallen back to a share of 25 % in recent years, as sales with customers from the catering and hotel industry are still significantly below pre-pandemic levels.



4. Construction / Building materials



The construction/building materials sector was the highest weighted sector within our portfolio at the end of the last financial year, and this despite the fact that we sold our shares in A.S. Creation Tapeten and InnoTec TSS. Instead, we invested in two classic construction companies, Hochtief and Bauer. However, Sto SE, whose share price increased significantly in the past fiscal year, is primarily responsible for the high weighting of the sector.

Hochtief AG (turnover € 21,378 million, EBIT € 531 million, 32,866 employees)

Hochtief is a global construction and infrastructure group in which the Spanish ACS Group holds a majority stake. Around 60 % of revenues are generated in the Americas, the most important market, and 35 % in Australia and the Pacific region. Hochtief AG's construction activities in Europe are of secondary importance. Hochtief AG also holds a 20 % stake in the Spanish motorway operator ABERTIS.

Sto SE & Co. KGaA (turnover € 1,590 million, EBIT € 124 million, 5,720 employees)

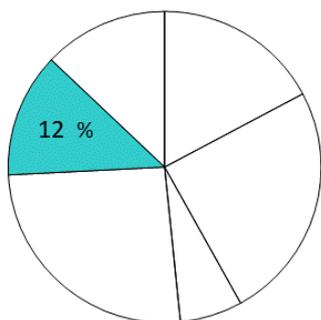
Sto SE is an international manufacturer of building coatings. This includes facade insulation systems such as thermal insulation systems, facade coatings such as renders and paints for exterior use, and interior products such as decorative coatings, interior cladding and acoustic systems. Sto also offers products for concrete repair, renovation materials, levelling mortars, levelling compounds, etc. Last year, Sto expanded its product portfolio in the area of floor coatings by acquiring 50.1 % of VIACOR Polymer GmbH. Sto also acquired additional shares in JONAS Farbenwerke KG, in which it previously held a minority interest, and now holds 100 %. With JONAS, Sto has acquired a specialist for wall paints and water-based coating products in the German market for professional users.

Bauer AG (turnover € 1,433 million, EBIT € 36.0 million, 11,966 employees)

Bauer AG is a specialist foundation engineering company that offers construction services as well as the necessary machinery. In the field of special civil engineering, for example, Bauer constructs excavation pits, cut-off walls and foundations for infrastructure projects and buildings. In the machinery sector, Bauer also offers the equipment required for foundation engineering to other construction companies in order to achieve economies of scale. In the Resources division, drilling services are provided for well construction and environmental engineering. Bauer also operates constructed wetlands and is active in the remediation of contaminated sites.



5. Chemistry / Raw materials



In the chemicals/raw materials sector, Value-Holdings AG sold the entire K+S position and invested in BASF instead. The sector, which was weighted with a share of 12 % as of 31 December 2021, also continues to contain our shares in Evonik.

Evonik AG (turnover € 14,955 million, EBIT € 1,173 million, 33,004 employees)

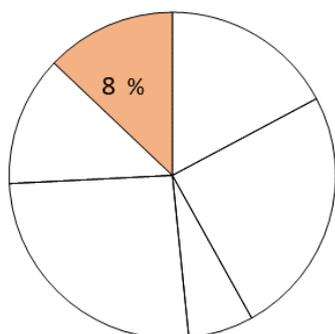
Evonik is a specialty chemicals company with activities in four segments: In the "Speciality Additives" segment, additives are produced that make end products more valuable, more durable or more energy-efficient. In the „Nutrition & Care“ segment, everything revolves around health (e.g. production of lipids for mRNA vaccines) and the quality of human life (body care, cleaning). Evonik is currently the only manufacturer worldwide that can produce biobased tensides on an industrial scale. Biotensides are increasingly being used by suppliers of personal care products, household cleaners and cosmetics because they are completely biodegradable and thus reduce the burden on the environment. In "Smart Materials", innovative materials are developed and produced that provide customers with resource-saving solutions and replace conventional materials. „Performance Materials" are materials that are used in the areas of mobility, nutrition, pharmaceuticals or plastics. Evonik is currently trimming this less innovative area for returns in order to be able to dispose of businesses that predominantly serve the mass market at attractive prices.

BASF AG (turnover € 78,598 million, EBIT € 7,677 million, 111,047 employees)



BASF, the world's largest chemical company, operates in more than 90 countries. The businesses are focused on Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions segments. BASF has a very diversified customer structure. Customers come, for example, from industry, the automotive sector, the construction industry, agriculture, health and nutrition. They also include energy suppliers and consumer goods manufacturers. The large Verbund sites in Ludwigshafen, Antwerp and Nanjing with their cost-optimised intralogistics enable BASF to exploit significant economies of scale and efficiency.

6. Healthcare



In the healthcare sector, weighted at 8 % in the portfolio, Value-Holdings AG continues to hold the stocks Fresenius and Geratherm, which were purchased in the previous year. According to our valuation system, healthcare stocks were clearly overvalued in the past years. However, Fresenius and Geratherm suffered price declines during the Corona pandemic due to specific influencing factors (cancelled surgeries, declining demand for medication from intensive care patients), which made a favourable entry possible.

Fresenius SE & Co. KGaA (turnover € 37,520 million, EBIT € 4,158 million, 316,078 employees)

Fresenius is a global health care group divided into four independent business segments. The subsidiary Fresenius Medical Care offers services and products for people with chronic kidney failure. Last year, more than 346,000 patients were treated in the company's dialysis clinics. Fresenius Kabi specialises in intravenously administered generic drugs, clinical nutrition and infusion therapies. Fresenius Helios is Europe's leading hospital operator. Helios operates 89 hospitals, 130 medical care centres (MVZ) and 6 prevention centres in Germany. The Spanish subsidiary Quirónsalud owns 46 hospitals, 70 outpatient health centres and more than 300 facilities for company health management. Fresenius Vamed implements projects and services for hospitals such as planning and turnkey construction, technical management and total operational management for health care facilities.

Geratherm Medical AG (Turnover € 23.9 million, EBIT € 0.6 million, 226 employees)

Geratherm Medical AG is an internationally oriented medical technology company. Healthcare Diagnostic is the largest business area with a 58 % share of sales. The focus here is on products for medical temperature measurement, in particular environmentally friendly and mercury-free clinical thermometers. Geratherm Respiratory develops, produces and sells products for measuring lung function and has increased its share of sales to 23 %. In the Cardio/Stroke segment Geratherm is represented by the subsidiary apoplex medical, which focuses on cardiac arrhythmias and offers solutions for the detection of atrial fibrillation for stroke prevention. Geratherm was not successful with medical warming systems (incubators for premature babies and warming systems for the operating theatre and rescue area). The division is discontinued.

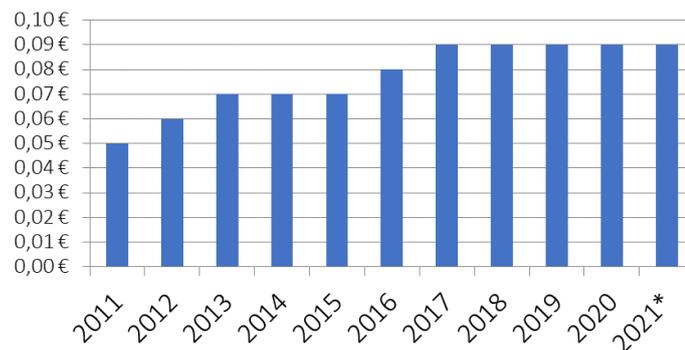




7. Value-Holdings International AG

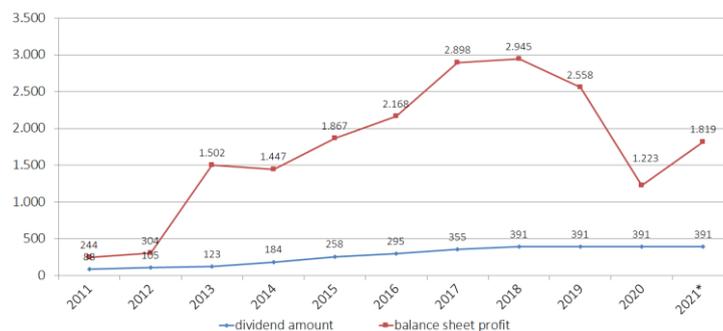
Value-Holdings International AG (VHI) implements the value investing strategy in Europe. At the end of 2021, the company was invested in 45 companies. Of these, 28 are from Germany and 17 from other European countries. The liquidity ratio was 9 % at the end of the year. Value-Holdings International AG pursues a sustainable dividend policy and will propose an unchanged dividend of € 0.09 per share from the pleasing annual result for 2021 to the Annual General Meeting in 2022.

Historical dividend per share



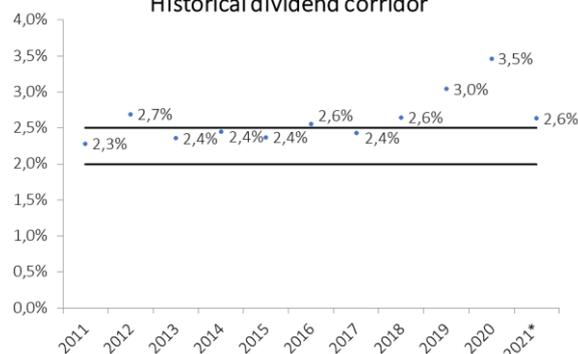
Due to the profits generated in recent years, most of which were retained, the company has sufficient distribution reserves to be able to maintain this dividend policy in the future. The distribution policy is oriented towards the needs of the largest shareholders, who are predominantly foundations or single-family offices. With the inflows from the dividend payments of Value-Holdings International AG, they can fulfil their foundation tasks or their other financial obligations.

Distribution reserves in T€



The distributions of Value-Holdings International AG are generally calculated in such a way that the dividend yield lies within a corridor of between 2.0 % and 2.5 % in relation to the year-end share price. As dividend reductions are to be avoided, the yield can also be significantly higher in years with low share prices of Value-Holdings International AG, as can be seen in 2019 and 2020 with 3.0 % and 3.5 % respectively.

Historical dividend corridor

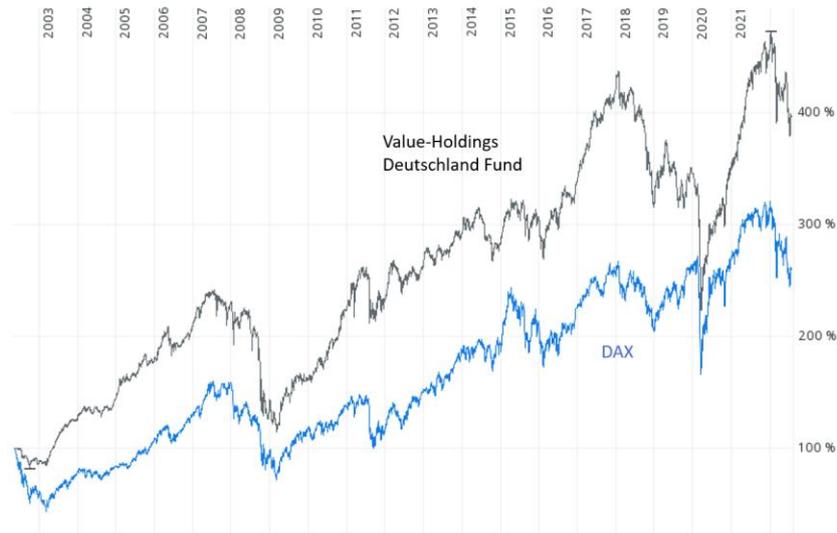


8. Value-Holdings Capital Partners AG

As a financial services institution, Value-Holdings Capital Partners AG provides investment advice pursuant to Section 2 (2) No. 4 WpIG. The company continues to manage two mutual funds:

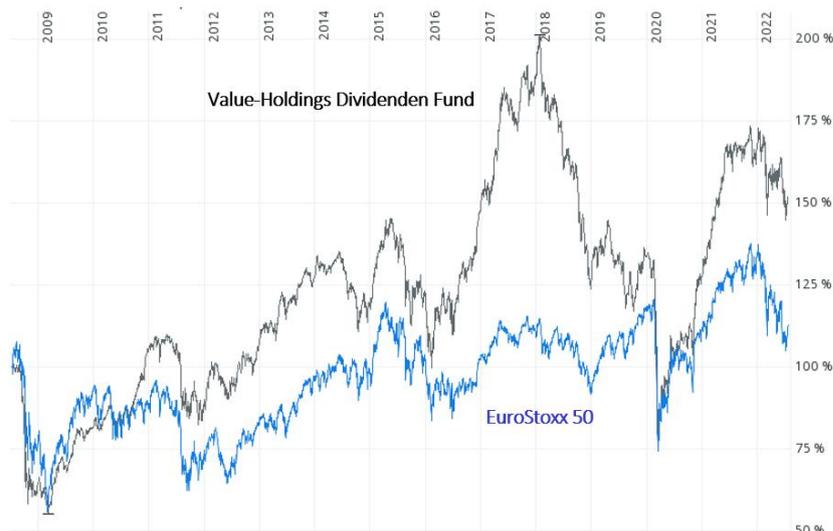
1. Value-Holdings Deutschland Fund (WKN A0B63E)

The first mutual fund of the Value-Holdings Group was launched on 15 May 2002. The fund invests according to the value investing strategy in German shares of all size classes, from blue chips listed in the DAX to micro caps without index membership. The largest positions at the end of 2021 were Hawesko, Ringmetall, Sto, Evonik and BMW. The development of the fund in comparison to the DAX since inception is shown in the following chart:



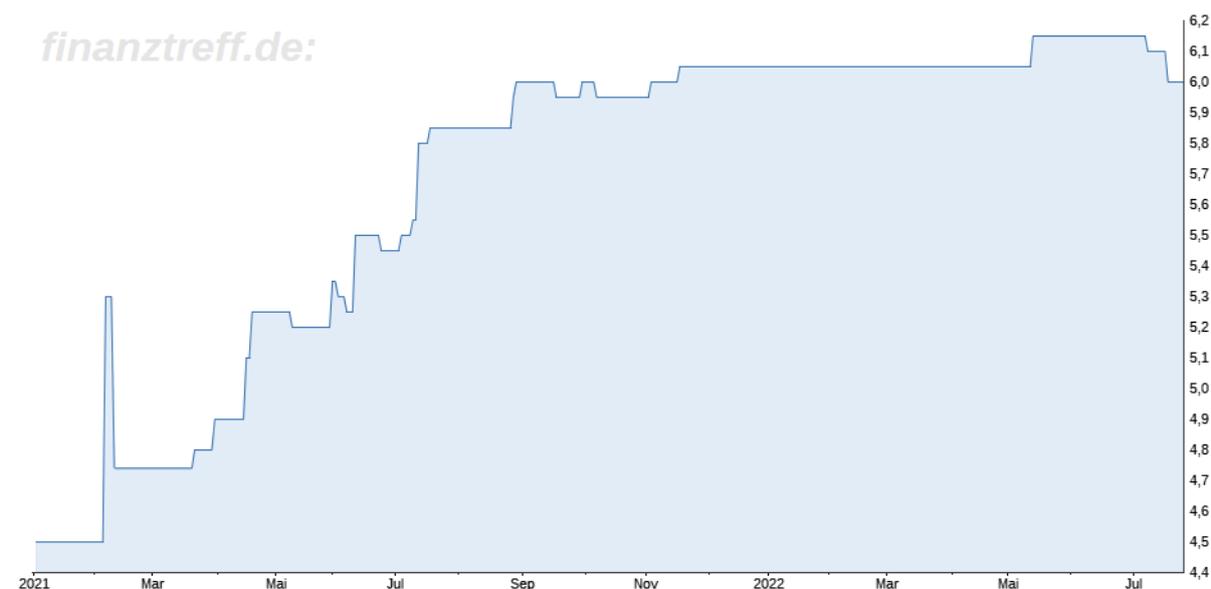
2. Value-Holdings Dividenden Fund (WKN A0Q8K9)

The fund was launched on 1 July 2008. It invests in European equities and focuses on stocks with high dividend yields. The fund also aims for a target distribution of 3 % p.a.. This offers investors an opportunity for stable income generation even during the phase of low interest rates. At year-end 2021, the largest positions were Ceconomy, BIC, Keller Group, Schaeffler and Fresenius. The development of the fund compared to the EuroStoxx50 since inception is shown in the following chart:



VALUE-HOLDINGS SHARE

The investment strategy of Value-Holdings AG was unchanged in the 2021 financial year. The company selects its investments according to the criteria of the "value investing strategy". The portfolio contains mainly equities of German companies from the technology / IT service sector, the manufacturing industry, the consumer goods sector and the construction industry. One focus of the investments is regularly on medium-sized companies and family-managed businesses. Families think in generations, not in quarters. This allows for sustainable research and investment activities, even if this should burden earnings in the short term. Furthermore,

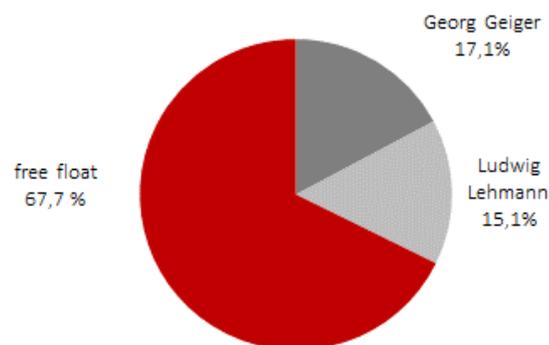


family businesses often impress with their high balance sheet quality. Strong businesses have better chances of survival, and they are more profitable in the medium term, when research and investments pay off. We want to buy such companies cheaply, with "margin of safety". In this way, we limit the risk of high losses and open up the opportunity for above-average performance compared to the market trend. The shareholders of Value-Holdings AG participate in this by purchasing our share. In addition, our shareholders participate in the company's two-tier business model. The service revenues that Value-Holdings AG receives from the management of the two Value-Holdings funds and from the usage and transfer agreement with Value-Holdings International AG cover a large part of the management costs. Thus, the performance of the portfolio is directly expressed in the development of the net asset value of the Value-Holdings share without being diminished by high costs.

Key figures of the Value-Holdings share					
	2017	2018	2019	2020	2021
Share price at year-end (€)	5,00	4,72	4,90	4,50	6,05
Annual high (€)	5,15	5,30	5,45	4,90	6,05
Annual low (€)	3,15	4,52	4,60	3,00	4,50
Ø Trading volume (number of shares)	365	1.950	1.744	1.493	1.254
Earnings/Share (€)	0,54	0,44	0,14	0,17	1,30
P/E as of 31.12.	9,3	10,7	35,0	26,5	5,0

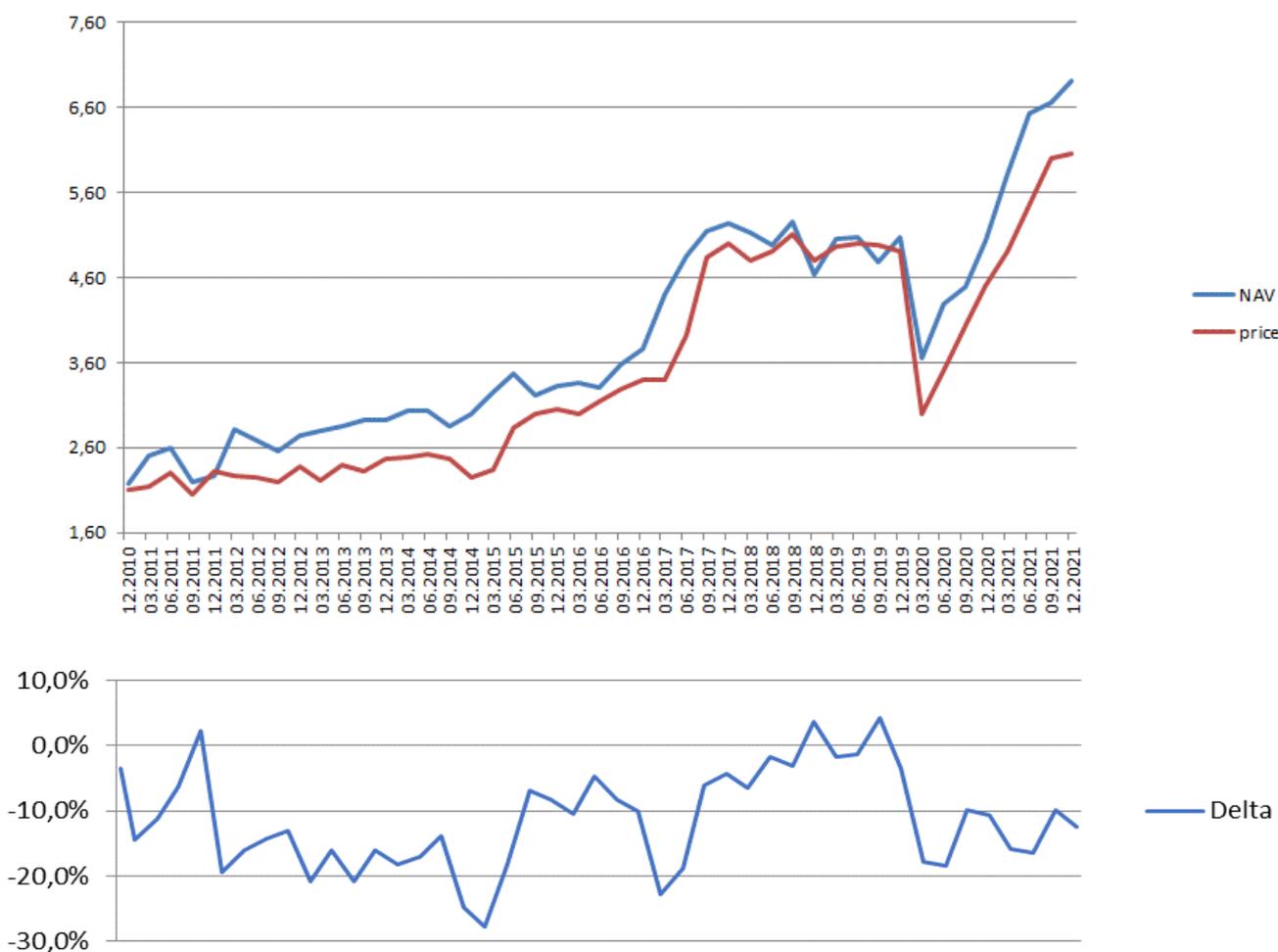
Shareholder structure

The shareholder structure of Value-Holdings AG remained almost unchanged last year. The company's largest shareholders are still the CEO Georg Geiger, who has increased his holdings slightly, and the Chairman of the supervisory board, Ludwig Lehmann. Mr. Geiger holds 17.2 % of the shares and Mr. Lehmann 15.1 %. The proportion of shares in free float remains unchanged at 67.7 %.



Net asset value of the portfolio

In the 2021 financial year, the net asset value (NAV) per Value-Holdings share increased by 37.1 % from € 5.04 (as of 31 December 2020) to € 6.91 (as of 31 December 2021). With a year-end price of € 6.05, the Value-Holdings share was listed significantly below the NAV at the end of the year. The development of NAV and share price is shown in the following chart:



MANAGEMENT REPORT

1. Activity of the company

Value-Holdings AG is a holding company listed on the Munich Stock Exchange in the "m:access" quality segment. It holds the shares of the companies of the Value-Holdings Group, which includes Value-Holdings Capital Partners AG (VHC) and Value-Holdings International AG (VHI). In addition, Value-Holdings AG holds interests in German medium-sized companies such as di-soric GmbH & Co. KG, in which an atypical silent partnership is held. Shares in listed companies in Germany completes the portfolio. All investments are selected according to the strategy of "value investing" and are held with a long-term investment horizon that goes beyond the usual investment period of an investment fund. Value-Holdings AG usually accompanies its holdings in phases of strategic development and sees itself as a partnership-oriented financial investor that supports strategies with the aim of increasing value together with the management and the main owners.

Value-Holdings AG uses two financial performance indicators to manage the company: income from securities and the equity ratio.

2. Business model

Value-Holdings AG was founded in 1992 and has since then made investments in more than 100 companies. In doing so, it invests in the portfolio companies for its own account in order to develop them further. After achieving its goals, Value-Holdings AG sells its shares, for example in agreement with the major shareholders, to strategic partners, to other financial investors or via the stock exchange. The increases in value realised in the process form the main component of the income. During the holding period, Value-Holdings AG regularly receives dividend income or other distributions from the portfolio companies.

In the area of services, the subsidiary Value-Holdings Capital Partners AG advises in particular foreign investors on investments in listed German and European companies. In addition, Value-Holdings AG transfers management capacities to Value-Holdings International AG to run the company and know-how in the selection of investments. This is advantageous for Value-Holdings AG and the shareholders, as it provides a much broader capital base and the shareholders participate in the income from the advisory services.

3. Business performance

Economic environment

According to the calculation of the Federal Statistical Office (Destatis), the price-adjusted gross domestic product (GDP) increased by 2.9 % in 2021. The German economy was thus able to recover after the deep, Corona-related recession in the previous year. However, the ongoing pandemic situation and increasing supply and material bottlenecks have slowed down the recovery, so that the economic output has not yet reached pre-crisis levels. Compared to 2019, the year before Corona, GDP was still about 2 % lower. Economic output increased in almost all sectors of the economy in 2021. In manufacturing, price-adjusted gross value added increased by 4.4 %. The economic output of business service providers increased by 5.4 %. In the service sectors of trade, transport and hospitality, growth was somewhat more restrained at 3.0 %. The

reason for this was mainly pandemic-related continuing restrictions in the catering industry. In the construction industry, which was able to hold its own during the crisis of the previous year, economic output fell by 0.4 % in 2021. Private consumer spending, which had fallen very sharply by 6.0 % in 2020, stabilised at this low level and is thus still far from its pre-crisis level. Government consumption expenditure was a pillar of the German economy in 2021, as in the previous year. They rose by a further 3.1 % in the second year of the pandemic despite the already high level of the previous year. The government mainly spent more money to procure free antigen rapid tests and Corona vaccines nationwide and to operate testing and vaccination centres. Price-adjusted investment in equipment, including machinery, appliances and vehicles, increased by 3.4 %. After the decline of 12.5 % in the previous year, however, investments in equipment are still far below the pre-crisis level. German foreign trade picked up again in 2021. Exports rose by 9.9 %, imports by 9.3 %. Government budgets again ended 2021 with a high financing deficit; at € 153.9 billion, it was at a similarly high level as in the previous year. Measured in terms of GDP, the deficit ratio was 4.3 %.

Development on the stock exchange

The international stock markets have developed favourably overall in 2021. For Value-Holdings AG, the German stock market index DAX is of particular importance as the relevant benchmark index. The DAX rose by 15.8 % to 15,885 points from January to the end of December last year. Given the headlines that dominated the past year, this development seems surprising. The COVID pandemic still had much of the world in its grip, the economy was burdened by

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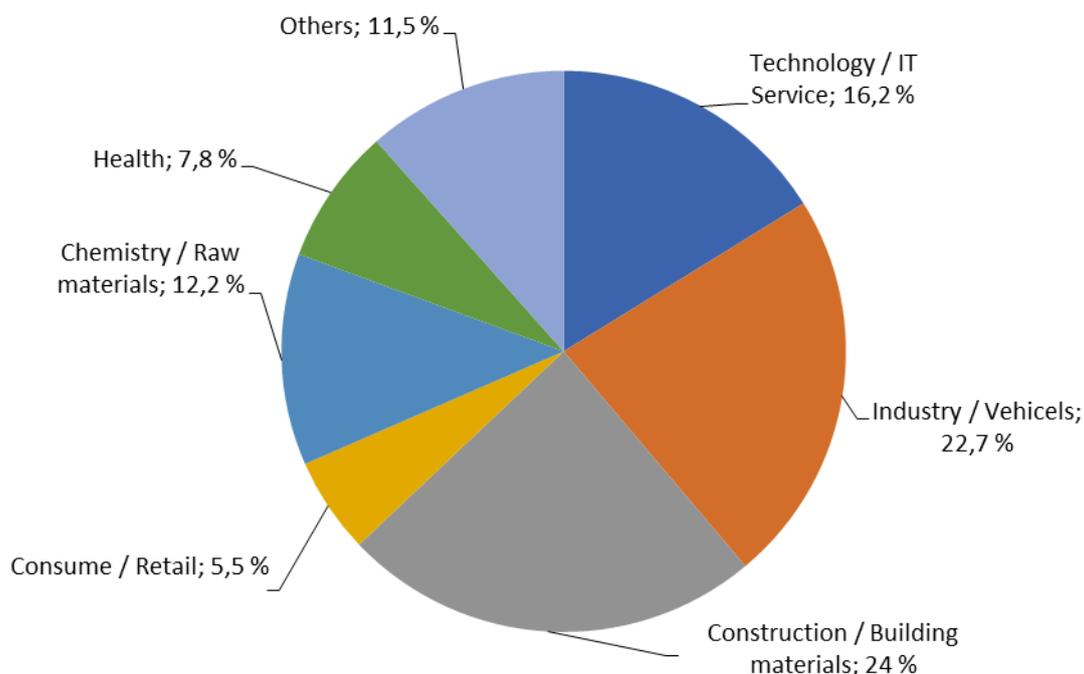


lockdowns, especially at the beginning of the year, the success of the vaccination campaigns was uncertain and the effectiveness of the vaccinations was questioned by new mutations of the virus. But the economy has recovered. The global economy recorded growth of 6 %, a welcome achievement after the previous year's slump of 4 %. Companies

had adjusted to the new conditions, grew significantly and achieved exceedingly good profit margins. And this despite initial lockdowns, limited availability of primary products and supplier parts such as microchips. In addition, massive increases in material, energy and logistics costs had to be absorbed. But consumer demand was strong and increased input costs could be passed on through price increases. This helped to expand profit margins, but led to a significant price increase overall. The looming inflationary dangers had not escaped the attention of the central banks either, which is why the American FED put its ultra-loose monetary policy to the test. Since the prospect of rising interest rates does not generally go down well on the stock markets, the upswing in share prices slowed down in the middle of the year. From August to December, the DAX was no longer able to gain on balance, but maintained its high level and closed with the aforementioned plus of almost 16 %.

Sector structure of the investments

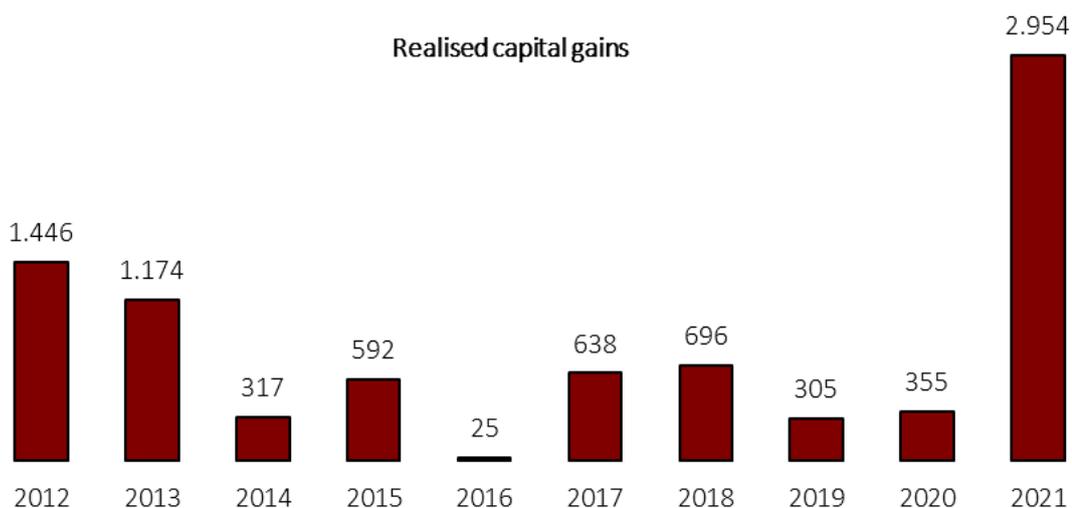
In the 2021 financial year, the sector structure of the portfolio of Value-Holdings AG has changed significantly. The technology sector, which was the highest weighted sector in the portfolio in the previous financial year, has lost weight due to the sale of CAPCAD SYSTEMS AG. We have invested parts of the sales proceeds in other technology stocks such as CENIT and in further shares of q.beyond AG. The largest share at the end of 2021 is held by companies from the construction/building materials sectors. The weighting increased in particular due to the strong rise in the Sto share price, but also due to the purchases of Hochtief and Bauer. Industrial and automotive stocks now follow in second place. Our shares in SAF-Holland were increased here. In the consumer/retail sector we sold our shares in Takkt, which reduced the weighting. The chemicals/raw materials and health care sectors are almost unchanged. The value portfolio also includes the holdings in the group companies Value-Holdings International AG (share of total portfolio 27 %) as well as Value-Holdings Capital Partners AG and DAS WERTEHAUS Vermögensverwaltung GmbH, each with a share of less than 1 %.



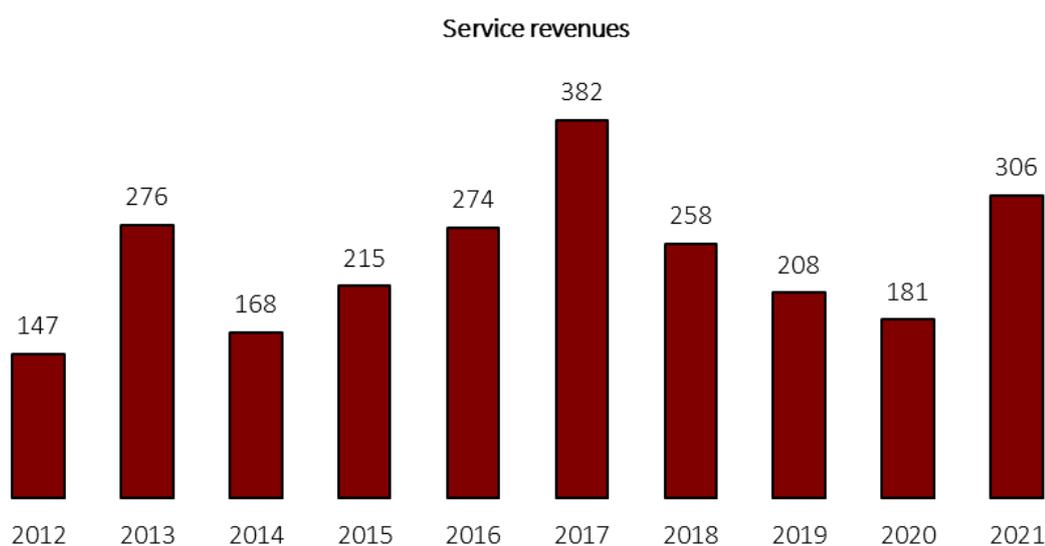
Profitability of the group

Value-Holdings AG generated sales revenues of T€ 6,645 (previous year: T€ 3,337) in the 2021 financial year. High proceeds from the sale of listed investments that had reached their fair values contributed to the increase. In addition, the sale of our stake in CAPCAD SYSTEMS AG at the end of last year made a large contribution. Furthermore, service revenues increased strongly due to the good performance of the managed portfolios. Sales of securities increased overall to T€ 6,339 (previous year: T€ 3,156). Realised price gains, the most important source of earnings for Value-Holdings AG, increased to T€ 2,954 (previous year: T€ 355). Naturally, these earnings are very volatile, as they depend on the condition of the stock markets and thus on the possibility of selling at good prices. On the other hand, the degree of maturity and the investment period of the respective investments are decisive. The investments of Value-Holdings AG are usually made with the expectation that the potential of the companies will develop and

be recognised by the market within a holding period of 3 - 5 years. This was the case with our investment in Takkt. With Audius it was even quicker. In 2020, we invested in the course of a capital increase at € 8.40 and by the end of 2021 we were already able to sell the last shares at prices around € 18. Audius had simplified the group structure during this time, had grown through acquisitions and had a very pleasing operational development. Further high profit contributions came from the sales of Deutz, SAF-Holland and CAPCAD. Value-Holdings AG had held a stake in CAPCAD SYSTEMS AG since 2012. During this time, the company doubled its turnover and increased its profit many times over. This was achieved through the development of new, attractive business areas, which ultimately also attracted the interest of several potential buyers.



Service revenues increased to T€ 306 (previous year: T€ 181). They originate in particular from the remuneration of Value-Holdings International AG (VHI) and the licence payment of Value-Holdings Capital Partners AG. The increase is due to the higher average volume managed in VHI and in the funds. In addition, it was possible to calculate profit-related remuneration in both VHI and the Value-Holdings Deutschland Fund, which also benefited Value-Holdings AG directly or via the licence fee.

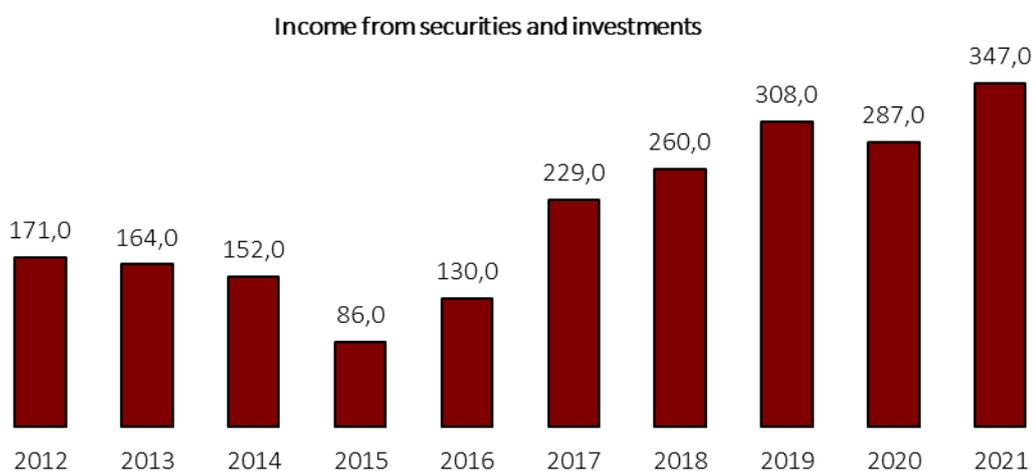


Other operating income was at the previous year's level of T€ 14 (previous year: T€ 14). As in the previous year, it originates in particular from offset payments in kind and the release of provisions. Personnel costs increased significantly in the 2021 financial year to T€ 426 (previous

year: T€ 160). The increase is a direct result of the highly variable compensation model, in which rising or falling earnings are directly reflected in rising or falling variable remuneration components for employees. The general administrative expenses of T€ 41 (previous year: T€ 41) are unchanged. Other operating expenses, on the other hand, increased very significantly to T€ 538 (previous year: T€ 62). In addition to the general cost increases, such as for insurance and ongoing operating costs, there were several special factors in the past financial year. These were the one-off costs for the move to Augsburg at the end of the year, the significantly higher costs of the Annual General Meeting due to the notarisation by a notary, as well as costs and provisions for possible subsequent liabilities in connection with the sale of the shares in CAPCAD SYSTEMS AG.

Looking at the regular, ordinary costs of the past year, it was possible, as mostly in previous years, to cover them through the significantly increased income from service revenues and other operating income. For the shareholders of Value-Holdings AG, this results in the advantage that the company's assets can be managed practically without additional administrative costs.

Income from securities (dividend income) is a financial performance indicator defined by our company for controlling purposes. It gives a good picture of the current income from the investment portfolio and is a relatively stable parameter on the basis of which the overall success of the company can be planned and tracked within the framework of controlling. In 2021, dividend income increased to T€ 258 (previous year: T€ 197). The increase came from the fact that some companies in the portfolio, which had cut their distributions in the previous year under the impression of the Corona pandemic or skipped them completely, returned to their usual dividend policy. Unimpressed by the pandemic, however, our most important dividend payers, such as CAPCAD SYSTEMS AG, Evonik and Sto, have maintained their distributions. Income from investments remained the same at T€ 90 (previous year: T€ 90).



This includes the distribution from Value-Holdings International AG, whose dividend amount of € 0.09 per share was unchanged, as was the number of shares held.

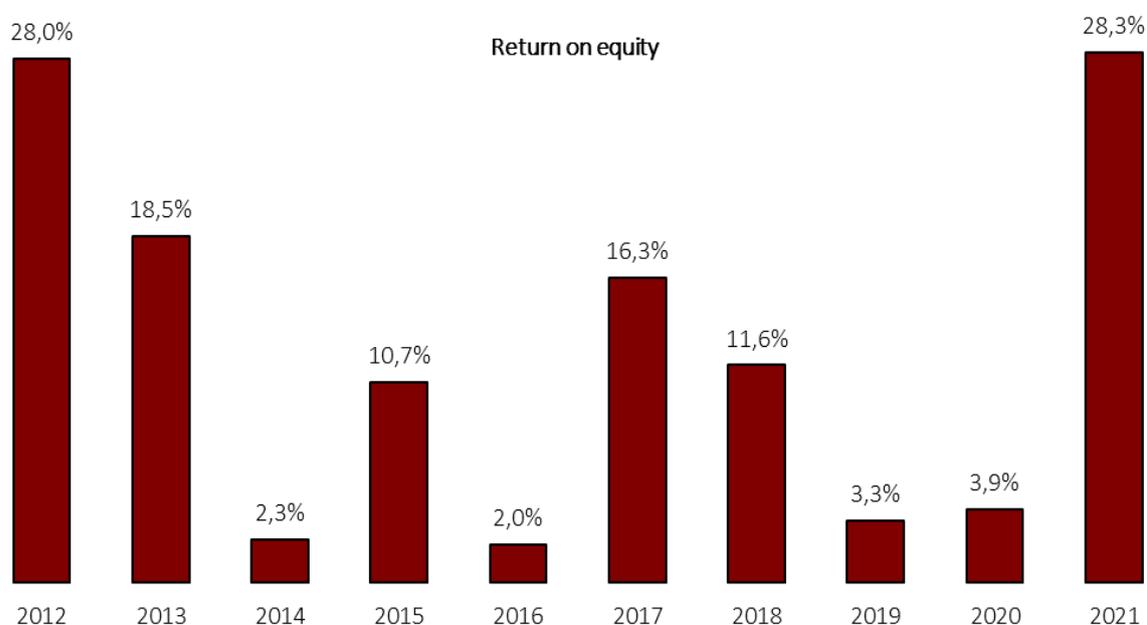
Due to the favourable stock market development, only minor partial value adjustments were incurred at Value-Holdings AG in the 2021 business year. The write-offs totalling T€ 39 (previous year: T€ 264) largely relate to our participation in Geratherm AG.

As in the previous year, the interest result is positive. Interest expenses of T€ 3 (previous year: T€ 10) decreased due to lower utilisation of our credit lines. Interest income decreased to T€ 33

(previous year: T€ 42), as the previous year's figure included special income due to the expiry of a participation agreement.

Value-Holdings AG's net income for the 2021 financial year is T€ 2,608 (previous year: T€ 343). As in the previous year, no tax payments were made. With an unchanged number of shares (2,008,994), earnings per share amount to € 1.30 (previous year: € 0.17).

The return on equity of Value-Holdings AG was 28.3 % in 2021. In the last financial year, many factors influencing our result were positive. We were able to take advantage of good opportunities to realise capital gains, the service division brought in rising revenues, the distributions of the portfolio companies have been increased after the pandemic and stock market price and valuation-related value adjustment requirements have remained low. However, the fact that all factors are so positive at the same time is rather an exception. Due to the business-related high volatility of our earnings, individual years cannot be planned, which is why we aim for a return target of 10 % on average over several years. The result from the past year increases the average return on equity over the last 5 financial years to 12.7 % and to 12.5 % over 10 years. We have thus exceeded the target return both in the medium and long term.



Asset position/Financial position

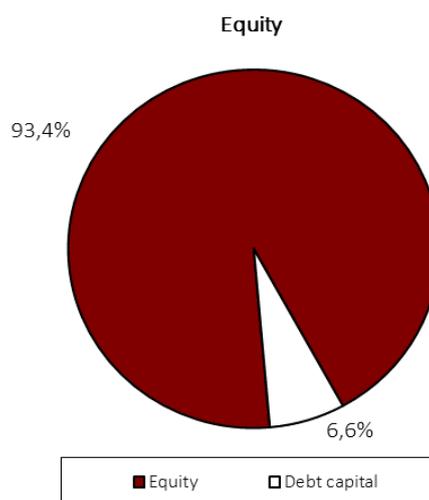
In accordance with the business model of Value-Holdings AG, the company's assets are characterised by financial investments. Financing is provided for the most part by equity. The company's balance sheet total at the end of the 2021 financial year was T€ 12,650 (previous year: T€ 9,518). On the assets side, the increase in the balance sheet was mainly due to higher receivables and liquid funds; on the liabilities side, equity and provisions increased.

The financial assets are divided into investments of T€ 2,656 (previous year: T€ 2,669) and securities held as fixed assets of T€ 6,242 (previous year: T€ 6,333). This amounts to a total of T€ 8,898, which is fully covered by equity capital. While the sale of CAPCAD SYSTEMS AG reduced the securities position, the purchases and repurchases of Deutz, q.beyond, SAF-Holland, Cenit and BASF increased the position almost to the previous year's level.

Trade receivables increased significantly to T€ 2,941 (previous year: T€ 115). The increase is related to significantly higher receivables from the use and transfer agreement with Value-Holdings International AG and from the licence agreement with Value-Holdings Capital Partners AG. In addition to the increased volume-based remuneration, performance-based income was also generated from both contracts. Furthermore, the receivables include the claims to purchase price payments from the CAPCAD sale. Other assets are unchanged at T€ 158 (previous year: T€ 158). As in previous years, they exclusively include creditable tax credits.

At the end of the year, cash and cash equivalents amounted to T€ 597 (previous year: T€ 199). As there are no bank liabilities, this also corresponds to the net cash position.

Value-Holdings AG's equity increased significantly to T€ 11,812 (previous year: T€ 9,204) as a result of the net income for the 2021 financial year. The equity ratio, our financial performance indicator for the balance sheet stability of the company, fell slightly to 93.4 % (previous year: 96.7 %). This is mainly related to the expanded balance sheet total, in particular due to the increase in provisions. Nevertheless, the equity capitalisation of Value-Holdings AG in the past financial year is once again above the target corridor of 70 % to 90 %.



We continue to adhere to the goal of a high equity ratio. The recent past has taught us how important it is to be prepared for crises. No sooner had hope arisen that we would be able to overcome the restrictions caused by the Corona pandemic than Russia unleashed the war in Ukraine, causing the next crisis. Our high equity capitalisation, combined with a good liquidity position and free credit lines, has enabled us to use our financial freedom during this time as well and to implement investment decisions without first having to discuss them with banks or other financial partners. This is to remain the case in the future, so that we can take advantage of falling stock market prices to buy first-class companies with a high margin of safety. As in the past, however, we want to limit the use of debt capital to a maximum of 30 % of the balance sheet total for risk considerations.

The share capital of the company remains unchanged at € 6,026,982 as at 31 December 2021. It is divided into 2,008,994 ordinary shares with a nominal value of € 3 each. The net profit for the financial year 2021 has increased the retained earnings to T€ 4,135 (previous year: T€ 1,527).

At T€ 792 (previous year: T€ 74), provisions are significantly higher than in the previous year. This is due to higher provisions for variable remuneration components due to the results, but in particular to follow-up costs and risks for possible subsequent liabilities in connection with the sale of the shares in CAPCAD SYSTEMS AG.

In contrast, the liabilities of Value-Holdings AG fell significantly to T€ 45 (previous year: T€ 240). The loans and lombard lines committed by two banks were only utilised to a small extent and had been completely repaid by the end of the year. The other liabilities are mainly tax liabilities.

Development of the subsidiaries

Value-Holdings Capital Partners AG was able to significantly increase its revenues in the 2021 financial year. The two funds managed had a significantly higher average volume due to their good performance and, in addition, a performance-related fee was received for the Value-Holdings Deutschland Fund. Value-Holdings Capital Partners AG improved its annual result considerably to T€ -8 (previous year: T€ -86). The fact that a deficit was nevertheless incurred is related to the company's decision to pursue a growth course and to invest significant amounts in acquiring new clients.

Value-Holdings International AG had a very good financial year in 2021. After some of the investments reached their fair value, high sales gains were realised. Dividend income also increased significantly again after the Corona-related decline in the previous year. Write-downs were only necessary to a limited extent due to the favourable stock market development. Value-Holdings International AG achieved a net profit of T€ 988 in the current year and, in line with its continuous dividend policy, will propose the distribution of a constant dividend of € 0.09 per share at the Annual General Meeting in 2022.

4. Opportunities and risks

Value-Holdings AG is exposed to a variety of risks through its business segments "Participations" and "Services". The fundamental opportunities and risks have not changed in 2021. The risks include the general risk of volatility in the financial markets and, in particular, the risk of falling prices in the investments. In addition, there are sector risks that can cause a negative impact on the earnings and financial position of the companies operating in this sector. The company counters these risks with a cautious, restrained risk appetite. Value-Holdings AG's balance sheet has a high equity ratio, which is also to be strengthened in the future by the further retention of profits. Borrowings are only used to a subordinate extent, which means that the company continues to see itself in a position to survive any coming crises without endangering its existence.

Value-Holdings AG is well positioned in both business segments, the investments in listed companies according to the value investing strategy and in the services segment. This results in promising business opportunities for the future. The company and its subsidiaries can profit disproportionately in the event of friendly stock markets and a good performance of the managed portfolios. Business expansions are possible at Value-Holdings AG without a significant increase in fixed costs. Other costs could be limited at a low level in the past years, which made it possible to build up equity capital to a considerable extent by retaining the annual surpluses.

Risk management

The Executive Board has set up a monitoring system in accordance with § 91 (2) AktG. The aim is to identify developments that could jeopardise the continued existence of the company at an early stage in order to prevent or minimise the occurrence of damage. Adequate risk control systems have been developed and installed for the timely identification of risks threatening the existence of the company, the analysis of their causes, their evaluation and their avoidance or minimisation. Once the risks have been identified, the control systems provide the management with concrete instructions for action to avoid or minimise damage. Risk management was also carried out regularly in the 2021 financial year and monitored by the Supervisory Board. Possible risks that could jeopardise the existence of the company could arise, for example, in the diversification of the portfolio ("cluster risk"), in the development of the value of our participations and securities commitments ("performance risk") or in the degree of leverage of our companies ("debt risk"). These risks are recorded by the early warning system. In addition, stringent investment controlling ensures the timely monitoring of the economic development of the investments. The risk management system proved its worth in the past financial year, even taking into account the special challenges posed by the Covid pandemic. Negative developments in individual investments were quickly identified and examined in detail. The effects on the fair value of the respective share were quantified by the Executive Board, thus providing clear guidance on how to proceed with the position in question. The intended diversification of the portfolio was adhered to at all times. The defined reaction mechanisms in the event of unfavourable performance of individual stocks were observed. With regard to the degree of leverage acceptable to the company, a maximum amount was set for the maximum permissible borrowing. The possible financial leeway was not fully utilised by the Executive Board in the past year.

5. Outlook

Russian troops invaded Ukraine on 24 February and unleashed a war that was no longer imaginable for us in Europe. This not only has consequences for the stock market, but will also trigger profound changes in our lives and in the economy. The dependence on Russian oil and gas has shown the vulnerability of the German and European economy. In the future, it will be more important to consider how and where we produce as well as source raw materials and input materials. It is not yet clear what economic damage, not to mention the human suffering, the war will cause. It is no longer only the chip shortage that is hampering production; other important raw materials are also in limited supply and their prices have multiplied in some cases. We therefore assume that we will face a prolonged period of uncertainty. But the ups and downs of the stock markets also offer opportunities to buy excellently positioned companies with good balance sheets and solid earnings power at favourable prices. We can and want to take advantage of these opportunities. Value-Holdings AG has the necessary financial strength to do so.

We have already been able to realise gratifying price gains and dividend income in the first months of the new 2022 financial year. After the sale of CAPCAD, we will no longer be able to achieve the record figures from 2021 due to the ceasing of realised profit and the dividend payment. Nevertheless, we expect to be able to close the year with a good annual result in a long-term comparison, if this is not prevented by further, currently unforeseeable events.

Augsburg, June 2022

VALUE-HOLDINGS AG
Georg Geiger, CEO

Balance sheet of Value-Holdings AG as of 31.12.2021

	31.12.2020	31.12.2021
<u>Assets</u>	Euro	Euro
<u>Fixed assets</u>		
Property, plant and equipment	43.352,51	55.847,51
Participations	2.669.250,80	2.656.214,48
Securities held as fixed assets	6.333.034,21	6.242.473,20
<u>Current assets</u>		
Trade receivables	115.490,86	2.940.583,97
Other assets	157.613,02	157.522,58
Cash and cash equivalents	198.888,40	596.864,18
	<u>9.517.629,80</u>	<u>12.649.505,92</u>
<u>Liabilities</u>	Euro	Euro
<u>Equity</u>		
Share capital	6.026.982,00	6.026.982,00
Capital reserve	1.650.000,00	1.650.000,00
Retained earnings	<u>1.526.853,35</u>	<u>4.135.177,42</u>
	(9.203.835,35)	(11.812.159,42)
<u>Provisions</u>		
Other provisions	73.569,27	792.023,11
<u>Liabilities</u>		
Bank debt	222.871,38	0,00
Other liabilities	17.353,80	45.323,39
	<u>9.517.629,80</u>	<u>12.649.505,92</u>

Financial Statements

	01.01.2020 bis 31.12.2020	01.01.2021 bis 31.12.2021
	Euro	Euro
Revenues		
	3.337.383,28	6.645.259,09
Cost of securities sold		
	<u>2.800.786,00</u>	<u>3.384.863,15</u>
Gross profit from sales	536.597,28	3.260.395,94
Other operating income	14.089,05	14.003,36
Personnel costs	159.570,70	425.545,73
General administrative expenses	40.525,06	40.721,91
Other operating expenses	61.679,33	538.004,82
Income from participations	89.744,85	89.744,85
Income from securities	197.491,75	257.624,45
Other interest and similar income	41.500,00	33.098,07
Depreciation on securities	264.275,31	39.104,90
Interest and similar expenses	10.090,70	3.165,24
Result before taxes	343.281,83	2.608.324,07
Taxes on income and earnings	0,00	0,00
Net profit for the year	343.281,83	2.608.324,07
Retained earnings brought forward	1.183.571,52	1.526.853,35
Retained earnings	<u>1.526.853,35</u>	<u>4.135.177,42</u>

Notes to the financial statements

I. General information

Value-Holdings AG has its registered office in Augsburg and is registered in the Commercial Register of the Augsburg Local Court under HRB No. 64.

The annual financial statements of Value-Holdings AG were prepared in accordance with the provisions of the German Commercial Code (HGB/Handelsgesetzbuch) and the German Stock Corporation Act (Aktiengesetz). The balance sheet is structured in accordance with the provisions of § 266 HGB. The cost of sales method was chosen for the structure of the profit and loss account in accordance with § 275 HGB.

In order to take into account the special features of a portfolio management company, the item "Cost of goods sold" in the income statement was replaced by "Cost of securities sold".

Value-Holdings AG is a small corporation within the meaning of § 267 (1) HGB.

The information required to explain the balance sheet and the profit and loss account has been included in the notes. The development of fixed assets is shown separately.

II. Information on accounting and valuation methods

The accounting and valuation methods remained unchanged from the previous year, unless new findings required a different valuation.

1. Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation. The underlying useful lives correspond to the expected economic useful lives.

2. Financial assets

Financial assets are recognised at acquisition cost. Financial assets are written down to the lower fair value in the event of a probable permanent impairment in accordance with § 253 (3) HGB. The fair value is derived from the fair value determined by recognised valuation methods as part of the company valuation. If the reasons for the impairment no longer apply in subsequent years, the impairment is reversed in accordance with the requirement to reinstate original values pursuant to § 253 (5) HGB.

3. Receivables

Receivables and other assets are valued taking into account all identifiable risks.

4. Provisions

Provisions for uncertain liabilities and taxes are recognised at the settlement amount that is necessary according to prudent business judgment.

5. Liabilities

Liabilities are recognised at their settlement amount.

III. Notes to the balance sheet

1. Property, plant and equipment

Property, plant and equipment consists mainly of office furniture and equipment and a company vehicle.

2. Participations

The following participations of Value-Holdings AG are reported under this item:

Company	Share	Equity	Result
Value-Holdings International AG	23,9 %	13.175 T€	988 T€
Value-Holdings Capital Partners AG	49,5 %	277 T€	-8 T€

3. Securities held as fixed assets

This item mainly includes shares that are held long-term as part of the value investing strategy. In the case of securities with a book value of T€ 1.380 write-downs of T€ 145 to the fair value of T€ 1.235 were omitted, as a permanent impairment is not to be assumed due to the substance and earning power of the company.

4. Receivables

Receivables are due from companies in which a participating interest is held and from third parties. They have a term of less than one year.

5. Other assets

This item includes tax refund claims. Of the other assets, T€ 0 (previous year: T€ 0) have a remaining term of more than 1 year.

6. Share capital

As at 31 December 2021, the share capital consists of 2,008,994 no-par value shares with an arithmetical nominal value of € 3.00 each.

By resolution of the Annual General Meeting of 31 August 2021, the Executive Board is authorised, with the consent of the Supervisory Board, to increase the share capital until 30 August 2026 against cash contributions, once or several times, by a total of up to € 602,697.00 whereby the subscription rights of shareholders may be excluded (Authorised Capital 2021).

7. Capital reserve

Premiums from capital increases were transferred to the capital reserve. In the 2021 financial year, the capital reserve has not changed and amounts to T€ 1.650.

8. Other provisions

This item mainly includes provisions for Supervisory Board remuneration, bonuses, auditing of the annual financial statements and warranties from the sale of shares.

9. Liabilities

The liabilities to credit institutions from the previous year were repaid in full.

IV. Notes to the profit and loss account

1. Revenues

The sales revenues amount to T€ 6.645 (previous year: T€ 3.337). This includes proceeds from the sale of securities amounting to T€ 6.339 (previous year: T€ 3.156) and income from services amounting to T€ 306 (previous year: T€ 181).

2. Cost of securities sold

The item cost of securities sold includes the book value disposal from the sale of shares.

3. Other operating income

This mainly includes benefits in kind (car use).

4. Personnel costs

Personnel costs consist of fixed and variable compensation.

5. General administrative expenses

The general administration costs include the following main items: Rent + utilities 21 T€ (previous year: 22 T€), depreciation on tangible assets 10 T€ (previous year: 10 T€), IT/Internet costs 2 T€ (previous year: 2 T€) and communication costs 4 T€ (previous year: 4 T€).

6. Other operating expenses

Other operating expenses include the following main items: Accounting/financial statements 8 T€ (previous year: 8 T€), audit 7 T€ (previous year: 7 T€), Supervisory Board remuneration 14 T€ (previous year: 14 T€), investor relations 4 T€ (previous year: 7 T€), Annual General Meeting 13 T€ (previous year: 3 T€), travel expenses 1 T€ (previous year: 2 T€), warranties 446 T€ (previous year: 0 T€) and other 45 T€ (previous year: 21 T€).

7. Income from participations

The item income from investments relates to dividend payments from Value-Holdings International AG.

8. Income from securities

The item income from securities includes the dividend payments of the other shares held in the securities account of Value-Holdings AG.

9. Depreciation on securities

Depreciation on securities were made in the amount of T€ 39 (previous year: T€ 264) in the 2021 financial year.

10. Interest result

Interest income of T€ 33 (previous year: T€ 42) was offset by interest expenses of T€ 3 (previous year: T€ 10).

V. Other information

Value-Holdings AG has four employees including the Management Board (§ 285 (7) HGB).

Management & Supervisory Board:

Supervisory Board: Ludwig Lehmann, Attorney at law, München,
Chairman

Christoph Papst, Manager, St. Georgen,
Vice-Chairman

Michael Höfer, Portfolio-Manager, Steingaden

CEO: Georg Geiger, Financial Analyst, Neusäß

In accordance with § 286 (4) HGB, the remuneration of the Executive Board is not disclosed; the remuneration of the Supervisory Board amounts to T€ 14 (§ 285 (9) HGB).

Shareholdings of the members of the executive bodies:

		<u>Numer of Shares</u>	<u>Percentage</u>
CEO:	Georg Geiger	345.731	17,2 %
Supervisory Board:			
	Ludwig Lehmann	303.098	15,1 %
	Christoph Papst	55.033	2,7 %
	Michael Höfer	0	0,0 %

FIXED ASSETS SCHEDULE

Value-Holdings AG as of 31.12.2021

	Property, plant and equipment	Financial assets
Acquisition, production costs as at 01.01.2021	76.866,01	9.602.309,88
Additions	22.856,55	3.320.370,72
Transfers	0,00	0,00
Disposals	0,00	3.781.620,77
Acquisition, production costs as at 31.12.2021	99.722,56	9.141.059,83
Accumulated depreciation 01.01.21	33.513,50	600.024,87
Disposals Financial year 2021	0,00	396.757,62
Depreciation financial year 2021	10.361,55	39.104,90
Accumulated depreciation 31.12.21	43.875,05	242.372,15
Book value 31.12.2021	55.847,51	8.898.687,68

REPORT OF THE SUPERVISORY BOARD

The Supervisory Board accompanied and monitored the work of the Executive Board in an advisory capacity in the 2021 financial year. It dealt in detail with the situation and the development of the company and continuously and conscientiously performed the control and advisory tasks incumbent upon it according to the law, the articles of association and the rules of procedure. The cooperation between the Supervisory Board and the Executive Board was transparent and open as usual in the reporting year. The Executive Board informed the Supervisory Board regularly, promptly and comprehensively about all important aspects, both in writing and verbally. The Executive Board fully complied with its reporting obligations. In particular, the Supervisory Board consulted on the course of business, the net assets, financial position and results of operations, the company's prospects and risk management. Strategic issues and important operational decisions were always discussed constructively and openly.

All meetings were attended by all members of the Executive Board and the Supervisory Board. The subject of all meetings was information on the current business activities and the risk control system of the company. The Supervisory Board satisfied itself that the monitoring system for the identification of risks threatening the existence of the company was applied by the Executive Board without any gaps. There were no facts that could endanger the continued existence of the company. The Supervisory Board did not form any committees.

In the 2021 business year, 3 Supervisory Board meetings were held. In the meeting on 08.06.2021, the Executive Board reported on the course of business in the year to date. Furthermore, the Executive Board and the Supervisory Board discussed a possible time frame and the type of implementation of the Annual General Meeting under the given restrictions due to the Corona pandemic. At the meeting on 07.07.2021, the 2020 annual financial statements were discussed in the presence of the auditor and adopted by the Supervisory Board. Furthermore, the company's risk control system was discussed and the date for the Annual General Meeting was set. At this meeting, the Executive Board provided information on the planned relocation of the company to Augsburg as well as the property in question and the costs and investments associated with the move. The Supervisory Board approved the plans for the move. In the meeting on 22.12.2021, the development of the company with an outlook for the end of the year and the risk control system were on the agenda. Furthermore, the Executive Board provided information on the talks about the sale of the shareholding in CAPCAD SYSTEMS AG and the possible effects on the balance sheet and income statement of Value-Holdings AG, which are about to be concluded.

The accounting, annual financial statements and management report were audited by Rupp & Epple GmbH, Wirtschaftsprüfungsgesellschaft, Augsburg. An unqualified audit opinion was issued. In the meeting on 28.07.2022, the Supervisory Board discussed and approved the annual financial statements in the presence of the auditor; these are thus adopted.

Augsburg, 28.07.2022

Ludwig Lehmann

BESTÄTIGUNGSVERMERK DES UNABHÄNGIGEN ABSCHLUSSPRÜFERS

An die Value-Holdings Aktiengesellschaft, Augsburg

Prüfungsurteile

Wir haben den Jahresabschluss der Value-Holdings Aktiengesellschaft, Augsburg, – bestehend aus der Bilanz zum 31. Dezember 2021 und der Gewinn- und Verlustrechnung für das Geschäftsjahr vom 1. Januar 2021 bis zum 31. Dezember 2021 sowie dem Anhang, einschließlich der Darstellung der Bilanzierungs- und Bewertungsmethoden – geprüft. Darüber hinaus haben wir den Lagebericht der Value-Holdings Aktiengesellschaft für das Geschäftsjahr vom 1. Januar 2021 bis zum 31. Dezember 2021 geprüft.

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse

- entspricht der beigefügte Jahresabschluss in allen wesentlichen Belangen den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften und vermittelt unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens- und Finanzlage der Gesellschaft zum 31. Dezember 2021 sowie ihrer Ertragslage für das Geschäftsjahr vom 1. Januar 2021 bis zum 31. Dezember 2021 und
- vermittelt der beigefügte Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft. In allen wesentlichen Belangen steht dieser Lagebericht in Einklang mit dem Jahresabschluss, entspricht den deutschen gesetzlichen Vorschriften und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar.

Gemäß § 322 Abs. 3 Satz 1 HGB erklären wir, dass unsere Prüfung zu keinen Einwendungen gegen die Ordnungsmäßigkeit des Jahresabschlusses und des Lageberichts geführt hat.

Grundlage für die Prüfungsurteile

Wir haben unsere Prüfung des Jahresabschlusses und des Lageberichts in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführt. Unsere Verantwortung nach diesen Vorschriften und Grundsätzen ist im Abschnitt „Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts“ unseres Bestätigungsvermerks weitergehend beschrieben. Wir sind von dem Unternehmen unabhängig in Übereinstimmung mit den deutschen handelsrechtlichen und berufsrechtlichen Vorschriften und haben unsere sonstigen deutschen Berufspflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zum Jahresabschluss und zum Lagebericht zu dienen.

Verantwortung des gesetzlichen Vertreters und des Aufsichtsrats für den Jahresabschluss und den Lagebericht

Der gesetzliche Vertreter ist verantwortlich für die Aufstellung des Jahresabschlusses, der den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften in allen wesentlichen Belangen entspricht, und dafür, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt. Ferner ist der gesetzliche Vertreter verantwortlich für die internen Kontrollen, die er in Übereinstimmung mit den deutschen Grundsätzen ordnungsmäßiger Buchführung als notwendig bestimmt hat, um die Aufstellung eines Jahresabschlusses zu ermöglichen, der frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist.

Bei der Aufstellung des Jahresabschlusses ist der gesetzliche Vertreter dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit zu beurteilen. Des Weiteren hat er die Verantwortung, Sachverhalte in Zusammenhang mit der Fortführung der Unternehmenstätigkeit, sofern einschlägig, anzugeben. Darüber hinaus ist er dafür verantwortlich, auf der Grundlage des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit zu bilanzieren, sofern dem nicht tatsächliche oder rechtliche Gegebenheiten entgegenstehen.

Außerdem ist der gesetzliche Vertreter verantwortlich für die Aufstellung des Lageberichts, der insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt. Ferner ist der gesetzliche Vertreter verantwortlich für die Vorkehrungen und Maßnahmen (Systeme), die er als notwendig erachtet hat, um die Aufstellung eines Lageberichts in Übereinstimmung mit den anzuwendenden deutschen gesetzlichen Vorschriften zu ermöglichen, und um ausreichende geeignete Nachweise für die Aussagen im Lagebericht erbringen zu können.

Der Aufsichtsrat ist verantwortlich für die Überwachung des Rechnungslegungsprozesses der Gesellschaft zur Aufstellung des Jahresabschlusses und des Lageberichts.

Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts

Unsere Zielsetzung ist, hinreichende Sicherheit darüber zu erlangen, ob der Jahresabschluss als Ganzes frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist, und ob der Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss sowie mit den bei der Prüfung gewonnenen Erkenntnissen in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt, sowie einen Bestätigungsvermerk zu erteilen, der unsere Prüfungsurteile zum Jahresabschluss und zum Lagebericht beinhaltet.

Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführte Prüfung eine wesentliche falsche Darstellung stets aufdeckt. Falsche Darstellungen können aus Verstößen oder Unrichtigkeiten resultieren und werden als wesentlich angesehen, wenn vernünftigerweise erwartet werden könnte, dass sie einzeln oder insgesamt die auf der Grundlage dieses Jahresabschlusses und Lageberichts getroffenen wirtschaftlichen Entscheidungen von Adressaten beeinflussen.

Während der Prüfung üben wir pflichtgemäßes Ermessen aus und bewahren eine kritische Grundhaltung. Darüber hinaus

- identifizieren und beurteilen wir die Risiken wesentlicher – beabsichtigter oder unbeabsichtigter – falscher Darstellungen im Jahresabschluss und im Lagebericht, planen und führen Prüfungshandlungen als Reaktion auf diese Risiken durch sowie erlangen Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zu dienen. Das Risiko, dass wesentliche falsche Darstellungen nicht aufgedeckt werden, ist bei Verstößen höher als bei Unrichtigkeiten, da Verstöße betrügerisches Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen bzw. das Außerkraftsetzen interner Kontrollen beinhalten können.
- gewinnen wir ein Verständnis von dem für die Prüfung des Jahresabschlusses relevanten internen Kontrollsystem und den für die Prüfung des Lageberichts relevanten Vorkehrungen und Maßnahmen, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind,

jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit dieser Systeme der Gesellschaft abzugeben.

- beurteilen wir die Angemessenheit der von dem gesetzlichen Vertreter angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von dem gesetzlichen Vertreter dargestellten geschätzten Werte und damit zusammenhängenden Angaben.
- ziehen wir Schlussfolgerungen über die Angemessenheit des von dem gesetzlichen Vertreter angewandten Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die bedeutsame Zweifel an der Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit aufwerfen können. Falls wir zu dem Schluss kommen, dass eine wesentliche Unsicherheit besteht, sind wir verpflichtet, im Bestätigungsvermerk auf die dazugehörigen Angaben im Jahresabschluss und im Lagebericht aufmerksam zu machen oder, falls diese Angaben unangemessen sind, unser jeweiliges Prüfungsurteil zu modifizieren. Wir ziehen unsere Schlussfolgerungen auf der Grundlage der bis zum Datum unseres Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch dazu führen, dass die Gesellschaft ihre Unternehmenstätigkeit nicht mehr fortführen kann.
- beurteilen wir die Gesamtdarstellung, den Aufbau und den Inhalt des Jahresabschlusses einschließlich der Angaben sowie ob der Jahresabschluss die zugrunde liegenden Geschäftsvorfälle und Ereignisse so darstellt, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt.
- beurteilen wir den Einklang des Lageberichts mit dem Jahresabschluss, seine Gesetzesentsprechung und das von ihm vermittelte Bild von der Lage des Unternehmens.
- führen wir Prüfungshandlungen zu den von dem gesetzlichen Vertreter dargestellten zukunftsorientierten Angaben im Lagebericht durch. Auf Basis ausreichender geeigneter Prüfungsnachweise vollziehen wir dabei insbesondere die den zukunftsorientierten Angaben von dem gesetzlichen Vertreter zugrunde gelegten bedeutsamen Annahmen nach und beurteilen die sachgerechte Ableitung der zukunftsorientierten Angaben aus diesen Annahmen. Ein eigenständiges Prüfungsurteil zu den zukunftsorientierten Angaben sowie zu den zugrunde liegenden Annahmen geben wir nicht ab. Es besteht ein erhebliches unvermeidbares Risiko, dass künftige Ereignisse wesentlich von den zukunftsorientierten Angaben abweichen.

Wir erörtern mit den für die Überwachung Verantwortlichen unter anderem den geplanten Umfang und die Zeitplanung der Prüfung sowie bedeutsame Prüfungsfeststellungen, einschließlich etwaiger Mängel im internen Kontrollsystem, die wir während unserer Prüfung feststellen.

Augsburg, den 15. Juli 2022

Rupp & Epple GmbH
Wirtschaftsprüfungsgesellschaft

Hell
Wirtschaftsprüfer

Rupp-Helferich
Wirtschaftsprüfer

FIVE-YEAR OVERVIEW

Balance sheet:

(T€)	2017	2018	2019	2020	2021
Securities + Participations	7.642	8.703	9.430	9.002	8.899
Equity	7.686	8.579	8.860	9.204	11.812
Liabilities	219	437	788	240	45
Balance sheet total	8.211	9.161	9.718	9.518	12.650
Equity ratio (%)	93,6	93,7	91,1	96,7	93,4

Profit and loss account:

(T€)	2017	2018	2019	2020	2021
Revenues	2.536	1.925	1.678	3.337	6.645
Gross profit	1.021	954	514	537	3.260
Dividend / investment income	229	260	308	287	347
EBIT	1.024	850	261	333	2.578
Result before taxes	1.076	893	281	343	2.608
Net profit for the year	1.076	893	281	343	2.608
Return on equity (%)	16,3	11,6	3,3	3,9	28,3

Values per share:

(€)	2017	2018	2019	2020	2021
Shares outstanding (pcs.)	2.008.994	2.008.994	2.008.994	2.008.994	2.008.994
Share price as at 31.12.	5,00	4,72	4,90	4,50	6,05
Market capitalisation 31.12.	10.044.970	9.482.451	9.844.071	9.040.473	12.154.414
Profit/share	0,54	0,44	0,14	0,17	1,30
Book value/share	3,83	4,27	4,41	4,58	5,88
Net asset value/share	5,23	4,63	5,07	5,04	6,91



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