

VALUE-HOLDINGS Aktiengesellschaft



VALUE-HOLDINGS
Aktiengesellschaft

Annual Report 2022

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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 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 are not in line 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, it is easier to survive crises. 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,

in the past 10 years, the stock markets benefited from a very positive environment: Europe was not affected by armed conflicts. Low interest rates enabled an almost free supply of money for companies, states and investors. There was more or less pronounced economic growth in all European countries. But as of 24 February 2022, our world has changed: The Russian invasion of Ukraine has not only caused immeasurable human suffering. The still ongoing war has made us all poorer. Germany and the Eurozone have slipped into recession after two quarters of negative growth figures. Economists are still talking about a "technical recession", as only two quarters show slightly negative figures. But when and how strong a recovery will come is written in the stars.

The weakness of the economy was triggered not only, but also by Russia's invasion of Ukraine. The dependence on Russian oil and gas has shown the vulnerability of the German economy. It was possible to secure the gas supply over the winter, but only at previously unimaginably high prices. This was compounded by the shortage of microchips, which brought production in some sectors of industry to a temporary standstill. Due to disrupted supply chains, producers and intermediaries began to build up stockpiles in order to remain largely able to deliver. This sparked a price spiral, starting with raw materials, through industrial finished goods to consumer goods. The major central banks responded by raising interest rates to curb inflation. The dampening of the economy had to be accepted as "collateral damage".

Since we are not economists, but focus on the analysis and valuation of companies and their share price performance on the stock markets, we will leave it at this description of the political and economic environment. For the stock markets, 2022 was therefore not an easy year and prices fell across the board. The German share index DAX lost 12.4 % of its value in the past financial year. German small and mid caps were hit even harder, losing -27.4 % on the SDAX and -28.5 % on the MDAX. The losses were particularly pronounced for many tech stocks, where a negative performance of 50 % to 70 % was not uncommon. Many of these growth-oriented technology companies did not only suffer from the economic environment. In addition, for these companies, rising interest rates reduce the value of future cash flows, making the entire company worth less at the current time. But not only shares, also fixed-interest securities have had a pitch-black year. A 10-year federal bond, for example, lost 20 % of its value due to the rise in interest rates. The loss last year is roughly equivalent to the interest it had earned over the past 15 years.

Should one invest at all in view of the gloomy environment? And then in German shares of all things, where the traffic light government with its ever new regulations, bans and interventions in market mechanisms is not making it easy to earn any money at all? We think we should invest! Experience shows that a new equity cycle always begins at an economic low. And the highest price gains are usually achieved at the beginning of a stock market upswing.

But: At the beginning of the upswing, many things are uncertain. You have to select the companies that really profit from the upswing. Companies whose products are characterised by innovation, design, a good price-performance ratio and a good market position. Companies that are led by a competent, entrepreneurial management whose strategic decisions are oriented towards the interests of the shareholders. And last but not least, the purchase price must have a margin of safety, because buying a good company at too high a price is not a good investment. Or as Warren Buffett says: Good business, good people, good price, that's what matters when buying.

But after this look into the future, a look back at the past business year. Value-Holdings AG also suffered from the negative stock market development. The net asset value (NAV) per share fell by 11.6 % from € 6.91 to € 6.11. This hardly differs from the development of the DAX. However, considering that BASF is the only DAX stock in the portfolio with a weighting of 2.5 % and the rest is invested in small and mid caps, we should not be dissatisfied with our result in view of the high share price losses in this market segment.

Additionally, Value-Holdings AG was able to close the 2022 financial year with a respectable net profit in view of the environment. The equity and the retained profit have increased further as a result. For this reason, the Management Board and Supervisory Board propose to the Annual General Meeting a dividend of € 0.04 per share to be distributed. You, dear shareholders, know that this decision was preceded by a lengthy discussion. Value-Holdings AG does not want to become a "dividend stock", Value-Holdings International AG is "responsible" for that with its sustainable dividend strategy. However, the stable balance sheet and the high level of liquidity also allow Value-Holdings AG to make regular dividend payments again in the future, in addition to new investments in favourably valued value companies. But also in the coming years we will focus on increasing the value of our share by selecting promising investments. We look forward to you as a shareholder benefiting from both the dividends and the increase in value of the portfolio in the future.

Georg Geiger, CEO

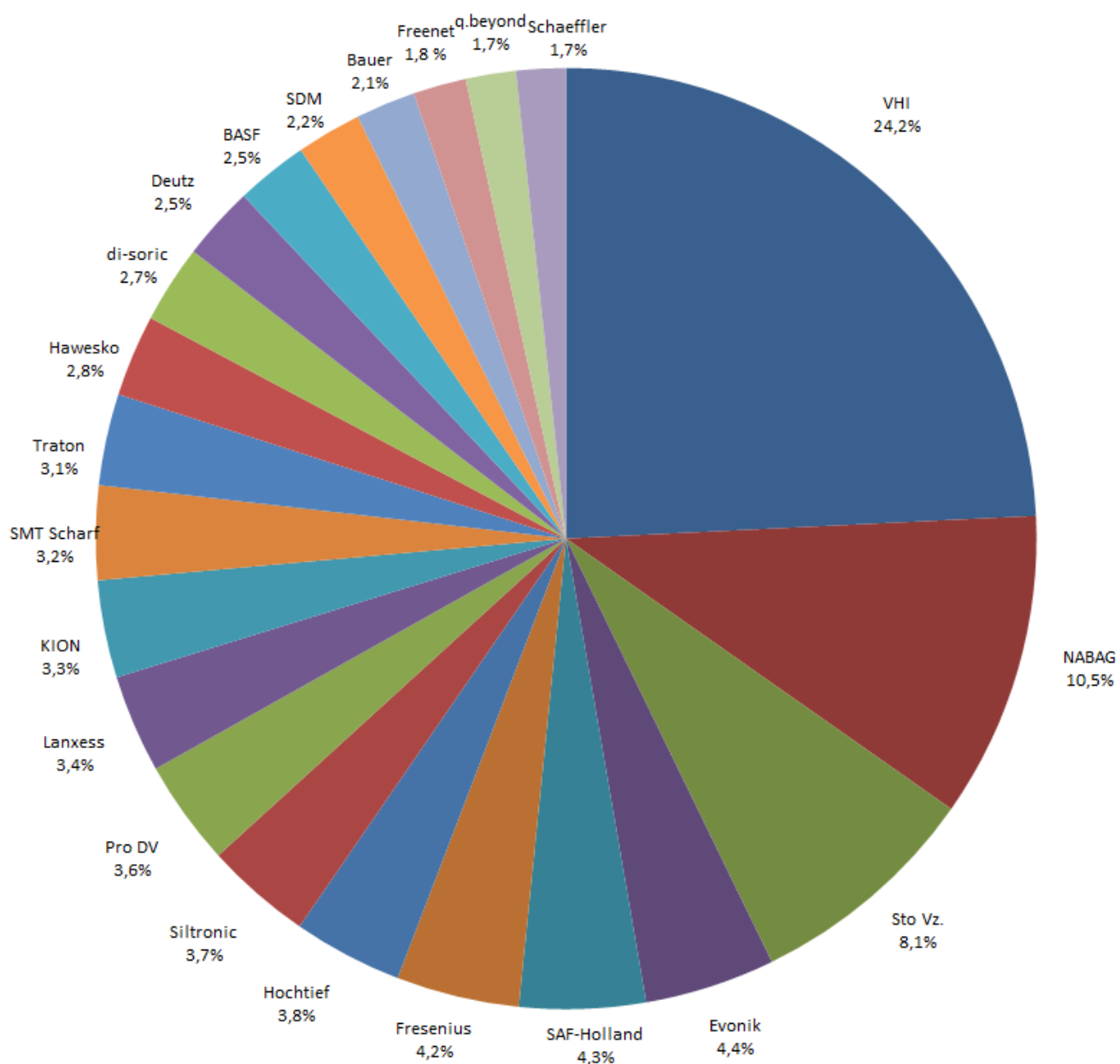
Development of the Value-Holdings AG portfolio compared to DAX and SDAX (in %)*:			
Year	VH-Depot	DAX	SDAX
1992	-2,88	-11,47	-10,62
1993	54,40	46,71	32,00
1994	6,30	-7,10	-10,40
1995	10,60	7,00	-14,60
1996	30,20	28,20	2,10
1997	47,08	47,11	34,61
1998	18,51	18,52	15,30
1999	55,20	39,00	7,40
2000	18,60	-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
2022	-13,81	-12,35	-27,35
Ø	12,91	6,95	6,14

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

PORTFOLIO

The portfolio structure of Value-Holdings AG has changed significantly in the 2022 financial year. Value-Holdings International AG (VHI) still has the highest weighting, but is already being followed in second place by our new investment in NABAG AG. Siltronic, Lanxess, KION and Traton were added to the portfolio. We have completely sold Geratherm, Cenit and BMW.

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.



Sto SE & Co. KGaA (Turnover € 1,787 million, EBIT € 130 million, 5,786 employees)

Sto SE is an international manufacturer of building coatings. These include, for example, external thermal insulation composite systems as well as facade coatings such as renders and paints for exterior use. The Interior Products product group includes, for example, decorative coatings, interior cladding, acoustic systems, and plasters and paints for residential and office spaces. Sto also offers products for concrete repair, renovation materials, levelling mortars, fillers, etc. As the world market leader for external wall insulation systems, Sto is benefiting from the energy turnaround in Germany and Europe. As buildings are responsible for 1/3 of energy consumption and around 30 % of CO2 emissions, climate targets can only be achieved by better insulation of the building envelope. The high gas and heating oil prices additionally increase the economic advantages of good thermal insulation. Sto insulation systems can be equipped with all common insulation materials such as soft wood fibre, rock wool, polystyrene, PIR rigid foam or phenolic resin. Last year, Sto introduced the certified Top32 Biomass insulation board to the market. It consists of 100 % renewable raw materials and is installed without adhesive using the StoFix Circonic fastening system, which allows the facade insulation system to be separated according to type when it is dismantled.



Evonik AG (Turnover € 18.488 million, EBIT € 942 million, 33.455 employees)

Evonik is a specialty chemicals company with production facilities in 27 countries. Evonik products are used in a wide range of end markets, none of which accounts for more than 20 % of sales. The three most important end markets are consumer and care products, automotive and mechanical engineering, and food and animal feed, each with a share of between 16 % and 19 %. This is followed by the construction industry, rubber and plastic products as well as pharmaceuticals, each with a share of turnover between 5 % and 10 %. Less than 5 % each goes to agriculture, renewable energies, paints and coatings and electrical engineering. Evonik's current portfolio transformation is aimed at strengthening the share of high-growth products and solutions with a special sustainability benefit (Next Generation Products) and divesting the remaining classic basic chemicals businesses. For this reason, the Performance Materials Division (rubber and plastics products, superabsorbents, alcoholates) is currently up for sale. Through the transformation, Evonik aims to achieve a sustainable annual growth rate of around 4 %, increase the profit margin to 18 % to 20 % and generate high free cash flows. As a result, Evonik sees itself in a position to continue its reliable and attractive dividend policy in the future.



SAF-Holland SE (Turnover € 1.565 million, EBIT € 99,6 million, 3.768 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. In 2022, SAF-Holland acquired the Swedish company Haldex AB. Through Haldex, SAF-Holland is expanding its business to include truck braking systems and air suspension. In addition, Haldex is well positioned in the Americas and a high share of sales is attributable to the lucrative spare parts business.



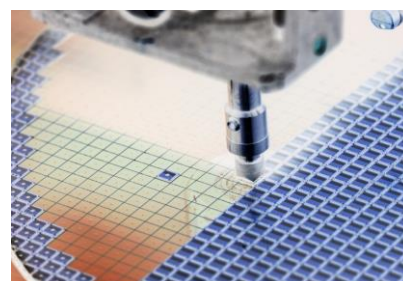
Fresenius SE & Co. KGaA (Turnover € 40,840 million, EBIT € 3,321 million, 318,125 employees)

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. More than 344,000 patients were treated in the company's 4,116 dialysis clinics last year. Fresenius Kabi specialises in intravenously administered generic drugs, clinical nutrition and infusion therapies. Fresenius Helios is Europe's leading hospital operator. Helios operates 87 hospitals, 240 medical care centres (MVZ) and 6 prevention centres in Germany. Fresenius Vamed realises projects and services for hospitals such as planning and turnkey construction, technical management and total operational management for health care facilities. Last year, Fresenius announced its intention to deconsolidate its subsidiary FMC, which has so far been controlled through a KGaA structure although the shareholding is only 32 %, by converting it into a stock corporation. As a result, Fresenius is becoming more of a therapy-focused company and can better concentrate on key trends in the health care sector, which also improves the capital efficiency of the Group as a whole.



Siltronic AG (Turnover € 1,805 million, EBIT € 496 million, 4,359 employees)

Siltronic is one of the leading manufacturers of hyperpure silicon wafers for the semiconductor industry. Silicon wafers with diameters of up to 300 mm are manufactured at four locations in Asia, Germany and the USA. Siltronic's strength lies in its leading technology and expertise in offering customer-specific solutions in reliable quality and with high delivery reliability on a global scale.



Hochtief AG (Turnover € 26,219 million, EBIT € 802 million, 34,750 employees)

Hochtief is a global construction and infrastructure group in which the Spanish ACS Group holds a majority stake. The Group's operating companies are assigned to three regional segments: HOCHTIEF Americas, HOCHTIEF Asia Pacific and HOCHTIEF Europe. In addition, Hochtief AG holds a 20 % stake in the Spanish motorway operator ABERTIS. The Americas, the most important market, accounts for around 67 % of revenues, while Australia and the Pacific region account for 28 %. Hochtief AG's construction activities in Europe are of secondary importance with a share of 5 %. The Group's core competencies lie in the planning, financing, construction, operation and maintenance of transport and energy infrastructure projects. The construction and operation of high-tech infrastructure and the application of this technology in state-of-the-art industrial, office or administrative buildings as well as in data centres, in the biopharmaceutical sector and in the healthcare sector are also becoming increasingly important.



PRO DV AG (Turnover € 4.2 million, EBIT € 0.3 million, 21 employees)

PRO DV is active in the areas of "Secure Modern Collaboration" (IT security, data protection issues, cloud), "Business Continuity Management" (information security ISMS as well as emergency and crisis management) and "Workforce Management" (dispatching of service staff and incident teams via the software solutions "Workforce" and "Emergency"). With TecBOS.command, PRO DV offers 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.



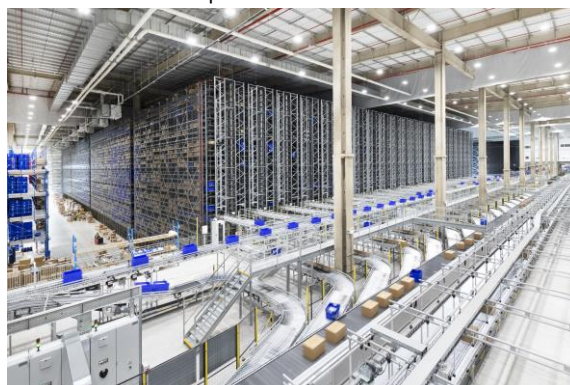
Lanxess AG (Turnover € 8,088 million, EBIT € 280 million, 13,023 employees)

Lanxess is an international specialty chemicals concern. The Consumer Protection segment produces disinfectants, preservatives and material protection agents, materials for water treatment as well as flavours and fragrances. In the Speciality Additives segment, Lanxess produces colourants, plastics and rubber additives, lubricant additives and phosphorus- and bromine-based flame retardants. Advanced Intermediates manufactures products for the agrochemical, automotive, construction, semiconductor and photovoltaic industries, as well as colour pigments and fragrances and flavours. Lanxess has gradually withdrawn from the manufacture of basic chemicals in recent years, most recently in 2022 with the sale of the High Performance Materials business unit, in which the polymers activities in particular were bundled.



KION AG (Turnover € 11,136 million, EBIT € 169 million, 40,781 employees)

The KION Group offers the full range of material handling products, including all services, from a single source. The business is divided into two segments: Industrial Trucks & Services (ITS) and Supply Chain Solutions (SCS). In the ITS segment, forklift trucks in particular are sold under four different brands: Linde is the international and technologically innovative premium brand. Still manufactures innovative forklift trucks and warehouse trucks, especially for the European markets and for Brazil. Baoli is the international brand for the economy segment and OM is the local brand for the Indian market. The SCS segment is represented by the Dematic brand, the world's leading supplier of warehouse automation. This provides automated solutions for material flow from goods receiving to multi-shuttle storage systems, order picking and automatic palletising.



SMT Scharf AG (Turnover € 93.7 million, EBIT € 14.3 million, 419 employees)

SMT Scharf manufactures transport equipment and logistics systems for underground mining and tunnel construction. Core products are derailment-proof railway systems for underground mining. The systems can transport material and personnel weighing up to 48 tonnes at gradients of up to 35 degrees. In addition, chairlifts for passenger transport as well as rail-bound fresh air and cable routing systems, for example for energy supply, are also offered. Furthermore, SMT has a portfolio of rubber-tyred electric vehicles for underground logistics. The activities in tunnel logistics, where transport systems for passenger and emergency transport are offered, make SMT's business less susceptible to fluctuations, as demand for infrastructure such as the construction of tunnels and underground railways develops independently of commodity price cycles.



Traton AG (Turnover € 40,335 million, EBIT € 1,564 million, 103,393 employees)

The Traton Group is one of the world's leading commercial vehicle manufacturers. The Group brands Scania, MAN, Navistar and Volkswagen Truck & Bus manufacture trucks, buses and light commercial vehicles. In addition to the industrial business, TRATON Financial Services is being expanded as a global, brand-independent financial services company. To this end, the financing business for MAN and VW Truck & Bus, previously operated by the parent company VW, is integrated into the TRATON Group.



Hawesko Holding AG (Turnover € 671 million, EBIT € 39.1 million, 1,261 employees)

Hawesko Holding AG is the European market leader in premium wine retailing, with a market share of 25 %. In the retail segment, more than 320 Jacques' Wein-Depots are operated in Germany and 22 Wein & Co. locations in Austria. In the B2B segment Hawesko offers more than 6,000 wines and spirits to customers from the restaurant and hotel trade, food retailers and specialist wine shops via its closely meshed wholesale logistics. In the e-commerce segment Hawesko addresses various customer groups via its digital commerce platform. The platform is able to react quickly to new trends and to serve the different customer wishes individually with targeted marketing campaigns via the online shops of the individual brands. The marketplace model "WirWinzer" is a digital 24/7 farm shop for the connected vintners, who send the orders directly to the customers.



di-soric (180 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 sectors. di-soric has two production sites in Germany and France. Separate sales companies are active in Austria, France, the Netherlands, Singapore and China. In addition, di-soric products are sold through local distribution partners in 35 other countries.



Deutz AG (Turnover € 1,953 million, EBIT € 83 million, 4,930 employees)

Deutz AG is one of the world's largest manufacturers of drive systems for the off-highway sector. The product portfolio ranges from diesel and gas to hybrid and e-drives to engines for hydrogen-based fuels. Applications for Deutz engines include construction and agricultural machinery, material handling applications such as forklifts or lifting platforms, commercial and rail vehicles, and boating applications for private and commercial use. Deutz engines are offered through sales and service partners in over 130 countries. Although internal combustion engines currently dominate the off-highway sector, Deutz has combined hydrogen drives, solutions for the use of e-fuels as fuel and fuel cell technology in the "DEUTZ Green" segment alongside electrified drives.



BASF AG (Turnover € 87,327 million, EBIT € 6,548 million, 111,023 employees)

BASF, the world's largest chemical company, operates 239 production locations in 91 countries. Through its large Network sites, such as those in Ludwigshafen, Antwerp and Nanjing, BASF creates efficient value chains that are managed in a resource-efficient and CO₂-optimised way. By-products of a plant can be used as input materials in other areas, which reduces raw materials, energy and logistics costs and avoids emissions. With customers from industry, the automotive sector, the construction industry, agriculture, the health and nutrition sector, energy suppliers and consumer goods manufacturers, BASF has a very diversified customer structure.



sdm SE (turnover approx. € 17-18 million, just under 400 employees)



sdm SE is a listed holding company that holds a 100 % stake in Sicherheitsdienste München GmbH & Co. KG and is building up a group of companies specialising in security services. Up to now, sdm has focused on the greater Munich area, where it has mainly offered plant and property protection, especially for public clients. The acquisition of RSD Rottaler Sicherheitsdienst GmbH at the beginning of 2023 expanded the regional presence within Bavaria. The proximity of Rottal to Munich promises potential synergies, especially in personnel planning for large individual projects such as events.

The acquisition of a 74.9 % stake in IWSM Industrie- und Werkschutz Mundt GmbH in Frechen expanded the geographical focus to North Rhine-Westphalia.

Bauer AG (Turnover € 1,630 million, EBIT € -68.0 million, 11,912 employees)

Bauer AG is a specialist foundation engineering company that offers construction services as well as the necessary machinery. In the field of foundation engineering, Bauer creates, for example, 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. In the past year, Bauer has undertaken an extensive reorganisation and geographical focusing. To this end, Bauer withdrew from several international markets and closed or sold around 20 subsidiaries that had regularly made losses in recent years.



Freenet AG (Turnover € 2,557 million, EBIT € 129 million, 3,679 employees)

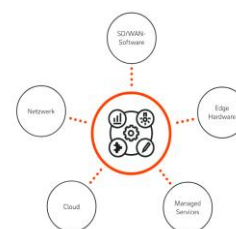


Freenet is a provider of mobile telecommunications, internet, TV entertainment and mobile devices. As a network-independent provider, Freenet does not have its own mobile network, but markets its own tariffs as well as the offers of Deutsche Telekom, Vodafone and Telefonica Deutschland via their networks. With waipu.tv, Freenet also has its own IP-TV in its programme.

In addition to online marketing, the tariffs and devices are also offered via 530 own stationary shops as well as via 400 Media Markt and Saturn stores. With around 9 million subscription customers, Freenet is one of the leading market players in this sector in Germany.

q.beyond AG (turnover € 173 million, EBITDA € 5.4 million, 1,127 employees)

q.beyond AG is an IT service provider for German middle class. With 10 locations in Germany, digitalisation projects in the areas of SAP, Microsoft, cloud, software development and cyber security can be implemented in personal consultation with the customer. In addition, q.beyond has a branch office in Latvia and one in Spain, which are responsible in particular for the development and programming of software applications. q.beyond concentrates on customers from the manufacturing, trade and logistics sectors and can contribute comprehensive industry expertise in these sectors in addition to IT knowledge. Current topics here include the switch to SAP S4/HANA, Industrial IoT and production monitoring with edge computing. With the help of networked information from SAP and IoT, retail can expand the classic shop into a digital branch through feature engineering. Logistics customers are served by the subsidiary logineer. The service spectrum ranges from consulting for transport management solutions to the operation of worldwide cloud infrastructures to a global 24/7 helpdesk.



Schaeffler AG (Turnover € 15,809 million, EBIT € 974 million, 82,839 employees)

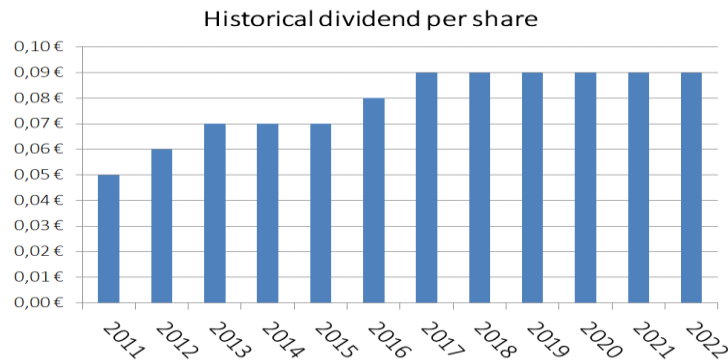
The Schaeffler Group is a global automotive and industrial supplier. The business is divided into three divisions: "Automotive Technologies" (components and systems for the powertrain of fully electric, hybrid, or combustion engine vehicles as well as for the chassis), "Automotive Aftermarket" (spare parts business and services for workshops), and "Industrial" (precision components and systems for rotary and linear motion, drive technology components, sensor-based systems for condition monitoring). In order to master the transformation from a traditional automotive supplier to the "mobility of tomorrow", Schaeffler has taken important future trends into account in its corporate strategy. This includes CO2-efficient drives as well as the use of renewable energies and new mobility or autonomous driving.



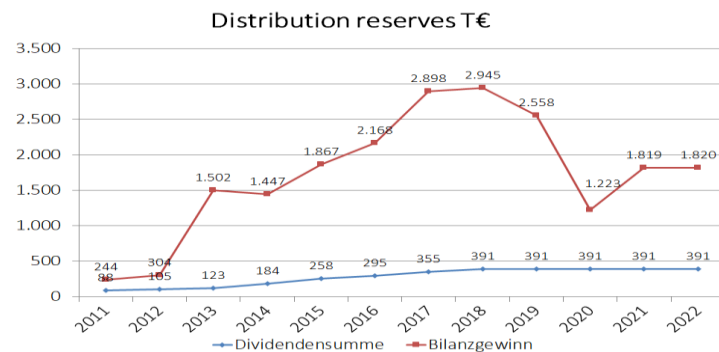


Value-Holdings International AG

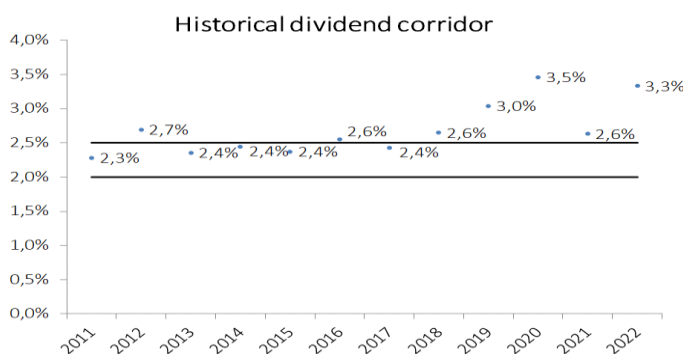
Value-Holdings International AG (VHI) implements the value investing strategy in Europe. In addition to the home market of Germany, in which around 70 % of the portfolio was invested at the end of the 2022 financial year, the stock markets in Italy (10 % share), Switzerland (6 %) and Austria (6 %) also regularly play an important role in the investments. At the end of 2022, 87 % of the capital was invested in shares, the liquidity ratio was 13 %. Value-Holdings International AG pursues a sustainable dividend policy. Therefore, the Annual General Meeting in 2023 decided to distribute an unchanged dividend of € 0.09 per share for the 2022 financial year.



As Value-Holdings International AG has retained a large part of its profits in recent years, the company has high distribution reserves which will enable it to maintain this dividend policy in the future. The distribution policy is oriented towards the needs of the company's 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.



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, such as 2019, 2020 and 2023 with yields between 3.0 % and 3.5 %.

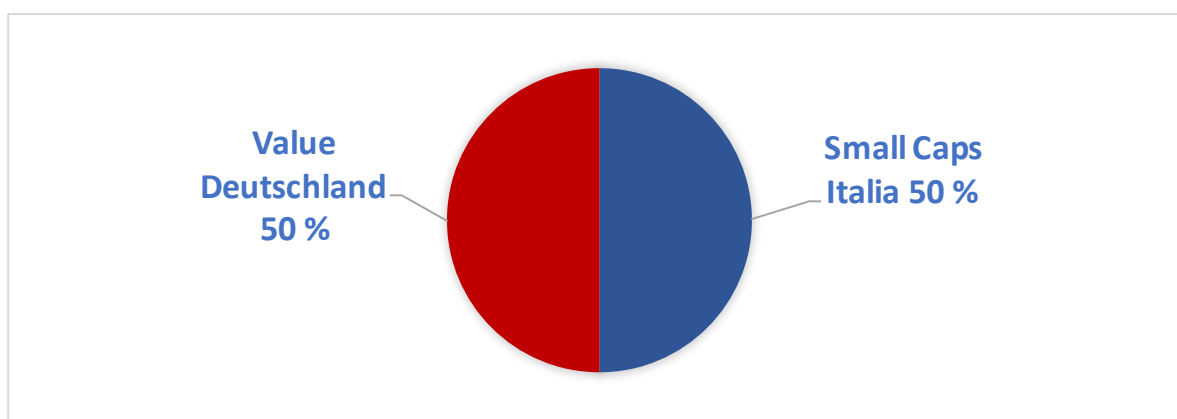


The company was founded in 1990 under the name NABAG Anlage- und Beteiligungs-AG in Nuremberg with a share capital of DM 110,000. However, the origins of the company go back to 1986, when investors interested in shares gathered around the company's founder PD Dr. Georg Heldmann and founded a share club.

The company's share capital was increased in several steps to € 779,990 in the following years. On 4 January 2016, NABAG shares were listed on the OTC-Market of the Hamburg Stock Exchange. In August 2022, the company's Annual General Meeting resolved to change the company's name to NABAG AG and to relocate the registered office to Augsburg. As part of a capital increase to € 2 million carried out in December 2022, Value-Holdings AG acquired a majority stake in NABAG AG.

The aim of the cooperation between NABAG and Value Holdings is the further growth of the company in order to be able to significantly reduce the cost ratio in the future, which has been too high due to the very low portfolio volume to date.

In future, NABAG AG will invest in value stocks in Germany and in small caps, especially from the Euronext Growth Milan stock market segment in Italy. For investments in German value stocks, NABAG will be able to draw on the long-standing know-how of Value-Holdings AG. For investments in Italy, the company will benefit from the expertise of Executive Board member Antonio Napolitano, who has focused on Italian equities for more than 30 years.



Why Italy? The country has a great industrial tradition with a modern production structure, a well-educated workforce, a flexible labour market and low labour costs compared to Central and Northern European countries. Italy is the eighth largest exporter in the world, supplying industrial goods, food, clothing and other consumer and luxury goods abroad.

For the small and micro cap sector, Italy has introduced tax incentives both for private investors who want to hold shares for more than 5 years and for companies planning an IPO. For these reasons, Italy is a very attractive market with a large number of innovative, often family-run companies that are very favourably valued and have great potential. In order to participate in this potential, NABAG will increasingly invest in Italy in the future.

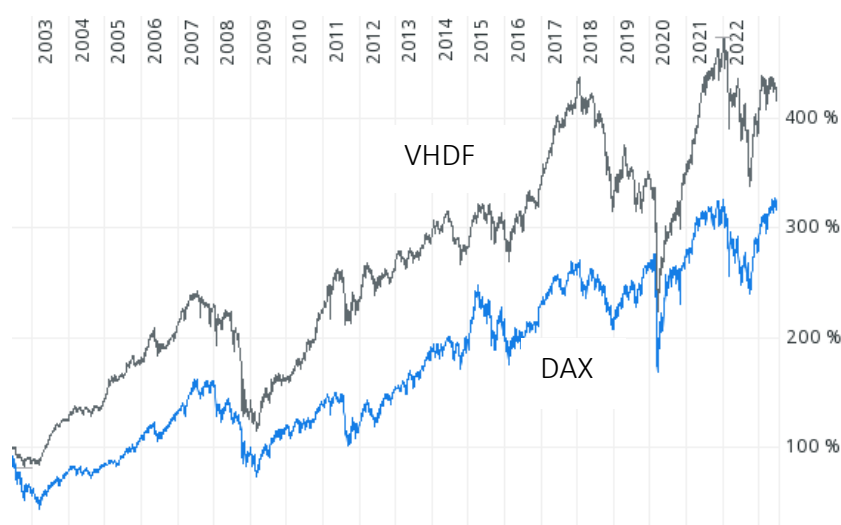


Value-Holdings Capital Partners AG

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

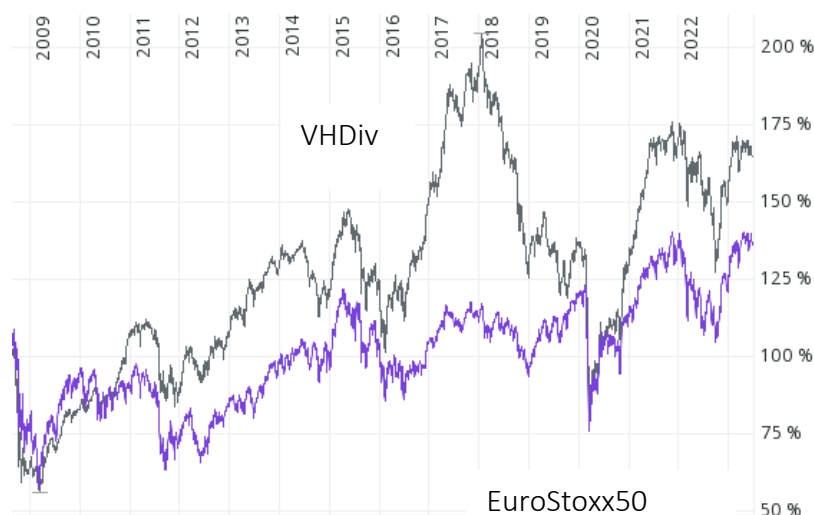
1. Value-Holdings Deutschland Fund (WKN A0B63E)

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 equities of all size classes, from blue chips listed in the DAX to micro caps without index affiliation. The largest positions at the end of 2022 were Ringmetall, Hawesko, BMW, SAF-Holland and SMT Scharf. The development of the fund in comparison to the DAX since inception is shown in the following chart:



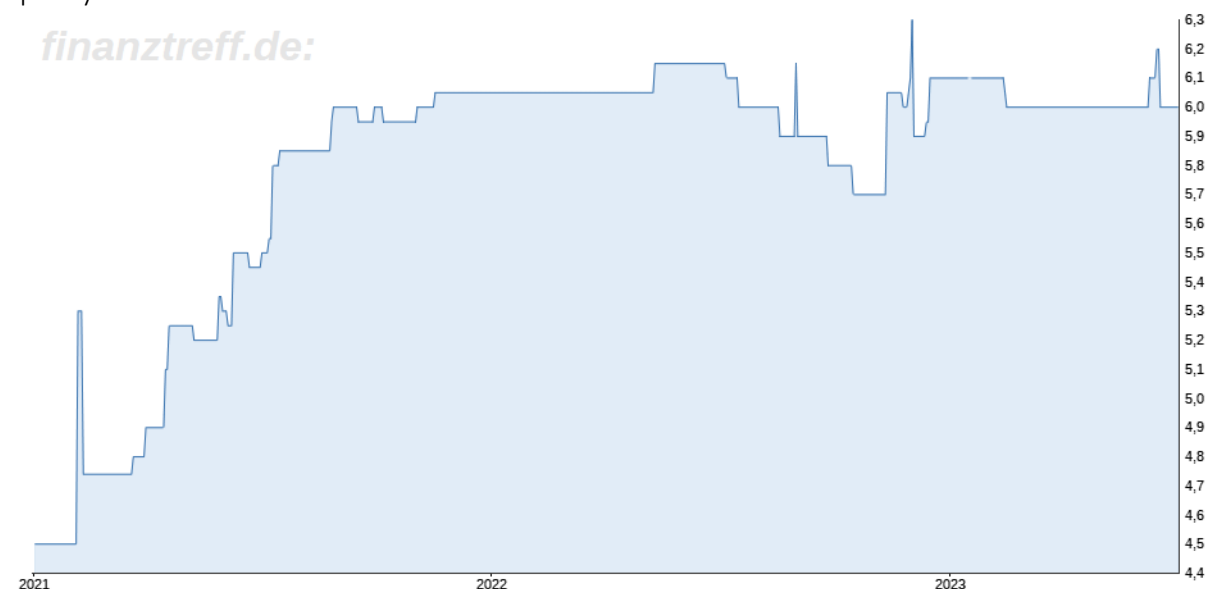
2. Value-Holdings Dividenden Fund (WKN A0Q8K9)

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 2022, the largest positions were SAF-Holland, Schaeffler, Quadient, Keller and Traton. The development of the fund compared to the EuroStoxx50 since inception is shown in the following chart:



VALUE-HOLDINGS SHARE

The holders of the Value Holdings share participate in a portfolio of German companies selected according to the criteria of "value investing". The portfolio regularly includes medium-sized companies and family-managed businesses, but also so-called "blue chips" if they meet our selection criteria. Families think in generations, not in quarters. This allows for sustainable research and investment activities, even if this should have a negative impact on earnings in the short term. Furthermore, family-owned companies often convince with their high balance sheet quality.

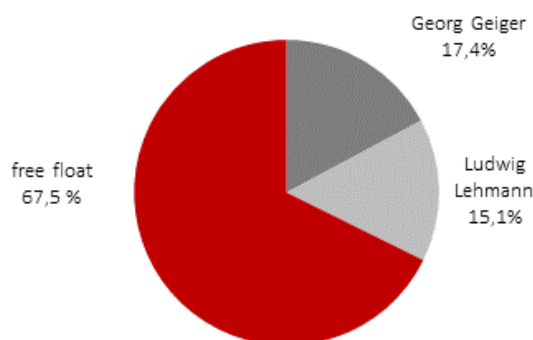


Strong companies have better chances of survival, and they are more profitable in the medium term, when research and investments pay off. We want to buy such companies cheaply, with "margin of safety". In this way, we limit the risk of high losses in value and open up the opportunity for above-average performance compared to the market trend. The shareholders of Value-Holdings AG participate in this by buying 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 management agreement with Value-Holdings International AG cover a large part of the administrative 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					
	2018	2019	2020	2021	2022
Share price at year-end (€)	4,72	4,90	4,50	6,05	6,10
Annual high (€)	5,30	5,45	4,90	6,05	6,30
Annual low (€)	4,52	4,60	3,00	4,50	5,70
Ø Trading volume (number of shares)	1.950	1.744	1.493	1.254	470
Earnings/Share (€)	0,44	0,14	0,17	1,30	0,38
P/E as of 31.12.	10,7	35,0	26,5	5,0	16,1

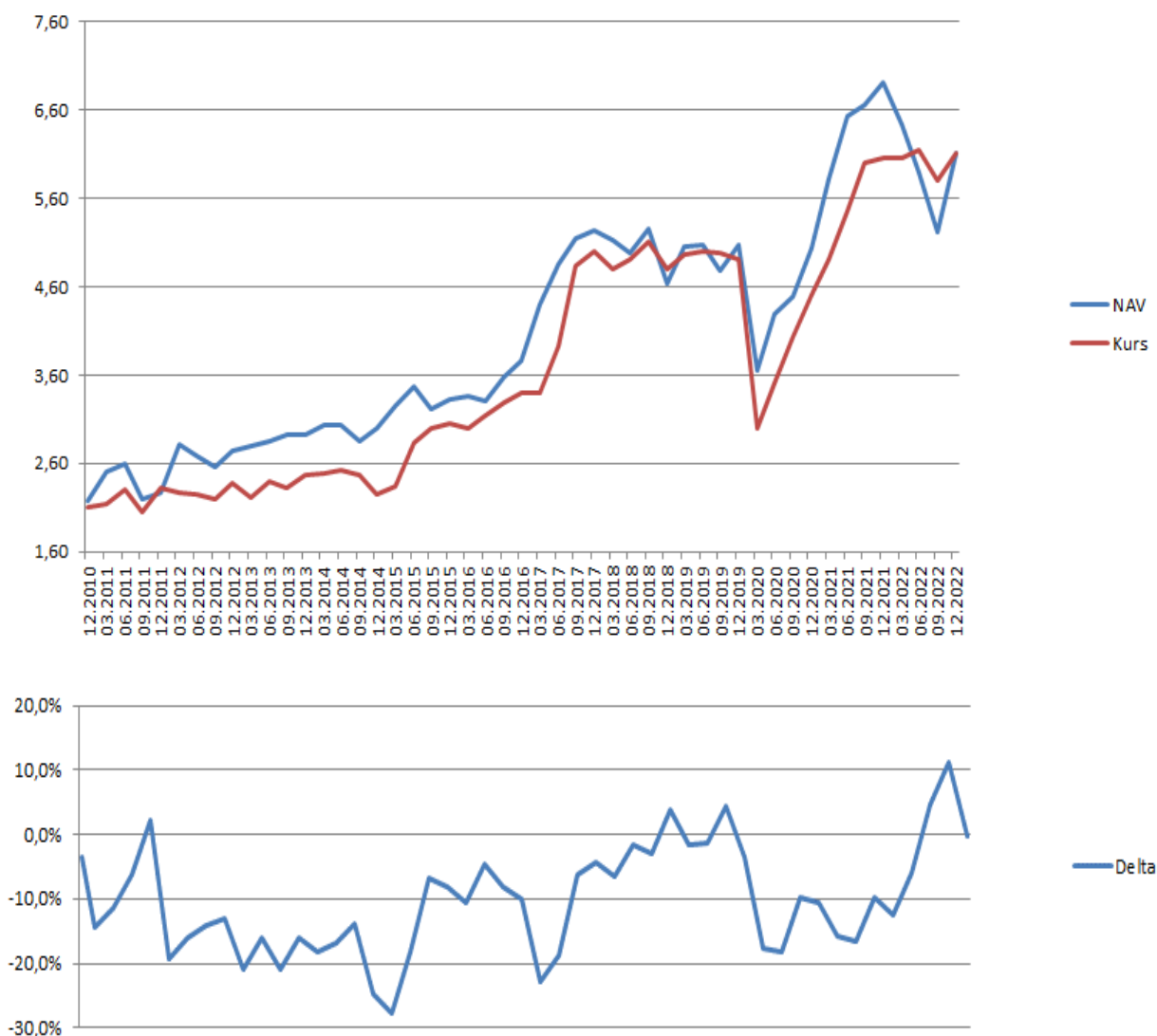
Shareholder structure

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 now holds 17.4 % of the shares, with Mr. Lehmann holding 15.1 %. The proportion of shares in free float is 67.5 %.



Net asset value of the portfolio

In the 2022 financial year, the net asset value (NAV) per Value-Holdings share fell by 11.6 % from € 6.91 (as of 31 December 2021) to € 6.11 (as of 31 December 2022). With a year-end price of € 6.10, the Value-Holdings share was quoted at the level of 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 invests in particular in listed companies, but also in unlisted medium-sized companies in Germany. All investments are selected according to the strategy of "value investing" and held with a long-term investment horizon. 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. The Value Holdings Group also includes the following three companies: 1. Value-Holdings Capital Partners AG (VHC). VHC is licensed as a securities institution under the Securities Trading Act (WpIG) and manages two mutual funds (Value-Holdings Deutschland Fund, Value-Holdings Dividenden Fund) as well as a foreign asset management company. 2. Value-Holdings International AG (VHI). VHI has built up a European equity portfolio and aims in particular to distribute steady and reliable dividends to its shareholders. 3. NABAG AG. NABAG has been part of the Value-Holdings Group since the end of 2022. Value-Holdings AG acquired a majority stake in NABAG as part of a capital increase in December last year. The aim is to attract further co-investors and to build up a portfolio of German and Italian value stocks predominantly in the small and micro cap segment.

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 calculations of the Federal Statistical Office (Destatis), the price-adjusted gross domestic product (GDP) increased by 1.8 % in 2022. The strong upswing of 2021, when the German economy had recovered from the Corona-induced recession of 2020, could not be sustained because the economic situation in Germany was marked by the consequences of the war in Ukraine and extreme energy price increases. In addition, economic development was slowed down by material and supply bottlenecks as well as the shortage of skilled workers. Economic performance in 2022 was uneven across the different economic sectors. Some service sectors benefited from catch-up effects after the abolition of the Corona protection measures. Service providers from the creative and entertainment industries grew particularly strongly with an increase of 6.3 %. The trade, transport and hospitality sectors, which grew by 4.0 %, also benefited from the abolition of the protective measures. In contrast, in the construction industry, which had come through the pandemic comparatively well, shortages of materials and skilled workers, high construction costs and increasingly poor financing conditions led to a decline in gross value added of 2.3 %. High energy prices and the limited availability of intermediate products slowed down economic output in the manufacturing sector, which only grew by 0.2 %. Private consumer spending was the main pillar of growth in the German economy in 2022, with an increase of 4.6 %. Government consumption expenditure increased by only 1.1 % after two years strongly characterised by Corona. German foreign trade continued to increase in 2022. Exports rose by 3.2 % in price-adjusted terms. As imports rose even more strongly by 6.7 %, net exports dampened the growth of gross domestic product. The state budgets also closed the year 2022 with a high financing deficit. However, at € 101.6 billion, it was about € 33 billion lower than in the previous year. Measured against nominal GDP, the deficit ratio is 2.6 %.

Development on the stock exchange

Developments on the international stock exchanges in 2022 were dominated by the Russian invasion of Ukraine. War in Europe was no longer imaginable for us. But the Russian invasion of Ukraine on 24 February has not only caused human suffering and economic damage. The war also has an impact on how and where we produce and from whom we obtain raw materials, energy and primary materials. While we have been able to benefit for many years from globalisation, from the division of labour in the world with its close economic interdependencies,



the war has now shown us the vulnerability of the Western economies with their dependence on Russian oil and gas and on the cheap production base in Asia. Other issues, such as interest rate hikes by central banks to combat high inflation, weakening consumer sentiment or companies' problems with the

supply of raw materials and input materials regained importance in the course of the past year. The German share index DAX acknowledged the events until the end of September with a

downward slide to 11,975 points, a loss of almost 25 %. It was not until the 4th quarter that a recovery set in, allowing the DAX to rise to 13,924 points by the end of the year, a decline of 12 % over the year.

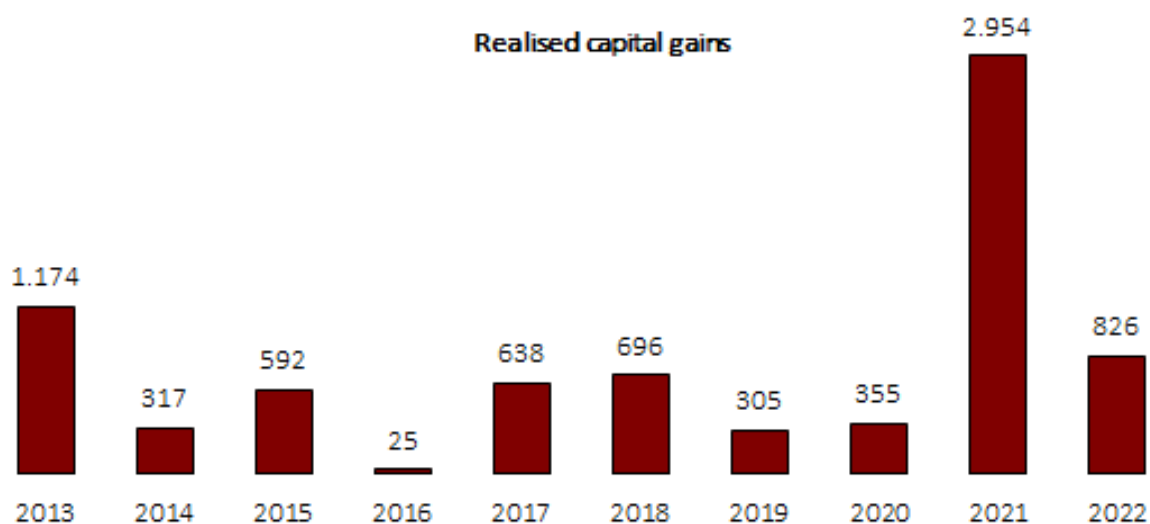
Sector structure of the investments

Value-Holdings AG follows a so-called bottom-up approach when selecting its investments. The focus is on the business activity of the respective investment and the valuation of the company, not the sector to which it belongs. The investments entered into by Value-Holdings AG are often in sectors of the so-called "old economy" such as mechanical engineering, industrial goods, vehicle manufacturers, the construction industry, the chemical industry, etc. At the end of the 2022 financial year, companies from the industrial/vehicle (29 %), construction/building materials (21 %) and technology/IT service (18 %) sectors were the most heavily weighted within the portfolio.

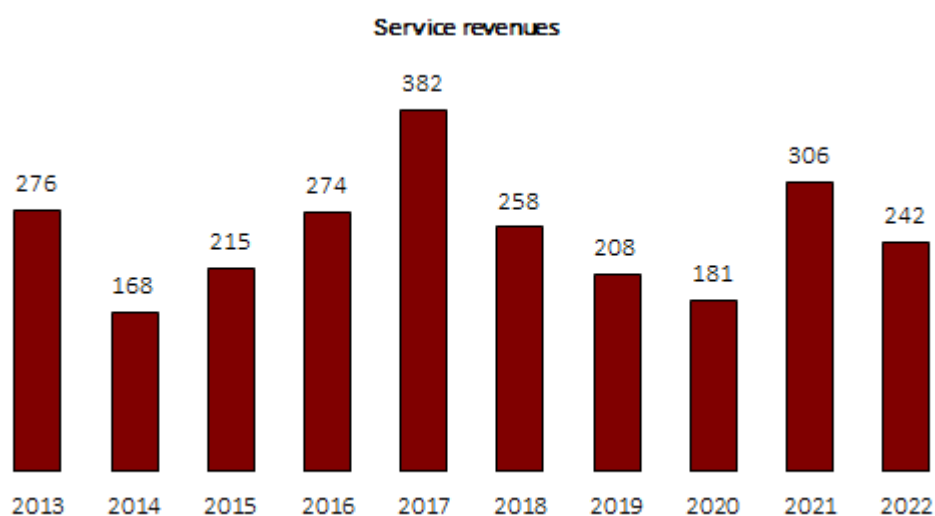
Development of earnings and balance sheet

Value-Holdings AG generated revenues of T€ 2,998 (previous year: T€ 6,645) in the 2022 financial year. Income from the sale of securities fell to T€ 2,756 (previous year: T€ 6,339), as it was not possible to sell further positions at the fair values determined by us in the negative stock market environment described above. Realised price gains therefore fell to T€ 826 (previous year: T€ 2,954). Despite the poor state of the stock markets, some of our investments reached their fair values, which we used to sell the positions and thus realised satisfactory profits overall in view of the environment. The biggest profit contribution came from the sale of our Freenet shares, which we had only bought at the beginning of 2021. Also very pleasing was the profit contribution from BMW, which had already provided us with nice dividend income in previous years. Even though Value Holdings AG investments are usually entered into with a planned holding period of 3 - 5 years, the potential of the companies and their fair value are sometimes recognised by the market earlier. This was again the case with our investment in Takkt, which we had sold completely in the previous year. In the past financial year, we took advantage of depressed share prices in autumn to buy Takkt again, and just a few months later we were able to sell the shares again at a much higher price, close to their fair value.

Service revenues fell to T€ 242 (previous year: T€ 306). They originate in particular from the



remuneration of Value-Holdings International AG (VHI) and the licence payment of Value-Holdings Capital Partners AG. The decline is due to the lower average volume of funds under management as a result of stock market conditions as well as lower performance-related remuneration.



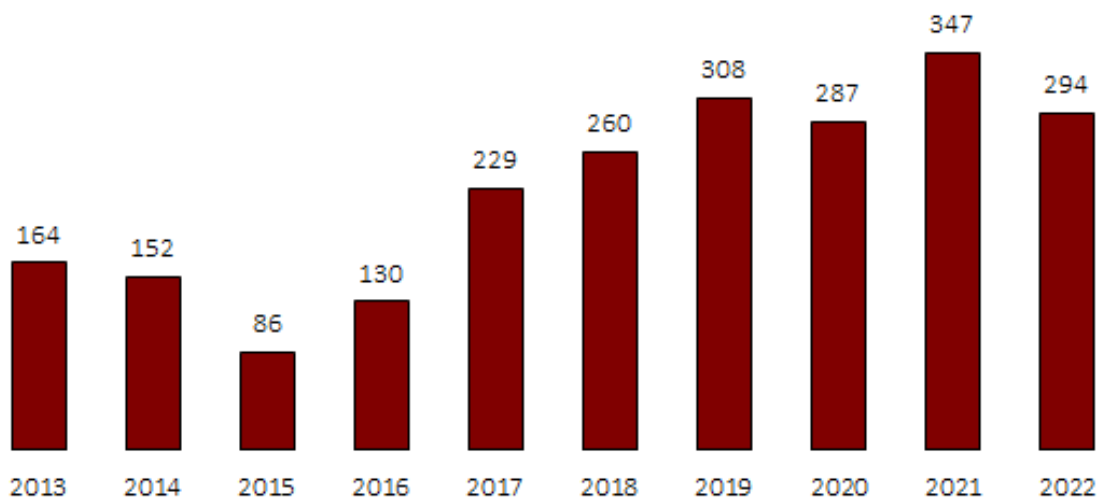
Other operating income rose sharply to T€ 125 (previous year: T€ 14). As in the previous year, it stems from offset payments in kind and the release of provisions. Furthermore, this item includes income from subletting, as the entire area of the new office space was rented from Value-Holdings AG and partial areas were sublet to VHC, for example.

Personnel costs fell significantly in the 2022 financial year to T€ 243 (previous year: T€ 426). This is the effect of the company's highly variable remuneration model, in which rising or falling income is directly reflected in rising or falling variable remuneration components for employees. General administrative costs increased to T€ 77 (previous year: T€ 41). The background to this is the rental payments and ancillary costs for the entire new office space, which partly lead to rental income within other operating income due to subletting, for example to VHC. Other operating expenses fell very significantly to T€ 76 (previous year: T€ 538). Several contrary developments must be taken into account here. The one-off costs incurred in the previous year for the relocation to Augsburg, the high 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 were no longer incurred in the 2022 financial year. On the other hand, vehicle and travel costs have increased, as have entertainment and representation costs, since more external events were attended and more events were held on the company's own premises.

In the 2022 financial year, it was almost possible to cover the regularly recurring costs of the company through the 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 almost 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 2022, dividend income fell to T€ 204 (previous year: T€ 258). The decline results in particular

Income from securities and investments



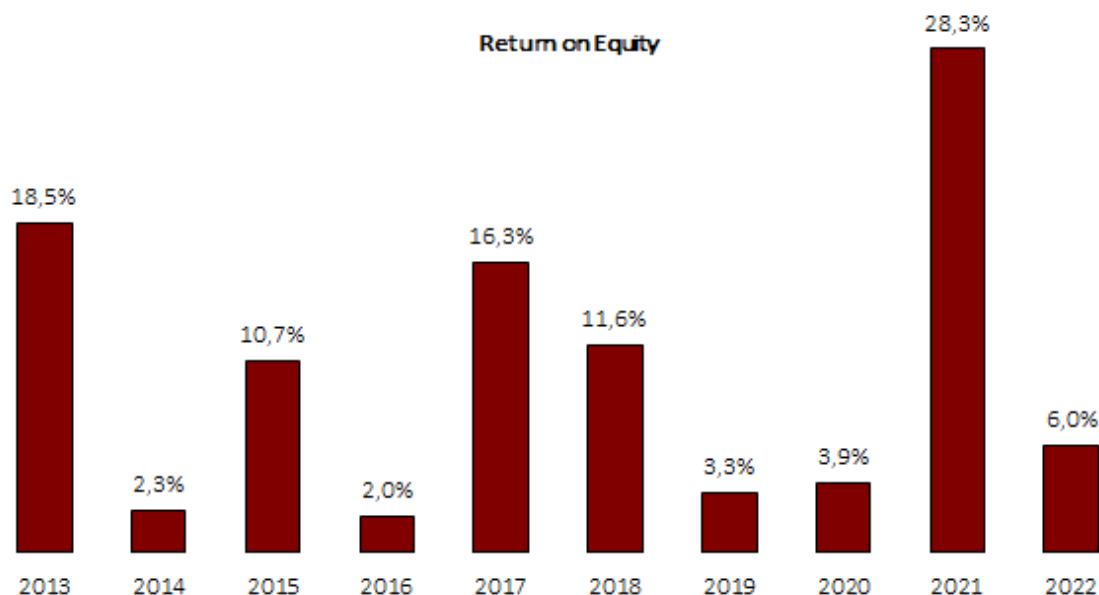
from the sale of our investment in CAPCAD SYSTEMS AG, which was always one of the most important dividend payers in the portfolio in previous years. The highest dividend income in the past financial year was contributed by BMW, Sto and Evonik. Income from investments, which is the distribution from Value-Holdings International AG, remained unchanged at T€ 90.

The negative stock market development in 2022 led to an increase in write-downs on securities at Value-Holdings AG in the past financial year. Value adjustments totalling T€ 364 (previous year: T€ 39) were made. We identified the greatest need for value adjustments at SHS Viveon, followed by q.beyond and Bauer.

As in the previous year, interest expenses are at a low level of T€ 2 (previous year: T€ 3), as we only used the credit lines available to us to a small extent in the past year. Interest income increased slightly to T€ 34 (previous year: T€ 33).

Value-Holdings AG's net income for the 2022 financial year is T€ 758 (previous year: T€ 2,608). As in the previous year, no tax payments were made. With an unchanged number of shares (2,008,994), earnings per share amount to € 0.38 (previous year: € 1.30).

With a return on equity of 6.4 %, Value-Holdings AG was not able to repeat the extraordinarily high value of the previous year of 28.3 %. In the last financial year, however, a great many positive factors had come together to influence our result. The stock market development enabled the realisation of price gains for many stocks, the revenues of the service division increased, the distributions of the portfolio companies were increased after the pandemic subsided and stock market price-related value adjustments were hardly necessary. Such a confluence of positive factors is rather exceptional in stock market events. Therefore, we are not dissatisfied with the return on capital of 6.4 % in the past financial year, even if our average return target of 10 % for 2022, viewed in isolation, was missed. Calculated over the last 5 financial years, the average return on equity is now 10.7 % and 10.3 % over the next 10 years. We have thus achieved the target return in both 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 was carried out for the most part through equity capital. The balance sheet volume of the company at the end of the 2022 financial year was T€ 13,259 (previous year: T€ 12,650). On the assets side, investments in particular increased due to the entry into NABAG AG, but investments in securities held as fixed assets were also expanded. On the other hand, receivables decreased significantly following the receipt of payment from the sale of the shareholding in CAPCAD SYSTEMS AG. On the liabilities side, equity increased, while provisions decreased.

The increase in securities held as fixed assets to T€ 7,917 (previous year: T€ 6,242) is due in particular to the new investments in Traton, Lanxess, Siltronic, KION and Freenet. All of the company's fixed assets are fully covered by equity.

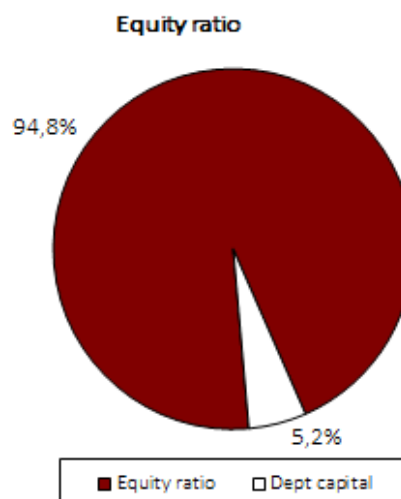
Trade receivables fell to T€ 609 (previous year: T€ 2,941). The purchase price payment for the CAPCAD participation sold in the previous year contributed to this in particular. In addition, the receivables from the use and transfer agreement with Value-Holdings International AG, which also included performance-related income, were settled. Other assets are almost unchanged at T€ 156 (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€ 669 (previous year: T€ 597). After deducting bank liabilities of T€ 150, the net cash position amounts to T€ 519 (previous year: T€ 597).

The equity of Value-Holdings AG has further increased due to the net income for the 2022 financial year and now amounts to T€ 12,571 (previous year: T€ 11,812). The equity ratio, our financial performance indicator for the balance sheet stability of the company, increased slightly to 94.8 % (previous year: 93.4 %) despite the expanded balance sheet total. This means that the equity ratio of Value-Holdings AG remains above the target corridor of 70 % to 90 %. We will

continue to adhere to the goal of a high equity ratio in order to ensure our ability to act even in times of crisis. During the Corona pandemic and also at the beginning of the Ukraine war, this gave us the opportunity to invest anti-cyclically and thus use the depressed share price level to buy first-class companies with a high safety margin. For risk considerations, however, we will limit the use of debt capital to a maximum of 30 % of the balance sheet total.

The share capital of the company remains unchanged at € 6,026,982 as at 31 December 2022. It is divided into 2,008,994 ordinary shares with a nominal value of € 3.00 each. The net profit for the 2022 financial year increased the balance sheet profit to T€ 4,894 (previous year: T€ 4,135).



The provisions of T€ 460 (previous year: T€ 792) are lower than in the previous year. This is due to the fact that provisions made in the previous year were paid out and partially released and the new provisions to be made for variable remuneration components were lower due to the results.

The liabilities of Value-Holdings AG increased to T€ 229 (previous year: T€ 45). The loans and lombard lines granted by two banks were only utilised to a minor extent. Other liabilities include VAT liabilities, among other things.

Development of the subsidiaries

At Value-Holdings Capital Partners AG, revenues fell slightly in the 2022 financial year, as the average volume of the two funds managed was below the level of the previous year due to the negative stock market development. In addition, it was not possible to achieve any performance-related remuneration. The annual result of Value-Holdings Capital Partners AG therefore fell to T€ -108 (previous year: T€ -8). The high deficit is also related to the company's increased expenses for the acquisition of new clients.

Value-Holdings International AG closed the 2022 financial year with a satisfactory result. Due to the negative stock market development, the realised price gains were below the level of the previous year. In contrast, a new record value of T€ 448 was achieved in dividend income. The necessary value adjustments increased only slightly despite the weak stock market development. Value-Holdings International AG achieved a net profit of T€ 392 in the 2022 financial year. From this, an unchanged dividend of € 0.09 per share was distributed to the shareholders after the general meeting in May 2023.

Since the 2022 financial year, NABAG AG has also been one of the subsidiaries of Value-Holdings AG. In the future, NABAG AG will be managed by Mr Napolitano as sole director. The complete administration of NABAG AG is carried out by Value-Holdings AG via a use and transfer agreement. In December 2022, NABAG AG carried out a capital increase from T€ 779,990 to € 2 million. This provides the company with higher investment capital to invest in the future target markets of Germany (value investments) and Italy (small and micro caps).

4. Opportunities and risks

Value-Holdings AG is exposed to a wide range of risks through its "Participations" and "Services" business segments. The fundamental opportunities and risks have not changed in the 2022 financial year. The risks include the general risk of volatility on the financial markets and, in particular, the risk of falling prices for share and participation 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 largely retaining 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 para. 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 carried out regularly in the 2022 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 and the war in Ukraine. 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 and thus provided clear instructions 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

The stock exchanges started 2023 with unexpectedly high price gains. This was surprising, because there are still a number of stress factors. Neither the Ukraine war has ended nor has inflation regressed to an acceptable level. In addition, a number of bank failures in the USA and the troubled Credit Suisse in Europe have unsettled the financial markets. The US economy is developing very subdued and Germany has slipped into recession after two quarters of negative GDP development. In this environment, some market participants are already speculating on an end to the central banks' policy of raising interest rates. However, if this hope does not materialise and interest rates remain at high levels for an extended period of time, there is a risk of adverse effects on the real economy and corporate profits. In this environment, however, good investment opportunities regularly arise, which can be exploited by careful selection of companies. We already have a number of companies with good market position and low debt in focus that we intend to invest in if we can buy them at prices with sufficient margin of safety.

In the first months of the new financial year, we have already been able to realize pleasing price gains and dividend income. We therefore expect a positive result for the year, unless this is prevented by currently unforeseeable events.

Augsburg, June 2023

VALUE-HOLDINGS AG
Georg Geiger, CEO

Balance sheet of Value-Holdings AG as of 31.12.2022

	31.12.2021	31.12.2022
<u>Assets</u>	Euro	Euro
<u>Fixed assets</u>		
Property, plant and equipment	55.847,51	58.947,53
Participations	2.656.214,48	3.849.587,97
Securities held as fixed assets	6.242.473,20	7.917.391,49
<u>Current assets</u>		
Trade receivables	2.940.583,97	608.766,22
Other assets	157.522,58	155.684,04
Cash and cash equivalents	596.864,18	668.561,02
	<u>12.649.505,92</u>	<u>13.258.938,27</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>4.135.177,42</u>	<u>4.893.583,10</u>
	(11.812.159,42)	(12.570.565,10)
 <u>Provisions</u>		
Other provisions	792.023,11	459.758,22
 <u>Liabilities</u>		
Bank debt	0,00	150.019,42
Other liabilities	45.323,39	78.595,53
	<u>12.649.505,92</u>	<u>13.258.938,27</u>

Financial Statements

	01.01.2021 bis 31.12.2021	01.01.2022 bis 31.12.2022
	Euro	Euro
Revenues	6.645.259,09	2.998.196,40
Cost of securities sold	<u>3.384.863,15</u>	<u>1.930.109,23</u>
Gross profit from sales	3.260.395,94	1.068.087,17
Other operating income	14.003,36	125.123,92
Personnel costs	425.545,73	242.855,94
General administrative expenses	40.721,91	77.230,42
Other operating expenses	538.004,82	76.225,27
Income from participations	89.744,85	89.744,85
Income from securities	257.624,45	203.827,44
Other interest and similar income	33.098,07	33.894,00
Depreciation on securities	39.104,90	363.891,28
Interest and similar expenses	3.165,24	2.068,79
Result before taxes	<u>2.608.324,07</u>	<u>758.405,68</u>
Taxes on income and earnings	<u>0,00</u>	<u>0,00</u>
Net profit for the year	2.608.324,07	758.405,68
Retained earnings brought forward	1.526.853,35	4.135.177,42
Retained earnings	<u>4.135.177,42</u>	<u>4.893.583,10</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	23,1 %	13.176 T€	392 T€
Value-Holdings Capital Partners AG	49,5 %	169 T€	-108 T€
NABAG AG	58,9 %	1.970 T€	15 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€ 3.732 write-downs of T€ 598 to the fair value of T€ 3.134 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 2023, the subscribed capital consists of 2,008,994 no-par value shares with an arithmetical par 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 T€ 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 2022 financial year, the capital reserve did not change 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

Value-Holdings AG has taken out a loan with a fixed interest rate from a bank with a term until 30 September 2023. The loan was drawn down in the amount of T€ 150 as of the balance sheet date. There is an open-ended loan commitment with a variable interest rate with another credit institution. This loan was not utilised on the balance sheet date. The loans are secured by mortgaging securities. All liabilities have a remaining term of less than 1 year.

IV. Notes to the profit and loss account

1. Revenues

The sales revenues amount to T€ 2,998 (previous year: T€ 6,645). This includes proceeds from the sale of securities amounting to T€ 2,756 (previous year: T€ 6,339) and income from services amounting to T€ 242 (previous year: T€ 306).

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 income from the reversal of provisions and from subleases as well as offset remuneration 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 T€ 49 (previous year: T€ 21), depreciation on tangible assets T€ 17 (previous year: T€ 10), IT/Internet costs T€ 2 (previous year: T€ 2) and communication costs T€ 3 (previous year: T€ 4).

6. Other operating expenses

Other operating expenses include the following main items: Accounting/financial statements T€ 8 (previous year T€: 8), audit T€ 7 (previous year: T€ 7), Supervisory Board remuneration T€ 14 (previous year: T€ 14), investor relations T€ 4 (previous year: T€ 4), Annual General Meeting T€ 3 (previous year: T€ 13), travel expenses T€ 2 (previous year: T€ 1) and other T€ 38 (previous year: T€ 45).

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

Write-downs on securities were made in the amount of T€ 364 (previous year: T€ 39) in the 2022 financial year.

10. Interest result

Interest income of T€ 34 (previous year: T€ 33) was offset by interest expenses of T€ 2 (previous year: T€ 3).

V. Other information

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

Management & Supervisory Board:

Supervisory Board: Ludwig Lehmann, Rechtsanwalt, München,
Chairman

Christoph Papst, Kaufmann, 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>Number of Shares</u>	<u>Percentage</u>
CEO:	Georg Geiger	349.349	17,4 %
Supervisory Board:			
	Ludwig Lehmann	303.098	15,1 %
	Christoph Papst	54.604	2,7 %
	Michael Höfer	0	0,0 %

FIXED ASSETS SCHEDULE

Value-Holdings AG as of 31.12.2022

	Property, plant and equipment	Financial assets
Acquisition, production costs as at 01.01.2022	99.722,56	9.141.059,83
Additions	20.018,15	5.162.292,29
Transfers	0,00	0,00
Disposals	4.014,77	1.987.330,52
Acquisition, production costs as at 31.12.2022	115.725,94	12.316.021,60
Accumulated depreciation 01.01.22	43.875,05	242.372,15
Disposals Financial year 2022	4.014,77	57.221,29
Depreciation financial year 2022	16.918,13	363.891,28
Accumulated depreciation 31.12.22	56.778,41	549.042,14
Book value 31.12.2022	58.947,53	11.766.979,46

REPORT OF THE SUPERVISORY BOARD

In the 2022 financial year, the Supervisory Board continuously and fully performed the monitoring and advisory duties incumbent upon it under the law, the Articles of Association and the Rules of Procedure. The Executive Board fully complied with its reporting obligations. It informed the Supervisory Board regularly, promptly and comprehensively. The cooperation between the Supervisory Board and the Executive Board was transparent and open as usual in the reporting year. On the basis of written reports and oral explanations by the Executive Board, the Supervisory Board consulted in particular 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.

In the financial year 2022, 4 Supervisory Board meetings took place in presence. All members of the Supervisory Board and the Executive Board were present at all meetings. The subject of all meetings was information on the current business activities and the risk control system of the company. The Supervisory Board has made sure 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 meeting of 19.05.2022, potential effects of the Ukraine war on the portfolio were discussed. In addition, the planned cooperation with NABAG AG was the subject of the discussions. In the meeting on 28.07.2022, the annual financial statements for 2021 were discussed in the presence of the auditor and adopted by the Supervisory Board. Furthermore, the date of the Annual General Meeting was set and the Executive Board and Supervisory Board decided to hold it as an in-person event. In the meeting of 21.09.2022, which took place before the Annual General Meeting convened for that day, the Executive Board provided information in particular on the resolutions of the Annual General Meeting of NABAG AG, on the planned relocation of NABAG to Augsburg and on the modalities of the management agreement to be concluded. In the meeting on 21 December 2022, the agenda included the development of the company to date and the outlook for the end of the year.

The accounting, annual financial statements and management report were audited by Rupp & Epple GmbH, Wirtschaftsprüfungsgesellschaft, Augsburg. An unconditional audit certificate was issued. The auditor attended the meeting on 14 June 2023 and reported on the results of its audit. The auditor also answered questions from the Supervisory Board and provided further explanations. At the meeting on 14 June 2023, the Supervisory Board approved the annual financial statements for 2022, which are thus adopted. The Supervisory Board concurs with the Executive Board's proposal to the Annual General Meeting on the appropriation of the balance sheet profit.

Augsburg, 14.06.2023

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 2022 und der Gewinn- und Verlustrechnung für das Geschäftsjahr vom 1. Januar 2022 bis zum 31. Dezember 2022 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 2022 bis zum 31. Dezember 2022 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 2022 sowie ihrer Ertragslage für das Geschäftsjahr vom 1. Januar 2022 bis zum 31. Dezember 2022 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 5. Juni 2023

Rupp & Epple GmbH
Wirtschaftsprüfungsgesellschaft

Hell
Wirtschaftsprüfer

Rupp-Helferich
Wirtschaftsprüfer

FIVE-YEAR OVERVIEW

Balance sheet:

(T€)	2018	2019	2020	2021	2022
Securities + Participations	8.703	9.430	9.002	8.899	11.407
Equity	8.579	8.860	9.204	11.812	12.571
Liabilities	437	788	240	45	229
Balance sheet total	9.161	9.718	9.518	12.650	13.259
Equity ratio (%)	93,7	91,1	96,7	93,4	94,8

Profit and loss account:

(T€)	2018	2019	2020	2021	2022
Revenues	1.925	1.678	3.337	6.645	2.998
Gross profit	954	514	537	3.260	1.068
Dividend / investment income	260	308	287	347	294
EBIT	850	261	333	2.578	727
Result before taxes	893	281	343	2.608	758
Net profit for the year	893	281	343	2.608	758
Return on equity (%)	11,6	3,3	3,9	28,3	6,4

Values per share:

(€)	2018	2019	2020	2021	2022
Shares outstanding (pcs.)	2.008.994	2.008.994	2.008.994	2.008.994	2.008.994
Share price as at 31.12.	4,72	4,90	4,50	6,05	6,10
Market capitalisation 31.12.	9.482.451	9.844.071	9.040.473	12.154.414	12.254.863
Profit/share	0,44	0,14	0,17	1,30	0,38
Book value/share	4,27	4,41	4,58	5,88	6,26
Net asset value/share	4,63	5,07	5,04	6,91	6,11



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