



DRIVING INNOVATION

Annual Financial Statements 2021 (HGB)



JOST Werke AG

Annual Financial Statements 2021

The Management Report of JOST Werke AG is combined with the Group Management Report in accordance with Section 315 (5) of the German Commercial Code (HGB) and is published in the Annual Group Report 2021 of the JOST Werke AG.

The Annual Financial Statements and the Management Report of JOST Werke AG for the year 2021 are published in the German Federal Gazette.

The Annual Financial Statements 2021 and the Annual Group Report 2021 of the JOST Werke AG can be found in the Investor Relations section of our website at <http://ir.jost-world.com/reports>

These documents represent the English translation of the German "Jahresabschluss," which is the sole binding version

JOST Werke AG, Neu-Isenburg

Balance sheet as of December 31, 2021

Assets

	12/31/2021	12/31/2020
	€	€
A. Fixed assets		
1. Financial assets		
Interests in affiliated companies	706,046,424.48	706,046,424.48
	706,046,424.48	706,046,424.48
B. Current assets		
I. Receivables and other assets		
1. Receivables from affiliated companies	125,195,670.88	123,511,349.63
2. Other assets	106,619.24	98,230.58
	125,302,290.12	123,609,580.21
Deferred income	541,485.33	757,365.17
	831,890,199.93	830,413,369.86

Equity and liabilities		
	12/31/2021	12/31/2020
	€	€
A. Equity		
I. Subscribed capital	14,900,000.00	14,900,000.00
II. Capital reserves	449,532,105.86	472,442,337.92
III. Net retained profits	16,390,000.00	14,900,000.00
	480,822,105.86	502,242,337.92
B. Provisions		
I. Tax provisions	98,934.00	0.00
II. Other provisions	8,017,908.30	6,353,091.36
	8,116,842.30	6,353,091.36
C. Liabilities		
I. Liabilities to banks	278,674,320.71	309,656,084.00
II. Trade payables	108,898.94	233,041.18
III. Liabilities to affiliated companies	63,378,465.77	11,167,307.65
IV. Other liabilities	789,566.35	761,507.75
of which from taxes: € 223,421.53 (€ 218,547.62)		
	342,951,251.77	321,817,940.58
	831,890,199.93	830,413,369.86

**Income statement for the period from January 1 to December 31,
2021**

	2021	2020
	€	€
1.) Sales revenues	6,050,758.91	1,788,223.00
2.) Other operating income of which from currency conversion: € 1,004.14 (previous year: € 0)	768,645.94	311,079.88
3.) Gross revenue for the period	6,819,404.85	2,099,302.88
4.) Personnel expenses		
a) Wages and salaries	-4,020,788.97	-3,948,874.01
b) Social security, post-employment and other employee benefit costs	-72,904.70	-87,332.33
	-4,093,693.67	-4,036,206.34
5.) Other operating expenses of which from currency conversion: € 5,944.06 (previous year: € 0)	-5,203,227.03	-3,956,965.72
6.) Other interest and similar income of which from affiliated companies: € 1,467,365.11 (previous year: € 1,706,161.37)	1,467,365.11	1,706,161.37
7.) Interest and similar expenses	-5,410,841.32	-5,736,850.62
8.) Taxes on income and profit	0.00	42.30
9.) Profits before taxes	-6,420,992.06	-9,924,516.13
10.) Other taxes	-99,240.00	-6,100.85
11.) Net loss for the year	-6,520,232.06	-9,930,616.98
12.) Profits carried forward from previous year	0.00	16,390,000.00
13.) Withdrawal from capital reserves	22,910,232.06	8,440,616.98
14.) Net retained profits	16,390,000.00	14,900,000.00

JOST Werke AG, Neu-Isenburg

Notes to the annual financial statements for fiscal year 2021

I. General information

JOST Werke AG (hereinafter also the “Company”) was founded as Cintinori Holding GmbH on February 27, 2008. On June 23, 2017, Cintinori Holding GmbH was converted from a German private limited company (GmbH) into a German public limited company (AG) and renamed JOST Werke AG. The respective entry in the Commercial Register was made on July 7, 2017. As of July 20, 2017, the shares were traded for the first time on the Frankfurt Stock Exchange.

The Company’s registered office is 2 Siemensstrasse in 63263 Neu-Isenburg, Germany. The Company has been registered in the Commercial Register of Offenbach am Main Local Court under section B with the registration number 50149.

JOST Werke AG’s annual financial statements are prepared according to the provisions of the current version of the German Commercial Code (Handelsgesetzbuch – HGB), taking into account the German Stock Corporation Act (Aktiengesetz – AktG). JOST Werke AG is a large corporation as defined in Section 267 (3) sentence 2 HGB.

Its fiscal year corresponds to the calendar year.

The annual financial statements are prepared in euros (EUR). The income statement uses the total cost (nature of expense) method.

II. Accounting policies

Long-term financial assets are carried at cost. Write-downs are charged where permanent impairment to the lower fair value is anticipated. Impairment losses are reversed if the reasons for the write-downs no longer apply.

Receivables and other assets are carried at their nominal amounts.

Appropriate specific valuation allowances are recognized for receivables and other assets where circumstances are known that may cause doubt regarding the collectibility of the receivables or the recoverability of the other assets.

Prepaid expenses comprise expenditure before the reporting date for expenses for a specific period after the balance sheet date. The discount contained in the Company’s refinancing is amortized over the term of the liabilities arising from the (promissory note) loans. These are measured at their nominal amount.

Subscribed capital is shown at its nominal amount.

Provisions make appropriate allowance for all identifiable risks and obligations in accordance with prudent business judgment. They are measured at the settlement amount considered necessary in accordance with prudent business judgment. Provisions with a remaining term of more than one year are discounted at the average market interest rate of the past seven fiscal years corresponding to their remaining term.

In 2019, the Company introduced a Long-Term Incentive Plan (LTIP) with the intention of retaining selected executives in the JOST Werke Group for the long term and giving them the opportunity to participate in the success of the JOST Werke Group. The LTIP rights in the form of virtual shares grant the right to a cash payment after a four-year reference period (also employment period) from April 1, 2019, to March 31, 2023, depending on the outperformance of the JOST share in comparison to the SDAX index. If the performance of the JOST share is equal to or better than the SDAX, a special payment at the level of 100 % of the value of the JOST share is granted. If the JOST share underperforms the SDAX, a special payment of 20 % of the value of the JOST share is granted. The payment from the virtual shares is limited to three times the initial value (average price of the JOST share during the last 30 trading days before the reference period starts).

From the LTIP, a total of 8,369 virtual shares with an initial value of EUR 250 thousand (previous year: 29,794 virtual shares with an initial value of EUR 890 thousand) were granted in 2021.

The fair value of the virtual shares is calculated using a Monte-Carlo simulation with the following input factors as of December 31, 2021:

	December 31, 2021
JOST share price	EUR 49.50
SDAX index level	16,414.67
Expected volatility JOST	29.59 %
Expected volatility SDAX	16.40 %
Correlation JOST/SDAX	0.5385
JOST dividend yield	1.74 %
Risk-free rate	-0.74 %
Fair value	EUR 41.39

The Monte Carlo simulation takes account of the relative performance of the JOST share against the SDAX index, the average value at the end of the reference period, dividend forecasts for the JOST share and the limitation of the payment amount.

Expenses from the LTIP are distributed over the expected vesting period and recognized in provisions.

As of December 31, 2021, 147,799 virtual shares with a carrying amount of EUR 4,049,118.77 (previous year EUR 2,062,645.05) were outstanding. The expense recognized in the fiscal year amounts to EUR 1,986,473.72 (previous year

EUR 1,387,025.10). In the reporting period, 25,107 virtual shares (previous year 10,880) were forfeited and none became vested.

No hedges in accordance with Section 254 HGB are recognized for derivative financial transactions. As executory contracts these transactions are off-balance sheet. However, if losses are expected from these transactions, a provision is established on the basis of the negative market prices. The resulting unrealized losses are recognized in profit or loss.

Liabilities are carried at their settlement amount.

Deferred taxes are recognized on the differences between the financial accounts and the tax accounts, provided that they are expected to decrease in subsequent fiscal years. Deferred taxes are calculated using a tax rate of 30 %. As of the reporting date, after offsetting the tax assets and tax liabilities (overall difference assessment), there was a surplus of deferred tax assets. This was driven primarily by differences in the measurement of other provisions and by loss carryforwards. The Company has not exercised the option of utilizing tax assets provided for in Section 274 (1) Sentence 2 HGB, so that the surplus deferred tax assets are not recognized on the balance sheet.

Short-term foreign currency receivables and liabilities (remaining term of one year or less) are converted at the middle spot rate on the reporting date. As a matter of principle, transactions in foreign currencies are measured at the historical exchange rate on initial recognition. For simplification, intra-year measurement is based on the middle spot rate on the last day of the previous month.

III. Notes to the balance sheet

1. Fixed assets/long-term financial assets

The changes in fixed assets as of the balance sheet date are as follows:

Changes in fixed assets
for the period from January 1 to December 31, 2021

	Cost			Balance 12/31/2021 € thousands	Reversals/ amortization			Carrying amounts 12/31/2021 € thousands	Carrying amounts 12/31/2020 € thousands
	Balance 01/01/2021 € thousands	Additions € thousands	Disposals € thousands		Balance 01/01/2021 € thousands	Additions € thousands	Balance 12/31/2021 € thousands		
	Interests in affiliated companies	706,046	0		0	706,046	0		
Financial assets	706,046	0	0	706,046	0	0	0	706,046	706,046

Shareholdings in accordance with Section 285 No. 11 HGB are as follows:

List of shareholdings JOST Werke AG as of Dec. 31, 2021					
Company	Share of JOST Werke AG		Equity as of December 31, 2021	Result 2021	
			€ thousands	1)	€ thousands
					2)
Interests in affiliated companies					
JOST-Werke VG1 GmbH (being founded) Neu-Isenburg	100.00%	5)	25		0
Jasione GmbH Neu-Isenburg	100.00%	5)	624,112		27,887
JOST-Werke Deutschland GmbH Neu-Isenburg	100.00%	4) 5)	42,611		0
JOST-Werke Logistics GmbH (vormals JOST-Werke Asset Management GmbH) Neu-Isenburg	100.00%	3) 5)	25		0
Jost-Werke International Beteiligungsverwaltung GmbH Neu-Isenburg	100.00%	4) 5)	36,326		0
Rockinger Agriculture GmbH Waltershausen / Germany	100.00%	3) 5)	-1,172		-173
JOST France S.à r.l. Paris / France	100.00%	3) 6)	4,814		624
JOST Iberica S.A. Zaragoza / Spain	100.00%	3) 6)	4,967		1,374
Jost Italia S.r.l. Milan / Italy	100.00%	3) 6)	3,180		407
Jost GB Ltd. Bolton / United Kingdom	100.00%	3) 6)	-26,372		-28,836
ooo JOST RUS Moscow / Russia	100.00%	3) 6)	3,392		869
JOST Polska Sp. z o.o. Nowa Sól / Poland	100.00%	3) 6)	16,770		6,043
Jost Hungaria Kft. Veszprém / Hungary	100.00%	3) 6)	15,923		2,130
JOST TAT LLC Naberezhnye Chelny / Russia	100.00%	3) 6)	2,313		481
Transport Industry Development Centre B.V. Best / Netherlands	100.00%	3) 6)	-12,500		3,191
Tridec Ltda. Cantanhede / Portugal	100.00%	3) 6)	3,923		15
JOST Achsen Systeme GmbH Calden / Germany	100.00%	4) 5)	25		0
Jost Otomotiv Sanayi Ticaret A.S. Izmir / Turkey	100.00%	3) 6)	1,415		965
JOST (S.A.) Pty. Ltd. Chloorkop / South Africa	100.00%	3) 5)	4,682		4,382
JOST Transport Equipment Pty. Ltd. Chloorkop / South Africa	100.00%	3) 5)	8,409		1,135
Jost Australia Pty. Ltd. Seven Hills / Australia	100.00%	3) 6)	14,737		2,631
Jost New Zealand Ltd. Hamilton / New Zealand	100.00%	3) 6)	579		256
JOST International Corp. Grand Haven / Michigan / U.S.A.	100.00%	3) 6)	46,140		12,014
Jost (China) Auto Component Co. Ltd. Wuhan, Hubei Province / PR China	100.00%	3) 6)	27,149		6,216
JOST (Shanghai) Trading Co. Ltd. Shanghai / PR China	100.00%	3) 6)	3,007		460
Jost Far East Pte. Ltd. Singapore	100.00%	3) 6)	5,667		2,091
JOST India Auto Component Pte. Ltd. Jamshedpur / India	100.00%	3) 6)	11,478		1,662
JOST Japan Co. Ltd. Yokohama / Japan	100.00%	3) 6)	574		144
Jost (Thailand) Co. Ltd. Bangsaotong / Thailand	100.00%	3) 6)	37		35
Ålö Holding AB Umeå / Sweden	100.00%	3) 6)	138,513		5,788
Ålö AB Umeå / Sweden	100.00%	3) 6)	78,881		4,507
Ålö Deutschland Vertriebs-GmbH Dieburg / Germany	100.00%	3) 6)	3,332		924
Alo Danmark A/S Skive / Denmark	100.00%	3) 6)	178		74

Ålö Norge A/S Rakkestad / Norway	100.00%	3) 6)	881	348
Alo UK Ltd. Droitwich / United Kingdom	100.00%	3) 6)	534	238
Agroma S.A.S. Blanzac-Les-Matha / France	100.00%	3) 6)	4,230	1,327
Alo Canada Inc. Vancouver / Canada	100.00%	3) 6)	3,032	435
Alo USA Inc. Elgin, IL / U.S.A.	100.00%	3) 6)	18,364	1,238
Alo Agricult. Machinery (Ningbo) Co. Ltd. Ningbo / PR China	100.00%	3) 6)	15,513	2,033
Alo Trading (Ningbo) Co. Ltd. Ningbo / PR China	100.00%	3) 6)	3,220	158
Alo Brasil Ltda. Brasil	100.00%	3) 6)	-74	-80
Equity investments				
JOST Brasil Sistemas Automotivos Ltda. Caxias do Sul / Brazil	49.00%	3) 6)	23,709	11,851

- 1) Translated at the average rate on the closing date
- 2) Translated at the average rate for the year
- 3) Held indirectly via Jasion GmbH Ltd.
- 4) Held indirectly via Jasion GmbH, after profit and loss transfer agreement
- 5) Data from the provisional financial statements of the companies according to HGB
- 6) Data from the reporting packages of the companies according to IFRS for consolidation purposes

2. Receivables and other assets

As of the reporting date, this item includes a short-term loan to the subsidiary JOST-Werke Deutschland GmbH, Neu-Isenburg, in the amount of EUR 92,812,304.49 (previous year: EUR 91,344,939.38 to Jost-Werke International Beteiligungsverwaltung GmbH, Neu-Isenburg). The other receivables result from other allocations and mainly relate to Jost-Werke International Beteiligungsverwaltung GmbH in the amount of EUR 32,122,409.18 (previous year: EUR 32,066,112.54).

Other assets include sales tax receivables of EUR 106,619.24 (previous year: EUR 98,230.58).

As in the previous year, all receivables and other assets are due in less than one year.

3. Prepaid expenses

Prepaid expenses at the reporting date amount to EUR 541,485.33 (previous year EUR 757,365.17). Of this amount, EUR 204,038.00 (previous year: EUR 238,555.00) relates to payments for an insurance policy to be deferred over subsequent periods. In addition, the discount from the refinancing in 2018 of EUR 148,776.00 (previous year: EUR 234,840.00) is deferred over the term of the promissory note loans and amortized. A loan of EUR 120 million was taken out to finance the acquisition of Ålö Holding AB, Umeå, Sweden, by the subsidiary Jost-Werke International Beteiligungsverwaltung GmbH, Neu-Isenburg. Prepaid expenses include a resulting discount of EUR 162,000.00 (previous year: EUR 216,000.00), which is deferred over the term of the loan and amortized (see also 6. Liabilities).

4. Equity

As of December 31, 2021, the Company's subscribed capital was unchanged at EUR 14,900,000, which is fully paid-up and divided into 14,900,000 no-par value bearer shares with a pro rata amount of the share capital of EUR 1.00 each.

At the Annual General Meeting held on May 4, 2018, a resolution was adopted to cancel the existing Authorized Capital 2017 and create new Authorized Capital 2018. The Executive Board is authorized, with the consent of the Supervisory Board, to increase the Company's share capital by a total of up to EUR 7,450,000 once or in several installments until May 3, 2023, by issuing new no-par value bearer shares against cash or non-cash contributions. The Annual General Meeting also adopted a resolution to create Contingent Capital 2018. The share capital may be increased on one or more occasions by up to EUR 7,450,000 by issuing up to 7,450,000 new no-par value bearer shares. When new shares from the Authorized Capital 2018 are issued, in principle shareholders have pre-emptive rights which can be disapplied only in specific cases and under the conditions described in more detail in Article 5 (2) of the Articles of Association. The Executive Board has not utilized this authorization.

With a further resolution of the Annual General Meeting on May 4, 2018, the Executive Board is authorized, with the consent of the Supervisory Board, up to May 3, 2023, on one or more occasions to issue warrant bonds, convertible bonds and/or income bonds or combinations of these instruments (together "bonds") with a total nominal amount of up to EUR 350 million with or without a limited term and to grant the bearers or creditors of the bonds options or conversion rights in up to 7,450,000 new bearer shares of the Company with a pro rata amount of the share capital of up to EUR 7,450,000.00 in accordance with the further conditions of the bonds. In principle shareholders have pre-emptive rights. However, the Executive Board, with the consent of the Supervisory Board, is authorized to disapply the pre-emptive rights of shareholders to the bonds on the basis of the conditions stated in the above authorization resolution. For details on this, refer to the proposed resolution on Item 8 of the Annual General Meeting on May 4, 2018 which was passed. The Executive Board has not utilized this authorization. To service the bonds, the Annual General Meeting contingently increased the Company's share capital by up to EUR 7,450,000.00 on the basis of issuing up to 7,450,000 new bearer shares (Contingent Capital 2018; Article 6 of the Articles of Association).

In addition, on May 4, 2018, the Annual General Meeting authorized the Company up to May 3, 2023, to acquire Treasury shares of up to 10 % at the time of the resolution or – if this figure is less – of the share capital in place at the time the authorization is exercised. The acquired Treasury shares may be used for any legally permissible purpose. For details on this refer to the Authorization Resolution resolved at the Annual

General Meeting on May 4, 2018 (Agenda Item 6). At the time this report was prepared, the Company had not acquired any Treasury shares.

In May 2021, the Annual General Meeting approved the proposal of the Board of Management to distribute EUR 14,900,000.00 of the net profit from the 2020 fiscal year.

The capital reserves changed as follows:

Capital reserves	2021	2020
	€ thousands	€ thousands
Balance Jan. 1	472,442	480,883
Withdrawals in the fiscal year	-22,910	-8,441
Balance Dec. 31	449,532	472,442

The free reserves amounted to EUR 322,782,105.86 as of December 31, 2021 (previous year: EUR 345,692,337.92).

Net retained profit changed as follows:

Net retained profits	2021	2020
	€ thousands	€ thousands
Balance Jan. 1	14,900	16,390
Dividend payment	-14,900	0
Net loss for the year	-6,520	-9,931
Withdrawal from capital reserves	22,910	8,441
Balance Dec. 31	16,390	14,900

5. Provisions

The other provisions are personnel-related provisions of EUR 6,857,518.07 (previous year: EUR 4,828,289.32), EUR 4,049,118.77 of which are share-based remuneration (previous year: EUR 2,062,645.05). In addition, provisions of EUR 380,096.85 were established for outstanding invoices in connection with legal and advisory costs as well as costs for preparing the annual financial statements (previous year: EUR 176,508.66). Provisions of EUR 780,293.38 (previous year; EUR 1,348,293.38) were recognized for pending losses from derivatives.

6. Liabilities

	Total	Of which with a remaining duration of		Of which more than 5 years
		Up to 1 year	> 1 year	
	€	€	€	€
Liabilities to banks	278,674,321	38,674,321	240,000,000	0
Trade payables	108,899	108,899	0	0
Liabilities to affiliated companies	63,378,466	63,378,466	0	0
Other liabilities	789,566	789,566	0	0
Total	342,951,252	102,951,252	240,000,000	0

In the previous year, liabilities due within one year were as follows:

- Liabilities to banks EUR 45,656,084
- Trade payables EUR 233,041
- Liabilities to affiliated companies EUR 11,167,308
- Other liabilities EUR 761,508

In the previous year, liabilities were due with a term exceeding one year:

- Liabilities to banks EUR 264,000,000

In 2018, JOST Werke AG issued promissory note loans with a total value of EUR 150 million that mature in five and seven years respectively and have both fixed and variable interest rates. In addition to the promissory note loans, there is a revolving facility of EUR 150 million. The financing in 2018 comes with more favorable interest rates for the Group and longer terms. The obligation to comply with certain financial requirements (“covenants”) exists with regard to the revolving credit line. The Company has drawn down EUR 25 million of the revolving credit facility as of December 31, 2021 (previous year: EUR 45 million). EUR 20 million was repaid in the past fiscal year. Liabilities to banks include accrued interest in the amount of EUR 1,674,320.71 (previous year: EUR 656,084.00).

Liabilities to banks are not secured by rights of lien or similar rights.

On December 19, 2019, the Company concluded a new financing agreement with a banking syndicate for EUR 120 million with a duration of five years in order to finance the acquisition of Ålö Holding AB, Umeå, Sweden. The loan was utilized on January 31, 2020. EUR 12 million was repaid in the past fiscal year. This bank loan is subject to compliance with a financial safeguard clause derived from the consolidated financial statements of JOST Werke AG, the primary parent company. In the case of non-compliance with these covenants, the bank loans can become due with immediate effect.

Liabilities include EUR 63,378,465.77 (previous year EUR 11,167,307.65) liabilities to affiliated companies arising from the clearing accounts with JOST-Werke Deutschland GmbH, ROCKINGER Agriculture GmbH and JOST Achsen Systeme GmbH. The clearing account with JOST-Werke Deutschland GmbH was used primarily to settle the repayments of the loans and credit facility (EUR 32,000,000) and the dividend payments (EUR 14,900,000) to the shareholders of the company. Other liabilities amount to EUR 789,566.35 (previous year: EUR 761,507.75) and include liabilities from the remuneration of the Supervisory Board in the amount of EUR 566,144.82 (previous year: EUR 542,960.13).

7. Financial hedging instruments

To hedge future interest rate volatilities from the floating rate tranches of the promissory note loan, the Company entered into four interest rate swaps with a total nominal value of EUR 60,000,000.00, and a maximum term until June 29, 2023. The swaps have a negative market value of EUR 780,293.38 as of December 31, 2021 (mark-to-market valuation), for which a provision for onerous contracts at the same level has been recognized. This is recognized in provisions.

IV. Notes to the income statement

1. Sales revenues

Sales revenues of EUR 6,050,758.91 (previous year: EUR 1,788,223.00) are attributable to service agreements with and oncharges to affiliated companies and were generated in Germany.

2. Other operating income

The other operating income of EUR 768,645.94 (previous year: EUR 311,079.88) in the fiscal year primarily includes income the use of passenger cars of EUR 27,262.51 (previous year: EUR 40,395.88) and prior-period income from the reversal of provisions of EUR 736,019.16 (previous year: EUR 257,200.00). The latter mainly includes the reversal of the provision for pending losses from derivatives.

3. Other operating expenses

These relate primarily to expenses for legal and consulting costs (EUR 1,120,071.58; previous year: EUR 573,076.53), expenses for the long-term bonus program for executives below the Executive Board within the JOST Werke Group (LTIP; EUR 1,986,473.72; previous year: EUR 1,387,025.10), costs for preparing the annual financial statements (EUR 334,525.44; previous year: EUR 303,931.50), expenses for Supervisory Board remuneration (EUR 505,000.00; previous year: EUR 492,630.84), and travel expenses (EUR 33,445.14; previous year: EUR 32,526.03). For information on the expenses for the bonus program, refer to the disclosure about provisions under Accounting policies. Travel expenses remain at a low level due to reduced travel in the wake of the COVID-19 pandemic.

4. Other interest and similar income

Other interest and similar income relates to affiliated companies in the amount of EUR 1,467,365.11 (previous year: EUR 1,706,161.37).

5. Interest and similar expenses

In the past fiscal year, interest and similar expenses mainly relate to interest in connection with the promissory note loans and the new loan in the amount of EUR 5,410,841.32 (previous year: EUR 5,716,788.62). This includes expenses from the amortization of the discount of EUR 140,064.00 (previous year: EUR 140,064.00). Loan commitment fees are also included in interest and similar expenses.

6. Other taxes

Other taxes relate to vehicle tax and non-deductible sales taxes from previous years.

V. Other information

1. Number of employees

The Company had three employees at the reporting date. Averaged over the year, the Company had four employees.

2. Executive Board

The Executive Board consists of the following persons, including a list of further posts held on supervisory/control bodies outside JOST Werke AG:

Joachim Dürr, Diplom-Ingenieur, Dachau

Chairman of the Executive Board

Chief Executive Officer

- No posts on supervisory/control bodies

Dr.-Ing. Ralf Eichler, Diplom-Ingenieur, Dreieich

Chief Operating Officer

- No posts on supervisory/control bodies

Dr. Christian Terlinde, Diplom-Kaufmann, Dinslaken

Chief Financial Officer

- No posts on supervisory/control bodies

3. Supervisory Board

The Supervisory Board consists of the following persons, including a list of further posts held on supervisory/control bodies outside JOST Werke AG:

Manfred Wennemer (Chair)

Occupation: Managing Director of Board Advisors GmbH, Bensheim, Germany.

- Member of the Advisory Board, Brückner Technology Holding GmbH, Siegsdorf, Germany
- Chairman of the Board, TI Fluid Systems plc, England
- Member of the Board, ACPS Automotive GmbH, Ingersheim, Germany

Prof. Dr. Bernd Gottschalk (Deputy Chair)

Occupation: Management consultant, Managing Partner of AutoValue GmbH, Frankfurt am Main, Germany

- Member of the Supervisory Board, Schaeffler AG, Herzogenaurach, Germany
- Member of the Supervisory Board, Plastic Omnium S.A., Paris, France
- Member of the Supervisory Board, AEye Inc., Dublin/California, US

- Member of the Supervisory Board, Benteler International AG, Salzburg, Austria

Natalie Hayday

Occupation: Managing Director of 7Square GmbH, Frankfurt am Main, Germany

- Member of the Advisory Board, SALUX Real Estate GmbH, Frankfurt am Main, Germany
- Member of the Supervisory Board, Novem Group S.A., Contern, Luxembourg

Rolf Lutz

Occupation: Graduate engineer, retired

- No other posts on supervisory/control bodies

Jürgen Schaubel

Occupation: Consultant, Oaktree Capital Management

- Member of the Supervisory Board, Chairman of the Audit Committee, Optimum Maritime Holding, Limassol, Cyprus
- Member of the Board of Directors, MFD Rail Holding AG, Rotkreuz, Switzerland
- Member of the Advisory Board, Baiersbronn Frischerfaser Karton Holding GmbH, Baiersbronn, Germany
- Member of the Advisory Board, Nextclinics International GmbH, Augsburg, Germany

Klaus Sulzbach

Occupation: Auditor/ Managing Partner of KSWP Consulting, Kronberg, Germany.

- No other posts on supervisory/control bodies

4. Remuneration of the Executive Board and Supervisory Board

The main features of the remuneration system and the remuneration of the individual Executive Board and Supervisory Board members are outlined in the remuneration report. The remuneration report is part of the management report.

Including fringe benefits, the total cash benefits (= total benefits) of the Executive Board amounted to EUR 3,169 thousand (previous year: EUR 2,793 thousand) and total benefits of the Supervisory Board came to EUR 505 thousand (previous year: EUR 493 thousand). A former member of the Executive Board received remuneration of EUR 416 thousand in 2021, for which a provision at the same amount was recognized as of December 31, 2020.

5. Consolidated financial statements

The Company prepares consolidated financial statements for the smallest and the largest group of companies in the JOST Werke Group. The consolidated financial

statements are published in German in the electronic version of the Bundesanzeiger (Federal Gazette).

The consolidated financial statements of JOST Werke AG have been prepared in accordance with the requirements of the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), London, that are effective as of the reporting date, and the Interpretations issued by the International Reporting Interpretations Committee, as adopted by the European Union (EU).

6. Auditor's fee

In accordance with Section 285 No. 17 HGB, the fees for the auditors are stated in the consolidated financial statements of JOST Werke AG. In addition to auditing the single entity and consolidated financial statements, the auditors performed tax advisory services (mainly the preparation of tax returns, assistance with tax audits).

7. Report on post-balance sheet date events

No material events or developments occurred that would have led to a change in the presentation or the carrying amount of the individual assets and liabilities as of December 31, 2021. With regard to the conflict between Ukraine and Russia, which has been ongoing since February 2022, and its possible impact on the Company, we refer to the disclosures in the "Report on opportunities and risks" and the "Report on expected developments" sections of the combined management report.

8. Proposal on the appropriation of profits

A proposal will be made to the Annual General Meeting to distribute EUR 1.05 per share from the net retained profit of EUR 16,390 thousand shown by JOST Werke AG for the period ended December 31, 2021.

9. Disclosures pursuant to the German Securities Trading Act

From the beginning of the fiscal year until the date of preparation of the financial statements, we received the following notifications in accordance with Section 40 (1) of the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*) concerning equity investments in JOST Werke AG. In the event that a notifying party reaches, exceeds or falls below the thresholds specified in this provision more than once, only the most recent notification is listed. Notifications from previous fiscal years concerning the existence a share of voting rights of at least 3% as of the reporting date, or a share of voting rights falling below 3% continue to be reported. The provisions for notifications from fiscal years prior to 2018 refer to the version of the German Securities Trading Act applicable until January 2, 2018. The notifications are also published on our website at <http://ir.jost-world.com>.

DWS Investment GmbH, Frankfurt am Main, Germany has notified us that its share of voting rights in JOST Werke AG exceeded the threshold of 3 % and amounted to 2.91 % as of February 25, 2022. All voting rights (corresponding to 450,570 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Paradice Investment Management Pty Ltd, Sydney, Australia has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and

amounted to 2.28 % as of January 24, 2022. All voting rights (corresponding to 339,065 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

FMR LLC, Wilmington, US has notified us that its share of voting rights in JOST Werke AG amounted to 5.03 % as of January 10, 2022. All voting rights (corresponding to 749,165 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Fidelity Investment Trust, Boston, US has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.92 % as of September 24, 2021. All voting rights (corresponding to 434,850 voting rights) are directly attributable to the Company in accordance with Section 33 of the German Securities Trading Act.

Montagu Private Equity LLP, London, UK, has notified us that, as a result of the issue of a statement of independence in accordance with Section 35 of the German Securities Trading Act, no voting rights from Universal Investment GmbH have been attributable to the Company since August 19, 2021.

Lupus alpha Investment GmbH, Frankfurt am Main, Germany has notified us that its share of voting rights in JOST Werke AG amounted to 3.00 % as of August 10, 2021. All voting rights (corresponding to 447,669 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Allianz Global Investors GmbH, Frankfurt am Main, Germany has notified us that its share of voting rights in JOST Werke AG reached or exceeded the 20 % threshold as of June 22, 2021 and now amounts to 20.11 %. All voting rights (corresponding to 2,996,581 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Kai Möhrle has notified us that the share of voting rights held by Vierunddreißigste PMB Management GmbH reached or exceeded the 10 % threshold as of May 20, 2021 and now amounts to 10.54 %. All voting rights (corresponding to 1,570,908 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

ODDO BHF Asset Management SAS, Paris, France notified us that its share of voting rights in JOST Werke AG amounted to 3.05 % as of January 27, 2021. All voting rights (corresponding to 454,971 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

AVGP Limited, St. Helier, Jersey has notified us that its share of voting rights in JOST Werke AG amounted to 4.90 % as of December 17, 2020. All voting rights (corresponding to 730,222 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Ross Turner has notified us that his share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.93 % as of October 22, 2020. All voting rights (corresponding to 436,938 voting rights) are attributable to the shareholder in accordance with Section 34 of the German Securities Trading Act.

Pelham Long/Short Small Cap Fund Ltd, Hamilton, Bermuda, UK has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.93 % as of October 22, 2020. All voting rights (corresponding to 436,938 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Morgan Stanley, Wilmington, Delaware, US has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 0.59 % as of October 1, 2020. All voting rights (corresponding to 88,559 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Virtus Investment Partners, Inc, Wilmington, Delaware, US has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.01 % as of July 22, 2020. All voting rights (corresponding to 298,863 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Virtus Opportunities Trust, Wilmington, Delaware, US has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.74 % as of July 21, 2020. All voting rights (corresponding to 407,936 voting rights) are directly attributable to the Company in accordance with Section 33 of the German Securities Trading Act.

Allianz SE, Munich, Germany has notified us that its share of voting rights in JOST Werke AG reached or exceeded the 10 % threshold as of May 14, 2020 and now amounts to 11.40 %. All voting rights (corresponding to 1,698,419 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

UBS Group AG, Zurich, Switzerland has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 0.26 % as of April 30, 2020. All voting rights (corresponding to 38,722 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Atlantic Value General Partner Limited, London, UK has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 0.00 % as of November 22, 2019.

Universal-Investment-Gesellschaft mbH, Frankfurt am Main, Germany has notified us that its share of voting rights in JOST Werke AG amounted to 5.05 % as of February 19, 2020. All voting rights (corresponding to 752,322 voting rights) are

attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Amundi S.A., Paris, France has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.84 % as of March 14, 2019. All voting rights (corresponding to 422,746 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Assenagon S.A., Senningerberg, Luxembourg has notified us that its share of voting rights in JOST Werke AG fell below the threshold of 3 % and amounted to 1.02 % as of October 25, 2018. All voting rights (corresponding to 152,257 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

JPMorgan Asset Management (UK) Limited, London, UK, has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.98 % as of June 22, 2018. All voting rights (corresponding to 444,395 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

JPMorgan Asset Management (Europe) S.à r.l., Senningerberg, Luxembourg has notified us that its share of voting rights in JOST Werke AG fell below the threshold of 3 % and amounted to 2.10 % as of June 20, 2018. All voting rights (corresponding to 312,487 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

JPMorgan Funds SICAV, Senningerberg, Luxembourg has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.99864 % as of June 12, 2018. All voting rights (corresponding to 446,798 voting rights) are directly attributable to the Company in accordance with Section 33 of the German Securities Trading Act.

Janus Henderson Group plc, St. Helier, Jersey has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.93 % as of April 13, 2018. All voting rights (corresponding to 436,931 voting rights) are attributable to the Company in accordance with Section 34 of the German Securities Trading Act.

Belgravia Capital SGIIC SA, Madrid, Spain has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 2.97 % as of November 10, 2017. All voting rights (corresponding to 443,156 voting rights) are attributable to the Company in accordance with Section 22 of the German Securities Trading Act.

Cinven Limited, London, UK has notified us that its share of voting rights in JOST Werke AG has fallen below the threshold of 3 % and amounted to 1.39 % as of

September 28, 2017. All voting rights (corresponding to 206,717 voting rights) are attributable to the Company in accordance with Section 22 of the German Securities Trading Act.

NBSH Acquisition LLC, Wilmington, Delaware, US, has notified us that its share of voting rights in JOST Werke AG fell below the threshold of 3 % and amounted to 2.54 % as of September 19, 2017. All voting rights (corresponding to 377,875 voting rights) are attributable to the Company in accordance with Section 22 of the German Securities Trading Act.

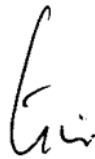
10. Declaration of compliance with the German Corporate Governance Code

The required corporate governance statement in accordance with Section 289f (1) HGB is available on our website at <http://ir.jost-world.com/corporate-governance>.

Neu-Isenburg, March 16, 2022



Joachim Dürr



Dr. Ralf Eichler



Dr. Christian Terlinde

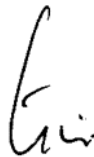
Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the management report, which is combined with the Group management report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the material opportunities and risks associated with the expected development of the Company.

Neu-Isenburg, Germany, March 16, 2022



Joachim Dürr



Dr. Ralf Eichler



Dr. Christian Terlinde

INDEPENDENT AUDITOR'S REPORT

To JOST Werke AG, Neu-Isenburg

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

Audit Opinions

We have audited the annual financial statements of JOST Werke AG, Neu-Isenburg, which comprise the balance sheet as at 31 December 2021, and the statement of profit and loss for the financial year from 1 January to 31 December 2021 and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of JOST Werke AG, which is combined with the group management report, – which comprise the content included to comply with the German legal requirements as well as the remuneration report pursuant to § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act], including the related disclosures, included in section „Remuneration report“ of the management report – for the financial year from 1 January to 31 December 2021.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2021 and of its financial performance for the financial year from 1 January to 31 December 2021 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in

accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2021. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was as follows:

① Measurement of shares in the subsidiary

Our presentation of this key audit matter has been structured as follows:

- ① Matter and issue
- ② Audit approach and findings
- ③ Reference to further information

Hereinafter we present the key audit matter:

① Measurement of shares in the subsidiary

- ① In the annual financial statements of JOST Werke AG shares in the subsidiary Jasion GmbH are reported as shares in affiliated companies amounting to EUR 706.0 million (84.9% of total assets) under the "Financial assets" balance sheet item as at 31 December 2021. Shares in affiliated companies are measured in accordance with German commercial law at the lower of cost respectively fair value. The fair value is calculated using a discounted cash flow model as the present values of the expected future cash flows according to the planning projections prepared by the executive directors. Expectations relating to future market developments and assumptions about the development of macroeconomic factors are also taken into account. The discount rate used is the individually determined cost of capital. On the basis of the values determined and supplementary documentation, no write-downs were required for the financial year.

The outcome of this valuation is dependent to a large extent on the estimates made by the executive directors of the future cash flows, and on the discount rate and rate of growth used.

The valuation is therefore subject to material uncertainties. Against this background and due to the highly complex nature of the valuation and its material significance for the Company's assets, liabilities and financial performance, this matter was of particular significance in the context of our audit

- ② As part of our audit, with respect to the valuation of the shares in the subsidiary as at 31 December 2021 we assessed the methodology used and assessed whether the fair value was appropriately determined using discounted cash flow methods, in compliance with the relevant measurement standards. For this purpose, we assessed whether the underlying future cash flows and the applied costs of capital form, overall, an appropriate basis. We based our assessment, among other things, on a comparison with general and sector-specific market expectations as well as on the executive directors' detailed explanations regarding the key value drivers underlying the expected cash flows. In the knowledge that even relatively small changes in the discount rate applied can have material effects on values, we also assessed the parameters used to determine the discount rate applied, and evaluated the calculation model. In addition, a comparison was carried out against the market capitalization and expectations of the analysts of JOST Werke AG.

In our view, taking into consideration the information available, the valuation parameters and underlying assumptions used by the executive directors are appropriate overall for the purpose of appropriately measuring the shares of the subsidiary

- ③ The Company's disclosures relating to long-term financial assets are contained in the section entitled "II. Accounting policies" and section III "1. Fixed assets/long-term financial assets" in the notes to the annual financial statements.

Other Information

The executive directors are responsible for the other information.

The other information comprises the statement on corporate governance pursuant to § 289f HGB and § 315d HGB.

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

The executive directors and the supervisory board are further responsible for the preparation of the remuneration report, including the related disclosures, which is included in a separate section of the management report and complies with the requirements of § 162 AktG. They are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the

date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in the electronic file JOST_Werke_AG_EA_LB_ESEF-2021-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format

("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying management report for the financial year from 1 January to 31 December 2021 contained in the "Report on the Audit of the Annual Financial Statements and on the Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (10.2021)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic renderings of the annual financial statements and the management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF-documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the annual financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on 6 May 2021. We were engaged by the supervisory board on 6 December 2021. We have been the auditor of the JOST Werke AG, Neu-Isenburg, without interruption since the financial year 2017.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

REFERENCE TO AN OTHER MATTER– USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be published in the Federal Gazette – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB"

and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Thomas Heck.

Frankfurt am Main, 16 March 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Thomas Heck
Wirtschaftsprüfer
(German Public Auditor)

ppa. Samuel Artzt
Wirtschaftsprüfer
(German Public Auditor)