



Annual Financial Statements 2022 (HGB)

DRIVING
PERFORMANCE

JOST Werke AG

Annual Financial Statements 2022

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 2022 of the JOST Werke AG.

The Annual Financial Statements and the Management Report of JOST Werke AG for the year 2022 are published in the German Federal Gazette.

The Annual Financial Statements 2022 and the Annual Group Report 2022 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

Annual Financial Statements of JOST Werke AG

from January 1, 2022 until December 31, 2022

JOST Werke AG, Neu-Isenburg

Balance sheet as of December 31, 2022

Assets

	31.12.2022	31.12.2021
	EUR	EUR
A. Fixed assets		
I. 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	126,634,250.51	125,195,670.88
2. Other assets	61,006.84	106,619.24
	126,695,257.35	125,302,290.12
C. Prepaid expenses	690,110.08	541,485.33
	833,431,791.91	831,890,199.93

Equity and liabilities		
	31.12.2022	31.12.2021
	EUR	EUR
A. Equity		
I. Subscribed capital	14,900,000.00	14,900,000.00
II. Capital reserves	421,132,787.34	449,532,105.86
III. Net retained profits	20,860,000.00	16,390,000.00
	456,892,787.34	480,822,105.86
B. Provisions		
I. Tax provisions	104,226.00	98,934.00
II. Other provisions	11,208,610.64	8,017,908.30
	11,312,836.64	8,116,842.30
C. Liabilities		
I. Liabilities to banks	276,749,637.16	278,674,320.71
II. Trade payables	308,379.92	108,898.94
III. Liabilities to affiliated companies	87,404,103.00	63,378,465.77
IV. Other liabilities	764,047.85	789,566.35
of which from taxes: EUR 279,206.45 (EUR 223,421.53)		
	365,226,167.93	342,951,251.77
	833,431,791.91	831,890,199.93

**Income statement for the period from January 1 to
December 31, 2022**

	2022	2021
	EUR	EUR
1.) Sales revenues	5,271,560.31	6,050,758.91
2.) Other operating income of which from currency conversion: EUR 0 (previous year: EUR 1,004.14)	1,020,350.11	768,645.94
3.) Gross revenue for the period	6,291,910.42	6,819,404.85
4.) Personnel expenses		
a) Wages and salaries	-4,848,731.11	-4,020,788.97
b) Social security, post-employment and other employee benefit costs	-66,513.14	-72,904.70
	-4,915,244.25	-4,093,693.67
5.) Other operating expenses of which from currency conversion: EUR 0 (previous year: EUR 5,944.06)	-6,615,368.28	-5,203,227.03
6.) Other interest and similar income of which from affiliated companies: EUR 1,621,913.59 (previous year: EUR 1,467,365.11)	2,413,400.40	1,467,365.11
7.) Interest and similar expenses	-5,458,864.81	-5,410,841.32
8.) Profits before taxes	-8,284,166.52	-6,420,992.06
9.) Other taxes	-152.00	-99,240.00
10.) Net loss for the year	-8,284,318.52	-6,520,232.06
11.) Profits carried forward from previous year	745,000.00	0.00
12.) Withdrawal from capital reserves	28,399,318.52	22,910,232.06
13.) Net retained profits	20,860,000.00	16,390,000.00

JOST Werke AG, Neu-Isenburg

Notes to the Financial Statements for the 2022 Fiscal Year

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. On May 5, 2022, the Annual General Meeting of JOST Werke AG approved the change of legal form of JOST Werke AG into a European public company (Societas Europaea, SE) with a majority of 99.99 %. On November 22, 2022, the employee and employer sides signed the participation agreement, which will regulate employee co-determination in the future JOST Werke SE. As of December 31, 2022, only the formal entry in the commercial register was outstanding to complete the change of legal form.

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 collectability 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 2,511 virtual shares with an initial value of EUR 75 thousand (previous year: 8,369 virtual shares with an initial value of EUR 250 thousand) were granted in 2022.

The fair value of the virtual shares is calculated using a Monte-Carlo simulation with the following input factors as of December 31, 2022:

	December 31, 2022
JOST share price	EUR 52.60
SDAX index level	11,925.70
Expected volatility JOST	29.52 %
Expected volatility SDAX	22.81 %
Correlation JOST/SDAX	0.5183
Risk-free rate	1.76 %
Fair value	EUR 56.95

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, 2022, 138,034 virtual shares (2021: 147,799 virtual shares) are outstanding with a provision of EUR 7,320,023.85 (previous year: EUR 4,049,118.77) accumulated. The expense recognized in the fiscal year amounts to EUR 3,270,905.08 (previous year: EUR 1,986,473.72). In the reporting period, 12,276 virtual shares (previous year: 25,107) were forfeited and none became vested.

The Company has also introduced an LTIP for the Executive Board as of the fiscal year 2022. Under this plan, 55 % of the total performance-related bonus for the Executive Board will be invested virtually in shares of the Company as a sustainable LTI component (hereinafter referred to as stock awards). The stock awards are sold after four fiscal years from the base year and the proceeds from the sale are payable two weeks after adoption of the consolidated and audited financial statements for the target year. The vesting period and the maximum term of the LTIP are 14 months and 5 years, respectively. Dividends distributed between the date of virtual investment and virtual disposal are treated in each case as if they had been reinvested in stock awards on the date of distribution.

If the employment contract of an Executive Board member is terminated prematurely, all stock awards granted for the 12 months prior to termination shall be forfeited. In the event of termination during the year, the stock awards granted for the penultimate base year lapse pro rata temporis to the extent that the employment contract ends before the end of the current fiscal year.

In fiscal 2022, a total of EUR 454 thousand was converted into 9,379 virtual shares for the Executive Board, of which EUR 340 thousand was converted into 7,034 virtual shares for the stock program starting on January 1 and EUR 114 thousand was converted into 2,345 virtual shares for the stock program starting on September 1. No virtual shares were forfeited, exercised or vested in the reporting period, as the earliest exercise period of the LTIP is not until the end of the fourth year.

The fair value of the virtual shares is calculated using a Monte-Carlo simulation with the following parameters as of December 31, 2022:

	December 31, 2022
JOST share price	EUR 52.60
Expected volatility JOST	36.03 %
JOST dividend yield	3.35 %
Risk-free rate	2.50 %
Fair value	EUR 478 thousand

The Monte Carlo simulation takes account of the average share prices at the beginning and end of the reference period, dividends under the total shareholder return approach and the cap on total remuneration.

As of December 31, 2022, 9,379 virtual shares are outstanding with a provision of EUR 152 thousand accumulated until then. The expense recognized in the fiscal year

amounts to EUR 152 thousand. No virtual shares were forfeited, exercised or vested in the reporting period, as the earliest exercise period of the LTIP is not until the end of the fourth year. No stock appreciation rights were granted in previous years and none of the stock appreciation rights were vested as of December 31, 2022.

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 27.38 %. 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:

	Balance 01.01.2022 € thousand	Additions € thousand	Disposals € thousand	Balance 31.12.2022 € thousand	Balance 01.01.2022 € thousand	Additions € thousand	Balance 31.12.2022 € thousand	Book values 31.12.2022 € thousand	Book values 31.12.2021 € thousand
Interests in affiliated companies	706,046	0	0	706,046	0	0	0	706,046	706,046
Financial assets	706,046	0	0	706,046	0	0	0	706,046	706,046
Total	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:

JOST Werke AG as of December 31, 2022					
List of shareholdings					
Company	Interest held by JOST Werke AG		Equity at 12/31/2022 € thousand	Profit / loss 2022 € thousand	
Consolidated companies			1)	2)	
JOST-Werke VG1 GmbH (in formation) Neu-Isenburg	100.00%	5)	25	0	
Jasione GmbH Neu-Isenburg	100.00%	4) 5)	621,724	-2,388	
JOST-Werke Deutschland GmbH Neu-Isenburg	100.00%	4) 5)	62,169	13,667	
JOST-Werke Logistics GmbH (former JOST-Werke Asset Management GmbH) Neu-Isenburg	100.00%	3) 4) 5)	-124	-149	
Jost-Werke International Beteiligungsverwaltung GmbH Neu-Isenburg	100.00%	4) 5)	36,384	4	
Rockinger Agriculture GmbH Waltershausen / Germany	100.00%	3) 5)	-1,968	-771	
JOST France S.à r.l. Paris / France	100.00%	3) 6)	5,373	999	
JOST Iberica S.A. Zaragoza / Spain	100.00%	3) 6)	5,613	1,946	
Jost Italia S.r.l. Milan / Italia	100.00%	3) 6)	4,081	901	
Jost GB Ltd. Bolton / United Kingdom	100.00%	3) 6)	2,816	29,198	
ooo JOST RUS Moscow / Russia	100.00%	3) 6)	4,133	446	
JOST Polska Sp. z o.o. Nowa Sól / Poland	100.00%	3) 6)	16,979	3,990	
Jost Hungaria Kft. Veszprém / Hungary	100.00%	3) 6)	16,719	2,796	
JOST TAT LLC Naberezhnye Chelny / Russia	100.00%	3) 6)	2,376	-160	
Transport Industry Development Centre B.V. Best / Netherlands	100.00%	3) 6)	-8,749	3,751	
Tridec Ltda. Cantanhede / Portugal	100.00%	3) 6)	1,323	-2,600	
Jost Otomotiv Sanayi Ticaret A.S. Izmir / Turkey	100.00%	3) 6)	1,753	771	
JOST (S.A) Pty. Ltd. Chloorkop / South Africa	100.00%	3) 5)	5,866	5,899	
JOST Transport Equipment Pty. Ltd. Chloorkop / South Africa	100.00%	3) 5)	9,472	1,136	
Jost Australia Pty. Ltd. Seven Hills / Australia	100.00%	3) 6)	19,149	4,639	
Jost New Zealand Ltd. Hamilton / New Zealand	100.00%	3) 6)	978	412	
JOST International Corp. Grand Haven, Michigan / U.S.A.	100.00%	3) 6)	61,394	18,260	

Jost (China) Auto Component Co. Ltd. Wuhan, Hubei Province/PR China	100.00%	3) 6)	21,586	2,611
JOST (Shanghai) Trading Co. Ltd. Shanghai/PR China	100.00%	3) 6)	2,495	1,275
Jost Far East Pte. Ltd. Singapore	100.00%	3) 6)	5,401	2,733
JOST India Auto Component Pte. Ltd. Jamshedpur/India	100.00%	3) 6)	13,549	2,758
JOST Japan Co. Ltd. Yokohama/Japan	100.00%	3) 6)	663	136
Jost (Thailand) Co. Ltd. Bangsaotong/Thailand	100.00%	3) 6)	76	40
JOST Middle East FZCO Dubai / United Arab Emirates	100.00%	3) 6)	-41	-41
Älö Holding AB Umeå / Sweden	100.00%	3) 6)	134,749	9,616
Älö AB Umeå / Sweden	100.00%	3) 6)	82,193	10,052
Älö Deutschland Vertriebs-GmbH Dieburg/Germany	100.00%	3) 6)	4,331	1,005
Alo Danmark A/S Skive/Denmark	100.00%	3) 6)	167	85
Älö Norge AS Rakkestad/Norway	100.00%	3) 6)	874	402
Alo UK Ltd. Droitwich/United Kingdom	100.00%	3) 6)	606	337
Agroma S.A.S. Blanzac-Les-Matha/France	100.00%	3) 6)	4,245	1,015
Alo Canada Inc. Vancouver/Canada	100.00%	3) 6)	3,528	532
Alo USA Inc. Elgin, IL/U.S.A.	100.00%	3) 6)	22,075	2,612
Alo Agricult. Machinery (Ningbo) Co. Ltd. Ningbo/PR China	100.00%	3) 6)	18,816	3,795
Alo Trading (Ningbo) Co. Ltd. Ningbo/PR China	100.00%	3) 6)	3,288	145
Alo Brasil Ltda. (dormant company) Brazil	100.00%	3) 6)	-87	-11
Equity investments				
JOST Brasil Sistemas Automotivos Ltda. Caxias do Sul/Brazil	49.00%	3) 6)	35,037	18,126

- 1) Translated at the average rate on the closing date
- 2) Translated at the average rate for the year
- 3) Held indirectly via Jasione GmbH Ltd.
- 4) Held indirectly via Jasione GmbH, before 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, of EUR 94,434,218.08 (previous year: EUR 92,812,304.49). The other receivables result from other allocations and mainly relate to Jost-Werke International Beteiligungsverwaltung GmbH in the amount of EUR 32,179,384.71 (previous year: EUR 32,122,409.18).

Other assets include sales tax receivables and capital gains tax totaling EUR 61,006.84 (previous year: EUR 106,619.24).

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 690,110.08 (previous year: EUR 541,485.33). Of this amount, EUR 172,646.00 (previous year: EUR 204,038.00) relate to payments for an insurance policy to be deferred over subsequent periods. In addition, EUR 382,792.00 (previous year: EUR 148,776.00 for the discount from the refinancing in 2018) is recognized as the discount on the new financing in 2022, which will be deferred and amortized over the term of the promissory note loans. 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 108,000.00 (previous year: EUR 162,000.00), which is deferred over the term of the loan and amortized (see also 6. Liabilities).

4. Equity

As of December 31, 2022, 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 preemptive 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 2022, the Annual General Meeting approved the proposal of the Executive Board to distribute EUR 15,645,000.00 of the net retained profit from fiscal year 2021 amounting to EUR 16,390,000.00 to the shareholders on a pro rata basis and to carry forward the remaining EUR 745,000.00 to new account.

The capital reserves changed as follows:

Capital reserves	2022	2021
	€ thousand	€ thousand
Balance Jan. 1	449,532	472,442
Withdrawals in the fiscal year	-28,399	-22,910
Balance Dec. 31	421,133	449,532

The free reserves amounted to EUR 294,382,787.34 as of December 31, 2022 (previous year: EUR 322,782,105.86).

Net retained profit changed as follows:

Net retained profits	2022	2021
	€ thousand	€ thousand
Balance Jan. 1	16,390	14,900
Dividend payment	-15,645	-14,900
Net loss for the year	-8,284	-6,520
Withdrawal from capital reserves	28,399	22,910
Balance Dec. 31	20,860	16,390

5. Provisions

The other provisions are personnel-related provisions of EUR 10,865,718.76 (previous year: EUR 6,857,518.07), of which EUR 7,471,926.77 relate to share-based remuneration (previous year: EUR 4,049,118.77). In addition, provisions of EUR 342,891.88 (previous year: 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. Provisions for pending losses from derivatives were fully reversed (previous year: EUR 780,293.38).

6. Liabilities

	Total	Of which with a remaining duration		Of which more than 5 years
		Up to 1 year	1 to 5 years	
	EUR	EUR	EUR	EUR
Liabilities to banks	276,749,637	56,249,637	205,500,000	15,000,000
Trade payables	308,380	308,380	0	0
Liabilities to affiliated companies	87,404,103	87,404,103	0	0
Other liabilities	764,048	764,048	0	0
Total	365,226,168	144,726,168	205,500,000	15,000,000

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

- Liabilities to banks EUR 38,674,321
- Trade payables EUR 108,899
- Liabilities to affiliated companies EUR 63,378,466
- Other liabilities EUR 789,566

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

- Liabilities to banks EUR 240,000,000

In June 2018, the Company 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. Of this amount, EUR 94 million of the loan will be repaid in the current fiscal year and EUR 18 million will be converted into tranches of the new promissory note loan. In addition to the promissory note loans, there is a revolving credit facility of EUR 150 million. An obligation of the lenders to comply with financial covenants exists only if the revolving credit facility is drawn down. The Company has drawn down EUR 40 million of the revolving credit facility as of December 31, 2022 (previous year: EUR 25 million).

To finance the acquisition of Ålö Holding AB, in December 2019 JOST entered into a new financing agreement with a banking syndicate for EUR 120 million with a term of five years, which was drawn down on January 31, 2020. 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.

With effect from December 2, 2022, the Company issued promissory note loans with a total value of EUR 130 million that mature in three, five and seven years, respectively and have both fixed and variable interest rates. In addition to JOST Werke AG, the guarantors are Jost-Werke International Beteiligungsverwaltung GmbH, Neu-Isenburg, Germany, JOST-Werke Deutschland GmbH, Neu-Isenburg, Germany, and Jasione GmbH, Neu-Isenburg, Germany. Part of the promissory note loans was drawn down in the amount of EUR 22 million in January 2023.

Liabilities to banks include accrued interest of EUR 749,637.16 (previous year: EUR 1,674,320.71). Liabilities to banks are not secured by rights of lien or similar rights.

Liabilities include EUR 87,404,103.00 (previous year: EUR 63,378,465.77) liabilities to affiliated companies arising from the clearing accounts with JOST-Werke Deutschland GmbH, ROCKINGER Agriculture GmbH and JOST-Werke Logistics GmbH. The clearing account with JOST-Werke Deutschland GmbH was used primarily to settle the repayments of the loans and credit facility and the dividend payments (EUR 15,645,000) to the shareholders of the company. Other liabilities amount to EUR 764,047.85 (previous year: EUR 789,566.35) and include liabilities from the remuneration of the Supervisory Board of EUR 484,646.80 (previous year: EUR 566,144.82).

7. Financial hedging instruments

To hedge future interest rate volatilities from the variable rate tranches of the promissory note loans, the Company entered into eight interest rate swaps with a nominal value of EUR 101,000,000.00 and a maximum term until February 12, 2027. The swaps have a positive fair value of EUR 1,156,750.00 (previous year: negative fair value of EUR 780,293.38) as of December 31, 2022 (mark-to-market valuation). Therefore, no provision for onerous contracts was recognized as of December 31, 2022.

IV. Notes to the income statement

1. Sales revenues

Sales revenues of EUR 5,271,560.31 (previous year: EUR 6,050,758.91) 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 1,020,350.11 (previous year: EUR 768,645.94) in the fiscal year primarily includes income relating to other periods from the reversal of provisions of EUR 847,493.14 (previous year: EUR 736,019.16) and income from the use of cars of EUR 20,116.73 (previous year: EUR 27,262.51).

3. Other operating expenses

These relate primarily to expenses for legal and consulting costs (EUR 1,480,518.55; previous year: EUR 1,120,071.58), expenses for the long-term bonus program for executives below the Executive Board within the JOST Werke Group (LTIP; EUR 3,270,905.08; previous year: EUR 1,986,473.72), costs for preparing the annual financial statements (EUR 299,179.00; previous year: EUR 334,525.44), expenses for Supervisory Board remuneration (EUR 505,000.00; previous year: EUR 505,000.00) and travel expenses (EUR 95,877.01; previous year: EUR 33,445.14). For information on the expenses for the bonus program, we refer to the disclosure about provisions under Accounting policies.

4. Other interest and similar income

Other interest and similar income relates to affiliated companies of EUR 1,621,913.59 (previous year: EUR 1,467,365.11). Furthermore, EUR 772,389.59 relates to accrued interest on the various financial instruments used by JOST Werke AG.

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 loan of EUR 5,458,864.81 (previous year: EUR 5,410,841.32). This includes expenses from the amortization of the discount of EUR 180,016.00 (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 taxes.

V. Other information

1. Number of employees

The Company had three employees at the reporting date. Averaged over the year, the Company had three employees. This figure does not include the members of the Executive Board.

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, graduate engineer, Dachau, Germany

Chairman of the Executive Board

Chief Executive Officer

- No posts on supervisory/control bodies

Dr. Ralf Eichler, graduate engineer, Dreieich, Germany

Chief Operating Officer (until October 31, 2022)

- No posts on supervisory/control bodies

Dirk Hanenberg, graduate engineer (UAS), Ravensburg, Germany

Chief Operating Officer (from September 1, 2022)

- No posts on supervisory/control bodies

Dr. Christian Terlinde, graduate of business studies, Dinslaken, Germany

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:

Dr. Stefan Sommer (Chairman) (from May 5, 2022)

Occupation: Consultant

- Member of the Supervisory Board, Knorr-Bremse AG, Munich, Germany
- Member of the Presidential Council, DEKRA e.V., Germany
- Chairman of the Advisory Board of Intech GmbH, Garching, Germany

Manfred Wennemer (CEO) (until May 5, 2022)

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 Chairman)

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, USA
- 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, Frankfurt am Main, Germany

- Member of the Supervisory Board, Chairman of the Audit Committee, OMH Optimal Marime Holding, Limassol, Cyprus
- Member of the Board of Directors, MFD Rail Holding AG, Rotkreuz, Switzerland
- Member of the Advisory Board, Baiersbronn Frischfaser Karton Holding GmbH, Baiersbronn, Germany (not listed); [MD position relinquished in September 2022, only Advisory Board].

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 total remuneration of the members of the Executive Board, including fringe benefits, amounted to EUR 4,116 thousand in the reporting period (previous year: EUR 3,169 thousand). This includes salary continuation payments in the fiscal year following the termination of a member's activity on the Executive Board with a total value of EUR 86 thousand and fringe benefits totaling EUR 1 thousand. Total remuneration comprises fixed, non-performance-related and variable, performance-related components, plus the fair values of the LTIP. The total remuneration of the Supervisory Board amounted to EUR 505 thousand (previous year: EUR 505 thousand).

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 the electronic company register in German.

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 the audit of the single entity and consolidated financial statements, amounts recognized for tax advisory services include expenses relating to other periods and services for the tax advisor's certification for 2021. For subsidiaries outside Germany, tax consulting services primarily relating to declaration consulting, were provided in part by member firms of PricewaterhouseCoopers International Limited (PwCIL).

7. Report on post-balance sheet date events

Since March 20, 2023, the company has been operating under the name JOST Werke SE.

There were no other significant reportable events after the balance sheet date.

8. Proposal on the appropriation of profits

A proposal will be made to the Annual General Meeting to distribute EUR 1.40 per share from the net retained profit of EUR 20,860 thousand shown by JOST Werke AG for the period ending December 31, 2022. This corresponds to a distribution of the entire net retained profit.

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 fell below the threshold of 3 % and amounted to 2.91 % as of March 4, 2022. All voting rights (corresponding to 433,590 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 February 1, 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 7.44 % as of June 29, 2022. All voting rights (corresponding to 1,108,109 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 15 % threshold as of March 24, 2022 and now amounts to 15.03 %. All voting rights (corresponding to 2,240,109 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 fell below the 3 % threshold as of April 1, 2022 and now amounts to 2.99 %. All voting rights (corresponding to 445,584 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, Germany, March 22, 2023



Joachim Dürr



Dirk Hanenberg



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 22, 2023



Joachim Dürr



Dirk Hanenberg



Dr. Christian Terlinde

INDEPENDENT AUDITOR'S REPORT

To JOST Werke SE, 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 SE (formerly JOST Werke AG), Neu-Isenburg, which comprise the balance sheet as at 31 December 2022, and the income statement for the financial year from 1 January to 31 December 2022 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 SE, which is combined with the group management report, including the remuneration report pursuant to § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act], including the related disclosures, included in section „Remuneration report“ for the financial year from 1 January to 31 December 2022. In accordance with the German legal requirements, we have not audited the disclosures marked as unaudited in section “Remuneration report“ of the management report.

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 2022 and of its financial performance for the financial year from 1 January to 31 December 2022 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. Our audit opinion on the management report does not cover the content of the disclosures in section “Risk management system and internal control system” referred to above.

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 2022. 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 SE shares in the subsidiary Jasione GmbH are reported as shares in affiliated companies amounting to EUR 706.0 million (84.7% of total assets) under the "Financial assets" balance sheet item as at 31 December 2022. 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 2022 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 SE.

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 financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the disclosures marked as unaudited in section "Risk management system and internal control system" of the management report as an unaudited part of the management report.

The other information comprises further 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 (i.e., fraudulent financial reporting and misappropriation of assets) 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, actions taken to eliminate threats or safeguards applied.

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_JA_KLB_ESEF-2022-12-31.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 2022 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 (06.2022)) 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 5 May 2022. We were engaged by the supervisory board on 22 November 2022. We have been the auditor of the JOST Werke SE, 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 filed in the company register – 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.

REFERENCE TO SUPPLEMENTARY AUDIT

We issue this auditor's report on the annual financial statements and the management report as well as on the rendering of the annual financial statements and the management report submitted for audit for the first time, contained in the file JOST_Werke_AG_JA_KLB_ESEF-2022-12-31.zip and prepared for publication purposes, on the basis of our audit, duly completed as at 22 March 2023 and our supplementary audit completed as at 27 March 2023, which related to the initial submission of the ESEF documents.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

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

Frankfurt am Main, 22 March 2023 / limited to the initial submission of the ESEF documents stated in the „Reference to Supplementary Audit“ section above: 27 March 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Thomas Heck
Wirtschaftsprüfer
(German Public Auditor)

ppa. Samuel Artzt
Wirtschaftsprüfer
(German Public Auditor)