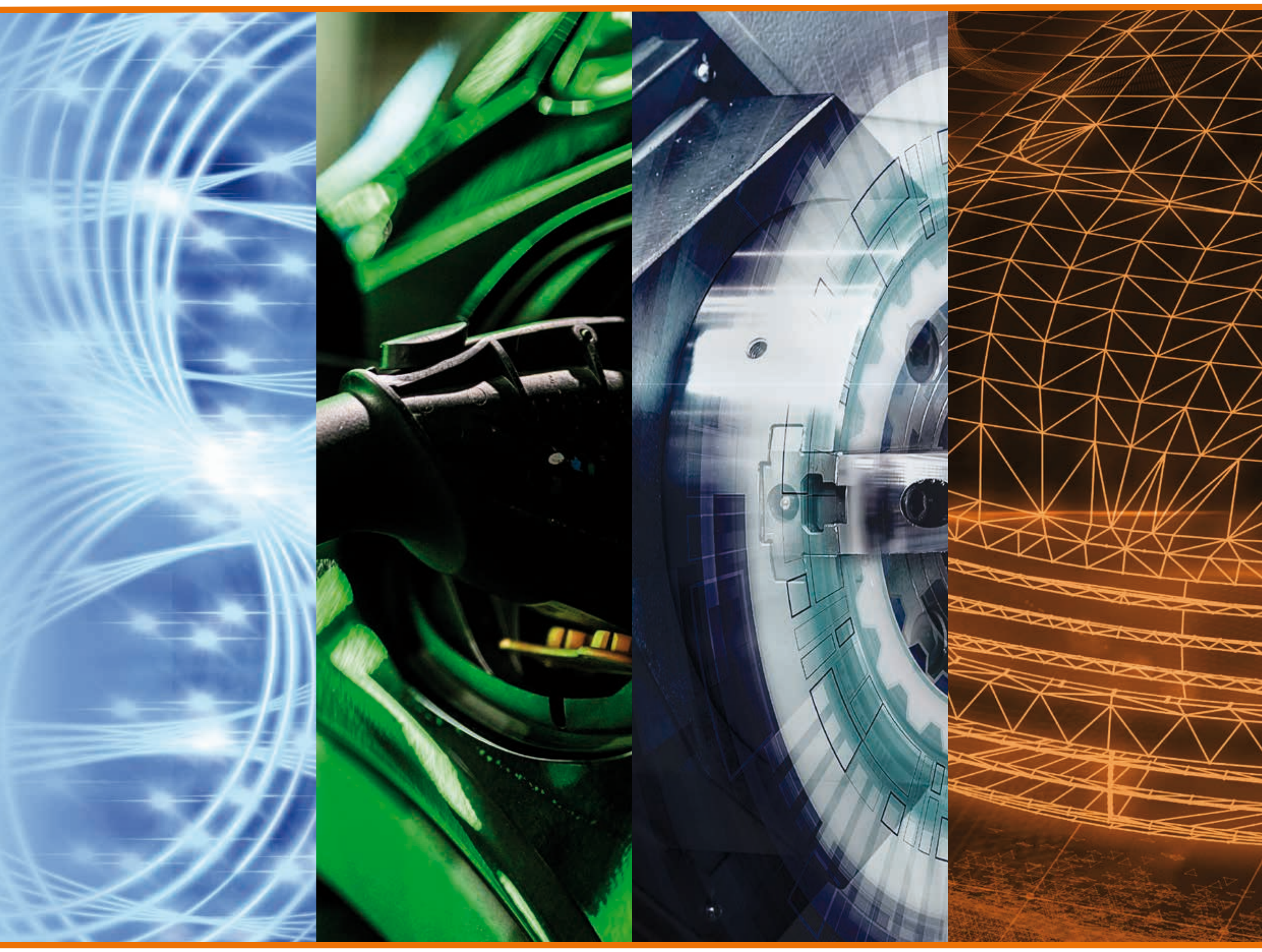
ANNUAL
REPORT 2023



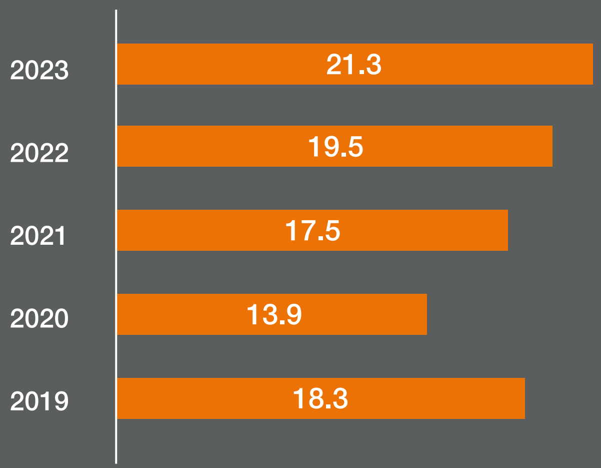
Group annual report for the fiscal year
from 1 January to 31 December 2023

Engineers4*Future*
www.booster-precision.com

OVERVIEW
DEVELOPMENT KEY FINANCIAL INDICATORS

Revenue (EUR million)

EBITDA (EUR million)



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LETTER FROM THE MANAGEMENT BOARD

Dear Shareholders and Stakeholders,

In a world characterized by ongoing macroeconomic challenges, BOOSTER continued to demonstrate its ability to navigate through uncertain times. While global economic growth declined for the second consecutive year due to a multitude of factors including the lingering effects of the pandemic, geopolitical conflicts such as the war in Ukraine, and increasing geo-economic fragmentation, BOOSTER delivered another year of robust financial performance. In the face of these dynamics, our revenues surged by 17.5% to EUR 183.6 million while our EBITDA increased by 9% to EUR 21.3 million, underscoring our operational excellence and financial resilience.

The first positive results of BOOSTER's repositioning as a technology platform with a diverse product and customer base became visible in the past year. In April, we announced the start of the first serial projects of various components for major Fuel Cell manufacturers. As part of the global movement towards clean mobility, Fuel Cells can be used in various applications such as cars, commercial vehicles and trains. In 2023, we also secured a major E-Mobility project for electric vehicle cooling system components. BOOSTER manufactures scrolls, the heart of the scroll compressors, for the new customer, a leading international supplier, who is ensuring longer service life for battery cells and a greater range of electric vehicles with its efficient thermal management systems.

In line with our passion for precision, we once again achieved outstanding operational performances in the past year, with an average delivery performance of 99% and a remarkable PPM value in the lower double digit range. In addition to successfully passing three new customers' audits at our plant in Schwanewede, BOOSTER Taicang received the Excellent Supplier 2023 Award from its customer Chengdu Xiling Power Science & Technology Incorporated, the second largest local turbocharger manufacturer in China.

On BOOSTER's new website, which was launched in the second half of 2023, we present our four business divisions Fuel Cell, E-Mobility, Industry and Turbo, which show at a glance that we have developed into a multi-industry supplier. The new website goes hand in hand with our new claim "Engineers4Future", which emphasizes the importance of people and their expertise, as they are the innovators and the central foundation of BOOSTER's success.

Skilled people are essential for the successful entry into new markets. The development of existing staff and recruitment of additional highly qualified resources is therefore crucial. New positions in New Business Development, Engineering, Prototyping, Quality and Purchasing have been created and are currently being filled to support our strategic growth.

Alongside reliability and expertise, sustainability is a core principle of our business. We strive to use resources efficiently and responsibly and are also constantly investing in new environmentally friendly technologies. At our Schwanewede plant, for example, we installed frequency converters on coolant pumps last year, allowing us to regulate machine motors as needed, so that machines no longer run at full load all the time, saving electricity. For 2024, we've initiated further projects: the installation of an evaporator system to separate cooling lubricants and the installation of a decentralised cooling system for milling machines will reduce the amount of liquids requiring disposal, electricity consumption and CO_2 emissions. In order to create a safe and pleasant working environment for employees at our factory in Beluša, several areas of the factory were redesigned and renovated last year as part of the "TRAFO project Beluša". Among other things, the modernised working environment is intended to promote cooperation between employees and create an employee-centric corporate culture. In 2024, further areas of the plant will be remodelled.

Our efforts to deliver solutions for the future have once again paid off: Among the newly acquired business projects with a total volume of EUR 128 million, 20% are already attributable to the non-combustion products outside our core business for the automotive industry. Looking ahead, we remain confident in BOOSTER's ability to build on last year's success with further nominations and the realisation of recently acquired projects in the divisions of Fuel Cell, E-Mobility and Industry. Considering our existing long-term projects, the strong order book for the coming years and the ongoing trend towards E-Mobility, we believe that we are well positioned for sustainable growth in the current year. We expect a moderate single-digit increase in revenues and a moderate increase in earnings (EBITDA) for the year 2024.

We would like to express our gratitude to our customers, our owners, and our financial and business partners who have accompanied us on our successful journey in recent years. Last but not least, we would like to thank our employees, whose dedication and passion as "Engineers4Future" have made a major contribution to our achievements in 2023.

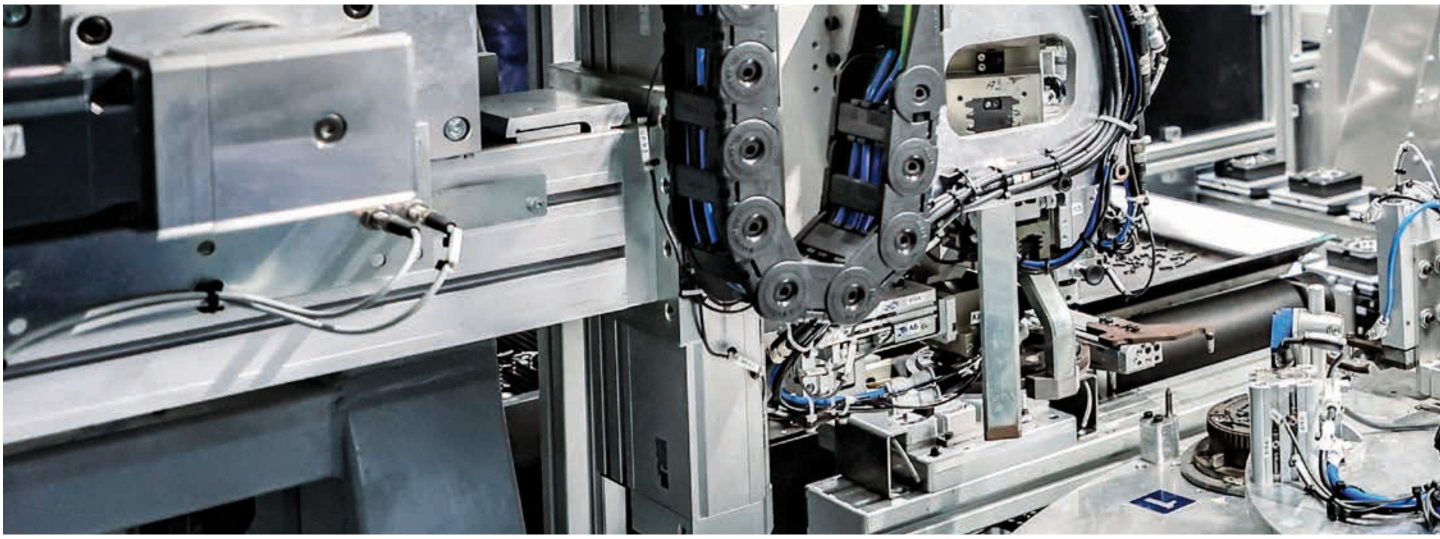
Yours,

Jerko Bartolić	**Dr. Ralph Dirk Wagner**
Chief Executive Officer	*Chief Financial Officer*

Management Board of BOOSTER Precision Components GmbH

GROUP MANAGEMENT *REPORT*

FOR THE FISCAL YEAR
FROM 1 JANUARY TO 31 DECEMBER 2023



1. FUNDAMENTALS OF THE GROUP

1.1 Business model of the Group
The BOOSTER Group (hereinafter also referred to as "BOOSTER") is an international supplier focusing on the production and distribution of precision metal parts. The BOOSTER Group comprises nine companies in four countries. The BOOSTER Group's activities currently focus on components for turbochargers, which are predominantly used in the automotive sector – in both combustion and hybrid engines. BOOSTER Precision Components GmbH, based in Frankfurt am Main, is the holding company of the BOOSTER Group. The company provides management, advisory and other services for its domestic and foreign subsidiaries.

It produces at five locations in four countries (one each in China, Germany, and Mexico, as well as two locations in Slovakia). All plants of the BOOSTER Group functionally follow the same organisational structure: Production, Quality, Engineering, Human Resources and Finance. While Sales and Purchasing are also geographically located at the above-mentioned sites, they operate across all locations.

The output markets are closely oriented towards the BOOSTER Group's international customers, who are based in around 20 countries across the globe.

The product portfolio currently offered mainly comprises compressor wheels, components for variable turbine geometry (VTG) chargers and shafts but will be expanded noticeably in accordance with the business expansion strategy, with E-Mobility, Fuel Cell and Industry products successively being added.

BOOSTER is the only manufacturer of compressor wheels and VTGs worldwide with production sites in Europe, North America, and China. The plant in Schwanewede (Lower Saxony) places a special focus on compressor wheels, whereas the Beluša (Slovakia) plant focuses on VTGs. Their production and process standards have been adopted by the sites in Mexico and China.

1.2 Corporate objectives and strategy
The key financial objective of the BOOSTER Group is to achieve above-average and profitable growth at all locations. According to the current plans and budgets, the BOOSTER Group aims to clearly exceed the EUR 200 million revenue mark and to achieve an EBITDA margin of 15% in the medium term. To pursue these defined targets, the company builds on its value proposition, which consists of the core elements of safety, quality and delivery reliability.

As a result of the transformational changes in the automotive sector, the BOOSTER Group is placing a particular strategic focus on components for use in electrified and hydrogen-powered vehicles.

The Group's vision describes its long-term objectives as follows: "An excellent specialist in high-precision machining of metal parts; a leader in quality and in production technology".

1.3 Control system/financial performance indicators

The BOOSTER Group's internal control system is essentially based on the performance indicators of revenues, EBITDA, and EBITDA margin (financial performance indicators).

Revenues are relevant for managing the company's growth targets. EBITDA and the EBITDA margin are used to manage profitability and operational performance. EBITDA are defined as consolidated earnings before interest, taxes, depreciation and amortisation of tangible and intangible assets.

The company additionally monitors and analyses financial ratios such as net debt, working capital, free cash flow and leverage (net debt divided by EBITDA).

1.4 Technological challenges and competition

The manufacture of turbocharger components faces substantial technological challenges as extremely high temperature and pressure resistance demands are made on turbochargers. At medium speeds, a standard passenger car engine rotates at around 2,000 revolutions per minute. The rotor of a turbocharger, by comparison, rotates at over 280,000 revolutions per minute. Not only the components themselves, but also the high-temperature materials and tooling used to manufacture them must maintain shape and bearing tolerances to within a few microns, both hot and cold, to ensure tightness and performance at all times. In the past, BOOSTER has repeatedly and successfully proved that the company fully meets these requirements of high-precision manufacturing. BOOSTER is continuously improving both the high-precision manufacturing processes and the product properties in close cooperation with renowned machine and tool manufacturers.

In addition, a significant development focus is on transferring the experience gained in the manufacture of precision parts for turbochargers to new products in the field of E-Mobility – e.g. scrolls – as well as to hydrogen applications. The success of these endeavours is reflected in the fact that the first products have already been nominated for series production.

Despite the comparatively high barriers to entry, the market of the BOOSTER Group is highly competitive, as is largely the case in the automotive sector.

2. ECONOMIC REPORT

2.1 Macroeconomic development

According to the latest forecast of the International Monetary Fund (*IMF World Economic Outlook, January 2024*), global economic growth declined for the second consecutive year in 2023; at 3.1%, it was slightly lower than in the previous year (2022: +3.4%). The world economy's nascent recovery from the COVID-19 pandemic was slowed not only by the long-term implications of the pandemic, the ongoing war in Ukraine, the situation in the Middle East and the increasing geo-economic fragmentation but also by economic factors. The latter include the effects of the monetary policy measures taken by central banks to reduce inflation.

The IMF estimates that Germany's economic output contracted by 0.3% in 2023 (2022: +1.9%). While euro area countries grew by only 0.5% in 2023 (2022: +3.5%), the USA and major emerging and developing economies were surprisingly dynamic in the second half of 2023. According to the IMF experts, the gross domestic product (GDP) grew by 2.5% in the USA (2022: +2.0%) and by 5.2% (2022: +3.0%) in China.

2.2 Performance of the automotive sector

According to the German Association of the Automotive Industry, the major international automotive markets recorded a strong increase in new registrations in 2023 (*VDA press release, 18 January 2024*). Compared to 2022, vehicle availability has improved noticeably, which had a positive effect on car sales.

While 2022 saw the German passenger car market stagnate, the VDA expects 7% growth for 2023 (*VDA press release, 4 January 2024*). The European passenger car market (EU, EFTA & UK) grew by 14% in 2023. The fact that, according to the VDA, the European passenger car market is currently still about 20% below the pre-crisis level of new registrations of 2019 shows that the recovery from the COVID-19 pandemic remains slow.

Car sales in China were up by 11% on the previous year in 2023. Never before have so many cars been sold in China in a single year. The US light vehicle market (passenger cars and light duty vehicles) also showed a dynamic trend in the reporting period, with light vehicle sales up by a strong 12%.

The table below shows the production figures for the years from 2020 to 2026 for vehicles up to 6 tons (figures as of 2024 forecast):

REGION	COUNTRY	2020	2021	2022	2023	2024	2025	2026
Africa	**Total**	**808.1**	**936.4**	**1,032.2**	**1,147.4**	**1,305.9**	**1,486.4**	**1,512.5**
Asia	China	23,295.1	24,499.6	26,198.4	28,965.7	29,257.4	29,930.9	29,691.2
	Japan	7,777.2	7,402.5	7,422.5	8,553.2	8,051.2	8,072.8	7,953.7
	India	3,234.1	4,134.2	5,089.9	5,480.8	5,593.9	5,807.6	6,021.8
	Korea	3,474.5	3,431.0	3,721.5	4,122.3	3,898.5	4,070.4	4,079.1
	Rest	3,220.6	4,005.5	4,814.8	4,663.2	4,674.5	4,929.6	5,154.4
	Total	**41,001.6**	**43,472.7**	**47,247.1**	**51,785.1**	**51,475.5**	**52,811.3**	**52,900.2**
EU/EFTA+UK	Germany	3,755.3	3,313.1	3,670.5	4,320.9	4,562.6	4,907.1	4,856.1
	Spain	2,244.7	2,057.4	2,189.3	2,432.4	2,532.6	2,500.2	2,578.5
	France	1,331.9	1,340.0	1,382.9	1,538.3	1,602.3	1,737.8	1.691.3
	UK	972.5	915.2	855.4	1,003.4	934.3	911.3	983.6
	Italy	753.3	774.2	766.2	842.9	798.3	707.2	742.1
	Rest	4,609.0	4,493.5	4,715.0	5,163.4	5,014.4	5,073.5	5,351.2
	Total	**13,666.7**	**12,893.5**	**13,579.2**	**15,301.3**	**15,444.4**	**15,837.1**	**16,202.8**
Rest of Europe	**Total**	**3,024.7**	**3,087.5**	**2,297.3**	**2,753.8**	**2,823.5**	**3,308.2**	**3,493.1**
USMCA	USA	8,564.6	8,903.1	9,748.6	10,285.2	11,091.7	11,151.8	11,192.2
	Canada	1,362.2	1,101.9	1,231.5	1,549.3	1,276.4	1,370.0	1,631.9
	Mexico	3,014.8	2,984.6	3,262.9	3,777.0	3,680.0	3,685.7	3,796.8
	Total	**12,941.5**	**12,989.7**	**14,243.0**	**15,611.4**	**16,048.1**	**16,207.5**	**16,620.9**
South America	Brazil	1,905.1	2,066.8	2,181.1	2,219.8	2,461.5	2,584.5	2,745.6
	Rest	274.4	462.1	574.6	651.6	656.8	683.5	720.7
	Total	**2,179.5**	**2,528.9**	**2,755.7**	**2,871.4**	**3,118.3**	**3,268.1**	**3,466.3**
ROW	**Total**	**1,256.6**	**1.192.0**	**1.382.7**	**1,383.5**	**1,410,8**	**1,519.1**	**1,549.5**
Total		**74,878.6**	**77,100.8**	**82,537.1**	**90,853.8**	**91,630.7**	**94,444.4**	**95,776.3**

Source: GlobalData (Q4/2023)

2.3 Earnings position of the Group

Revenue increased from EUR 156.2 million in the previous year to a total of EUR 183.6 million in the fiscal year 2023. The increase in revenue of EUR 27.4 million (17.5%) clearly exceeds the general market trend in the automotive industry, measured in terms of new car registrations. The positive revenue performance of the BOOSTER Group was evident across all of the company's output markets (except for Germany) and in products from the Automotive ICE, Fuel Cell and Industry segments.

Output markets	**2023**		**2022**		**Change**	
Revenue	kEUR	in %	kEUR	in %	kEUR	in %
Germany	10,748	6	11,201	7	-453	-2
Other EU countries	74,166	40	69,468	44	4,698	17
North America	48,683	27	46,417	30	2,266	8
South America	5,780	3	5,623	4	157	1
Asia	44,215	24	23,444	15	20,771	76
Total result	**183,592**	**100**	**156,153**	**100**	**27,439**	**100**

Product group		**2023**		**2022**		**Change**	
Revenue		kEUR	in %	kEUR	in %	kEUR	in %
Automotive ICE	Compressor Wheel	83,975	46	79,266	51	4,709	17
	Variable Turbine Geometry	95,631	52	72,524	46	23,107	84
Total		**179,606**	**98**	**151,790**	**97**	**27,816**	**101**
Fuel Cell		682	-	162	-	520	2
E-Mobility	Scroll	130	-	992	1	-862	-3
Industry	Hydraulics	1,240	1	358	-	882	3
Others		1,934	1	2,851	2	-917	-3
Total		**183,592**	**100**	**156,153**	**100**	**27,439**	**100**

The BOOSTER Group generated earnings before interest, taxes, depreciation and amortisation (EBITDA) of EUR 21.3 million in 2023 (EBITDA margin: 11.6%). EBITDA in the previous year amounted to EUR 19.5 million (EBITDA margin: 12.4%). The decline in the EBITDA margin is essentially due to an unfavourable product mix as well as to start-up costs for the launch of a large-scale project in China.

At 53.8%, the cost of materials ratio remained slightly above the prior year level (2022: 51.4%).

Personnel expenses amounted to EUR 37.8 million, up EUR 4.1 million on the previous year's EUR 33.7 million. This was due to the higher revenue and on the other hand to increases in personnel costs that became necessary in 2023 as a result of higher inflation. The personnel cost ratio improved slightly by 0.7 percentage points to 20.6% (previous year: 21.3%).

Other operating income dropped sharply compared to the previous year and amounted to EUR 4.5 million (previous year: EUR 6.5 million); the decline is essentially due to a EUR 2.0 million reduction in income from fixed asset disposals.

At EUR 30.4 million, other operating expenses were down by EUR 0.3 million on the previous year (EUR 30.1 million). Lower consulting costs (EUR -3.0 million) as well as lower rents for machinery and technical equipment (EUR -0.7 million) were essentially offset by higher costs for tools and spare parts (EUR 1.0 million), higher leases and land costs (EUR 1.0 million), higher travel expenses (EUR 0.4 million), higher insurance expenses (EUR 0.4 million), increased expenses for external personnel (EUR 0.4 million) and other operating expenses (EUR 0.8 million).

At EUR 8.7 million, depreciation and amortisation were on a par with the previous year (EUR 8.7 million). Depreciation on tangible fixed assets of EUR 7.8 million is slightly above the previous year's EUR 7.4 million. The increase by EUR 0.4 million is essentially due to the fact that investments were made in new machines for the development of new business areas during the fiscal year. Amortisation of intangible assets declined from EUR 1.3 million in the previous year to EUR 0.9 million.

As in previous years, amortisation of intangible assets was adversely affected by amortisation of hidden reserves from acquisitions in 2015 and 2016 that were disclosed in the context of consolidation, totalling EUR 0.1 million (previous year: EUR 0.7 million). For the most part, these intangible assets result from the difference between the purchase price and the reported equity capital of the acquired business at the time of acquisition. They are written off on a straight-line basis over a period of four to 15 years and are not attributable to operating activities. At the end of the fiscal year, these intangible assets still had a carrying amount of EUR 0.7 million.

The interest result of EUR -8.4 million deteriorated by EUR 3.3 million compared to the previous year (EUR -5.1 million). This was essentially due to a bond linked to the 3-month Euribor used for refinancing and the rise in the 3-month Euribor. As part of the refinancing, an interest rate hedge (cap) to a maximum of 3% for the 3-month Euribor was concluded in December 2022 for a term of two years.

Taxes on income amounted to EUR -3.0 million in the fiscal year (previous year EUR -3.6 million) and essentially relate to actual taxes of the companies in the amount of EUR 2.8 million.

Consolidated net profit for the fiscal year 2023 amounted to EUR 1.1 million (previous year: EUR 2.1 million).

Financial performance	2023		2022		Change	
	kEUR	in %	kEUR	in %	kEUR	in %
Revenue	183.6		156.2		27.4	17.5
Change in inventories	-0.1		1.7		-1.8	-105.9
Output	**183.5**		**157.9**		**25.6**	**16.2**
Own work capitalised	0.3	0.2	0.2	0.1	0.1	50.0
Other operating income	4.5	2.5	6.5	4.1	-2.0	-30.8
Cost of materials	-98.7	-53.8	-81.1	-51.4	-17.6	21.7
Personnel expenses	-37.8	-20.6	-33.7	-21.3	-4.1	12.2
Other operating expenses	-30.5	-16.6	-30.1	-19.1	-0.4	1.3
EBITDA	**21.3**	**11.6**	**19.5**	**12.4**	**1.8**	**9.2**
Depreciation and write-downs of tangible fixed assets	-7.8	-4.3	-7.4	-4.7	-0.3	4.0
EBITA	**13.5**	**7.4**	**12.2**	**7.7**	**1.3**	**10.7**
Amortisation and write-downs of intangible fixed assets	-0.9	-0.5	-1.3	-0.8	0.4	-30.8
EBIT	**12.6**	**6.9**	**10.9**	**6.8**	**1.7**	**15.7**
Other taxes	-0.1	-0.1	-0.1	-0.1	0.0	0.0
Financial result	-8.4	-4.6	-5.1	-3.2	-3.3	64.7
Taxes on income	-3.0	-1.6	-3.6	-2.3	0.6	-16.7
Net income for the fiscal year	**1.1**	**0.6**	**2.2**	**1.3**	**-1.0**	**-47.6**

2.4 Asset situation of the Group

As of 31 December 2023, the BOOSTER Group‘s total assets amounted to EUR 114.8 million (previous year: EUR 107.2 million).

Fixed assets accounted for 37.8% (previous year: 37.7%) of total assets.

Tangible fixed assets represented 33.2% (previous year: 34.0%) of total assets. The increase in tangible fixed assets from EUR 36.5 million to EUR 38.1 million is mainly attributable to investments, which exceeded systematic depreciation/amortisation and write-downs for impairment of EUR 7.8 million by EUR 3.5 million, as well as to currency effects (EUR 0.5 million).

Intangible assets accounted for 4.6% (previous year: 3.7%) of total assets. Depreciation/amortisation in the amount of EUR 0.9 million includes the systematic amortisation of the intangible assets that were capitalised as part of the business combinations and acquisitions in 2015 and 2016 (EUR 0.1 million) as well as depreciation on business incentives (EUR 0.8 million). New business incentives (EUR 0.3 million) and licences acquired against payment (EUR 2.0 million) were capitalised in the reporting year. Intangible fixed assets rose to EUR 5.3 million (previous year: EUR 3.9 million).

As of 31 December 2023, current assets amounted to EUR 69.9 million (previous year: EUR 65.5 million). During the fiscal year, inventories and trade accounts receivable increased by EUR 0.5 million and EUR 7.5 million, respectively, while other assets declined by EUR 0.6 million and cash and cash equivalents decreased by EUR 3.0 million.

The increase in inventories compared to the previous year is due to a strong increase in demand for the first quarter of 2024, as well as general price increases for raw materials due to much higher energy costs. Inventories were further increased to ensure readiness for delivery in the wake of the continuing rise in demand.

Receivables increased year-on-year due to the significantly higher revenues generated in the last two months of 2023.

2.5 Financial position of the Group and cash flow
As of 31 December 2023, equity capital amounted to EUR 14.8 million (previous year: EUR 12.9 million). Due to the consolidated net income for the year (EUR 1.1 million) and the changes in the currency adjustment item (EUR 1.3 million) – mainly as a result of the appreciation of the Mexican peso – consolidated equity grew by EUR 1.9 million. The equity ratio improved by 0.9 percentage points to 12.9%.

Total liabilities to banks, from bonds and long-term investment loans to debt funds totalled EUR 62.0 million at the end of the reporting year, up by EUR 4.7 million on the previous year (EUR 57.3 million).

The bond with an issue volume of EUR 35 million has a term until November 2026 and bears interest of 9.0% p.a. plus 3-month Euribor, payable quarterly. In the third quarter of 2023, an amount of EUR 1.5 million was repaid in accordance with the partial repayment plan set out in the Bond Terms and Conditions. In the first and third quarters of 2024 and 2025, the notes are repayable at EUR 2.5 million each and in the first quarter of 2026 at EUR 1.0 million. The repayment of EUR 2.5 million in the first quarter of 2024 was made on schedule. The bond may be increased by a further EUR 25 million to a total of EUR 60 million if required – and depending on the placement conditions.

The investment loans to the debt funds in the amount of EUR 15.0 million bear interest at 13% plus 3-month Euribor. The loans, including interest, have a bullet maturity in the first quarter of 2027.

At the end of the fiscal year 2023, the Group also had working capital loans and loans in Slovakia amounting to EUR 0.8 million (previous year: EUR 1.4 million) as well as in China in the amount of EUR 7.1 million (previous year: EUR 5.7 million). The loans in China are renewed annually. All loans have a fixed interest rate over the entire term.

Trade account payables increased from EUR 21.3 million in the previous year to EUR 23.2 million on 31 December 2023.

Liabilities from finance lease agreements increased from EUR 2.6 million to EUR 4.9 million. The EUR 2.3 million increase is attributable to the partial lease financing of the investments (repayment of existing contracts, EUR 3.1 million) and new borrowings (EUR 5.4 million).

The BOOSTER Group generated a cash flow from operating activities of EUR 7.1 million (previous year: EUR 15.5 million) in 2023, due to the high EBITDA and reduced by a significant increase in working capital.

Proceeds from and payments for investments of EUR -5.9 million include payments for investments in technical plant and machinery (EUR -1.8 million) and advance payments made on technical plant and machinery (EUR -2.7 million), other operating equipment (EUR -0.4 million) as well as for intangible assets (licences and software (EUR -1.3 million) and business incentives (EUR -0.3 million)). The proceeds essentially relate to the disposal of land and buildings (EUR 1.4 million) from a sale-and-lease-back of the company premises in Povazska.

Cash flow from investing activities including interest income of EUR 0.3 million totalled EUR -5.7 million (previous year: EUR 1.7 million). The decline against the previous year is mainly attributable to the fact that the property in Beluša was sold at a price of EUR 9.7 million in a sale-and-lease-back transaction in the past fiscal year. The decline is also due to increased investments in technical plant and machinery for new business in 2024. Free cash flow (operating cash flow after considering cash inflows from investments) thus totalled EUR 1.5 million (previous year: EUR 16.5 million).

Cash flow from financing activities amounted to EUR -4.4 million (previous year: EUR -10.4 million). It includes, in addition to the incoming and outgoing payments associated with refinancing, repayments of amounts owed to credit institutions and amounts arising from finance leases, as well as interest paid. Total cash and cash equivalents were down by EUR 3.0 million at the end of the year.

2.6 Non-financial performance indicators

2.6.1 Employees

The BOOSTER Group had a total of 875 employees and 153 temporary workers as of 31 December 2023 (previous year: 870 own employees and 137 temporary workers).

The qualification and motivation of employees are fundamental prerequisites for the activities of the BOOSTER Group, which is a globally operating, customer-centred and performance-driven company. Maintaining and expanding these at a high level is the central task of the company's human resources management. BOOSTER aims to offer more future-oriented qualification measures for its employees and to further intensify its efforts to develop management personnel.

The company is stepping up its efforts to recruit and retain staff in order to counter the consequences of the shortage of skilled workers, especially in the engineering sector. In the previous year, new contacts were established with the University of Applied Sciences in Bremen to offer work placements to students.

2.6.2 Customer satisfaction

BOOSTER conducts regular customer surveys on quality, delivery reliability, technical advice, response time, quality level and general handling. The most recent customer survey took place in 2023. 31% of the customers contacted responded to the 2023 survey, with customer satisfaction reaching a high 92.25%.

In December 2023, BOOSTER Taicang received the Excellent Supplier 2023 Award from its customer Chengdu Xiling Power Science & Technology Incorporated Company, the second largest turbocharger manufacturer in China. An average delivery reliability of 99% and an excellent PPM value in the lower doubledigit range underpin BOOSTER's high standards of quality and customer satisfaction.

2.6.3 Sustainability

As transformational changes continue in the automotive sector, BOOSTER is faced with numerous opportunities and challenges. These challenges include, above all, the trend towards new mobility as well as electric and hybrid drives. Hybrid drives, in particular, are increasingly relying on turbo engines to maintain performance at low emissions. Accordingly, BOOSTER's solutions contribute to the reduction of carbon emissions from engines.

Reliability, expertise and sustainability are fundamental principles of BOOSTER's business activities. Based on these principles, the Group pursues the following strategic sustainability goals: BOOSTER aims to make a significant contribution to conserving resources and reducing the impact on the environment. Resources are used in a way that is both economical and environmentally friendly. A wide range of production- and customer-oriented measures are used to achieve these goals, the concrete design of which is largely the responsibility of the Group companies.

At the Schwanewede plant, for example, frequency converters for coolant pumps were introduced in 2023 to allow the motors of the machines to be controlled as required so that the machines no longer run constantly at full load and electricity is saved. More projects have been initiated, which will be launched in 2024. These include measures to reduce the proportion of liquids requiring disposal (installation of an evaporator system to separate coolants, lubricants and water) and to reduce electricity consumption and carbon emissions (installation of decentralised cooling for the milling machines).

All production sites of the BOOSTER Group are certified to the IATF 16949 standard. BOOSTER also established an environmental management system in accordance with ISO 14001 and requires its suppliers to be certified to ISO 9001.

2.7 Overall statement on the fiscal year 2023

In the forecast for 2023 prepared for the 2022 Annual Report, the BOOSTER Group projected an increase in revenue (2022: EUR 156.2 million) by over 10% and a corresponding improvement in EBITDA (2022: EUR 19.5 million). Consolidated net profit for the year was projected to clearly increase the prior year level (2022: EUR 2.1 million).

At EUR 183.6 million, revenue generated in 2023 thus clearly exceeded the forecast. At EUR 21.3 million, EBITDA (11.6% EBITDA margin) almost reached the projected figure. Due to higher-than-planned depreciation and significantly increased interest rates, the consolidated net profit of EUR 1.1 million remained slightly below the management forecast for 2023.

3. OPPORTUNITY AND RISK REPORT

To a large extent, the success of business decisions depends on a reliable assessment and management of strategic, market-related and regulatory risks and opportunities. Risks represent possible negative deviations from the planned performance of the Group, against which the BOOSTER Group must protect itself.

3.1 Internal control system and risk management

The management of the Group centrally controls financial risks, such as liquidity, currency and interest rate risks.

The management of the Group is informed of possible risks at an early stage through weekly and monthly reports on profitability, cash, investments, current assets, customer orders and material prices. This enables the management to take countermeasures in good time.

3.2 Risks

3.2.1 Macroeconomic risk

The business performance of the BOOSTER Group, which is a globally operating company, is influenced by a multitude of factors in addition to general economic trends. In this context, politically motivated movements in the industry as a whole including the automotive sector – both globally and with a focus on Europe, China, and North America – play an important role in this context.

The Group's strategy aims to continuously expand all market activities. The company counters the risks of economic and political crises, country-specific laws or even protectionist interventions affecting trade by decentralised manufacturing in Europe, North America and China. The plants in Europe are also in a position to cover peak demand in Mexico and China through additional deliveries.

3.2.2 Geopolitical risks

As a result of the ongoing war in Ukraine, BOOSTER is primarily exposed to risks on the supply side. BOOSTER would be directly affected by the potentially limited availability of raw materials as well as rising raw material prices (e.g. nickel, aluminium, titanium). With regard to raw material prices, however, BOOSTER is largely hedged by price escalation clauses in its customer contracts. To secure the supply of raw materials, BOOSTER relies on increased stockpiling.

The short and medium-term impact of the war and its consequences – such as the energy crisis – represents a potentially considerable risk to the world economy that cannot be fully assessed yet.

3.2.3 Industry and company risk

Volume and price risks are particularly prevalent in the automotive supply industry. These may lead to fluctuating revenue due to delays in individual call-offs on the part of the customer.

BOOSTER addresses such risks by consistently expanding its markets, winning new customers, entering markets in new regions as well as by innovative and continuously improved production technologies and strict cost management.

The future business performance will largely depend on the level of global sales of passenger cars and commercial vehicles with combustion engines. According to the industry service provider IHS, sales figures will rise above the pre-crisis level of 2019 to around 90 million units (light vehicles) for the first time in 2024. China, by contrast, exceeded the pre-crisis level of 2019 already in 2022.

The market for exhaust gas turbochargers, however, will outperform the passenger car market, as particularly in China – the world's largest car market – the share of combustion engines without turbochargers is higher than in Europe.

As an automotive supplier, BOOSTER is also exposed to the usual industry risks, which have increased considerably against the background of the current economic situation in conjunction with global political instability.

3.2.4 Financing risk

BOOSTER Group's main sources of funding, in addition to current account liabilities, finance leasing and factoring, are the medium-term bond (Nordic Bond) and the investment loans from international debt funds. A significant decline in results or cash surpluses from operating activities could, on the one hand, jeopardise the required interest and redemption payments as well as compliance with the agreed financial covenants. On the other hand, necessary investments would not be feasible as required. The maximum leverage of 3.75 agreed in the financial covenants was significantly undercut at 1.8.

Access to finance has become much more difficult for the BOOSTER Group due to the ongoing war in Ukraine. Considering the financing measures described in the section "Financial position of the Group and cash flow", management nevertheless believes that the BOOSTER Group currently has sufficient liquidity reserves until 2025.

3.2.5 Foreign currency risk

The BOOSTER Group's international business activities and its locations in Mexico and China make it necessary to conduct business also in foreign currencies. Exchange rate fluctuations against the euro may have a negative impact on revenue, costs and, ultimately, the result.

The Group's revenues are settled exclusively in euros, US dollars and Chinese renminbi yuan.

The BOOSTER Group's net foreign currency exposure (excess of cash inflows in foreign currencies over cash outflows in foreign currencies) in 2023 was EUR 35.9 million for the USD and around EUR 12.0 million for the Chinese RMB, as well as EUR -2.7 million for the Japanese yen and EUR -6.6 million for the Mexican peso. This is due to the fact that the majority of the revenues in USD and RMB are offset by corresponding cost items in the same currency (natural hedge).

Management continuously monitors the net risk exposure.

3.2.6 Financial instruments

Currently, the BOOSTER Group uses (derivative) financial instruments only to hedge USD foreign currency risk (net risk exposure). To cap the financing costs of the bond (Nordic Bond) and the investment loans from the debt funds, an interest rate hedging agreement (cap) was concluded. Interest rates are hedged on the basis of the 3-month Euribor and capped at 3%.

3.2.7 IT risks

As growing use is made of information technology in all areas of the Group, information technology risks, such as hardware failure or unauthorised access to hardware and software, are also increasing.

The BOOSTER Group has implemented specific IT security solutions in cooperation with various service providers to protect data and the IT infrastructure from failure, loss, and unauthorised access in order to avert possible dangers. Moreover, investments are being made in modern information technology that will further stabilise the Group's operations.

3.2.8 Performance-related risks

Given the large number of machine tools, there is no risk that the failure of individual machines will lead to production bottlenecks. There is a risk that a fire could cause the entire machine park at one location to fail due to the accumulation of machines in a very confined space.

While the war in Ukraine temporarily caused sharp price fluctuations on the raw materials and energy markets in the spring of 2022, these did not lead to delivery problems. If the crisis worsens again, isolated temporary bottlenecks cannot be ruled out. Effective stockpiling and the expansion of the supplier base help counter this risk.

3.3 Possibilities and opportunities

The automotive industry is facing major challenges and structural changes that are associated with climate change. Legal pressure on the automotive sector to minimise carbon emissions is increasing. In 2020, a maximum limit for average carbon emissions of 95 grams of carbon dioxide per kilometre was introduced for all new registrations in the EU. This is equivalent to an average consumption of 3.6 litres of diesel or 4.1 litres of petrol based on the NEDC test cycle. The EU also decided that the average consumption of all new registrations must be reduced by 35% by 2030 compared to the average consumption of new registrations in 2020. The only way to achieve these targets is through a higher share of combustion engines with turbo assistance as well as a higher share of vehicles without combustion engines.

For this reason, BOOSTER assumes that, on the one hand, the share of combustion engines with turbo assistance will increase in the coming years, while the share of combustion engines in new registrations will decrease. On the other hand, management expects the share of petrol engines in new registrations to increase at the expense of diesel engines.

The following three factors essentially determine the market volume for turbochargers:

1. Total sales figures for motor vehicles

2. The share of vehicles with combustion engines as well as hybrid and hydrogen drives (share of non-electric vehicles)

3. The share of vehicles with exhaust gas turbochargers in combustion engines as well as hybrid and hydrogen drives (share of turbochargers in non-electric vehicles)

Management expects the market volume for exhaust gas turbochargers to increase moderately over the next two years. The decline in market share for non-electric vehicles will be offset by the continued rise in sales figures for motor vehicles and the increased share of turbochargers in non-electric vehicles. This allowed the BOOSTER Group to secure new contracts that will enable further growth.

Above and beyond the legal regulations described above, the EU decided in 2023 that new cars and vans sold in the EU as of 2035 should not produce any carbon emissions (de facto “combustion engine ban”, even though combustion engines running on climate-neutral fuels will continue to be permitted). The announcement of the “combustion engine ban” has given a massive boost to the development of E-Mobility and Fuel Cell cars. Going forward, hydrogen-powered fuel cells will be used primarily in light and heavy commercial vehicles.

This trend is accelerating BOOSTER’s strategic repositioning into new business segments inside and outside the automotive market, which the company has been pursuing for several years. This will open up considerable growth prospects in the coming years. BOOSTER has been able so secure the first contracts for series production in the fast-growing markets for E-Mobility and hydrogen applications. This is evidence of these opportunities.

The sales department planned the expected sales volumes and prices on the basis of the expected new passenger car registrations and the trend towards electrification of vehicles – especially through hybrid motorisations and the resulting expected increase in the share of turbocharger applications. This was done on the basis of the existing customer nominations for the typically longer-term projects and, to a lesser extent, new business starting up. The most important output market besides Europe and North America is Asia, where continued strong growth in combustion engines is expected in the coming years. Sales in Europe, on the other hand, are expected to decline significantly in this segment, whereas the European markets for vehicles with electric engines and alternative fuels (Fuel Cell) are projected to grow noticeably.

3.4 Assessment of opportunities and risks

The Group’s management believes that the global political instability, which is caused, among other things, by the war in Ukraine and its noticeable impact on the world economy, poses a significant risk to the achievement of the revenue and return targets.

As the procurement of raw materials has been centralised within the BOOSTER Group’s purchasing organisation, significant savings potential has already been realised. For most of the raw materials used, price escalation clauses have been agreed with the customers, so that increases or reductions in procurement prices are offset by adjustments in sales prices.
As the “combustion engine ban” becomes effective as of 2035, BOOSTER will lose an important business segment in Europe. After 2035, the products will be produced only for the spare parts sector. Due to the low volumes, this ban will lead to a sharp drop in revenue. On the one hand, the smaller spare parts quantities will lead to a noticeable improvement in margins. On the other hand, the ban will accelerate the development of vehicles with electric engines or Fuel Cells. This trend will allow BOOSTER to incorporate proven technologies into new developments (Fuel Cells) and to open up new business segments in the area of E-Mobility or Industry applications such as Fuel Cells.

All other operational and strategic risks are identified, analysed and assessed at an early stage to ensure that they can be controlled by the Group’s management using appropriate risk management measures.

4. FORECAST FOR 2024

4.1 Macroeconomic environment

In the latest World Economic Outlook dated January 2024, the IMF estimated that the world economy will grow by 3.1% in the current year as a whole, 0.2 percentage points more than expected in October 2023. This adjustment reflects the resilience of the US and several major emerging and developing markets, and the fiscal support in China. The IMF experts also assume that high interest rates aimed at combating inflation and a reduction in fiscal support in view of the high level of debt will weigh on growth in 2024. As in the previous year, projected growth is below the historical average (2000–2019) of 3.8%.

While a growth rate of clearly below 1% is forecast for Germany, the IMF projects GDP growth of around 0.9% for the euro area (EU, EFTA & UK) for 2024. According to the IMF experts, US GDP will grow by 2.1%, with a dynamic economic trend projected for China (+4.6%).

4.2 Sector-related general conditions

According to the VDA, the business environment for the automotive industry will remain challenging, with the global passenger car market growing by only a moderate 2% in 2024, almost reaching the pre-crisis level of 2019 (*VDA press release, 30 January 2024*). The German market for passenger cars is expected to contract by 1%. The markets in the euro area (EU, EFTA & UK) (+4%) and in the USA (+2%) should grow somewhat more strongly than the Chinese market (+1%) due to the low prior year level.

4.3 Outlook for the BOOSTER Group

At the time of preparing the 2023 consolidated financial statements, management assumes that the business environment for the automotive industry will remain challenging in 2024 and that macroeconomic demand, especially in Europe but also in other regions of the world, will remain subdued due to geopolitical and macroeconomic uncertainties.

On balance, the BOOSTER Group expects revenue in 2024 to increase moderately at a single-digit percentage rate against the previous year (2023: EUR 183.6 million). Assuming stable energy prices and raw materials costs, management expects earnings before interest, taxes, depreciation and amortisation to also grow moderately (2023 EBITDA: EUR 21.3 million).

Consolidated net profit in 2024 is expected to be slightly higher than in 2023 (2023: EUR 1.1 million). Operating cash flow will again be clearly positive and free cash flow – after considering cash outflows from investments – will also be clearly positive, allowing the BOOSTER Group to further reduce its debt.

The revenue and earnings forecast is based, on the one hand, on the volumes and margins forecast for customer projects and, on the other hand, on the human resources required for the business operations as well as on other operating expenses.

Frankfurt, 15 April 2024

Jerko Bartolić	**Dr. Ralph Dirk Wagner**
Managing Director	Managing Director

CONSOLIDATED FINANCIAL *STATEMENTS*

FOR THE FISCAL YEAR
FROM 1 JANUARY TO 31 DECEMBER 2023

GROUP BALANCE SHEET AT 31 DECEMBER 2023

BOOSTER Precision Components GmbH, Frankfurt am Main

ASSETS		31 Dec. 2023	31 Dec. 2022
		EUR	EUR
A. Fixed assets			
I. Intangible assets			
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	3,933,019.94		3,942,959.57
2. Advance payments made	1,726,203.66		-
		5,659,223.60	**3,942,959.57**
II. Tangible fixed assets			
1. Land, land rights and buildings, including buildings on third-party land	1,640,451.59		2,255,325.90
2. Technical equipment and machinery	30,122,664.70		29,914,437.84
3. Other equipment, operating and office equipment	1,399,057.46		2,993,592.48
4. Prepayments and assets under construction	4,548,277.32		1,303,195.30
		37,710,451.07	**36,466,551.52**
III. Financial assets			
Other financial assets		2,031.08	2,031.08
		43,371,705.75	**40,411,542.17**
B. Current assets			
I. Inventories			
1. Raw materials, consumables and supplies	14,289,241.27		12,575,652.36
2. Work in progress	5,330,979.03		5,323,296.33
3. Finished goods and merchandise	9,750,236.51		10,935,352.07
		29,370,456.81	**28,834,300.76**
II. Receivables and other assets			
1. Trade accounts receivable	23,957,494.49		16,480,307.55
2. Other assets	5,409,296.84		6,017,790.09
		29,366,791.33	**22,498,097.64**
III. Cash and cash equivalents		11,172,184.51	14,158,125.93
		69,909,432.65	**65,490,524.33**
C. Prepaid expenses		569,168.97	694,624.67
D. Deferred tax assets		930,613.74	580,230.13
		114,780,921.11	**107,176,921.30**

EQUITY AND LIABILITY		**31 Dec. 2023**	**31 Dec. 2022**
		EUR	EUR
A. Equity Capital			
I. Subscribed Capital			
1. Subscribed capital	39,940.00		39,940.00
2. Nominal value of own shares	-644.00		-644.00
		39,296.00	**39,296.00**
II. Capital reserves			
1. Premium received on the issuance of shares and other contributions	73,907,258.81		74,011,852.45
2. Premium paid for the acquisition of shares	-241,463.19		-241,463.19
		73,665,795.62	**73,770,389.26**
III. Currency translation difference recognised in equity		1,311,886.09	481,549.82
IV. Net accumulated losses		-60,254,743.08	-61,323,313.91
V. Non-controlling interests		-	-82,135.34
		14,762,234.63	**12,885,785.83**
B. Provisions			
1. Provisions for taxes	4,128,497.56		3,399,266.40
2. Other provisions	2,721,541.94		6,188,564.18
		6,850,039.50	**9,587,830.58**
C. Liabilities			
1. Bonds	33,500,000.00		35,000,000.00
2. Liabilities to banks	10,821,702.95		7,074,954.40
3. Long-term investment loans	17,660,207.96		15,198,733.33
4. Trade accounts payable	23,176,554.75		21,318,431.96
5. Liabilities from finance lease agreements	4,913,475.79		2,614,595.13
6. Other liabilities - thereof from taxes: EUR 996,206.49 (previous year: EUR 1,097,805.21) - thereof in the context of social security: EUR 310,193.40 (previous year: EUR 321,253.63)	2,714,114.28		3,164,098.89
		92,786,055.73	**84,370,813.71**
D. Deferred income		-	28,004.56
E. Deferred tax liabilities		382,591.25	304,486.62
		114,780,921.11	**107,176,921.30**

CONSOLIDATED INCOME STATEMENT

BOOSTER Precision Components GmbH, Frankfurt am Main

	2023		2022
	EUR		EUR
1. Revenue		183,592,483.93	156,153,063.09
2. Decrease (previous year: increase) in inventories of finished products and work in progress		-60,454.71	1,678,028.40
3. Other own work capitalised		321,689.63	
4. Other operating income - Income from currency translation: EUR 2,473,246.14 (previous year: EUR 2,383,261.16)		4,498,918.25	
5. Cost of materials			
a) Cost of raw materials, consumables and supplies, and of purchased merchandise	-92,302,732.19		-76,814,615.80
b) Cost of purchased services	-6,415,824.50		-4,317,139.61
		-98,718,556.69	-81,131,755.41
6. Personnel expenses			
a) Wages and salaries	-30,567,141.14		-27,488,075.87
b) Social security, post-employment and other employee benefit costs - thereof post-employment costs: EUR 187,625.58 previous year: EUR 204,271.95)	-7,277,677.78		-6,191,786.63
		-37,844,818.92	-33,679,862.50
7. Amortisation and write-downs of intangible fixed assets, and depreciation and write-downs of tangible fixed assets		-8,709,101.51	-8,715,813.78
8. Other operating expenses		-30,431,519.26	-30,142,177.38
- thereof expenses from currency translation: EUR 3,019,275.36 (previous year: EUR 2,821,554.36)			
9. Other interest and similar income		321,127.38	7,174.32
10. Interest and similar expenses		-8,777,983.80	-5,097,735.00
11. Taxes on income - thereof from deferred taxes: EUR 311,000.00 (previous year: EUR 1,716,300.40)		-3,001,714.53	-3,559,932.84
12. Earnings after taxes		1,190,069.77	2,200,217.83
13. Other taxes		-121,498.94	-97,963.46
14. Consolidated net income for the financial year		1,068,570.83	2,102,254.37
15. Consolidated accumulated losses brought forward		-61,323,313.91	-63,403,440.01
16. Profit attributable to non-controlling interests		-	-22,128.27
17. Consolidated net accumulated losses		-60,254,743.08	-61,323,313.91

CASH FLOW STATEMENT

BOOSTER Precision Components GmbH, Frankfurt am Main

	2023 EUR	2022 EUR
Net profit/loss for the period (consolidated net profit for the year including minority interests (previous year))	1,068,570.83	2,102,254.37
Depreciation, amortisation and write-downs of fixed assets	8,709,101.51	8,715,813.78
Increase/decrease of provisions	-3,467,022.24	1,886,036.22
Other non-cash income/expenses	146,343.14	-232,810.34
Increase in inventories, trade account receivables and other assets not attributable to investing or financing activities	-7,279,394.04	-9,368,904.47
Increase/decrease in trade account payables and other liabilities not attributable to investing or financing activities	-1,419,392.40	5,839,799.84
Profit/loss from the disposal of fixed assets	-405,843.38	-2,402,366.59
Interest expenses/interest income	8,456,856.42	5,090,560.68
Income tax expense	3,001,714.53	3,559,932.84
Income tax payments	-2,544,762.35	-623,555.65
Effect of exchange rate movements on balance sheet items	918,387.06	925,535.50
Cash flow from operating activities	**7,184,559.08**	**15,492,296.18**
Payments for acquisition of intangible fixed assets	-1,766,336.73	-124,889.71
Proceeds from disposal of tangible fixed assets	2,428,596.46	9,893,434.43
Payments to acquire tangible fixed ass	-6,642,644.25	-8,079,938.64*)
Interest received	321,127.38	7,174.32
Cash flow from investing activities	**-5,659,257.14**	**1,695,780.40**
Proceeds from the issue of bonds and the raising of financial loans	7,226,016.48	50,000,000.00
Payments from repayment of financial loans	-2,114,879.93	-53,446,803.14
Payments/proceeds related to finance leases	-3,168,090.21	-2,348,473.44*)
Interest paid	-6,344,238.91	-4,559,601.67
Payments to other shareholders	-22,000.00	-
Cash flow from financing activities	**-4,423,192.57**	**-10,354,878.25**
Net change in cash funds	**-2,897,890.63**	**6,833,198.33**
Effect on cash funds of exchange rate movements and remeasurements	-88,050.79	2,994.86
Cash funds at the beginning of period	14,158,125.93	7,321,932.74
Cash funds at the end of period	**11,172,184.51**	**14,158,125.93**

*) The previous year‘s figures have been adjusted.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2023

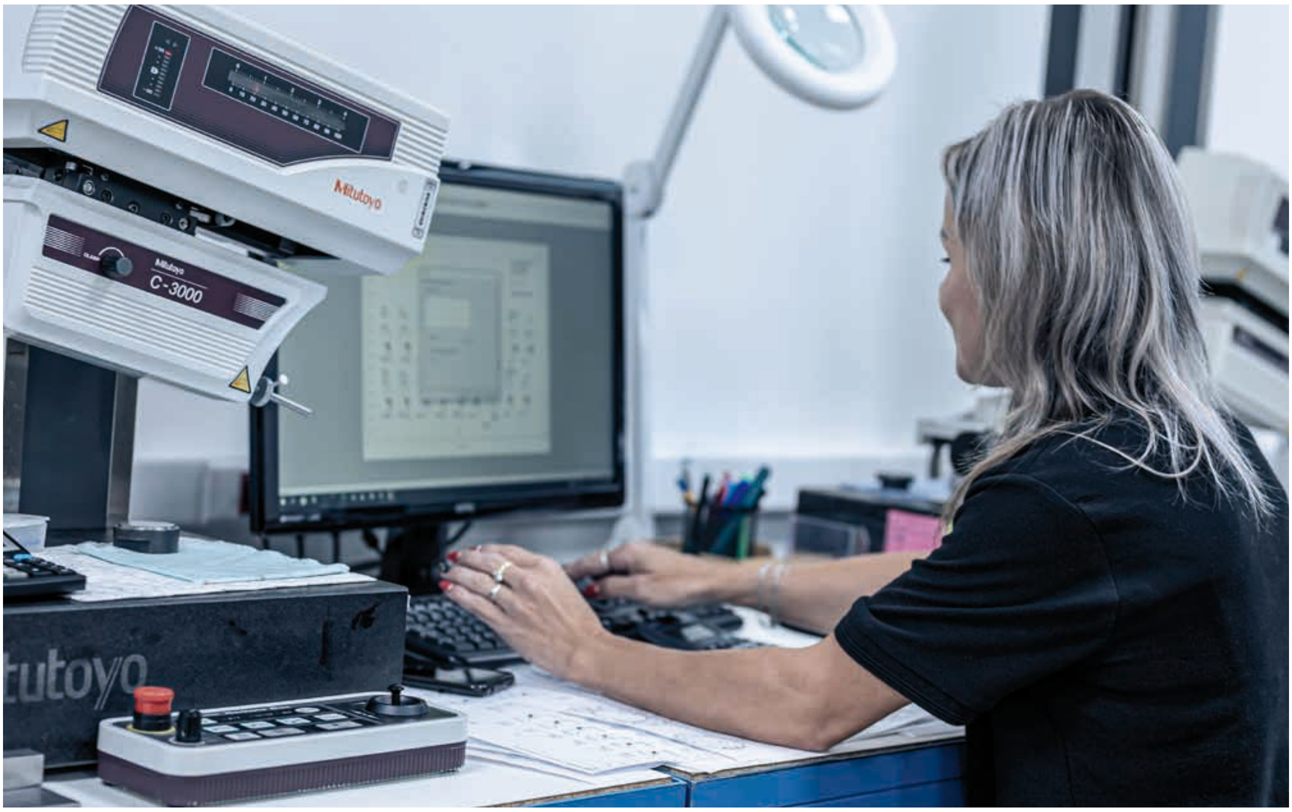
BOOSTER Precision Components GmbH, Frankfurt am Main

	Equity of the parent company					
	Subscribed capital			Capital reserves		
EUR	Nominal value	Nominal value of own shares	Total	according to Section 272 (2) nos. 1–3 HGB	according to Section 272 (2) no. 4 HGB	Difference from capital consolida-tion
As of 1 Jan. 2022	**39,940.00**	**-644.00**	**39,296.00**	**9,975,000.00**	**-**	**9,298,590.55**
Exchange rate-related changes in equity	-	-	-	-	-	-
Consolidated net income for the financial year	-	-	-	-	-	-
As of 31 Dec. 2022	**39,940.00**	**-644.00**	**39,296.00**	**9,975,000.00**	**-**	**9,298,590.55**
As of 1 Jan. 2023	**39,940.00**	**-644.00**	**39,296.00**	**9,975,000.00**	**-**	**9,298,590.55**
Exchange rate-related changes in equity	-	-	-	-	-	-
Consolidated net income for the financial year	-	-	-	-	-	-
Other changes	-	-	-	-	-	-104,593.64
As of 31 Dec. 2023	**39,940.00**	**-644.00**	**39,296.00**	**9,975,000.00**	**-**	**9,193,996.91**

Equity of the parent company					Non-controlling interests	Group equity
Capital reserves		Currency translation difference recognised in equity	Net-accumulated losses	Total		
Premium paid for the acquisition of shares	Total					
-241,463.19	**73,770,389.26**	**-816,961.06**	**-63,403,440.01**	**9,589,284.19**	**-99,805.75**	**9,489,478.44**
-	-	1,298,510.88	-	1,298,510.88	-4,457.86	1,294,053.02
-	-	-	2,080,126.10	2,080,126.10	22,128.27	2,102,254.37
-241,463.19	**73,770,389.26**	**481,549.82**	**-61,323,313.91**	**12,967,921.17**	**-82,135.34**	**12,885,785.83**
-241,463.19	**73,770,389.26**	**481,549.82**	**-61,323,313.91**	**12,967,921.17**	**-82,135.34**	**12,885,785.83**
-	-	829,877.97	-	829,877.97	-	829,877.97
-	-	-	1,068,570.83	1,068,570.83	-	1,068,570.83
-	-104,593.64	458.30	-	-104,135.34	82,135.34	-22,000.00
-241,463.19	**73,665,795.62**	**1,311,886.09**	**-60,254,743.08**	**14,762,234.63**	**-**	**14,762,234.63**

NOTES
TO THE CONCOLIDATED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR
FROM 1 JANUARY TO 31 DECEMBER 2023



1. GENERAL INFORMATION

The consolidated financial statements of BOOSTER Precision Components GmbH, Frankfurt am Main, HRB 108196 (Frankfurt am Main Local Court) for the period ended 31 December 2023 were prepared pursuant to Sections 290 et seq. HGB (German Commercial Code) in accordance with the provisions of the German Commercial Code on the accounting of corporations, the supplementary provisions of the GmbH Act and the provisions of the articles of association.

The consolidated balance sheet was structured in accordance with the commercial law classification scheme pursuant to Section 266 of the German Commercial Code (HGB), and the consolidated income statement was prepared pursuant to Section 275 of the HGB in graduated form according to the nature of expense method.

The consolidated financial statements cover the fiscal year from 1 January 2023 to 31 December 2023.

The consolidated financial statements were prepared in euros (EUR).

To improve the clarity of presentation, we have combined individual items of the consolidated balance sheet and the consolidated income statement and broken them down and explained them separately in these notes to the consolidated financial statements. For the same reason, the disclosures on the inclusion in other items and other notes were also made here.

2. BASIS OF CONSOLIDATION

In addition to BOOSTER Precision Components GmbH, Frankfurt am Main, the basis of consolidation comprises the following subsidiaries:

Name and registered office of the company	Share in capital in %	Type of consolidation
Direct shareholdings		
BOOSTER Precision Components (Schwanewede) GmbH Schwanewede, Germany	100.00%	C
BPC Holding SAS Thyez, France	100.00%	C
BOOSTER Precision Components (Beluša) s.r.o. Beluša, Slovakia	100.00%	C
BOOSTER Precision Components (Povazska Bystrica) s.r.o. Povazska Bystrica, Slovakia	100.00%	C
BOOSTER Precision Components (Mexicali) S. de R.L. de C.V. Mexicali, Mexico	99.99%	C
Indirect shareholdings		
BOOSTER Precision Components (Taicang) Co. Ltd. Taicang, China	100.00%	C
BPC Real Estate Považská Bystrica, Slovakia	100.00%	C
Financière de l'Arve SAS Thyez, France	100.00%	C
BOOSTER Precision Components (Mexicali) S. de R.L. de C.V. Mexicali, Mexico	0.01%	C

C: fully consolidated subsidiary

3. CONSOLIDATION PRINCIPLES

The consolidation methods remained unchanged from the previous year.

3.1 Reporting date for preparation

The consolidated financial statements were prepared as of the reporting date of BOOSTER Precision Components GmbH (31 December 2023). The annual financial statements of all subsidiaries included in the consolidated financial statements were also prepared as of the reporting date of the consolidated financial statements.

3.2 Capital consolidation

The value of the shares held by the parent company in a subsidiary included in the consolidated financial statement is offset against the amount of the equity capital of the subsidiary attributable to these shares. Equity capital is recognised at the amount corresponding to the fair value of the assets, liabilities, as well as prepaid expenses and deferred income to be included in the consolidated financial statement at the time relevant for offsetting. Provisions are measured in accordance with Section 253 (1) and (2) HGB and deferred taxes are measured in accordance with Section 274 (2) HGB.

Positive goodwill resulting from consolidation was treated pursuant to Section 301 para. 3 and Section 309 HGB. In 2016, negative goodwill from consolidation was transferred to the capital reserve.

In the reporting period, the minority shareholder's share in the equity of BPC Holding SAS was acquired at kEUR 22 and recognised as a capital transaction in the consolidated financial statements. Non-controlling shareholders' share in consolidated equity thus amounted to kEUR 0 (previous year: kEUR 82).

3.3 Debt consolidation

Receivables and liabilities between the consolidated companies are offset against each other.

3.4 Elimination of interim results

Assets included in the consolidated financial statements that are based in whole or in part on deliveries or services between consolidated companies were valued at Group production costs in the consolidated balance sheet.

4. ACCOUNTING POLICIES

The following accounting policies continued to be applied in the preparation of the consolidated financial statements.

4.1 Currency translation

Pursuant to Section 256a HGB, all assets and liabilities denominated in foreign currencies are translated at the spot exchange rate on the reporting date. Assets and liabilities with a remaining term of less than one year are translated without consideration of the historical cost or realisation and imparity principle. Differences arising from this translation are disclosed separately in the notes to the consolidated financial statements pursuant to Section 277 (5) sentence 2 HGB in conjunction with Section 284 (1) HGB.

In accordance with Section 308a HGB, the asset and liability items, with the exception of equity capital, of the balance sheets of the subsidiaries domiciled in China and Mexico that are denominated in foreign currencies are translated at the spot exchange rate on the balance sheet date. Equity capital is translated into euros using historical exchange rates. The items of the income statement are converted at the average monthly exchange rates. In the present consolidated financial statements, the translation difference resulting from this translation is shown separately under the item “Currency translation difference recognised in equity” within the consolidated equity pursuant to Section 308a p. 3 HGB.

Effects on earnings resulting from currency translation pursuant to Section 256a HGB that are included in the annual financial statements of the subsidiaries were recognised in profit/loss within the scope of the debt consolidation.

The offsetting differences between the foreign currency receivables and liabilities of the consolidated subsidiaries resulting from currency translation pursuant to Section 308a HGB were recognised in the currency adjustment item in equity as part of the debt consolidation.

4.2 Intangible assets

Acquired non-current intangible assets are recognised at acquisition cost and, if subject to wear and tear, amortised on a straight-line basis over their useful lives of between two and ten years.

Acquired goodwill is written off over a period of five years.

4.3 Tangible fixed assets

Tangible fixed assets are recognised at cost and, if subject to wear and tear, reduced by systematic depreciation. In addition to direct costs, the production costs of internally generated assets also include pro rata overheads and depreciation caused by production.

Tangible fixed assets are written off on a straight-line basis over their expected useful life. The latter is 30 to 50 years for buildings, 10 years for leasehold improvements and between three and 12 years for movable fixed assets within the scope of the usual useful lives.

Low-value fixed assets up to a net individual value of EUR 1,000 were fully written off or expensed in Germany in the year of acquisition; their immediate disposal was assumed.

4.4 Inventories

Inventories are stated at the lower of cost or current market value. The values of inventories are determined using permissible simplified valuation methods (moving average valuation), considering the lower of cost or market principle.

Inventories of raw materials, consumables and supplies are valued at the lower of average purchase price or current market price on the balance sheet date.

The accounting treatment of tools was changed in the past fiscal year. Tools, which amounted to EUR 0.3 million as of 31 December 2022, are no longer reported under tangible fixed assets but under raw materials, consumables and supplies. The change in accounting takes into account the proximity of tools to production, the stocktaking of tools as part of the inventory and the rather short-term consumption of tools in the production process.

Work in progress and finished goods are valued at production cost on the basis of itemised costings based on the current operating accounts, whereby production and material overheads as well as depreciation are considered in addition to the directly attributable direct material costs and production wages. For work in progress and finished goods, interest on borrowed capital was not included in the production costs. General administration costs were capitalised pursuant to Section 255 (2) sentence 3 HGB.

In all cases, valuation was loss-free, i.e., deductions were made from the anticipated sales prices for costs still to be incurred.

All recognisable risks in the inventory assets resulting from above-average storage periods, reduced usability and lower replacement costs are considered by appropriate devaluations.

4.5 Receivables and other assets

Receivables and other assets are stated at par value. All risk-bearing items are considered through the formation of appropriate individual value adjustments; the general credit risk is considered through lumpsum deductions. Non-interest-bearing or low-interest-bearing receivables with a term of more than one year are generally discounted.

4.6 Factoring

Under an agreement dated 3 February 2016, BOOSTER Precision Components (Schwanewede) GmbH undertook to offer Süd Factoring GmbH, Stuttgart, all receivables from goods deliveries and services to customers (debtors) for purchase on an ongoing basis. Süd Factoring takes over the purchase and collection of the receivables and, in accordance with the contract, either acquires the receivables of the company on a euro basis or takes them over on a fiduciary basis for collection.

The accounting treatment of the matter is essentially based on management's assessment of the materiality of the currency and country risks not transferred and the comparison of the purchase price discount for creditworthiness risks with a percentage rate customary among credit insurers. All material (credit) risks and beneficial ownership of these receivables are assigned to Süd Factoring. Therefore, the receivables purchased by Süd Factoring are derecognised upon sale ("true factoring" with the consequence of balance sheet contraction).

4.7 Cash and cash equivalents

Cash and cash equivalents are recognised at par value on the balance sheet date.

4.8 Prepaid expenses

Payments made before the reporting date are recognised as prepaid expenses if they represent expenses for a certain period after this date.

4.9 Provisions

Provisions for taxes and other provisions consider all contingent liabilities and impending losses from pending transactions. They are recognised at the settlement amount required according to prudent business judgment, i.e., including future cost and price increases. In accordance with Section 253 (2) HGB, 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 and published by the Deutsche Bundesbank.

4.10 Liabilities

Liabilities are stated at their settlement amount.

Assets and liabilities denominated in foreign currencies were converted at the average spot exchange rate on the reporting date. For remaining terms of more than one year, the realisation principle (Section 252 (1) no. 4 half-sentence 2 HGB and the acquisition cost principle (Section 253 (1) sentence 1 HGB) were adhered to.

4.11 Deferred taxes

Pursuant to Section 274 HGB, deferred taxes are calculated in accordance with the concept of the balance sheet liability method. If there are temporary differences resulting from the different treatment of certain balance sheet items between the annual financial statements under commercial law and the annual financial statements for tax purposes, these lead to deferred tax assets or liabilities ("temporary concept"). In addition, deferred taxes can be formed on future tax-reducing claims.

Deferred tax assets on deductible temporary differences and tax-reducing claims may be capitalised only to the extent that it is safe to assume that sufficient deferred tax assets will be available to cover them in future periods. Additional deferred tax assets may be capitalised only if sufficient taxable income can be utilised in the following five years.

Insofar as, at the level of the individual consolidated subsidiaries, a tax relief (deferred tax assets) resulted, as at the balance sheet date, from the differences between the commercial law valuations of assets, liabilities and deferred and prepaid items and their tax valuations which are expected to be eliminated in later fiscal years, the option to capitalise was exercised and the resulting deferred tax assets were capitalised pursuant to Sections 300 and 308 in conjunction with Section 274 (1) sentence 2 HGB.

Any tax charge arising at the level of the individual consolidated subsidiaries is recognised in the consolidated balance sheet as a deferred tax liability.

In the event that consolidation measures lead to differences between the commercial-law valuations of assets, liabilities or deferred and prepaid items and their tax valuations and these differences are expected to be eliminated in later fiscal years, a total resulting tax charge is recognised as a deferred tax liability and a total resulting tax relief as a deferred tax asset in the consolidated balance sheet. Differences arising from the first-time recognition of a remaining difference from consolidation in accordance with Section 301 (3) HGB are not considered.

Deferred taxes are measured on the basis of combined, company-specific income tax rates that are expected to apply at the time the differences are eliminated. Deferred taxes resulting from valuation differences in connection with the elimination of interim results (Section 304 HGB) are valued at the combined income tax rate of the subsidiary receiving the delivery.

The valuation is based on the following combined income tax rates:

SUBSIDIARY	Tax rate %
BOOSTER Precision Components (Schwanewede) GmbH Schwanewede, Germany	30.5
BPC Holding SAS Thyez, France	30.0
BOOSTER Precision Components (Taicang) Co. Ltd. Taicang, China	25.0
BOOSTER Precision Components (Beluša) s.r.o Beluša, Slovakia	21.0
BOOSTER Precision Components (Považská Bystrica) s.r.o. Považská Bystrica, Slovakia	21.0
BPC Real Estate Považská Bystrica, Slovakia	21.0
Financière de l'Arve SAS Thyez, France	30.0
B**OOSTER Precision Components (Mexicali) S. de R.L. de C.V.** Mexicali, Mexico	30.0

5. NOTES TO THE CONSOLIDATED BALANCE SHEET

5.1 Fixed assets

Fixed assets of foreign subsidiaries that do not prepare their financial statements in euos are translated at the respective spot exchange rate on the balance sheet date. The resulting exchange rate differences from the previous year are shown separately in the statement of changes in fixed assets. The changes in the individual fixed asset items are shown in the consolidated statement of changes in fixed assets, together with the depreciation and amortisation for the fiscal year.

5.2 Inventories

The inventories are assigned to the bondholders by way of security unless there is a reservation of title.

5.3 Receivables and other assets

	31 Dec. 2023 kEUR	31 Dec. 2022 kEUR
Trade accounts receivable	23,958	16,480
- of which remaining term of more than one year	-	-
Other assets	5,409	6,018
- of which remaining term of more than one year	-	-
	29,367	**22,498**

Receivables and other assets include kEUR 83 (previous year: kEUR 120) in receivables that do not legally arise until after the balance sheet date.

5.4 Prepaid expenses

As of 31 December 2023, prepaid expenses included a discount totalling kEUR 212 (previous year: kEUR 0).

5.5 Deferred tax assets and liabilities

Deferred tax assets of kEUR 931 (previous year: kEUR 580) were recognised in the fiscal year. These relate to loss carryforwards of BOOSTER Precision Components (Taicang) at kEUR 795 (previous year: kEUR 360), BOOSTER Precision Components (Mexicali) at kEUR 110 (previous year: kEUR 210) and BOOSTER Precision Components (Považská) at kEUR 50 (previous year: kEUR 0), to the elimination of intercompany profits in inventories at kEUR 15 (previous year: kEUR 10) and to the effect of currency rate changes at kEUR -39 (previous year: kEUR 0).

Deferred tax liabilities of kEUR 383 (previous year: kEUR 304) relate to BOOSTER Precision Components (Beluša) in the amount of kEUR 353 (previous year: kEUR 291), BOOSTER Precision Components (Mexicali) in the amount of kEUR 30 (previous year: kEUR 0) and BOOSTER Precision Components Real Estate in the amount of kEUR 0 (previous year: kEUR 13); they mainly result from temporary differences from other provisions.

The deferred tax income amounts to kEUR 311 (previous year deferred tax expense: kEUR 1,716) and is reported under “Taxes on income”.

The table below shows the changes in deferred taxes during the fiscal year:

	1 Jan. 2023 kEUR	Addition/ release kEUR	Exchange differences kEUR	31 Dec. 2023 kEUR
Deferred tax assets	580	390	-39	931
Deferred tax liabilities	-304	-79	-	383

5.6 Equity

The subscribed capital remained unchanged at kEUR 39.

5.7 Net accumulated losses

	kEUR
Consolidated loss carried forward	-61,323
Consolidated net income 2023	1,069
Net income attributable to non-controlling interest shareholders	-
Net accumulated losses	**-60,254**

5.8 Other provisions

Other provisions were mainly recognised for holiday entitlements and special compensation of kEUR 1,294 (previous year: kEUR 2,150), bonus payments of kEUR 419 (previous year: kEUR 457), outstanding supplier invoices of kEUR 326 (previous year: kEUR 2,033), warranty claims of kEUR 279 (previous year: kEUR 150), annual accounting and consulting services of kEUR 254 (previous year: kEUR 381), deferred maintenance of kEUR 149 (previous year: kEUR 502) and business incentives of kEUR 0 (previous year: kEUR 509).

5.9 Liabilities

The remaining terms and the collateralisation of the liabilities are shown in detail in the following liabilities schedule.

	31 Dec. 2023 Remaining term			
	up to 1 year kEUR	1–5 years kEUR	more than 5 years kEUR	Total kEUR
Bonds	5,000	28,500	-	**33,500**
Liabilities to banks	8,731	2,091	-	**10,822**
Liabilities from investment loans	-	17,660	-	**17,660**
Trade accounts payable	23,177	-	-	**23,177**
Liabilities from finance lease agreements	2,251	2,662	-	**4,913**
Other liabilities	2,714	-	-	**2,714**
Total amount	**41,873**	**50,913**	-	**92,786**

	31 Dec. 2022 Remaining term			
	up to 1 year kEUR	1–5 years kEUR	more than 5 years kEUR	Total kEUR
Bonds	1,500	33,500	-	**35,000**
Liabilities to banks	589	6,487	-	**7,076**
Liabilities from investment loans	-	15,199	-	**15,199**
Trade accounts payable	21,318	-	-	**21,318**
Liabilities from finance lease agreements	2,615	-	-	**2,615**
Other liabilities	3,163	-	-	**3,163**
Total amount	**29,185**	**55,186**	**-**	**84,371**

The bonds are secured by pledges of bank balances, by assignment of trade accounts receivable and by assignment of inventories and technical plant and machinery as security.

6. OFF-BALANCE-SHEET TRANSACTIONS

For information on factoring, please refer to section 4.6.

In the past fiscal year, the premises in Beluša were sold for EUR 1.4 million under a sale-and-lease-back agreement; the premises continue to be used under a lease agreement.

7. OTHER FINANCIAL OBLIGATIONS

	up to 1 year kEUR	1–5 years kEUR	more than 5 years kEUR	Total kEUR
from rental contracts	1,141	4,415	1,164	**6,720**
from leasing contracts	59	72	-	**131**
Purchase commitments	989	-	-	**989**
Other financial obligations	**2,189**	**4,487**	**1,164**	**7,840**

8. CONTINGENT LIABILITIES

There are no contingent liabilities as defined in Section 251 HGB.

9. NOTES TO THE INCOME STATEMENT

9.1 Revenue

9.1.1 Breakdown by product group

Product group		**2023**		**2022**		**Change**	
Revenue		kEUR	in %	kEUR	in %	kEUR	in %
Automotive ICE	Compressor Wheel	83,975	46	79,266	51	4,709	17
	Variable Turbine Geometry	95,631	52	72,524	46	23,107	84
Total		**179,606**	**98**	**151,790**	**97**	**27,816**	**101**
Fuel Cell		682	-	162	-	520	2
E-Mobility	Scroll	130	-	992	1	-862	-3
Industry	Hydraulics	1,240	1	358	-	882	3
Others		1,934	1	2,851	2	-917	-3
Total		**183,592**	**100**	**156,153**	**100**	**27,439**	**100**

9.1.2 Breakdown by geographical markets

Output markets	**2023**		**2022**		**Change**	
Revenue	kEUR	in %	kEUR	in %	kEUR	in %
Germany	10,748	6	11,201	7	-453	-2
Other EU countries	74,166	40	69,468	44	4,698	17
North America	48,683	27	46,417	30	2,266	8
South America	5,780	3	5,623	4	157	1
Asia	44,215	24	23,444	15	20,771	76
Total	**183,592**	**100**	**156,153**	**100**	**27,439**	**100**

9.2 Depreciation/amortisation

Depreciation and amortisation in the amount of kEUR 8,709 (previous year: kEUR 8,716) include impairment losses of kEUR 350 (previous year: kEUR 0) on a technical facility in Taicang.

9.3 Taxes on income

Income tax expenses include income totalling kEUR 390 from the capitalisation of deferred taxes of the Slovakian, Mexican and Chinese subsidiaries and expenses of kEUR 79 from the recognition of deferred tax liabilities of the Slovakian and Mexican subsidiaries.

10. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

Cash and cash equivalents are included in cash funds. Liabilities to banks due on demand and other short-term borrowings that are part of cash scheduling are also included in cash funds and openly deducted. Cash funds are composed of the following components:

	31 Dec. 2023 kEUR	**31 Dec. 2022 kEUR**
Cash	9	4
Bank balances	11,163	14,154
Cash funds	**11,172**	**14,158**

In contrast to the previous year‘s cash flow statement, the purchase of technical equipment and machinery and its financing through the conclusion of a finance lease agreement were recognised as a single non-cash transaction in the 2023 financial year and no longer as two separate cash transactions. The previous year‘s figures in the lines "Payments/proceeds related to finance leases" and "Payments to acquire tangible fixed assets" have been adjusted.

11. NOTES TO THE CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

BOOSTER Precision Components GmbH reports an accumulated loss for the fiscal year 2023; no amount is available for distribution to the shareholders.

12. OTHER INFORMATION

12.1 Controlling bodies of the company

The **managing directors** of the company in the fiscal year were:

- **Mr. Jerko Bartolić,**
  Operations, Technology and Sales

- **Dr. Ralph Dirk Wagner,**
  Finance, Accounting, Controlling, IT, Purchasing and Human Resources

In accordance with Section 10 of the articles of association, the shareholders of the company appointed an Advisory Board (Supervisory Board). The members of the **Advisory Board (Supervisory Board**) are:

- **Mr. Stephan Schaller**
- **Dr. Harald Balzer**

13. TOTAL REMUNERATION OF THE ADVISORY BOARD (SUPERVISORY BOARD) AND THE MANAGEMENT

In accordance with Section 286 (4) HGB, the total remuneration of the Advisory Board (Supervisory Board) and the management is not disclosed.

14. EMPLOYEES

Average number of employees during the fiscal year:

	31 Dec. 2023 kEUR	31 Dec. 2022 kEUR
Commercial employees	148	150
Industrial employees	727	696
	875	**846**

15. GROUP AFFILIATION

The company prepares consolidated financial statements in accordance with the accounting regulations of the German Commercial Code for the period ended 31 December 2023, in which the company is included as the parent company. The majority shareholder on the balance sheet date is Halder Germany II GmbH & Co. KG, Frankfurt am Main.

16. DISCLOSURE

The disclosure exemptions of Section 264 (3) HGB are applied for the following subsidiary: BOOSTER Precision Components (Schwanewede) GmbH, Schwanewede.

17. TOTAL FEES OF THE AUDITOR

The consulting fees include expenses for the auditor amounting to kEUR 112. This breaks down into kEUR 70 for auditing services and kEUR 42 for tax consultancy services. Corresponding provisions were recognised for the annual audit fee for 2023.

18. APPROPRIATION OF EARNINGS

BOOSTER Precision Components GmbH reported a balance sheet loss as of 31 December 2023. There is therefore no need to decide on the appropriation of earnings.

19. POST BALANCE SHEET EVENTS

The management of BOOSTER Precision Components GmbH, Frankfurt am Main, has been informed that the owners of the company around the Private Equity Fonds Halder Germany II GmbH & Co. KG have decided to carry out a structured sales process for the potential sale of BOOSTER. The sales process will be accompanied by Investment Bank Stephens.

As of 15 April 2024, this sales process has not yet been concluded.

Frankfurt, 15 April 2024

Jerko Bartolić	**Dr. Ralph Dirk Wagner**
Managing Director	Managing Director

STATEMENT OF CHANGES IN FIXED ASSETS

BOOSTER Precision Components GmbH, Frankfurt am Main

	Cost of acquisition and production					
	1 Jan. 2023 EUR	Additions EUR	Disposals EUR	Reclassi-fications EUR	Currency differences EUR	31 Dec. 2023 EUR
I. Intangible assets						
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	48,251,905.46	216,533.10	1,038,120.94	752,789.41	25,206.36	48,208,313.39
2. Goodwill	86,726.29	-	-	-	-	86,726.29
3. Advance payments made for intangible assets	-	1,549,803.63	61,716.73	298,549.38	-60,432.62	1,726,203.66
	48,338,631.75	**1,766,336.73**	**1,099,837.67**	**1,051,338.79**	**-35,226.26**	**50,021,243.34**
II. Tangible fixed assets						
1. Land, land rights and buildings, including buildings on third-party land	4,528,398.68	17,659.11	2,187,407.30	762,349.56	-109,595.39	3,011,404.66
2. Technical equipment and machinery	80,086,783.63	4,567,067.70	4,996,388.39	3,220,199.31	456,376.03	83,334,038.28
3. Other equipment, operating and office equipment	8,262,731.49	439,684.50	402,144.36	-1,641,356.80	208,768.48	6,867,683.31
4. Prepayments and assets in construction	1,326,905.46	7,085,203.81	447,590.93	-3,392,530.86	-	4,571,987.48
	94,204,819.26	**12,109,615.12**	**8,033,530.98**	**-1,051,338.79**	**555,549.12**	**97,785,113.73**
III. Long-term financial assets						
Other financial assets	2,031.08	-	-	-	-	2,031.08
	2,031.08	-	-	-	-	2,031.08
	142,545,482.09	**13,875,951.85**	**9,133,368.65**	**-**	**520,322.86**	**147,808,388.15**

Accumulated depreciation and amortisation						Net carrying amounts	
1 Jan. 2023 EUR	Additions EUR	Disposals EUR	Reclassi-fications EUR	Currency differences EUR	31 Dec. 2023 EUR	31 Dec. 2023 EUR	31 Dec. 2022 EUR
44,308,945.89	920,135.63	948,507.17	-	-5,280.90	44,275,293.45	3,933,019.94	3,942,959.57
86,726.29	-	-	-	-	86,726.29	-	-
-	-	-	-	-	-	1,726,203.66	-
44,395,672.18	**920,135.63**	**948,507.17**	**-**	**-5,280.90**	**44,362,019.74**	**5,659,223.60**	**3,942,959.57**
2,273,072.78	441,750.59	1,264,506.39	-	-79,363.91	1,370,953.07	1,640,451.59	2,255,325.90
50,172,345.79	6,768,389.30	4,417,676.34	6,422.00	681,892.82	53,211,373.57	30,122,664.71	29,914,437.84
5,269,139.01	578,825.99	392,369.17	-6,422.00	19,452.03	5,468,625.86	1,399,057.45	2,993,592.48
23,710.16	-	-	-	-	23,710.16	4,548,277.32	1,303,195.30
57,738,267.74	**7,788,965.88**	**6,074,551.90**	**-**	**621,980.94**	**60,074,662.66**	**37,710,451.07**	**36,466,551.52**
-	-	-	-	-	-	2,031.08	2,031.08
-	-	-	-	-	-	2,031.08	2,031.08
102,133,939.92	**8,709,101.51**	**7,023,059.07**	**-**	**616,700.04**	**104,436,682.40**	**43,371,705.75**	**40,411,542.17**

INDEPENDENT
AUDITOR‘S REPORT

OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR
FROM 1 JANUARY TO 31 DECEMBER 2023

AUDIT OPINION

We have audited the consolidated financial statements of BOOSTER Precision Components GmbH, Frankfurt am Main, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the fiscal year from 1 January to 31 December 2023, and notes to the consolidated financial statements, including the accounting policies presented therein. In addition, we have audited the Group management report of BOOSTER Precision Components GmbH, Frankfurt am Main, for the fiscal year from 1 January to 31 December 2023.

In our opinion, based on the findings of our audit

- the accompanying consolidated financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2023 and of its financial performance for the fiscal year from 1 January to 31 December 2023 in compliance with German legally required accounting principles, and

- the accompanying Group management report as a whole provides a suitable view of the Group's position. In all material respects, this Group management report is consistent with the consolidated financial statements, complies with German legal requirements and suitably presents the opportunities and risks of future development.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the Group management report.

Basis for the audit opinions
We conducted our audit of the consolidated financial statements and of the group management report in accordance with Section 317 HGB and generally accepted German standards for the audit of financial statements 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 responsibility for the audit of the consolidated Financial Statements and of the Group management report" section of our auditor‘s report. We are independent of the Group companies in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the Group management report.

Management‘s responsibility for the consolidated financial statements and the Group management report
Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law, and that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German legally required accounting principles. In addition, management is responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of consolidated 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 consolidated financial statements, management is responsible for assessing the Group‘s ability to continue as a going concern. Furthermore, it is responsible for disclosing, as applicable, matters related to going concern.

In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there are factual or legal circumstances to the contrary.

Furthermore, management is responsible for the preparation of the Group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a Group 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 Group management report.

The Advisory Board (Supervisory Board) is responsible for overseeing the company's financial reporting process for the preparation of the consolidated financial statements and the Group management report.

Auditor's responsibility for the audit of the consolidated financial statements and of the Group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the Group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated 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 consolidated financial statements and on the Group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and generally accepted German standards for the audit of financial statements 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 consolidated financial statements and this Group management report.

The website of the Institute of Public Auditors in Germany (IDW) at

https://www.idw.de/idw/verlautbarungen/bestaetigungsvermerk/3-v2-hgb-konzern-non-pie

contains a more detailed description of the auditor's responsibilities for the audit of the consolidated financial statements and of the Group management report. This description forms part of our auditor's report.

Osnabrück, dated 15 April 2024

Dr. Klein, Dr. Mönstermann + Partner GmbH
Auditing firm Tax consulting firm

signed by	signed by
Dunkel	**Dr. Joswig**
Auditor	Auditor

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