

**Fidelity Exchange Traded
Products GmbH
Hamburg**

“Testatsexemplar”

The annual financial statements for the financial year
from 1 January to 31 December 2023
plus corresponding independent auditor’s report

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General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)

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Statement of Financial Position
for
Fidelity Exchange Traded Products GmbH
Register court: Hamburg, HRB 168990
Seat: Hamburg
as of
31 December 2023

	Note	31 December 2023	31 December 2022
ASSETS		EUR	EUR
Current assets			
Non financial assets	2.4	18.309.704,15	2.957.376,76
Trade receivables	2.5	69.349,29	21.063,45
Receivables from shareholders	2.5	0,00	35.000,00
Cash and cash equivalents	2.6	105.643,68	38.411,76
Total current assets		18.484.697,12	3.051.851,97
Prepaid expenses	2.7	6.214,64	5.905,72
TOTAL ASSETS		18.490.911,76	3.057.757,69
SHAREHOLDERS' EQUITY			
Share Capital		25.000,00	25.000,00
Capital reserve		35.000,00	35.000,00
Retained earnings		-514.606,12	-85.871,05
Net loss for the financial year		-560.949,87	-428.735,07
TOTAL SHAREHOLDERS' EQUITY	5	-1.015.555,99	-454.606,12
LIABILITIES			
Current liabilities			
Financial liabilities valued at fair value	2.4	18.409.100,91	2.970.472,99
Liabilities to affiliated companies	2.8	928.876,62	373.876,62
Trade and other payables	2.9/6.1	39.990,22	49.311,70
Provisions	2.10/6.2	128.500,00	118.702,50
		19.506.467,75	3.512.363,81
TOTAL LIABILITIES		19.506.467,75	3.512.363,81
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		18.490.911,76	3.057.757,69

Statement of Comprehensive Income

	Note	From 01 January 2023 to 31 December 2023	From 01 January 2022 to 31 December 2022
		EUR	EUR
Revenue	2.11/6.3	48.285,84	21.827,56
Selling, General & Administrative Expenses	6.5	-609.235,71	-450.562,63
RESULT BEFORE VALUE MOVEMENTS		-560.949,87	-428.735,07
Loss Arising on Fair Value of Bitcoin Wallets	8	-5.393.514,00	-1.414.156,00
Loss Arising on Fair Value of Management Fee Payable	8	-69.349,00	-21.063,00
Net Loss Arising on Fair Value of Financial liabilities	8	5.462.863,00	-1.435.219,00
OPERATING RESULT		-560.949,87	-428.735,07
Loss for the period before tax		-560.949,87	-428.735,07
Income tax benefit/(expenses)		0,00	0,00
LOSS FOR THE PERIOD AFTER TAX		-560.949,87	-428.735,07

Statement of Cash Flows

	Note	From 01 January 2023 to 31 December 2023	From 01 January 2022 to 31 December 2022
		EUR	
CASH FLOWS FROM OPERATIONS			
Profit / (Loss) for the period before tax		-560.949,87	-428.735,07
Changes in working capital			
Decrease/(Increase) in non financial assets		-15.352.327,39	-2.957.376,76
Decrease/(Increase) in trade receivables		-13.285,84	-21.063,45
Decrease/(Increase) in provisions		9.797,50	87.465,00
Decrease/(Increase) in prepaid expenses		-308,92	-660,27
(Decrease)/Increase in trade and other payables		-4.357,78	-35.463,42
Decrease/(Increase) in other assets not attribute to investing or financing activities		15.988.664,22	3.369.285,79
NET CASH FLOWS FROM OPERATIONS		67.231,92	13.451,82
CASH FLOWS FROM FINANCING			
Proceeds from issue of capital		0,00	0,00
cash in- and outflows		0,00	0,00
NET CASH FLOWS FROM FINANCING		0,00	0,00
Change in cash and cash equivalents		67.231,92	13.451,82
Cash and cash equivalents at the beginning of the period		38.411,76	24.959,94
CASH AND CASH EQUIVALENTS AT THE END OF THE 31 December 2023	2.6	105.643,68	38.411,76

Statement of Changes in Equity

	Issued capital	Capital reserve	Retained earnings/(accumulated losses)	Foreign currency translation reserve	Total Equity
	EUR	EUR	EUR	EUR	EUR
Opening balance 01 December 2022	25.000,00	35.000,00	-85.871,05	0,00	-25.871,05
Allocation to capital reserve	0,00	0,00	0,00	0,00	0,00
Net income/(loss) for the period	0,00	0,00	-428.735,07	0,00	-428.735,07
Opening balance 01 January 2023	25.000,00	35.000,00	-514.606,12	0,00	-454.606,12
Allocation to capital reserve	0,00	0,00	0,00	0,00	0,00
Net income/(loss) for the period	0,00	0,00	-560.949,87	0,00	-560.949,87
Balance at 31 December 2023	<u>25.000,00</u>	<u>35.000,00</u>	<u>-1.075.555,99</u>	<u>0,00</u>	<u>-1.015.555,99</u>

Notes to the Financial Statements for the period from 01 January 2023 to 31 December 2023

Note 1 - Corporate information

Fidelity Exchange Traded Products GmbH (hereinafter the "Company") was incorporated on 15 July 2021 as a limited liability company in the commercial register of the local court of Hamburg. The Company is registered in the commercial register of the local court of Hamburg under HRB 168990. The Company's financial year begins on 1 January and ends on 31 December.

The Company's object is the management of its own assets. The Company holds assets for its own purpose, values them and manages them. The object of the Company is also EDP (electronic data processing) services as well as services with regard to virtual currencies, in particular the issue of exchange traded bonds which are secured by cryptocurrencies. The Company does not provide any financial services within the meaning of Section 1a of the German Banking Act (KWG) or engage in any other transactions requiring a license.

Note 2 - Summary of significant accounting policies

2.1 Basis of preparation and adoption of IFRS

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial liabilities held at fair value through profit or loss according to IFRS 9 and the revaluation of Cryptocurrencies at fair value according to IAS 38 (Intangible assets).

These financial statements were approved for issuance by the Corporate Director of the Company on May 31, 2024.

The preparation of financial statements in conformity with IFRS as adopted by the European Union requires the use of certain critical accounting estimates.

New standards, interpretations and amendments to existing standards

The following standards, interpretation or amendments are issued by the IASB, but not yet effective and therefore the company did not apply.

New regulation	Effective in the EU for annual periods beginning on or after	Date of endorsement in the EU	Company's assessment of the regulation
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Amendments to IAS 1 Presentation of Financial Statements: <ul style="list-style-type: none">• Classification of Liabilities as Current or Non-current Date (issued on 23 January 2020);• Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 15 July 2020); and• Non-current Liabilities with Covenants (issued on 31 October 2022)	January 1, 2024	December 19, 2023	Assessment in progress
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Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022)	January 1, 2024	November 20, 2023	Assessment in progress
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2.2 Going concern

The financial statements were prepared on the assumption that the company would continue as a going concern. The share capital amounting to EUR 25.000 has been fully paid in. In the shareholder meeting on 29 September 2021 the shareholder expressed the intention to contribute to the Company's capital reserve EUR 35.000. The amount has not been paid in and is accounted for as a receivable from the shareholder as of 31 December 2023.

The Company signed a loan agreement in 2021 with FIL Distributors International for EUR 70.000 to cover the deficit not covered by equity. The loan agreement contains terms of qualified subordination. The amount has been paid out in October 2022. It should be repaid when the Company generates annual surpluses and only to the extent that no overindebtedness or insolvency exists or threatens to arise.

FETP signed a loan agreement on 1 April 2022 and was provided with a EUR 275.000 facility to cover launch and ongoing expenses. FIL Investments International novated the loan agreement to FIL Distributors in 2022. The novation agreement replaced the Loan Agreement as at 1 April 2022. The drawdown facility remained unchanged. The loan agreement contains terms of qualified subordination. An amount of EUR 70.000 has been paid out in December 2022. It should be repaid when the Company generates annual surpluses and only to the extent that no overindebtedness or insolvency exists or threatens to arise. An amount of EUR 590.000 was paid out in 2023, which was offset against the EUR 35.000 in existing liabilities of the company to the shareholder at the end of 2023. The entire loan is to be repaid if the company generates annual surpluses and only to the extent that there is no over-indebtedness or insolvency or threat thereof.

An additional loan agreement is in the process of being drafted between FIL Distributors (FID) and Intertrust Nominees (Ireland) Limited and another between Intertrust Nominees (Ireland) Limited and FETP was signed on 17 January 2023. The value of this Loan Facility is EUR 850,000. The repayments will be up streamed, whenever FETP needs financing. FETP has drawn down the amount of 590,000 Euros so far in 2023.

FIL Distributors issued a comfort letter dated 4 December 2023 showing its intent to support FETP until 31 December 2023 if the Company's operations do not otherwise generate sufficient positive cash flow to continue its business activities. FID will continue to make available to the Company, directly or indirectly, the loan facility and further funding as required to fund operating deficits and provide working capital funds.

The executive director has assessed the assumption of going concern and has not identified any events and/or circumstances leading to its rebutting based among other on Fidelity International's three-year sales plan, which foresees that the revenues of FETP will grow and thus guarantee the profitability of the Company in the short term.

2.3 Foreign currency translations

These financial statements are presented in Euros ("EUR"), which is the reporting and functional currency of the company.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the date of the transactions which might comprise:

The average spot exchange rate (in accordance with IAS 21) for a given currency as determined by the European Central Bank ("ECB") as at the date preceding the date of transaction - in case of settlements of receivables and payables and other transactions, the actual spot rate applied as at this date resulting from the type of transaction - in case of foreign currency purchases and sales. For the valuation of foreign currency receivables and payables the Company uses the exchange rates of the German tax authorities. For the cryptocurrency holdings a conversion rate was selected which was obtained by Reuters London Close and using the following conversion of EUR/USD and USD/MBC:

EUR/USD fx rate 12/31/23 = $1/1.1051 = 0.904895$
USD/MBC rate = 0.042277
EUR/MBC rate = 0.038253

The foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss.

Equity items are presented at historical rates, i.e. rates as at the date of equity contribution.

2.4 Fair value Bitcoin and Bitcoin Wallets

Bitcoin Wallets (i) Issue and Redemption

Upon initial recognition and the receipt of the Bitcoin Wallets, they are recorded at fair value using the Quoted Price. Upon redemption of the BTC (crypto-currency backed-bond in Bitcoins) and the transfer out of the Bitcoin Wallets, the attributable cost shall be calculated in accordance with the average cost methodology, and the overall cost reduced accordingly to represent the de-recognition of the Bitcoin Wallets. Any previously recognised gains on the Bitcoin Wallets is de-recognised as a result of the transfer are reclassified to retained earnings.

ii) Subsequent Measurement

An increase in fair value is recorded first through Profit or Loss in respect of any previous impairment recognised being reversed, with any further gains being recognised through Other Comprehensive Income. A decrease in fair value is recorded first through Other Comprehensive Income in respect of any previous gains recognised being reversed, with any further impairment being recognised through Profit or Loss.

Fair Value Bitcoin backed bonds i) Issue and Redemption Each time a BTC (can be redeemed anytime) is issued or redeemed by the Company a corresponding amount of the corresponding Bitcoin Wallet is transferred into or from the relevant secured account held by the Custodian. Upon initial recognition, the fair value is recorded using the Quoted Price applied to the Bitcoin Wallet transferred. Financial liabilities are recognised and de-recognised on the transaction (trade) date.

ii) Pricing IFRS 13 requires the Company to identify the principal market and to utilise the available price within that principal market according to the Prospectus. The Company considers that the stock exchanges where the BTC are listed to be the principal market and as a result the fair value of the BTC is the on-exchange price as quoted on those stock exchanges demonstrating active trading. The BTC are priced using the closing mid-market price on the Statement of Financial Position date.

iii) Classification at fair value through Profit or Loss The BTC comprise a financial instrument whose redemption price is linked to the value of the underlying Bitcoin Wallet. The BTC are therefore classified as liabilities at fair value through profit or loss under IFRS 9 due to an embedded derivative. This also significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities on different bases. In accordance with IFRS 9, embedded derivatives (put option to deliver cryptocurrencies) are not separated for accounting purposes if the non derivative host is a financial instrument and the classification of criteria of IFRS 9 is applied to the instrument as a whole.

2.5 Trade and other receivables and receivables from shareholders

Trade and other receivables are recognised initially at transaction price less attributable transaction costs. Subsequently, they are measured at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. The allowance recognised is measured as a difference between the carrying amount of the asset and the estimated recoverable amount.

2.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank, short-term deposits with original maturities of three months or less and restricted cash.

Cash and cash equivalents are carried at nominal value in the statement of financial position. As of the balance sheet date, there are only credit balances at the bank accounts.

2.7 Prepaid expenses

The deferred items are prepaid expenses from the following year. Discounts on this positions were not required.

2.8 Liabilities to affiliated companies

FIL Distributors has granted a loan of EUR 590,000.00 (py 70,000.00) to the Company. Furthermore, the company has paid invoices for the reporting company in the amount of EUR 303,876.62, so that the liability totals EUR 928.876,62. All liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

2.9 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.10 Provisions

Provisions are measured at the best estimate (including risks and uncertainties) of the expenditure required to settle the present obligation, and reflects the present value of expenditures required to settle the obligation where the time value of money is material.

2.11 Revenue recognition

The Company derives its revenues over time (in respect of Management Fees), and at a point in time (in respect of order fees). It is entitled to a Management Fee which is calculated by reducing the Entitlement of the securities on a daily basis by an agreed amount and order fees on the issue and redemption of the Securities. During the period, the Company did not generate revenues from order fees. It recognizes revenue mainly in connection with the management of the Bitcoin investment done. The recognition is done over the time. Management fee is deducted directly from the recognized liability in the amount of 0,75% p.a. The Company is entitled to receive Management fees for the services provided in connection with the bonds issued and the managed cryptocurrencies according to the Prospectus.

Note 3 - Critical accounting estimates and judgments

The Company made estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that bear a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the current or next financial year are discussed below.

IAS 38 - Intangible Assets The Company holds undated BTC equal to the amount due to holders of the undated Bitcoin wallets solely for the purposes of meeting its obligations. Whilst the IFRS Interpretation Committee issued an agenda decision on the accounting for cryptocurrencies in June 2019, there is no one standard under IFRS which details how cryptocurrencies are to be accounted for. Following a review of the facts and circumstances, the Company has determined that the Bitcoin backed wallets fall within the scope of IAS 38 Intangible Assets. Following on from this determination the Company have accounted for the Bitcoin wallets under the IAS 38 revaluation model being it's fair value on the basis there is an active market for the transfer and sale of the Bitcoin wallets that the Company holds. The Bitcoin wallets are held to provide the security holders with the exposure to changes in the fair value of the BTC and therefore the Company consider that carrying the Bitcoin Wallets at fair value reflects the objectives and the purpose of holding the asset. In connection with the stock in cryptocurrency the Company has entered into a contract with a depository for safekeeping the cryptocurrencies.

3.1 Fair value estimation

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale.

The nominal values of liabilities and receivables less impairment with a maturity up to one year are assumed to approximate their fair values.

Note 4 - Financial risk management

4.1 Financial risk factors

The Company's overall risk management program focuses on minimizing the potential adverse effects of the financial risks on the performance of the Company. The financial risk is managed under policies covering specific areas such as currency risk, interest rate risk, credit risk and liquidity risk, as well as covenants provided in financing agreements.

4.1.1 Currency risk

As at 31 December 2023, the balance sheet items are in EUR and do not bear any significant currency risk.

As at 31 December 2023, most of the assets and liabilities refer to the Bitcoins and therefore are not related to any currency in common sense. The remaining balance sheet items are in EUR and do not bear any significant currency risk.

4.1.2 Liquidity risk

Liquidity risk management implies maintaining sufficient cash as well as availability of funding through an adequate amount of committed debt facilities. The BTC are backed by Bitcoins which provide evidence of liquidity of the bonds and therefore the Company is not facing any liquidity risk.

4.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, in order to provide returns for the sole shareholder and benefits for other stakeholders. The Company was not regulated for capital requirements purposes and the Company utilises funds provided by related parties to fund its activities.

4.3 Fair values

The fair value of a financial asset and liability is the amount at which an asset could be sold or a liability transferred in a current transaction between market participants, other than in a forced or a liquidation sale.

The nominal values of liabilities and receivables less impairment with a maturity up to one year are assumed to approximate their fair values.

4.3.1 Fair Value Hierarchy

The Company has classified fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels as defined under IFRS 13:

Level 1 : Fair Values based on Market Prices in active markets for identical assets.

Level 2: Fair Values based on valuation techniques using observable inputs other than quoted prices

Level 3: Fair Values based on valuation techniques using inputs that are not based on observable market data

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The Company is required to utilise the available on market prices as the BTC are quoted and actively traded on the open market. Therefore the BTC are classified as Level 1 Financial Liabilities.

The Company holds Bitcoin Wallets to support the BTC as determined by the Entitlement. (Which is calculated in accordance with an agreed formula published in the Prospectus). Bitcoin Wallets are revalued to fair value using the Quote Price. **Therefore the Bitcoin Wallets are classified as Level 1 Assets as the value is calculated using third party sources.**

	Fair Value as at 31 December 2023	Fair Value as at 31 December 2022
Level 1 Liabilities - BTC measured at Fair value through P&L	18.409.101	2.970.473

Transfers between levels of the fair value hierarchy, for the purpose of preparing the above table, are deemed to have occurred at the beginning of the financial year.

There were no transfers between levels as at 31 December 2023.

Note 5 - Equity

Share capital

As of 31 December 2023, the Company's share capital is composed of 25,000 shares with a nominal value of EUR 1 each. Furthermore, the shareholder has undertaken to pay a capital reserve in the amount of EUR 35,000.00. As well as the loss carried forward EUR 514,606.12 (py EUR 85,871.05) and the net loss for the year in the amount of EUR 560,949.87 (py EUR 428,735.07). As of the reporting date, the company reported a negative equity of 1,015.555.99 Euro (py EUR 454,606.12).

Note 6 – Notes to the Financial statements

6.1 Trade and other payables

As of 31 December 2023, trade and other payables include EUR 39,990.22 (py EUR 49,311.70) payables to related parties for services received and VAT.

6.2 Provisions

As of 31 December 2023, provisions include EUR 128,500.00 for accrued expenses. These consist of EUR 125.000,00 for the audit costs.

6.3 Revenue

Revenue recognition is done over the time only and is related to the management of the Bitcoin portfolio of the company.

6.4 Income taxes

The company recognizes only current taxes. A tax reconciliation is not done due to materiality reasons. There are no current taxes as of the balance sheet date.

6.5 Selling, General & Administrative Expenses

The other expenses are related to corporate and consulting service in the amount of EUR 165.825,25 (py EUR 263,207.14), bookkeeping and auditing in the amount of EUR 325.460,50 (py EUR 168,790.13) and other expenses in the amount of EUR 117.949,96 (py EUR 18,536.04) .

Note 7 - Audit fees

The audit fees for the financial period ending 31 December 2023 amount to EUR 105,000.00 (py EUR 99,750).

Note 8 - Bitcoin Wallets	31 December 2023 EUR	31 December 2022 EUR
Loss Arising on the Fair Value of Bitcoin Wallets	5.393.514	1.414.156
Realised Gain	69.349	21.063
Unrealised Loss	-5.462.863	-1.435.219
Bitcoin Wallets at Fair Value	18.309.704	2.957.377

As at 31 December 2023, there were no amounts of Bitcoin Wallets awaiting the settlement in respect of the creation or redemption of BTC with transaction dates before the period end and settlement dates in the following period. The below reconciliation of changes in Bitcoin Wallets includes only non-cash changes. The investors are not exposed to credit risk arising from Fidelity Exchange Traded Products GmbH due to the fact that the assets are backed by cryptocurrencies which are held at the depository. The only risk is the depository risk.

	31 December 2023 EUR	31 December 2022 EUR
Opening Bitcoin Wallets	2.957.377	-
Additions	23.389.489	4.522.426
Disposals	-13.361.327	-2.958.142
Transfer to Bitcoin Wallets held in Respect of Management Fees	-69.349	-21.063
Change in Fair Value	5.393.514	1.414.156
Closing Bitcoin Wallets	18.309.704	2.957.377

9. BTC at Fair Value

As at 31 December 2023, there was one transfer awaiting settlement. The fair values and changes thereof during the period based on prices available on the open market as recognised in the financial statements are:

	31 December 2023 EUR	31 December 2022 EUR
Net Gain Arising on the Fair Value of the BTC	5.458.752	1.427.252
Realised Gain	69.349	21.063
Unrealised Gain	5.389.402	1.406.189
BTC at Fair Value	18.409.101	2.970.473

	31 December 2023 EUR	31 December 2022 EUR
Opening BTC at FV	2.970.473	-
Additions	23.389.489	4.522.426
Disposals	-13.361.327	-2.957.377
Transfer to BTC held in Respect of Management Fees	-48.286	-21.828
Change in Fair Value	5.458.752	1.427.252
Closing BTC at FV	18.409.101	2.970.473

Hamburg, May 31, 2024

Hanna Wagner
Managing Director

INDEPENDENT AUDITOR'S REPORT

To Fidelity Exchange Traded Products GmbH, Hamburg

Audit Opinion

We have audited the annual financial statements of Fidelity Exchange Traded Products GmbH, Hamburg, which comprise the statement of financial position as at 31 December 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period from 1 January to 31 December 2023, and the notes to the financial statements, including a summary of significant accounting policies.

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 IFRS as adopted by the EU and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its financial performance for the financial year from 1 January to 31 December 2023.

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements" 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.

Responsibilities of the Executive Director for the Annual Financial Statements

The executive director is responsible for the preparation of the annual financial statements that comply, in all material respects, with IFRS as adopted by the EU and that the annual financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Company. In addition, the executive director is responsible for such internal control as she has 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 director is responsible for assessing the Company's ability to continue as a going concern. She also has the responsibility for disclosing, as applicable, matters related

to going concern. In addition, she is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Company or to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

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 to issue an auditor's report that includes our audit opinions on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 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.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also

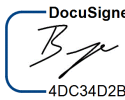
- identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement 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 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 this system of the Company.
- evaluate the appropriateness of accounting policies used by the executive director and the reasonableness of estimates made by the executive director and related disclosures.
- conclude on the appropriateness of the executive director's 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 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 IFRS as adopted by the EU.

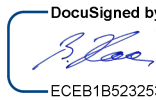
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Frankfurt am Main, 31 May 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

DocuSigned by:

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Mathias Bunge
Wirtschaftsprüfer
(German Public Auditor)

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Bernhard Haas
Wirtschaftsprüfer
(German Public Auditor)

General Engagement Terms

for

Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften

[German Public Auditors and Public Audit Firms]

as of January 1, 2017

DokID:

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as "German Public Auditors" – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [Translators Note: The German term "*Textform*" means in written form, but without requiring a signature] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of Wirtschaftsprüfer: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

- a) preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party
- b) examination of tax assessments in relation to the taxes referred to in (a)
- c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
- d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)
- e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

(6) Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

- a) work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;
- b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;
- c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and
- d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.