

2022

ANNUAL REPORT

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Operating figures

Profit and loss

		2022	2021
Revenues	K€	105,518	79,792
EBIT	K€	8,186	4,197
Net profit for the period	K€	5,369	2,587

Balance sheet and cashflow statement figures

		2022	2021
Total assets	K€	115,998	98,693
Equity ratio	%	52.0	57.3
CF from operating activities	K€	-1,687	-3,903
CF from investing activities	K€	-5,022	-3,339
CF from financing activities	K€	-5,162	-3,363
Cash and cash equivalents	K€	-17,927	-6,096

Share

		2022	2021
Result per share	€	0.60	0.29
Dividend per share*	€	0.30	0.20

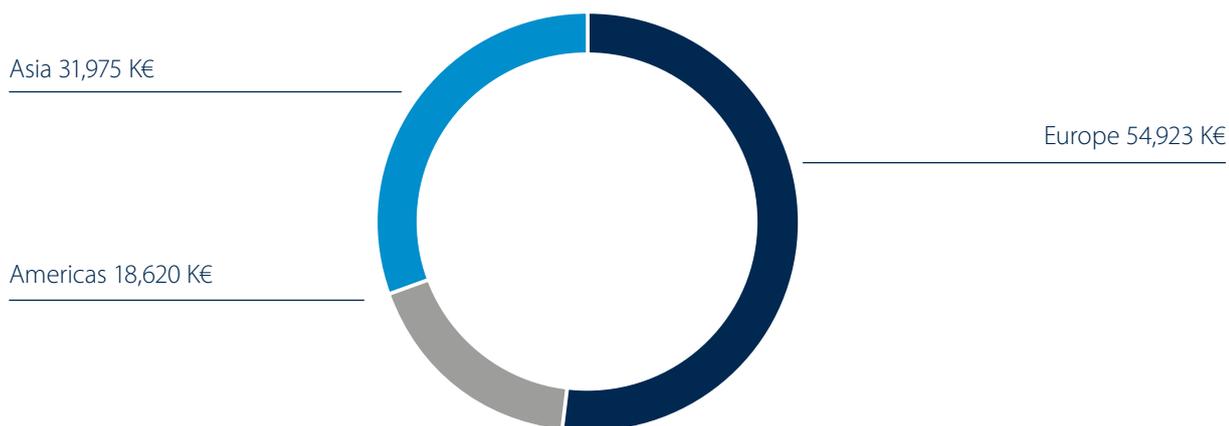
Employees

		2022	2021
Employees at year-end		571	468
Employees in annual average		538	466

* The distribution of a dividend of € 0.30 per eligible share will be proposed to the Annual General Meeting on 31. May 2023.

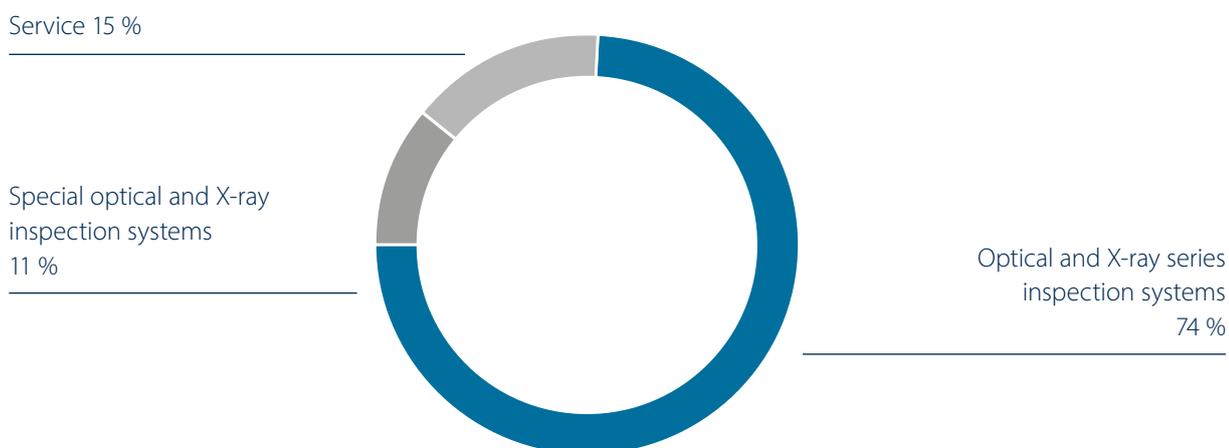
Segment information

Sales by region 1 January – 31 December 2022



Product groups

Sales by product groups 1 January – 31 December 2022



VISCOM. Vision Technology.



Founded:

1984 by Dr. Martin Heuser and Volker Pape



Number of employees worldwide:

571



World Market Leader:

Viscom is the No. 1 solution provider for automatic optical inspection in the automobile industry.



Headquarters and production:

"Made in Germany":
Hanover, Germany



Subsidiaries:

- Viscom France S.A.R.L., Paris, France
- Viscom Tunisie S.A.R.L., Tunis, Tunisia
- Viscom Inc., Atlanta, Georgia, USA
- Viscom Machine Vision Pte Ltd., Singapore
- Viscom Machine Vision Trading Co. Ltd., Shanghai, China
- VICN Automated Inspection Technology (Huizhou), Huizhou, China Co., Ltd
- VISCOM MACHINE VISION (INDIA) PRIVATE LIMITED, Bangalore, India
- Viscom Metallgestaltung GmbH, Langenhagen/ Hanover, Germany
- Exacom GmbH, Hanover, Germany
- VISCOM VXS S. DE R.L. DE C.V., Zapopan/ Guadalajara, Mexico



Dr. Martin Heuser, Carsten Salewski, Peter Krippner, Dirk Schwingel (f. l. t. r.)

Foreword by the Executive Board

Dear Sirs and Madams,

We are delighted to be able to report strong growth in the 2022 financial year. Incoming orders and revenue exceeded the € 100 million barrier for the first time in the history of Viscom AG. This was achieved despite the substantial geopolitical and macroeconomic challenges in the past financial year. Although we left the coronavirus crisis of recent years behind us, 2022 was characterised by repeated supply chain disruption that required significant additional organisational expenditure and human resources in the areas of procurement and project implementation. The end of the year saw the first signs of an improvement in the strained component supply situation, and we are confident that this development will continue in the 2023 financial year.

Continuous growth and long-term success are Viscom's key strategic objectives. In the past year, we broke new ground in order to strengthen the foundations for achieving these goals. To minimise the existing supply shortages for the steel frames and lead compartments needed to manufacture inspection systems, we acquired a long-standing supplier for the manufacture of metal frames in April 2022. This company has since traded under the name Viscom Metallgestaltung GmbH and works solely for Viscom AG. In mid-2022, we spun off our battery cell inspection unit to form Exacom GmbH in order to reflect the dynamic development of the market for energy storage systems. In 2022, Exacom GmbH pressed ahead with a large number of projects in the battery and e-mobility industries, many of which are still being implemented. Accordingly, we expect this segment to deliver strong growth in 2023. The

founding of Exacom GmbH also represents another systematic step towards establishing Viscom AG as a strong provider of state-of-the-art inspection systems and innovative solutions outside the automotive sector by actively leveraging the opportunities arising on the growth market for energy storage systems.

In addition to Viscom AG's core business, device inspection based on the iX7059 AXI system family saw outstanding development in the 2022 financial year. In addition to the X-ray final inspection of smartphones a large number of orders were implemented in this high-end electronic consumer goods segment, e. g. tablets. This is another way in which Viscom is realising its objective of establishing strong pillars in addition to the automotive market.

Viscom is a technology leader for optical and X-ray inspection systems in electronics production. Our stated aim is to always be one step ahead of our competitors in terms of technological development. To this end, we work continuously to develop and enhance new and existing inspection systems and hardware and software solutions. In 2022, 26 development projects were intensively pursued at Viscom, resulting in own work capitalised in the amount of € 3.2 million.

We received orders from our customers totalling € 111.1 million in the past financial year. This represented a year-on-year increase in incoming orders of around 24 % (previous year: € 89.8 million) and was approximately 8 % higher than the middle

of the revised forecast range for the 2022 financial year that we issued in October (€ 100-105 million). Revenue increased by around 32 % to € 105.5 million (previous year: € 79.8 million). This meant that consolidated revenue was also roughly 8 % higher than the middle of our forecast range for 2022 (€ 95-100 million). This performance was attributable to the positive effect of the increase in inventories during the course of the year and the success of our Viscom's own procurement initiative, which led to improvements in supplier management. The general recovery in the supply chain situation in the fourth quarter also contributed to a strong business performance towards the end of the past financial year. At € 8.2 million, EBIT was around 95 % higher than in the previous year (€ 4.2 million) and thus slightly above the forecast of € 4.7 to 8.0 million adjusted on 20 October 2022. The EBIT-Margin is 7.8 % (previous year: 5.3 %) and is still within the forecast range (5 to 8 %). The EBIT was impacted by increased material and commodity prices as well as by the significant increase in personnel costs. We have launched an efficiency initiative to counteract any further increase in costs.

An order backlog of around € 34.5 million at the end of the year and distinctly positive signals from the growth industries of batteries and e-mobility give us confidence that the 2023 financial year will bring further sustained and profitable growth for Viscom AG.

We expect further gains in efficiency as the supply chain situation continues to improve in 2023. Our software expertise and excellent development quality at the Hanover site, the uncompromising error detection of our inspection systems and Viscom's first-class service throughout the world give us grounds for confidence with regard to 2023. We are forecasting incoming orders and revenue of between € 110 million and € 120 million in the 2023 financial year, with the EBIT-Margin coming in at between 5 % and 10 %. This corresponds to EBIT of between € 5.5 million and € 12.0 million. Achieving this forecast for the 2023 financial year is being made more difficult by the prevailing geopolitical tensions and macroeconomic challenges, including higher energy and procurement prices.

We believe we are well positioned to allow our shareholders to participate in the Company's success to an appropriate extent once again. We are continuing our established dividend policy of distributing at least 50 % of our reported consolidated profit for the period. The Executive Board and the Supervisory Board of Viscom AG will therefore propose a dividend of € 0.30 per dividend-bearing share to the Annual General Meeting on 31 May 2023. The 2023 Annual General Meeting will be held in person at the Old Town Hall in Hanover. We look forward to the opportunity to meet our shareholders face-to-face again.

We would like to take this opportunity to express our praise and considerable gratitude to our employees for their loyalty to Viscom and their tireless dedication in the face of the difficult conditions in the past financial year. Without their commitment, we would not have been in a position to close the last quarter of the year so successfully and push our revenue past the € 100 million barrier. We would also like to thank them for demonstrating excellent teamwork and the Viscom spirit that our customers appreciate and so frequently compliment. We are also delighted to enjoy the loyalty and understanding of our customers and sales partners as well as a cooperative and supportive relationship with our key suppliers. The best way for us to address current and future challenges is by working together. Thanks are also due to our Supervisory Board and our shareholders for the trust they have placed in us over the longer term.

Ladies and Gentlemen, we hope that you will remain an important part of the Viscom family and continue to place your trust in us too. We look forward to having you by our side once again in 2023.

Hanover, March 2023

The Executive Board



Carsten Salewski



Peter Krippner



Dr. Martin Heuser



Dirk Schwingel

Report of the Supervisory Board

The following section comprises the Supervisory Board's report on its activities in the 2022 financial year, and in particular the focal points of its monitoring and advisory functions, compliance with the German Corporate Governance Code, and the audit of the single-entity and consolidated financial statements.



Prof. Dr. Michèle Morner Chairwoman of the Supervisory Board

Dear Ladies and Gentlemen,

In the 2022 financial year, the Supervisory Board carried out the duties and obligations required of it by law and the Articles of Association, critically monitoring the course of business as well as the Executive Board's management of the Company. It also acted regularly in an advisory capacity on corporate management issues to ensure that the Executive Board acted in accordance with the relevant rules and statutory provisions. It also

obtained regular, prompt and comprehensive information on the development of business operations over the course of the year, the corporate strategy and its implementation, planning, the risk situation, risk management measures and compliance. The Supervisory Board continuously monitored management on the basis of written and verbal Executive Board reports and joint meetings, receiving explanations from the Executive Board of any deviations from plans and objectives for business developments and the reasons for these. The Supervisory Board carefully examined transactions that were important for the business and that required its approval and discussed each of them with the Executive Board. The Supervisory Board also satisfied itself that the Executive Board had developed its effective and efficient corporate compliance system and the internal risk management and control system for the Viscom Group.

Composition of the Supervisory Board

In compliance with section 11 (1) of the Articles of Association in conjunction with section 95 sentences 1 to 4, section 96 (1), section 101 (1) AktG, the Supervisory Board of the Company consists of three members who are elected by the Annual General Meeting without it being bound by any specific proposals. The current members of the Viscom AG Supervisory Board are Prof. Dr. Michèle Morner (Chairwoman), Volker Pape (Deputy Chairman) and Prof. Dr. Ludger Overmeyer. The Supervisory Board members were individually elected at the Annual General Meeting of the Company on 28 May 2019. Their term of office is identical and ends at the conclusion of the Annual General Meeting that approves the actions of the Supervisory Board members for the 2023 financial year.

Meetings of the Supervisory Board

The Supervisory Board held six regular meetings in the 2022 financial year – on 18 March, 6 May, 8 June, 5 August, 4 November and 2 December, and one meeting on 2 December 2022 for an efficiency review without the presence of the Executive

Board. Due to its small size of just three members, the Supervisory Board did not form any committees. At its meetings, the Supervisory Board was provided with prompt and comprehensive information about business policies, relevant aspects of corporate planning including financial, investment and human resources planning, the course of business, the Company's current revenue, earnings and liquidity position, budget planning, the economic situation of the Company and the Group including risk factors and risk management, as well as intragroup corporate compliance, strategic objectives as well as all significant organisational and personnel changes. The meetings on 18 March 2022 and 5 August 2022 were held as video conferences, the meetings on 6 May 2022 and 8 June 2022 were held in person, and the meetings on 4 November 2022 and 2 December 2022 were held in person with individual guests and one individual Supervisory Board member participating electronically (hybrid events). Resolutions on urgent matters were also passed outside meetings, both in conference calls and in writing. At the beginning of the sessions, the Supervisory Board regularly consults on matters relating to the Supervisory Board without the presence of the Executive Board. The Supervisory Board was involved in all decisions of material importance to the Company. The single entity and consolidated financial statements, the management report and Group management report and the interim reports were discussed in detail with the Executive Board prior to their publication. In addition, the Supervisory Board was presented with transactions requiring its approval. These were approved following detailed examination and discussion with the Executive Board. Among other things, these included the annual adoption of the budget for the next financial year, comprising revenue, cost, earnings, investment, human resources and financial planning including cash flow statements for the Company. The Executive Board submits monthly written reports to the Supervisory Board outlining the results of operations and the liquidity situation as well as the current business situation and risk factors of the Company and the Group. As part of this monthly reporting, the Executive Board provided the

Supervisory Board with the key figures required to assess business developments, in each case including comparisons with the current budget and the prior-year figures. Reporting by the Executive Board took place on request and in response to specific enquiries by the Supervisory Board as well as periodically according to the rules of procedure for the Executive Board issued by the Supervisory Board. Additionally, the Chairwoman of the Supervisory Board was regularly informed by the Executive Board about current business events and significant transactions.

Focal points of the Supervisory Board's discussions and examinations

The information provided to the Supervisory Board by the Executive Board focused on the revenue situation as well as its effects on the business operations of Viscom AG and the Group. Significant topics discussed at the meetings of the Supervisory Board in the 2022 financial year included the strategic direction of the Company and its further development, the operating activities of the Group and the individual business areas. The Supervisory Board discussed the organisation, and in particular risk management and the economic, financial and strategic situation of the Company and each of its business areas, as well as key questions of corporate policy and strategy, with the Executive Board. Other topics included the organisational reorientation of the batteries business unit. Furthermore, developments on the international markets and at the locations of the Company's subsidiaries in the USA, Asia and France, as well as the general global competitive structure and possible areas for diversification were discussed. Another significant topic that was the subject of ongoing consultation between the Supervisory Board and the Executive Board was business development in light of supply chain issues and the associated delays in processing the substantial order backlog, as well as the relatively pronounced fluctuation in Viscom AG's revenue performance as a result. In this context, the Supervisory Board approved an increase in the overdraft facilities with Viscom AG's relationship banks.

The Supervisory Board also increasingly focused on sustainability. It obtained information on the general status of sustainability reporting at the Company and the efforts to orient general business management towards ESG (environmental, social, governance) criteria.

The meeting to review the accounts on 18 March 2022 focused on the adoption of the single-entity and consolidated financial statements for 2021, including the management reports, the Executive Board's proposal for the appropriation of net retained profits, the Corporate Governance Statement and Corporate Governance Report, the Executive Board report on the relationships between Viscom AG and its affiliated companies, and the adoption of the performance-related remuneration components for the 2021 financial year and the corresponding remuneration. During the meeting, which was also attended by the auditors, the Executive Board issued a comprehensive report to the Supervisory Board on the basis of detailed documents. The auditors reported on the progression of their audit and the significant findings. The single-entity and consolidated financial statements for 2021 and the management reports were approved, meaning that the annual financial statements of Viscom AG have been adopted. The Supervisory Board endorsed the Executive Board's proposal for the appropriation of net retained profits. The Supervisory Board did not raise any objections to the audited Executive Board report on Viscom AG's relations to affiliated companies. The Supervisory Board also resolved on the remuneration report for the 2021 financial year. Furthermore, the Supervisory Board unanimously approved the acquisition of Raphael Kierey Metallgestaltung GmbH at this meeting. The agenda and proposed resolutions for the 2022 Annual General Meeting were also adopted.

At the meeting on 6 May 2022, the Supervisory Board intensively addressed the development of business operations during the first three months of the year in the context of the consolidated interim financial statements as of 31 March 2022. Individual risks

were also discussed in greater detail based on risk early detection management.

A detailed review of the 2022 Annual General Meeting took place at the meeting on 8 June 2022. The spin-off of the battery unit was again discussed in detail with the Executive Board.

The meeting on 5 August 2022 focused on the development of business in the first six months of the year in the context of the half-yearly financial report, the outlook for the remaining months of 2022 and the key measures. The Executive Board also provided the Supervisory Board with extensive information about the development of Exacom GmbH (battery unit) and the structural development of the customer care teams (other product areas) within Viscom AG. The Executive Board and the Supervisory Board discussed and reviewed these topics in detail.

The Supervisory Board held another meeting on 4 November 2022 at which PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Hanover branch, presented the subject and focal points of its audit of the single-entity financial statements for 2022. This meeting also discussed the consolidated interim financial statements as of 30 September 2022. Potential individual risks were discussed in greater detail based on risk early detection management.

At the meeting on 2 December 2022, the Executive Board and Supervisory Board discussed in detail and adopted the annual planning, including financial, investment and human resources planning, for the 2023 financial year on the basis of extensive documentation. During this meeting, the Viscom Group strategy with regard to the product portfolio and sales for the coming years was also presented in detail to the Supervisory Board. The Executive Board and the Compliance Officer also provided the Supervisory Board with an overview of the current status of the compliance programme.

Furthermore, the Supervisory Board conducted its annual efficiency review – without the presence of the Executive Board – on 2 December 2022.

Each of the six Supervisory Board meetings and the efficiency review during the 2022 financial year were attended by all Supervisory Board members.

Remuneration of the Supervisory Board members

The remuneration of the individual Supervisory Board members for the 2022 financial year is reported in the Company's remuneration report in accordance with section 162 AktG. The remuneration report will be made permanently available to the public on Viscom AG's website following the resolution by the Annual General Meeting on 31 May 2023 approving the report in accordance with section 120a(4) sentence 1 AktG.

Corporate Governance

Information on the aspects of the Company's corporate governance relating to the Supervisory Board can be found in the Corporate Governance Statement in accordance with section 289f of the German Commercial Code (HGB), which is included in Viscom AG's Annual Report for the 2022 financial year. There were no indications of conflicts of interest affecting the Executive Board or Supervisory Board members requiring immediate declaration to the Supervisory Board and disclosure at the Annual General Meeting.

The Company provides support to the Supervisory Board members upon their appointment and during training and professional development measures. In the 2022 financial year, the individual Supervisory Board members undertook various professional development courses and also received specific advice and information on the area of ESG. The Supervisory Board

also took advantage of the training measures provided by the Directors Academy, a multimedia portal for training supervisory board members, in several areas including the Supervisory Board's efficiency review.

During the 2022 financial year, the Supervisory Board – without the presence of the Executive Board – assessed the efficiency of its activities in line with the requirements of the German Corporate Governance Code. This took place as a hybrid meeting on 2 December 2022. The meeting was essentially conducted on the basis of checklists. In addition to the long-term assessment of past resolutions, this mainly focused on three areas: the organisation of the Supervisory Board and meeting procedures, including the effectiveness of the content of the Supervisory Board's activities (including the frequency of meetings, the openness of results and debate, participation of members of the Supervisory Board, written records, extent of transactions requiring approval, appropriateness of monitoring, long-term review of decisions), the provision on information to the Supervisory Board (between the Executive Board and the Supervisory Board and within the Supervisory Board, including timely and comprehensive information, proactive provision on information, methods of presentation and clarity, deadlines and content of financial reporting) and personnel issues concerning the Supervisory Board and the Executive Board (in particular compliance with statutory requirements, the Code and the skills profile for appointments, conflicts of interest, succession planning, remuneration matters). The opinions on the individual aspects on the checklist were discussed by the Supervisory Board as a whole and their assessment was noted. The annual follow-up of to-do lists resulting from Supervisory Board meetings that have not yet been worked through was a key topic here. Long-term succession planning in the Executive Board and succession planning for unexpected developments were also discussed. No material aspects requiring improvement were identified.

Above and beyond this, the Executive Board and Supervisory Board submitted the annual declaration of compliance with the German Corporate Governance Code according to section 161 of the German Stock Corporation Act (AktG) on 24 February 2023. The declaration of compliance has been made permanently available to the public on Viscom AG's website. The Executive Board, including on behalf of the Supervisory Board, reports on the Company's corporate governance in the Corporate Governance Statement published by Viscom AG in accordance with section 289f HGB.

Accounting

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Hanover office, was elected as the auditor for the single entity and consolidated financial statements of Viscom AG as of 31 December 2022 by the Annual General Meeting of the Company on 8 June 2022. The Supervisory Board then negotiated the audit assignment, including the focal points of the audit, and awarded the assignment. It was agreed that the auditors should promptly report all findings and occurrences of significance to the tasks of the Supervisory Board as they were identified by the auditors in the course of their audit. Furthermore, it was agreed that the auditors were to inform the Supervisory Board and/or include a comment in the audit report if, in conducting their audit, they became aware of any information indicating an inaccuracy in the declaration of compliance with the German Corporate Governance Code issued by the Executive Board and the Supervisory Board. The Supervisory Board, which also serves as the Audit Committee (see section 107(4) sentence 2 AktG), regularly assesses the quality of the audit. In addition to an ongoing review, the quality of the audit is also addressed separately in a meeting of the Supervisory Board before any upcoming change of auditor, following the first audit by a new auditor, as warranted and otherwise at appropriate intervals.

The 2022 annual financial statements of Viscom AG prepared by the Executive Board in accordance with HGB and the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU as of 31 December 2022, the management report and Group management reports, together with the accounting records, were audited and issued with an unqualified audit opinion.

The particularly important audit matters were the accounting and valuation of development costs and the accounting and valuation of finished systems as well as assemblies and partially finished systems within inventories. In addition, the ESEF documents and the remuneration report were audited in accordance with § 162 AktG. In addition, the auditor inspected Viscom AG's existing risk early detection system in accordance with section 317 (4) HGB and, as a result of this assessment, came to the conclusion that the Executive Board has established an appropriate information and monitoring system whose design and use is suitable to identify developments that could endanger the Company's continued existence at an early stage.

The report on Viscom AG's relations with affiliated companies prepared by the Executive Board of Viscom AG in accordance with section 312 AktG was also examined by the auditor PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft. The auditor issued the following audit opinion:

"Following our mandatory audit and examination, we confirm that

1. the factual information contained in the report is accurate
2. the payments made by the Company for the transactions listed in the report were not inappropriately high."

The Supervisory Board meeting to review the accounts took place on 24 March 2023. The documents relating to the single entity and consolidated financial statements, the remuneration report for the 2022 financial year, the Executive Board's report on Viscom AG's relations to affiliated companies, the Executive Board's proposal for the appropriation of net retained profits, the long-form audit report on the financial statements and all other documents and meeting reports were provided to the members of the Supervisory Board in a timely manner prior to this meeting. This documentation was discussed in detail during the Supervisory Board accounts review meeting. The auditor attended the meeting, reported on the audit and its results, and provided information on its findings concerning the internal control system and accounting-related risk management. The auditor was also on hand to answer questions, provide additional information and discuss the documents.

Following a detailed discussion of the audit and its results with the auditor, a thorough examination of the audit reports provided by the auditor and based on its own examination and discussion of the annual financial statements, the consolidated financial statements, the management report and Group management report, the Supervisory Board approved the results of the audit. The Supervisory Board determined that there were no objections based on the final results of its examination. At its accounts review meeting on 24 March 2023, the Supervisory Board approved the annual financial statements, the consolidated financial statements, the management report and the Group management report for the 2022 financial year, meaning that the annual financial statements have been adopted (section 172 sentence 1 AktG). Taking into account the results of operations and financial position, the Supervisory Board endorsed the Executive Board's proposal for the appropriation of net retained profits.

At its meeting on 24 March 2023, the Supervisory Board examined and discussed the remuneration report for 2022 and adopted the remuneration report for the Supervisory Board. It also determined the performance parameters for the variable remuneration of the Executive Board for the 2022 financial year together with the corresponding remuneration. The Supervisory Board also examined the report of the Executive Board on Viscom AG's relations with affiliated companies and based on its own examination and discussion of the report agreed with the audit results of the auditor. At its meeting on 24 March 2023, the Supervisory Board determined that there were no objections against the declarations of the Executive Board at the end of the report on Viscom AG's relations with affiliated companies based on the final results of its examination.

The members of the Supervisory Board would like to thank the members of the Executive Board, the management of the subsidiaries as well as all employees of the Viscom Group for their strong personal commitment during this financial year. Particular thanks are also due to the Works Council members, who represented the interests of employees constructively while taking the Company's overall situation into account.

Hanover, 24 March 2023

For the Supervisory Board



Prof. Michèle Morner

Chairwoman of the Supervisory Board

Viscom's shares

Basic information on the shares

German Securities Code Number (WKN)	784686
ISIN	DE 000 7846867
Ticker symbol	V6C
Market segment	Regulated market (Prime Standard)
Type of shares	No-par value bearer shares
Share capital (€)	9,020,000
Share capital (units)	9,020,000
Number of voting shares	8,885,060

Opening price on 3 January 2022*	€ 14.00
Closing price on 30 December 2022*	€ 8.88
<i>Percentage change</i>	-36.6 %
Highest share price during the year on 3 January 2022*	€ 13.85
Lowest share price during the year on 29 September 2022*	€ 7.36
Market capitalisation (as of the end of year)	€ 80,097,600

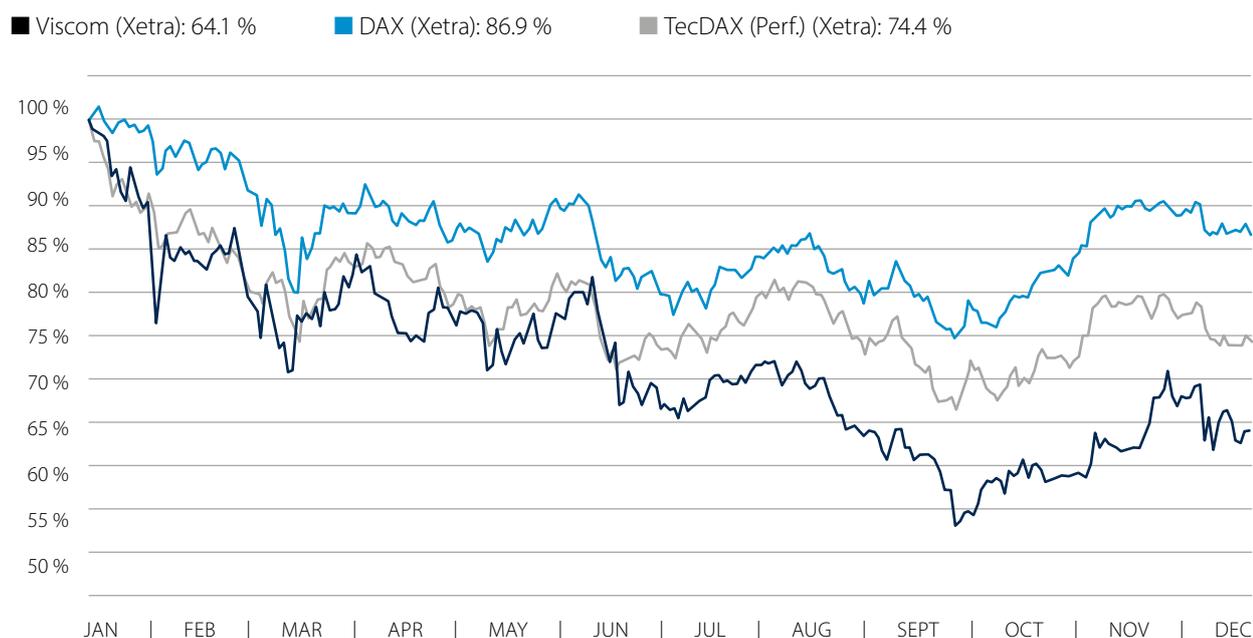
* All share price information is based on Xetra daily closing prices

Share price performance in the reporting period 1 Jan. – 31 Dec. 2022

Viscom AG's shares began the 2022 financial year at a price of € 14.00 and reached their high for the year to date on 3 January 2022 with a daily closing price of € 13.85. In a generally negative market environment, Viscom's shares also buckled in the first quarter of 2022 and lost the ground they had gained. The stock markets responded to the outbreak of war in Ukraine with significant price losses and extreme volatility. On top of this, ongoing inflation and interest worries, the COVID-19 pandemic and supply chain problems have had a negative impact on the ongoing development of the capital markets. The tense news flow in connection with the war in Ukraine, as well as the strict

zero-COVID strategy in China with new lockdown measures and the known effects on global supply chains, negatively impacted the stock markets again in the second quarter of 2022. Fears of a global recession, continued high prices for energy and raw materials and the planned tightening of monetary policy by central banks increasingly became stress factors for the financial markets and resulted in significant price losses. Sentiment remained negative despite temporary minor recoveries, setting the stock markets on a downward trend at the end of the first half of the year. Sentiment on the stock markets began to brighten at the start of the third quarter of 2022: Abating

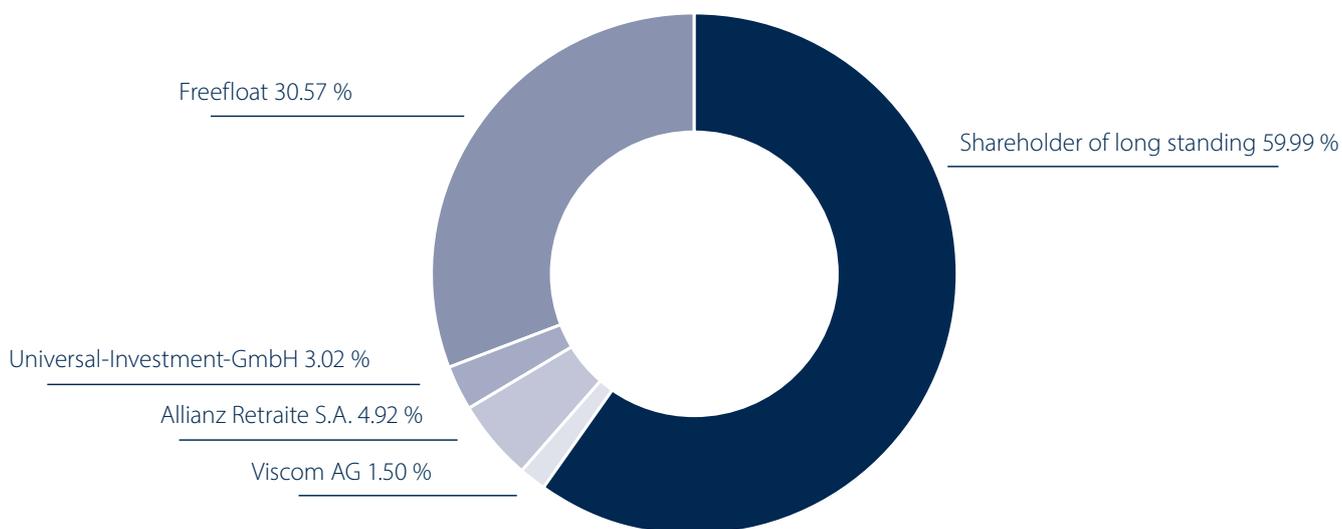
Share price performance compared with the DAX and TecDAX in 2022



economic concerns and declining oil prices allowed tensions to ease, while at the same time countering the high inflation forecasts. In the following months, sentiment on German markets became more pessimistic in the face of inflation and recessionary fears coupled with the advancing energy crisis. Viscom's shares were also unable to escape the general negative market environment despite positive reporting by Viscom AG, and reached their low for the year to date at € 7.36 on 29 September 2022. In October 2022, the stock markets enjoyed their strongest start to a quarter for several decades as the US Federal Reserve's

restrictive monetary policy approach triggered a strong recovery in share prices. Although the stock exchanges also faced the familiar concerns of inflation, geopolitical risks and the energy crisis in the final quarter, the autumn rally delivered gains of up to 20 % for the leading market barometers. However, the strong performance in the fourth quarter was not enough to offset a historically weak year in which the DAX fell by around 13 %, for example. Viscom's shares closed at € 8.88 on 30 December 2022, corresponding to market capitalisation of around € 80.1 million as of the end of the year.

Shareholder structure



Annual General Meeting

The Annual General Meeting of Viscom AG was held virtually on 8 June 2022. Of the company's registered share capital of € 9,020,000.00, divided into 9,020,000 no-par value shares, a total of 894,430 no-par value shares with the same number of votes, equating to 9.92 % of the registered share capital, were represented during the voting process by the proxies nominated by the Company. In addition, postal votes were received for 5,576,913 no-par value shares. This meant that a total of 6,471,343 no par value shares were represented at the virtual Annual General Meeting for 2022 or voting ballots were received for them, equating to 71.74 % of the registered share capital. The Annual General Meeting passed resolutions on approving the actions of the Executive Board and Supervisory Board, appointing the auditor of the annual and consolidated financial statements, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Hanover branch, and on approving the remuneration report that was prepared in accordance with section 162 AktG and audited.

The next Annual General Meeting of Viscom AG will take place at the Old Town Hall in Hanover on 31 May 2023. Further information can be found in the Unternehmen/Investor Relations/Hauptversammlung section of the website at www.viscom.com.

Investor Relations

The objective of our Investor Relations work is to enable all capital market participants to assess Viscom AG fairly. This is why we pursue a policy of continuous and transparent communication. In 2022, Viscom AG also appeared at Deutsche Börse's German Equity Forum in Frankfurt/Main.

Pareto Securities AS and EQUI.TS GmbH regularly cover and comment on Viscom's shares. The shares had two buy recommendations as of 31 December 2022.

Extensive information on Viscom's shares can be found in the Company/Investor Relations section of the Company's website at www.viscom.com.

You can also contact the Investor Relations department at the following address:

Viscom AG
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Milestones

Embracing challenges. Breaking new ground.



Viscom offers pioneering inspection solutions with 100 % error detection. All our business areas and locations are focused on ensuring strong customer service, streamlined processes and optimal availability for our customers. In addition to central departments such as sales, service and product development, specialists for the AOI, AXI, MXI, Bond Inspection/IBV, SPI and CCI products help our customers to choose the right inspection solution for them and provide support throughout the entire product life cycle. The specialists form part of our Customer Care Teams (CCT), which are tasked with commissioning, training, maintenance and hotline services for the respective product area. At the customer centre at our Hanover site, customers can view a demonstration of the inspection solution for the respective task and obtain information from a trained specialist.

Viscom's products are manufactured exclusively at its Hanover site, which covers a total area of around 29,200 square meters. Development, commissioning, production, warehousing and administration occupy usable space totalling around 23,800 square metres. This means our employees at the Hanover site enjoy a spacious, modern and open working environment. With its international branches and global partnerships, Viscom AG's sphere of influence extends far beyond Germany. Viscom is

growing, and not only at its Hanover site. We are pressing ahead with our international expansion and intensifying our activities at the strategically important locations of Bangalore (India), Huizhou (China) and Zapopan/Guadalajara (Mexico). Viscom broke new ground in many respects in the 2022 financial year. The acquisition of a long-standing supplier and the resulting integration of Viscom Metallgestaltung GmbH into the organisational structure of Viscom AG and the spin-off of the battery inspection unit to form Exacom GmbH represented important milestones in the Company's history.





Viscom Metallgestaltung GmbH

A milestone in the Company's history – in-house design and manufacture of metal frames.

In 2022, Viscom AG acquired a long-standing supplier for the manufacture of metal frames, which is now trading as Viscom Metallgestaltung GmbH. This means that Viscom can minimise existing supply shortages for the steel frames and lead compartments it needs to manufacture inspection systems, as well as being able to produce complex welded structures, welded frames and lead coating components for radiation protection cabins in-house. Viscom Metallgestaltung GmbH designs and manufactures products solely for Viscom AG. Designers from the two companies work in close cooperation and engage in regular dialogue. The design process incorporates the manufacturing knowledge and expertise of Viscom Metallgestaltung GmbH's employees, thus making design and construction more affordable. Viscom Metallgestaltung GmbH has nine employees and offers apprenticeships in metal construction with a specific focus on design technology.

Arne Friebe, Head of Production and Logistics at Viscom AG and Managing Director of Viscom Metallgestaltung GmbH: "We have some exciting and challenging months behind us. Metallgestaltung was quickly integrated into Viscom, not least thanks to the openness demonstrated by the employees of our former supplier. I would like to take this opportunity to thank them for receiving Viscom with open arms. The corporate culture of Viscom AG, including addressing people on first-name terms, is now also practised at Viscom Metallgestaltung. The acquisition was just what we needed. It has given us greater flexibility



Arne Friebe Head of Production and Logistics at Viscom AG and Managing Director of Viscom Metallgestaltung GmbH

and made our planning and execution much quicker. It has also removed the need for Viscom to set aside extensive space for storing metal frames. More efficient workflows mean shorter realisation times and quicker delivery."



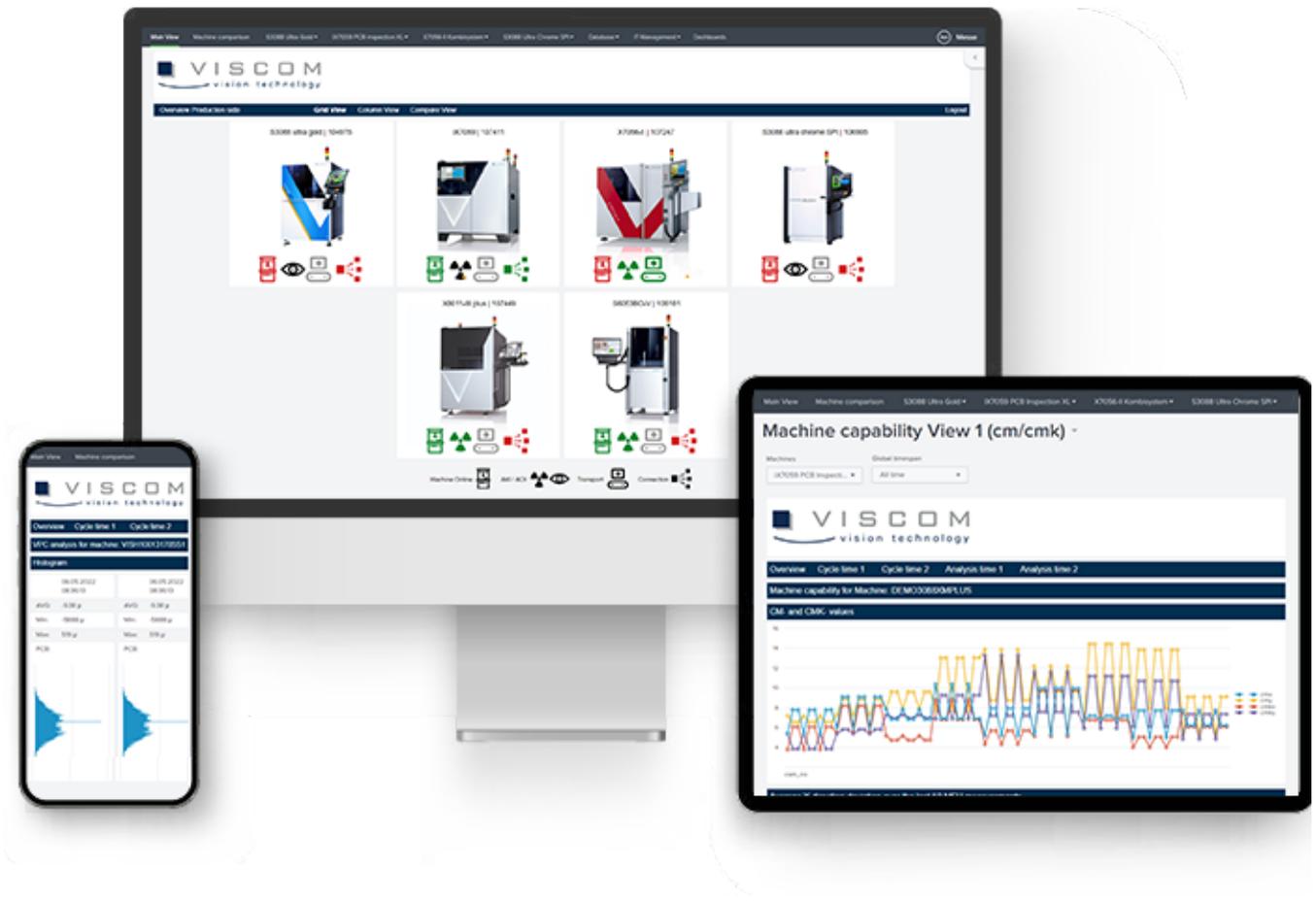
Hagen Berger CEO of Exacom GmbH

Exacom GmbH

With its solutions for inline X-ray metrology in quality control for battery cells, Exacom GmbH supports a sustainable future through the quick and reliable inspection of energy storage system production.

As a world-leading provider of non-destructive inspection solutions for battery cells, Exacom GmbH offers unrivalled expertise when it comes to customised metrology processes, automation and line integration. With an adaptable system portfolio of X-ray and optical battery inspection solutions, manufacturers benefit from high throughput, flexible configurations and 100 % quality control. A dedicated team of experienced battery inspection specialists supports the integration of inline metrology solutions in production processes as quality gates. Leading companies around the world rely on Exacom's inspection solutions to produce long-lasting, high-quality and reliable battery cells. Whether inspecting stack alignments, measuring anode overhang, analysing telescoping or detecting dents, Exacom's solutions offer this and much more at high throughput rates. The highly flexible carrier and track systems integrate seamlessly into processes even at high production speeds. Traceable product data powered by AI optimises production, ensuring both high yields and long-lasting product safety. From the laboratory to the production line, non-destructive inspection helps to detect faulty cells, increase production efficiency and ensure safe batteries.

Hagen Berger, CEO of Exacom GmbH: "The area of battery inspection has different requirements to traditional circuit board inspection. Battery inspection takes place at much higher speeds but is less complex than SMT inspection. Accordingly, the software in our inspection solutions is specifically tailored to the needs of battery inspection. Exacom has a dedicated hardware and software department that works in close cooperation with Viscom AG's development team to drive forward specific developments for the battery industry. For example, we are currently working on an in-house AI solution. Performance and reliability are extremely important for our customers, and we can guarantee these qualities thanks to our automated software tests. Customer enquiries in the area of battery inspection have increased significantly since 2020, including from large and high-profile companies. Although the coronavirus crisis and the war in Ukraine have led to project delays on the part of our customers, the spin-off of Exacom GmbH in the past year was the right decision and represents an important step in enabling battery inspection to grow independently and sustainably in new markets. E-mobility is advancing at a remarkable pace. We firmly believe in this market and expect it to offer huge potential for the years ahead."



vCONNECT

Innovative solutions for intelligently connected quality control.

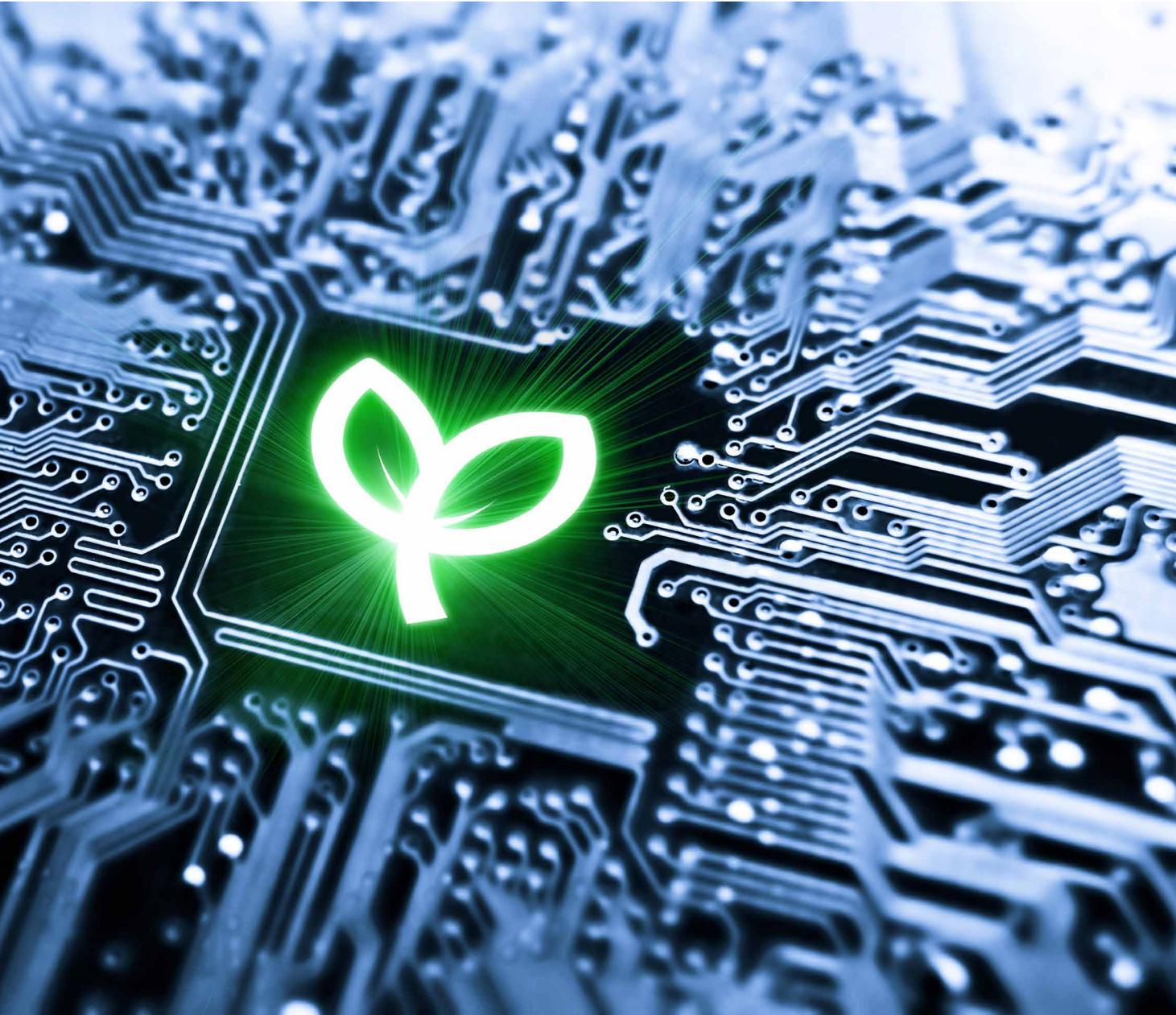
Viscom AG offers a wide range of innovative solutions for intelligently connected quality control. New digital services like the remote services offered under the vCONNECT brand are a particular highlight. Viscom has continuously advanced the underlying developments in recent years and tested them extensively in technology partnerships with selected customers. Successful pilot installations have delivered extremely valuable experience on the versatile application possibilities of these services. For example, vCONNECT allows important tasks such as condition monitoring and predictive maintenance to be performed particularly smartly and efficiently for the machines and processes used in modern production lines. In addition, large volumes of image data can be archived in an unprecedented form for the optimisation of inspection programmes and can also be used for AI training. The vCONNECT online platform was officially presented at the SMTconnect 2022 trade fair. Several customers have now been connected to the platform and are using a service for the online monitoring of their installed systems.

Florian Martin, Head of Software & Digital Products at Viscom AG: "In the last four to five years, product development has evolved into an innovation team that addresses future-oriented topics. Customers have repeatedly asked us how analogue processes can be converted for use in digital contexts. The vCONNECT project was created to relieve the burden on our customers when it comes to machine maintenance, transparent processes and the evaluation of process and machine data (predictive maintenance). Our vision is to establish vCONNECT as a central platform in our product portfolio in its own right. The aim is for vCONNECT to have a similar status to our main application software vVision. Our customers will be able to manage all services

using the portal. vCONNECT will be the central interface with the customer. Our roadmap extends to 2026, so we still have a lot of work ahead of us. In 2023, we will focus on the further development of the system and the application. To date, we have received positive feedback from customers already using vCONNECT. We are concentrating on three to four large corporations and gradually enhancing vCONNECT. We want customers to use the portal to contact Viscom specialists, upload data and place service orders – in other words, we want vCONNECT to offer a complete application workflow. Services like predictive maintenance, condition monitoring, IT management services and storage solutions are also being developed further. Although our goals are ambitious, the success we have enjoyed with vCONNECT to date makes us highly confident and gives us the motivation to continue pressing ahead with the project."



Florian Martin Head of Software & Digital Products at Viscom AG



Sustainability Report 2022

Grow with us – sustainably.

About this report

Content and basic information

This section of the report relates to the 2022 financial year and, unless stated otherwise, to Viscom AG, the largest company of the Viscom Group in terms of revenue and number of employees. Additionally, Viscom's products are manufactured exclusively at the Hanover site, which is Viscom AG's home base. Although we do not currently apply an external framework (e. g. Global Reporting Initiative, German Sustainability Code), preparing this report, we have referred to these frameworks and the relevant provisions of section 289b and section 315b of the German Commercial Code (HGB) for orientation. At Viscom, issues relating to sustainability are the responsibility of the Integrated Management System and Sustainability Officer, who reports directly to the Executive Board in this capacity.

Our understanding of sustainability

Sustainability plays a central role for Viscom and its stakeholders

The topic of sustainability is playing an increasingly central role for Viscom and for its stakeholders – especially our customers, suppliers, employees, shareholders, financial institutions and the general public. Starting from the 2022 financial year, we have therefore decided to publish a dedicated report on environmental, labour and social aspects, our diversity concept, and the ways in which we act in accordance with internal policies and the law. This report is intended to give readers access to the topic of sustainability at Viscom for the first time. Our goal is to continuously enhance and expand our reporting and to define specific sustainability targets for Viscom in future.

Sustainability aspects of Viscom's business model

Viscom's state-of-the-art inspection systems are used wherever the inspection of electronic assemblies and mobile devices is essential. This makes Viscom's high-precision inspection solutions an important component of quality control and process optimisation in industrial electronics production. Our high-end products identify defects in customers' production as early as possible in order to minimise rejects and the number of faulty end products. This prevents electronic waste, protects resources and lowers energy consumption on our customers' production lines. Viscom's products are also designed for minimum space requirements in order to reduce packaging and weight during transport.

It goes without saying that we take care to preferably use environmentally friendly materials and environmentally compatible processing when developing and producing our inspection systems. We attach particular importance to high levels of energy efficiency, which we ensure through using efficient control and lighting technology as well as high performance computers.

Quality and durability are key elements of Viscom's products

Since 2005, Viscom's in-house quality management system has been comprehensively certified in accordance with DIN EN ISO 9001. This covers all aspects of value creation, from the development, production and sale of assembly groups, micro and X-ray inspection systems through to general industrial image processing. Viscom is committed to ensuring the consistently high quality of its products and solutions, as this represents an important purchase criterion for our customers. High-quality products and solutions also fulfil an important sustainability criterion thanks to their durability.

Sustainability is an integral element of our business activity

Sustainability – understood both as thinking financially in the long term as well as in its ecological dimension – is an integral part of the Viscom Group's entrepreneurial activities. The responsible treatment of people, resources and the environment, as well as corporate governance based on integrity and transparency, form the basis of our entrepreneurial success.

At Viscom, we also consider the lawful conduct of our employees and the management bodies of the Viscom Group being an important aspect of sustainability at all times.

Member of the VDMA sustainability initiative since 2014

Viscom has been a member of the Blue Competence sustainability initiative of the German Mechanical Engineering Industry Association (VDMA) since 2014. Blue Competence partners undertake to uphold the twelve sustainability principles for



mechanical and plant engineering as a means of expressing their commitment to sustainable activity in strategic, operational, cultural and communication contexts. Resource efficiency and cost efficiency have always been two sides of the same coin when it comes to mechanical engineering. By bringing together the participating companies, Blue Competence aims to demonstrate that acting sustainably is not only good but beneficial.

Environmental aspects

		2022	2021
CO ₂ emissions, Scope 1	in t	984	989
CO ₂ emissions, Scope 2	in t	270	289
	Total in t	1,254	1,277
Electricity consumption	in kWh	923,220	955,244
of which renewable electricity generated by in-house photovoltaic plant	in %	11.9	9.8
Consumed renewable energy generated by in-house photovoltaic plant	in kWh	110,604	93,857
Electricity generated by in-house photovoltaic plant and fed into the electricity grid	in kWh	73,944	69,171
Capacity of in-house photovoltaic plant	in kWp	180	180
Gas consumption	in kWh	974,040	1,112,648
Water consumption	in m ³	2,062	1,332
Procurement volume (Viscom Group)	in K€	42,953	39,321
of which in Germany	in %	80	83

Viscom's CO₂ emissions and resource consumption

An important aspect in connection with the environment is the quantity of CO₂ emissions originating from Viscom's economic activities. As a first step, the focus is on CO₂ emissions that we can influence directly, i.e. Scope 1 and 2 emissions according to the Greenhouse Gas Protocol.

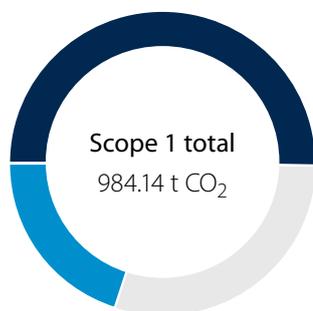
Scope 1 encompasses all direct CO₂ emissions caused by the Company, e. g. as a result of fuel consumption, while Scope 2 encompasses indirect CO₂ emissions in connection with energy purchased from a utility company and supplied via the grid. The relevant aspects for Viscom in this respect are gas and fuel requirements (Scope 1) and purchased electricity (Scope 2).

In 2022, Viscom recorded Scope 1 and 2 CO₂ emissions totalling 1,254 t, a slight reduction of 1.8 % compared with the previous year. By contrast, the Group's revenue volume increased substantially by around 32 %.

In Scope 1, 984 t or around 80 % of emissions related to petrol and diesel consumption for our vehicle fleet, while the remainder of around 20 % related to natural gas consumption. Viscom uses natural gas almost exclusively for heating Company buildings. A total of 974,040 kWh of natural gas was consumed in 2022, meaning that natural gas consumption was reduced by 12.5 % thanks to various savings measures. Scope 2 emissions of 270 t resulted from the purchase of electricity. Total electricity consumption in 2022 amounted to 923,220 kWh, of which 110,604 kWh or around 12 % was covered by the proprietary photovoltaic plant on the roof of our headquarters in Hanover.

Passenger car, Petrol

496.53 t CO₂



Passenger car, Diesel

291.82 t CO₂

Natural gas (EEW)

195.78 t CO₂

The global water shortage is intensifying as a result of climate change. In order to help minimise our Company's impact on the water cycle, we use rainwater in some of our sanitation facilities and take care to ensure that water is generally used sparingly. Viscom's water consumption in 2022 was 2,062 m³ (previous year: 1,332 m³).

The COVID-19 pandemic meant that a large number of our employees worked from home in 2021. The increase in electricity and water consumption compared with the previous year is largely due to the fact that our employees are returning to the Company's headquarters in growing numbers.

Local supply chains are a central element of Viscom's procurement policy

At 80 %, Germany accounts for a substantial proportion of Viscom's procurement volume, and we consider this to be an important aspect of sustainability when it comes to environmental impact and supply chain resilience alike. This safeguards local jobs and minimises resource consumption by ensuring short transportation routes. However, we are also reliant on international supply chains because not all specialist parts or applications can be procured in Germany.

With our purchasing terms, we strive to ensure that all Viscom suppliers, including those outside Germany, operate in a resource-efficient manner.

Supporting all steps to prevent the trade in conflict minerals

The term "conflict minerals" describes materials such as tin, tantalum, gold and tungsten and their derivatives whose mining in territories such as the Democratic Republic of Congo and neighbouring crisis regions can give rise to social and ecological harms.

Viscom is aware of the human rights violations usually involved in the mining of conflict minerals. It recognises its responsibility and expressly supports all legal steps preventing the illegal trade of conflict minerals. We refer to the Dodd-Frank Act in this respect. Viscom only purchases raw materials or minerals from companies that share its understanding of human rights, ethics, and environmental and social sustainability. Viscom expects its suppliers to comply with all of the provisions on conflict minerals and to submit all of the necessary declarations.

Recyclability of Viscom machines

Viscom machines typically have an average useful life of 15 years. After this period, all customers have the option of having an installed system disposed of by Viscom AG. Doing this, Viscom AG meets the requirements of the German Electrical Devices Act (ElektroG) and ensures that the systems and their components are broken down in line with the relevant provisions and professionally disposed of by a certified waste disposal company. At least 70 % of a given machine can be recycled, allowing the materials to be returned to the resource cycle for other uses.

Measures to improve environmental aspects

Environmental management system

The international standard ISO 14001 defines requirements for an environmental management system that enables an organisation to improve its environmental performance, fulfil statutory and other obligations and achieve environmental targets. Central elements are planning, execution, control and improvement with a view to the organisation's environmental targets and environmental guidelines.

Viscom continues to pursue the medium-term objective of implementing an environmental management system on the basis of ISO 14001 with an even more pronounced focus on ambitious and measurable targets by 2025.



Switch to renewable electricity

A substantial proportion of our Scope 2 emissions result from procuring the operationally necessary electricity. Although some of our electricity requirements are covered by our own photovoltaic system at the Hanover site, purchased electricity is not yet procured as renewable energy. A significant expansion of our photovoltaic system to just over twice its current generation capacity was resolved in the past financial year. This will put us in a position to generate a large proportion of the electricity required for our operations on our own in future. In addition to this ongoing project, we are currently analysing the possibilities for switching to 100 % renewable electricity and the potential timeframe for doing so.

Conversion of our vehicle fleet to electric cars

At present, Viscom's vehicle fleet mainly comprises petrol and diesel vehicles. Although some of the vehicles in the fleet are already hybrid or electric, we intend to gradually replace leasing returns with generally lower-consumption vehicles and additional hybrid and electric vehicles in order to reduce our Scope 1 emissions going forward.

Employee and social aspects and diversity concept

		2022	2021
Total employees, Viscom Group		571	468
of which women		89	83
of which trainees		20	17
Total employees, Viscom AG		388	361
Average absence rate p.a. ¹	in %	3.6	3.5
Average length of service ¹	in years	11.2	12.7
Employee turnover ¹	in %	2.0	4.9
Expenditure on training ¹	in K€	191	107

¹ Figures relate to Viscom AG

Employees are a key factor for success

Motivated employees with outstanding personal and professional qualities are essential to Viscom's long-term success. The prevailing labour shortage makes it even more important to retain good employees as well as encourage potential new employees to join Viscom.

At the end of the 2022 financial year, the Viscom Group had a total of 571 employees, 89 of whom were women. This represents a ratio of around 16 %. The Viscom Group currently has 20 apprentice positions in various commercial and technical professions. Viscom AG, as the leading company of the Viscom Group, had 388 employees at the end of the 2022 financial year, thereby accounting for 68 % of the Group's total workforce.

Viscom takes its social responsibility seriously

As an internationally active company, we take our responsibility to society extremely seriously and believe that our commitment in this area represents an important factor in our long-term business success. We are involved in a number of projects as do-

nors and sponsors. We place a strategic focal point on initiatives relating to the Company's business activities and give priority to projects and initiatives in the area of education and science.

We are particularly proud to be able to offer apprentice positions to two people in cooperation with SINA, Diakonisches Werk Hannover's program for social integration. A church welfare institution for youth employment assistance, SINA provides unemployed young women making the transition from school to work with individual support, social stabilisation and a wide range of qualification, employment and training opportunities in cooperation with companies so that they can take their first steps into the workplace.

Viscom AG is also a member of Wissensfabrik, which aims to better prepare Germany for the future and prepare the next generation for global competition by pooling the resources of over 130 companies and foundations set up by companies. Wissensfabrik is involved in educational projects around Germany and supports business start-ups and young entrepreneurs. In Hanover, we work with the Kind Wissen Zukunft association (KiWiZ e. V.) to deliver Wissensfabrik's educational projects. One key element of the initiative are specially designed construction kits that allow children at primary schools and kindergartens to have fun developing and realizing technical projects with the assistance of teaching staff. By providing practical, hands-on projects like these free of charge, we help children and young people to gain their first experience of technical applications through play, giving them access to science, technology, engineering and mathematics (STEM) and helping them to develop a love for these subjects.

Research partnership with the University of Hanover

The successful transfer of scientific findings into practical applications has been an important building block of Viscom's research and development work for several years now. Together

with the Leibniz University of Hanover, Viscom is promoting such a transfer process within the scope of research and development projects, in which scientific knowledge is applied in developing solutions to specific issues relevant to the market. In addition to these projects, the Company continued to intensify its cooperation with universities in 2022 by offering a number of internships and bachelor's and master's theses. This provides students with an insight into the practical world of work and gives Viscom the opportunity to win over talented individuals at an early stage and retain them for the Company.

Employee well-being and development

Viscom has an occupational health management system and offers its employees training courses, fitness cards, health days and weekly fruit and vegetable boxes to help them look after their health. These offers and the general satisfaction of our employees, along with other factors, have a positive effect on the average sick days per year, so that we were able to achieve a value of 3.6 % in 2022, this was a slight deterioration compared to the previous year. One of Germany's biggest statutory health insurers reported average sick days of 5.5 % for the full year 2022, meaning that Viscom performed extremely well by comparison.

Flexible working time models, mobile work and a company child care centre help employees to achieve a healthy work-life balance and are one of the main reasons for our workforce's average job tenure of 11 years. Employee turnover in 2022 was extremely low at 2.0 %, thereby declining further compared with the prior-year figure (4.9 %).

We also continuously invest in the skills and internal and external training of our employees. We spent a total of € 191 thousand in this area in the past year, up significantly on the prior-year figure of € 107 thousand.



Company child care centre for family-friendly working life

At Viscom, we have had our own child care centre – Vikis – since 2009. The aim is to enable our employees to return to work quickly following their parental leave and hence improve their work-life balance. The centre is located very close to Viscom AG's headquarters and provides care for 15 children up to three years of age. The team consists of five dedicated teaching professionals. A favourable staff-to-child ratio enables the team to address the needs of each child and encourage their development in a targeted manner.

Diversity concept strengthens equal opportunities at Viscom

With the expert guidance of the Chairwoman of the Supervisory Board, Prof. Morner, an overarching concept was established to further promote employees' management skills and opportunities for advancement. This concept is subject to ongoing further development. It includes a diversity concept that is intended to strengthen the principle of equal opportunity. The aim is for

women to have the same opportunities as men for advancement at Viscom AG and in the Group as a whole. This is partially encouraged by set quotas. In the interests of equal opportunities and the role model function this entails, the Executive Board and Supervisory Board welcome the fact that, in Prof. Michèle Morner, 33 % of the positions on the Supervisory Board are now held by women.

Supporting non-profit aims via the Viscom Foundation

Established by the Company founders, Volker Pape and Dr. Martin Heuser, the Viscom Foundation pursues scientific, cultural and regional non-profit aims. It seeks to promote scientific activities in industrial image processing and artificial intelligence. It also supports technical training initiatives, e. g. by awarding scholarships. Another material purpose of the foundation is to support social welfare institutions and associations in Lower Saxony and the state capital Hanover. Musical training, performances and concerts are also promoted. The foundation generates its income from dividends paid by Viscom AG, which are used to finance the purposes of the foundation.

Measures to improve employee and social aspects and the diversity concept

Attracting more women to Viscom

Our aim is to become even more attractive to female employees. As a first step towards achieving this, the Executive Board of Viscom AG passed a resolution on 30 June 2020 setting targets for the share of women in the two management levels below the Executive Board. The Executive Board set a target of a share of women of 25 % in both the top national management level and the management level below that. These targets are to be achieved by 30 June 2025.

Targeted employee development

The training and development of our employees is becoming even more important in light of the growing labour shortage. Accordingly, we intend to step up our activities in the area of training in future and offer our employees a wide range of opportunities for developing their existing skills and learning new things. To this end, Viscom will invest in a learning management system (LMS) with a view to intensifying its training in the form of a Viscom Academy.

Focus on employee health

In addition to our employees' skills and abilities, it goes without saying that we have a keen interest in their health. We will continue to focus on our employees' health in future and take active steps to further reduce the average sick days.

Acting in accordance with our policies and the law

Viscom takes its compliance obligations extremely seriously

Viscom aims to succeed through innovation, quality, reliability and fairness. Compliance with company-specific policies as well as statutory provisions forms an integral element of how all Viscom employees think and act. We are committed to acting in accordance with the law and the applicable regulations and we take the resulting obligations extremely seriously. The corresponding principles are set out in our Corporate Compliance Policy, including compliance with data security guidelines, equal opportunity, and adherence to product safety and occupational health regulations. All managers are required to organise their area of responsibility in such a way as to ensure compliance with the Corporate Compliance Policy, company-specific regulations and statutory provisions. The principles are available to Group

employees on the intranet, where they can be accessed at all times in German and English. Viscom also provides its employees with advice on identifying legal infringements and possible breaches of applicable regulations at an early stage and preventing them from occurring.

Corporate governance is an important cornerstone for management and supervision at Viscom

Corporate governance is defined as the legal and de facto regulatory framework for managing and monitoring a company. The German Corporate Governance Code sets out principles, recommendations and suggestions for the Executive Board and the Supervisory Board that are intended to help ensure that the Company is managed in the company's best interests. The Executive Board and Supervisory Board of Viscom AG are committed to the principles of good corporate governance and refer to the disclosures in the Corporate Governance Statement in accordance with sections 289f and 315d HGB, which can be found on the Company's website under Company/Investor Relations/Corporate Governance.

Action against corruption and bribery

The aforementioned Corporate Compliance Policy also stipulates how to deal with business partners and government institutions, how to maintain secrecy, independence and objectivity and how to act in cases of conflict of interest. These principles include the avoidance of corruption and cartel agreements.

Whistle-blower system implemented

A whistle-blower system enables our employees to report potential legal infringements to Viscom AG. This allows the Compliance Officer and where applicable the Executive Board to work towards containing damage and preventing further damage.



General purchasing terms establish key cornerstones for cooperation

In addition to important parameters such as general contractual conditions, quality requirements and payment terms, Viscom's general purchasing terms require the Company's suppliers to operate in a resource-efficient manner, meaning that sustainability aspects should be taken into account in their business activities.

Executive Board remuneration expanded to include sustainability criteria

Following a detailed discussion, the Supervisory Board decided in 2021 to largely retain the previous remuneration system while expanding it to include sustainability criteria. In addition to financial indicators, the performance criteria for the determination of variable remuneration for all future Executive Board contracts will include sustainability criteria such as employee turnover and energy consumption. Further information can be

found in the remuneration report for the 2022 financial year in accordance with section 162 of the German Stock Corporation Act (AktG), which can be found on the Company's website under Company/Investor Relations/Corporate Governance/Remuneration System.

Diversity targeted for the Executive Board and achieved for the Supervisory Board

The Supervisory Board pays attention to diversity when it comes to the composition of the Executive Board. At the same time, the Supervisory Board has great confidence in the members of the Executive Board currently in office, and does not feel that changes in Executive Board personnel are necessary at this time. However, stipulating a target for the number of women within the maximum period of five years would signal such a personnel change, and could therefore negatively affect the confidence and motivation of the members of the Executive Board in office.

Furthermore, increasing the size of the Executive Board with no operational motivation would entail additional costs and would not be in the Company's interests at this time. If a member of the Executive Board ends his term prematurely or in the event of other personnel changes to the Executive Board, the Supervisory Board will give preference to an equally qualified female candidate when appointing a new member. The long-term objective of the Supervisory Board is for at least 20 % of the Executive Board to be women, but this is not currently formally defined as a target within the meaning of section 111(5) sentence 1 AktG.

The Supervisory Board resolved by circulation procedure dated 30 June 2020 to set a target of one-third for the share of women

on the Supervisory Board. This target – which has already been achieved following the appointment of Prof. Michèle Morner as Chairwoman – is to be maintained until 30 June 2024.

Risk management as a central element of good corporate governance

A responsible approach to business risk is one of the principles of good corporate governance. The Executive Board of Viscom AG and the management of the Viscom Group have access to comprehensive Group and Company reporting and control systems which facilitate the detection, assessment and controlling of risks. These systems are continuously enhanced in order to adapt them to changing conditions and are additionally monitored by auditors. The Executive Board regularly informs the Supervisory Board of existing risks and their development.

Improvements in the area of action in compliance with our policies and the law

Compliance awareness training for employees

In future, we want to ensure that our employees are even more aware of compliance issues such as corruption and bribery, insider training, occupational health and safety, as well as informing them about potential legal risks and their avoidance.

Focus on sustainability aspects in supply chains

Supply chains play an important role for Viscom when it comes to sustainability. Our suppliers consume resources, emit CO₂, employ people, and have their own statutory obligations to fulfil. At Viscom, our aim is to further improve our understanding of sustainability aspects in our supply chains and ensure that they are taken into account to a greater extent in future orders.

Integration of sustainability factors into the risk management system

In the past financial year, Viscom was not yet subject to the provisions on mandatory sustainability reporting. With the help of an external consultant, it is currently in the process of systematically identifying the impact of its business activities on environmental and social factors and the associated risks and developing a concept for comprehensively integrating sustainability into its business management, including the control and risk management system. It therefore intends to further intensify sustainability-related risk identification and avoidance in future.





Amelia Idzni Exacom GmbH, Sales and Marketing Engineer

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Group Management Report 2022

Basic information on the Group

Business model of the Group

Structure of the Company and its investees

Viscom AG, Hanover (hereinafter: Viscom AG), is the parent company of the Viscom Group (hereinafter referred to as Viscom).

Viscom AG is registered with Hanover Court of Registration under commercial register number 59616.

With subsidiaries in Asia, the Americas, Europe and Africa that are directly or indirectly wholly owned by Viscom AG, the Group has an efficient, market-oriented organisational structure. Viscom AG directly holds 85 % of the shares in Exacom GmbH. All the companies focus on their respective customer groups and their requirements. This enables them to act and respond quickly and flexibly. They also benefit from the advantages of belonging to a larger group, thus enabling the mutual sharing and utilisation of knowledge and experience. Production takes place exclusively in the Group's home base, Hanover. This means that Viscom enjoys the production advantages of one of the most highly developed industrial locations, allowing it to guarantee a very high quality level for its products.

In 2001, Viscom GmbH changed its legal form to that of a German stock corporation (Aktiengesellschaft) and became Viscom AG. The company's share capital is divided into 9,020,000 shares. 59.99 % of the shares are held by the company's founders Dr. Martin Heuser and Volker Pape, either directly or through intermediary companies and foundations. 4.92 % of the shares are held by Allianz Retraite S.A. and 3.02 % by Universal-Investment-Gesellschaft mbH.

The Extraordinary General Meeting held on 20 August 2013 agreed to convert some of the committed capital reserves

(€ 22,550 thousand) into free capital reserves (section 272(2) no. 4 of the Handelsgesetzbuch (HGB – German Commercial Code)) by way of an increase in the company's share capital from corporate funds without issuing new shares and a subsequent reduction in capital. This was in accordance with the proposals by the Executive Board and Supervisory Board published in the German Federal Gazette (Bundesanzeiger) on 10 July 2013.

As at 31 December 2022, Viscom AG held committed capital reserves in accordance with section 272(2) no. 1 HGB amounting to € 14,557,160.08.

On 29 July 2008, the Executive Board, with the approval of the Annual General Meeting on 12 June 2008 and following consultation with the Supervisory Board, resolved to acquire up to 902,000 of the company's shares by 31 March 2009. The company had bought back 134,940 shares as at 31 March 2009. Viscom AG held around 1.50 % of its shares as treasury shares as at 31 December 2022.

The Executive Board of Viscom AG had four members as at 31 December 2022:

Carsten Salewski: Sales
Peter Krippner: Operations
Dr. Martin Heuser: Development
Dirk Schwingel: Finance

The Executive Board is monitored by the three members of the Supervisory Board:

Prof. Dr. Michèle Morner (Chairwoman)
Volker Pape (Deputy Chairman)
Prof. Dr. Ludger Overmeyer

Segments and key locations

Viscom develops, manufactures and sells high-quality inspection systems for use in industrial production. The Company's business activities are broken down on the basis of work required for the project-specific adaptation of standard components and systems, and the technology used to identify potential production errors using the inspection systems.

The company's business is segmented geographically by sales regions, it serves the European market from its headquarters in Hanover which includes the Exacom GmbH, and a sales subsidiary in Paris, France, the sales market of the Americas from its sales subsidiary in Atlanta, USA, plus the service company in Mexico acquired in 2022, and the Asian market from its sales subsidiary in Singapore, which in turn has its own sales subsidiaries in Shanghai, China, Huizhou, China, and Bangalore, India. The sales company in Tunis, Tunisia, a subsidiary of the French subsidiary that cultivates and serves the North African sales market, is allocated to the geographical segment Europe.

To minimise the supply shortages for the steel frames and lead compartments needed to manufacture inspection systems, Viscom AG acquired a longstanding supplier for the manufacture of metal frames as at 1 April 2022. This company will operate exclusively for Viscom AG under the name Viscom Metallgestaltung GmbH.

Reflecting the dynamic development of the energy storage products market, Viscom AG spun off its battery cell inspection unit as at 1 July 2022. As a subsidiary, Exacom GmbH handles the development and sale of systems for the X-ray inspection of battery cells – for all application areas, regardless of cell format or size. The subsidiary is based in Hanover at the headquarters of the Viscom Group. From here, the Exacom team is working on the expansion and further development of its product portfolio. Whether for electric mobility, energy storage or mobile devices, demand for batteries is growing and therefore so is the need for reliable inspection. The founding of Exacom GmbH is ano-

ther systematic step towards establishing Viscom AG as a strong provider of state-of-the-art inspection systems and innovative solutions outside the automotive sector as well, and to actively leverage the opportunities arising on the growth market for energy storage products.

Business processes

The inspection systems are developed and produced at Viscom AG's headquarters in Hanover. All central functions, such as business administration, development, production, service and sales management, are based here.

The company's product development activities focus on fundamental development work for future generations of inspection systems and project-specific development to adapt basic types of machinery to meet customer-specific requirements.

A large part of production is order-based. It draws on in-house pre-production of various assemblies. This enables greater production safety, especially in view of precarious supply chains.

Sales activities are performed by Viscom AG's sales employees and customer care teams, its Group companies and agents acting on the market as industry representatives for mechanical engineering firms.

Operational availability is one of the most important aspects when using an inspection system. This requires regular maintenance, repair and calibration. Central service and the customer care teams assist Viscom's customers in that job. Fast reaction times are ensured thanks to the global presence of Viscom's service employees.

Major business processes are managed and supported with the help of the business software proALPHA. The order processing module included in this system is used by all Viscom locations around the world.

Legal and economic factors

Over the course of 2022, the financial markets and the world economy were still affected by COVID, but in particular by inflation and interest concerns, supply chain shortages and the tangible rise in energy and raw material prices. Disruptions in supply impeded production for many industrial operations. In mechanical engineering, the shortage of materials is still by far the biggest obstacle to production. This significant shortage in various components for pre-production is also affecting Viscom AG's business and causing delays in revenue recognition. Higher energy and raw material prices in Germany are likewise having a clearly negative impact on Viscom. Please refer to the economic report below for more details on the development of the economy as a whole.

Management system

The key performance indicators by which the Viscom Group is essentially managed are incoming orders, revenue, EBIT (operating profit or segment earnings) and the EBIT-Margin (EBIT / revenue).

The management of the Group is based on a reporting system that takes the form of monthly reports submitted to management and the heads of the business areas. These monthly reports include the consolidated income statement and individual breakdowns for the various Group companies.

The reports also include a detailed presentation of the cost structure and key figures of Viscom AG and other companies of the Group. They provide information on revenue in the Group's systems installation regions, incoming orders, the order backlog, the number of employees, cash and cash equivalents, the utilisation of the overdraft facilities available, total receivables and receivables from subsidiaries, orders placed for the purchase of goods and inventories of goods and completed and partially completed systems.

In addition, they provide an overview of employee turnover, absence due to illness and revenue per capita, in addition to key indicators for project management, product development, production and logistics. The statements contained in the monthly reports are analysed in regular meetings between the Executive Board, all heads of business areas and the managing directors of the individual branches. Any need for action emerging results in decisions that are usually implemented in the short term.

Viscom AG was listed in the Prime Standard of the regulated market on the Frankfurt Stock Exchange as at 31 December 2022. The company publishes quarterly and half-yearly consolidated financial reports in accordance with IFRS.

Research and development

Development activities mainly focus on the advancement of existing system solutions and the implementation of new market requirements in the field of optical and X-ray inspection processes. This area also focuses on the definition of new products and systems.

Viscom works continuously on developing new and improving existing products. In 2022, the focus with regard to inspection systems was on developing a new AOI system family. The iS6059 system family is to cover different system sizes as well as different application areas. The range of system sizes extends from compact systems to medium-sized conventional AOI systems to larger systems that also allow for dual-track inspection and for the inspection of very large circuit boards. This makes it possible to combine many previously different system types in one system family, resulting in greater flexibility in procurement and production planning. The basic concept for the iS6059 system family was developed in the first half of 2022, and in the second half of 2022 an initial prototype was built and successfully tested. As such, the foundations have been laid for further development steps to follow in 2023.

Viscom aims to incorporate new technologies and advances in existing technologies in the development of its systems and system components. In the area of optical cameras and sensor modules, the opportunity arose in 2022 to improve both their availability and their technical properties. By using new camera chips with a higher number of pixels in some cases and adaptations to the optics, the depth of focus of both the orthogonal and the oblique cameras was increased, which makes it possible to inspect electronic components over a greater height range. At the same time, the image field of the oblique cameras was expanded, allowing improved throughput to be achieved. The performance data for the second generation of the XM sensor system (XM-II) have thus been improved significantly overall.

Another system development relates to the manual X-ray system X8011. This was expanded into a system series for manual X-ray inspection, so that it can be used in more applications, resulting in additional market opportunities. One example is that the new X8011-III can also cover semi-automated inspection of battery cells, which many customers use as a first step towards fully automated inspection of battery cells. The previous options for applications in the NDT (non-destructive testing) area have been maintained.

In 2022, Viscom established the subsidiary Exacom GmbH, where its activities for the development and sale of systems for the X-ray inspection of battery cells are focused. With regard to development, the focus in 2022 was on standardising the measurement and inspection systems and further improving throughput and the scope of inspection. In systems technology, one achievement in 2022 was that largely uniform systems based on the iX7059 system family can now be used both for the 2D inspection of round cells for the 3D inspection of pouch cells, for the growing number of customers in this segment. The different handling variants and conveyor technology for the battery cells can be integrated in the systems on a modular basis.

In software – based on the Viscom platform vVision – considerable increases in throughput were achieved in development. In the case of 2D inspection of round cells, this was made possible by optimising the software interfaces for image recording and battery cell transportation. The further increase in AI expertise at Viscom in 2022 also benefited the inspection software for battery cells, with partial steps of the analysis of X-ray images now regularly being handled by artificial intelligence (AI).

AI expertise at Viscom was systematically developed further in 2022. For some applications, the company managed to make pre-trained AI models usable by multiple customers. With increased use of AI, this saves a considerable amount of work when collecting image material and carrying out AI training. The AI application at Viscom is standardised to the extent that standard offers can now be created in operating business and AI orders can largely be executed by Viscom's application specialists. In AI, a whole range of applications are now being used by Viscom's customers. These range from supporting the operator with the final evaluation of the inspection results, to suppressing interfering structures during the inspection, to segmenting pockets of gas (voids) in solder joints.

At the SMTconnect 2022, the online platform vCONNECT was officially presented to customers. Several customers have now been connected to the platform and are using a service for the online monitoring of their installed systems. Following further development steps, the company has now managed to offer vCONNECT in different performance levels for customers on a standardised basis. These include options for the IT management of Viscom systems and the accumulation of image data for AI training and for optimising inspection programs.

With regard to the vVision software platform, development work to improve its operability continued in 2022. New inspection programs are to be generated even faster and deliver excellent

and robust inspection results with less optimisation work. The focus here was on automatic 3D X-ray systems (3D AXI). A new, generalised method for evaluating X-ray tomograms was developed, making it much easier to transfer the inspection to many different types of electronic components. This will significantly expand the range of possible applications for Viscom's 3D AXI and further accelerate the establishment of inspection programs. As regards the use of 3D methods with planar computed tomography, it is also very important to compensate for any sag of the circuit board when evaluating tomograms. Thanks to the integration of a laser height sensor, the operator can now achieve good inspection results much faster. Various function extensions at the verification station improve the way that the defects found are presented during verification of the inspection results, thus making the job easier for the customers. There was a particular focus on further development of the visualisation for 3D X-ray analysis: As a result of integrating new functions, a precise 3D model of the planar computed tomography can now optionally be displayed. This gives users the possibility to track the forms of soldering defects more closely and react accordingly. Another aspect relates to the performance of data processing for larger assemblies such as server boards. These work steps when generating inspection programmes are now up to 40 % more efficient in terms of the storage and time required.

The successful transfer of scientific findings into practical applications at Viscom has been another important building block of development work for many years now. Together with the University of Hanover, Viscom is promoting such a transfer process within the scope of research and development projects, in which scientific knowledge is applied in developing solutions to specific issues relevant to the market. In addition to these projects, the Company continued to intensify its cooperation with universities in 2022 by offering a number of internships and bachelor's and master's theses. One priority here in 2022 was the AI application. This cooperation will continue in 2023.

We shall focus on various developments in 2023, including the market launch of the first members of the AOI system family iS6059. There will be a focus here on system variants that expand the existing range of Viscom AOIs or replace existing special variants. These include solutions for AOI inspection from below – which is used particularly for wired components in high-current applications – as well as systems for production lines with dual-track technology.

With regard to software, one goal for 2023 is also to be able to offer systems for manual X-ray inspection (MXI) and the inspection of bonding wires with the vVision software platform. Another priority in relation to software is to advance modularisation and performance by overhauling part of the core software. This will allow for shorter development times for the developers and shorter optimisation cycles for the users. As in 2022, two releases of vVision are to be completed in 2023, enabling additional features to be provided to customers in the near future. These include the use of the above-mentioned 3D volume presentation at the verification station, too, as well as further acceleration of the programming methods for generating and optimising inspection programmes.

With regard to AI, work in 2023 will also relate to approaches for its use in optimising inspection programs. The objective here is to support customers and users with adjustments to the inspection procedures, which are generally made in order to improve the inspection results. This represents a first step towards automatic programming of Viscom inspection systems.

vCONNECT, the platform for digital services at Viscom, is to be expanded further in 2023. One approach here is to use vCONNECT for statistical purposes, too. On the one hand the error rates keep falling, while on the other hand the demands on the quality of inspection results keep increasing to allow operating staff to be deployed as effectively as possible. At this

point, further optimisation requires efficient online statistics that deliver conclusive results. This is exactly what vCONNECT is to be developed further to do: first to collect large quantities of data, then to analyse them efficiently to support users.

The improvements in performance data for the XM sensor systems that have already been achieved should also be expanded to other variants of the XM-II sensor module family. The focus here for 2023 is on the sensor module for inspection from below. Here, too, the new camera chips with new optics are to be used.

With regard to battery cell inspection, the two existing iX7059 series variants for inspecting round and pouch cells are to be supplemented by a particularly rapid 3D inspection variant. The Rapid iCT variant is to make 3D inspection of battery cells fast enough to be inlinecapable. This will significantly expand the range of possible applications.

Expenditure for research and development amounted to 6.7 % of revenue (previous year: 7.9 %). In the past financial year, development costs of € 3,193 thousand (previous year: € 2,972 thousand) were capitalised, resulting in a capitalisation ratio of around 84 % for 2022 (previous year: around 78 %). Capitalised development costs were written down in the amount of € 2,747 thousand (previous year: € 2,180 thousand).

As a result of further developing the quality management system, a steady improvement in quality was achieved. Viscom has been certified by Deutsche Gesellschaft zur Zertifizierung von Managementsystemen in accordance with DIN EN ISO 9001 continuously since 2005.

Economic report

Macroeconomic and sector development

Macroeconomic development

Under the sway of high energy and raw material costs, established supply problems and major geopolitical uncertainty, the expansion of the world economy came to a halt in the spring of 2022. The growth rate of global industrial production fell off significantly as a result of Russia's invasion of Ukraine. The economic consequences of the COVID pandemic also greatly impaired the outlook for the world economy in 2022. The explosion in energy prices and the high costs of production for companies have weighed on general economic demand as well. High inflation, for instance, is diminishing the purchasing power of private households. In the face of an uncertain economic future, companies are reining in their capital expenditure. The momentum of the world economy keeps slipping away, which is negatively affecting German exports as well.

Despite the crisis, the German economy grew by 1.9 % in 2022 after adjustment for inflation. The strong upturn anticipated before Russia's war of aggression on Ukraine did not materialise. In January 2022, the German government had still been predicting GDP growth of 3.6 %. As a result of the war and the ongoing energy crisis, the first forecasts for 2022 were more modest. The German government's outlook from October anticipated 1.4 % growth for last year. However, Germany exceeded its pre-COVID level again for the first time in 2022, with GDP up 0.7 % compared to 2019.

Sector development

Revenue recognition at Viscom is focused on the manufacture of systems for the inspection of electronic assemblies. Viscom is therefore predominantly represented in the automotive supplier segment within the electronics industry, one of the largest

branches of industry in the world. Technical developments in the electronics industry have been a key innovation driver for Viscom over the last few years. The volumes and quality requirements of increasingly complex and ever-smaller electronic assemblies are seeing constant growth. These assemblies can only be tested reliably using automated inspection systems. Hidden solder joints, miniaturised components and densely populated printed circuit boards must be inspected safely and quickly. High resolution, reliable fault detection and high throughput are extremely important here. Viscom inspection systems are used everywhere where the requirements for precision and speed are particularly high. The main customers for Viscom products are the automotive electronics sector, manufacturers of consumer and industrial electronics, and service providers (EMS) that manufacture electronic assemblies to order for various sectors. Furthermore, Viscom systems are increasingly being used for the automated final optical or X-ray inspection of finished equipment. This includes complete assemblies from the electromobility sector, high-end mobile consumer equipment and in recent years also significantly more lithium-ion batteries in various designs.

In recent years, Viscom has intensified its efforts to gain a foothold in non-automotive industries such as battery production, telecommunication, industrial electronics and semiconductor production. It is focusing on growth industries in the electromobility and computers, communication and consumer (3C) sectors. Mechanical engineering companies are facing a wide range of global challenges. While the war in Ukraine is affecting Europe in particular, supply chain disruptions and shortages, the COVID pandemic and higher inflation are global issues. According to estimates by the German Mechanical Engineering Industry Association (VDMA), global machinery revenue is expected to rise by 2 % in real terms in 2023.

Target sectors, target markets and target customers

The inspection systems manufactured by Viscom are employed primarily within the electronics industry. Producers of electronic components are the main customer segment, accounting for 65 % of revenue (previous year: 71 %). Some of these companies are involved in production for end consumers. However, the majority of Viscom's customers are suppliers for other companies that manufacture products such as electronic assemblies. These supplier parts are integrated into end products, for example motor controllers into vehicles. The remaining 35 % of revenue (previous year: 29 %) relates to manufacturers from other industries, such as battery production and consumer electronics.

With its optical, X-ray and combined inspection systems, Viscom is particularly well represented in production operations with the very highest quality requirements. Accordingly, its main customers are companies who make product safety a top priority. The automotive electronics sector accounts for a particularly high volume of business in this respect.

With the increasing use of in-car electronics and the high reliability requirements for vehicle systems, the automotive industry is a major customer group for the inspection of electronic assemblies. These assemblies, which often are safety-related components, such as ABS, ESP, or airbags, are typically inspected using systems such as those offered by Viscom.

As a result of rising technological demands, including in the consumer goods industry, pressure to improve quality is also far

higher than in previous years. However, the emphasis is being placed more on process quality, as a stable process improves the delivery quality and, in particular, results in fewer rejects and hence higher levels of production efficiency. At the same time, electronics manufacturers from Asia in particular are increasingly seeking to position themselves as premium providers.

Technological developments and the accompanying technical and economic progress, combined with its international sales and service presence, have helped Viscom to expand its market position and achieve long-term customer retention. By continuously developing its products, improving its business processes and adapting its sales organisation to reflect changing conditions, Viscom is in a position to address the challenges of the future and thus maintain and expand its market position.

Close, long-term customer contacts form the basis for comprehensive and customised service. The results of this cooperation are incorporated into the development of new system solutions and the refinement of proven systems. This allows Viscom to develop new solutions and open up future markets thanks to a high degree of innovation and customer proximity.

Customer structure

Viscom generated around 54 % of its revenue with its eight largest customers (previous year: around 52 %). A further 30 % of revenue was generated with 38 customers (previous year: 32). The remaining revenue was generated with a total of 378 different customers (previous year: 371).

Summary analysis of the company's net assets, financial position and results of operations and course of business

Actual development of key performance indicators in 2022 compared to forecasts and the previous year

Performance indicator		Forecast for 2022 (as at 11 March 2022)	Forecast for 2022 (as at 20 Oct. 2022)*	Actual figure for 2022	Actual figure for 2021
Revenue	€ million	90 to 95	95 to 100	105.5	79.8
Incoming orders	€ million	90 to 95	100 to 105	111.1	89.8
EBIT	€ million	4.5 to 9.5	4.7 to 8.0	8.2	4.2
EBIT-Margin	%	5 to 10	5 to 8	7.8	5.3

* The forecast was adjusted by the Executive Board of Viscom AG on 20 October 2022 due to the positive development of Viscom AG's business activities

Results of operations

Incoming orders / order backlog

Orders totalling € 111,065 thousand (previous year: € 89,791 thousand) were received in the 2022 financial year. This represented a substantial rise of around 24 % compared to the same period of the previous year. The increase in incoming orders reflects the good placement of Viscom's inspection systems and services on the markets.

The order backlog was € 34,484 thousand as at the end of 2022, an increase of around 19.2 % as against the previous year (€ 28,937 thousand).

The positive order development described above led to a corresponding adjustment of the forecast (as at 11 March 2022). The forecast as corrected on 20 October 2022 was exceeded as at the end of the year.

Revenue development

The positive development of incoming orders in the 2022 financial year was also reflected in revenue performance.

Revenue amounted to € 105,518 thousand in the year under review, representing a year-on-year increase of 32.2 % (previous year: € 79,792 thousand). In the first quarter of 2022, revenue of € 20,815 thousand was recognised. This was 32.9 % higher than in the same period of the previous year (€ 15,664 thousand). In the second quarter of 2022, revenue of € 24,024 thousand was recognised. This was 15.4 % higher than in Q1 2022 (€ 20,815 thousand) and 30.5 % higher than in the second quarter of the previous year (previous year: € 18,405 thousand). Viscom's total revenue in the first half of 2022 amounted to € 44,839 thousand, 31.6 % higher than the previous year's figure (€ 34,069 thousand). Revenue of € 22,119 thousand was recognised in the third quarter of 2022. This was 6.3 % higher than in first quarter of 2022 (€ 20,815 thousand) and 7.9 % lower than the

figure for the second quarter of 2022 (€ 24,024 thousand). Viscom's revenue amounted to € 66,958 thousand in the first three quarters of 2022, 22.1 % higher than the previous year's figure (€ 54,820 thousand). Revenue amounted to € 38,560 thousand in the final quarter of 2022, up 54.4 % on the figure for the previous year (€ 24,972 thousand).

The revenue generated as of the end of the year exceeded both the original forecast from 11 March 2022 and the corrected forecast from 20 October 2022.

Operating profit (EBIT)

Operating profit increased by € 3,989 thousand year-on-year to € 8,186 thousand (previous year: € 4,197 thousand). The main reason for the difference from the previous year was the increase in total operating revenue (total operating revenue defined as revenue plus the change in finished goods and work in progress and other own work capitalised). The change in total operating revenue rose by € 24,289 thousand and was made up of the € 25,726 thousand increase in revenue, the increase lower by € 1,658 thousand in finished goods and work in progress, and the € 221 thousand increase in other own work capitalized.

The cost of materials correspondingly increased by € 7,572 thousand to € 45,158 thousand (previous year: € 37,586 thousand). Overall, this resulted in a positive effect on earnings of € 16,717 thousand. The cost of materials included negative effects of € 5 thousand (previous year: € 249 thousand), while the change in finished goods and work in progress included positive effects of € 441 thousand (previous year: negative effects of € 373 thousand) from impairment losses on inventories. Staff costs increased from € 32,839 thousand in the previous year to € 39,900 thousand. This was due to the rise in the number of employees over the course of the year and the increase in

provisions for remaining holiday, overtime and bonuses / management bonuses, and salary increases. In addition, there was no cost relief from working short-time in the financial year.

Other operating expenses of € 14,735 thousand (previous year: € 9,758 thousand) were up € 4,977 thousand, chiefly due to increased costs for travel, sales (particularly freight and packaging, trade fair costs, agents) and hardware and software maintenance. Earnings were also positively impacted by the € 202 thousand rise in other operating income and negatively impacted by the € 892 thousand rise in depreciation and amortisation.

As a result of the effects described above, the operating profit of € 8,186 thousand was in line with the forecast from 11 March 2022 of between € 4.5 million and € 9.5 million and slightly higher than the adjusted forecast from 20 October 2022 of between € 4.7 million and € 8.0 million.

EBIT-Margin

The above effects on operating profit, particularly the increase in total operating revenue, led to a higher EBIT-Margin for the 2022 financial year. At 7.8 % (previous year: 5.3 %), the EBIT-Margin was thus in line with both the forecast from 11 March 2022 of between 5 % and 10 % and the adjusted forecast from 20 October 2022 of between 5 % and 8 %.

Net profit for the period

Net profit for the period amounted to € 5,369 thousand (previous year: € 2,587 thousand). The effects in operating profit described above also positively affected net profit for the period. At 27.6 %, the tax rate was below the previous year's level (31.6 %).

The pre-tax return on sales was 7.0 % (previous year: 4.7 %).

Earnings per share

Viscom acquired 134,940 treasury shares on the stock exchange for € 587 thousand in the period from 29 July 2008 to 31 March 2009. As a result of this share buyback, the number of dividend-bearing shares decreased from 9,020,000 to 8,885,060. The option to buy back shares was not exercised in 2022.

Based on a total of 8,885,060 shares, earnings per share for the 2022 financial year amounted to € 0.60 (basic and diluted). In the previous year, earnings per share had come to € 0.29.

The distribution of a dividend of € 0.30 per eligible share will be proposed to the Annual General Meeting on 31 May 2023. With the intended distribution of at least 50 % of the net profit for the period reported in the Group, the management is complying with the dividend policy of Viscom AG that has been communicated for many years already. This dividend proposal is based on the anticipated economic development of the company, taking account of the funds required for operations.

Financial result

The financial result was below the previous year's level at € -771 thousand in 2022 (previous year: € -415 thousand). The financial expenses resulted in particular from interest expenses for utilised overdraft facilities, a long-term loan and lease liabilities.

Exchange rate effects

As it operates internationally, Viscom is exposed to exchange rate risks. Given the Company's business volumes and the development of the euro/US dollar exchange rate, the current level of exchange rate risk was deemed acceptable without the need

for hedging. Around 28 % of total revenue was subject to direct exchange rate effects (previous year: around 18 %). Currency translation differences had a positive effect on earnings of € 332 thousand in 2022 (previous year: € 100 thousand).

Employees

The following table shows the number of Viscom employees as at 31 December 2022. The number of employees increased to 571 over the course of the year (previous year: 468).

The increase in Group employees as at the end of the reporting period resulted firstly from the first-time consolidation of the companies acquired in Germany (9 employees) and Mexico (11 employees) and secondly from expansion of the workforce, particularly in Europe and Asia.

A total of 20 employees were in training as at the end of 2022.

As at 31 December 2022	Europe	Americas	Asia	Total
Total	432	31	108	571
Of which full-time	378	30	107	515
Of which part-time	54	1	1	56
plus: trainees	20	0	0	20

An average of 538 employees (not including trainees) worked for the Viscom Group in the 2022 financial year (previous year: 466). 208 of these are classified as commercial employees (Sales, Development and Administration), while 330 are classified as industrial employees (Production, Logistics, Projects and Service).

Regional developments

Europe

Europe was by far the strongest regional market, accounting for around 52 % (previous year: 64 %) of the Viscom Group's revenue. The propensity to invest among Viscom's customers on its home market of Germany remained high in the past financial year. Germany therefore continued to be an important sales market for Viscom in 2022. Revenue in Germany amounted to € 29,793 thousand, up 5.5 % on the prior-year figure of € 28,228 thousand. In the rest of Europe, Viscom increased its revenue by around 11 % year-on-year to € 25,130 thousand (previous year: € 22,624 thousand). In Germany and the rest of Europe, segment revenue was up 8.0 % year-on-year at € 54,923 thousand (previous year: € 50,852 thousand).

Segment earnings amounted to € 4,146 thousand (previous year: € 2,589 thousand). The increase was due to the effects already discussed under operating profit above.

Americas

Activity has been buoyant in all sectors in the Americas region, especially automotive, and there were hardly any signs of investment restraint among Viscom's customers in other segments. The supply chain problems are affecting all sectors and most regional customers have adjusted to them and are planning accordingly. To be able to serve the Central American market better in the future, a service company in Mexico was acquired

in the 2022 financial year. Revenue in the Americas region increased by around 83 % year-on-year to € 18,620 thousand in the 2022 financial year (previous year: € 10,202 thousand).

Segment earnings rose at a faster rate to € 1,963 thousand in the 2022 financial year (previous year: € 193 thousand).

Asia

In the 2022 financial year, customers placed significantly more orders for their factories in Asia than in the same period of the previous year. More and more customers, especially in the consumer segment, are expecting 24/7 support from Viscom at more and more locations. Viscom is meeting this demand with its new branches in Huizhou, China, and Bangalore, India. The sales market for Viscom in Asia is dominated by China, but there is a noticeable trend among Viscom's customers of investing more in India and Southeast Asia again. However, customers relocating production capacity from within China to elsewhere are also important for Viscom. Viscom is able to actively leverage the opportunities this entails by expanding its sales and service structures and with new inspection applications (battery, e-mobility). Revenue in the Asia region amounted to € 31,975 thousand in the 2022 financial year, a significant increase of 71 % on the previous year's level (€ 18,738 thousand).

Segment earnings improved to € 2,608 thousand (previous year: € 1,118 thousand). Higher intersegment sales had a positive impact on segment earnings.

Products / inspection systems

The inspection systems manufactured by Viscom are based on digital image processing technology, known within the sector as *Machine Vision*. Digitalised images are evaluated using special software tools and algorithms in order to measure, check and verify the objects being inspected.

For the purpose of quality control in an industrial environment, a good/bad decision is aimed for in many cases in order to classify the inspected objects accordingly. The analytical algorithms used must therefore allow for fault tolerances in the production process to be mapped in the algorithms' set-up parameters.

Artificial intelligence (AI) is increasingly being used as part of these processes. To this end, large quantities of image data are gathered in order to train AI models using machine learning methods. These AI models then replace parts of the actually procedural algorithms. The inspection systems then require less adjustment work, making them easier to operate.

Entire production processes can be monitored and controlled using this measurement and inspection technology. For control purposes, measurement of objects is becoming increasingly important as opposed to just a test (good/bad decision). If the objects are measured in terms of the fault criteria, then not only can a good/bad decision be made, but also further analysis of the measurement data makes it possible to draw conclusions as to the causes of faults and to improve the production quality.

The recorded data can be one-, two- or three-dimensional data structures obtained using optical area scan cameras, X-ray detectors, laser scanners or similar optical systems.

While in optical technology the extremely wide range of sensors used are only available included in Viscom's standard products, inhouse developments in the area of X-ray products such as X-ray tubes and the related control electronics are additionally sold as original equipment manufacturer (OEM) products.

The inspection systems manufactured by the company in 2022 were predominantly inspection systems from the S3088, X7056 and iX7059 product lines. Viscom has broad product expertise thanks to its continuous product development. The flexible system structure of the individual system types means they can be manufactured in many different variants. This represents a distinct advantage for customers.

In both optical inspection and X-ray inspection, 3D technology is becoming increasingly important. Three-dimensional capturing of inspected objects allows for more reliable inspection results due to the greater information content. The reliability of fault detection increases and the probability of pseudo-faults (false alarms) decreases. In optical inspection systems, 3D recording has now become standard and is integrated in the Viscom sensor module. Viscom's internally developed high-speed data transmission through to the analysing computer results in high throughput for 3D inspection, too.

In 3D X-ray inspection, the planar computed tomography method is used. This makes it possible, for example, to assess non-visible, hidden solder joints in electronic assemblies very precisely by means of tomogram evaluation.

Cost-effective model variants such as the S3088 product line can frequently be offered as entry-level systems with the option

of subsequent upgrading or retrofitting. This initial business is extremely important to Viscom as customer decisions in favour of a given system are generally long-term in nature, thereby ensuring follow-up sales.

Viscom is increasingly shifting to developing system families. A system family consists of individual components that are each available in different forms for the different application areas. This enables the iX7059, for example, to cover very different applications ranging from the inspection of "normal" electronic assemblies to the inspection of large and heavy power assemblies (e. g. inverters for electric vehicles) and the final inspection of high-end consumer electronics. The inspection of different battery cells can also be covered by the iX7059 in different configurations. In 2023, a similar concept is to be implemented for the optical testing systems.

Revenue in the "Optical and X-ray series inspection systems" product group increased by around 37 %, from € 56,646 thousand in 2021 to € 77,855 thousand in the 2022 financial year. Revenue in the "Special optical and X-ray inspection systems" product group was around 23 % higher than the previous year's figure at € 11,413 thousand (previous year: € 9,296 thousand). The "Service" product group increased its revenue by around 17 % to € 16,250 thousand (previous year: € 13,851 thousand).

Financial position

Capital structure / liquidity

Viscom was able to generate the required liquidity from its own funds and from the available overdraft facilities in the 2022 financial year. As at 31 December 2022, overdrafts in the form of available credit facilities in the amount of € 22,288 thousand were utilised (previous year: € 10,617 thousand). Viscom is taking

advantage of the low interest rate environment to refinance outstanding liabilities in its operating business. Taking into account cash and cash equivalents of € 4,361 thousand (previous year: € 4,521 thousand), the company had negative net bank balances of € -17,927 thousand as at the end of the reporting period (previous year: € -6,096 thousand). In addition, there were long-term bank loans of € 1,643 thousand as at 31 December 2022 (previous year: € 1,357 thousand). The subsidiaries did not require any loans. At 52.0 %, the consolidated equity ratio was lower than the figure for the previous year as a result of higher total assets (previous year: 57.3 %).

Investments

Investments in property, plant, and equipment and intangible assets totalled € 6,970 thousand in 2022 (previous year: € 8,985 thousand). Most of the capital expenditure related to capitalised development costs at € 3,193 thousand (previous year: € 2,972 thousand), vehicles at € 1,194 thousand (previous year: € 321 thousand), land and buildings at € 1,076 thousand (previous year: € 5,288 thousand), operating and office equipment at € 652 thousand (previous year: € 284 thousand), technical equipment and machinery at € 431 thousand (previous year: € 9 thousand) and goodwill at € 202 thousand (previous year: € 0 thousand). € 653 thousand (previous year: € 120 thousand) related to leasehold improvements, software, advance payments and construction in progress. These items included total right-of-use assets in accordance with IFRS 16 of € 2,084 thousand (previous year: € 5,619 thousand). The first-time consolidation of Viscom Metallgestaltung GmbH resulted in land and buildings of € 637 thousand, technical equipment and machinery of € 385 thousand and operating and office equipment of € 35 thousand, while the first-time consolidation of VISCOM VXS S. DE R.L. DE C.V. resulted in operating and office equipment of € 5 thousand.

The Europe segment accounted for € 6,351 thousand of capital expenditure (previous year: € 8,033 thousand), the Asia segment for € 584 thousand (previous year: € 422 thousand) and the Americas segment for € 35 thousand (previous year: € 532 thousand).

At € 5,143 thousand (previous year: € 6,380 thousand), capital expenditure in the year under review essentially related to the product-specific segment "Optical and X-ray series inspection systems".

Cash and cash equivalents / cash flow

Cash funds, consisting of cash and cash equivalents (€ 4,361 thousand; previous year: € 4,521 thousand) and short-term overdrafts (€ 22,288 thousand; previous year: € 10,617 thousand), amounted to € -17,927 thousand as at 31 December 2022, down significantly as against the previous year (€ -6,096 thousand).

The cash flow from:

- operating activities amounted to € -1,687 thousand (previous year: € -3,903 thousand). This increase was mainly attributable to the higher net profit for the period, the correction of the net profit for the period due to income tax expense and to depreciation and amortisation, and a lower increase in liabilities.
- Investing activities amounted to € -5,022 thousand (previous year: € -3,339 thousand) and were mainly dominated by the capitalisation of development costs and the acquisition of non-current property, plant and equipment and intangible assets.
- Financing activities totalled € 5,162 thousand (previous year: € -3,363 thousand), in particular as a result of the dividend payment and the repayment of loans and lease liabilities.

Trade receivables past due were up as against the previous year. There were no major defaults. Viscom was able to ensure the required liquidity at all times in the period under review.

Net assets

In particular, the significant increase in trade receivables and inventories in the 2022 financial year led to a decrease in cash funds. Inventories as at the end of the year were higher year-on-year as a result of the increase in raw materials and supplies, assemblies and completed and partially completed systems. Intangible assets were also up, essentially as a result of capitalised development costs. Overall, this meant that total assets increased from € 98,693 thousand as at 31 December 2021 to € 115,998 thousand as at 31 December 2022.

Non-current assets

Within non-current assets, intangible assets essentially comprise capitalised development costs. Intangible assets increased from € 14,688 thousand in the previous year to € 15,104 thousand. The decline in property, plant and equipment from € 15,478 thousand to € 15,071 thousand resulted in particular from lower changes in leases.

Receivables

Trade receivables increased significantly year-on-year to € 41,050 thousand (previous year: € 26,906 thousand) due to considerably stronger revenue performance, particularly in the fourth quarter of 2022. Impairment losses on trade receivables totalled € 946 thousand (previous year: € 847 thousand). Impairment losses were slightly higher than in the previous year at Viscom AG and increased at the branches.

In total, receivables past due increased significantly year-on-year to € 9,536 thousand (previous year: € 3,558 thousand). Most receivables past due are short-term in nature, with roughly half past due by up to 30 days. Around 2 % of total receivables (previous year: around 1 %) were past due by more than six months.

Default risk was addressed by recognising loss allowances as at the end of the year. Expressed as a percentage, impairment losses on all receivables decreased from 3.1 % in the previous year to 2.3 %.

Inventories

The carrying amount of inventories was € 37,428 thousand as at the end of the financial year (previous year: € 33,125 thousand). This net inventory figure included write-downs for completed systems ready for sale of € 7,083 thousand (previous year: € 7,593 thousand) and write-downs for raw materials and supplies, assemblies and partially completed systems of € 6,948 thousand (previous year: € 6,874 thousand). This meant that net inventories increased by € 4,303 thousand as against the previous year, while gross inventories were up by € 3,867 thousand. This build-up of inventories was due to the high order backlog and the modified procurement policy as a result of the global supply chain problems combined with the need to ensure short delivery times to customers.

Liabilities

Trade payables were down year-on-year at € 3,256 thousand as at the end of the year (previous year: € 5,059 thousand).

Equity

Total equity plus reserves increased from € 56,575 thousand in the previous year to € 60,266 thousand in 2022. This increase resulted from the net profit for the period of € 5,369 thousand, which was partly offset by the profit distribution of € -1,777 thousand. Due to a comparatively stronger increase in total assets, the equity ratio fell to 52.0 % (previous year: 57.3 %).

Summarised overall assessment of business performance

Despite the geopolitical and macroeconomic challenges in the 2022 financial year, Viscom generated both incoming orders and revenue above the € 100 million mark for the first time in the company's history. Although Viscom left the coronavirus crisis of recent years behind it, 2022 was characterised by repeated supply chain disruptions that required significant additional organisational expenditure and human resources in the areas of procurement and project implementation. The supply chain bottlenecks and shortages of various components also led to delays in revenue recognition. The Executive Board is nonetheless satisfied with the 2022 financial year.

Key figures on the Group's net assets, financial position and results of operations

	2022 K€	2021 K€
Tier 1 liquidity (cash and cash equivalents less current liabilities and provisions)	-35,798	-22,194
Tier 2 liquidity (tier 1 liquidity plus receivables and other assets less non-current liabilities)	-5,079	-5,263
Tier 3 liquidity (tier 2 liquidity plus inventories)	32,349	27,862
Current assets		
Cash and cash equivalents	4,361	4,521
Receivables and other assets	42,684	29,823
Inventories	37,428	33,125
	84,473	67,469
Liabilities and provisions		
Current liabilities and provisions	40,159	26,715
Non-current liabilities and provisions	11,965	12,892
	52,124	39,607
Cash flow		
Net profit for the period after taxes	5,369	2,587
+ Depreciation and amortisation expense	6,766	5,874
	12,135	8,461
Return on equity		
Net profit for the period / equity	8.9 %	4.6 %
Return on investment (ROI)		
Net profit for the period / total assets	4.6 %	2.6 %
Return on revenue		
EBT / revenue	7.0 %	4.7 %
Return on capital employed (ROCE)		
EBIT / (total assets - cash and cash equivalents - current liabilities and provisions)	11.5 %	6.2 %
Net debt		
Liabilities and provisions (-)	-52,124	-39,607
+ Cash and cash equivalents	4,361	4,521
+ Receivables and other assets	42,684	29,823
= Net debt	-5,079	-5,263
Working capital		
Current assets – current liabilities and provisions	44,314	40,754
Equity ratio		
Equity / total assets	52.0 %	57.3 %

Report on risks and opportunities

Expected opportunities

Electronics are increasingly penetrating every area of life. Electronic assemblies are growing smaller and smaller, yet at the same time are expected to take on a growing number of functions. This technological diversification requires top-class inspection solutions that ensure product quality while also guaranteeing the sustainable stability of increasingly complex processes. Customer requirements of Viscom inspection systems are therefore becoming increasingly specific. This dynamic market environment means that new opportunities are constantly arising for the Viscom Group. Systematically identifying and taking advantage of these opportunities is a key factor for Viscom's sustained growth.

Viscom regularly assesses market and competition analyses and aligns its product portfolio accordingly. Building on this, specific market opportunities are derived which the Executive Board incorporates into its annual business plan.

The following opportunities are described in greater detail owing to their probability of occurrence and are not yet reflected in the business plan and outlook for 2023.

Opportunities of economic development

The general economic conditions influence the company's business operations, its financial position and results of operations and its cash flow. If the global economy develops more positively than expected, Viscom's revenue and earnings could exceed the current outlook and mid-term targets.

Opportunities of research and development

Viscom's growth primarily depends on its ability to develop innovative solutions and hence constantly create added value for its customers. Viscom is also pressing ahead with improving the effectiveness of research and development, shortening innovation cycles through more streamlined development processes and cooperating more closely with customers. If these research

and development activities achieve greater progress than currently expected, this could entail the launch of more and improved products or mean that products become available sooner than planned. This could have a positive impact on revenue and earnings and help Viscom to exceed its mid-term targets.

Risk management strategy, process and organisation

Viscom is exposed to various risks as a global group. For this reason, a comprehensive risk management system has been devised allowing potential risks to the Group to be detected and analysed early on to allow appropriate countermeasures. The risk management system comprises a number of control mechanisms and is an integral part of the company's decision making process.

The guiding principle of risk management is that the relevant decision-makers should be made aware of the development of significant risks as promptly and comprehensibly as possible in order to facilitate a timely and appropriate response or pre-emptive action. To this end, regular meetings with the Executive Board and the heads of the business areas, the heads of individual branches and department heads are held, at which the current status of and approach to the recognised significant risk positions are clarified on the basis of corresponding analyses and reports. Additional information regarding the current status may be required; this is obtained from employees in the respective departments. Regular risk reporting takes place on a bottom-up basis once a quarter, as well as in response to events. Risk identification in the individual departments is based on a defined risk catalogue that comprises the risks described below. Risks arising outside the risk catalogue must also be included in the reports presented at the regular meetings of senior employees. There is a central risk management function at the level of Viscom AG. Risk management officers are appointed for each of the locations and departments. They report directly to the risk coordinator and the Executive Board.

Where possible, potential risks are assessed according to their probability of occurrence and the extent of the potential loss. The assessment of the identified risks is conducted on a net basis, i. e. the assessment of a risk reflects the measures already taken to minimise the likelihood of or the potential loss resulting from a risk. The negative deviation from the budget or current forecast is defined as the reference base for the uniform assessment of risks. For the current financial year, the assessment of risks is to be based in identifiable cases on a time horizon of two years. Certain reporting thresholds are defined for the inclusion of risks in risk reporting. Irrespective of this, any material non-financial risks identified are also to be included in risk reporting. The Executive Board is immediately notified by the risk managers of material changes to the risk situation in accordance with the applicable reporting thresholds. The ad hoc risk reports are made in regular internal meetings or – if necessary – immediately.

Internal control system

The risk management system is closely intertwined with the internal control system. The internal control system covers all principles, guidelines, procedures and measures aimed at implementing the company management's decisions

- to ensure the effectiveness and profitability of business activities (particularly through systematic monitoring and reporting in relation to the risks identified below);
- for proper and reliable accounting (see below for more detail on the accounting-related internal control and risk management system); and
- for compliance with the relevant legal provisions for the Viscom Group.

The measures taken by Viscom to ensure compliance with the relevant legal provisions are described in more detail in the corporate governance statement. In particular, the Executive Board has developed a compliance policy along with an annex that applies to all members of governing bodies and employees of the Viscom Group. This Corporate Compliance Policy includes regulations and precautions for the avoidance of corruption and cartel agreements, compliance with data security guidelines, and for ensuring equal opportunities and adherence to product safety and occupational health regulations. A whistleblower system has been set up to allow violations to be reported securely. The compliance policy is maintained and updated by the Compliance Officer.

The risks described below form part of the risk reporting and are regularly analysed at management meetings as part of the monitoring, control and risk management system in accordance with section 91(2) and (3) AktG, with decisions being made as required.

There is also regular discussion between the Executive Board and the Supervisory Board with regard to the individual risks in the Viscom Group as well as the internal control and risk management system as a whole, which is continuously reviewed in terms of its appropriateness and effectiveness and adjusted where necessary.

Explanation of relevant risks

The following risks are relevant for the Group and for the individual segments (net loss or potential financial impact greater than € 2.5 million):

Breach of contract

Large international corporations demand extensive economic compensation for cases of breach of contract. This compensation is usually covered by special non-disclosure agreements and contains individually agreed penalties. After internal review, the non-disclosure agreements are discussed, considered and decided upon by the Executive Board. Extensive organisation measures are defined and taken in order to avoid a breach. The probability of occurrence is classified as improbable.

There are also the following categories of similar individual risks, which are not significant in terms of their respective net loss or potential financial impact:

Country risk

Viscom defines country risk as the introduction of national trading constraints or tariffs and other barriers to trading.

Revenue is generated almost exclusively from customers in industrialised nations with a functioning legal system. Based on past experience, the enactment of trade restrictions on the goods sold by Viscom is not a matter of concern. There are currently no import restrictions on the inspection systems produced by Viscom. Country risk is permanently and comprehensively monitored. In the event of any developments suggesting a change in the risk situation, Viscom responds by taking appropriate measures at an early stage.

Viscom was affected by regional travel restrictions. Other direct and indirect effects of the COVID-19 pandemic cannot be ruled out.

The sanctions arising from the escalating developments in relation to the Ukraine conflict may have a negative impact on Viscom's business activities in various countries.

Sector risk

Roughly half of Viscom's customer base comes directly or indirectly from the automotive and industrial electronics sectors. Owing to the specialisation in printed circuit board inspection for automotive suppliers, there is a heightened risk in the event of a long-term decline in this market, which has become apparent in the recent past. Regardless of economic conditions in the automotive industry, however, the amount of electronics in vehicles is on the rise.

Viscom's business strategy is to reduce this sector risk through various development and sales activities involving areas of application in other industries, such as battery production.

Customer risk

Viscom defines customer risk as an excessive concentration on individual customers. In the 2022 financial year, Viscom generated around 54 % of its revenue with its eight largest customers (previous year: around 52 %) and 18 % (previous year: 12 %) with its largest customer.

Foreign currency risk

Exchange rates with the euro were subject to substantial fluctuations in some cases.

The development of the US dollar is an important factor for Viscom. Sales in US dollars were effected in tranches during periods of positive development in order to minimise potential exchange rate losses. Foreign currency hedges, e. g. forward exchange transactions, were not used in 2022 but have been agreed as necessary in the past.

Given the company's business volumes and the development of the euro/US dollar exchange rate, the current level of exchange rate risk was deemed acceptable without the need for hedging.

Around 28 % of total revenue in the 2022 financial year was subject to direct exchange rate effects (previous year: around 18 %).

Procurement risk

The procurement of components and services from third party suppliers is subject to the risk of changes in prices and delivery schedules. Corresponding purchasing negotiations have succeeded in ensuring that acquisition prices have largely remained stable. The company is only directly dependent on specific suppliers to a very limited extent.

Bottlenecks occurred in the procurement times for some parts and components with certain suppliers in the period under review because of the general order situation and the availability of components and primary materials, resulting in longer delivery times. Supply bottlenecks are being countered by way of a modified procurement strategy and higher inventories. To this end, the supplier base is being expanded. In addition, a key supplier of steel frames and lead compartments has been acquired. The loss of suppliers as a result of the direct and indirect impact of substantially increased inflation rates combined with the shortage of primary materials cannot be ruled out.

Liquidity risk

There is sufficient scope for financing in the form of unutilised credit facilities and existing cash and cash equivalents. With its solid balance sheet structure, the Viscom Group is able to secure financing for the 2023 financial year from own funds and the potential use of loans. A long-term bank loan was taken up for investment purposes in the 2019 financial year and again in 2022 (€ 2,600 thousand in total). Viscom reserves the right to use further long-term debt financing if necessary.

Default risk

Default risk relating to specific customers cannot be ruled out. However, Viscom employs appropriate control processes to

ensure that sales are only entered into with customers that have a proven credit standing at the time of sale.

Viscom does not act as a guarantor for the obligations of other parties.

The maximum default risk can be derived from the carrying amount of the respective financial assets as reported in the statement of financial position.

Trademark and patent risk

The Viscom brand is registered as a trademark in the key global industrial nations. Overlaps with other brands have only occurred very rarely.

To prevent having to reveal its expertise to third parties, only a few process patents have been registered to date – e. g. the patents for the MX products which have been applied for and partially registered. There are currently no legal disputes with regard to trademarks or patents.

Technological competitive risk

Some of Viscom's competitors are subsidiaries of multinational conglomerates with high investment potential. As a result of ongoing product innovations together with a degree of flexibility that is significantly higher compared to its competitors – for example in adapting systems to satisfy customer requirements – Viscom has been able to increase or at least maintain its market share in the past. Viscom will continue doing everything required in order to develop its competitive advantage.

Taxation risks

Viscom is increasingly exposed to taxation risks due to stricter interpretations and assessments by the tax authorities. Provisions are recognised as required based on the estimated claims of the financial authorities.

General risks from the export of goods

Viscom is increasingly exposed to risks due to stricter interpretations and assessments by countries and authorities. Provisions are recognised as required based on the estimated claims of the respective national authorities.

Sustainability risks

The impact of its business activities on environmental and social factors and the associated risks are very important to Viscom. If environmental pollution, inadequate occupational safety or human rights violations occur in its supply chains, this is not only contrary to Viscom's fundamental values, but may also entail reputational damage for Viscom. One particularly relevant issue for Viscom is conflict minerals, which are sometimes mined in crisis regions under conditions that give rise to social and environmental harm. Viscom takes effective measures to ensure that it purchases raw materials and minerals only from companies that share Viscom's understanding of human rights, ethics, and environmental and social sustainability. Viscom expects its suppliers to comply with all of the provisions on conflict minerals and to submit all of the associated necessary declarations. It regularly reviews its business relationships in this regard.

General energy consumption and the associated CO₂ emissions also entail a non-financial risk to nature and the environment. Viscom therefore attaches particular importance to high levels of energy efficiency, which Viscom ensures by using efficient control and lighting technology and high-performance computers. This is accompanied by specific environmental protection measures such as using rainwater for part of our sanitary facilities and generating solar power to optimise the energy balance at our corporate headquarters in Hanover. Viscom's products themselves also make a positive contribution to its environmental performance. Viscom's inspection solutions recognise defects

in electronics production as early as possible in order to minimise rejects and faulty end products, avoid electrical waste and reduce energy consumption.

In the past financial year, Viscom was not yet subject to the provisions on sustainability reporting. With the help of an external consultant, it is currently in the process of systematically recording the impact of its business activities on environmental and social factors and the associated risks and developing a concept for comprehensively integrating sustainability into its business management, including the control and risk management system. It therefore intends to further intensify sustainability-related risk identification and avoidance in future.

IT security against cyber risks

With regard to its data, its international market orientation and the IT systems used for processing, Viscom is potentially exposed to the risk of industrial espionage and/or other cyber risks. The measures taken to minimise these risks include authorization schemes for systems and data, decentralized and redundant design of IT infrastructure and backup strategies.

Control and risk management system in relation to the accounting process (report pursuant to section 289(4) and section 315(4) HGB)

As the parent company Viscom AG is a listed company as defined by section 264d HGB, key features of the internal control and risk management system including the early identification of risks in accordance with section 91(2) of the Aktiengesetz (AktG – German Stock Corporation Act) must be described in accordance with section 315(4) HGB, both with regard to the accounting processes of the consolidated companies and with regard to consolidated financial reporting.

The internal control and risk management system with respect to the accounting process and consolidated financial reporting is not defined by law. Viscom regards the internal control and risk management system as a comprehensive system and applies the definitions of an accounting-related internal control system (IDW PS 261(19) et seq.) and risk management system (IDW PS 340(4), as amended) issued by the German Institute of Public Auditors (Institut der Wirtschaftsprüfer in Deutschland e.V), Düsseldorf. An internal control system therefore comprises the principles, processes and measures introduced by company management to support the organisational realisation of management decisions.

In terms of the accounting process, Viscom considers the material features of the internal control and risk management system to be those features which it believes could significantly influence the financial reporting process and the overall view presented by the annual financial statements and management report.

The Executive Board bears overall responsibility for the internal control and risk management system for the consolidated financial reporting process. All companies included in the consolidated financial statements are part of a defined management and reporting structure.

Viscom AG's Executive Board considers the following elements of the internal control and risk management system at Viscom to be material with respect to the accounting process and consolidated financial reporting:

- Procedures to identify, assess and document all material company processes and sources of risk relevant to the accounting process. These include financial and accounting processes in addition to administrative and operational company processes that generate material information required to prepare the single-entity and consolidated financial statements, including the management report and Group management report.

- Controls integrated into processes (e. g. IT-supported controls and access restrictions, separation of functions, analytical controls).

- Monthly internal consolidated reporting with the analysis of significant developments. At a Group level, specific control measures to ensure the proper and reliable preparation of the consolidated financial statements include the analysis and, if necessary, correction of the single-entity financial statements presented by the Group companies, including the discussions on the financial statements with the auditors and the documents presented by the auditors. Incorrectly completed financial statements are corrected ahead of consolidation with the help of previously determined control mechanisms and plausibility checks.

- Measures to assure the proper IT-supported processing of facts and data relating to consolidated financial reporting.

- The completeness and correctness of the consolidated data is checked using manual process controls and a system of checks and balances.

Assessment of the overall risk situation

The individual risks and categories of insignificant similar risks described for the individual Group companies are discussed at the regular management meetings, where decisions are made regarding the appropriate measures to be taken as required to counteract the risks.

The probability of occurrence of an individual risk and of the categories of insignificant similar risks is assessed on the basis of the following criteria:

Measurement	Probability of occurrence
Probable	> 50 %
Possible	25 % to 50 %
Improbable	< 25 %

The risk level is defined on the basis of the potential financial impact (net loss) of individual risks or of categories of insignificant similar risks:

Risk level	Potential financial impact
Low	< € 0.5 million
Medium	€ 0.5 million to € 2.5 million
High	> € 2.5 million

Assessment of risk categories according to average values:

Risk category	Potential financial impact	Probability of occurrence
Country risk	Medium	Possible
Sector risk	Medium	Improbable
Customer risk	Low	Improbable
Foreign currency risk	Low	Possible
Procurement risk	Medium	Probable
Liquidity risk	Low	Improbable
Default risk	Medium	Possible
Trademark and patent risk	Low	Improbable
Technological competitive risk	High	Possible
Taxation risks	Low	Possible
General risks from the export of goods	Low	Improbable
Sustainability risks	Low / non-financial	Improbable
IT security against cyber risks	Medium	Improbable

In light of their probability of occurrence, Viscom's management does not believe that the risks and risk categories described above pose a threat to the continued existence of the Group, either individually or cumulatively.

Business risks, and in particular default risks relating to the customers accounting for the greatest share of revenue, are not discernible at present. However, future revenue remains subject to risk insofar as it depends in particular on the ongoing development of the automotive industry.

In light of the Group's extremely strong market position, innovative technological strength and clearly structured early risk identification, Viscom's management expects to be able to continue successfully counteracting the issues raised and any resulting risks in the 2023 financial year.

There were no material litigation risks as at 31 December 2022.

Report on future developments in 2023

Economic conditions

In its latest forecast, the International Monetary Fund (IMF) anticipates that the global economy will cope with the effects of the war in Ukraine and the continued high inflation somewhat better than was initially feared. The IMF expects growth to slow down this year in comparison to 2022 (3.4 %) to a rate of 2.9 %. The outlook is “less gloomy” than assumed in October 2022, according to the IMF. It attributes this to “positive surprises” and “greater-than-expected resilience” in numerous economies, including the United States and the eurozone. Another factor driving global economic growth could be China’s decision to abandon its zero-COVID strategy. The IMF does not expect the world economy to fall into recession in 2023. However, the IMF lists a number of risks that could cause the economic situation to deteriorate: further intensification of the COVID situation in China, an escalation of Russia’s war of aggression in Ukraine and a debt crisis as a result of central banks’ strict monetary policy. Global growth of 3.1 % is expected for 2024. The IMF anticipates a worldwide inflation rate of 6.6 % in the current year.

For the eurozone, the IMF is forecasting growth of 0.7 % in 2023. In Germany, gross domestic product (GDP) is expected to grow by just 0.1 % in 2023 and by 1.4 % in 2024. The forecast for low growth in 2023 reflects the central banks’ interest rate hikes to counter inflation – particularly in industrialised nations – and the war in Ukraine, says the IMF. A dip in growth is forecast for around 90 % of industrialised nations this year.

With regard to Germany, major stress factors have seemed less severe lately. The risk of gas shortages in the winter of 2022/2023 has decreased – although disruptions to production cannot be ruled out. This applies even more so to the following winter. Energy prices have decreased compared to their record

levels from summer 2022, but remain at a high level. The same applies to material shortages in industry and construction. In addition, huge volumes are being moved by the government to mitigate the effects of the energy price crisis, particularly at the level of private households. Nonetheless, high inflation is eroding households’ purchasing power. In the face of a persistently uncertain economic future, companies are continuing to rein in their capital expenditure. The world economy is losing momentum again, which is hurting German exports. In addition, the development bank KfW fears that the German economy is facing a turning point, with the skills shortage and modest productivity development in particular posing a risk to German prosperity. New calculations by the German Economic Institute (IW) quantify the losses that can be expected in 2023 already: According to the IW, the Ukraine war and all the associated economic risks will cost around € 175 billion in value added. This corresponds to roughly 4.5 % of GDP after adjustment for inflation. Germany is currently experiencing a rapid shift in sentiment. In autumn 2022, forecasts for its economic development in 2023 were still fairly cautious. A recession seemed certain. Now the German government’s expectations for 2023 are very different: the economy will not contract, but will actually grow to a small extent. Germany is not likely to fall into recession this year, as had been feared. The German government is raising its economic forecast for 2023 and now anticipates slight growth. According to its Annual Economic Report, gross domestic product (GDP) is expected to increase by 0.2 %. The slowdown in economic momentum at the end of 2022/start of 2023 is thus forecast to be shorter and milder than had been expected in the autumn. This was also partly attributable to the government’s massive stabilisation measures for private households and companies and their adjustments to the high energy prices and the associated gas savings.

In a difficult macroeconomic environment, the mechanical engineering industry posted a solid performance overall in 2022. The second half of the year even brought higher growth than expected in many places, as the bottleneck situation eased for some preliminary products. Global machinery revenue probably increased by 3 % in 2022 after adjustment for inflation. For 2023, the German Mechanical Engineering Industry Association (VDMA) is anticipating a decline in production of 2 % in real terms. The VDMA expects the high inflation and the Ukraine war along with all its consequences to continue to impact the industry for a long time. The material shortages and supply chain difficulties are continuing, although there was “slight easing” here over the course of 2022, which had a positive impact on production in the final months of 2022 in the VDMA’s view. Overall, however, the sector is robust and the decline in production forecast for 2023 is “moderate” and “far from the setbacks of previous years”, according to the VDMA.

Business policy

The key points of Viscom’s strategy are:

- extensive innovative strength
- technological leadership
- technology partnerships with key customers
- global presence
- sustainable and transparent business policy

Based on these strategic priorities, Viscom will continue to expand its presence in the regions with the highest sales in order to optimise direct customer support.

Markets

As important markets for Viscom and strong technology trend setters, automotive and industrial electronics, consumer electronics and battery production will continue to be extremely important to Viscom.

Viscom also intends to continue to participate in investment opportunities in the international market. In Europe, Viscom’s largest sales market, the customer care teams are improving the expert customer service and offering optimum remote and on-site assistance. With a tailor-made product portfolio and corresponding on-site support and other services, the further expansion of the Viscom Group’s strong position in the Americas and Asia is set to continue. Viscom’s presence in the growth market of China and certain individual regions of Asia will be increased further.

The company’s goal in Asia remains to raise the profile of the Viscom brand even further in this region and to make optimal use of opportunities in the Asian market.

Company segments

In addition to primary segment reporting by geographical structure (markets), Viscom also does segment reporting based on product areas.

These areas are optical and X-ray series inspection systems, special optical and X-ray inspection systems, and service. These product areas are looked after by the customer care teams. The teams cover specialist sales, project management, application and service as well as the hotline, in order to provide customers with expert and targeted guidance throughout the product life cycle.

The customer care teams assigned to the optical and X-ray series inspection systems product area are responsible for the sale of series systems and technical support for customers with series systems, which are the company’s major revenue drivers.

The customer care teams assigned to the special optical and X-ray inspection systems product area essentially serve projects requiring customer-specific solutions or adaptations to series systems.

Products / services

Viscom develops, manufactures and sells optical and X-ray inspection systems for use in industrial electronics production.

Viscom will continue to focus on the development of new standard inspection systems. The Group is guided by market requirements in this respect. Thanks to the steadily increasing installation base, follow-up business in the form of training, maintenance, replacement part sales and upgrade projects will continue to increase in terms of both volume and differentiation, thereby helping to expand the Service business area.

Production / production processes

Processes are being further standardised and rationalised as part of the continuous improvement of the company's workflows. The objective is to ensure efficient production and a high level of product quality accompanied by short delivery times.

Procurement

The established procurement structure has proven to be successful. Viscom will continue to count on reliable partners and optimise its procurement structures.

Results of operations

The development of incoming orders and revenue in 2023 will be largely dependent on the overall economic situation and ongoing supply shortages, which also affect Viscom AG's business. In addition, the sanctions arising from the escalating developments in relation to the Ukraine conflict may have a negative impact on Viscom's business activities in various countries.

The ongoing inflation and interest concerns and the increased energy and raw material prices are leading to further negative effects, including on Viscom AG. Viscom anticipates incoming orders and target revenue of between € 110 million and € 120 million in the 2023 financial year. The EBIT-Margin is expected to be between 5 % and 10 %, with EBIT of between € 5.5 million and € 12.0 million.

Financial position

Liquidity for the 2023 financial year will be ensured by the company's own funds and unutilised credit facilities. Any further financing requirements or activities are dependent on the changing general conditions. State support or aid packages will be examined and utilised if necessary.

Investments and financing

The company plans to invest further in its core business moving ahead. It will focus on further developing its products, expanding its regional presence and strengthening its organisational structure. These investments should primarily be financed from own funds and borrowed funds. Other financing models are used where third-party funding is more economically viable. This currently applies in particular to operating premises and buildings.

Other cash flows and refinancing

Additional cash flows are likely to solely take the form of dividend distributions to shareholders. These generally depend on the earnings strength in the respective period.

Corporate Governance Statement

Corporate governance statement in accordance with sections 289f, 315d HGB

The Executive Board and Supervisory Board of Viscom AG are committed to the principles of sound corporate governance. These principles are a crucial element of the modern capital market and are intended to strengthen the trust of investors and the public in the management and oversight of listed German companies. The principles of responsible and effective company management and controlling aimed at transparency and value creation determine the actions of Viscom AG's management and supervisory bodies.

In accordance with section 289f HGB, Viscom AG's Executive Board, also on behalf of the Supervisory Board, reports on the company's corporate governance in this section.

Declaration in accordance with section 161 of the German Stock Corporation Act

The Executive Board and Supervisory Board of Viscom AG submitted the annual compliance statement in accordance with section 161 of the Aktiengesetz (AktG – German Stock Corporation Act) on 24 February 2023. It has been published and is permanently accessible in the "Company/Investor Relations/Corporate Governance" section of Viscom AG's website at www.viscom.com.

Wording of the 2023 compliance statement

Corporate governance is defined as the legal and de facto regulatory framework for managing and monitoring a company. The purpose of the Code is to make the German corporate governance system clear and transparent. The Code sets out principles, recommendations and suggestions regarding the management and supervision of listed German companies that are recognised internationally and nationally as standards for sound and responsible company management. It is intended to strengthen the trust of investors, customers, staff and the public in the management and oversight of listed German companies. Section 161 AktG requires listed companies to declare

once a year whether the recommendations of the Government Commission on the German Corporate Governance Code as published by the Federal Ministry of Justice have been complied with or which recommendations have not been or will not be followed ("comply or explain").

The following compliance statement for the past reporting period and the future refers to the recommendations by the Government Commission on the German Corporate Governance Code in the version dated 28 April 2022 as published by the Federal Ministry of Justice in the official section of the Bundesanzeiger (Federal Gazette) on 27 June 2022.(GCGC).

In accordance with section 161 AktG, the Executive Board and Supervisory Board of Viscom AG declare that the recommendations of the Government Commission on the German Corporate Governance Code (version dated 28 April 2022) have been and are complied with (barring the following exceptions, the corresponding recommendations of the previous version of the German Corporate Governance Code were also complied with in the past reporting period). The following recommendations have not been and will not be followed:

1. The risks and opportunities associated with social and environmental factors are not yet systematically identified and assessed. Also, appropriate consideration is not yet given to ecological and social objectives in corporate strategy and planning or in the control and risk management system (deviation from A.1, A.3 of the Code).

The Executive Board and the Supervisory Board welcome the growing regulatory significance of sustainability criteria and already give appropriate consideration to ESG factors individually in their management of the company. ESG factors are also given appropriate consideration in the current remuneration system for the members of the Executive Board. Moreover, social and environmental factors are not yet comprehensively and

systematically incorporated into corporate planning, which is due to the fact that the statutory sustainability reporting obligations under sections 315b et seq. HGB and Article 8 of the EU Taxonomy Regulation for the 2022 financial year do not yet apply to Viscom AG. The Management Board is currently working with an external consultant to devise a coherent concept for the systematic incorporation of ESG goals into corporate planning. Compliance with the recommendations of the Code is intended in the medium term.

2. There is no age limit for members of the Executive Board. Accordingly, no age limit has been defined in the corporate governance statement (deviation from B.5 of the Code).

Any exclusion based solely on age does not appear expedient to the Executive Board and Supervisory Board, since the optimum composition of the Executive Board could thereby be prevented for merely formal reasons. The company is also committed to ensuring access to the expertise of experienced members of the Executive Board. An age limitation in the Articles of Association or the Rules of Procedure has been and is therefore deemed unnecessary. Accordingly, no age limit has been defined in the corporate governance statement.

3. The Supervisory Board has not formed any committees, and in particular has not formed a nominations committee (deviation from D.3 sentence 5, D.4 of the Code); the Supervisory Board as a whole serves as the Audit Committee.

Given the circumstances specific to the company and the number of its members, the Supervisory Board does not form any committees, in particular it does not form a nominations committee (deviation from D.4 of the Code).

The Supervisory Board consists of just three members. In the opinion of the Supervisory Board, the formation of committees is not expedient under the circumstances specific to the company and – unlike in larger governing bodies – does not increase efficiency. All matters are addressed by all members of the Supervisory Board, meaning that the formation of additional

committees is not considered necessary. Given that the Supervisory Board of Viscom AG is not subject to co-determination, a nominating committee comprising exclusively shareholder representatives would be obsolete.

In accordance with the statutory regulation in section 107(4) sentence 2 AktG, the Supervisory Board as a whole, which consists of just three members, is also the Audit Committee, without the necessity of such a committee being established separately. The following recommendations therefore relate to committees, the audit committee or their members, to the Supervisory Board as a whole and its members: C.10 of the Code (independence of the Chair of the audit committee), D.2 sentence 2 of the Code (list of committee members in the corporate governance statement), D.3 of the Code (requirements for the members of the audit committee and related disclosures in the corporate governance statement), D.7 of the Code (participation in committee meetings), D.10 (coordination between the audit committee and the auditor), D.12 of the Code (review of committees' effectiveness), G.17 of the Code (taking committee chairs and members into account regarding remuneration).

As the Supervisory Board as a whole is also the Audit Committee (section 107(4) sentence 2 AktG), Prof. Michèle Morner is the Chairwoman of this Audit Committee as well (deviation from D.3 S. 5 of the Code).

The Supervisory Board believes that it can effectively perform the duties of the Audit Committee thanks to its size, as it comprises three members chaired by the independent member Prof. Michèle Morner who has specialised knowledge and experience in applying accounting policies and internal control processes.

4. The Executive Board does not have a chairperson or spokesperson.

The Executive Board of Viscom AG does not have a chairperson or spokesperson. Where recommendations are addressed to the chairperson or spokesperson (D.5, E.2 of the Code), these are understood to refer to the Executive Board as a whole.

Given the size of the Executive Board, the Executive Board and the Supervisory Board believe that a chairperson is not required on a board with four members. In addition, stock corporation law is based on a principle of consensus, i. e. on a collegial rather than a hierarchical Executive Board. A strong principle of consensus has prevailed within the Executive Board (and previously within management) since the company was founded. All significant decisions are made together by the full Executive Board at all times.

5. Deviation from the concept of target total remuneration that is different from the maximum remuneration with the definition of annual targets and share-based remuneration (deviation from G.1 bullet points 1 & 3, G.2, G.7, G.10 of the Code).

After detailed discussion, the Supervisory Board has decided largely to retain the previous remuneration system and to augment it with ESG criteria. The members of the Executive Board are remunerated according to a clear, transparent and appropriate remuneration system, whereby the annual total remuneration including additional benefits for each Management Board member is limited to EUR 450,000 (maximum remuneration). The total variable remuneration components (Bonus I and Bonus II) are also capped at 100 % of fixed annual gross remuneration of currently EUR 208,000.00 (relative cap). The performance criteria for the determination of variable remuneration (consolidated EBIT; long-term consolidated EBIT; employee turnover; energy consumption) are specifically defined in figures for the entire duration of employment in the remuneration system and the Executive Board contracts to be concluded on this basis.

In this context, the Supervisory Board does not define any separate “target total remuneration” that depends on the achievement of annually defined performance criteria (deviation from G.1 bullet point 1, G.7 of the Code). Accordingly, the relative shares of the remuneration components in the remuneration

system are also defined in relation to each other or to the total remuneration on achievement of the relative cap and not in relation to target total remuneration (cf. G.1 bullet point 3 of the Code). Likewise, the Supervisory Board does not define “target total remuneration” on the basis of the remuneration system, but rather the fixed remuneration and the resulting cap in total remuneration due to the relative cap on variable remuneration. This is appropriate to the member of the Executive Board’s own tasks and performance as well as to the enterprise’s overall situation and performance and does not exceed the usual level of remuneration without specific reasons (cf. G.2 of the Code).

Remuneration is also not granted in shares or in share-based form only accessible to the member of the Executive Board after a period of four years (deviation from G.10 of the Code). The remuneration system of the Executive Board will create the right incentives to promote corporate strategy and to sustainably boost Viscom AG’s medium and long-term financial success, in particular by taking internal performance indicators into account. Thanks to its majority shareholder, Viscom AG also has relatively few shares in free float. Based on these general conditions, the Supervisory Board does not consider an overwhelming focus on share price performance a suitable incentive mechanism for the Executive Board.

In the Supervisory Board’s opinion, the retention of the previous remuneration system as against the Code’s model has the advantage of clarity, simplicity and continuity. The remuneration model systematically precludes short-term disincentives and conflicts of interest due to the restrictive maximum remuneration, the relative cap and pre-defined numerical performance criteria that are specifically determined in the remuneration system, i. e. presented to the Annual General Meeting. At the same time, the simple design of the remuneration system avoids a hidden upward spiral.

6. Long-term targets do not exceed short-term targets (deviation from G.6 of the Code). Overall, the Supervisory Board is of the opinion that the variable remuneration components provide both a long-term and positive forward-looking incentive effect.

The variable remuneration comprises firstly a remuneration component calculated according to the year's consolidated EBIT (Bonus I) and secondly long-term variable remuneration based on a three-year period (Bonus II), which individually and together are limited to the amount of the fixed remuneration. 60 % of Bonus II is calculated on the basis of average consolidated EBIT for the last three years in conjunction with the achievement of a defined minimum average EBIT over the assessment period and positive EBIT in the past financial year. The (lowest possible) employee turnover in the three-year assessment period and the (lowest possible) energy consumption of Viscom AG each contribute 20 % of Bonus II. In abstract terms, Bonus I and Bonus II are limited to the same amount, so neither can exceed the other (deviation from G.6 of the Code).

The Executive Board and the Supervisory Board are nevertheless of the opinion that, even with this variable remuneration structure, the Executive Board must always keep the long-term success of its activities in mind. Initially, the restrictive limit of the amount of variable remuneration prevents short-term disincentives and in particular precludes disproportionate remuneration for extraordinary (non recurring) events. Even in the event of good business performance, the Executive Board is generally reliant on the long-term remuneration component in order to consistently achieve the total possible variable remuneration. The Executive Board can only expect to receive Bonus II as at the end of the respective three-year period if average EBIT develops positively during this period. The aim of sustainable long-term EBIT at the same time as low employee turnover and low energy consumption rewards strategic targets with a long-term and forward-looking positive effect on the development of the company.

Overall, therefore, the remuneration structure has a positive forward-looking incentive effect that is oriented towards the company's sustainable and long-term development.

7. The contracts with the members of the Executive Board of Viscom AG do not provide for payment caps on severance compensation in the event of early termination of the Executive Board mandate (cf. G.13 sentence 1 of the Code).

The Executive Board contracts do not contain any provisions for a severance cap in the event of early termination of the Executive Board mandate of a maximum of two years' remuneration. Legal enforcement of a cap on severance pay for the member of the Executive Board would often not be possible in the relevant cases. If there is neither cause for dismissal in accordance with section 84(3) sentence 1 AktG nor cause for extraordinary termination of the employment contract in accordance with section 626 of the Bürgerliches Gesetzbuch (BGB – German Civil Code), the contract with the Executive Board member concerned can only be terminated subject to mutual agreement. In such cases, Executive Board members have no obligation to agree to caps on severance pay within the meaning of the recommendations of the Code. In the event of early termination of a member of the Executive Board for cause for which the Executive Board member is responsible, severance payments must not be made anyway. Despite this, the Supervisory Board will support a cap on any severance payment owed as referred to by the Code in the event of any members of the Executive Board resigning prematurely.

Working methods of the Executive Board and the Supervisory Board

The Executive Board and the Supervisory Board of Viscom AG work together consistently and with confidence, in keeping with sound and responsible corporate governance. They coordinate regularly and promptly in the areas recommended by the Corporate Governance Code, but also on issues beyond these areas.

Executive Board

Viscom AG is a company incorporated under German law, which is also the basis of the German Corporate Governance Code. The two-tier system of management comprising the Executive Board and the Supervisory Board as corporate bodies which hold separate powers is a basic tenet of German stock corporation law.

The Executive Board of Viscom AG currently comprises four members: Carsten Salewski (Sales), Peter Krippner (Operations), Dr. Martin Heuser (Development) and Dirk Schwingel (Finance). The Executive Board is solely responsible for managing the company in compliance with the law, Articles of Association, Rules of Procedure, resolutions of the Supervisory Board and employment contracts. The primary tasks of the Executive Board are determining the strategic alignment, managing the company and the Group, and planning, establishing and monitoring a risk management system and a compliance system. Furthermore, the Executive Board should consider diversity in the process of filling management positions in the company. By way of resolution dated 30 June 2020, the Executive Board of Viscom AG has set targets for the share of women in the two management levels below the Executive Board in accordance with section 76(4) AktG. The Executive Board set a target of a share of women of 25 % in both the top national management level and the management level below that. The targets are to be achieved by 30 June 2025.

All members of the Executive Board are involved in the day-to-day management of the company and bear responsibility for operations. The Supervisory Board has resolved Rules of Procedure for the Executive Board regulating its responsibilities, work and its mode of cooperation with the Supervisory Board. According to these, members of the Executive Board wield executive powers in the areas of responsibility assigned to them in the allocation of duties. Insofar as measures or transactions of one area of responsibility overlap with those of one or more other areas, all involved members of the Executive Board must be in agreement. If there are any continuing differences of opinion, the Executive Board as a whole must reach a joint decision.

These assignments notwithstanding, each member of the Executive Board remains responsible for all management issues (principle of overall responsibility). The entire Executive Board exclusively decides on any matters or transactions which are of extraordinary importance or carry an extraordinary economic risk.

The Executive Board passes its resolutions either at meetings or, in the absence of objections from Executive Board members, outside of meetings using modern means of communication. Two members of the Executive Board constitute a quorum. All resolutions of the Executive Board require a simple majority of the votes cast. Meetings of the Executive Board should take place at regular intervals, weekly if possible. They must take place when required to ensure the well-being of the company. The Executive Board member designated accordingly by the Supervisory Board (Mr. Dirk Schwingel) is responsible for determining meeting dates, convening meetings, setting the agenda, chairing the meetings and ensuring the minutes are taken.

The Executive Board is also required to regularly inform the Supervisory Board of the company of all matters reasonably of interest to it concerning the company and companies affiliated with the company, especially of all matters covered by section 90 AktG. These reporting duties apply to the full Executive Board. As a rule, Executive Board reports must be presented in written form except when urgency allows or necessitates a verbal report. Furthermore, the Executive Board members must regularly report jointly to the Chairwoman of the Supervisory Board on strategy, business planning and progress, the situation of the company, including its affiliated companies, the risk situation and risk management and compliance, in written or verbal form. The management of the Group is based on a reporting system that takes the form of monthly reports submitted to members of the Supervisory Board. These monthly reports include the consolidated income statement and individual breakdowns for the various Group companies. The reports also include a detailed presentation of the cost structure at Viscom AG and its Group companies, revenue in its system installation regions, incoming orders, order backlog, the number of employees, cash and cash

equivalents, the use of overdraft facilities, total receivables and receivables from subsidiaries, orders placed for the purchase of goods and the inventories of goods as well as partially completed and completed systems.

The Executive Board also reports on significant issues pertaining to the current situation of the company and directly and indirectly associated companies and events that go beyond normal business operations of the company and affiliated companies and are of special importance for the company as occasion requires. Any information relevant to decision making will be made available to the members of the Supervisory Board in a timely manner prior to the meeting.

Members of the Executive Board are subject to comprehensive restraint on competition during their Board membership. They are bound by the interests of the company. Consequently, no member of the Executive Board may allow personal interests to affect his decisions or take advantage of business opportunities to which the company is entitled for his own benefit. Any possible conflicts of interest must be disclosed promptly to the Supervisory Board, and the other members of the Executive Board must be informed. All transactions between the company and the Executive Board members or closely related persons or companies must comply with industry standards. Significant transactions with a member of the Executive Board or related parties require the consent of the Supervisory Board.

In addition, members of the Executive Board require the consent of the Supervisory Board to assume other professional roles, particularly the assumption of mandates in other external companies.

Both the Executive Board and the Supervisory Board are bound by the interests of Viscom AG. There were no conflicts of interest to be reported to the Supervisory Board in the past financial year. No Executive Board member is a member of any Supervisory Boards at listed stock corporations outside the Group.

Viscom AG has obtained liability insurance (D&O insurance) with a commensurate deductible for all members of the Executive Board.

Mandates of the Executive Board

The members of the Executive Board do not hold any other seats in other supervisory boards required by law or comparable domestic and foreign governing bodies of commercial enterprises.

Supervisory Board

The Supervisory Board of Viscom AG consists of three members who are elected at the Annual General Meeting, without it being bound by any proposals for suitable candidates and with identical terms of office, in compliance with Article 11(1) of the Articles of Association in conjunction with sections 95, 96(1) and 101(1) AktG. The company is not subject to co-determination.

The current members of the Viscom AG Supervisory Board are Prof. Michèle Morner (Chairwoman; first appointed: 30 May 2018), Volker Pape (Deputy Chairman; first appointed: 30 May 2018) and Prof. Ludger Overmeyer (first appointed: 27 May 2014).

They were individually elected at the Annual General Meeting on 28 May 2019 in accordance with the recommendations of the German Corporate Governance Code. None of the Supervisory Board members were over 70 years of age at the time of the election. The regular term of office for the Supervisory Board is five years. The current term ends with the regular Annual General Meeting that will approve the actions of the members of the Supervisory Board for the 2023 financial year of the company.

The proposals for suitable candidates consider the skills, expertise and experience necessary for the duties of the Supervisory Board. In addition to the company's specific situation, its international activities, potential conflicts of interest, the number of independent Supervisory Board members considered adequate

by the Supervisory Board, the age limits for Supervisory Board members and diversity are all considered. Taking the above criteria into account, the Supervisory Board has determined specific objectives regarding its composition and has prepared a skills profile in accordance with recommendation C.1. of the Code, including a diversity concept, for the entire Supervisory Board. It will seek to ensure compliance with this profile for the entire Supervisory Board when making future proposals for the election of shareholder representatives to the Supervisory Board. The company's international activities should be taken into account in this skills profile. Thus, the goal was set that at least one member of the Supervisory Board should have particular international experience, such as several years of professional experience in the management or executive bodies of other international companies. Furthermore, potential conflicts of interest should be avoided even in the nominations made by the Supervisory Board to the Annual General Meeting. To ensure a mixed age and personality structure, members of the Supervisory Board should not have reached the age of 70 at the time of their election (standard age limit). Regardless of the size of the Supervisory Board, no more than two members of the Supervisory Board should be former members of the Executive Board or representatives of the majority shareholder. More than half of the members of the Supervisory Board should be independent from the Executive Board and the company. As part of the skills profile, an independent member should have specialist knowledge in the areas of accounting or auditing. For future nominations, a further member of the Supervisory Board must also be an expert in the area of auditing (section 100(5) AktG (new version) in conjunction with section 12(6) EGAktG). Furthermore, in light of Viscom AG's high-tech orientation, the Supervisory Board should have at least one member who is a technical expert with knowledge and experience in the fields of electrical engineering or information technology in particular. Members of the Supervisory Board should not hold more than five Supervisory Board positions at external listed companies or similar functions. Chairing a Supervisory Board counts

as two positions. If a member of the Supervisory Board sits on the Executive Board of a listed company, he/she may not hold more than two such positions and must not be the Chair of a Supervisory Board in an external listed company. As a whole, the supervisory body should cover as broad a range of experience and expertise relevant to the company as possible. Attention should be paid to diversity when filling vacancies that arise on the Supervisory Board. This is described in more detail in the diversity concept. In accordance with section 111(5) AktG, Viscom AG's Supervisory Board is also required to set targets for the share of women on the Supervisory Board. The Supervisory Board of Viscom AG currently complies in full with the above specific objectives regarding its composition and the defined profile of skills and expertise, including the diversity concept, for the entire Supervisory Board (the new regulation whereby an additional member of the Supervisory Board must also be an expert in the area of auditing in accordance with section 12(6) EGAktG applies to future new appointments only). As an independent member of the Supervisory Board and on the basis of her education and previous professional activity, Prof. Michèle Morner has expertise in the field of auditing and accounting as defined by section 100(5) AktG. As the founder and former managing director of Ynnor Systems GmbH and a former member of the Audit Committee of KUKA AG, she also has outstanding expertise on matters of corporate planning as well as internal control and risk management systems (cf. also D.3 of the Code). Moreover, corporate governance and management concepts were her main research area. Prof. Ludger Overmeyer and Mr. Volker Pape have specialised knowledge and experience in the fields of electrical engineering and information technology. All members of the Supervisory Board have particular international experience (for more information see disclosures in connection with the diversity concept).

The Supervisory Board resolved by circulation procedure dated 30 June 2020 to set a target of one third for the share of women on the Supervisory Board. The target – which has already been

Qualification matrix of the Supervisory Board in accordance with C1 of the Code	Prof. Dr. Michèle Morner	Volker Pape	Prof. Dr. Ludger Overmeyer
First appointed	2018	2018	2014
Year of birth	1967	1955	1964
Particular international experience	✓	✓	✓
Expertise in the field of accounting, including control and risk management systems	✓		
Expertise in the field of auditing	✓		
Specialised knowledge and experience in the fields of electrical engineering and information technology		✓	✓
Expertise in the field of sustainability matters	✓		
Independence in the assessment of the Supervisory Board as referred to by the Code	✓		✓
Specialised knowledge of corporate governance and management concepts	✓		

achieved following the appointment of Prof. Morner as Chairwoman – is to be maintained until 30 June 2024. Volker Pape is a former member of the Executive Board of Viscom AG and has been a member of the Supervisory Board since 28 May 2019. He was put forward as candidate in accordance with section 100(2) sentence 1 no. 4 AktG at the proposal of shareholder HPC Vermögensverwaltung GmbH, Hanover, which holds over 25 % of the voting rights in the company. The Supervisory Board endorsed this nomination. The election of Volker Pape was in line with the recommendation under C.11 of the Code, which states that the Supervisory Board should not contain more than two former members of the Executive Board, as the Supervisory Board of Viscom AG does not include any other former members of the Executive Board.

By way of resolution dated 8 May 2013, the number of independent Supervisory Board members considered adequate by the Supervisory Board was defined in the Rules of Procedure of the Supervisory Board of Viscom AG as at least two, i. e. the majority of Supervisory Board members. In the opinion of the

Supervisory Board, the current Supervisory Board members Prof. Michèle Morner and Prof. Ludger Overmeyer are both independent in accordance with the criteria set out in C.7 of the Code. Other than being members of the Supervisory Board, they have no business or personal relationship with the company, its Executive Board or the controlling shareholder that could substantiate a material or even temporary conflict of interest. None of the members of the Supervisory Board exercise board or advisory functions at any of the company's material competitors, nor do they have personal relationships with such companies.

The Supervisory Board monitors and advises the Executive Board on management of transactions. It is involved in strategy and planning, as well as all matters of business development, the risk situation, risk management, compliance and other issues of fundamental importance to the company. All members of the Supervisory Board and in particular the Chairwoman of the Supervisory Board are also in contact with the Executive Board regarding these issues between meetings. The Supervisory

Board has resolved Rules of Procedure for the Executive Board, in accordance with the company's Articles of Association. The standing rules include the provision that specifies the types of major transactions of the Executive Board that require the Supervisory Board's approval. The Supervisory Board's further responsibilities include appointing Executive Board members, determining the remuneration system for the Executive Board and its individual members, and examining the company's single-entity and consolidated financial statements.

New members appointed to the Executive Board are to be appointed for no more than three years. The Supervisory Board also considers diversity in the composition of the Executive Board. In accordance with section 111(5) AktG, Viscom AG's Supervisory Board is required to set targets for the share of women on the Executive Board. By way of circulation procedure on 30 June 2020, it thus reviewed the current 0 % target for the share of women on the Viscom AG Executive Board and, after detailed discussion, resolved to retain its target for the share of women on the Executive Board of Viscom AG at the current level of 0 % until 30 June 2024. The duty to provide reasons in accordance with section 111(5) sentence 3 f. AktG does not apply to the decision of 30 June 2020 (cf. section 261(2) EG AktG). If a member of the Executive Board ends his term prematurely or in the event of other personnel changes to the Executive Board, the Supervisory Board will give preference to an equally qualified female candidate when appointing a new member. The long-term objective of the Supervisory Board is for at least 20 % of the Executive Board to be women, but this is not currently formally defined as a target within the meaning of section 111(5) sentence 1 AktG.

The Executive Board and the Supervisory Board work in close collaboration to identify top executives and thus ensure long-term succession planning. Headed by the Chairwoman of the Supervisory Board, Prof. Michèle Morner and her significant expertise in HR development and management, a programme was launched in coordination with the Executive Board as a

whole to improve professionalism regarding the development and succession of managers in the overall company. Management principles and skills were defined and, on the basis of a potential analysis, a customised, systematic management development programme was established. All members of the Executive Board play a key role in identifying and promoting personnel with leadership potential in their business area.

Work within the Supervisory Board is coordinated by the Chairwoman of the Supervisory Board or, in her absence, by the Deputy Chairman. The Chairwoman of the Supervisory Board also chairs the Supervisory Board meetings and upholds the Board's interests when representing it. Furthermore, she is authorised to issue the declarations of intent on behalf of the Supervisory Board that are necessary to implement Supervisory Board resolutions. In urgent cases, this also includes the provisional approval of company transactions that, in accordance with the Rules of Procedure for the Executive Board, require the Supervisory Board's approval. Individual tasks and rules of procedure are stipulated in the Rules of Procedure of the Supervisory Board which have been resolved by the Supervisory Board in accordance with the Articles of Association. This includes rules regarding the authority of the Chairwoman of the Supervisory Board and her deputy, in addition to rules pertaining to conflicts of interest and efficiency reviews. According to these, the Chairwoman of the Supervisory Board is required to maintain regular contact with the Executive Board and to discuss strategy, business development and the company's risk management with it. If she becomes aware of significant events of material importance for the assessment of the company's situation and development or for its management, she is required to inform the Supervisory Board and to convene an extraordinary Supervisory Board meeting if necessary.

The Supervisory Board held six regular meetings in the 2022 financial year and one meeting for an efficiency review without the presence of the Executive Board. This took place on 2 December 2022. The efficiency review was essentially con-

ducted on the basis of checklists. In addition to the long-term assessment of past resolutions, this mainly focused on three areas: the organisation of the Supervisory Board and meeting procedures, including the appropriateness of the content of the Supervisory Board's activities (including the frequency of meetings, the openness of results and debate, participation of members of the Supervisory Board, written records, extent of transactions requiring approval, appropriateness of monitoring, long-term review of decisions), the provision on information to the Supervisory Board (between the Executive Board and the Supervisory Board and within the Supervisory Board, including timely and comprehensive information, proactive provision on information, methods of presentation and clarity, deadlines and content of financial reporting) and personnel issues concerning the Supervisory Board and the Executive Board (in particular compliance with statutory requirements, the Code and the skills profile for appointments, conflicts of interest, succession planning, remuneration matters). The opinions on the individual aspects on the checklist were discussed by the Supervisory Board as a whole and their assessment was noted.

The Chairwoman of the Supervisory Board or, in her absence, the Deputy Chairman, convenes the meetings in writing with notice of 14 days. In urgent cases, the Chairwoman of the Supervisory Board can shorten the notice period appropriately and convene the meeting verbally, by telephone, in writing, by fax or e-mail. The agenda and proposals for resolutions must be included with the invitations.

In accordance with the Rules of Procedure of the Supervisory Board, all meetings should be held in person. But meetings can also be held as video conferences or conference calls, or individual Supervisory Board members can take part in the meeting via phone or video. It is also possible to adopt resolutions using votes cast in writing, by telephone or using electronic forms of communication as long as this is ordered by the Chairwoman and no objections are raised by other members of the Supervisory Board within a reasonable period set by the Chairwoman

of the Supervisory Board. The Chairwoman of the Supervisory Board must keep a record of and sign all resolutions made in a written or other form. In the 2022 financial year, the meetings on 18 March 2022 and 5 August 2022 were held as video conferences, the meetings on 6 May 2022 and 8 June 2022 were held in person and the meetings on 4 November 2022 and 2 December 2022 were held as hybrid events.

All resolutions of the Supervisory Board require a simple majority unless stated otherwise by law or the Articles of Association. The Chairwoman of the Supervisory Board or, in her absence, the Deputy Chairman, casts the deciding vote in the case of a tie.

Barring different arrangements made by the Supervisory Board for individual cases, all members of the Executive Board attend the quarterly meetings of the Supervisory Board. This notwithstanding, the Supervisory Board regularly meets at the beginning of the meetings without the Executive Board. The Executive Board's written reports for the Supervisory Board are handed out to the members of the Supervisory Board, unless determined otherwise by the Supervisory Board in a given case.

The members of the Supervisory Board are independent from the management and maintain no business links with the company that could influence the independence of their opinion. Since 1 July 2018, Supervisory Board member Volker Pape and the company have had a long-term consultancy agreement which goes beyond the scope of consulting and monitoring duties performed by Mr. Volker Pape as a member of the Supervisory Board of the company, and so this agreement is remunerated separately. This consultancy agreement aims to continue making use of the contractor's experience and expertise after his many years of successful work for the company as a way of ensuring continuity, supporting old and new members of the Executive Board and retaining the contractor as a consultant in the long term. The consultancy agreement was entered into at market conditions.

In its report to the Annual General Meeting, the Supervisory Board provides information about any conflicts of interest that may have arisen during that financial year. There were no conflicts of interest to be reported to the Supervisory Board in the past financial year.

The company has obtained D&O insurance with no deductible for its Supervisory Board members.

Detailed information on the work of the Supervisory Board in the 2022 financial year is included in the "Report of the Supervisory Board" to the Annual General Meeting.

Mandates of the Supervisory Board members

The Chairwoman of the Supervisory Board of Viscom AG, Prof. Michèle Morner, was a member of the Supervisory Board of KUKA AG from February 2017 until June 2018 and was a member of the Nominations Committee of the Financial Reporting Enforcement Panel (FREP) from April 2015 to December 2021. Prof. Ludger Overmeyer has been a member of the Supervisory Board of LPKF Laser & Electronics SE since June 2019. Volker Pape does not hold any other seats in other Supervisory Boards required by law or comparable domestic and foreign governing bodies of commercial enterprises.

Structure and working methods of Executive Board and Supervisory Board committees

The company's Articles of Association allow the Supervisory Board to form committees from among its members. The Supervisory Board does not see committee formation as advisable under the circumstances of the company. The purpose of forming a committee, i. e. increasing the efficiency of the decision-making process, would not be achieved with a Supervisory Board of just three members. All matters are addressed by all members of the Supervisory Board, meaning that the formation of additional committees is not considered necessary. No Executive Board committees with the purpose of increasing efficiency were formed because of the small size of the Executive Board.

Shareholdings of Board members

The members of the Executive Board presently hold the following numbers of shares in the company:

- Dr. Martin Heuser:
276,280 shares held directly; through the Heuser family foundation and, in turn, HSF GmbH, Dr. Heuser also holds 50 % in HPC GmbH & Co. KG, which is the parent company of HPC Vermögensverwaltung GmbH, which in turn holds 4,869,085 shares in Viscom AG.
- Dirk Schwingel:
11,000 shares held directly.
- Carsten Salewski:
7,142 shares held directly.
- Peter Krippner:
6,500 shares held directly.

The members of the Supervisory Board presently hold the following amounts of shares in the company:

- Volker Pape:
265,650 shares held directly; through the Heuser family foundation and, in turn, PPF GmbH, Mr. Pape also holds 50 % in HPC GmbH & Co. KG, which is the parent company of HPC Vermögensverwaltung GmbH, which in turn holds 4,869,085 shares in Viscom AG.
- Prof. Dr. Ludger Overmeyer:
5,000 shares held directly.

Diversity concept for the composition of the Executive Board and the Supervisory Board

As the composition of the Executive Board and Supervisory Board is based on diversity concepts as regards aspects such as age, gender, educational and professional background, inter-

national experience and other socio-economic issues and expertise, these must be described in the corporate governance declaration, as should the objectives of these diversity concepts, the way in which they are implemented and the results achieved in the financial year.

Please first refer to the above comments on the specific objectives for the composition of the Supervisory Board, the setting of a standard age limit for the Supervisory Board, and the decisions on targets for the share of women. The objectives of the diversity concept for both the Executive Board and the Supervisory Board are as follows:

- Educational and professional background – Technological expertise and commercial experience: The members of the Executive Board and the Supervisory Board should have different educational and professional backgrounds. As a highly specialised technology company, it is crucial for Viscom AG that its Supervisory Board and Executive Board are qualified and experienced in the technical field. At the same time, given the size of the company, business administration and corporate organisation qualifications are of significance. These two areas of expertise should be represented by at least one member on each of the boards.

On the Executive Board, these requirements are currently reflected by the fact that three out of four members of the Executive Board are graduate engineers and have years of professional experience in the technical field. The fourth member of the Executive Board supplements the requirement profile described above as a business graduate with years of professional experience as a commercial manager.

This diversity of expertise can also be found in the Supervisory Board. Prof. Ludger Overmeyer contributes outstanding technical expertise, which is supplemented by Prof. Michèle Morner's capabilities in the areas of business administration, corporate governance, HR and corporate organisation. As a former mem-

ber of the Executive Board of Viscom AG, Mr. Volker Pape has both a technical background and experience of many years managing the company, and enhances the Supervisory Board's insight into its operational process.

- Internationalism: The composition of the Executive Board and the Supervisory Board should reflect a range of international experience. As an international corporation, experience of intercultural communication and internationally diverse business practices are a crucial advantage to Viscom AG. The company therefore promotes and welcome the international experience of its employees and managers, gathered both inside and outside the Group. International expertise, possibly acquired by heading a corporation with international ties, should be represented in both the Executive Board and the Supervisory Board.

In the interests of this objective, on the Executive Board, the company particularly welcomes Mr. Carsten Salewski's many years of experience managing the international business of the US subsidiary in Atlanta and the associated branches in California and Mexico, where he still maintains extensive international contacts today as the Chairman of the IPC SMEMA Council and a member of the Board of the German-American Chamber of Commerce in Atlanta. On the Supervisory Board, the necessary international experience is embodied by Prof. Michèle Morner, as a former member of the Executive Committee of EURAM in Brussels, and Prof. Ludger Overmeyer, with his many years of experience in a position of responsibility at the international company Mühlbauer AG. In turn, as a former member of the Executive Board of Viscom AG, Mr. Volker Pape is directly familiar with the Group's management of its various international branches and subsidiaries.

- Opportunities for advancement and development through external expertise: Viscom firmly believes that it is a benefit to the motivation and rights of its employees, and to diversity in management levels, when employees within the Group have clear opportunities for advancement to management levels.

They are therefore actively promoted to the level of the Executive Board. At the same time, the company wishes to maintain a focus on the diversity of developments in society as a whole, and to be open to external stimulus. Viscom AG sees its Supervisory Board especially as the body that can most suitably contribute this external expertise.

By appointing Mr. Carsten Salewski and Mr. Peter Krippner to the Executive Board, the Supervisory Board is highlighting its goal of promoting long-serving employees to the head of the Group. Also, by appointing Prof. Michèle Morner to the Supervisory Board, a professional who has taught in the fields of corporate governance, business ethics and social change, the company is successfully pursuing the goal of incorporating external expertise as regards general business and social concerns. Led by Prof. Morner, a concept was established to further promote employees' management skills and opportunities for advancement. This concept is subject to ongoing further development.

- **Equal opportunities:** The diversity concept also includes the principle of equal opportunities. Women should have equal opportunities for advancement at Viscom AG and in the Group as a whole. As described above, this is partially encouraged by set quotas. In the interests of equal opportunities and the role model function thus entailed, the Executive Board and Supervisory Board welcome the fact that, in Prof. Michèle Morner, 33 % of the seats on the Supervisory Board are now held by women.

Shareholders and Annual General Meeting

Shareholders of Viscom AG exercise their co-determination and control rights at the Annual General Meeting that is held at least once a year. The Annual General Meeting decides on all legally regulated issues with a binding effect for all shareholders and for the company. Each share grants one vote (one share, one vote) in the decision-making process.

The Annual General Meeting elects the Supervisory Board members and decides on approving the actions of the Executive Board and Supervisory Board. It regularly decides on the appropriation of retained earnings, the selection of the auditor, capital and structural measures, the approval of company contracts and any changes to the company's Articles of Association. The Annual General Meeting also decides on the approval of the remuneration system for members of the Executive Board as proposed by the Supervisory Board every time a material change is made to this remuneration system and at least every four years. It also passes a resolution on Supervisory Board remuneration at least every four years. It proposes resolutions on the approval of the remuneration report for the preceding financial year annually.

At the Annual General Meeting, the Executive Board and Supervisory Board render account of the past financial year. The German Stock Corporation Act (AktG) provides for convening an extraordinary General Meeting in special cases.

The invitation to the Annual General Meeting and all information and reports necessary for passing resolutions are made accessible to the public on the website of Viscom AG in German, as stipulated by the laws governing stock companies. The information on shareholders' rights at the Annual General Meeting, including the exercise of voting rights, is presented there.

Remuneration system, remuneration resolution, remuneration report (reference to website)

The remuneration report on the past financial year and the audit opinion in accordance with section 162 AktG, the remuneration system in place in accordance with section 87a(1) and (2) sentence 1 AktG and the most recent remuneration resolution in accordance with section 113(3) AktG have been published on the company's website at www.viscom.com/en under "Company/Investor Relations/Corporate Governance".

Risk management

A responsible approach to business risk is one of the principles of good corporate governance. The Executive Board of Viscom AG and the management of the Viscom Group can use comprehensive Group and company reporting and control systems which facilitate the detection, assessment and controlling of risks. These systems are continuously enhanced in order to adapt them to changing conditions and are additionally monitored by auditors. The Executive Board regularly informs the Supervisory Board of existing risks and their development.

Details of the internal control and risk management system of the Viscom Group can be found in the risk report. The risk report also contains the report on the accounting-related internal control and risk management system in compliance with the Bilanzrechtsmodernisierungsgesetz (BilMoG – German Accounting Law Modernisation Act). In consultation with the Compliance Officer and the other department heads and in coordination with the Supervisory Board, the Executive Board reviews the effectiveness and the appropriateness of the control and risk management system, as well as its main characteristics as described in the risk report, and the risk reporting on an ongoing basis. The accounting-related internal control and risk management system is also supplemented by the work of the auditor. In addressing the internal control and risk management system as well as the reporting by the department heads, the Executive Board has not become aware of any circumstances that weigh against the appropriateness and effectiveness of these systems as referred to by A.5 of the Code.

Transparency

Open and transparent handling of information for the relevant target groups of Viscom AG is a high priority within the company. The company has appointed a Corporate Governance Officer to monitor compliance with the German Corporate Governance Code.

Viscom AG regularly reports to shareholders, financial analysts, shareholder associations, the media and interested parties on the situation of the company and significant changes in business. All significant new information that is released to financial analysts and institutional investors by Viscom AG is always simultaneously made available to all shareholders and interested members of the public. Viscom uses the Internet and other means of communication to ensure that information is provided promptly.

An overview of all significant information released throughout the financial year is published on Viscom AG's website at www.viscom.com:

- **Ad hoc disclosures.** Ad hoc disclosures in accordance with Article 17 of the Market Abuse Regulation (MAR) are issued without delay when facts arise outside Viscom AG's regular reporting that may significantly influence the share price. Viscom AG's ad hoc disclosures are available to shareholders in the "Company/Investor Relations/News/Publications/Ad-hoc-Notices" section of the Viscom AG website at www.viscom.com/en.
- **Notices concerning voting rights.** In accordance with section 33 et seq. of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act), when Viscom AG becomes aware that an entity acquires, exceeds or falls below 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 %, 50 %, or 75 % of the voting rights in the company as a result of a purchase, disposal or in any other way, this fact will also be promptly disclosed via a notification system accessible throughout Europe and under "Unternehmen/Investor Relations/Finanznachrichten/Stimmrechtsmitteilungen" on the German company's website at www.viscom.com. The notifications received by the company have been reproduced in the notes to the annual financial statements.

Directors' dealings 2022	Date	Nature of transaction	Aggregate price in €	Aggregate total volume in €
Peter Krippner	19 May 2022	Purchase	10.2500	5,125.00
Peter Krippner	18 May 2022	Purchase	10.5602	10,560.25
Dirk Schwingel	16 May 2022	Purchase	10.1000	10,100.00

• **Directors' dealings.** Executive Board and Supervisory Board members of Viscom AG and certain executives who have regular access to insider information and are authorised to make significant company decisions (including related parties as defined by the Market Abuse Regulation (MAR)), are required to disclose their securities transactions, in accordance with Article 19 MAR. These types of transactions are published as soon as the company is informed through a pan-European information system and in the "Company/Investor Relations/News/Publications/Directors' Dealings" section of the Viscom AG website at www.viscom.com/en.

The company was made aware of the following acquisition or sales transactions for shares of Viscom AG or for financial instruments based on these by members of governing bodies (directors' dealings) by Mr. Dirk Schwingel and Mr. Peter Krippner in the 2022 financial year:

• **Financial calendar.** With the financial calendar published in the financial reports and permanently available on Viscom AG's website, the company informs its shareholders and the capital market in a timely manner of the dates of significant publications such as the annual financial report, half-year financial report and quarterly financial reports, the Annual General Meeting, financial press conference and analyst conferences. The company's financial calendar is available to shareholders in the "Company/Investor Relations/Financial Calendar" section of its website at www.viscom.com.

Accounting and annual audit

Viscom AG prepares its consolidated financial statements in line with International Financial Reporting Standards (IFRS) as applicable in the European Union. The annual financial statements of Viscom AG are prepared in accordance with the German Commercial Code. The Executive Board prepares the consolidated financial statements, which are audited by the auditor and audited and approved by the Supervisory Board. Shareholders and interested parties are informed of the general situation of the company via the annual and interim reports and quarterly reports. All reports are accessible to all interested parties simultaneously on the Viscom AG website.

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Hanover, was elected by the 2022 Annual General Meeting as auditor and audited the consolidated financial statements and the annual financial statements of Viscom AG. The audit took place in accordance with German auditing regulations and the standards for the audit of financial statements put forward by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer). Early risk detections system and reporting obligations in compliance with corporate governance as stated in section 161 AktG were also audited.

It was agreed with the auditor that the Chairwoman of the Supervisory Board would be promptly informed of any grounds for disqualification or conflicts of interest that arise during the audit, if these are not resolved immediately.

The auditors must also report all findings and occurrences significant to the tasks of the Supervisory Board without delay as they occur during the audit. The auditors must also inform the Supervisory Board and report in the audit report if facts arise in the course of the audit that do not conform with the compliance statement as submitted by the Executive Board and the Supervisory Board in accordance with section 161 AktG.

Information on relevant company management practices

Compliance with the law is Viscom's duty as a company, and it is in every company's own interest to reduce risks. Viscom sees it as its responsibility to comply with all laws and internal regulations – voluntary obligations and ethical principles also form an integral part of its corporate culture.

In order to actively meet local and international responsibilities, the Executive Board has developed, approved and introduced a compliance policy and corresponding annex that goes beyond the statutory rules of conduct and that applies to all members of governing bodies and employees of the Viscom Group. This "Corporate Compliance Policy" stipulates how to deal with business partners and government institutions, how to maintain secrecy, independence and objectivity and how to act in cases of conflict of interest. These principles include the avoidance of corruption and cartel agreements, compliance with data security guidelines, equal opportunity and adherence to product safety and occupational health regulations.

They are available to Group employees on the intranet, where they can be accessed in German and English at all times. A whistle-blower system allows employees to securely report certain serious legal infringements to Viscom AG. This allows the Compliance Officer and where applicable the Executive Board to work towards containing damage and preventing further damage.

The Compliance Officer is responsible for maintaining and updating this policy.

Compliance is an integral part of Viscom's business processes and has formed the basis for a comprehensive and long-term management process, which is an ongoing and central task for the company. The topic of compliance must evolve constantly in order to react to the opportunities for improvement and the changing demands of global business. It is subject to ongoing change and improvement, making it a living process within the company that will never be completed. More information about the compliance policy is available in the "Company/Corporate Compliance" section of the company's website at www.viscom.com.

Report on additional disclosure requirements for listed companies

The disclosures in accordance with sections 289a(1) and 315a(1) HGB are shown below and are also explained pursuant to section 176(1) sentence 1 AktG.

Viscom AG completed its IPO (initial public offering) in May 2006 and was listed in the Prime Standard of the regulated market on the Frankfurt Stock Exchange until September 2009. From September 2009, Viscom AG was listed in the General Standard of the regulated market. Viscom AG switched back to the Prime Standard as at 22 January 2015 and was listed in the Prime Standard of the regulated market on the Frankfurt Stock Exchange on 31 December 2022.

The company's issued capital amounts to € 9,020 thousand, divided into 9,020,000 no-par value bearer shares each with a notional interest in the share capital of € 1.00.

1. Composition of issued capital

Each share entitles the bearer to one vote at the Annual General Meeting. There is only one class of shares. None of the issued shares are furnished with special rights. In the event of a capital increase implemented in the course of a financial year, the profit participation rights of new shares can in accordance with the Articles of Association be defined differently to the stipulations of section 60(2) sentence 3 of the Aktiengesetz (AktG – German Stock Corporation Act) from the start of the financial year onwards.

2. Restrictions relating to voting rights or the transfer of shares

Viscom AG holds 134,940 treasury shares. These do not entitle Viscom AG to any rights, particularly voting rights, in accordance with section 71b AktG.

The Executive Board member Dr. Martin Heuser holds 276,280 shares in Viscom AG directly. In accordance with section 136(1) sentence 1 AktG, these 276,280 shares are subject to a voting ban in the case of resolutions on whether to approve the actions of Dr. Martin Heuser, whether to release him from a liability or whether the company is to assert a claim against him. For shares from which Dr. Martin Heuser thus cannot exercise the voting right, the voting right also cannot be exercised by another party.

The above restriction on voting rights applies likewise to (i) the 11,000 shares in Viscom AG held by the Executive Board member Dirk Schwingel, (ii) the 7,142 shares in Viscom AG held by the Executive Board member Carsten Salewski, (iii) the 6,500 shares in Viscom AG held by the Executive Board member Peter Krippner, (iv) the 265,650 shares in Viscom AG held directly by the Supervisory Board member Volker Pape and (v) the 5,000 shares in Viscom AG held by the Supervisory Board member Prof. Dr. Ludger Overmeyer.

To the best of the Executive Board's knowledge, there are no contractual restrictions on voting rights, particularly such restrictions arising from agreements between shareholders.

3. Direct or indirect interests in the capital exceeding 10 % of voting rights

HPC Vermögensverwaltung GmbH, Hanover, held 53.98 % of the voting rights (corresponding to 4,869,085 votes) in Viscom AG as at 31 December 2022. By way of a voluntary group notification due to restructuring at the level of subsidiaries with a threshold reached, Dr. Martin Heuser and Mr. Volker Pape each provided notification in accordance with sections 33 and 34 WpHG that the interest held by HPC Vermögensverwaltung GmbH was attributable to them via other intermediary family compa-

nies and foundations that were each reported individually. In addition, Dr. Martin Heuser directly held 276,280 votes (corresponding to 3.06 % of the voting rights) in Viscom AG and Mr. Volker Pape directly held 265,650 votes (corresponding to 2.95 % of the voting rights) in Viscom AG as at 31 December 2022.

Ms. Nadja Heuser, Mr. Michael Heuser, Mr. Merlin Krügel, Ms. Petra Pape and Ms. Anne Pape also provided notification in accordance with sections 33 and 34 WpHG that the interest held by HPC Vermögensverwaltung GmbH was attributable to them due to acting in concert. Details can be found in the voting rights notifications, which are shown in the notes to the consolidated financial statements.

4. Holders of shares with special rights granting powers of control

There are no shares with special rights.

5. Type of voting rights control if employees hold interests in the capital and do not exercise their control rights directly

Viscom AG does not have any employee participation programmes in the form of shares.

6. Statutory regulations and provisions of the Articles of Association on the appointment and dismissal of members of the Executive Board and on amendments to the Articles of Association

In accordance with section 84 AktG, the Supervisory Board is responsible for determining the number of Executive Board members, appointing and potentially dismissing the ordinary or alternative members of the Executive Board and concluding the corresponding employment contracts. The Supervisory Board appoints the Executive Board members for a maximum of five years. Members can be reappointed or their term of office extended for a maximum of five years in each case.

In accordance with section 119(1) no. 5 and section 179(1) and (2) AktG, amendments to the Articles of Association are adopted by the Annual General Meeting by way of resolution. According to the Articles of Association, a simple majority of the votes cast and additionally a simple majority of the share capital represented in the resolution is sufficient unless a larger majority is required by law. The Supervisory Board is authorised to make amendments to the Articles of Association relating solely to their wording. This also applies to amendments to the Articles of Association as a result of changes in the company's share capital.

7. Powers of the Executive Board, particularly regarding the possibility to issue or buy back shares

Authorised Capital 2021

The Executive Board is authorised, with the approval of the Supervisory Board, to increase the share capital of the company on one or more occasions in the period until 7 June 2026 by a total of up to € 4,500,000 by issuing up to 4,500,000 new no-par value bearer common shares (no-par value shares) against cash or non-cash contributions (Authorised Capital 2021). Shareholders must be granted pre-emption rights. The new shares can also be bought by one or more banks subject to the obligation that they are offered to shareholders for subscription. However, the Executive Board is authorised, with the approval of the Supervisory Board, to disapply shareholders' pre-emption rights on one or more occasions:

- (i) for capital increases against cash contributions up to the lower of a total nominal amount of € 902,000 or 10 % of the share capital at the time this authorisation to disapply pre-emption rights is exercised for the first time (in each case taking into account other authorisations to disapply pre-emption rights that may have been exercised in accordance with section 186(3) sentence 4 AktG or with the

corresponding changes and taking into account the exercise of the authorisation to disapply pre-emption rights in accordance with (ii) below), provided the issue price of the new shares is not significantly less than the stock market price of the company's existing listed shares of the same type at the time the issue price is finalised;

(ii) if the new shares are issued against non-cash contributions up to a total nominal amount of € 902,000.00, taking into account the exercise of the authorisation to disapply pre-emption rights in accordance with (i) above, in particular in connection with the acquisition of companies, parts of companies and equity investments in companies;

(iii) to the extent required to exclude possible fractional amounts from the pre-emption rights.

Other authorisations to disapply pre-emption rights that may have been exercised will not be taken into account to the extent that authorisations whose exercise resulted in this being the case are newly issued by the Annual General Meeting.

The Executive Board is authorised, with the approval of the Supervisory Board, to determine the further conditions of the implementation of capital increases, and in particular the content of the rights attached to the shares and the conditions of the share issue.

The Supervisory Board is authorised to amend Article 6 of the Articles of Association following the full or partial implementation of the capital increase or after the end of the authorisation period.

Authorisation to acquire treasury shares

Viscom AG, represented by the Executive Board, is authorised until 4 August 2025 – with the approval of the Supervisory Board – to acquire treasury shares of up to 10 % of the share

capital on the date of the resolution or, if this figure is lower, of the share capital existing on the date the authorisation is exercised. Together with other treasury shares held by the company or attributable to the company in accordance with sections 71a et seq. AktG, the shares acquired on the basis of this authorisation must not exceed 10 % of the company's share capital at any time. Acquisition for the purposes of trading treasury shares is not permitted.

The Executive Board is authorised to use shares in the company that are or have been acquired on the basis of this or a previous authorisation for all legally permitted purposes, particularly including the following:

aa) The acquired treasury shares may also be sold by other means than on the stock exchange or by way of an offer to all shareholders, provided the shares are sold in exchange for cash at a price is not significantly less than the stock market price of the company's shares of the same type at the time of the sale. The applicable stock market price for the purposes of the above regulation is the mean closing price for the company's shares of the same type in XETRA trading (or a comparable successor system) on the last five trading days on the Frankfurt Stock Exchange before entering into the obligation to sell the shares. Shareholders' pre-emption rights are disappplied. However, this authorisation applies only subject to the condition that the shares sold with pre-emption rights disappplied in accordance with section 186(3) sentence 4 AktG do not exceed 10 % of the share capitals either at the time when it takes effect or at the time when this authorisation is exercised. Shares issued from authorised capital in accordance with section 186(3) sentence 4 AktG during the term of this authorisation with pre-emption rights disappplied are to be counted towards this limit of 10 % of the share capital. In addition, shares that are issued or are to be issued to service convertible and/or warrant bonds (or profit participation rights or participating bonds with a conversion right, option or conversion obligation or tender right

of the Company) that have been issued during the term of this authorisation based on an authorisation to issue convertible and/or warrant bonds (or profit participation rights or participating bonds with a conversion right, option or conversion obligation or tender right of the Company), applying section 186(3) sentence 4 AktG accordingly and with pre-emption rights disappplied, are also to be counted towards this limit of 10 % of the share capital. Such shares are no longer counted towards the limit if authorisations to issue new shares from authorised capital in accordance with section 186(3) sentence 4 AktG or to issue convertible and/or warrant bonds (or profit participation rights or participating bonds with a conversion right, option or conversion obligation or tender right of the Company), applying section 186(3) sentence 4 AktG accordingly, are newly issued by the Annual General Meeting after the authorisations that led to the shares being counted are exercised.

bb) The acquired treasury shares may also be sold by other means than on the stock exchange or by way of an offer to all shareholders, provided this is done in return for a contribution in kind by a third party, particularly in the context of the acquisition of companies, parts of companies or interests in companies by the Company itself or by companies that are dependent on or majority owned by it, and takes place in the context of company mergers or to fulfil conversion rights or obligations of holders or creditors arising from convertible and/or warrant bonds (or profit participation rights or participating bonds with a conversion right, option or conversion obligation or tender right of the Company) issued by the Company or by Group companies of the Company. Shareholders' pre-emption rights are disappplied in each case.

cc) The acquired treasury shares may be fully or partly withdrawn without requiring a further resolution by the Annual

General Meeting. They may also be withdrawn using the simplified method without a capital reduction by adjusting the pro-rata notional interest of the other no-par value shares in the Company's share capital. The withdrawal may be limited to part of the acquired shares. If the withdrawal takes place using the simplified method, the Executive Board is authorised to adjust the number of no-par value shares in the Articles of Association.

dd) In the event of a sale of acquired treasury shares as part of an offer made to all shareholders, the Executive Board may also, with the approval of the Supervisory Board, disapply shareholders' pre-emption rights for fractional amounts.

Further details can be found in the resolution adopted under agenda item 6 of the Annual General Meeting of Viscom AG on 4 August 2020, which corresponds to the proposed resolution announced in the notice convening the Annual General Meeting that was published in the German Federal Gazette (Bundesanzeiger) on 23 June 2020.

8. Significant agreements of the company subject to the condition of a change of control

There are no significant agreements of the company subject to the condition of a change of control resulting from a takeover bid.

9. Compensation agreements with Executive Board members or employees in the event of a takeover bid

Neither the employment contracts with the Executive Board members nor those with the employees of the Company provide for compensation agreements in the event of a takeover bid.

Closing statement in the dependent company report

Viscom AG was dependent on HPC Vermögensverwaltung GmbH in the 2022 financial year. As there was no control agreement between the latter company and Viscom AG in this period, the Executive Board of Viscom AG prepared a report of the Executive Board on relationships with affiliated companies in accordance with section 312(1) AktG including the following confirmation:

“Our company received fair compensation for each of the transactions listed in the report on relationships with affiliated companies. In the period from 1 January to 31 December 2022, no actions were taken or omitted at the instigation or in the interest of the controlling company or a company affiliated with it.”

Hanover, 17 March 2023

The Executive Board



Carsten Salewski



Peter Krippner



Dr. Martin Heuser



Dirk Schwingel

IFRS Consolidated Financial Statements 2022

Consolidated statement of comprehensive income

Consolidated statement of comprehensive income		01.01.-31.12.2022	01.01.-31.12.2021
Item		K€	K€
G1	Revenue	105,518	79,792
G2	Other operating income	2,405	2,203*
		107,923	81,995
G3	Changes in finished goods and work in progress	3,629	5,287
G4	Other own work capitalised	3,193	2,972
G5	Cost of materials	-45,158	-37,586
G6	Staff costs	-39,900	-32,839*
G7	Depreciation and amortisation	-6,766	-5,874
G8	Other operating expenses	-14,735	-9,758
		-99,737	-77,798
	Operating profit	8,186	4,197
G9	Financial income	4	2
G9	Financial expenses	-775	-417
	Financial result	-771	-415
G10	Income taxes	-2,046	-1,195
	Net profit for the period	5,369	2,587
	<i>Net profit for the period attributable to Viscom AG shareholders</i>	<i>5,376</i>	<i>2,587</i>
	<i>Non-controlling interest in net profit for the period</i>	<i>-7</i>	<i>0</i>
G11	Earnings per share (diluted and basic) in €	0.60	0.29
	Other comprehensive income		
	Currency translation differences	62	779
	Items that can be reclassified to profit or loss	62	779
	Other comprehensive income after taxes	62	779
	Total comprehensive income	5,431	3,366
	<i>Total comprehensive income attributable to Viscom AG shareholders</i>	<i>5,438</i>	<i>3,366</i>
	<i>Non-controlling interest in total comprehensive income</i>	<i>-7</i>	<i>0</i>

* described in G2 and G6 in the notes

Consolidated statement of financial position: assets

Assets

Assets Item	31.12.2022 K€	31.12.2021 K€
Current assets		
A1 Cash and cash equivalents	4,361	4,521
A2 Trade receivables	41,050	26,906
A3 Income tax assets	42	141
A4 Inventories	37,428	33,125
A5 Other financial receivables	103	91*
A5 Other assets	1,489	2,685*
Total current assets	84,473	67,469
Non-current assets		
A6 Goodwill	202	0
A7 Property, plant and equipment	15,071	15,478
A8 Intangible assets	15,104	14,688
A9 Financial assets	7	7
A9 Loans originated by the Company	25	30
A10 Deferred tax assets	1,116	1,021
Total non-current assets	31,525	31,224
Total assets	115,998	98,693

* described in A5 in the notes

Consolidated statement of financial position: equity and liabilities

Equity and liabilities

Equity and liabilities	31.12.2022	31.12.2021
Item	K€	K€
Current liabilities		
P1 Trade payables	3,256	5,059
P2 Contract liabilities	1,967	844*
P3 Current loans	22,655	10,864
P4 Provisions	1,099	944
P5 Current income tax liabilities	817	516
P6 Other current financial liabilities	4,168	3,629**
P6 Other current liabilities	6,197	4,859**
Total current liabilities	40,159	26,715
Non-current liabilities		
P4 Non-current provisions	807	819
P7 Other non-current financial liabilities	11,158	12,073
P8 Deferred tax liabilities	3,608	2,511
Total non-current liabilities	15,573	15,403
Equity		
P9 Issued capital	9,020	9,020
P10 Capital reserves	21,321	21,321
P11 Retained earnings	28,840	25,241
P12 Exchange rate differences	1,055	993
Equity attributable to Viscom AG shareholders	60,236	56,575
P13 Non-controlling interests	30	0
Total equity	60,266	56,575
Total equity and liabilities	115,998	98,693

* described in P2 in the notes

** described in P6 in the notes

Consolidated statement of cash flows

Consolidated statement of cash flows

01.01. - 31.12.2022

01.01. - 31.12.2021

Item	01.01. - 31.12.2022 K€	01.01. - 31.12.2021 K€
Cash flow from operating activities		
Net profit for the period after interest and taxes	5,369	2,587
G10 Adjustment of net profit for income tax expense (+)	2,046	1,195
G9 Adjustment of net profit for interest expense (+)	775	417
G9 Adjustment of net profit for interest income (-)	-4	-2
G7 Adjustment of net profit for depreciation and amortisation expense (+)	6,766	5,874
P5 Increase (+) / decrease (-) in provisions	143	-271
A6 to A8 Gains (-) / losses (+) on the disposal of non-current assets	-23	-19
A2 to A5, A9 Increase (-) / decrease (+) in inventories, receivables and other assets	-17,102	-17,004
P1 to P4, P6, P7 Increase (+) / decrease (-) in liabilities	830	3,624
G10 Income taxes paid (-)	-487	-304
Net cash used in/from operating activities	-1,687	-3,903
Cash flow from investing activities		
A6 to A8 Receipts (+) from the disposal of non-current assets	50	25
A6 to A8 Acquisition (-) of property, plant and equipment and intangible assets	-1,726	-390
A7 Capitalisation of development costs (-)	-3,193	-2,972
A8 Disbursements of loans granted (-)	0	-6
A8 Receipts from the repayment of loans granted (+)	3	2
G9 Interest received (+)	3	2
G9 Payments for the acquisition of subsidiaries less cash and cash equivalents acquired (-)	-159	0
Net cash used in investing activities	-5,022	-3,339
Cash flow from financing activities		
P10 Proceeds from equity injections by other shareholders	37	0
P9-12 Dividend payment (-)	-1,777	0
G9 Interest paid (-)	-747	-394
P8 Repayment of lease liabilities (+)	-2,962	-2,724
P8 Borrowing of non-current financial liabilities (+)	600	0
P8* Repayment of miscellaneous financial liabilities (-)	-313	-245
Net cash and cash equivalents from financing activities	-5,162	-3,363
Changes in cash and cash equivalents due to changes in exchange rates	40	193
Cash and cash equivalents		
Change in cash and cash equivalents	-11,871	-10,605
A1, P3 Cash and cash equivalents as at 1 January	-6,096	4,316
A1, P3* Cash and cash equivalents as at 31 December	-17,927	-6,096

* Please also refer to the section on the statement of cash flows in the notes.

Statement of changes in equity

Equity	Issued capital K€	Capital reserves K€	Exchange rate differences K€	Retained earnings K€	Non-control- ling interests K€	Total K€
Equity as at 1 January 2021	9,020	21,321	214	22,654	0	53,209
Net profit for the period	0	0	0	2,587	0	2,587
Other comprehensive income	0	0	779	0	0	779
Total comprehensive income	0	0	779	2,587	0	3,366
Dividends	0	0	0	0	0	0
Equity as at 31 December 2021	9,020	21,321	993	25,241	0	56,575
Equity as at 1 January 2022	9,020	21,321	993	25,241	0	56,575
Net profit for the period	0	0	0	5,376	-7	5,369
Other comprehensive income	0	0	62	0	0	62
Total comprehensive income	0	0	62	5,376	-7	5,431
Dividends	0	0	0	-1,777	0	-1,777
Formation of a subsidiary	0	0	0	0	37	37
Equity as at 31 December 2022	9,020	21,321	1,055	28,840	30	60,266

Notes to the Consolidated Financial Statements

General disclosures on the company and the consolidated financial statements

Fundamental accounting principles

Viscom AG is domiciled in Hanover, Germany, and is entered in the local commercial register under HRB 59616. The company's business address is Viscom AG, Carl-Buderus-Straße 9-15, 30455 Hanover, Germany.

These consolidated financial statements were approved by the Executive Board for presentation to the Supervisory Board on 17 March 2023 and will be published on 28 March 2023.

The consolidated financial statements and the 2021 Group management report were submitted to and published in the German Federal Gazette (Bundesanzeiger).

The Company's business activities encompass the development, manufacture and sale of inspection systems for industrial production. Inspection is performed by the computer-based optical and X-ray comparison of the inspected objects with the specifications defined in the inspection system.

Declaration of compliance

These financial statements for the 2022 financial year were prepared on the basis of the uniform application of and compliance with all the applicable International Financial Reporting Standards (IFRS) and the interpretations issued by the IFRS IC, as adopted by the European Union as at 31 December 2022. In addition, the applicable provisions of commercial law under section 315e(1) HGB were taken into account.

Changes or additions to IFRS and changes to reporting, recognition or measurement as a result

Compared to the consolidated financial statements dated 31 December 2021, the following standards and interpretations have changed or become effective for the first time as a result of their endorsement in EU law or the regulations reaching their effective date:

Amendments to IFRS 3:

Reference to the Conceptual Framework

The amendments were endorsed in EU law on their announcement in the EU official gazette on 2 July 2021 and are effective for reporting periods starting on or after 1 January 2022. The amendments relate to updating the reference to the conceptual framework in IFRS 3 and additions to the conceptual framework. The amendments have no effect on the Viscom Group's financial statements.

Amendments to IAS 16:

Proceeds before Intended Use

The amendments were endorsed in EU law on their announcement in the EU official gazette on 2 July 2022 and are effective for reporting periods starting on or after 1 January 2022. The amendments relate to the prohibition on deducting proceeds when calculating cost. The amendments have no effect on the Viscom Group's financial statements.

Amendments to IAS 37:

Onerous Contracts – Cost of Fulfilling a Contract

The amendments were endorsed in EU law on their announcement in the EU official gazette on 2 July 2022 and are effective

for reporting periods starting on or after 1 January 2022. The amendments relate to specifying the definition of the cost of fulfilling a contract. The amendments have no effect on the Viscom Group's financial statements.

Annual Improvements to IFRSs (2018-2020) with amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41

The amendments were endorsed in EU law on their announcement in the EU official gazette on 2 July 2022 and are effective for reporting periods starting on or after 1 January 2022. The amendments relate to IFRS 1 (subsidiary as a first-time adopter of IFRS), IFRS 9 (10 % test in the event of modifications), IFRS 16 (amendments to illustrative examples) and IFRS 14 (inclusion of

taxes). The amendments have no effect on the Viscom Group's financial statements.

IASB standards and interpretations not applied prematurely

The following IFRS were published by the IASB / IFRIC on or before the end of the reporting period, but only become effective in later reporting periods or have not been endorsed in EU law. With regard to the standards and interpretations that only become effective in later reporting periods, the Viscom Group has chosen not to exercise the option of early application.

The following standards and interpretations are not yet applied:

Standards / Interpretation			Effective for reporting periods from	Endorsement by European Commission
Standards				
IFRS 17 and amendments to IFRS 17	Insurance Contracts	Postponement of the mandatory initial application date.	1 Jan. 2023	Yes
Amendments to IFRS 17	Insurance Contracts	Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendment to IFRS 17).	1 Jan. 2023	Yes
Amendments to IAS 1 and Practice Statement 2	Disclosure of Accounting Policies	Clarification that only material accounting policies rather than significant accounting policies are to be disclosed in the future.	1 Jan. 2023	Yes
Amendments to IAS 8	Definition of Accounting Estimates	Clarifications on distinguishing between	1 Jan. 2023	Yes
Amendments to IAS 12	Deferred Tax	Deferred tax related to assets and liabilities arising from a single transaction.	1 Jan. 2023	Yes
Amendments to IAS 1	Classification of Liabilities as Current or Non-Current	Clarification that the classification as current or non-current should be based on rights that are in existence at the end of the reporting period. Classification is unaffected by the management's intention with regard to rights. Non-current liabilities with covenants.	1 Jan. 2024	No
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	Addition of a regulation on the subsequent measurement of a lease liability in a sale and leaseback	1 Jan. 2024	No

The Viscom Group does not expect the application of the Standards / Interpretations published at the end of the reporting period but not yet effective to have a material impact on the net assets, financial position and results of operations of the Group in future periods.

Principles underlying the preparation of the consolidated financial statements

The financial year is the calendar year. The IFRS consolidated financial statements are prepared in euro. Figures are presented in thousands of euro (€ thousand). The consolidated financial statements are prepared on the basis of amortised historical cost.

The consolidated statement of comprehensive income was prepared in accordance with the nature of expense method.

Certain items in the statement of comprehensive income and the statement of financial position have been combined for clarity of presentation; explanatory disclosures are contained in the notes to the consolidated financial statements. In accordance with IAS 1, assets and liabilities reported on the face of the statement of financial position are classified as either current or non-current. Current assets or liabilities are those designated for disposal / redemption within the next year.

Consolidation principles

The IFRS consolidated financial statements are based on the single-entity financial statements of Viscom AG and the single entity financial statements of the subsidiaries as at 31 December 2022. The financial statements of the companies included in the consolidated financial statements are prepared on the basis of uniform accounting principles. Adjustments were made for differences in accounting standards as necessary.

All intercompany profits and losses, income and expenses and receivables and liabilities between the companies are eliminated. Deferred taxes are recognised for consolidation measures affecting profit or loss.

Business combinations are recognised in accordance with the purchase method. Under this method, the identifiable assets (including intangible assets not previously recognised) and liabilities (including contingent liabilities but not including future restructuring) of the acquired operations are recognised at fair value. The difference between the excess of cost, the amount of non-controlling interests in the acquired company and the fair value of all previously held shares at the acquisition date and the share of the Group in the net assets measured at fair value is recognised as goodwill. If the consideration transferred is lower than the net assets of the acquired subsidiary as measured at fair value, the difference is recognised directly in profit or loss. Acquisition-related costs are generally expensed immediately.

Basis of consolidation

In addition to the parent company Viscom AG, Hanover, the following subsidiaries were included in the IFRS consolidated financial statements:

Name	Registered office	Equity interest	Date of initial control
Viscom France S.A.R.L.	Cergy Pontoise Cedex, France	100 %	2001
Viscom Machine Vision Pte Ltd.	Singapore, Singapore	100 %	2001
Viscom Inc.	Atlanta, USA	100 %	2001
Viscom Machine Vision Trading Co. Ltd.	Shanghai, China	100 %	2007
Viscom Tunisie S.A.R.L.	Tunis, Tunisia	100 %	2010
VICN Automated Inspection Technology (Huizhou) Co., Ltd	Huizhou, China	100 %	2021
VISCOM MACHINE VISION (INDIA) PRIVATE LIMITED	Bangalore, India	100 %	2021
VISCOM VXS S. DE R.L. DE C.V.	Zapopan/Guadalajara, Mexico	100 %	2022
Viscom Metallgestaltung GmbH	Langenhagen/Hanover, Germany	100 %	2022
Exacom GmbH	Hanover, Germany	85 %	2022

The consolidated financial statements include the subsidiaries in which Viscom AG directly or indirectly holds the majority of voting rights and over which it therefore exercises control. Subsidiaries are included in the consolidated financial statements when control is established and are deconsolidated when the conditions for control are no longer met. In the 2022 financial year, Exacom GmbH was established and Viscom Metallgestaltung GmbH and VISCOM VXS S. DE R.L. DE C.V. were acquired.

To minimise the supply shortages for the steel frames and lead compartments needed to manufacture inspection systems, Viscom AG acquired a long-standing supplier for the manufacture of metal frames as at 1 April 2022. As a result of the acquisition of Viscom Metallgestaltung GmbH, the following identified assets and liabilities were included in the consolidated financial statements:

Fair value	K€
Cash and cash equivalents	454
Inventories	225
Indemnification assets	116
Other assets	2
Property, plant and equipment	1,099
Intangible assets	1
Trade payables	-1
Current income tax liabilities	-390
Other current financial liabilities	-137
Other current liabilities	-281
Other non-current financial liabilities	-508
Deferred tax liabilities	-169
Net assets acquired	411

Final goodwill of € 202 thousand arises as the difference from the consideration transferred (€ 613 thousand). The consolidated income statement includes revenue with third parties of € 241 thousand and net profit for the period of € 465 thousand from Viscom Metallgestaltung GmbH. If the company had been acquired on 1 January 2022, consolidated revenue of € 966 thousand and consolidated net profit for the period of € 577 thousand would have been reported in the consolidated income statement.

As a result of the acquisition of VISCOM VXS S. DE R.L. DE C.V., the following identified assets and liabilities were included in the consolidated financial statements:

Fair value	K€
Cash and cash equivalents	34
Trade receivables	3
Other assets	29
Property, plant and equipment	5
Other current liabilities	-35
Net assets acquired	36

Provisional badwill of € 22 thousand arises as the difference from the consideration transferred (€ 14 thousand).

Viscom AG together with minority shareholders formed Exacom GmbH, Hanover, in June 2022, in which Viscom holds 85 % of the shares and voting rights. As at 1 July 2022, Viscom AG contributed its business unit for the development and sale of machinery for the X-ray inspection of battery cells to form Exacom GmbH. The minority shareholders have made cash contributions to the company in line with their shareholdings.

Changes to accounting and policies

The same accounting policies were applied as in the previous year.

Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires certain assumptions and estimates affecting the amount and reporting of the assets, liabilities, income, expenses and contingent liabilities recognised. Due to the bottlenecks in procurement chains, there is still increased estimation uncertainty particularly with regard to intangible assets, right-of-use assets and inventories. Even accounting for less likely negative scenarios, there is no impairment on intangible assets or property, plant and equipment.

Intangible assets

Internally generated intangible assets are capitalised if it is sufficiently certain that the respective development activity will result in future economic benefits that will cover the total development costs as a minimum. This requires an estimate of the future economic benefits and the outstanding development costs.

Leases

In addition to the fixed term of a lease, renewal, termination or purchase options are also taken into account in determining the useful life of a lease in accordance with IFRS 16. Estimates are required to assess the probability of options being exercised. Estimates are also required to determine the discount rate.

Trade receivables

The default risk for trade receivables is estimated using the available information, particularly with regard to arrears. In accordance with IFRS 9, impairment is recognised for expected credit losses.

Inventories

Inventories are subject to assumptions regarding the depreciation parameters, e. g. inventory coverage and the percentage of completion.

Provisions

For provisions, and in particular provisions for warranties, deviations in the actual warranty expenses incurred at a later date are possible as the provisions are recognised on the basis of empirical data. The warranty expense is quantified for each system installed and used as a basis for systems that are still under warranty at the end of the respective year.

Tax items

The companies of the Viscom Group are increasingly exposed to taxation risks due to stricter interpretations and assessments by the tax authorities and changes in tax legislation and case law. Provisions are recognised as required based on the estimated claims of the financial authorities. In particular, the timing of the expenses to be considered for tax purposes is subject to regular estimates and assumptions. The pricing of contracts for cross border intragroup goods and services is subject to uncertainty as, in many cases, market prices cannot be observed or the market prices of similar goods and services are of limited comparability. Deviating developments in the assumptions made for estimates can result in changes in estimates.

Impairment of non-financial assets

At the end of each reporting period, the Group determines whether there are indications that non-financial assets are impaired. Goodwill, other intangible assets with an indefinite useful life and internally generated intangible assets in development are reviewed at least once a year and if there are indications of impairment. Other non-financial assets are tested for impairment if there are indications that the carrying amount exceeds the recoverable amount.

To calculate the fair value less disposal costs, the management estimates the expected future cash flows from the cash-generating unit and selects a discount rate to calculate the present value of these cash flows. In accordance with IAS 36, a cash generating unit is the smallest identifiable group of assets that generates cash flows that are largely independent of those of other units.

Summary of significant accounting policiesIntangible assets

Intangible assets are measured at cost on initial recognition. They are reported if it is probable that the future economic benefits attributable to the asset will flow to the company and the acquisition or production costs of the asset can be measured reliably. The cost of intangible assets acquired as part of a business combination is their fair value as at the acquisition date. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with a limited useful life are amortised on a straight-line basis over their estimated useful life. Amortisation periods and methods are reviewed on an annual basis at the end of each financial year. The amortisation of intangible assets is reported under depreciation and amortisation in the consolidated statement of comprehensive income. There are no intangible assets with an indefinite useful life.

Gains and losses on the disposal of intangible assets are calculated as the difference between the proceeds of disposal and the carrying amount of the intangible assets. They are recognised in "Other operating income" or "Other operating expenses" in the consolidated statement of comprehensive income.

Goodwill from business combinations is initially measured at cost. It is determined as the excess of cost, the value of the non-controlling shares in the acquired company and the fair

value of any previously held equity on the acquisition date over the Group's share of the net assets measured at fair value. If the consideration transferred is lower than the net assets of the acquired subsidiary as measured at fair value, the difference is recognised directly in profit or loss.

After initial recognition, goodwill is subjected to annual impairment testing and measured at cost less any accumulated impairment losses. Impairment on goodwill cannot be reversed.

In accordance with IAS 38, research costs cannot be capitalised, while development costs can only be capitalised when certain precisely defined conditions are met. Development costs must always be capitalised when it is sufficiently certain that the respective development activity will result in future economic benefits that will cover the planned costs and the corresponding development costs. In addition, various criteria relating to the development project and the product or process being developed must all be met. In particular, the company must intend to complete, use or sell the development project and possess the technical, financial and other resources required to do so. Furthermore, the company must be in a position to use or dispose of the intangible asset and derive an economic advantage from the same. Viscom capitalises development costs when these criteria are cumulatively met and the development costs can be measured reliably. These are qualifying assets, as they take a substantial period of time (generally more than 12 months) to get ready for their intended use or sale. Any borrowing costs incurred are a component of cost for qualifying assets.

Other development costs that do not meet these criteria are expensed as incurred. Development costs expensed in previous periods are not capitalised in subsequent reporting periods. Capitalised development costs are reported as intan-

gible assets and amortised on a straight-line basis over their useful life, not exceeding 15 years, from the date on which they become usable. Capitalised development costs that are not yet ready for use are subject to annual impairment testing for the respective cash-generating unit.

As at 31 December 2022, Viscom had two submitted patents, which were registered in Europe and in the US.

Property, plant and equipment

Property, plant and equipment are reported at cost less cumulative depreciation and impairment losses.

The original cost of an item of property, plant and equipment is composed of the purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of preparing the respective asset for use as intended by the company's management and transporting it to its intended location.

The cost of manufacture of an item of property, plant and equipment is composed of the cost of the goods and services used in manufacturing the respective asset. This includes direct costs and appropriate amounts of the fixed and variable overheads.

Subsequent costs relating to an item of property, plant and equipment that has already been recognised are added to the carrying amount of the respective asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the company and the costs can be reliably determined. All other subsequent expenditure is expensed in the period in which it is incurred. Expenses for repairs and maintenance not relating to significant replacement investments are recognised as expenses in the consolidated statement of comprehensive income in the financial year in which they are incurred.

The useful lives, depreciation methods and net carrying amounts are reviewed in each period. This is necessary to ensure that the depreciation methods and periods correspond to the expected economic benefits from the respective items of property, plant and equipment.

Gains and losses on the disposal of property, plant, and equipment are calculated as the difference between the proceeds of disposal and the carrying amount of the property, plant, and equipment. They are recognised in "Other operating income" or "Other operating expenses" in the consolidated statement of comprehensive income.

Assets under development are allocated to property, plant and equipment and reported at cost. They are depreciated from the date on which they are brought to their working condition.

Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets with a definite useful life are tested for impairment whenever changes or events take place that indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognised when the carrying amount of an item of property, plant and equipment or an intangible asset carried at cost exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use.

An asset's fair value less costs to sell is the amount obtainable from the sale of the asset in an arm's-length transaction less the costs of disposal. Its value in use is the present value of the estimated future cash flows that are expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. The recoverable amount is calculated for each individual asset or, where this is not possible, for the cash-generating unit to which the respective asset belongs.

If there is an indication that impairment no longer exists or has decreased, the respective impairment loss is tested and measured and any amount reversed to no more than the historical cost as a result is recognised in profit or loss.

Intangible assets with an indefinite useful life and any intangible assets that are not yet ready for use are subject to annual impairment testing for the respective cash-generating unit.

Leases

Lessee

Lease liabilities and right-of-use assets are recognised for all leases and are reported under property, plant and equipment. In accordance with the option provided by IFRS 16.5, short term leases with a term of not more than twelve months (and without a purchase option) and leases for low-value assets are recognised directly as an expense in accordance with IFRS 16.6.

The lease liabilities include the following lease payments:

- fixed lease payments and certain variable lease payments, less any expected lease incentives
- expected payments resulting from residual value guarantees
- exercise prices for purchase options if it is reasonably certain that they will be exercised

Lease expenses are discounted using the interest rate implicit in the lease. This rate cannot be readily determined for most of the Group's leases. The incremental borrowing rate is used for discounting as an alternative. The incremental borrowing rate is the interest rate that the lessee would have to pay to borrow over a similar term for a comparable asset in a similar economic environment.

Right-of-use assets are stated at cost, which consists of:

- the amount of the initial measurement of the lease liability
- prepayments and initial direct costs, less any lease incentives received
- estimated costs for restoration obligations at a later date

Lease and non-lease components do not have to be separated. Options to extend or terminate leases are taken into account in their measurement if it is reasonably certain that they will be exercised.

They are subsequently measured at amortised cost. Right-of-use assets are depreciated on a straight-line basis over the shorter of the term of the lease, taking into account purchase, renewal or termination options likely to be exercised in future, and economic life. See A7-A8 for further information.

The lease liabilities are adjusted applying the effective interest method taking lease payments into account.

Financial investments and other financial assets and liabilities

Financial instruments (financial assets and financial liabilities) within the meaning of IAS 32 and IFRS 9 are divided into the following categories:

- Measurement at amortised cost (AC)
- Measurement at fair value through other comprehensive income (FVtOCI)
- Measurement at fair value through profit or loss (FVtPL)

The classification of a financial asset depends on two criteria:

- Business model test: classification is contingent on the nature of the business model in which the financial instrument is held.

- Cash flow characteristics test: classification is determined by the characteristics of the contractual cash flows.

The management determines the classification of financial assets on initial recognition.

These financial assets and liabilities are measured at fair value as at the trade date on initial recognition, with the exception of trade receivables without a significant financing component, which are measured at their transaction price. After initial recognition, different measurement methods apply to the various categories of financial assets and liabilities. These are described in the accounting policies for the respective statement of financial position items. Foreign currency items are translated at the middle rate prevailing at the end of the reporting period. Gains and losses due to changes in the fair value of financial instruments are reported in profit or loss.

Financial liabilities are derecognised when the corresponding contractual obligations are met or cancelled or they expire.

Inventories

In accordance with IAS 2, inventories are assets that are held for sale in the ordinary course of business (completed systems), that are in the process of production for such sale (assemblies and partially completed systems), or that are held for consumption in the production process or in the rendering of services (raw materials and supplies). To a small extent, systems that are already with customers for purchase on a trial basis are reported under completed systems. The production costs of finished and unfinished products include costs for product design, raw materials, auxiliary materials and supplies, direct staff costs, and other direct costs and overheads directly attributable to production (based on average production capacities).

Inventories are measured at the lower of their acquisition or production cost as calculated using the weighted average method and their fair value less cost to sell.

An asset's fair value less costs to sell is the estimated proceeds recoverable in the ordinary course of business less the estimated costs up to completion and estimated selling expenses.

For completed systems, an individual assessment of the recoverability of each system is performed.

Trade receivables

Other receivables and assets

Trade receivables are initially carried at cost, which is equal to the fair value of the consideration paid, and in subsequent periods at amortised cost using the effective interest method less any allowances for uncollectability. Estimates of uncollectible amounts are performed when it is no longer likely that the respective invoice will be settled in full. Uncollectible amounts therefore result in bad debts, which are written down accordingly. These write-downs are recognised in separate accounts. Foreign currency items are translated at the middle rate prevailing at the end of the reporting period.

Viscom applies the simplified approach for expected credit losses according to IFRS 9, which allows the recognition of full lifetime expected losses for all trade receivables. To measure the expected credit losses, the trade receivables were grouped according to shared credit risk characteristics and days past due. The expected credit losses also include forward-looking information. Impairment losses classified as non-material are recognised under other operating expenses, while reversals of impairment losses are recognised under other operating income. Financial assets are derecognised when the rights to receive cash flows from the financial assets no longer exist or

have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Equity

The issued capital is carried at its nominal amount. Reserves are recognised in accordance with the provisions of the law and the Articles of Association, and are carried at their nominal amount.

Provisions

Provisions are recognised when the company has a present obligation to a third party as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

If a risk for which a provision has been recognised is expected to be covered by reimbursements (e. g. under insurance contracts), the reimbursement should be recognised as a separate asset to the extent that it is sufficiently probable that it will be received. The expense relating to the provision is reported in the statement of comprehensive income net of the amount recognised for the reimbursement.

Significant provisions are recognised for warranty expenses. The warranty expense is quantified for each system installed and used as a benchmark for systems that are still under warranty at the end of the respective year. Non-current provisions are carried at their discounted amount.

In measuring anniversary obligations, assuming an average remaining term of 8.3 years, an interest rate of 3.76 % (previous year: 0.82 %) p.a. and an average turnover rate of 2.0 % (previous year: 2.0 %) p.a. were used.

Taxes

In accordance with IAS 12, deferred taxes are calculated using the asset and liability method for temporary differences between the tax base of an asset or liability and its carrying amount in the IFRS and tax accounts of the individual companies, temporary differences resulting from consolidation processes and utilisable loss carryforwards. This is based on the tax rates that are expected to apply in the respective countries at the realisation date. These are based on the statutory regulations effective or adopted at the end of the reporting period. A tax rate of 32.6 % was applied to calculate deferred and current taxes in Germany (previous year: 32.6 %). The income tax rates of the foreign subsidiaries vary between 17 % (previous year: 17 %) and 30 % (previous year: 30 %).

Deferred taxes are recognised through profit or loss unless they relate to items taken directly to equity or other comprehensive income. In this case, deferred taxes are also recognised in equity or in other comprehensive income in the statement of comprehensive income.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period. Deferred taxes are only recognised to the extent they are expected to be realised based on future profits.

Deferred tax assets and deferred tax liabilities are offset if the Group has an enforceable right to offset current tax assets and current tax liabilities and if they relate to the income taxes of the same taxable entity, imposed by the same taxation authority. Corresponding offsetting took place at the individual company level in these consolidated financial statements.

Revenue, expenses and assets are reported net of value-added tax unless the respective tax is non-deductible. Receivables and liabilities are reported including value-added tax. The net value added tax payable or receivable is reported in the statement of financial position as a receivable or a liability.

Revenue

Revenue is generally recognised at the time when control is transferred to the purchaser.

Revenue from services is recognised over the performance period depending on the percentage of completion of the respective transaction at the end of the reporting period.

In the context of purchase on a trial basis, customers are provided with systems on an interim basis for a fee with the aim of a sale. The service is performed over this period. Viscom has no contracts with customers where there is more than a year between delivery or performance by Viscom and payment by the customer. The transaction prices are therefore not adjusted for the time value of money.

Warranties of typically 24 months – in individual cases up to 36 months – for system deliveries are classified as assurance type warranties. A transaction price is therefore not allocated to the warranty. Future expected warranty expenses from system deliveries are recognised as provisions (see Provisions).

Contract liabilities

The portion of the transaction price for a system delivery that is attributable to outstanding subsequent work is recognised over the period of the subsequent work and recognised as a contract liability in the event of early invoicing. The subsequent work, which represents a distinct performance obligation, covers further optional services in addition to the system delivery. Allocation takes place on the basis of the relative stand-alone selling prices derived from directly observable market prices. Furthermore, there are obligations from revenue for outstanding services over time from contracts with customers.

Borrowing costs

Borrowing costs are not capitalised, but instead are expensed in the period in which they are incurred – except in the case of qualifying assets in accordance with IAS 23.

Interest

Interest is recognised in interest income on the basis of the effective interest rate for the respective assets and liabilities. The development costs capitalised in the 2022 financial year include borrowing costs of € 172 thousand (previous year: € 111 thousand) using an interest rate of 2.39 %.

Dividends

Dividends are recognised when the shareholder has obtained the right to receive payment.

Currency translation

Transactions in foreign currencies and the annual financial statements of foreign Group companies whose functional currency is not the euro are translated into euro in accordance with the functional currency concept (IAS 21).

The assets and liabilities of foreign Group companies are translated at the closing date exchange rate, while their income and expenses are translated at the average exchange rate. The shareholders' equity of the subsidiaries is translated at historic rates. Differences between these exchange rates and the exchange rates at the closing date are reported in shareholders' equity as a separate item under "Currency translation differences". When a foreign Group company is sold, exchange differences previously recognised directly in equity are reclassified to profit or loss as part of the gain or loss on disposal. Foreign-currency transactions are translated into the functional currency at the exchange rate at the time of the transaction. Foreign-currency gains and losses from the settlement of transactions and from

the translation of monetary assets and liabilities at the closing rate are recognised through profit or loss in the statement of comprehensive income. Translation differences from foreign-currency transactions are reported in profit or loss under "Other operating income" or "Other operating expenses" respectively. If these result from investments in foreign companies, they are reported in equity.

Non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rate at the time when the fair value was determined. Translation differences are recognised in profit or loss. Except in the case of equity instruments, the differences are recognised in other comprehensive income.

The significant exchange rates in the financial year were as follows:

Translation exchange rates in 2022

	Closing rate	Average rate
1 EUR = x CNY	7.3582	7.0788
1 EUR = x INR	88.1710	82.6864
1 EUR = x MXN	20.8560	21.1869
1 EUR = x TND	3.3109	3.2338
1 EUR = x USD	1.0666	1.0530

Translation exchange rates in 2021

	Closing rate	Average rate
1 EUR = x CNY	7.1947	7.6282
1 EUR = x INR	84.2292	87.4392
1 EUR = x TND	3.2573	3.2531
1 EUR = x USD	1.1326	1.1827

Notes to the consolidated statement of comprehensive income

(G1) Revenue

The Group's revenue can be broken down as follows:

Revenue	2022 K€	2021 K€
Construction and delivery of machinery	83,389	63,330
Services / replacement parts	22,129	16,462
Total	105,518	79,792

The categories "Construction and delivery of machinery" and "Services / replacement parts" are revenue from contracts with customers in accordance with IFRS 15. Outstanding performance obligations all have a term of less than one year.

(G2) Other operating income

Other operating income is composed of the following items:

Other operating income	2022 K€	2021 K€
Income from exchange rate differences	1,533	389
Income from the reversal of other provisions	295	142
Income from the reversal of other provisions for warranties	243	365
Childcare subsidies	122	135
Income from sales of assets	25	25
Income from the reversal of impairment on receivables	24	110
Insurance recoveries	13	45
Subsidies to cover operating expenditure	0	814
Income from rent waiver	0	48
Miscellaneous other operating income	150	130
Total	2,405	2,203

In the previous year, other operating income included income from non-monetary remuneration of € 1,078 thousand, while staff costs included expenses from non-monetary remuneration in the same amount (G6). These items result from the taxation of non-monetary benefits such as the private use of company cars. To ensure accounting in compliance with IFRS, these items have no longer been recognised since 2022. The previous year's figures have been adjusted accordingly. This change does not have any impact on net profit for the period or on basic or diluted earnings per share.

The net amount of impairment losses and reversals of impairment losses on receivables comes to € -99 thousand (previous year: € 74 thousand). The childcare subsidies relate to city and state subsidies for the operation of the nursery at Viscom AG. There are no conditions or other contingencies in connection with these subsidies. The associated expenses are recognised without offsetting under other operating expenses. The subsidies to cover operating expenditure in 2021 related to temporary COVID stopgap assistance that was not granted in 2022.

(G3) Changes in finished goods and work in progress

Changes in finished goods and work in progress included inventory-based manufacturing costs for completed and partially completed machines and their subassemblies. The net value of these machines and assemblies was € 25,451 thousand (previous year: € 21,822 thousand), comprising a cost of € 34,977 thousand (previous year: € 31,789 thousand) and a corresponding impairment loss of € 9,526 thousand (previous year: € 9,967 thousand).

(G4) Other own work capitalized

Own work for new developments was capitalised in the amount of € 3,193 thousand in the 2022 financial year (previous year: € 2,972 thousand). The developments mainly related to software and new inspection systems.

(G5) Cost of materials

The cost of materials can be broken down into the cost of purchased materials and purchased services:

Cost of materials	2022 K€	2021 K€
Materials including incidental costs of acquisition	41,598	35,188
Purchased services	3,560	2,398
Total	45,158	37,586

The increase in the cost of materials was due to the higher level of revenue and the positive change in inventories.

(G6) Staff costs

Staff costs comprise salaries and employer social security contributions.

Staff costs	2022 K€	2021 K€
Wages and salaries, incl. bonuses and management bonuses	33,587	27,553
Social security contributions	6,313	5,286
Total	39,900	32,839
Number of employees (average for the year)	538	466
Number of trainees (average for the year)	17	16
Total	555	482

Staff costs rose as a result of the increase in employees, the increase in provisions for remaining holiday, overtime and bonuses / management bonuses, and salary increases. In the previous year, staff costs included expenses from non-monetary remuneration of € 1,078 thousand; these have no longer been recognised since 2022. A description of the adjustment of the previous year's figures can be found in section (G2).

In the period under review, payments were made to defined contribution pension plans in the amount of € 2,013 thousand (previous year: € 1,872 thousand).

(G7) Depreciation and amortization

Information on depreciation and amortisation expense can be found in notes A7 – A8 of the statement of financial position assets.

(G8) Other operating expenses

Other operating expenses can be broken down as follows:

Other operating expenses	2022 K€	2021 K€
General and administrative costs	7,359	5,508
Travel expenses	2,108	1,294
Selling expenses	1,995	1,478
Outgoing shipments	1,206	940
Expenses from exchange rate differences	1,201	289
Warranties	491	54
Rentals	252	125
Impairment on receivables and losses on receivables	123	36
Temporary workers	0	34
Total	14,735	9,758

The increase in other operating expenses was particularly attributable to increased administration and general overhead costs (hardware and software maintenance, building services, vehicle costs, further training, maintenance and incidental costs of acquisition for the establishment / purchase of new companies), expenses for exchange rate differences, and travel and sales costs due to increased business and trade fair activity. The rise in warranty expenses is due to the increase in systems sold in the 2022 financial year. The rent expenses resulted from short-term leases, leases for low-value assets, leases without an identified asset in accordance with IFRS 16, and ancillary rental costs.

Expenditure for research and development amounted to 6.7 % of revenue (previous year: 7.9 %) or € 7,074 thousand (previous year: € 6,287 thousand).

(G9) Financial result

Financial income amounted to € 4 thousand, on a par with the previous year's figure (€ 2 thousand). Financial expenses of € 775 thousand in 2022 (previous year: € 417 thousand), including € 4 thousand (previous year: € 2 thousand) from interest on provisions and € 228 thousand (previous year: € 209 thousand) from interest on lease liabilities, resulted in net finance costs of € -771 thousand (previous year: € -415 thousand).

(G10) Income taxes

Income taxes for the financial years ending 31 December 2022 and 2021 contained the following income and expense items:

Income taxes	2022 K€	2021 K€
Current income taxes for the past financial year	1,305	492
Current income taxes for previous years	-103	-4
Deferred income taxes from the accrual and reversal of temporary differences and tax loss carryforwards	844	707
Income tax expense / income reported in the consolidated statement of comprehensive income	2,046	1,195

Current income taxes for the 2022 financial year related to Viscom AG, a German subsidiary and the foreign subsidiaries. Current income taxes for previous years in the amount of € -103 thousand related to Viscom AG and essentially resulted from amended assessments for previous years.

The deferred tax expense essentially resulted from changes in temporary differences between the IFRS and tax accounts at the level of the German, American, and Asian companies as well as Viscom AG's loss carryforward from 2020. Furthermore, a deferred tax liability resulted from development costs which were only capitalised in the IFRS financial statements. The distribution of dividends to shareholders did not affect income taxes at the level of Viscom AG.

The reconciliation from the expected to the reported income tax expense was based on the tax rate of the parent company as follows:

Reconciliation of income tax expense	2022 K€	2021 K€
Consolidated net profit before taxes	7,415	3,782
Anticipated tax income (-) / expense (+) based on 32.62 % (previous year: 32.62 %)	2,419	1,234
Non-deductible operating expenses	580	121
Tax-free income	-365	-70
Prior-period taxes	-103	-4
Difference from Group tax rate	-528	-119
Other	43	33
Current tax expense	2,046	1,195

Deferred tax assets	Consolidated statement of financial position	
	2022 K€	2021 K€
Lease liabilities	3,860	4,300
Tax loss carryforwards	1,186	1,738
Inventories	832	1,108
Other liabilities	108	77
Measurement of provisions	33	64
Contract liabilities	106	84
Measurement of trade receivables	46	23
Measurement of property, plant and equipment	0	21
Other financial liabilities	35	13
Gross amount	6,206	7,428
Offsetting	-5,090	-6,407
Net amount	1,116	1,021

Of the deferred tax assets, € 434 thousand (previous year: € 471 thousand) will be realised in more than twelve months.

Deferred tax liabilities	Consolidated statement of financial position	
	2022 K€	2021 K€
Intangible assets	4,886	4,739
Right-of-use assets in accordance with IFRS 16	3,683	4,172
Measurement of property, plant and equipment	129	6
Gross amount	8,698	8,917
Offsetting	-5,090	-6,407
Net amount	3,608	2,510

Of the deferred tax liabilities, € 3,254 thousand (previous year: € 2,194 thousand) will be realised in more than twelve months.

Deferred tax assets and liabilities were offset on a company-by company basis. For deferred tax assets at the level of the respective individual company, the recoverability of the deferred tax assets was estimated as sufficiently probable based on company planning. As at 31 December 2022, Viscom AG, Hanover, had trade tax loss carryforwards of € 3,168 thousand (previous year: € 5,880 thousand) and corporation tax loss carryforwards of € 4,077 thousand (previous year: € 4,744 thousand), both of which can be used indefinitely. Deferred tax assets were recognised in full for this.

Retained earnings amounted to € 9,777 thousand (previous year: € 8,784 thousand). No deferred tax liabilities are recognised on these retained earnings, as there are currently no plans to distribute these profits to the parent company or to sell the subsidiaries. If deferred taxes were recognised for these timing differences, their measurement would have to take into account only 5 % of the potential dividends plus possible foreign withholding tax in accordance with the statutory regulation in section 8b of the Körperschaftsteuergesetz (KStG – German Corporation Tax Act).

(G11) Earnings per share

Based on an average for the year of 8,885,060 shares, earnings per share for the 2022 financial year amounted to € 0.60 (basic and diluted). In the previous year, earnings per share amounted to € 0.29 (basic and diluted) as calculated on the basis of 8,885,060 shares. The earnings on which the calculation is based (basic and diluted) amounted to € 5,369 thousand (previous year: € 2,587 thousand).

Notes to the statement of financial position (assets)

(A1) Cash and cash equivalents

Cash and cash equivalents consisted of cash in hand and bank balances totalling € 4,361 thousand (previous year: € 4,521 thousand).

(A2) Trade receivables

Trade receivables are generally due within 30 to 90 days.

Trade receivables were not exposed to interest rate risk as they are all short-term in nature. The carrying amounts of other receivables and assets constituted a reasonable approximation of their fair value.

Trade receivables from and trade payables to a customer or supplier of Viscom AG are only offset if Viscom can legally enforce the offsetting of the amounts at that point in time and intends to actually offset the amounts. Trade receivables were not offset against trade payables. No other legally enforceable offsetting agreements were in place.

Doubtful receivables written off in full on account of being 100 % unrecoverable amounted to € 703 thousand (previous year: € 687 thousand). Cumulative impairment losses on receivables amounted to € 946 thousand (previous year: € 847 thousand) and related to revenue from contracts with customers as defined by IFRS 15. Some customers were late in meeting their payment obligations in 2022.

The Group applies the simplified approach for expected credit losses in accordance with IFRS 9, which allows the recognition of full lifetime expected losses for all trade receivables. To

measure the expected credit losses, the trade receivables were grouped according to shared credit risk characteristics and days past due. Impairment was calculated as follows:

31.12.2022		Past due by the following numbers of days					
in K€	Gross amount	Not past due	< 31 days	31 <> 60 days	61 <> 90 days	91 <> 180 days	> 181 days
Expected rate of default		0.3 %	0.5 %	0.4 %	1.6 %	1.0 %	52.9 %
Gross amount	41,996	31,773	4,549	2,066	1,035	1,101	1,472
Impairment	946	108	24	8	17	11	778

31.12.2021		Past due by the following numbers of days					
in K€	Gross amount	Not past due	< 31 days	31 <> 60 days	61 <> 90 days	91 <> 180 days	> 181 days
Expected rate of default		0.3 %	0.5 %	1.6 %	2.3 %	0.8 %	70.5 %
Gross amount	27,753	23,508	1,328	1,156	86	611	1,064
Impairment	847	66	6	18	2	5	750

The expected credit losses shown also include forward-looking information.

Impairment losses on receivables developed as follows:

	2022 K€	2021 K€
As at 1 January	847	921
Addition to impairment losses on receivables	123	36
Reversal of impairment losses no longer required	24	110
As at 31 December	946	847

Under IFRS 9, impairment is recognised based on the expected loss model, i. e. losses must be recognised when they are expected on the basis of the credit risk. For this purpose, all financial instruments must be assigned to one of three stages according to which the loss to be recognised is calculated.

Special regulations apply to trade receivables and lease receivables. For these assets, there is the option of a simplified impairment model that Viscom applies to its trade receivables. Under this model, the total loss expected over the remaining term is recognised when assets are added, i. e. the assets are automatically assigned to stage 2.

(A3) Income tax assets

As at 31 December 2022, income tax assets consisted of tax refund claims of € 42 thousand (previous year: € 141 thousand), which essentially resulted from excess prepayments for the 2022 and 2021 assessment periods.

(A4) Inventories

Inventories	2022 K€	2021 K€
Completed systems	11,947	10,734
Assemblies and partially completed systems	13,504	11,088
Raw materials and supplies	11,977	11,303
Total	37,428	33,125

The completed systems reported in inventories were inspection systems ready for sale. All systems are subject to impairment testing every year, with impairment losses recognised as necessary. Assemblies and partially completed systems include pre-produced modules and systems currently under construction (work in progress). In 2022, all inventories, especially those of completed and partially completed systems, were measured at the same carrying amounts as in 2021.

As at the end of 2022, the cumulative write-downs to net realisable value amounted to € 4,505 thousand for raw materials and supplies (previous year: € 4,500 thousand), € 2,443 thousand for assemblies and partially completed systems (previous year: € 2,374 thousand) and € 7,083 thousand for completed systems (previous year: € 7,593 thousand).

(A5) Other financial receivables and other assets

Other financial receivables and other assets	2022 K€	2021 K€
Security deposits for leases / duties	103	91
Subtotal of other financial receivables	103	91
Advance payments	352	485
Miscellaneous assets	370	319
Creditors with debit balances	44	69
Receivables from public authorities / public sector	18	716
Other receivables	705	1,096
Subtotal of other assets	1,489	2,685
Total	1,592	2,776

Since the 2022 financial year, receivables from public authorities / the public sector and creditors with debit balances have been reported under other assets. These were reported as other financial receivables in the previous year's financial statements and in 2022 the previous year's figures were adjusted accordingly. Other receivables included value-added tax assets of € 37 thousand (previous year: € 917 thousand). In the previous year, receivables from public authorities / the public sector included claims from the stopgap assistance. All other financial receivables of € 103 thousand (previous year: € 91 thousand) are to be classified in Level 1 (12-month ECL) and credit risk did not increase significantly compared to the previous year. No impairment losses were recognised.

(A6) Goodwill

Goodwill of € 202 thousand resulted from the first-time consolidation of Viscom Metallgestaltung GmbH in the 2022 financial year.

(A6-A8) Property, plant and equipment / intangible assets

in K€	Intangible assets				
	Goodwill	Patents and similar rights and assets	Software	Development costs	Total intangible assets
Gross carrying amounts					
Cost as at 1 Jan. 2022	15	2,288	2,032	26,445	30,765
Exchange rate differences	0	0	0	0	0
Additions	0	0	55	3,193	3,248
Acquisition of subsidiaries	202	0	0	0	0
Reclassifications	0	0	0	0	0
Disposals	0	0	433	0	433
Cost as at 31 Dec. 2022	217	2,288	1,654	29,638	33,580
Impairment losses					
Accumulated depreciation/ amortisation as at 1 Jan. 2022	15	2,288	1,872	11,917	16,077
Exchange rate differences	0	0	0	0	0
Depreciation / amortisation for the current year	0	0	85	2,747	2,832
Depreciation / amortisation of disposals	0	0	433	0	433
Accumulated depreciation/ amortisation as at 31 Dec. 2022	15	2,288	1,524	14,664	18,476
Carrying amounts 31 Dec. 2022	202	0	130	14,974	15,104

A share of development costs of € 8,561 thousand (previous year: € 7,898 thousand) was not yet available for use.

Property, plant and equipment (including right-of-use assets)

in K€	Property, plant and equipment (including right-of-use assets)							Total property, plant and equipment and intangible assets
	Land and buildings	Leasehold improvements	Technical equipment and machinery	Operating and office equipment	Vehicles	Prepayments and construction in progress	Total property, plant and equipment	
Gross carrying amounts								
As at 1 January 2022	18,782	1,969	658	4,638	2,757	93	28,897	59,677
Exchange rate differences	40	8	0	15	10	-1	72	72
Additions	439	103	46	571	1,194	64	2,417	5,665
Acquisition of subsidiaries	637	0	385	82	0	0	1,104	1,306
Reclassifications	0	129	0	0	0	-129	0	0
Disposals	113	2	0	744	622	0	1,481	1,914
Cost as at 31 Dec. 2022	19,785	2,207	1,089	4,561	3,339	27	31,008	64,805
Impairment losses								
Accumulated depreciation/ amortisation as at 1 Jan. 2022	6,052	1,230	570	3,895	1,672	0	13,419	29,511
Exchange rate differences	4	8	0	12	8	0	32	32
Depreciation / amortisation for the current year	2,518	92	103	439	782	0	3,934	6,766
Reclassifications	0	0	0	0	0	0	0	0
Depreciation / amortisation of disposals	111	2	0	716	619	0	1,448	1,881
Accumulated depreciation/ amortisation as at 31 Dec. 2022	8,463	1,328	673	3,630	1,843	0	15,937	34,428
Carrying amounts 31 Dec. 2022	11,322	879	416	931	1,496	27	15,071	30,377

Intangible assets

in K€	Goodwill	Patents and similar rights and assets	Software	Development costs	Total intangible assets
Gross carrying amounts					
Cost as at 1 Jan. 2021	15	2,288	2,005	23,473	27,766
Exchange rate differences	0	0	0	0	0
Additions	0	0	27	2,972	2,999
Reclassifications	0	0	0	0	0
Disposals	0	0	0	0	0
Cost as at 31 Dec. 2021	15	2,288	2,032	26,445	30,765
Impairment losses					
Accumulated depreciation / amortisation as at 1 Jan. 2021	15	2,288	1,788	9,737	13,828
Exchange rate differences	0	0	0	0	0
Depreciation / amortisation for the current year	0	0	84	2,180	2,264
Depreciation / amortisation of disposals	0	0	0	0	0
Accumulated depreciation / amortisation as at 31 Dec. 2021	15	2,288	1,872	11,917	16,077
Carrying amounts 31 Dec. 2021	0	0	160	14,528	14,688

Property, plant and equipment (including right-of-use assets)

in K€	Land and buildings	Leasehold improvements	Technical equipment and machinery	Operating and office equipment	Vehicles	Prepayments and construction in progress	Total property, plant and equipment	Total property, plant and equipment and intangible assets
Gross carrying amounts								
As at 1 January 2021	13,634	2,035	814	4,353	2,704	21	23,561	51,342
Exchange rate differences	44	21	-2	38	12	0	113	113
Additions	5,288	14	9	284	321	72	5,988	8,987
Reclassifications	0	0	0	0	0	0	0	0
Disposals	184	101	163	37	280	0	765	765
Cost as at 31 Dec. 2021	18,782	1,969	658	4,638	2,757	93	28,897	59,677
Impairment losses								
Accumulated depreciation / amortisation as at 1 Jan. 2021	3,876	1,235	713	3,478	1,173	0	10,475	24,303
Exchange rate differences	24	15	-4	31	9	0	75	75
Depreciation / amortisation for the current year	2,334	75	24	423	754	0	3,610	5,874
Reclassifications	0	0	0	0	0	0	0	0
Depreciation / amortisation of disposals	182	95	163	37	264	0	741	741
Accumulated depreciation / amortisation as at 31 Dec. 2021	6,052	1,230	570	3,895	1,672	0	13,419	29,511
Carrying amounts 31 Dec. 2021	12,730	739	88	743	1,085	93	15,478	30,166

Leases – right-of-use assets

The values of right-of-use assets, which are recognised under property, plant and equipment in the statement of financial position, are shown separately in the following table:

in K€	Right-of-use assets			Total
	Land and buildings	Operating and office equipment	Vehicles	
Gross carrying amounts				
Cost as at 1 Jan. 2022	18,177	88	2,485	20,750
Exchange rate differences	41	0	3	44
Additions	438	0	1,009	1,447
Acquisition of subsidiaries	637	0	0	637
Reclassifications	0	0	0	0
Disposals	113	0	580	693
Cost as at 31 Dec. 2022	19,180	88	2,917	22,185
Impairment losses				
Accumulated depreciation / amortisation as at 1 Jan. 2022	6,001	43	1,521	7,565
Exchange rate differences	4	0	1	5
Depreciation / amortisation for the current year	2,501	17	740	3,258
Reclassifications	0	0	0	0
Depreciation / amortisation of disposals	111	0	579	690
Accumulated depreciation / amortisation as at 31 Dec. 2022	8,395	60	1,683	10,138
Carrying amounts 31 Dec. 2022	10,785	28	1,234	12,047

in K€	Right-of-use assets			Total
	Land and buildings	Operating and office equipment	Vehicles	
Gross carrying amounts				
Cost as at 1 Jan. 2021	13,029	85	2,442	15,556
Exchange rate differences	44	1	3	48
Additions	5,288	11	320	5,619
Reclassifications	0	0	0	0
Disposals	184	9	280	473
Cost as at 31 Dec. 2021	18,177	88	2,485	20,750
Impairment losses				
Accumulated depreciation / amortisation as at 1 Jan. 2021	3,842	32	1,068	4,942
Exchange rate differences	24	0	1	25
Depreciation / amortisation for the current year	2,317	20	716	3,053
Reclassifications	0	0	0	0
Depreciation / amortisation of disposals	182	9	264	455
Accumulated depreciation / amortisation as at 31 Dec. 2021	6,001	43	1,521	7,565
Carrying amounts 31 Dec. 2021	12,176	45	964	13,185

The land and buildings leased by the Group include offices, warehouses and production space, predominantly on long-term contracts. In terms of vehicles, it leases cars on terms of

between three and five years. Total lease payments of € 3,440 thousand (previous year: € 3,058 thousand) were made in the 2022 financial year.

The following table shows the maturities of lease liabilities as at 31 December 2022:

in K€	Total amount	of which with a remaining term		
		of 1 year	of 1-5 years	of more than 5 years
Lease liabilities	12,725	2,843	7,607	2,275

The following table shows the maturities of lease liabilities as at 31 December 2021:

in K€	Total amount	of which with a remaining term		
		of 1 year	of 1-5 years	of more than 5 years
Lease liabilities	13,572	2,608	7,557	3,406

Depreciation and amortisation

Depreciation and amortisation are calculated on a straight-line basis over the following estimated useful lives:

	Years
Buildings including leasehold improvements	2 to 19
Technical equipment and machinery	2 to 13
Operating and office equipment	8 to 20
Vehicles	5 to 8
Software	1 to 6
Patents	12
Expertise / customer base	3 to 5
Development projects	4 to 15

Right-of-use assets may be depreciated over the contract term if this is shorter.

Intangible assets and property, plant and equipment included assets already written off in full which are still in use at their historical cost of € 4,781 thousand (previous year: € 7,540 thousand).

Development costs of € 3,193 thousand were capitalised in the period under review (previous year: € 2,972 thousand).

(A9) Financial assets / Loans and security for rent issued by the company

Security for rent relating to subsidiaries in the amount of € 7 thousand (previous year: € 7 thousand) was reported in financial investments. This item also contained unrestricted loans to third parties, a loan to the buyer of a property from 2018 and security for rented properties.

The loans were reported at their total amortised cost of € 25 thousand (previous year: € 30 thousand). The interest rate for employee loans of € 6 thousand (previous year: € 12 thousand) was between 2 % and 3 %; the interest rate for the loans to third parties of € 16 thousand (previous year: € 18 thousand) was between 2 % and 3.5 %. The fixed interest rate means that there is a certain degree of interest rate risk. However, this risk is classified as immaterial and is not hedged.

(A10) Deferred tax assets

A breakdown of this item is provided as part of the explanatory notes on the tax items under G10 of the consolidated statement of comprehensive income.

Notes to the shareholders' equity and liabilities

(P1) Trade payables

Trade payables are initially carried at cost, which is equal to their fair value. They are subsequently measured at amortised cost using the effective interest method. Invoices were typically settled once per week and within the agreed payment period. Early settlement discounts are applied where possible. All the company's trade payables are short-term in nature.

(P2) Contract liabilities

Contract liabilities include trade payables from contracts with customers in accordance with IFRS 15 and, as at 31 December 2022, include obligations for repairs (€ 975 thousand; previous year: € 584 thousand), advance payments received (€ 925 thousand; previous year: € 210 thousand) and future performance obligations recognised over time (€ 66 thousand; previous year: € 50 thousand). The obligations will be settled within a year. The contract liabilities of € 844 thousand as at 31 December 2021 were fully recognised as revenue in 2022. Since the 2022 financial year, advance payments received have also been reported under contract liabilities. These relate to advance payments from customers measured at amortised cost. They were reported separately in the previous year's financial statements and in 2022 the previous year's figure was adjusted accordingly.

in K€	2022	2021 restated	2021
Contract liabilities	1,967	844	634
Advance payments received	0	0	210

(P3) Current loans

As at 31 December 2022, short-term loans include liabilities to banks from overdrafts (€ 22,288 thousand; previous year: € 10,617 thousand) and the short-term portion of bank loans (€ 367 thousand; previous year: € 247 thousand).

(P4) Provisions

Current provisions primarily relate to provisions for expected warranty expenses. Warranty provisions are recognised on the basis of a calculation of the remaining months of the warranty term for the projects and the average service cost per month during the warranty term. This item also contains provisions for the delivery of replacement parts within the warranty period.

Provisions for warranties were up on the previous year on account of the increased warranty requirements resulting from higher revenue.

The utilisation of current provisions is anticipated within the next twelve months.

Non-current provisions include anniversary provisions of € 477 thousand (previous year: € 586 thousand) and the non-current portion of warranty provisions in the amount of € 330 thousand (previous year: € 233 thousand). The warranty provisions are expected to be claimed within twelve to 36 months, while the anniversary provisions are expected to be claimed within one to 40 years.

Breakdown of other provisions in K€	1 Jan. 2022	Utilisation	Reversal	Additions	31 Dec. 2022
Current provisions					
Warranties	944	-852	-92	1,099	1,099
Total current provisions	944	-852	-92	1,099	1,099
Non-current provisions					
Warranties	233	-82	-151	330	330
Anniversaries	586	-9	-100	0	477
Total non-current provisions	819	-91	-251	330	807
Total	1,763	-943	-343	1,429	1,906

(P5) Income tax liabilities

Current income tax liabilities comprise Viscom AG's corporation tax (€ 48 thousand; previous year: € 105 thousand) and trade tax liabilities (€ 41 thousand; previous year: € 110 thousand), Viscom Metallgestaltung GmbH's corporation tax (€ 164 thousand; previous year: € 0 thousand) and trade tax liabilities (€ 163 thousand; previous year: € 0 thousand) and tax liabilities at the companies in Singapore (€ 222 thousand; previous year: € 113 thousand) and the US (€ 178 thousand; previous year: € 0 thousand).

(P6) Other current and financial liabilities

Since the 2022 financial year, liabilities for management bonuses, incentives, one-time payments, social security, the Supervisory Board and debtors with credit balances have been reported under other current liabilities. These were reported as other financial liabilities in the previous year's financial statements and in 2022 the previous year's figures were restated accordingly. Other financial liabilities include current liabilities in the form of, for example, commission payments for agents and outstanding invoices, i. e. for goods that were delivered and recognised but for which the accompanying invoice had not been issued as at the end of the year.

The item "Other current liabilities" particularly included liabilities from bonuses not yet paid to employees, taxes to be paid and provisions recognised for pending holiday and overtime payments.

Other current and financial liabilities are composed of the following items:

Other current and financial liabilities	2022 K€	2021 K€
Lease liabilities	2,843	2,608
Commission payments to agents	828	663
Outstanding purchase invoices	497	358
Subtotal of other financial liabilities	4,168	3,629
Management bonuses, incentives, one-time payments	2,502	1,828
Holiday, overtime	1,738	1,358
Taxes	622	512
Social security	415	459
Supervisory Board	99	99
Debtors with credit balances	80	30
Other	741	573
Subtotal of other current liabilities	6,197	4,859
Total	10,365	8,488

(P7) Other non-current financial liabilities

Other non-current financial liabilities are composed of the following items:

Other current and financial liabilities	2022 K€	2021 K€
Non-current lease liabilities	9,882	10,964
Non-current loans	1,276	1,109
Total	11,158	12,073

(P8) Deferred tax liabilities

A breakdown of this item is provided as part of the explanatory notes on the tax items under G10 of the consolidated statement of comprehensive income.

(P9 to P13) Equity

The reported share capital of the parent company Viscom AG in the amount of € 9,020,000 (previous year: € 9,020,000), divided into 9,020,000 shares, is fully paid up. The 9,020,000 shares are no-par value bearer shares each with a notional interest in the share capital of € 1.00. In the course of 2006, the share capital, which was divided into 67,200 shares on 1 January 2006, was increased by 6,652,800 shares (€ 6,653 thousand) by way of a capital increase from retained earnings and by a further 2,300,000 shares (€ 2,300 thousand) through the issue of new shares in conjunction with the company's IPO. Capital reserves consist of the premium from BdW (Beteiligungsgesellschaft für die deutsche Wirtschaft), which held an interest in Viscom AG until 1 January 2005, the Viscom employees holding an interest in the Company and the premium from the issue of new shares in the amount of € 38,591 thousand. The options for the utilisation of capital reserves are consistent with the regulations of the Aktiengesetz (AktG – German Stock Corporation Act). A stock option plan for employees has not been established.

As communicated in the corresponding ad hoc disclosure on 29 July 2008, Viscom AG initiated a buy-back of its treasury shares on the stock exchange on that date. Viscom AG bought back 134,940 of its own shares for € 587 thousand including incidental costs of acquisition in the period from 29 July 2008 to 31 March 2009. This corresponds to around 1.5 % of the share capital. The purchase of own shares is recognised directly in equity and reduces equity. The amount was deducted from capital reserves as a lump sum. The shares were acquired at an average price of € 4.33 per share. The buy-back serves as a potential acquisition currency. In accordance with section 71b AktG, shares held directly or indirectly by Viscom AG are not entitled to dividends.

No further shares were acquired in this context in the 2022 financial year. The number of dividend-bearing shares remained the same at 8,885,060 on 31 December 2022.

In the 2022 financial year, a dividend of € 0.20 per dividend-bearing share was distributed for the 2021 financial year. Diluted and basic earnings per share are calculated by dividing the consolidated net profit for the period by the number of entitled shares.

The Executive Board is authorised, with the approval of the Supervisory Board, to increase the share capital of the company on one or more occasions in the period until 7 June 2026 by a total of up to € 4,500,000 by issuing up to 4,500,000 new no-par value bearer common shares (no-par value shares) against cash or non-cash contributions (Authorised Capital of the 2021 Annual General Meeting).

Viscom AG together with minority shareholders formed Exacom GmbH, Hanover, in June 2022. 15 % of the shares and voting rights in the company are attributable to minority shareholders. Viscom AG has a purchase option for the minority shareholders' shares that can be exercised under certain conditions.

Segment information

Information on the Group's geographical segments by sales market

in K€	Europe		Americas		Asia		Consolidation		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales	54,923	50,852	18,620	10,202	31,975	18,738	0	0	105,518	79,792
Intersegment sales	33,855	21,355	698	291	3,824	1,895	-38,377	-23,541	0	0
Total sales	88,778	72,207	19,318	10,493	35,799	20,633	-38,377	-23,541	105,518	79,792
Segment earnings	4,146	2,589	1,963	193	2,608	1,118	-531	297	8,186	4,197
plus financial result									-771	-415
less income taxes									-2,046	-1,195
Consolidated net profit									5,369	2,587
Segment assets	91,439	80,876	10,086	6,436	17,068	12,862	-3,753	-2,643	114,840	97,531
plus deferred taxes and tax assets									1,158	1,162
Total assets									115,998	98,693
Segment liabilities	54,553	39,541	6,085	3,679	11,741	7,616	-21,072	-11,745	51,307	39,091
plus deferred taxes and provisions for taxes									4,425	3,027
Total liabilities									55,732	42,118
Investments	6,351	8,033	35	532	584	422	0	0	6,970	8,987
Depreciation and amortisation	6,265	5,452	181	162	320	260	0	0	6,766	5,874

The geographical segments form the basis for the internal reporting used by Group management, as the risks and rates of return of the Group are mainly influenced by differences between sales regions. The segments the management considered separately of Viscom France, which operates in France in particular, and Viscom AG including Exacom and Viscom Metallgestaltung, which operates in Germany and various other European countries, satisfy the aggregation criteria of IFRS 8.12 and are aggregated to form the Europe segment. The management assesses the results of the segments and manages them

using EBIT as its central performance indicator. Services are generally settled between the Europe segment and the other segments based on transfer prices.

The operating segments provide supplementary internal information for management. The geographical segments are determined on the basis of the domicile of the respective customer. The reportable segments mainly generate their revenue by producing and selling the product groups stated in the table below. Viscom generated around 54 % of its revenue with its

eight largest customers (previous year: around 52 %). External sales amounted to € 29,793 thousand (previous year: € 28,228 thousand) in Germany and to € 75,725 thousand (previous year: € 51,564 thousand) in all other countries.

Total non-current assets with the exception of financial instruments and deferred tax assets (there were no assets related to pensions or claims under insurance contracts) in Germany were € 27,481 thousand (previous year: € 28,773 thousand). These assets totalled € 2,719 thousand in the other countries (previous year: € 1,423 thousand).

In 2022 the 10 % revenue limit stated in IFRS 8.34 was exceeded with two customers. Revenue with one of these customers amounted to € 18,627 thousand (previous year: € 9,638 thousand),

while revenue with the other customer came to € 13,463 thousand (previous year: € 5,060 thousand). The revenue was generated across all segments.

The “Optical and X-ray series inspection systems” product group includes all standard AOI and AXI systems that are identical up to a certain percentage of completion irrespective of the content of the respective customer order. By contrast, “Special optical and X-ray inspection systems” are usually developed specifically for one customer or customer group, or constitute special inspection systems that can be used within the production line but also as standalone systems, and X-ray tubes sold to OEMs. “Service” offers a comprehensive and global range of services with individual support packages.

Information on product groups

	Optical and X-ray series inspection systems		Special optical and X-ray inspection systems		Service		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
in K€								
External sales	77,855	56,646	11,413	9,296	16,250	13,851	105,518	79,792
Assets	84,729	69,234	12,420	11,361	17,684	16,929	114,833	97,524
Investments	5,143	6,380	754	1,047	1,073	1,560	6,970	8,987

Segment statement of cash flows

	Europe	Americas	Asia	Consolidation	Total
in K€	2022	2022	2022	2022	2022
Cash flow from operating activities					
Net profit for the period after interest and taxes	3,264	845	1,676	-416	5,369
Adjustment of net profit for income tax expense (+) / income (-)	1,153	345	501	47	2,046
Adjustment of net profit for interest expense (+)	739	21	15	0	775
Adjustment of net profit for interest income (-)	-1,170	751	415	0	-4
Adjustment of net profit for depreciation and amortisation expense (+)	6,265	181	320	0	6,766
Increase (+) / decrease (-) in provisions	422	122	0	-401	143
Gains (-) / losses (+) on the disposal of non-current assets	0	-23	0	0	-23
Increase (-) / decrease (+) in inventories, receivables and other assets	-10,898	-3,400	-4,641	1,837	-17,102
Increase (+) / decrease (-) in liabilities	-3,366	2,543	2,717	-1,064	830
Income taxes repaid (+) / paid (-)	-374	0	-113	0	-487
Net cash used in/from operating activities	-3,965	1,385	890	3	-1,687
Cash flow from investing activities					
Proceeds (+) from the disposal of non-current assets	28	25	0	-3	50
Acquisition (-) of property, plant and equipment and intangible assets	-1,125	-274	-327	0	-1,726
Capitalisation of development costs (-)	-3,193	0	0	0	-3,193
Dividends received (+)	1,817	0	0	-1,817	0
Disbursements of loans granted (-)	0	0	0	0	0
Receipts from repayment of loans granted (+)	3	0	0	0	3
Interest received (+)	3	0	0	0	3
Payments for the acquisition of subsidiaries less cash and cash equivalents acquired (-)	-159	0	0	0	-159
Net cash used in investing activities	-2,626	-249	-327	-1,820	-5,022
Cash flow from financing activities					
Proceeds from equity injections by other shareholders	37	0	0	0	37
Dividend payment (-)	-2,427	-751	-416	1,817	-1,777
Repayment of lease liabilities (+)	-2,622	-118	-222	0	-2,962
Borrowing of non-current financial liabilities (+)	600	0	0	0	600
Repayment of other financial liabilities (-)	-313	0	0	0	-313
Interest paid (-)	-714	-21	-12	0	-747
Net cash and cash equivalents from financing activities	-5,439	-890	-650	1,817	-5,162
Changes in cash and cash equivalents due to changes in exchange rates	0	40	0	0	40
Cash and cash equivalents					
Change in cash and cash equivalents	-12,030	246	-87	0	-11,871
Cash and cash equivalents as at 1 January	-9,090	605	2,389	0	-6,096
Cash and cash equivalents as at 31 December	-21,120	891	2,302	0	-17,927

Other disclosures

Disclosures concerning financial instruments and financial risk management

Presentation of the categories of financial instruments and the corresponding net profit in accordance with IFRS 7

Agreements which mutually lead to the accrual of a financial asset for a company and the accrual of a financial liability or an equity instrument for a counterparty are classified as financial instruments.

In this context, financial assets include cash funds, contractually committed rights to receive cash or other financial assets such as trade receivables, originated loans and equity instruments held in other companies. Financial liabilities include contractual obligations, liquid assets or other financial assets to be released to other companies. This encompasses obtained loans, trade payables and derivatives.

The following presentation provides information on the carrying amounts of the individual measurement categories. The fair values for each class of financial instrument are also shown. The presentation is intended to enable a comparison of the carrying amounts and fair values.

For cash and cash equivalents and other current originated financial instruments, including trade receivables and payables, financial assets and other receivables and liabilities, the fair values are the carrying amounts recognised at the end of the reporting period.

The Group applies the simplified approach for expected credit losses under IFRS 9 for trade receivables. This requires the use of the expected total loss ratio for all trade receivables.

The categories of financial assets and liabilities are included in the following tables (AC – amortised cost):

31.12.2022 in K€	Measurement category	Carrying amount	Fair Value
Assets			
Financial assets and other receivables	AC	103	103
Trade receivables	AC	41,050	41,050
Cash and cash equivalents	AC	4,361	4,361
		45,514	45,514
Equity and liabilities			
Current loans	AC	22,655	22,655
Trade payables	AC	3,256	3,256
Other current financial liabilities	AC	1,325	1,325
Other non-current financial liabilities	AC	1,276	1,276
		28,512	28,512

31.12.2021 in K€	Measurement category	Carrying amount	Fair Value
Assets			
Financial assets and other receivables	AC	91	91
Trade receivables	AC	26,906	26,906
Cash and cash equivalents	AC	4,521	4,521
		31,518	31,518
Equity and liabilities			
Current loans	AC	10,864	10,864
Trade payables	AC	5,059	5,059
Other current financial liabilities	AC	1,021	1,021
Other non-current financial liabilities	AC	1,109	1,109
		18,053	18,053

Financial instruments measured at fair value or amortised cost must be classified within a three-level hierarchy. Classification is contingent on the availability of observable market prices. Financial instruments are classified as having level 1 fair value, e. g. shares or securities, if their market prices are directly observable in an active market. The Group has no level 1, level 2 or level 3 financial instruments. Given their short-term nature, the carrying amounts of all other financial instruments constitute a reasonable approximation of the fair value.

The fair value option is not applied.

Net gains from financial instruments resulted from changes to the fair value, from impairment losses, write-ups and from write-offs. This also includes interest income and expenses and other profit components from financial instruments not recognised at fair value through profit or loss.

31.12.2022	from interest	from remeasurement Impairment
in K€		
Financial assets and other receivables	0	0
Trade receivables	0	-99
Financial liabilities	-775	0
Total	-775	-99

31.12.2021	from interest	from remeasurement Impairment
in K€		
Financial assets and other receivables	0	0
Trade receivables	0	74
Financial liabilities	-417	0
Total	-417	74

As in the previous year, there was no interest income from cash funds in the 2022 financial year. Write-downs on trade receivables of € -99 thousand were recognised in profit or loss in the 2022 financial year (previous year: € 74 thousand).

Financial risk management objectives and processes (IAS 9)

The significant risks for Viscom's financial instruments are the default risk, the interest rate risk and the exchange rate risk.

The Executive Board determined corresponding risk processes, which it reviews on a regular basis. These risk processes are summarised in the following section.

Default risk

Viscom employs appropriate control processes in order to ensure that sales are only entered into with customers with proven creditworthiness. And the default risk associated with sales must be kept within acceptable limits.

Viscom does not act as a guarantor for the obligations of other parties.

The maximum default risk is shown by the carrying amount of each financial asset as reported in the statement of financial position.

Maturity structure of financial assets

31.12.2022	Gross amount	Not past due	Past due by the following numbers of days					
			< 31 days	31 <> 60 days	61 <> 90 days	91 <> 180 days	> 181 days	
in K€								
Financial assets and other receivables	103	103	0	0	0	0	0	
Trade receivables	41,996	31,773	4,549	2,066	1,035	1,101	1,472	
of which impaired	946	108	24	8	17	11	778	
Total	42,099	31,876	4,549	2,066	1,035	1,101	1,472	

Maturity structure of financial assets

31.12.2021	Gross amount	Not past due	Past due by the following numbers of days					
			< 31 days	31 <> 60 days	61 <> 90 days	91 <> 180 days	> 181 days	
in K€								
Financial assets and other receivables	91	91	0	0	0	0	0	
Trade receivables	27,753	23,508	1,328	1,156	86	611	1,064	
of which impaired	847	66	6	18	2	5	750	
Total	27,844	23,599	1,328	1,156	86	611	1,064	

No conditions of any financial asset that would otherwise be past due or impaired were renegotiated in the financial year.

The credit rating of financial assets that are neither past due nor impaired are determined on the basis of external credit ratings (if available) or historical experiences about default rates of the corresponding business partner.

Based on past empirical data, the company recognised a write-down that accounted for default risk. Impairment losses on individual items were also recognised.

No interest income was generated from impaired financial assets in the period under review.

Interest rate risk

Certain financial Instruments held by Viscom are exposed to interest rate risk. The interest rate risk is classified as insignificant, as the significant funds were invested with a fixed interest rate. This risk is stated in the explanatory notes on the respective

items. No derivative financial instruments are employed for the purposes of hedging against interest rate risk. The interest rate on overdrafts depends on benchmark interest rates that are currently positive. An increase of one percentage point would result in additional interest expense of € 305 thousand if the overdrafts were utilised in full.

Liquidity risk

Viscom is committed to ensuring that it has sufficient cash and cash equivalents or irrevocable credit facilities at its disposal to meet its obligations for the next three years as set out in its strategic plan. Viscom has utilised the credit facilities available to it as at the end of the reporting period.

On that date, all the company's cash and cash equivalents were held in current bank clearing accounts and as cash in hand.

The remaining contractual terms are presented in the following tables:

Remaining contractual terms

31.12.2022	Carrying amount	Remaining terms (undiscounted)		
		< 1 year	1 to 5 years	> 5 years
in K€				
Current loans	22,655	22,655	0	0
Trade payables	3,256	3,256	0	0
Other current financial liabilities	1,325	1,325	0	0
Current lease liabilities	2,843	2,861	0	0
Other non-current financial liabilities	1,276	0	1,310	0
Non-current lease liabilities	9,882	0	7,849	2,275
Total	41,237	30,097	9,159	2,275

Remaining contractual terms

31.12.2021	Carrying amount	Remaining terms (undiscounted)		
		< 1 year	1 to 5 years	> 5 years
in K€				
Current loans	10,864	10,864	0	0
Trade payables	5,059	5,059	0	0
Other current financial liabilities	1,021	1,021	0	0
Current lease liabilities	2,608	2,624	0	0
Other non-current financial liabilities	1,109	0	1,050	89
Non-current lease liabilities	10,964	0	7,797	3,540
Total	31,625	19,568	8,848	3,629

There were no gross outflows.

Exchange rate risk

As Viscom operates internationally, the Group is also exposed to exchange rate risks. Around 28 % of the consolidated revenue is exposed to an exchange rate risk in the parent company. Approximately 5 % of the parent company's expense was denominated in a currency other than the reporting currency. These risks were not hedged at the end of the reporting period or during the year. As at 31 December 2022, net receivables relevant to the exchange rate totalled € 3,956 thousand (previous year: € 3,274 thousand). It included both the receivables of Viscom AG predominantly in US dollars and the receivables of the subsidiaries in euro. Assuming a change of 5 %, the exchange rate risk recognised in profit or loss amounted to € 188 thousand (previous year: € 156 thousand) and would increase or reduce the company's net profit for the period by this amount in the event of the respective change. Given the company's business volumes and the development of the euro/US dollar exchange rate, the current level of exchange rate risk was deemed acceptable without the need for hedging.

Capital management

Viscom's capital management aims to ensure the continued existence of the company as a going concern to continue providing shareholders with income and services due to them.

The uninvested and thus committed equity components of the company are used to manage liquidity and to finance the company's operating activities. The company's objective is to finance operating activities predominantly from own funds. At present, additional loans and existing credit facilities are used.

Total equity plus reserves increased from € 56,575 thousand in the previous year to € 60,266 thousand in 2022. This change resulted from the net profit for the period and the dividend payment for the previous year. Due to a comparatively stronger increase in total assets, the equity ratio fell to 52.0 % (previous year: 57.3 %).

Use of derivative financial instruments

Viscom did not use derivative financial instruments to hedge exchange rate and interest risks in the 2022 financial year.

Cash flow statement

Cash and cash equivalents (€ 4,361 thousand; € 4,521 thousand) and current account liabilities (€ 22,288 thousand; € 10,617 thousand) are reported net under cash funds as at 31 December 2022. The following table shows the reconciliation of liabilities from financing activities:

The “Loans” item comprises the short-term (€ 367 thousand; previous year: € 247 thousand) and the long-term portion (€ 1,276 thousand; previous year: € 1,109 thousand) of a bank loan and does not include the current account liabilities included in cash and cash equivalents. Interest on the current account liabilities (€ 498 thousand; previous year: € 166 thousand) is included in interest paid under cash flow from financing activities. The “Lease liabilities” item comprises short-term (€ 2,843 thousand, included in other short-term financial liabilities; previous year: € 2,608 thousand) and long-term (€ 9,882 thousand, included in other long-term financial liabilities; previous year: € 10,964 thousand) lease liabilities.

	31.12.2021	Cash changes			Non-cash changes				31.12.2022
		Repayment	Additions	Interest payment	Interest expense	Foreign exchange movement	Additions	Derecognition	
Loans	1,356	-313	600	-23	23	0	0	0	1,643
Lease liabilities	13,572	-2,962	0	-226	226	0	2,163	-48	12,725
Total	14,928	-3,275	600	-249	249	0	2,163	-48	14,368

	31.12.2020	Cash changes			Non-cash changes			31.12.2021
		Repayment	Interest payment	Interest expense	Foreign exchange movement	Additions to lease liabilities	Derecognition of lease liabilities	
Loans	1,601	-245	-19	19	0	0	0	1,356
Lease liabilities	10,781	-2,724	-209	209	0	5,563	-48	13,572
Total	12,382	-2,969	-228	228	0	5,563	-48	14,928

Related party disclosures

The remuneration of the Executive Board members consists of an annual fixed salary payable in twelve equal monthly instalments and a 13th monthly salary, as well as a performance-related management bonus.

The total performance-related management bonus consists of Bonus I, which relates to the past financial year, and the multi-year Bonus II. For all Executive Board members, the amount of the total management bonus is capped at 100 % of their annual fixed remuneration.

Bonus I is determined on a straight-line basis between one fixed monthly salary if earnings before interest and taxes (EBIT) amount to € 1 million and thirteen fixed monthly salaries if earnings before interest and taxes (EBIT) amount to € 15 million. EBIT must come to at least € 1 million. If this figure is not achieved, the Executive Board member is not entitled to Bonus I.

Bonus II is payable when both an entitlement based on the average EBIT of previous years and the EBIT in the past year are both positive. Bonus II is determined on a straight-line basis between one fixed monthly salary if average earnings before interest and taxes (EBIT) amount to € 1 million and thirteen fixed monthly salaries if average earnings before interest and taxes (EBIT) amount to € 15 million. The basis for measurement is the average EBIT generated in the past three financial years (i. e. the past year and two more). Average EBIT must amount to at least € 1 million. If this figure is not achieved, the Executive Board member is not entitled to Bonus II. There is also no entitlement to Bonus II if EBIT was negative in the past financial year. This entitlement may be revived retroactively if EBIT above zero is generated again in the subsequent financial year.

With regard to Bonus II, there is a new version that has been implemented exclusively for one Executive Board member at present.

Bonus II was adjusted for new Executive Board contracts to the effect that not only economic but also other factors affect the calculation of the amount of the variable remuneration.

The new remuneration system implements these considerations by ensuring that Bonus II not only depends on economic results, but also involves other factors for the achievement of the full bonus:

- Part of Bonus II is tied to the achievement of a target for reducing employee turnover in order to retain long-term experience and skills at the company for the future (S component).
- Part of Bonus II is tied to the achievement of a target for reducing Viscom AG's electricity consumption. This is intended to provide incentives to reduce energy consumption and the associated costs for the company. Additional energy that is used due to the conversion of the vehicle fleet to electric vehicles and energy generated by the company's own production facilities (e. g. photovoltaic systems) is not included in these calculations (E component).
- In addition, the variable remuneration may be fully or partly withheld or subsequently reclaimed in the event of serious breaches of duty by the Executive Board members. This is intended to ensure that Executive Board members comply with internal guidelines and the applicable laws (G component).

There is no stock option plan for managers and employees at Viscom AG.

In the year under review, the members of the Executive Board received total remuneration in the form of short-term payments of € 1,602 thousand (previous year: € 1,181 thousand). The short-term payments mainly comprise the monthly basic remuneration and the variable remuneration. As of 31 December 2022 there were short-term liabilities for variable remuneration of € 646 thousand (previous year: € 447 thousand).

The table below shows the value of the remuneration granted for the financial year:

Remuneration granted and owed	Dr. Martin Heuser				
	Executive Board member for Development				
in K€	2021	2022	Relative share in 2022	2022 (min.)	2022 (max.)
Fixed remuneration	208	208	46.74 %	208	208
Voluntary waiver of fixed remuneration	-12	0	0.00 %	0	0
Additional benefits*	9	9	2.02 %	9	9
Retirement benefits**	20	20	4.50 %	20	20
Total fixed remuneration	225	237	53.26 %	237	237
Annual variable remuneration***	60	115	25.84 %	0	208
Long-term variable remuneration (total)***	34	94	21.12 %	0	208
Average consolidated EBIT for the last three years	0	19	4.27 %	0	124
E component	0	34	7.64 %	0	42
S component	34	41	9.21 %	0	42
Total variable remuneration***	94	208	46.74 %	0	208
Total remuneration	319	445	100.00 %	237	445

* The additional benefits particularly include business and private use of a company car, contributions to capital formation and an allowance for telephone costs.

** Contributions to private health insurance, direct insurance and accident insurance premiums.

*** The amount of the total management bonus for the Executive Board is capped at 100 % of their annual fixed remuneration.

Remuneration granted and owed	Dirk Schwingel				
	Executive Board member for Finance				
in K€	2021	2022	Relative share in 2022	2022 (min.)	2022 (max.)
Fixed remuneration	208	208	53.32 %	208	208
Voluntary waiver of fixed remuneration	-12	0	0.00 %	0	0
Additional benefits*	18	18	4.62 %	18	18
Retirement benefits**	18	18	4.62 %	18	18
Total fixed remuneration	232	244	62.56 %	244	244
Annual variable remuneration***	60	115	29.49 %	0	208
Long-term variable remuneration (total)***	0	31	7.95 %	0	208
Average consolidated EBIT for the last three years	0	31	7.95 %	0	208
E component	n.a.	n.a.	n.a.	n.a.	n.a.
S component	n.a.	n.a.	n.a.	n.a.	n.a.
Total variable remuneration***	60	146	37.44 %	0	208
Total remuneration	292	390	100.00 %	244	452

Remuneration granted and owed	Carsten Salewski				
	Executive Board member for Sales				
in K€	2021	2022	Relative share in 2022	2022 (min.)	2022 (max.)
Fixed remuneration	208	208	54.17 %	208	208
Voluntary waiver of fixed remuneration	-12	0	0.00 %	0	0
Additional benefits*	12	11	2.86 %	11	11
Retirement benefits**	19	19	4.95 %	19	19
Total fixed remuneration	227	238	61.98 %	238	238
Annual variable remuneration***	60	115	29.95 %	0	208
Long-term variable remuneration (total)***	0	31	8.07 %	0	208
Average consolidated EBIT for the last three years	0	31	8.07 %	0	208
E component	n.a.	n.a.	n.a.	n.a.	n.a.
S component	n.a.	n.a.	n.a.	n.a.	n.a.
Total variable remuneration***	60	146	38.02 %	0	208
Total remuneration	287	384	100.00 %	238	446

Remuneration granted and owed	Peter Krippner				
	Executive Board member for Operations				
in K€	2021	2022	Relative share in 2022	2022 (min.)	2022 (max.)
Fixed remuneration	208	208	54.31 %	208	208
Voluntary waiver of fixed remuneration	-12	0	0.00 %	0	0
Additional benefits*	8	8	2.09 %	8	8
Retirement benefits**	19	21	5.48 %	21	21
Total fixed remuneration	223	237	61.88 %	237	237
Annual variable remuneration***	60	115	30.03 %	0	208
Long-term variable remuneration (total)***	0	31	8.09 %	0	208
Average consolidated EBIT for the last three years	0	31	8.09 %	0	208
E component	n.a.	n.a.	n.a.	n.a.	n.a.
S component	n.a.	n.a.	n.a.	n.a.	n.a.
Total variable remuneration***	60	146	38.12 %	0	208
Total remuneration	283	383	100.00 %	237	445

* The additional benefits particularly include business and private use of a company car, contributions to capital formation and an allowance for telephone costs.

** Contributions to private health insurance, direct insurance and accident insurance premiums.

*** The amount of the total management bonus for the Executive Board is capped at 100 % of their annual fixed remuneration.

The total remuneration granted to the Executive Board members for their work in the 2022 financial year amounted to € 1,602 thousand.

The remuneration for members of the Supervisory Board consists solely of short-term payments of € 99.0 thousand (previous year: € 99.0 thousand).

Related parties and affiliated companies

HPC Vermögensverwaltung GmbH held an interest of 53.98 % (previous year: 53.98 %) in Viscom AG as at 31 December 2022. HPC Vermögensverwaltung GmbH is therefore both an affiliated company and the parent company of Viscom AG. As the shares in HPC Vermögensverwaltung GmbH are fully attributable to the individuals Dr. Martin Heuser and Mr. Volker Pape in accordance with the WpHG, these individuals are to be regarded jointly as the ultimate controlling persons.

In all transactions with related parties, the relationship with the related party arises from its relationship with Dr. Martin Heuser and/or Mr. Volker Pape.

Services provided by related parties and affiliated companies

in K€	2022	2021
From vehicle leases:		
HPC Vermögensverwaltung GmbH	17	23
From services:		
HPC Vermögensverwaltung GmbH	780	681
Heuser / Pape Catering GbR	36	12
From building leases:		
HPC Vermögensverwaltung GmbH	1,496	1,432
Marina Hettwer / Petra Pape GbR	191	191
Dr. Martin Heuser / Petra Pape GbR	241	241
Sum of goods and services received by the Group	2,761	2,580

Viscom AG has leases for company vehicles with HPC Vermögensverwaltung GmbH. In 2022, HPC Vermögensverwaltung GmbH and Heuser / Pape Catering GbR provided further services such as company child care, cleaning services and other miscellaneous services.

A dividend of € 974 thousand (previous year: € 0 thousand) was distributed to HPC Vermögensverwaltung GmbH in 2022, € 55 thousand (previous year: € 0 thousand) to Dr. Heuser and € 53 thousand (previous year: € 0 thousand) to Mr. Pape.

The future cumulative minimum lease payments for the following periods are:

Lease obligations for company cars in K€	2022	2021
Total	1,176	899
of which to HPC Vermögensverwaltung GmbH (as an affiliated company)	10	15
within one year of the end of the reporting period	536	499
of which to HPC Vermögensverwaltung GmbH (as an affiliated company)	10	11
more than one but less than five years after the end of the reporting period	640	400
of which to HPC Vermögensverwaltung GmbH (as an affiliated company)	0	4
within more than five years of the end of the reporting period	0	0
of which to HPC Vermögensverwaltung GmbH (as an affiliated company)	0	0

The future services for the following periods are:

Services in K€	2022	2021
Total	644	702
of which to HPC Vermögensverwaltung GmbH (as an affiliated company)	644	702
within one year of the end of the reporting period	644	702
of which to HPC Vermögensverwaltung GmbH (as an affiliated company)	644	702
more than one but less than five years after the end of the reporting period	0	0
of which to HPC Vermögensverwaltung GmbH (as an affiliated company)	0	0
within more than five years of the end of the reporting period	0	0
of which to HPC Vermögensverwaltung GmbH (as an affiliated company)	0	0

Other related parties

There are rental agreements for nine properties in Carl-Bude-
rus-Straße (CBS) and one property in Fränkische Straße (FS) in
Hanover between Viscom AG and Dr. Martin Heuser / Petra Pape
GbR*, Hanover, Marina Hettwer / Petra Pape GbR**, Hanover and
HPC Vermögensverwaltung GmbH***, Hanover.

Agreements with related parties

As at 31 December 2022, there was a lease liability of € 4,334
thousand (previous year: € 7,194 thousand) to HPC Vermögens-
verwaltung GmbH and of € 3,738 thousand (previous year:
€ 4,371 thousand) to other related parties.

Agreements with related parties

Agreements with remaining terms of	Rental property	Start of lease	Basic lease term	Net monthly rent (€)	Net rent p.a. (€)
Between one and five years	CBS 10a ***	15.11.2005	10 years	22,300	267,600
	CBS 6 ***	01.12.2015	10 years	34,890	418,680
More than five years	CBS 13 *	01.11.2007	10 years	6,500	78,000
	CBS 15 **	15.11.2007	10 years	15,900	190,800
	FS 28 *	01.11.2008	5 years	2,400	28,800
	CBS 8 *	01.01.2019	10 years	6,250	75,000
	CBS 11 ***	01.03.2019	10 years	22,500	270,000
	CBS 8a ***	01.01.2020	10 years	21,359	256,308
	CBS 9 *	01.01.2001	10 years	5,000	60,000
	CBS 10 ***	01.03.2002	10 years	23,600	283,200
Total rental obligations with a remaining lease term of 1 year or less					1,928,388 (PY: 1,928,388)
Total rental obligations with a remaining term of 1 to 5 years					6,216,702 (PY: 6,856,582)
Total rental obligations with a remaining lease term of more than 5 years					2,286,616 (PY: 3,341,124)

Service agreements

In 2022, painting and tiling services totalling € 7.9 thousand were purchased from the other related parties HPC Malerfachbetrieb GmbH and HPC Fliesen GmbH (previous year: € 4.6 thousand). A consultancy agreement was entered into with Mr. Volker Pape as a related party. The agreement began on 1 July 2018 and has a term of ten years. There is a minimum fee for each full calendar year of € 90 thousand. The total charge for consulting services was € 113 thousand (previous year: € 98 thousand).

Loan agreements

There were no receivables or liabilities resulting from loan agreements with related parties as at the end of the reporting period.

Additional disclosures**Obligations for the lessee from leases**

Details on vehicle and building leases are disclosed in the section on related parties.

There are also obligations from vehicle leases with third parties in the US and France:

Lease obligations for company cars in K€	2022	2021
Total	40	51
within one year of the end of the reporting period	37	34
more than one but less than five years after the end of the reporting period	3	17
within more than five years of the end of the reporting period	0	0

The rented properties in Langenhagen (Germany), Mexico, France, Tunisia, Singapore, China, India and the US are leased from third parties.

The leases for the offices in Tunis, San José and Bangalore were automatically renewed for a further year in 2022. In Mexico

and Texas, new premises were rented. With the acquisition of Viscom Metallgestaltung GmbH, two leases were taken on. The lease for the office and retail space in Shanghai was extended by another two years in 2022.

Agreements with third parties

Agreements with remaining terms of	Rental property	Start of lease	Basic lease term	Net monthly rent (€)	Net rent p.a. (€)
One year or less	Kunshan, China	16.12.2021	6 months	1,386	16,635
	Tunis, Tunisia	15.09.2011	1 year	636	7,629
	San José, USA	01.10.2011	1 year	891	10,688
	Langenhagen, Germany	01.12.2015	1 year	1,003	12,038
	Zapopan, Mexico	01.07.2022	1 ½ years	600	7,200
	Bangalore, India	20.10.2021	11 months	1,684	20,211
Between one and five years	Suzhou, China	01.09.2022	4 years	4,190	50,286
	Shanghai, China	01.01.2015	2 years	4,221	50,646
	Singapore, Singapore	01.07.2017	3 years	2,666	31,991
	Singapore, Singapore	21.08.2014	3 years	5,962	71,539
	Paris, France	01.08.2004	9 years	2,186	26,232
	Huizhou, China	01.09.2020	6 years	2,241	26,888
	Atlanta, USA	01.10.2006	5 years	9,568	114,820
	Texas, USA	01.12.2022	2 years	923	11,071
	Zapopan, Mexico	01.05.2022	3 years	788	9,453
	Langenhagen, Germany	01.12.1995	10 years	11,000	132,000
Total rental obligations with a remaining lease term of 1 year or less					576,656 (PY: 419,148)
Total rental obligations with a remaining term of 1 to 5 years					792,268 (PY: 944,999)

Purchase commitments

Purchase commitments from delivery contracts amounted to around € 14,091 thousand (previous year: € 13,229 thousand) as at 31 December 2022.

Contingent liabilities

There were no contingent liabilities as at 31 December 2022.

Shareholder structure

In May 2006, HPC Vermögensverwaltung GmbH, Hanover, informed Viscom AG in accordance with section 21(1a) of the old version of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) that its share of the voting rights in Viscom AG exceeded 50 % on 9 May 2006.

I. Voting rights notifications from Dr. Martin Heuser, Volker Pape and other family members

Dr. Martin Heuser, Volker Pape and other family members reported that they held interests or were attributed interests in Viscom AG, some directly and some via HPC Vermögensverwaltung GmbH and other intermediary family companies and foundations (notified as follows), and notified Viscom AG of the following by the date the statement of financial position was prepared in accordance with sections 33 and 34 WpHG (the disclosures each show the most recent notification by a notifying party to the company, unless it is necessary or expedient to list further notifications for transparency reasons):

a) Voting rights notification from Dr. Martin Heuser dated 28 September 2021 in relation to a total of 59.87 % of the voting rights as a voluntary group notification due to restructuring at the level of subsidiaries with threshold reached

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFRV52

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Voluntary group notification due to restructuring at the level of subsidiaries with threshold reached

3. Details of the party subject to the notification obligation

Natural person (first name, surname): Dr. Martin Heuser
Date of birth: 24 September 1957

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

HPC Vermögensverwaltung GmbH

5. Date on which the threshold was reached

28.09.2021

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	59.87 %	0.00 %	59.87 %	9,020,000
Pre-vious notification	56.93 %	0 %	56.93 %	/

7. Details of the voting rights held

a. Voting rights (section 33, 34 WpHG)

ISIN	Absolute		in %	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE0007846867	265650	5134735	2.95 %	56.93 %
Total	5400385		59.87 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
			0	0.00 %
		Total	0	0.00 %

b.2. Instruments within the meaning of section 38(1) no. 2 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Cash or physical settlement	Voting rights (absolute)	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information about the party subject to the notification obligation

	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
x	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more
Dr. Martin Heuser	59.87 %	%	59.87 %
Heuser Familienstiftung (family foundation)	59.87 %	%	59.87 %
HSF GmbH	%	%	%
HPC Verwaltungs GmbH	%	%	%
HPC GmbH & Co. KG	%	%	%
HPC Vermögensverwaltung GmbH	59.87 %	%	59.87 %
-	%	%	%
Dr. Martin Heuser	59.87 %	%	59.87 %
VISCOM Stiftung (foundation)	59.87 %	%	59.87 %

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

10. Other information:

Date

28.09.2021

b) Voting rights notification from Volker Pape dated 28 September 2021 in relation to a total of 59.87 % of the voting rights as a voluntary group notification due to restructuring at the level of subsidiaries with threshold reached

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFRV52

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Voluntary group notification due to restructuring at the level of subsidiaries with threshold reached

3. Details of the party subject to the notification obligation

Natural person (first name, surname): Volker Pape
Date of birth: 2 October 1955

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

HPC Vermögensverwaltung GmbH

5. Date on which the threshold was reached

28.09.2021

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	59.87 %	0.00 %	59.87 %	9,020,000
Pre-vious notification	56.93 %	0 %	56.93 %	/

7. Details of the voting rights held**a. Voting rights (section 33, 34 WpHG)**

ISIN	Absolute		in %	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE0007846867	265650	5134735	2.95 %	56.93 %
Total	5400385		59.87 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
			0	0.00 %
		Total	0	0.00 %

b.2. Instrumente i.S.d. § 38 Abs. 1 Nr. 2 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Cash or physical settlement	Voting rights (absolute)	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information about the party subject to the notification obligation

	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
x	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more
Volker Pape	59.87 %	%	59.87 %
Pape Familienstiftung (family foundation)	59.87 %	%	59.87 %
PPF GmbH	%	%	%
HPC Verwaltungs GmbH	%	%	%
HPC GmbH & Co. KG	%	%	%
HPC Vermögensverwaltung GmbH	59.87 %	%	59.87 %
-	%	%	%
Volker Pape	59.87 %	%	59.87 %
VISCOM Stiftung (foundation)	59.87 %	%	59.87 %

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

10. Other information:

Date

28.09.2021

c) Voting rights notification from Nadja Heuser dated 28 September 2021 in relation to a total of 59.93 % of the voting rights due to acting in concert

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFRV52

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Acting in concert

3. Details of the party subject to the notification obligation

Natural person (first name, surname): Nadja Heuser
Date of birth: 30 March 1969

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

HPC Vermögensverwaltung GmbH

5. Date on which the threshold was reached

28.09.2021

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	59.93 %	0.00 %	59.93 %	9,020,000
Pre-vious notification	n/a %	n/a %	n/a %	/

7. Details of the voting rights held

a. Voting rights (section 33, 34 WpHG)

ISIN	Absolute		in %	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE0007846867	5621	5400385	0.06 %	59.87 %
Total	5406006		59.93 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
			0	0.00 %
		Total	0	0.00 %

b.2. Instrumente i.S.d. § 38 Abs. 1 Nr. 2 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Cash or physical settlement	Voting rights (absolute)	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information about the party subject to the notification obligation

x	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

10. Other information:

Date

28.09.2021

d. Voting rights notification from Michael Heuser dated 28 September 2021 in relation to a total of 59.88 % of the voting rights due to acting in concert

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFRV52

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Acting in concert

3. Details of the party subject to the notification obligation

Natural person (first name, surname): Michael Heuser
Date of birth: 1 October 1987

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

HPC Vermögensverwaltung GmbH

5. Date on which the threshold was reached

28.09.2021

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	59.88 %	0.00 %	59.88 %	9,020,000
Pre-vious notification	n/a %	n/a %	n/a %	/

7. Details of the voting rights held

a. Voting rights (section 33, 34 WpHG)

ISIN	Absolute		in %	
	Direct (sec-tion 33 WpHG)	Indirect (sec-tion 34 WpHG)	Direct (sec-tion 33 WpHG)	Indirect (sec-tion 34 WpHG)
DE0007846867	400	5400385	0 %	59.87 %
Total	5400785		59.88 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instru-ment	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
			0	0.00 %
		Total	0	0.00 %

b.2. Instruments within the meaning of section 38(1) no. 2 WpHG

Type of instru-ment	Matu- rity / expiry date	Exercise period / term	Cash or physical settle-ment	Voting rights (ab- solute)	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information about the party subject to the notification obligation

x	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

10. Other information:

Date

28.09.2021

e) Voting rights notification from Merlin Krügel dated 28 September 2021 in relation to a total of 59.87 % of the voting rights due to acting in concert

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFRV52

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Acting in concert

3. Details of the party subject to the notification obligation

Natural person (first name, surname): Merlin Krügel
Date of birth: 22 March 1997

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

HPC Vermögensverwaltung GmbH

5. Date on which the threshold was reached

28.09.2021

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	59.87 %	0.00 %	59.87 %	9,020,000
Pre-vious notification	n/a %	n/a %	n/a %	/

7. Details of the voting rights held

a. Voting rights (section 33, 34 WpHG)

ISIN	Absolute		in %	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE0007846867	0	5400385	0.00 %	59.87 %
Total	5400385		59.87 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
			0	0.00 %
		Total	0	0.00 %

b.2. Instrumente i.S.d. § 38 Abs. 1 Nr. 2 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Cash or physical settlement	Voting rights (absolute)	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information about the party subject to the notification obligation

x	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

10. Other information:

Date

28.09.2021

f) Voting rights notification from Petra Pape dated 28 September 2021 in relation to a total of 59.89 % of the voting rights due to acting in concert

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJFVRV52

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Acting in concert

3. Details of the party subject to the notification obligation

Natural person (first name, surname): Petra Pape
Date of birth: 13 April 1957

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

HPC Vermögensverwaltung GmbH

5. Date on which the threshold was reached

28.09.2021

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	59.89 %	0.00 %	59.89 %	9,020,000
Pre-vious notification	n/a %	n/a %	n/a %	/

7. Details of the voting rights held

a. Voting rights (section 33, 34 WpHG)

ISIN	Absolute		in %	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE0007846867	1500	5400385	0.02 %	59.87 %
Total	5401885		59.89 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
			0	0.00 %
		Total	0	0.00 %

b.2. Instruments within the meaning of section 38(1) no. 2 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Cash or physical settlement	Voting rights (absolute)	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information about the party subject to the notification obligation

x	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

10. Other information:

Datum

28.09.2021

g) Voting rights notification from Anne Pape dated 28 September 2021 in relation to a total of 59.95 % of the voting rights due to acting in concert

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFRV52

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Acting in concert

3. Details of the party subject to the notification obligation

Natural person (first name, surname): Anne Pape
Date of birth: 8 July 1988

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

HPC Vermögensverwaltung GmbH

5. Date on which the threshold was reached

28.09.2021

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	59.95 %	0.00 %	59.95 %	9,020,000
Pre-vious notification	n/a %	n/a %	n/a %	/

7. Details of the voting rights held**a. Voting rights (section 33, 34 WpHG)**

ISIN	Absolute		in %	
	Direct (sec-tion 33 WpHG)	Indirect (sec-tion 34 WpHG)	Direct (sec-tion 33 WpHG)	Indirect (sec-tion 34 WpHG)
DE0007846867	7061	,400385	0.08 %	59.87 %
Total	5407446		59.95 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instru-ment	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
			0	0.00 %
		Total	0	0.00 %

b.2. Instruments within the meaning of section 38(1) no. 2 WpHG

Type of instru-ment	Matu- rity / expiry date	Exercise period / term	Cash or physical settle- ment	Voting rights (ab- solute)	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information about the party subject to the notification obligation

x	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

10. Other information:

Date

28.09.2021

II. Other voting rights notifications

Viscom AG was notified of the following shareholdings of other persons by the date when the statement of financial position was prepared in accordance with sections 33 and 34 WpHG (the disclosures each show the most recent notification by a notifying party to the company, unless it is necessary or expedient to list further notifications for transparency reasons):

a) Voting rights notification from Allianz SE dated 8 December 2022 in relation to a total of 4.92 % of the voting rights

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Str. 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFRV52

a)

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Voluntary group notification due to restructuring

b)

3. Details of the party subject to the notification obligation

Legal entity: Allianz SE
Registered office, country: Munich, Germany

c)

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

Allianz Retraite S.A.

d)

5. Date on which the threshold was reached

07.12.2022

e)

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	4.92 %	0.00 %	4.92 %	9020000
Pre-vious notification	4.98 %	0.00 %	4.98 %	-

f)

7. Details of the voting rights held**a. Voting rights (sections 33, 34 WpHG)**

ISIN	Absolute		in %	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE0007846867	0	443852	0.00 %	4.92 %
Total	443852		4.92 %	

g)

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
			0	0 %
		Total	0	0 %

h)

b.2. Instruments within the meaning of section 38(1) no. 2 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Cash or physical settlement	Voting rights (absolute)	Voting rights in %
				0	0 %
			Total	0	0 %

i)

8. Information about the party subject to the notification obligation

	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
x	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

j)

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more
Allianz SE	%	%	%
Allianz Holding France SAS	%	%	%
Allianz France S.A.	%	%	%
Allianz Vie S.A.	%	%	%
Allianz Retraite S.A.	4.92 %	%	%

k)

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting

Share of voting rights	Share of instruments	Total shares
%	%	%

l)

10. Other information:

The voting rights notification is triggered by an internal sale of Viscom AG shares from Allianz I.A.R.D. S.A. to Allianz Retraite S.A.

m)

Date

08.12.2022

b) Voting rights notification from Universal-Investment-Gesellschaft mit beschränkter Haftung dated 13 February 2020 in relation to 3.02 % of the voting rights:

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFRV52

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Voluntary group notification; threshold reached solely at the level of subsidiaries

3. Details of the party subject to the notification obligation

Legal entity: Universal-Investment-Gesellschaft mit beschränkter Haftung Registered office, country: Frankfurt am Main, Germany
--

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

5. Date on which the threshold was reached

11.02.2020

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	3.02 %	0.00 %	3.02 %	9,020,000
Pre-vious notification	3.001 %	0.00 %	3.001 %	/

7. Details of the voting rights held

a. Voting rights (section 33, 34 WpHG)

ISIN	Absolute		in %	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE0007846867		272492	%	3.02 %
Total	272492		3.02 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
				%
		Total		%

b.2. Instruments within the meaning of section 38(1) no. 2 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Cash or physical settlement	Voting rights (absolute)	Voting rights in %
					%
			Total		%

8. Information about the party subject to the notification obligation

	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
x	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more
Universal-Investment-Gesellschaft mit beschränkter Haftung	%	%	%
Universal-Investment-Luxembourg S.A.	3.01 %	%	%

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

c) Voting rights notification from Montagu Private Equity LLP dated 31 August 2021 in relation to 3.02 % of the voting rights

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFRV52

2. Reason for notification

x	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Correction of a notification from Universal-Investment-GmbH, see 10.

3. Details of the party subject to the notification obligation

Legal entity: Montagu Private Equity LLP
Registered office, country: London, UK

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

5. Date on which the threshold was reached

11.02.2020

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	3.02 %	0.00 %	3.02 %	9,020,000
Pre-vious notification	n/a %	n/a %	n/a %	/

7. Details of the voting rights held

a. Voting rights (section 33, 34 WpHG)

ISIN	Absolute		in %	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE0007846867	0	272492	0.00 %	3.02 %
Total	272492		3.02 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
				%
		Total		%

b.2. Instruments within the meaning of section 38(1) no. 2 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Cash or physical settlement	Voting rights (absolute)	Voting rights in %
					%
			Total		%

8. Information about the party subject to the notification obligation

	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
x	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more
Montage Private Equity LLP	%	%	%
MLLP Holdings Ltd.	%	%	%
MPE (General Partner V) Ltd.	%	%	%
MPE (GP V) LP	%	%	%
Alpha LuxCo 1 SARL	%	%	%
Alpha LuxCo 2 SARL	%	%	%
Universal-Beteiligungs- und Service-gesellschaft mbH	%	%	%
Universal-Investment-Gesellschaft mbH	%	%	%

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more
Universal-Investment-Luxembourg S.A.	3.01 %	%	%
-	%	%	%
Montagu Private Equity LLP	%	%	%
MLLP Holdings Ltd.	%	%	%
Montagu V Nominees Ltd.	%	%	%
Alpha LuxCo 1 SARL	%	%	%
Alpha LuxCo 2 SARL	%	%	%
Universal-Beteiligungs- und Service-gesellschaft mbH	%	%	%
Universal-Investment-Gesellschaft mbH	%	%	%
Universal-Investment-Luxembourg S.A.	3.01 %	%	%

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

10. Other information:

By way of this and parallel correction notifications, the position of the notifying party as the ultimate parent company of the Universal Group in accordance with section 35(1) WpHG since 2017 was established retrospectively with regard to the most recently submitted notifications from Universal Investment-Gesellschaft mbH.

Further explanations and all notifications concerned can be found at: www.universal-investment.com/de/stimmrechtsmitteilungen

Date

31.08.2021

d) Voting rights notification from Montagu Private Equity LLP dated 1 September 2021 regarding the discontinuation of the allocation of voting rights from subsidiaries

1. Details of issuer

Name:	Viscom AG
Street, house no.:	Carl-Buderus-Strasse 9-15
Post code:	30455
City:	Hanover, Germany
Legal Entity Identifier (LEI):	391200SDLDT1KJVFV52

2. Reason for notification

	Acquisition / disposal of shares with voting rights
	Acquisition / disposal of instruments
	Change in total number of voting rights
x	Other reason: Discontinuation of allocation from subsidiaries due to submission of a declaration of independence in accordance with section 35 WpHG, see 10.

3. Details of the party subject to the notification obligation

Legal entity: Montagu Private Equity LLP
Registered office, country: London, UK

4. Names of shareholders

holding voting rights of 3 % or more, if different from 3.

5. Date on which the threshold was reached

19.08.2021

6. Total share of voting rights

	Share of voting rights (total of 7.a.)	Share of instruments (total of 7.b.1.+ 7.b.2.)	Total shares (total of 7.a. + 7.b.)	Total number of voting rights as per section 41 WpHG
New	0.00 %	0.00 %	0.00 %	9,020,000
Pre-vious notification	3.02 %	0 %	3.02 %	/

7. Details of the voting rights held**a. Voting rights (section 33, 34 WpHG)**

ISIN	Absolute		in %	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE0007846867	0	0	0.00 %	0.00 %
Total	0		0.00 %	

b.1. Instruments within the meaning of section 38(1) no. 1 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Voting rights (absolute)	Voting rights in %
			0	0.00 %
		Total	0	0.00 %

b.2. Instruments within the meaning of section 38(1) no. 2 WpHG

Type of instrument	Maturity / expiry date	Exercise period / term	Cash or physical settlement	Voting rights (absolute)	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information about the party subject to the notification obligation

x	The party subject to the notification obligation (3.) is not controlled and does itself not control any other entities that hold voting rights in the issuer (1.) or that are assigned voting rights in the issuer.
	Full chain of subsidiaries beginning with the ultimate controlling person or entity:

Entity	Voting rights in % if 3 % or more	Instruments in % if 5 % or more	Total in % if 5 % or more

9. In case of proxy voting in accordance with section 34(3) WpHG

(only possible in the case of allocation in accordance with section 34(1) sentence 1 no. 6 WpHG)

Date of Annual General Meeting:

Total share of voting rights (6.) after Annual General Meeting:

Share of voting rights	Share of instruments	Total shares
%	%	%

10. Other information:

Due to the submission of declarations of independence, voting rights from the Universal Group have no longer been attributable to the Montagu Group since 19 August 2021. The Universal Group's holdings have not changed in any way that is relevant to the thresholds. The holdings of Universal-Investment GmbH requiring notification as at 19 August 2021 are: 3.02 % / 0 % / 3.02 %.

Date

01.09.2021

Supplementary report

Events after the end of the reporting period

There were no significant events after the end of the 2022 financial year.

German Corporate Governance Code

The Executive Board and Supervisory Board of Viscom AG submitted the annual Compliance Statement, according to section 161 of the German Stock Corporation Act (AktG), in February 2023. It has been published and is permanently accessible on the Viscom AG website.

Total auditors' fees (section 314(1) no. 9 of the Handelsgesetzbuch (HGB – German Commercial Code))

The fee charged for the work of the Group auditor PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft for the financial year breaks down as follows:

Total auditors' fees in K€	2022	2021
Audits of financial statements	186*	130
Other assurance services	15	20
Total	201	150

* including € 11 thousand for the previous year

Fees for audits of financial statements particularly include fees for the statutory audit of the annual and consolidated financial statements and the dependent company report. Other assurance services comprise certifications commissioned by the Supervisory Board.

Hanover, 17 March 2023

The Executive Board



Carsten Salewski



Peter Krippner



Dr. Martin Heuser



Dirk Schwingel

Responsibility statement

“To the best of our knowledge and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the Group’s net assets, financial position and results of operations, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.”

Hanover, 17 March 2023

The Executive Board



Carsten Salewski



Peter Krippner



Dr. Martin Heuser



Dirk Schwingel

“Independent auditor’s report

To Viscom AG, Hanover

Report on the Audit of the consolidated Financial Statements and of the Group Management Report

Audit Opinions

We have audited the consolidated financial statements of Viscom AG, Hanover, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of Viscom AG for the financial year from 1 January to 31 December 2022. In accordance with the German legal requirements, we have not audited the content of the group statement on corporate governance pursuant to § [Article] 315d HGB [Handelsgesetzbuch: German Commercial Code].

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

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. [paragraph] 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2022, and of its financial performance for the financial year from 1 January to 31 December 2022, and
- the accompanying group management report as a whole provides an appropriate view of the Group’s position. In all material respects, this group management report is consi-

stent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the group statement on corporate governance referred to above.

Pursuant to § 322 Abs. 3 Satz [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 § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report” section of our auditor’s report. We are independent of the group entities 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 consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professio-

nal judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

- ❶ Accounting for development costs
- ❷ Accounting for completed systems and assemblies and partially completed systems within inventories

Our presentation of these key audit matters has been structured in each case as follows:

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

Hereinafter we present the key audit matters:

❶ Accounting for development costs

① Capitalised development costs of € 15.0 million are reported in intangible assets in the consolidated financial statements of Viscom AG. Within this item, development projects worth € 8.6 million are not yet available for use. Overall, this item accounts for around 12.9 % of total assets.

Development costs relate to development projects for prototypes and software that are intended to be used in the Viscom Group's operations throughout their lifetimes. Development costs are capitalised on which the criteria set out in IAS 38.57

are fulfilled, whereas research costs are expensed. Capitalised development costs are amortised on a straight-line basis over a maximum useful life of four years for prototypes and between four and 15 years for software from the date on which they become usable.

The useful lives and carrying amounts of capitalised development costs that are already in use are tested for validity and evidence of potential impairment as at the end of each financial year. In accordance with IAS 36, capitalised development costs are considered to be impaired when the recoverable amount of the respective asset falls below its carrying amount.

Capitalised development costs not yet in use are also tested for impairment annually. The recoverability of development costs is based on estimates and assumptions by the legal representatives and is subject to uncertainty. In our opinion, development costs are therefore of particular significance for our audit.

② In the course of our audit, we initially performed reconciliation audit activities between the documentation of capitalised development costs, the amounts reported in non-current assets and the consolidated statement of financial position. With regard to initial recognition, we reviewed the procedures established by Viscom AG for verifying compliance with the criteria according to IAS 38.57 as well as the delimitation of research and development activities in terms of content and consistency.

We performed corresponding audit activities to examine the amount and basis of the allocation of capitalised costs to existing development projects that are not yet available for use, taking into account the current development status of the individual projects reported.

With regard to impairment testing, we reviewed the calculation of the value in use including the valuation parameters applied. In particular, we reviewed the plausibility and consistency of the sales forecasts used as the basis for determining recoverability.

The procedures established by the legal representatives, including the assumptions and estimates applied with regard to the delimitation, recognition and measurement of development costs, are verifiable, adequately documented and, in our view, suitable for ensuring the proper accounting treatment of development costs as a whole.

③ The disclosures on development costs can be found under “Summary of significant accounting policies” and in notes G4 and A8 of the notes to the consolidated financial statements.

② Accounting for completed systems and assemblies and partially completed systems within inventories

① Inventories totalling € 37.4 million are reported in the consolidated financial statements of Viscom AG. This item accounts for around 32.3 % of total assets. Finished goods and work in progress, reported in the consolidated financial statements as “Completed systems” and “Assemblies and partially completed systems”, account for € 25.4 million of this figure.

“Completed systems” and “Assemblies and partially completed systems” are measured at the lower of cost or net realisable value. Cost includes the direct material and production costs and appropriate portions of material and production overheads and of the depreciation of non-current assets to the extent that this is caused by production. Valuation allowances are recognised as required to ensure that the carrying amount of the systems reflects the lower of cost or net realisable value at the reporting date.

Measurement with regard to recoverability is based on estimates and assumptions by the legal representatives of the Company and is subject to uncertainty. In our opinion, inventories are therefore of particular significance for our audit.

② The starting point for our audit procedures was to establish the existence of the completed and partially completed

systems and assemblies, both in the form of a book inventory and through observance of physical inventories. On this basis, we performed, among other things, reconciliation audit activities between the general ledger and the subsidiary ledger and examined the scope and the calculation of cost and the methodical procedure for determining the net realisable value of the company.

The assumptions and estimates applied by the legal representatives with regard to the assessment of the recoverability of inventories are verifiable, adequately documented and, in our opinion, suitable for ensuring the proper accounting treatment of inventories as a whole.

③ The disclosures on inventories can be found under “Summary of significant accounting policies” and in note A4 of the notes to the consolidated financial statements.

Other information

The executive directors are responsible for the other information. The other information comprises the group statement on corporate governance pursuant to section 315d HGB, which we obtained prior to the date of our auditor’s report, as part of the group management report whose content has not been audited.

The other information also includes all other parts of the annual report that are expected to be made available to us after the date of the auditor’s report – without further cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor’s report.

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

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

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

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

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. manipulation of the accounting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are 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, the executive directors are 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 Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities 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 § 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 may 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.

We exercise professional judgement and maintain professional scepticism throughout the assurance engagement. We also:

- identify and assess the risks of material misstatements in the consolidated financial statements and in the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 disclo-

tures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the presentation, structure and content of the consolidated financial statements as a whole, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner 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 IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

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

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

Other Legal and Regulatory Requirements

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

Reasonable Assurance Conclusion

We have performed an assurance engagement in accordance with § 317 Abs. 3b HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the attached electronic file Viscom_AG_KA+LB_ESEF-2022-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance engagement only extends to the conversion of the

information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within this rendering nor to any other information contained in the above-mentioned electronic file.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the above-mentioned attached electronic file and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. We do not express any opinion on the information contained in this rendering nor on any other information contained in the above-mentioned electronic file beyond this reasonable assurance conclusion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2022 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above.

Basis for the Reasonable Assurance Conclusion

We conducted our assurance engagement on the rendering of the consolidated financial statements and the group management report contained in the above-mentioned electronic file in accordance with section 317(3a) HGB and the IDW Assurance Standard: Assurance in Accordance with section 317(3a) HGB on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes (IDW PS 410 (June 2022)) and the International Standard on Assurance Engagements 3000 (Revised). Accordingly, our responsibilities are further described below in the "Group Auditor's Responsibilities for the Assurance Engagement on the ESEF Documents" section. Our audit firm has applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1).

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

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

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

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Engagement on the ESEF Documents

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

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance conclusion.
- Obtain an understanding of internal control relevant to the assurance engagement on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance conclusion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i. e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version applicable as at the balance sheet date on the technical specification for this electronic file.
- Evaluate whether the ESEF documents enables a XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering in accordance with articles 4 and 6 of the Delegated Regulation (EU) 2019/815 in the version applicable at the end of the reporting period.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 8 June 2022. We were engaged by the Supervisory Board on 30 December 2022. We have been the group auditor of the Viscom AG, Hanover, without interruption since the financial year 2010.

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

Reference to another matter – Use of the Auditor's Report

Our auditor's report should always be read in conjunction with the audited consolidated financial statements, the audited group management report and the audited ESEF documents. The consolidated financial statements and group management report converted into the ESEF format – including the versions to be added to the company register – are only electronic renderings of the audited consolidated financial statements and the audited group management report and do not replace them. In particular, the "Assurance Report in Accordance with Section 317(3b) HGB on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes" and our audit opinion contained therein should be used only in conjunction with the audited ESEF documents provided in electronic form.

German Public Auditor responsible for the Engagement

The German Public Auditor responsible for the engagement is Martin Schröder."

Hanover, 17 March 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Martin Schröder	ppa. Martin Sochor
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Please be aware that the German version of the report of the independent auditor on pages 152 - 159 of the German annual report is the binding / legally valid version.

Glossary of technical terms

Term	Definition
AI	Artificial Intelligence
AOI	Automated Optical Inspection
AXI	Automated X-ray Inspection
CCI	Conformal Coating Inspection
CCT	Customer Care Teams
MXI	Manuel X-ray Inspection
NDT (non-destructive testing)	Non-Destructive Testing
proALPHA	Enterprise Resource Planning (ERP) system
SPI	Solder Paste Inspection
vCONNECT	Viscom platform for digital services
vVision	Viscom software for system operation and set-up

Financial calendar 2023



March

- 03/28/2023 Annual Report 2022
- 03/29/2023 Analyst and Investor Conference – Virtual

May

- 05/11/2023 Interim Report 3M/2023
- 05/31/2023 Annual General Meeting – Altes Rathaus, Hanover

August

- 08/10/2023 Interim Report 6M/2023

November

- 11/14/2023 Interim Report 9M/2023

Five-year report

Profit and loss		2022	2021	2020	2019	2018
Revenue	K€	105,518	79,792	61,562	88,556	93,557
EBIT	K€	8,186	4,197	-5,979	4,017	10,944
EBT	K€	7,415	3,782	-6,299	4,067	10,947
Income taxes	K€	-2,046	-1,195	1,885	-966	-3,133
Net profit for the period	K€	5,369	2,587	-4,414	3,101	7,814

Balance sheet

Assets

Current assets	K€	84,473	67,469	52,541	62,757	67,045
Non-current assets	K€	31,525	31,224	28,060	26,291	14,758
Total assets	K€	115,998	98,693	80,601	89,048	81,803

Liabilities

Current liabilities	K€	40,159	26,715	15,213	16,904	18,659
Non-current liabilities	K€	15,573	15,403	12,179	13,645	3,846
Total shareholders' equity	K€	60,266	56,575	53,209	58,499	59,298
Total liabilities and shareholders' equity	K€	115,998	98,693	80,601	89,048	81,803

Cash flow statement

CF from operating activities	K€	-1,687	-3,903	10,225	7,302	1,232
CF from investing activities	K€	-5,022	-3,339	-3,156	-3,587	-5,076
CF from financing activities	K€	-5,162	-3,363	-3,620	-5,067	-5,422
Cash and cash equivalents	K€	-17,927	-6,096	4,316	1,039	2,357

Personnel

Employees at year-end		571	468	464	485	480
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Share

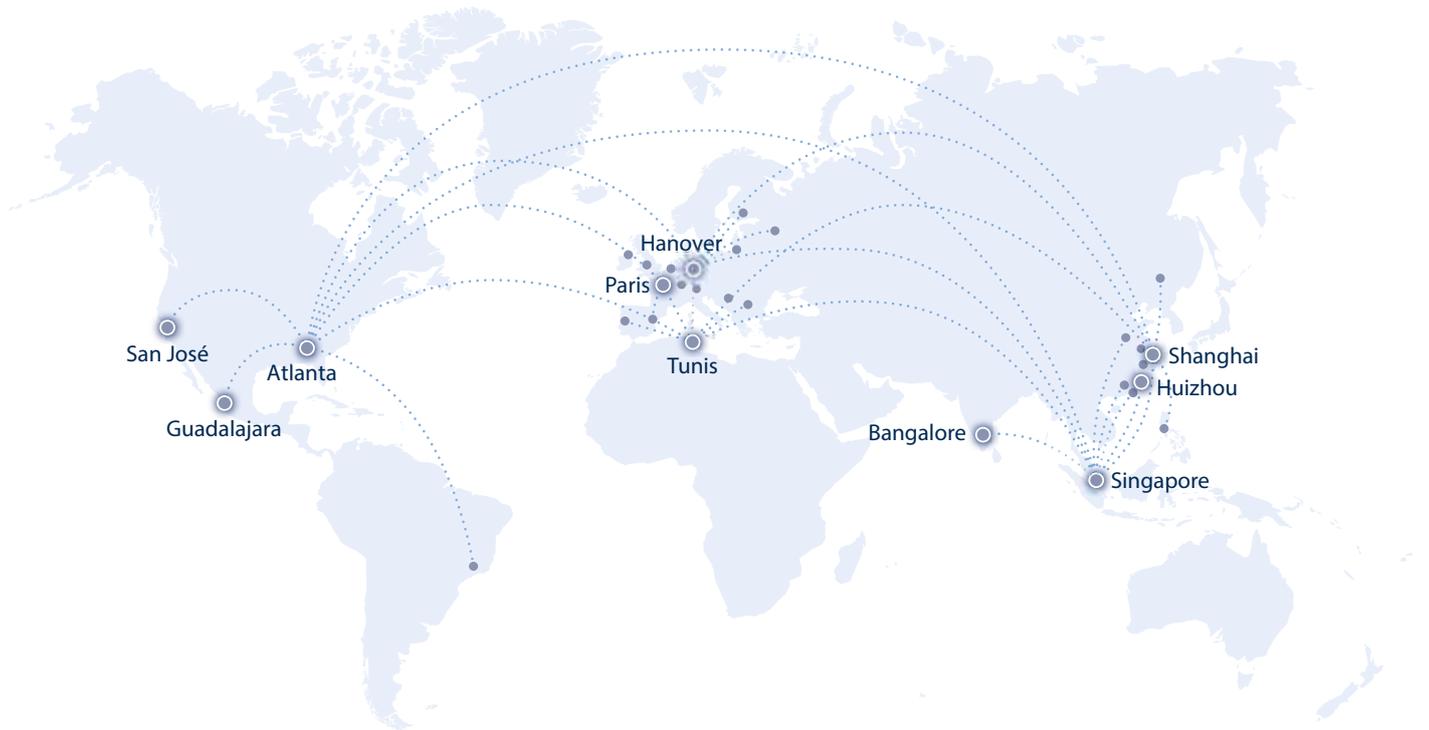
Number of shares		9,020,000	9,020,000	9,020,000	9,020,000	9,020,000
Dividend payment	K€	2,666	1,777	0	444	3,998
Dividend per share	€	0.30	0.20	0.00	0.05	0.45
Shareholder capital per share	€	6.68	6.27	5.90	6.49	6.57

Key figures

EBIT-Margin	%	7.8	5.3	-9.7	4.5	11.7
Return on equity	%	8.9	4.6	-8.3	5.3	13.2
Equity ratio	%	52.0	57.3	66.0	65.7	72.5

Imprint

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