

REPORT OF THE SUPERVISORY BOARD

Dear shareholders,
ladies and gentlemen,

Following my election as Chairwoman of the Supervisory Board of Blue Cap AG in June 2022, I am pleased to inform you for the first time about our work on the Supervisory Board of Blue Cap AG. In this context, I would also like to look back on the many issues that concerned us in the past financial year.

The Corona pandemic accompanied us all for the third year in a row. Its effects and further course were still very uncertain at times. Starting in February 2022, the beginning of the Ukraine war also shook world affairs, and we saw increasing adverse effects on the global economy. The economic mood was shaped by fears of a recession. The Blue Cap Group had to deal with inflation, energy crisis and supply chain difficulties throughout the year. Managing these influences commercially was the most important task of the portfolio companies, intensively supported by the Blue Cap boards.

In this difficult environment, the Management Board acted decisively and quickly set appropriate priorities. The focus was on the operational development of the portfolio companies, especially in handling

the increased raw material and energy prices as well as the supply chains, which were still severely impacted especially at the beginning of the year.

_ In the challenging 2022 financial year, the Management Board acted decisively and set the right priorities. This led to record revenue and earnings at the Group level._

_ Kirsten Lange, Chairwoman of the Supervisory Board

The results were encouraging: The Blue Cap Group proved to be resilient and developed very positively on the whole, both operationally and strategically, despite the very difficult framework conditions. We can therefore look back on a record year in terms of revenue and results.

Cooperation between the Management Board and the Supervisory Board

The Supervisory Board consisted of five members in 2022. In the reporting year, it fully carried out the duties required of it by law, the Articles of Association and the Rules of Procedure. We continuously monitored and advised the Management Board in its management of the company. The Management Board informed us continuously, comprehensively and promptly, both verbally and in writing, about current developments, corporate



_ Kirsten Lange
Chairwoman of the Supervisory Board

strategy, the status of transactions and major portfolio projects as well as the corporate and financial planning of the Group and its portfolio companies.

The Management Board fulfilled its duties to provide information at all times and in appropriate depth. Furthermore, it was available to us for questions and explanations at any time and to our full satisfaction – even outside the meetings. The Supervisory Board was thus able to satisfy itself at all times of the legality, appropriateness and regularity of the management.

In the plenary sessions and in our committees, we always had the opportunity to critically examine the reports and resolution proposals submitted by the Management Board and to make suggestions. Discussions between the Supervisory Board and the Management Board were also based on the monthly financial reporting submitted to the Supervisory Board with key income, financial, asset and personnel figures for the Group as a whole as well as for individual portfolio companies. All submitted reports and documents

were carefully and adequately examined by our board and gave no cause for objection. We intensively discussed decisions of fundamental importance with the Management Board. Where the approval of the Supervisory Board for individual business transactions was required by law, the Articles of Association or the Rules of Procedure, we granted it after detailed examination.

As Chairwoman of the Supervisory Board, I was in close communication with all members of the Management Board, especially with the Chairman of the Management Board, outside of meetings as well. I informed the other members of the Supervisory Board about relevant findings in a timely manner, at the latest at the next meeting of the board. At no time did I have any indication of conflicts of interest on the part of Management Board or Supervisory Board members that had to be disclosed to the Supervisory Board without delay.

The company conducts information and training measures on specific topics of the Supervisory Board's work at regular intervals. Among other things, important regulations of the Corporate Governance Code and the effects of the Financial Market Integrity Strengthening Act (FISG) on the work of the Supervisory Board were presented. The new members who joined the Supervisory Board in the financial year were supported by an onboarding programme in the form of detailed information on the Group and its various business activities after taking up their mandate.

Meetings

In the 2022 financial year, a total of 17 meetings of the Supervisory Board were held: six times in the form of a face-to-face meeting and eleven times in the form of a video or telephone conference. Only members of the Supervisory Board attended the meetings held on 10 January 2022, 22 March 2022, 29 March 2022, 8 April 2022, 19 May 2022, 15 June 2022, 29 June 2022 (constituent) and 25 July 2022, and members of the Management Board additionally attended the meetings held on 18 February 2022, 2 March 2022, 21 April 2022, 12 May 2022, 28 June 2022, 7 July 2022, 25 August 2022, 25 October 2022 and 13 December 2022.

The average attendance rate of the Supervisory Board members at the meetings was just under 99%. The absence of individual members was always excused. No member of the Supervisory Board attended fewer than half of the meetings during their term of office. The same applies to the committees. In preparation for the meetings, the Management Board provided us with comprehensive, informative written reports and resolution proposals in good time.

Main duties and topics in the Supervisory Board plenary sessions

In accordance with the duties incumbent upon us by law, the Articles of Associations and the Rules of Procedure, we dealt in detail with the operational and economic development of Blue Cap AG and its portfolio companies as well as their strategic further development in the 2022 financial year. This also included the economic and financial key figures of the Group, which comprised the development of the net asset value (NAV) as well as budget planning, among other things.

Key topics were significant business events, personnel matters, the status of portfolio acquisitions

and sales, changes concerning corporate governance as well as sustainability projects. We intensively dealt with the economic challenges and the implications and risks for the portfolio companies of Blue Cap. The development of raw material and energy prices as well as the geopolitical situation were significant uncertainty factors for the course of business, and we were always available to the Management Board for advice in this context.

We additionally dealt with remuneration issues of the Management Board and other Management Board matters. On the one hand, we changed the remuneration system of the Management Board to make it more comprehensible and less complex. On the other hand, we strengthened the variable component in order to link the incentives of the Management Board more closely to the goals of our shareholders. In the deliberations on Management Board remuneration, we used a peer group comparison to determine that the market standard is given and the remuneration of the Management Board members is thus appropriate. We intensively discussed the Management Board composition following Ulrich Blessing's departure from the Management Board.

On 21 April 2022, the Supervisory Board held a meeting to approve the balance sheet. The board approved the annual financial statements and management report of Blue Cap AG as well as the consolidated financial statements and the Group management report each as of 31 December 2021. In addition, the plenary session adopted the report of the Supervisory Board for the 2021 financial year. The agenda for the Annual General Meeting was discussed and approved. The Supervisory Board approved the proposal to pay a dividend to the Annual General Meeting.

Last year, our Supervisory Board met for a total of

17 meetings.

**Supervisory Board plenary sessions**

Member	Attendance abs.	Attendance in %
Kirsten Lange (Chairwoman, member since 29/06/2022)	6/6	100%
Prof. Peter Bräutigam (Chairman, member until 29/06/2022)	11/11	100%
Dr. Michael Schieble (Deputy Chairman)	17/17	100%
Dr Stephan Werhahn (Deputy Chairman, member until 29/06/2022)	11/11	100%
Michel Galeazzi	17/17	100%
Dr. Henning von Kottwitz	17/17	100%
Freya Oehle (member since 29/06/2022)	6/6	100%

Audit Committee

Member	Attendance abs.	Attendance in %
Dr. Michael Schieble (Chairman)	6/6	100%
Dr. Henning von Kottwitz	6/6	100%
Kirsten Lange (member since 29/06/2022)	3/3	100%
Prof. Peter Bräutigam (member until 29/06/2022)	3/3	100%

Nomination Committee

Member	Attendance abs.	Attendance in %
Dr. Henning von Kottwitz (Chairman)	4/4	100%
Dr. Michael Schieble	4/4	100%
Michel Galeazzi	4/4	100%

M&A Committee

Member	Attendance abs.	Attendance in %
Michel Galeazzi (Chairman)	3/3	100%
Kirsten Lange (member since 29/06/2022)	2/2	100%
Prof. Peter Bräutigam (member until 29/06/2022)	1/1	100%
Dr. Stephan Werhahn (member until 29/06/2022)	0/1	0%
Freya Oehle (member since 29/06/2022)	2/2	100%

The Management Board always submitted matters requiring approval to the Supervisory Board in good time for resolution. After extensive consultation and thorough consideration, we approved these in all cases.

Due to the new elections of the Supervisory Board members at the 2022 Annual General Meeting on 29 June 2022, a constituent meeting of the Supervisory Board was held on the same day. At this meeting, I was elected Chairperson of the Supervisory Board. Dr. Michael Schieble was elected as Deputy Chairman. The Supervisory Board also held an election to appoint members of the committees.

Tasks of the committees

The Supervisory Board used the existing committees (Audit Committee, M&A Committee, Nomination Committee) to perform its duties efficiently. The primary task of the committees is to prepare decisions and issues to be discussed or decided in plenary sessions. Decision-making powers can also be delegated to the committees if this is permitted by law. The chairpersons of the committees also reported to the Supervisory Board regularly and in detail on the contents and results of the committees.

In the 2022 financial year, the **Audit Committee** consisted of Dr. Michael Schieble (Chairman), Dr. Henning von Kottwitz and Kirsten Lange. Up until 29 June 2022, the Audit Committee consisted of Dr. Henning von Kottwitz, Prof. Dr. Peter Bräutigam and Dr. Michael Schieble. The Chairman of the Audit Committee, Dr. Schieble, has expertise in the areas of accounting and auditing due to his work as a Management Board member of Sparkasse responsible for the back office and as Chairman of the Audit Committee of Blue Cap. Dr. Schieble is qualified in the sense of recom-

mendation D.3 DCGK 2022. He has also acquired expertise in sustainability reporting due to his previous work. Dr. von Kottwitz, as a member of the Audit Committee, also has expertise in the area of accounting as a fully qualified lawyer and sole director of PartnerFonds AG i.L. and thus knowledge and experience in the application of accounting principles as well as internal control and risk management systems.

The Audit Committee held six meetings in the reporting year on 9 February 2022, 30 March 2022, 19 April 2022, 29 June 2022, 9 November 2022 and 9 December 2022. The Chief Financial Officer attended five of the six meetings, and representatives of the auditors Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, attended three meetings.

The focus of the committee's work was on the audit of the annual financial statements and the consolidated financial statements for 2021, including the combined management report, and the preparation of the resolutions in the Supervisory Board. In the course of the audit, the Audit Committee discussed the progress of the audit with the auditor and also included the reports of the company and the audit reports of the auditor. Together with the auditor, the Audit Committee also determined the focus of the audit for the 2022 financial year. Among other things, this included the first-time consolidations of Transline and Micado, the valuation of portfolio companies and inventories, and compliance with bank covenants. In addition, the Audit Committee dealt with the 2023–2025 budget planning and the risk reporting of the Blue Cap Group.

In 2022, the **M&A Committee** was composed of the members Michel Galeazzi (Chairman), Kirsten Lange and Freya Oehle. Up until 29 June 2022, the M&A Committee consisted of Michel Galeazzi, Prof. Dr. Peter

Bräutigam, Dr. Stephan Werhahn. The M&A Committee met three times last year: on 1 February 2022, 29 June 2022 and 2 December 2022. In addition to members of the Management Board, M&A employees of Blue Cap also attended the meetings.

In principle, the M&A Committee deals with individual acquisitions and sales of companies in the run-up to the vote in the Supervisory Board; in this respect, it is the sparring partner of the Management Board in the early phase of transactions that are already taking shape. In 2022, the main topics of consultations were the developments in both ongoing and new M&A projects. These included the sale of Gämmerler GmbH as well as the acquisition of the Transline Group, among others.

The **Nomination Committee** was newly constituted last year and consisted of Dr. Henning von Kottwitz (Chairman), Michel Galeazzi and Dr. Michael Schieble. The Nomination Committee held four meetings in 2022: on 4 March 2022, 21 March 2022, 8 April 2022 and 29 June 2022. The committee dealt intensively with potential candidates to succeed the members of the Supervisory Board who retired in 2022; these candidates were proposed for election at the 2022 Annual General Meeting. In particular, it made sure that the Supervisory Board would be adequately staffed after the new elections in terms of diversity, financial expertise and fulfilment of the competence profile.

Corporate governance

The Supervisory Board dealt extensively with the German Corporate Governance Code (GCGC) in the 2022 financial year. At its meeting of 18 February 2022, the Supervisory Board analysed together with the Management Board the recommendations of the GCGC and Blue Cap AG's compliance with them.

Although Blue Cap is not obliged to issue a declaration of compliance with the German Corporate Governance Code due to its listing on the open market, the Supervisory Board and Management Board decided to issue a declaration of compliance for the first time in the interest of informing shareholders and the capital market. In addition, we reviewed the efficiency of our activities through a self-evaluation based on a detailed questionnaire, which was answered by all members of the Supervisory Board. The results were discussed in detail at our meeting on 7 July 2022 and compared with the results of the best supervisory boards. Overall, the audit gave a positive picture of the activities of our board and the cooperation with the Management Board. No significant deficits were identified. Nevertheless, we identified some areas of action in which we could become even faster and less bureaucratic, and we implemented all of these over the course of 2022 as well.

Audit

The Annual General Meeting of 29 June 2022 appointed Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, as auditors of the financial statements and consolidated financial statements for the 2022 financial year. Deloitte GmbH Wirtschaftsprüfungsgesellschaft audited the annual financial statements and consolidated financial statements prepared by the Management Board as well as the consolidated management report for the 2022 financial year, which was combined with the management report of Blue Cap AG, and issued an unqualified audit opinion in each case. The audit was conducted in accordance with Section 317 of the German Commercial Code (HGB) and the generally accepted standards for the auditing of financial statements specified by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany).

The annual financial statements and the combined management report were prepared in accordance with German legal requirements. The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS), as applicable in the European Union, as well as the German statutory regulations which are also to be applied. These consolidated financial statements exempt the company from the obligation to prepare consolidated financial statements in accordance with German law.

The annual financial statements and consolidated financial statements as well as the combined management report for the 2022 financial year were sent to all members of the Supervisory Board in good time in advance for inspection, along with the respective audit reports and notes by the auditor. The documents were discussed comprehensively and in detail with the Management Board at the balance sheet meeting on 27 April 2023 in the presence of the auditors, who reported on the main results of the audits. The auditors and the Management Board were available for detailed explanations of the financial statements and answered all questions of the Supervisory Board to its full satisfaction.

The auditors confirmed their independence to the chairman of the Audit Committee and stated that there were no circumstances that would call into question their impartiality.

After a thorough examination of the submitted documents and the recommendation of the Audit Committee, we had no objections. We therefore approved the audit findings of the auditors. On April 28, 2023, in accordance with the proposal of the Audit Committee, we adopted the 2022 annual financial statements of Blue Cap AG together with the combined management report, and approved the 2022

consolidated financial statements along with the combined management report by way of the written consent procedure.

The Supervisory Board also approved the proposed resolutions for the Annual General Meeting, both at its meeting on April 27 2023 and by way of the written consent procedure on April 28 2023. In accordance with the recommendation of the Audit Committee, the Supervisory Board proposes that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich be elected as auditor of the financial statements and consolidated financial statements of Blue Cap AG for the 2023 financial year.

Dividend

The Supervisory Board likewise reviewed the Management Board's proposal for use of the net profit. In particular, the liquidity of the entire Group as well as the financial and investment planning were taken into account here. After extensive consultation, we endorse the proposal of the Executive Board to the Annual General Meeting to distribute to shareholders from the net profit for the 2022 financial year a dividend of EUR 0.90 per share, or a total of EUR 3,956,661, based on the number of no-par value shares as of 28 April 2023. The remaining net profit is to be carried forward. The Supervisory Board also endorses the proposal of the Management Board to the Annual General Meeting to pay the dividend a) in cash or b) partly in the form of shares in the company and partly in cash, at the shareholders choice. This gives shareholders the freedom to choose whether and to what extent they wish to make use of the offer of a stock dividend.

Personnel changes in the Supervisory Board and Management Board

The following personnel changes took place in the Supervisory Board of Blue Cap AG in the reporting year:

The long-standing Chairman of the Supervisory Board, Prof. Dr. Peter Bräutigam, resigned his Supervisory Board mandate with effect from the end of the Annual General Meeting on 29 June 2022. Dr. Stephan Werhahn, Deputy Chairman of the Supervisory Board, also resigned from office with effect from the end of the Annual General Meeting on 29 June 2022.

After prior internal discussion, the Supervisory Board proposed to the Annual General Meeting that Kirsten Lange and Freya Oehle be elected as new members of the Supervisory Board. In addition, Dr. Kerstin Kopp was proposed for election as a substitute member of the Supervisory Board. Freya Oehle and myself were elected to the Supervisory Board at the Annual General Meeting on 29 June 2022. Dr Kerstin Kopp was also elected as a substitute member.

Dr Michael Schieble, Dr Henning von Kottwitz and Michel Galeazzi, whose terms of office expired at the 2022 Annual General Meeting, stood for re-election and were re-elected to the Supervisory Board by the 2022 Annual General Meeting.

The members of the Supervisory Board express their sincere thanks to both departing members for their good, long-standing and constructive cooperation.

In its constituent meeting following the Annual General Meeting, the Supervisory Board elected me as its Chairwoman and Dr Schieble as its Deputy Chairman.

There were also personnel changes in the Management Board. With effect from 1 September 2022, the Supervisory Board appointed Tobias Hoffmann-Becking, previously Chief Investment Officer, as Chief Executive Officer of the company. His contract was extended until 31 December 2027. Henning Eschweiler was also appointed as a member of the Management Board (Chief Operating Officer) with effect from 1 September 2022. He succeeded Ulrich Blessing, who prematurely terminated his Management Board mandate, which runs until the end of 2022, by mutual agreement as of August 31 2022. The Supervisory Board would like to take this opportunity to thank Mr. Blessing once again for the trusting and successful cooperation and wishes him all the best for the future.

None of the members of the Supervisory Board exercises executive or advisory functions at what the company considers to be significant competitors of the company. There was no indication of conflicts of interest on the part of a member of the Supervisory Board or the Management Board.

On behalf of our board, I would like to thank the members of the Management Board and all employees of Blue Cap AG and its subsidiaries for their extraordinary commitment and outstanding performance in the 2022 financial year.

Munich, 28 April 2023

Kirsten Lange
Chairwoman of the Supervisory Board

