

[Report by the Board of Management to the Annual General Meeting on Item 6 of the Agenda regarding the creation of a new Authorized Capital 2023 with the right to exclude subscription rights pursuant to Section 203 \(1\) and \(2\) AktG in conjunction with Section 186 \(4\) sentence 2 AktG and Article 9 \(1\) SE-VO](#)

The Board of Management renders the following report to the Annual General Meeting in accordance with Section 203 (1) and (2) in conjunction with Section 186 (4) sentence 2 AktG and Art. 9 (1) SE-VO on the reasons for the authorization of the Board of Management to exclude the subscription right of shareholders when availing itself of the authorization to effect a capital increase:

The new Authorized Capital 2023 in Section 3 (6) of the Articles of Association, which is proposed under Agenda item 6, should be available for cash and/or non-cash capital increases and, at a total volume of Euro 125,276,160.00, corresponds to approximately 40% of the current registered share capital of the Company. The maximum amount of 50% of the share capital specified in Section 202 (3) AktG will not be exhausted. Regarding the authorization to exclude subscription rights, the usual market limit of 10% of the share capital shall be provided for— taking also into account other exclusions of subscription rights during the term of the Authorized Capital 2023.

Together with the Conditional Capital 2023, which is proposed under Agenda item 7, the aggregated volumes of the Authorized and Conditional Capitals 2023 amount to around 50% of the Company's registered share capital. Such volume follows the guidelines of various proxy advisors and institutional investors. Furthermore, the Articles of Association continue to incorporate the Conditional Capitals 2009, 2017 and 2019. These capitals, however, are not considered in the aggregation of the above-mentioned total volume of authorized and conditional capitals, because at the time of the convocation of the Annual General Meeting 2023 already conversion or option or subscription rights for the corresponding shares (i) have been issued, or (ii) had been issued and a reutilization of the underlying authorizations is no longer possible, with the consequence that these conditional capitals do not give the Management Board any further freedom of action.

The Authorized Capital 2023 is intended to enable the Company to cover its capital requirements quickly and flexibly in the interest of its shareholders without having to wait for the annual or an extraordinary general meeting. In this respect, the flexible availability of financing instruments is of particular importance, since the point in time at which these funds must be available cannot always be predicted. The legislator has taken this situation into account and grants the option of authorized capital, with which the management can be authorized for a limited period and limited in amount to increase the company's share capital without a further resolution of the general meeting. The Company would like to take advantage of this opportunity and therefore proposes to the Annual General Meeting to create a new Authorized Capital 2023 in Section 3 (6) of the Articles of Association. The most important reasons for using the authorized capital are to strengthen the equity base and to finance acquisitions and other assets.

The Authorized Capital 2023 is meant to replace the Authorized Capital 2019 created by the Annual General Meeting on May 10, 2019 in the amount of Euro 31,319,040.00 that still exists on the date of the convocation of the Annual General Meeting. De facto, however, a capital increase under the Authorized Capital 2019 upon exclusion of the subscription right under Sections 203 (1) and 203 (2) sentence 1, 186 (3) sentence 4 AktG is effectively no longer available to the Company after the issue of the new convertible bond in September of 2022 because the exclusion of the subscription right in connection with the issuance of the new convertible bond is counted toward the Authorized Capital 2019. The Authorized Capital 2023 is meant to put the Company in a position to be able to cover its financial requirements quickly and flexibly in the future, including a capital increase against cash contributions upon exclusion of the subscription rights under Sections 203 (1) and (2) sentence 1 and 186 (3) sentence 4 AktG. This alternative allows a fast execution and, due to its market-oriented pricing a maximization of the issue price and thus the greatest possible reinforcement of equity capital.

In principle, the shareholders are to be entitled to subscription rights if the Authorized Capital 2023 is utilized. Apart from a direct issue of new shares to the shareholders it should also be possible that one or more banks, securities institutions or undertakings licensed under Sections 53 (1) sentence 1 or 53b (1)

sentence 1 or (7) German Banking Act, as designated by the Board of Management, can subscribe to the new shares with the obligation that they will offer them for subscription to shareholders. The involvement of such intermediaries merely serves to simplify the technical processing of share issues.

Under certain conditions, however, the Board of Management is to be authorized to exclude subscription rights with the approval of the Supervisory Board.

Subscription rights are to be excludable for fractions. In this case the exclusion of subscription rights serves the need to establish a workable subscription ratio with regard to the amount of the respective increase in capital. If subscription rights relating to fractions were not excluded, the technical feasibility of capital increases and the exercise of subscription rights would become extremely complicated, especially if the capital was increased by round sums. The new shares excluded from subscription rights as free fractions will either be realized via a sale on the stock exchange or in another manner which is most beneficial for the Company.

The authorization to exclude subscription rights for the benefit of holders of bonds with warrants or conversion rights or obligations issued or to be issued by the Company or its Group Affiliates is designed to ensure that, in the event that this authorization is utilized, the option or conversion price does not have to be reduced in line with the so-called dilution protection clauses of the option or conversion terms and conditions. Rather, the holders of the bonds with warrants or conversion rights or obligations may also be granted subscription rights to the extent to which they would be entitled after the exercise of their warrants or exercise of conversion rights, or the performance of their conversion obligations. The authorization gives the Board of Management the opportunity to choose after careful consideration of the interests, between these two alternatives when utilizing the Authorized Capital 2023.

Furthermore, the Board of Management is to be authorized, with the approval of the Supervisory Board, to exclude subscription rights in the event of capital increases against non-cash contributions in order to grant new shares as consideration in the context of mergers or the acquisition of companies, parts of companies, or equity interests in companies or other assets. This will allow the Company to use its own shares as an acquisition currency. This may improve the negotiating position of the Company in acquiring such assets, e.g., if the seller prefers shares as consideration over cash or if the Company deems it to be preferential in the interest of the Company to offer shares as consideration. Through the Authorized Capital 2023, the Company can react quickly and flexibly in the case of favorable opportunities to acquire companies, parts of companies or stakes in companies or to acquire other assets if the issuance of shares is required. Since decisions on the acquisition of such assets generally have to be taken on short notice, it is important that the Company is not dependent on the cycle of Annual General Meetings. The law takes this into account with the instrument of authorized capital. The proposed authorization ensures in these situations an optimal financing of the acquisition against the issue of new shares and the associated enhancement of the Company's equity basis. The shareholders' financial interests are protected by the commitment of the Board of Management to exercise the authorization to only issue new shares at an issue price that is in an appropriate ratio to the value of the contribution in kind pursuant to Section 255 (2) AktG. In assessing the value of the shares granted for a consideration the Board of Management is guided by the stock market price. A schematic link with a stock market price is, however, not provided for, particularly so as not to undermine already achieved negotiation results by fluctuations in the stock market price.

Finally, the Board of Management is to be authorized to exclude subscription rights pursuant to Sections 203 (1) and (2) sentence 1, 186 (3) sentence 4 AktG in a cash capital increase if the pro-rated amount of the share capital attributable to the new shares whose subscription rights are excluded does not exceed 10% of the share capital, at either the time the resolution is taken or at the time this authorization is made use of, and the issue price of the new shares is not substantially lower than the stock exchange price of the shares already listed on a stock exchange at the time of the final determination of the issue price by the Board of Management. This possibility of excluding subscription rights enables the Board of Management and the Supervisory Board to make use of opportunities that present themselves in a given stock market situation quickly, flexibly and cost-effectively. This ensures an optimal strengthening of the Company's own funds in the interests of the Company and all shareholders. If the aforementioned preconditions are fulfilled, the exclusion of subscription rights is readily admissible because within this framework, shareholders are able and can reasonably be expected by virtue of statutory judgment to

acquire a number of shares that is required to maintain their shareholding quota at almost the same conditions via the stock market. The issue price of the new shares must be orientated toward the current stock exchange price of the shares already listed and must not fall below this price by more than 5%. If other authorizations to issue or sell shares of the Company or to issue rights enabling or prescribing the subscription of shares of the Company are exercised during the term of the Authorized Capital 2023 and until utilization is made of the Authorized Capital 2023, and in doing so, the subscription rights pursuant to and in corresponding application of Section 186 (3) sentence 4 AktG are excluded, this must be counted toward the aforementioned 10% limit. On balance, this ensures that, in compliance with the statutory evaluation of Section 186 (3) sentence 4 AktG, the shareholders' pecuniary and voting interests are adequately protected during the utilization of the Authorized Capital 2023 under exclusion of subscription rights. Taking into account all of the aspects involved, the authorization of the Board of Management to exclude subscription rights within the limits described is reasonable and required in the interests of the Company.

Furthermore, the authorizations to exclude subscription rights may only be used by the Company to such an extent that the proportionate amount of the total shares issued with an exclusion of subscription rights does not exceed 10% of the share capital at either the time the resolution is taken or at the time this authorization is exercised. In addition, the aforementioned 10% limit is offset if, during the term of the Authorized Capital until it is exercised, other authorizations to issue shares in the Company or to issue rights that enable the subscription of shares in the Company or commit to it, are exercised and, in doing so the subscription right is excluded. In this way, the shareholders are additionally protected against a dilution of their existing participation.

There are currently no plans to utilize the new Authorized Capital 2023. The Board of Management will exercise due care in examining in each individual case whether or not it should make use of the authorization to increase the capital upon the exclusion of subscription rights. It will only make use of this authorization if the Board of Management and the Supervisory Board are of the opinion that this is in the interests of the Company and its shareholders. The Board of Management will report on each use of this Authorized Capital 2023 to the respective subsequent Annual General Meeting and in the Company's annual report.

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[Report by the Board of Management to the Annual General Meeting on Item 7 of the Agenda regarding the exclusion of subscription rights upon issue of convertible bonds and/or bonds with warrants pursuant to Section 221 \(4\) sentence 2, Section 186 \(4\) sentence 2 AktG in conjunction with Art. 9 \(1\) SE-VO](#)

The Board of Management renders the following report to the Annual General Meeting pursuant to Section 221 (4) sentence 2, Section 186 (4) sentence 2 AktG in conjunction with Art. 9 (1) SE-VO on the grounds for the authorization of the Board of Management to be able to exclude the subscription right of shareholders upon invoking the authorization for the issue of convertible bonds and/or bonds with warrants:

We propose to the Annual General Meeting a new authorization and a new contingent capital for the issue of convertible bonds and/or bonds with warrants (collectively the "Bonds"). Depending on the market situation, the issue of convertible bonds and/or bonds with warrants (or a combination of these instruments, as the case may be) may provide a further opportunity, in addition to the conventional possibilities of raising debt and equity capital, to make use of attractive financing alternatives in the capital market. The issue is to be limited to a total nominal value of bonds of up to Euro 250,000,000.00 and an entitlement to subscribe to up to 12,234,000 no-par value bearer shares in the Company. There are currently no plans to utilize this authorization.

The issue of convertible bonds and/or bonds with warrants facilitates the raising of debt capital on favorable terms. The procured conversion or option premiums benefit the capital basis of the Company and thus allow it to use more favorable financing opportunities. The further envisaged opportunity to create conversion obligations in addition to granting conversion and/or option rights expands the leeway for structuring the financing instrument. The authorization will provide the Company with the necessary flexibility to place the Bonds itself or via affiliates controlled by the Company ("Group Affiliates"). The Bonds may also be denominated in currencies other than the euro, such as the currency of an OECD country, and may be issued with a limited or unlimited duration. The authorization contains details for determining the conversion and/or option price.

Shareholders should generally be granted a subscription right. In the case of a placement via Group Affiliates, the Company must also ensure that the shareholders are granted the statutory subscription right. In order to facilitate settlement, the possibility is provided that the Bonds be issued to one or several banks or comparable institutions with the obligation to offer the Bonds to the shareholders for subscription in accordance with their subscription right.

However, the Board of Management should also be authorized, with the approval of the Supervisory Board, to exclude the subscription right of the shareholders to the extent that the issue of shares under conversion and/or option rights or conversion obligations is restricted to a maximum of 10% of the registered share capital of the Company. Any other issue of shares against cash consideration, sale of treasury shares and issue of option and/or conversion rights is to be taken into account in this maximum limit of 10% of the share capital, provided that such issue or sale is made upon exercise (or indirect application) of the authorization to exclude the subscription right pursuant to Section 186 (3) sentence 4 AktG during the term of this authorization. This deduction ensures that no convertible bonds and/or bonds with warrants will be issued if this would result in the exclusion of the subscription right of the shareholders for a total of more than 10% of the share capital in direct or indirect application of Section 186 (3) sentence 4 AktG. This further restriction is in the interest of the shareholders who would like to maintain their shareholding interests wherever possible in the event of these corporate actions.

The possibility to exclude the subscription right provides the Company with the flexibility to exploit favorable capital market situations on a short-term basis and, by determining the conditions in accordance with prevailing market terms, to achieve better terms regarding the interest rate and issue price of the Bond. The decisive factor is that, as opposed to an issue of Bonds with subscription right, the issue price can be determined immediately before the placement, thereby avoiding an increased risk of price change for the duration of the subscription period. In contrast, where a subscription right is granted, the subscription price would have to be disclosed by the third to the last day prior to the end of the subscription period. In view of the frequently observed volatility on the stock markets, there would be a market risk for a number of days,

which would result in having safety margins deducted when stipulating the terms and conditions of the bond and thus conditions which are not in accordance with prevailing market terms. Also, the granting of a subscription right could jeopardize any successful placement with third parties, or result in additional expenses, due to the uncertainty of the exercise thereof.

By setting an issue price for the Bonds which is not materially below the notional market value computed in accordance with generally accepted financial mathematical methods, shareholders' need for protection with regard to a dilution of their shareholding is to be accounted for. If the issue price were equivalent to the market value, the value of the subscription right would virtually be decreased to zero. The protection of the shareholders against the dilution of their shareholding is thus ensured, and shareholders will not suffer any significant economic disadvantage due to the exclusion of the subscription rights. Shareholders who would like to maintain their share in the Company's registered share capital or to acquire Bonds in accordance with the proportion of their shareholding can achieve this through additional purchases via the market on roughly the same terms and conditions.

The Board of Management shall also be authorized, with the approval of the Supervisory Board, to exclude fractional amounts from the shareholders' subscription right. By applying the authorization, this serves to create subscription ratios that are free of fractions to the greatest possible extent. The fractional new shares, which are excluded from the subscription right of the shareholders, will either be sold on the stock exchange or otherwise realized in the best possible manner to the benefit of the Company. The restriction of the exclusion to fractional amounts does not result in any significant dilution for the shareholders. The financial interests of the shareholders are protected by the duty to realize the fractional amounts in the best possible manner.

Furthermore, the Board of Management is to be given the opportunity to exclude, with the approval of the Supervisory Board, the subscription right of the shareholders in order to grant to the bearers or creditors of previously issued conversion or option rights or convertible bonds with conversion obligation a subscription right in the same scope to which they would be entitled upon exercise of their conversion or option rights or upon compliance with their conversion obligations. This provides an opportunity to avoid that, in the event of the use of the authorization, the option or conversion price for the holder of existing conversion or option rights will have to be discounted under those option and conversion terms and conditions or may have to be granted other dilution protection by the Company. The only burden on existing shareholders will be that the holders/creditors of conversion and/or option rights are granted a subscription right to which they would in any event be entitled if they had already exercised their conversion and/or option rights or complied with their conversion obligation. Upon consideration of the advantages and disadvantages, the exclusion subscription rights would appear to be appropriate in this case.

Finally, it is to be allowed that the subscription right is excluded in order to issue convertible bonds and/or bonds with warrants in exchange for the convertible bonds being contributed which were issued on the basis of the resolution of the Annual General Meeting of the Company on May 10, 2019 under Agenda Item 6. This possibility can make a major contribution to the optimization of the financing structure of the Company. There will presumably be no further dilution for shareholders through this approach.

The Company may only make use of all the above-mentioned authorizations to exclude subscription rights to such an extent that the proportionate amount of the shares to which the Bonds issued with the exclusion of subscription rights entitle or oblige, does not exceed 10% of the share capital at either the time the resolution is taken or at the time this authorization is exercised. If, during the term of this authorization until it is exercised, other authorizations to issue shares in the Company or to issue rights that enable or oblige the subscription of shares in the Company are used and subscription rights are excluded, this is to be offset against the 10% limit mentioned above. In this way, the shareholders are additionally protected against a dilution of their existing participation.

To increase flexibility, the terms and conditions of the Bonds may provide that the Company will not grant shares in the Company to a party entitled to a conversion or option but will pay the equivalent value in cash. The proposed Contingent Capital 2023 serves to service the conversion and/or option rights connected to the convertible bonds and/or bonds with warrants or to satisfy conversion obligations in respect of shares in the Company, provided that other forms of performance are not used for this purpose.

There are currently no concrete plans to make use of the proposed authorization to issue Bonds. In each individual case, the Board of Management will carefully examine whether it will make use of the authorization while excluding subscription rights. This authorization will only be exercised if, in the opinion of the Board of Management and the Supervisory Board, it is in the interests of the Company and its shareholders. The Board of Management will report to the Annual General Meeting on every use of the authorization.