

LEIFHEIT

AKTIENGESELLSCHAFT

**SCALING
UP
SUCCESS**



**Invitation
to the virtual Annual General Meeting
2 June 2021**

**English translation, the German version
is the only legally binding version.**

**Disclosures in accordance with section 125 German stock corporation act (AktG)
in conjunction with table 3 of the Implementing Regulation (EU) 2018/1212 (EU-IR)**

A. Specification of the message	
1. Unique identifier of the event	Virtual Annual General Meeting of Leifheit Aktiengesellschaft 2021; LEIoHV2021
2. Type of message	Convening of the Annual General Meeting
B. Specification of the issuer	
1. ISIN	DE0006464506
2. Name of issuer	Leifheit Aktiengesellschaft
C. Specification of the meeting	
1. Date of the meeting	2 June 2021
2. Time of the meeting	11:00 a.m. (CEST) (9:00 a.m. UTC)
3. Type of the meeting	Annual General Meeting as a virtual meeting without the physical presence of shareholders or their proxies
4. Location of the meeting	agm.leifheit-group.com Location of the Annual General Meeting as defined by the AktG: Deutsche Nationalbibliothek, Adickesallee 1, 60322 Frankfurt/Main, Germany
5. Record Date	beginning of day 12 May 2021 (00:00 CEST) formal specification according to EU-IR: 20210511
6. Uniform Resource Locator (URL)	hv.leifheit-group.com; agm.leifheit-group.com

Summary agenda

1. Presentation of the adopted annual financial statements of Leifheit AG, the approved consolidated financial statements, the combined management report of Leifheit AG and the Group, including the explanatory report of the Board of Management on the disclosures required according to sections 289a para. 1 and 315a para. 1 of the German commercial code (HGB), as well as the report of the Supervisory Board, each for financial year 2020
2. Appropriation of the balance sheet profit
3. Approval of the actions of the Board of Management members for financial year 2020
4. Approval of the actions of the Supervisory Board members for financial year 2020
5. Election of an auditor for the annual financial statements and the consolidated financial statements for financial year 2021, as well as the auditor on the possible review of interim reports
6. Approval of the remuneration system for Board of Management members
7. Remuneration of Supervisory Board members



AKTIENGESELLSCHAFT

Stock corporation under German law
with headquarters in Nassau/Lahn, Germany,
ISIN DE0006464506

Invitation to the virtual Annual General Meeting 2021

Dear shareholders,

We hereby invite you to attend our

Annual General Meeting on Wednesday, 2 June 2021 at 11:00 a.m. (CEST),

as a virtual AGM without the physical presence of shareholders or their proxies (except for the proxies of the company). For shareholders who have registered in due form and time and their proxies, the AGM will be broadcast in video and audio form via the AGM portal on the internet at

agm.leifheit-group.com

The exercise of voting rights shall be exercised exclusively by postal vote or by the granting of power of attorney to the proxies of the company. The location of the Annual General Meeting as defined by the German stock corporation act is Deutsche Nationalbibliothek, Adickesallee 1, 60322 Frankfurt/Main, Germany.

I. AGENDA

- 1. Presentation of the adopted annual financial statements of Leifheit AG, the approved consolidated financial statements, the combined management report of Leifheit AG and the Group, including the explanatory report of the Board of Management on the disclosures required according to sections 289a para. 1 and 315a para. 1 of the German commercial code (HGB), as well as the report of the Supervisory Board, each for financial year 2020**

The Supervisory Board approved the annual financial statements and the consolidated financial statements prepared by the Board of Management according to sections 172 and 173 of the German stock corporation act (AktG) on 23 March 2021, thereby adopting the annual financial statements. As a result, this item on the agenda does not require a resolution by the Annual General Meeting. Online at **agm.leifheit-group.com**, the annual financial statements, consolidated financial statements and combined management report including the Board of Management's explanatory report on the disclosures according to sections 289a para. 1 and 315a para. 1 HGB and the Supervisory Board report can be seen.

- 2. Appropriation of the balance sheet profit**

The Board of Management and the Supervisory Board propose appropriating the Leifheit AG balance sheet profit of € 12,400,000.00 for financial year 2020 as follows:

Payment of a dividend of € 1.05	
per eligible no-par-value bearer share (ISIN DE0006464506)	€ 9,988,421.10
Retained earnings	€ 2,411,578.90

The proposal for the appropriation of the balance sheet profit includes the 487,218 Leifheit AG treasury shares that were held by the Group at the time of the convocation either directly or indirectly and that are not eligible to receive dividends. Should the number of no-par-value bearer shares which are eligible to receive dividends for financial year 2020 change in the period up to the Annual General Meeting, a correspondingly adapted draft resolution will be put to the vote.

- 3. Approval of the actions of the Board of Management members for financial year 2020**

The Board of Management and the Supervisory Board propose approving the actions of Board of Management members acting during financial year 2020.

- 4. Approval of the actions of the Supervisory Board members for financial year 2020**

The Board of Management and the Supervisory Board propose approving the actions of Supervisory Board members acting during financial year 2020.

5. Election of an auditor for the annual financial statements and the consolidated financial statements for financial year 2021, as well as the auditor on the possible review of interim reports

The Supervisory Board proposes – based on the recommendation of its Audit Committee – that KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, Germany, be appointed as auditor of the annual financial statements and the consolidated financial statements for financial year 2021 and as auditor for a possible audit review of interim reports for financial year 2021 and for a possible audit review of interim reports for financial year 2022 prepared before the Annual General Meeting 2022.

6. Approval of the remuneration system for Board of Management members

According to section 120a para. 1 AktG, the Annual General Meeting of a listed company shall resolve on the approval of the remuneration system for the Board of Management members presented by the Supervisory Board whenever there is a significant change, but at least every four years.

On 5 April 2021, the Supervisory Board adopted a new remuneration system for the Board of Management members, considering the regulations of section 87a para. 1 AktG. This remuneration system is presented following the agenda under item II “Remuneration system for Board of Management members”.

The Supervisory Board proposes – based on the recommendation of its Personnel Committee – that the remuneration system for the Board of Management members presented after the agenda under item II “Remuneration system for Board of Management members” be approved.

7. Remuneration of Supervisory Board members

According to section 113 para. 3 AktG, the Annual General Meeting of a listed company must adopt a resolution on the remuneration of the Supervisory Board members at least every four years. A resolution confirming the existing remuneration is also allowed.

The remuneration of the Supervisory Board members is defined in art. 12 of the articles of incorporation of Leifheit AG and by resolution of the Annual General Meeting on 29 May 2019 on agenda item 9 (resolution on a long-term variable remuneration for the Supervisory Board). These existing compensation regulations are to be confirmed except for art. 12 para. 8 of the articles of incorporation. Art. 12 para. 8 of the articles of incorporation is to be reworded. The exact wording of art. 12 para. 1 to 7 and para 9 to 11 of the articles of incorporation, the resolution of the Annual General Meeting of 29 May 2019 on agenda item 9 (resolution on a long-term variable remuneration for the Supervisory Board) and the underlying remuneration system with the disclosures in accordance with section 113 para. 3 sentence 3, section 87a para. 1 sentence 2 AktG are presented following the agenda under item III “Remuneration of Supervisory Board members”.

The Board of Management and the Supervisory Board propose resolving as follows:

- a) Art. 12 para. 1 to 7 and para 9 to 11 of the articles of incorporation, as well as the resolution of the Annual General Meeting of 29 May 2019 on agenda item 9 (resolution on a long-term variable remuneration for the Supervisory Board) will be confirmed.
- b) Art. 12 para. 8 of the articles of incorporation will be reworded with effect from 1 January 2020 as follows:

“The total of fixed remuneration under paras. 1 and 3, attendance fees under para. 4 and performance-related remuneration under para. 5 is limited to a maximum of € 80,000.00 for an ordinary Supervisory Board member, € 150,000.00 for the deputy chairperson of the Supervisory Board, € 100,000.00 for the chairperson of the audit committee and € 200,000.00 for the chairperson of the Supervisory Board. If a Supervisory Board member performs several of the functions listed in sentence 1 within a fiscal year, the higher amount shall apply to the limit.”
- c) The remuneration system for the members of the Supervisory Board presented under item III “Remuneration of Supervisory Board members” following the agenda will be approved.

II. REMUNERATION SYSTEM FOR BOARD OF MANAGEMENT MEMBERS

Under agenda item 6, the Supervisory Board proposes – based on the recommendation of its Personnel Committee – approving the following remuneration system for the members of the Board of Management. As part of this invitation, it is available online at agm.leifheit-group.com and will be available for inspection during the Annual General Meeting.

1 Guiding principles

The remuneration system of Leifheit AG is geared as a whole to sustainable corporate development and is closely aligned with the business strategy. It provides clear performance incentives both for the individual members of the Board of Management and for the Board of Management as a whole through substantial yet differentiated variable remuneration, without creating undue risks.

The remuneration system reflects the provisions of the German stock corporation act and takes the recommendations of the German corporate governance code into account. It also considers the requirements of institutional investors and proxy advisors.

Members of the Board of Management receive a fixed basic remuneration and a variable component. The variable remuneration is divided between a short-term incentive (STI) and a long-term incentive (LTI). Within variable remuneration, the focus is on the LTI.

The remuneration system presented below applies to all Board of Management service contracts that are newly entered into or prolonged after the Annual General Meeting in 2021.

2 Maximum remuneration

The system provides for a maximum remuneration for all members of the Board of Management. The maximum amount is set out in their respective contracts of employment.

The maximum total remuneration is limited by means of an end-to-end definition of all remuneration components in the employment contracts and a cap on the two variable components. The short-term incentive (STI) is limited to a maximum of 150% of the target amount stipulated in the contract of employment. The long-term incentive (LTI) is limited to a maximum of 200% of the target amount stipulated in the contract of employment.

In detail, the (theoretical) annual maximum remuneration for the members of the Board of Management amounts to:

- Chairperson of the Board of Management m€ 2.0 gross
- Other members of the Board of Management m€ 1.5 gross

3 Remuneration and business strategy

The remuneration of the members of the Board of Management is aligned with the business strategy and long-term development of Leifheit AG through a fixed basic remuneration and a substantial variable remuneration; variable remuneration is in turn based on financial and non-financial targets appropriate for Leifheit AG, with an emphasis on long-term key performance indicators.

Using the respective budget approved by the Supervisory Board as a starting point, the short-term incentive (STI) helps to promote the growth of Leifheit AG and secure its liquidity by defining financial performance targets. The non-financial performance targets set in advance in annual target agreements serve to encourage the individual performance of each Board of Management member and the collective performance of the Board of Management as a whole, as well as stakeholder targets and other relevant goals.

The long-term incentive (LTI) helps to promote the business strategy, particularly the long-term development of Leifheit AG, by measuring corporate success against the two performance targets of EPS growth and ROCE, based in each case on medium-term planning approved by the Supervisory Board. Using and combining these two internal key performance indicators ensures a sustainable business strategy. Furthermore, the share price development over a four-year period is a decisive factor in establishing the amount of the LTI – which also contributes to the company's sustainability and long-term development. Granting the LTI on a rolling basis (instead of all at once) also encourages the members of the Board of Management to act sustainably and creates the same incentives for all members. Furthermore, a requirement for members of the Board of Management to make a personal investment in Leifheit shares, without which the LTI is forfeited, ensures that they actively promote the business strategy and long-term development.

4 Remuneration structure

The overall remuneration of the Board of Management consists of three components:

1. fixed annual basic remuneration
2. short-term variable remuneration (STI)
3. long-term variable remuneration (LTI)

The fixed annual basic remuneration is based on the area of responsibility and the individual performance of each respective Board member, considering the company's situation. Of the total target remuneration (fixed basic remuneration plus target STI plus target LTI), it accounts for

- 43% to 55% for the chairperson of the Board of Management and
- 43% to 55% for the other members of the Board of Management.

Assuming 100% target attainment, the annual STI amounts to

- 12% to 20% of total target remuneration for the chairperson of the Board of Management and
- 12% to 20% of total target remuneration for the other members of the Board of Management.

Assuming 100% target attainment, the annually granted LTI tranches, extending over a period of four years each, account for

- 33% to 40% of total target remuneration for the chairperson of the Board of Management and
- 33% to 40% of total target remuneration for the other members of the Board of Management.

The members of the Board of Management do not receive remuneration for their work on the Board of Management, Administrative or Supervisory Boards at subsidiaries in addition to the remuneration for their activities as members of the Board of Management of Leifheit AG.

There are no share option programmes. There are no defined benefit obligations under IFRS.

Leifheit AG does not provide fringe benefits other than the use of a company car and the reimbursement of travel expenses.

Except for fringe benefits, the remuneration components are granted in cash.

5 Variable remuneration assessment criteria

a) STI

The annual STI is based on earnings before interest and taxes (EBIT) and the sum of cash flow from operating activities and cash flow from investment activities, adjusted for incoming and outgoing payments in financial assets as well as, if existing, from the acquisition and divestiture of divisions (free cash flow), as well as on non-financial performance targets via a modifier.

The EBIT target and free cash flow target are defined in advance for the respective financial year by the Supervisory Board at its own discretion, taking into particular account the budget planning prepared annually by the Board of Management and approved by the Supervisory Board. Except for extraordinary developments, there are no subsequent changes to the target values or other parameters of comparison.

The degree of achievement regarding the two financial performance targets mentioned above is determined according to a target achievement curve defined in advance and laid down in the employment contracts. If the target value achieved falls short of the set target value by 20% or more, the degree of target achievement is 0%. If the target value achieved exceeds the set target value by more than 20%, the degree of target achievement is a maximum of 150%. Intermediate values between target achievement from 0% to 100% and from 100% to 150% are interpolated on a linear basis in each case. This applies to both performance targets, i.e. both the EBIT target and the free cash flow target.

The two above-mentioned performance targets are given equal weighting.

By applying the performance targets EBIT and free cash flow, the focus is put on operating earnings while ensuring liquidity and the ability of Leifheit AG to pay dividends.

A modifier is used to apply the non-financial performance targets in the STI, particularly the respective individual performance of each member of the Board of Management, the collective performance of the Board of Management and the attainment of stakeholder targets, as well as other targets where applicable. The modifier influences the amount of the STI within a range of plus and minus 20% and is capped at the maximum target amount. A target agreement, to be concluded annually in advance, ensures that the use of the modifier is clear and comprehensible. This target agreement sets out the non-financial performance targets, their weighting and the associated measures for promoting the business strategy and long-term development of the company for each individual member of the Board of Management.

b) LTI

The LTI is granted to the members of the Board of Management in annual tranches, each with a term of four years, and is linked to the two ROCE and EPS criteria as reported in the respective consolidated financial statements as well as to the performance of the Leifheit AG share price.

The targets for ROCE and EPS are set in advance for each four-year performance period by the Supervisory Board at its own discretion, taking into particular account the respective medium-term planning approved by the Supervisory Board, and communicated to the members of the Board of Management. The same applies to defining the minimum ROCE and minimum EPS for target attainment as well as the maximum ROCE and EPS for the cap. Except for extraordinary developments, there are no subsequent changes to the target values or other parameters of comparison.

The degree of achievement in relation to the two financial performance targets mentioned above is determined according to a target attainment curve defined in advance and laid down in the employment contracts. If the average ROCE achieved in the respective four-year period is less than the minimum ROCE, the degree of target attainment is 0%; if it is the minimum ROCE, the target attainment is 50%; and if the average ROCE achieved in the respective four-year period is the maximum ROCE or more, this corresponds to a target attainment of 150%. Intermediate values between a target attainment of 50% to 100% and 100% to 150% are interpolated on a linear basis in each case. If EPS growth in the respective four-year period is less than the minimum EPS, the degree of target attainment is 0%; if it is the minimum EPS, the target attainment is 50%; and if EPS growth in the respective four-year period is the maximum EPS or more, this corresponds to a target attainment of 150%. Intermediate values between a target attainment of 50% to 100% and 100% to 150% are interpolated on a linear basis in each case.

The two above-mentioned performance targets are given equal weighting, resulting in "overall target attainment" as one key indicator for calculating the payout amount for the respective LTI tranche.

The second step for calculating the payout amount for the respective LTI tranche is based on the performance of the Leifheit AG share price as follows: The performance of the Leifheit AG share is determined by the starting share price (measured over the last 90 trading days before the start of the respective performance period) and the ending share price, which is measured over the last 90 trading days before the end of the respective performance period. In this regard, the closing prices in the Xetra trading system of Deutsche Börse AG shall apply.

The LTI payout amount for each individual LTI tranche is calculated as follows: The target amount of the respective LTI tranche is converted into a number of conditionally granted virtual shares based on the starting share price. The number of virtual shares conditionally granted in this way is multiplied by the overall achievement of the ROCE and EPS targets described above, as shown in this notional example: If, for instance, 1,000 virtual shares are conditionally granted at the beginning of the respective four-year performance period of an LTI tranche and the overall achievement of target is 110%, this produces 1,100 virtual shares.

In the next step, the number of virtual shares calculated in this way (in this case, 1,100) is multiplied by the final share price.

Factoring in the share price performance over four years for each annually granted LTI tranche encourages both the individual Board members and the Board of Management as a whole to sustain their activities over the longer term. This incentive is given added weight by the fact that, in order to avoid losing the LTI, each member of the Board of Management is obliged to make a personal investment in Leifheit shares and to hold them for the duration of the LTI tranches, but for no longer than two years after the ending of their contract of employment (holding period). The amount of personal investment is linked to the amount of fixed basic remuneration for each member.

c) Extraordinary developments

In the event of extraordinary developments on the part of Leifheit AG (e.g. measures under reorganisation law, share buyback, capital measures, acquisition and/or sale of companies and businesses, leveraging of hidden reserves) that have a significant impact on the ability to achieve the target values of the STI and/or the LTI, the Supervisory Board is entitled to unilaterally adjust the contractual terms and other parameters of the STI and/or the LTI in order to neutralise the effects of the extraordinary developments in an appropriate way.

6 Availability of variable remuneration components

The members of the Board of Management are free to do as they wish with the STI and LTI amounts paid out after their respective maturity dates.

The STI payments become due within four weeks of the Annual General Meeting's resolution on the appropriation of profits for the year for which the STI is granted. The individual LTI tranches become due four weeks after the Annual General Meeting's resolution on the appropriation of profits for the year in which the respective performance period ends.

No deferral periods are planned for the payment of variable remuneration components.

7 Forfeiture or clawback of variable remuneration components

The remuneration system allows for the forfeiture of LTI tranches which have not yet completed the respective four-year performance period at the time of termination of the appointment and/or employment contract if a "bad leaver" case arises. A bad leaver case applies if the employment contract and/or appointment are ended by Leifheit AG for good cause during their term, or if the appointment or employment contract are ended by the member of the Board of Management without good cause. Such a case also applies if the member of the Board of Management does not accept an offer to extend his/her employment contract and takes up an activity of any kind with a competitor of Leifheit AG within the term of the investment obligation without having good cause for refusing to accept.

The remuneration system does not currently allow for the reclaiming of variable remuneration already paid out (no clawback).

8 Share price dependence of parts of remuneration

As shown above in section 5 b), the share price performance plays an important role in determining the amounts paid out from the respective LTI tranches. No other share-based remuneration is included in the remuneration system of Leifheit AG.

9 No further legal transactions related to remuneration

The remuneration system does not allow for any remuneration-related legal transactions beyond the remuneration components depicted.

10 External (horizontal) and internal (vertical) comparison

The Supervisory Board considers the compensation data of comparable companies listed on the SDAX when assessing whether total remuneration is in line with market practice.

The Supervisory Board also considers employee remuneration in Germany when setting the overall remuneration. In the process, it considers the relationship between the remuneration of the Board of Management and the remuneration of the senior management team and the rest of the workforce. The Supervisory Board has defined the senior management team as follows: It consists of all employees who report directly to a member of the Board of Management.

The ratio of the total remuneration of the Board of Management to the average personnel expenditure is calculated using the average personnel expenditure based on the number of employees (not according to employee capacity).

Procedural issues and conflicts of interest

The plenary session of the Supervisory Board is responsible for setting, implementing and reviewing the remuneration system. The Personnel Committee, which the Supervisory Board has set up, paves the way for the decisions of the plenary session of the Supervisory Board by making appropriate recommendations. Where necessary, the Supervisory Board can call in external consultants – as was the case for the present remuneration system. When choosing external remuneration experts, the Supervisory Board ensures that they are independent. The Supervisory Board also takes care not to continually select the same remuneration experts.

If the Annual General Meeting does not endorse the respective remuneration presented for approval, a revised remuneration system will be presented at the next Annual General Meeting by the latest.

The Personnel Committee prepares the regular review of the remuneration system by the Supervisory Board and recommends changes where necessary. In the event of significant changes, and at least every four years, the remuneration system shall again be submitted to the Annual General Meeting for approval.

Under special and extraordinary circumstances, the Supervisory Board may, at the suggestion of the Personnel Committee, temporarily deviate from the remuneration system in accordance with section 87a para. 2 sentence 2 AktG if this is necessary for the long-term prosperity of the company. Such deviations may be necessary, for instance, to ensure adequate incentives in the event of a significant change in business strategy, a serious company crisis or severe economic crisis. Unfavourable market developments are not considered special and extraordinary circumstances that justify a deviation from the remuneration system. The extraordinary underlying circumstances requiring a deviation shall be determined by a resolution of the Supervisory Board. The components of the remuneration system from which deviation is possible comprise the procedure, regulations on the remuneration structure and amount, regulations on the financial and non-financial performance criteria and regulations on the individual remuneration components. Even in the event of a deviation from the remuneration system, the remuneration and its structure must continue to be geared to the long-term and sustainable development of the company and be proportionate to the success of the company and the performance of the Board of Management.

The regulations that apply to the handling of conflicts of interest are also observed by the Supervisory Board and the Personnel Committee in the process of determining, implementing and reviewing the remuneration system.

In the case of new contracts to be concluded where the member of the Board of Management joins during the year, the STI and LTI regulations may provide for lump-sum payments in the year of joining.

III. REMUNERATION OF SUPERVISORY BOARD MEMBERS

Under agenda item 7, the Board of Management and the Supervisory Board propose confirming the existing remuneration regulations for the members of the Supervisory Board except for art. 12 para. 8 of the articles of incorporation, rewording of art. 12 para. 8 of the articles of incorporation and approving the remuneration system for the members of the Supervisory Board presented below. As part of this invitation, the existing remuneration regulations (except for art. 12 para. 8 of the articles of incorporation) and the remuneration system for the members of the Supervisory Board are available online at agm.leifheit-group.com and will be available for inspection during the Annual General Meeting.

A. Remuneration for the Supervisory Board members

1 Guiding principles

Overall, the remuneration system of Leifheit AG is geared towards sustainable corporate development and is in keeping with the business strategy. For the members of the Supervisory Board individually and for the Supervisory Board as a whole, it provides an incentive to perform their duties with a view to the long-term, successful development of the company.

The remuneration system reflects the provisions of the German stock corporation act and takes the recommendations of the German corporate governance code into account.

The members of the Supervisory Board receive fixed remuneration, attendance fees and variable remuneration. The variable remuneration is divided into a short-term variable remuneration and a long-term variable remuneration component.

2 Maximum remuneration

The remuneration system provides for a maximum remuneration for all members of the Supervisory Board. The maximum remuneration is set out in the proposed new version of art. 12 para. 8 of the articles of incorporation and is based on the resolution of the Annual General Meeting of 29 May 2019 on agenda item 9 (resolution on long-term variable remuneration for the Supervisory Board).

In the financial years 2020 to 2022, the total annual remuneration (the sum of fixed remuneration, performance-related remuneration and attendance fees) will in future be limited to a maximum of € 150,000.00 for an ordinary member of the Supervisory Board, € 265,000.00 for the deputy chairperson of the Supervisory Board, € 170,000.00 for the chairperson of the audit committee and € 340,000.00 for the chairperson of the Supervisory Board. From the 2023 fiscal year, the total annual remuneration (the sum of fixed remuneration, performance-related remuneration and attendance fees) is limited to a maximum of € 80,000.00 for an ordinary member of the Supervisory Board, € 150,000.00 for the deputy chairperson of the Supervisory Board, € 100,000.00 for the chairperson of the audit committee and € 200,000.00 for the chairperson of the Supervisory Board.

3 Remuneration and business strategy

The remuneration of the members of the Supervisory Board is geared towards the business strategy and long-term development of Leifheit AG through a fixed basic remuneration and attendance fees as well as a short-term and a long-term remuneration component, which in turn are based on financial targets that are appropriate for Leifheit AG, with an emphasis on long-term key performance indicators.

4 Remuneration structure

In addition to any VAT payable by a member of the Supervisory Board for Supervisory Board activities, each member of the Supervisory Board receives annual fixed remuneration. Each member of a committee receives additional fixed remuneration.

In addition, the Supervisory Board members receive an attendance fee for each meeting (in person, by telephone or video conference of at least two hours in duration) of the Supervisory Board and its committees in which they participate. For several meetings that take place on one day, the attendance fee is paid only once.

In addition, each Supervisory Board member receives a performance-related remuneration for their membership of the Supervisory Board during the previous financial year, provided that the earnings per share (EPS) for the period calculated in accordance with IFRS accounting principles exceeds the comparable amount of the previous financial year.

Moreover, one part of the remuneration comprises the member's theoretical per-capita share of a directors and officers liability insurance policy (D&O insurance) concluded on behalf of Leifheit AG at standard market conditions for the members of the Supervisory Board, the costs of which are borne by Leifheit AG.

If a member is only a member of the Supervisory Board or a Supervisory Board committee for part of a financial year, the fixed and performance-related remuneration shall only be granted pro rata temporis and the maximum remuneration shall also be reduced pro rata temporis.

Furthermore, members of the Supervisory Board are granted a long-term variable remuneration component. The participating members of the Supervisory Board receive a one-time bonus payment that depends on the degree to

which certain performance targets are met over a three-year period and on the personal investment in shares of Leifheit AG made by each Supervisory Board member. The bonus payment is calculated by multiplying a multiplier by the number of shares purchased by the Supervisory Board members as their own investment by a reference price. The maximum multiplier is 1.2.

5 Variable remuneration assessment criteria

a) Short-term variable remuneration

The short-term variable remuneration amounts to € 500.00 for each cent by which the earnings per share (EPS) for the period calculated in accordance with IFRS accounting principles exceeds the comparable amount of the previous financial year.

By basing remuneration on the EPS performance target, the focus is placed on earnings while ensuring the ability of Leifheit AG to pay dividends.

b) Long-term variable remuneration component

To receive long-term variable remuneration, a Supervisory Board member must make a personal investment in shares of the company (personal investment shares) by 31 July 2020. Shares in Leifheit AG already held by a Supervisory Board member at the time the resolution was adopted by the Annual General Meeting on 29 May 2019 are also deemed to be personal investment shares, even if the member was not yet a member of the Supervisory Board at the time the shares were purchased. The chairperson of the Supervisory Board may participate with a personal investment of up to 10,000 shares, his or her deputy with up to 7,500 shares. The other members of the Supervisory Board may participate with a personal investment of up to 5,000 shares.

The performance targets, which must be achieved by 100% in each case to be counted, are:

- average annual growth rate in earnings per share for the period of at least 21% during the period from 1 January 2020 to the end of 31 December 2022 – “incentive period” (EPS target);
- more than 15% ROCE on average during the incentive period (ROCE target);
- average annual free cash flow growth rate of at least 15% during the incentive period (free cash flow target).

The annual growth rates are calculated based on the key performance indicators for financial year 2019 as at 31 December 2019. If, according to the audited and approved consolidated financial statements of the company as at 31 December 2019, EPS for the 2019 financial year is less than € 0.65 per share, an amount of € 0.65 per share is to be used as the basis for calculating the annual growth rates for EPS.

The participating Supervisory Board members are only entitled to a bonus payment if they have achieved at least one of the performance targets by 100%. The bonus payment is calculated by multiplying a multiplier by the number of personal investment shares multiplied by the reference price.

- Full performance: If all three performance targets are achieved, the multiplier is 0.5.
- Partial performance: If only two of the three performance targets are met, the multiplier is 0.33. If only one of the three performance targets is met, the multiplier is 0.17.
- Exceeding the EPS target: If the free cash flow target and the ROCE target are achieved and the average annual growth rate of EPS during the incentive period is 21.8% or more, the multiplier is between 0.66 and 1.2, as shown in the following table:

Average growth rate of EPS	Multiplier
21.8%	0.66
23.6%	0.83
25.3%	1.01
26.9%	1.20

The reference share price is the volume-weighted average price of the company's shares in Xetra trading or a successor system on the Frankfurt Stock Exchange during the last three months of the incentive period. If the volume-weighted average price of the company's shares in Xetra trading or any successor system on the Frankfurt Stock Exchange during the last three months of the incentive period exceeds € 35.00, the reference price shall be € 35.00. In the event of a change in the number of shares due to a stock split or a reverse stock split, the reference price for the calculation of the bonus payment shall be adjusted accordingly; for this purpose, the reference price shall be divided by the number of shares before the stock split or reverse stock split and multiplied by the number of shares after the stock split or reverse stock split. Even in the event of such an adjustment, the relevant reference price for the calculation shall not exceed € 35.00.

The Supervisory Board's responsibility for sustainable corporate development is appropriately reflected in the linking of long-term variable remuneration to EPS, ROCE and free cash flow. Furthermore, due to the long-term variable remuneration, there is an additional incentive for members of the Supervisory Board to focus their exercise of office on the long-term, successful development of the company.

6 Availability of variable remuneration components

The members of the Supervisory Board are free to do as they wish with the variable remuneration components after their respective maturity dates.

The short-term variable remuneration shall be paid on the third working day following the approval of the consolidated financial statements by the Supervisory Board.

If a participating member of the Supervisory Board is entitled to a bonus payment in the context of the long-term variable remuneration component, this is due on the day of the Annual General Meeting of Leifheit AG in financial year 2023. A participating member of the Supervisory Board is only entitled to a full bonus payment if he/she (i) still holds the personal investment shares at the end of the incentive period and (ii), subject to certain exceptions, was a member of the Supervisory Board without interruption from the beginning to the end of the incentive period.

No deferral periods are planned for the payment of variable remuneration components.

7 Clawback of variable remuneration components

The entitlement to payment is subject to the resolutive condition that the entitled Supervisory Board member (i) acquires shares of the company for one sixth of the bonus payment received within three months after the Annual General Meeting in the financial year 2023 and (ii) holds these shares for at least three years after acquisition. The requirement to hold the shares shall end if the entitled Supervisory Board member resigns from the Supervisory Board during the three-year holding period.

8 Process for establishing, reviewing and implementing the remuneration system

A resolution on the remuneration of the members of the Supervisory Board is adopted by the Annual General Meeting at least every four years based on a proposal by the Board of Management and the Supervisory Board in accordance with section 113 para. 3 sentence 1 AktG. In this context, the Annual General Meeting can either confirm the remuneration of the Supervisory Board and/or amend the provisions of the articles of incorporation on Supervisory Board remuneration.

B. Existing remuneration regulations (except for art. 12 para. 8 of the articles of incorporation)

Art. 12 para. 1 to 7 and para. 9 to 11 of the articles of incorporation regulates the remuneration of the Supervisory Board as follows:

- (1) In addition to reimbursement of expenses and any VAT incurred for the Supervisory Board activities, each Supervisory Board member receives an annual fixed remuneration of € 35,000.00. The chairman of the Supervisory Board receives € 100,000.00, the deputy chairman € 70,000.00.
- (2) The reimbursement of expenses, insofar as it concerns telecommunications, postage and other office costs, shall be paid in the form of a flat rate of € 1,000.00 per year.
- (3) Each member of a committee, except the audit committee, receives an additional fixed remuneration of € 2,500.00; the chairman of a committee, except for the audit committee, receives € 5,000.00. Each audit committee member receives an additional fixed remuneration of € 5,000.00; the chairman of the audit committee receives an additional fixed remuneration of € 10,000.00.
- (4) In addition, the Supervisory Board members receive an attendance fee of € 2,500.00 for each meeting (in person, by telephone or video conference of at least two hours in duration) of the Supervisory Board and its committees in which they participate. For several meetings that take place on one day, the attendance fee is paid only once. The chairman of the Supervisory Board and the respective chairman of a Supervisory Board committee will receive twice the meeting attendance fee pursuant to sentence 1 for participating meetings they chair.
- (5) In addition, each Supervisory Board member receives a performance-related remuneration of € 500.00 for each cent by which the earnings per share for the period (EPS) calculated in accordance with IFRS accounting principles exceeds the comparable amount of the previous financial year for their membership of the Supervisory Board during the previous financial year.
- (6) The Annual General Meeting may resolve on one or more long-term variable remuneration components for the Supervisory Board, which shall be added to the remuneration in accordance with the articles of incorporation.
- (7) The remuneration and fixed amount for expenses pursuant to para. 1 to 4 shall be paid at the end of each financial year. The performance-related remuneration pursuant to para. 5 shall be paid on the third working day following the approval of the consolidated financial statements by the Supervisory Board.
- (9) Moreover, one part of the remuneration comprises the member's pro-capita share of a directors and officers liability insurance policy (D&O insurance) concluded on behalf of the company at standard market conditions for the members of the Supervisory Board, the costs of which are borne by the company.
- (10) If a member is only a member of the Supervisory Board or a Supervisory Board committee for part of a fiscal year, the fixed and performance-related remuneration as well as the reimbursement of expenses pursuant to para. 2 shall only be granted pro rata temporis and the limit pursuant to para. 8 shall also be reduced pro rata temporis.
- (11) The provisions of this article 12 shall apply to the remuneration to be granted to the Supervisory Board members for the period from the beginning of 1 June 2019, so that the fixed remuneration pursuant to para. 1, the additional fixed remuneration pursuant to para. 3, the performance-related remuneration pursuant to para. 5 and the flat rate expense allowance pursuant to para. 2 for the period from the beginning of 1 June 2019 to the end of 31 December 2019 shall only be granted in the amount of 7/12.

In addition, under agenda item 9 the Annual General Meeting of 29 May 2019 resolved the following long-term variable remuneration component for the Supervisory Board:

§ 1 Definitions

Termination event has the meaning as defined in § 6.1.

Bonus payment has the meaning as defined in § 4.

Capital employed means fixed assets plus net operating working capital, calculated over an average of four quarters.

Change of Control means the acquisition of a number of shares in the company that leads to a shareholding of more than 50% of the shares in the company by a current shareholder or by a third party.

EBIT means earnings before interest and taxes of Leifheit Group based on the audited and approved consolidated financial statements of the company.

Personal investment shares has the meaning as defined in § 2.1.

EPS means earnings per share, i.e. earnings per share for the period, as reported in the audited and approved consolidated financial statements of the company.

EPS target has the meaning as defined in § 3.

Targets include the EPS target, the ROCE target and the Free Cashflow target.

Fixed assets means tangible assets and intangible assets as reported on the company's approved consolidated financial statements.

Free Cashflow means net cashflow from operating activities less net cashflow from investing activities.

Free Cashflow target has the meaning as defined in § 3.

Company means Leifheit AG.

Incentive period means the period of time in which the targets must be achieved. The period starts on 1 January 2020 and lasts until 31 December 2022.

LTIP means Long-Term Incentive Program.

Multiplier has the meaning as defined in § 4.

Net operating working capital means current trade receivables plus all inventories minus current trade payables and payments received on account of orders, as reported in the approved consolidated financial statements of the company.

Pro rata bonus payment has the meaning as defined in § 6.

Reference share price is the volume-weighted average price of the company's shares in Xetra trading (or a successor system) on the Frankfurt Stock Exchange during the last three months of the incentive period. If the volume-weighted average price of the company's shares in Xetra trading (or any successor system) on the Frankfurt Stock Exchange during the last three months of the incentive period exceeds € 35.00, the reference price shall be € 35.00. In the event of a change in the number of shares due to a stock split or a reverse stock split, the reference price for the calculation of the bonus payment shall be adjusted accordingly; for this purpose, the reference price shall be divided by the number of shares before the stock split or reverse stock split and multiplied by the number of shares after the stock split or reverse stock split. Even in the event of such an adjustment, the relevant reference price for the calculation shall not exceed € 35.00.

ROCE means EBIT divided by capital employed.

ROCE Target has the meaning as defined in § 3.

Reduced incentive period means the period from 1 January 2020 until the end of the financial year in which a termination event occurs. If a participating Supervisory Board member was a member of the Supervisory Board for less than three months in the financial year in which the termination event occurs, the reduced incentive period shall be from 1 January 2020 until the end of the financial year prior to the financial year in which the termination event occurs.

Leifheit Group means the company and the legal entities included in the consolidated financial statements of the company.

§ 2 Personal investment

- 2.1 In order to participate in the LTIP, a Supervisory Board member must make a personal investment in shares of the company (**personal investment shares**) by 31 July 2020. Shares of the company already held by a Supervisory Board member at the time the resolution on this LTIP was adopted by the Annual General Meeting are also deemed to be personal investment shares, even if the member was not yet a member of the Supervisory Board at the time the LTIP was acquired.
- 2.2 The chairman of the Supervisory Board may participate in the LTIP with a personal investment of up to 10,000 shares, his deputy with up to 7,500 shares. The other members of the Supervisory Board may participate in the LTIP with a personal investment of up to 5,000 shares.

§ 3 Targets

The bonus payment depends on the achievement of three performance targets, each of which must be achieved 100% in order to be rated:

- (i) Average annual EPS growth rate of at least 21% during the incentive period (**EPS target**);
- (ii) More than 15% ROCE on average during the incentive period (**ROCE target**);
- (iii) Average annual free cashflow growth rate of at least 15% during the incentive period (**free cashflow target**).

The annual growth rates are calculated on the basis of the key performance indicators for the 2019 financial year as at 31 December 2019. If, according to the audited and approved consolidated financial statements of the company as at 31 December 2019, EPS for the 2019 financial year is less than € 0.65 per share, an amount of € 0.65 per share is to be used as the basis for calculating the annual growth rates for EPS.

§ 4 Calculation of bonus payment

The return profile of the LTIP depends on the extent to which the performance targets are achieved. The participating Supervisory Board members are only entitled to a bonus payment (**bonus payment**) if they have achieved at least one of the performance targets by 100%. The bonus payment is calculated by multiplying a multiplier (**multiplier**) by the number of personal investment shares multiplied by the reference price.

- Full performance: If all three performance targets are achieved, the multiplier is 0.5.
- Partial performance: If only two of the three performance targets are met, the multiplier is 0.33. If only one of the three performance targets is met, the multiplier is 0.17.

- Exceeding the EPS target: If the free cashflow target and the ROCE target are achieved and the average annual growth rate of EPS during the incentive period is 21.8% or more, the multiplier is between 0.66 and 1.2, as shown in the following table:

Average growth rate of EPS	Multiplier
21.8%	0.66
23.6%	0.83
25.3%	1.01
26.9%	1.20

§ 5 Due date for bonus payment

- 5.1 If a participating member of the Supervisory Board is entitled to a bonus payment in accordance with § 4, this is due on the day of the Annual General Meeting of the company in the financial year 2023.
- 5.2 A participating member of the Supervisory Board is only entitled to a full bonus payment if (i) he/she still holds the personal investment shares at the end of the incentive period and, (ii) subject to the provisions of § 6 and § 7, was a member of the Supervisory Board without interruption from the beginning to the end of the incentive period.
- 5.3 The entitlement to payment is subject to the resolutive condition that the entitled Supervisory Board member (i) acquires 2023 shares of the company for one sixth of the bonus payment received under the LTIP within three months after the Annual General Meeting in the fiscal year 2023 and (ii) holds these shares for at least three years after the acquisition. The requirement to hold the shares shall end if the entitled Supervisory Board member resigns from the Supervisory Board during the three-year holding period.

§ 6 Pro rata bonus payment

- 6.1 If one of the following events (in each case the **termination event**) occurs before the end of the incentive period, the participating Supervisory Board member is entitled to a proportionate bonus payment (**pro rata bonus payment**), provided it still holds the personal investment shares when the termination event occurs:
 - a) Resignation from office or dismissal of the participating Supervisory Board member within three months of the occurrence of a Change of Control;
 - b) Withdrawal of the participating member of the Supervisory Board from the Supervisory Board due to expiry of his term of office before expiry of the incentive period;
 - c) Death of the participating Supervisory Board member;
 - d) Termination of the office of the participating Supervisory Board member upon the effectiveness of a merger, a split-up or a change of the legal form of the company pursuant to the German Transformation Act (Umwandlungsgesetz);
 - e) Delisting of the company's shares from the Frankfurt Stock Exchange.
- 6.2 The basis for calculating the pro rata bonus payment is the return profile for the LTIP pursuant to § 4. However, this is adjusted as follows:
 - a) The reference price is the volume-weighted average price of the Company's shares in Xetra trading (or a successor system) on the Frankfurt Stock Exchange during the last three months prior to the occurrence of the termination event. If the volume-weighted average price of the Company's shares in Xetra trading (or any successor system) on the Frankfurt Stock Exchange exceeds € 35.00 during the last three months prior to the termination event, the reference price shall be € 35.00. In the event of a change in the number of shares due to a stock split or reverse stock split, the reference price for the calculation of the pro rata bonus payment shall be adjusted accordingly; for this purpose, the reference price shall be divided by the number of shares before the stock split or reverse stock split and multiplied by the number of shares after the stock split or reverse stock split. Even in the event of such an adjustment, the relevant reference price for the calculation shall not exceed € 35.00.
 - b) The multiplier must be adjusted. The calculation shall be based on the multipliers in accordance with § 4 up to a factor of 0.5; the limitation to 0.5 shall also apply if the average annual growth rate of EPS is 21.8% or more. The multiplier to be used shall be adjusted pro rata to reflect the shortened incentive period. Accordingly, the multiplier shall be reduced by one third for each year by which the shortened incentive period is shorter than the incentive period. This is any year in which the entitled member of the Supervisory Board has not been a member of the Supervisory Board for at least three months. If the three performance targets are met, the multiplier after adjustment is 0.33 for a shortened incentive period of two years and 0.17 for a shortened incentive period of one year.
 - c) The performance targets are not adjusted. However, the performance targets apply to the shortened incentive period.
- 6.3 If a participating Supervisory Board member is entitled to a pro rata bonus payment, the payment shall be due on the day of the Annual General Meeting of the company in the fiscal year following the fiscal year in which the termination event occurred.

§ 7 New entry of Supervisory Board members

- 7.1 A member of the Supervisory Board who is elected to the Supervisory Board or appointed by court order until after the start of the incentive period may participate in the LTIP. For this purpose, it must make a personal investment in shares of the company in accordance with § 2, whereby the personal investment shares must be acquired no later than three months after the election or judicial appointment to the Supervisory Board becomes effective.
- 7.2 The calculation of the bonus payment shall also be based on § 4 in the starting point in the cases referred to in § 7.1. However, the bonus payment shall be reduced pro rata and shall only be granted for the period of actual membership of the Supervisory Board. For this purpose, 1/36 of the bonus payment calculated in accordance with § 4 shall be granted for each month to which the member belongs to the Supervisory Board during the incentive period. If the Supervisory Board member's term of office does not begin on the first day of the month in question, the month shall be fully taken into account in the calculation if the member belonged to the Supervisory Board for at least 15 calendar days in that month; otherwise the month shall not be taken into account in the calculation. If an event of termination occurs before the end of the incentive period, § 6 shall apply additionally.
- 7.3 For the due date of the bonus payment calculated in accordance with § 7.2, § 5 shall apply. § 6.3 shall remain unaffected.

§ 8 Taxes

Any income tax payable on the bonus payment (or the pro rata bonus payment) shall be paid by each participating member of the Supervisory Board.

IV. MORE INFORMATION ABOUT THE CONVOCATION

1. The company's website and the documents and information to be made accessible there according to section 124a AktG

This invitation to the Annual General Meeting, the documents to be made accessible to the Annual General Meeting according to section 124a AktG and further information in connection with the Annual General Meeting will be available online at

agm.leifheit-group.com

from the time at which the Annual General Meeting is convened. Any and all counter motions, proposals for election and supplementary motions from shareholders, as well as the voting results after the Annual General Meeting, will also be made accessible via the aforementioned website.

The AGM portal – through which shareholders who have registered properly and in due time may exercise their voting rights before and during the Annual General Meeting and follow the entire meeting in picture and sound, among other things – is also available via this website.

2. Total number of shares and voting rights

At the time the Annual General Meeting was convened, the company's share capital was divided into 10,000,000 no-par-value bearer shares, of which every share was allocated one vote. The total number of voting rights thus amounted to 10,000,000 voting rights at the time the Annual General Meeting was convened. At the time the Annual General Meeting was convened, the company held 487,218 treasury shares which did not grant it voting rights.

3. Execution of the Annual General Meeting as a virtual general meeting without shareholders or their authorised representatives being physically present, broadcast in video and audio

On the basis of section 1 of the German act concerning measures under the law of companies, cooperative societies, associations, foundations and commonhold property to combat the effects of the COVID-19-pandemic dated 27 March 2020, as amended by the German act on the further shortening of the residual debt discharge procedure and the adjustment of pandemic-related provisions in corporate, cooperative, association and foundation law as well as in rental and lease law dated 22 December 2020 ("COVID-19 act"), the Board of Management has resolved, with the consent of the Supervisory Board, to hold the Annual General Meeting according to section 1 para. 2 COVID-19 act as a virtual Annual General Meeting without the physical presence of shareholders or their authorised representatives.

This will lead to modifications to the procedures of the Annual General Meeting and the rights of shareholders. The entire Annual General Meeting will be broadcast in full in audio and video for those shareholders and their authorised representatives who have registered properly and in due time via the AGM portal online at **agm.leifheit-group.com**. Physical participation by shareholders or their authorised representatives (except for the company's proxies) is not permitted. Voting rights may be exercised by shareholders or their authorised representatives solely by postal vote or by assigning proxy rights to proxies designated by the company. Electronic participation in the meeting within the meaning of section 118 para. 1 sentence 2 AktG is not possible. Shareholders have a right to ask questions via electronic communication. Finally, shareholders who have exercised their voting rights can raise objections for the record to resolutions of the Annual General Meeting via electronic communication.

In view of the special nature of the virtual Annual General Meeting, we ask our shareholders to pay particular attention to the following information on registration, exercising voting rights, other shareholder rights and the option to follow the Annual General Meeting in audio and video.

Shareholders who have registered properly and in due time will receive a voting rights card with further information on exercising their rights instead of a conventional admission ticket. Among other things, the voting rights card contains individual access data that will allow the shareholders to use the AGM portal online at **agm.leifheit-group.com**.

By accessing the AGM portal, shareholders who have registered properly and in due time, as well as their authorised representatives, may follow the entire Annual General Meeting on Wednesday, **2 June 2021 from 11:00 a.m. (CEST)** by way of the video and audio broadcast and may exercise their voting rights through the postal vote method.

At the request of the chair of the meeting, the Annual General Meeting will additionally be broadcast on our website at **agm.leifheit-group.com** for interested members of the public on 2 June 2021 from 11:00 a.m. (CEST) until the conclusion of the Board of Management speech. This additional broadcast does not allow participation in the Annual General Meeting within the meaning of section 118 para. 1 sentence 2 AktG.

4. **Web-based AGM portal and Annual General Meeting hotline**

From 12 May 2021 on, the company will operate a web-based AGM portal online at agm.leifheit-group.com, through which shareholders who have registered properly and in due time, as well as their authorised representatives, may exercise their voting rights, authorise proxies, submit questions or raise objections for the record, among other things. In order to use the AGM portal, shareholders must register with individual access data, which shareholders who have registered properly and in due time will receive with their voting rights card. The various ways of exercising shareholder rights will be indicated in the form of buttons and menus in the AGM portal's user interface.

Shareholders will receive further details regarding the AGM portal and the terms of registration and use with their voting rights card or may look them up online at agm.leifheit-group.com.

Please also see the technical information at the end of this invitation.

For questions regarding the virtual Annual General Meeting and the use of the AGM portal, members of our AGM hotline are available on +49 89 21027-222 from Monday to Friday – excluding German holidays – from 9:00 a.m. to 5:00 p.m. (CEST).

5. **Registering for the virtual Annual General Meeting and exercising shareholder rights**

Only those shareholders who have registered for the Annual General Meeting ("registration") and who have proved to the company that they are eligible to exercise their voting rights ("record of share ownership") are entitled to exercise shareholder rights, particularly voting rights, and to use the AGM portal. Shareholders must register in text form, either in German or English. A record of share ownership in text form by the final intermediary in accordance with section 67c para. 3 AktG suffices for verification.

The evidence must refer to the beginning of the twenty-first day before the Annual General Meeting, i.e. the **beginning of day [00:00 CEST] on 12 May 2021** ("record date"). The eligibility specified above is defined solely in accordance with the stake held by the shareholder at the record date, without this constituting a block on the ability to sell the stake. Even in the event of a full or partial sale of the shareholding following the record date, only those shares owned by the shareholder at the record date are relevant to the right to exercise shareholder rights during the Annual General Meeting, i.e. the disposal or acquisition of shares after the record date will not affect the right to exercise shareholder rights during the Annual General Meeting.

Registration and record of share ownership must be received by the company by the **end of day [24:00 CEST] on Wednesday, 26 May 2021** at the latest at the following address:

Leifheit AG
c/o Link Market Services GmbH
Landshuter Allee 10, 80637 Munich, Germany
or by email to: inhaberaktien@linkmarketservices.de

After receiving the registration and record of share ownership, the company will send the shareholders or the proxies appointed by them voting rights cards for the Annual General Meeting. To ensure that the voting rights cards, which will be sent together with the relevant proxy forms, are received in good time, shareholders are requested to send their registration and record of share ownership to the company at the address listed above at their earliest convenience. This request is not linked to any restriction of shareholder rights.

6. **Exercising voting rights by postal vote**

Shareholders who have registered properly and in due time, as well as their authorised representatives, may cast their votes by postal vote.

Before the Annual General Meeting, the postal vote form printed on the voting rights card will be available to this end to shareholders who have registered properly and in due time and to their authorised representatives. In addition, the postal vote form may be downloaded online at agm.leifheit-group.com.

If used by shareholders or their authorised representatives, the postal vote form must be sent only to the postal address or email address of the registration office stated under item 5 and must be received by the registration office by the **end of day [24:00 CEST] on 1 June 2021** (time of receipt). The revocation and changes of postal votes should also be sent in the aforementioned ways by the end of day [24:00 CEST] on 1 June 2021 (time of receipt). After this date, a revocation or change of postal voting decisions, even during the Annual General Meeting until immediately before the start of the voting, is possible via the AGM portal.

Postal votes not unambiguously attributable to a registration submitted, received and processed properly and in due time will not be counted.

Both before and during the Annual General Meeting, the AGM portal will also be available online at **agm.leifheit-group.com** for shareholders who have registered properly and in due time and for their authorised representatives to exercise their voting rights by means of (electronic) postal voting.

Electronic postal votes may be submitted using the AGM portal from 12 May 2021 until immediately before the start of voting on the day of the Annual General Meeting via the button marked "Postal vote" in the AGM portal. During the Annual General Meeting, shareholders who have registered properly and in due time may continue to use the AGM portal until immediately before the start of voting to change or revoke any votes submitted by postal vote.

More information on the postal vote method can be found on the voting rights card that is sent to shareholders who have registered properly and in due time. Corresponding information and a more detailed description of the electronic postal vote method is also available online on the AGM portal at **agm.leifheit-group.com**.

7. Exercising voting rights by proxies

a) Authorising third parties as proxies to exercise voting rights and other shareholder rights

Shareholders can allow their voting rights and their other shareholder rights to be exercised by a proxy or by an association of shareholders, subject to the appropriate authorisation procedures. They must also submit the record of share ownership and register properly and by the deadline in this case. The issuing of proxy authorisations, their revocation and verifications of proxy authorisation must be submitted to the company in text form, if neither an intermediary nor an association of shareholders or proxy adviser or an equivalent person according to section 135 para. 8 AktG has been authorised to exercise the voting rights.

Likewise, proxies may neither physically nor by means of electronic communication take part in the virtual Annual General Meeting within the meaning of section 118 para. 1 sentence 2 AktG. They may exercise voting rights on behalf of the shareholders whom they represent solely by postal vote or by authorising and instructing the proxies designated by the company.

If a shareholder authorises more than one person, the company can reject one or several of them.

Shareholders will find a form for issuing proxy authorisations on the back of their voting rights card. In addition, the form may be found online at **agm.leifheit-group.com**.

From the time the Annual General Meeting has been convened, verification of proxy authorisations and revocations of proxy authorisations can be submitted to the following address:

Leifheit AG
c/o Link Market Services GmbH
Landshuter Allee 10, 80637 Munich, Germany
or by email to: inhaberaktien@linkmarketservices.de
or on the AGM portal at: **agm.leifheit-group.com**

A proxy authorisation, its revocation, its change and verifications of proxy authorisation may be submitted to the above address by post or email by no later than the **end of day [24:00 CEST] on Tuesday, 1 June 2021** (time of receipt). After this date, a revocation or change of authorisations is also possible during the Annual General Meeting until immediately before the start of the votes via the AGM portal.

Issuing, changing and revoking authorisation, as well as providing verifications of proxy authorisation, will be possible online via the AGM portal at **agm.leifheit-group.com** until immediately before the start of voting during the virtual Annual General Meeting.

If an intermediary, a shareholders' association, a proxy adviser or any other equivalent entity as defined in section 135 para. 8 AktG is to be authorised to act as the shareholder's proxy, this authorisation – in derogation of the above principle – does not require a specific form either under the law or under the company's articles of incorporation. It should be noted, however, that in such cases the institutions or persons to be authorised may request that they be issued a specific form of proxy, as, according to section 135 AktG, they are required to record any proxy authorisations in a verifiable manner. You should therefore consult with them on whether there is a potential formal requirement for proxies.

b) Authorising voting proxies appointed by the company who are bound to the instructions given to them

The company offers its shareholders the opportunity to assign proxy rights to proxies designated by the company. They must also submit the record of share ownership and register properly by the deadline in this case. The proxies appointed by the company exercise the voting right based exclusively on the shareholder's instructions. Granting authorisation to voting proxies appointed by the company, its revocation and the issuance of instructions must be made in text form.

A form for authorising proxies and issuing instructions, as well as other information, is printed on the back of the voting rights card. In addition, the form may be found online at **agm.leifheit-group.com**.

Shareholders who wish to authorise proxies appointed by the company before the Annual General Meeting should send the completed form to the address listed above in the "Authorising third parties as proxies to exercise voting rights and other shareholder rights" section (by post or email) to be received by no later than the **end of day [24:00 CEST] on Tuesday, 1 June 2021** (time of receipt). The revocation of authorisation and changes to instructions should also be sent in the aforementioned ways by the end of day [24:00 CEST] on 1 June 2021 (time of receipt). After this date, a revocation or change of authorisations and instructions, even during the Annual General Meeting until immediately before the start of the voting, is possible via the AGM portal.

Shareholders also have access to the AGM portal online at **agm.leifheit-group.com**, which can be used to issue and change authorisations and instructions for proxies designated by the company until immediately before the start of voting during the virtual Annual General Meeting.

8. Supplementary motions to the agenda at the request of a minority according to section 122 para. 2 AktG

According to section 122 para. 2 AktG, shareholders whose shares, when taken together, amount to one-twentieth of the share capital or represent a proportional amount of € 500,000.00 may request to have items placed on the agenda and announced. The reasons for the request or a proposed resolution must be enclosed for each new item.

Requests must be addressed to the company's Board of Management in writing and must be received by the company by the end of day [24:00 CEST] on Sunday, 18 May 2021 at the latest. We ask that shareholders send requests like these to the following address:

Leifheit AG
The Board of Management
c/o Link Market Services GmbH
Landshuter Allee 10, 80637 Munich, Germany

9. Countermotions and proposals for election from shareholders according to section 126 para. 1 and section 127 AktG

Countermotions, including reasons for them, against a proposal made by the Board of Management and/or the Supervisory Board with respect to a specific agenda item and shareholder proposals for elections of members to the Supervisory Board and auditors of the company must be sent prior to the Annual General Meeting exclusively to the following address:

Leifheit AG
c/o Link Market Services GmbH
Landshuter Allee 10, 80637 Munich, Germany

or by email to: antraege@linkmarketservices.de

Accompanied by proof of shareholder status, countermotions and election proposals received no later than the end of day [24:00 CEST] on Tuesday, 18 May 2021 at the address above and which are to be published will be made accessible online at **agm.leifheit-group.com**. Any comments by the management will also be published on the website listed above after 18 May 2021.

A countermotion or proposal for election to be made accessible in accordance with sections 126 and 127 AktG shall be deemed to have been submitted to the Annual General Meeting if the shareholder submitting the application or submitting the nomination is notified in due time.

10. Shareholders' right to ask questions according to section 1 para. 2 sentence 1 no. 3 COVID-19 act

Shareholders who have registered properly and in due time, as well as their authorised representatives, will be given the right to ask questions by means of electronic communication.

For organisational reasons, questions may only be submitted online by means of electronic communication via the AGM portal at agm.leifheit-group.com and must be received by no later than the **end of day [24:00 CEST] on Monday, 31 May 2021** (time of receipt). Questions received through other means or after the deadline will not be considered.

The Board of Management decides at its duty-bound, free discretion how to respond to questions.

It intends to mention and/or address the parties asking questions by name unless said parties have expressly objected to being mentioned and/or addressed by name.

11. Further explanation

Further explanations and information on shareholders' rights under section 122 para. 2, section 126 para. 1 and section 127 AktG, as well as section 1 para. 2 sentence 1 no. 3 COVID-19 act are available to shareholders on the company's website at agm.leifheit-group.com.

12. Raising objections for the record

Shareholders who have registered properly and in due time and have exercised their voting right, as well as their authorised representatives, may object to a resolution adopted by the Annual General Meeting for the notary's record (section 1 para. 2 sentence 1 no. 4 COVID-19 act). The objection may only be submitted online by means of electronic communication via the AGM portal at agm.leifheit-group.com from the start of the virtual Annual General Meeting until its conclusion by the chair of the meeting. Objections may be raised by no other means.

13. Information regarding data protection

Information regarding the processing of personal data in connection with the Annual General Meeting can be found online at agm.leifheit-group.com.

14. Technical information regarding the virtual Annual General Meeting

A voting rights card, which shareholders will receive automatically after registering properly and in due time, is required to access the company's AGM portal. This voting rights card contains the individual access data with which shareholders who have registered properly and in due time, and their authorised representatives, may register in the AGM portal.

To avoid the risk of restrictions in exercising shareholder rights due to technical problems during the Annual General Meeting, it is recommended that shareholder rights (in particular voting rights) be exercised prior to the start of the Annual General Meeting, if possible.

An internet connection and a web-enabled device are necessary to follow the virtual Annual General Meeting, to use the AGM portal and to exercise shareholder rights. A stable internet connection with a sufficient data transfer rate is recommended for optimum video and audio quality during the broadcast of the Annual General Meeting.

Shareholders and/or authorised representatives of shareholders using a computer to follow the broadcast of the virtual Annual General Meeting will require a browser and speakers or headphones.

15. Information regarding the availability of the broadcast

Shareholders who have registered properly and in due time, as well as their authorised representatives, may follow the entire Annual General Meeting online by way of the video and audio broadcast via the AGM portal. Due to restrictions in the availability of the telecommunication network and restrictions in online services offered by third-party providers, the video and audio broadcast of the virtual Annual General Meeting and the availability of the AGM portal may, under the current technological conditions, be subject to variations in quality beyond the company's control. The company is therefore unable to provide any guarantee or assume any liability for the functionality and constant availability of the internet services used, the third-party network elements used, the video and audio broadcast or the access to the AGM portal and its general availability. The company also assumes no responsibility for errors and defects related to the hardware and software used for the AGM portal, including those of the service providers used, except in the event of intent. The company therefore recommends making prompt use of the aforementioned options for exercising rights, particularly voting rights. The chair of the meeting reserves the right to interrupt or cancel the virtual Annual General Meeting if necessitated by data protection or security concerns.

Nassau/Lahn, April 2021

Leifheit Aktiengesellschaft
The Board of Management