



Aktiengesellschaft

**Articles of
incorporation
as amended on
30 September 2020**

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

I. General regulations

- § 1**
- (1) The registered name of the company is
Leifheit Aktiengesellschaft.
 - (2) The company based in Nassau/Lahn.
- § 2**
- (1) The objects of the company are to manufacture and distribute products for kitchen, bathroom and household, to provide associated services and to acquire and manage companies and equity investments in companies and exercise group management functions.
 - (2) The company can engage in all transactions which are suitable to promote the company objects directly or indirectly. It can establish branches in Germany and abroad, invest in other countries in Germany and abroad, acquire or form such companies and take over their management and enter into intercompany agreements.
- § 3**
- (1) The company's announcements are published in the electronic edition of the German Federal Gazette.
 - (2) Information to shareholders can also be sent by electronic communication.

II. Share capital and shares

- § 4**
- (1) Share capital amounts to € 30,000,000.00.
 - (2) It is divided into 10,000,000 no-par-value bearer shares.
 - (3) Subject to approval from the Supervisory Board, the Board of Management is authorised to increase share capital on one or more occasions by a total of up to € 15,000,000.00 up until 23 May 2022 by issuing up to 5,000,000 new no-par-value bearer shares in exchange for cash and/or non-cash contributions (2017 authorised capital).

As a rule, the new shares must be offered to shareholders for subscription. They can also be issued to credit institutions or a company operating according to section 53 para. 1 sentence 1 or section 53b para. 1 sentence 1 or para. 7 of the German banking act (KWG) with the requirement that they offer them to the shareholders for subscription. However, subject to approval from the Supervisory Board, the Board of Management is authorised to exclude shareholders' statutory subscription rights in the following circumstances:

- for fractional amounts;
- if shares are issued in exchange for cash contributions at a price that is not materially lower than the market price of the company's listed shares at the time the Board of Management sets the issue price and if the exclusion of subscription rights only applies to new shares whose proportional amount does not exceed 10% of the share capital at the time the authorisation is entered in the commercial register or – if this value is lower – 10% of the company's existing share capital (10% threshold) at the time the new shares are issued. When considering whether or not to utilise the 10% threshold, the exclusion of subscription rights based on other authorisations according to section 186 para. 3 sentence 4 of the German stock corporation act (AktG) must be taken into account with effect from 24 May 2017;
- provided capital is increased for the purpose of acquiring companies, parts of companies or stakes in companies, as part of company mergers or other assets eligible for contribution, in exchange for non-cash contributions;
- in order to carry out a scrip dividend, as part of which shareholders are offered the opportunity to contribute their dividend claim to the company (both partially and optionally) as a non-cash contribution in exchange for the granting of new shares from the 2017 authorised capital.

The total shares issued in exchange for cash and non-cash contributions due to any upcoming authorisations while excluding shareholders' subscription rights in the case of increases to share capital may not exceed 20% of the share capital at the time the authorisation is entered in the commercial register or – if this value is lower – 20% of the company's existing share capital (20% threshold) at the time the new shares are issued. Treasury shares sold up until the issue of the new shares without subscription rights are to be included in the 20% threshold.

The Board of Management determines further conditions for issuing shares including the issuing price and the content of the share rights subject to approval from the Supervisory Board.

- § 5**
- (1) Shares are made out to the bearer.
 - (2) If, in the event of a capital increase, the resolution on the increase of capital does not determine whether the new shares issued are bearer or registered shares, they shall be bearer shares.
 - (3) In the case of an increase in share capital, the distribution of profits in relation to new shares may be determined in derogation of section 60, para. 2 AktG.
 - (4) The form and content of any share certificates, profit shares and renewal coupons shall be determined by the Board of Management with the Supervisory Board's approval. The same applies to bonds and interest coupons.
 - (5) In place of share certificates for individual shares, the company may issue certificates for multiple shares (collective certificates).

The right of shareholders to demand the issue of certificates vesting their shares is excluded.

III. Board of Management

- § 6**
- (1) The Board of Management is made up of one or several members.
 - (2) The Supervisory Board appoints the members of the Board of Management and determines their number. It can appoint deputy Board of Management members and may appoint a member of the Board of Management as chairperson of the Board of Management.
 - (3) Board of Management resolutions shall be made with a majority of the votes. If a chairman of the Board of Management has been appointed then he will have the casting vote in the event of a tie if the Board of Management consists of at least three members.
- § 7**
- (1) The company shall be legally represented by two members of the Board of Management or by one member of the Board of Management together with a holder of general commercial power of attorney ("Prokura"). If only one member of the Board of Management is appointed, they shall represent the company alone.
 - (2) Deputy Board of Management members shall rank equally with full members in respect of powers of representation.
 - (3) The Supervisory Board can determine that one, more or all members of the Board of Management are granted sole representation and/or are released from the restrictions of section 181 of the German civil code (BGB) on multiple representation.

IV. Supervisory Board

- § 8**
- (1) The Supervisory Board is made up of six members. They are appointed for the period until the end of the Annual General Meeting, which resolves on the approval of the actions of the Supervisory Board for the fourth financial year after the start of the term. The financial year in which their term begins is not included in this calculation.
 - (2) If a member of the Supervisory Board is appointed to replace an outgoing member, their term of office shall run for the remaining term of office of the outgoing member. In the event that a substitute member replaces the outgoing member, the substitute member's term of office shall expire if a new vote to replace the outgoing member is taken at the next Annual General Meeting or the next Annual General Meeting but one after the substitution arises, at the end of the said Annual General Meeting, otherwise at the end of the outgoing member's residual term of office.
 - (3) Each Supervisory Board member may resign from office subject to a one-month notice period, even without good cause, by submitting notice in writing to the Board of Management.
- § 9**
- (1) Following an Annual General Meeting in which all Supervisory Board members to be elected by the Annual General Meeting have been newly elected, a meeting of the Supervisory Board shall take place that does not require special invitation. In this meeting, the Supervisory Board, under the chairpersonship of the oldest Supervisory Board member, elects from among its members the chairperson of the Supervisory Board and their deputy for the duration of the Supervisory Board's term of office.
 - (2) If the chairperson of the Supervisory Board or their deputy departs during their term of office, the Supervisory Board must immediately hold a by-election.
- § 10**
- (1) Supervisory Board meetings are called by the chairperson, or, if they are unable to do so, by their deputy, whenever required by law or business.
 - (2) The Supervisory Board constitutes a quorum if at least half of the members of which it is constituted take part in the passing of a resolution.
 - (3) If so ordered by the chairperson of the Supervisory Board, resolutions may also be passed in writing, by phone or via electronic communication (email, fax) without the need to call a meeting. The remaining members of the Supervisory Board do not have a right of objection to this.
 - (4) The resolutions are made with a simple majority of votes. In the event of a tie – this also applies to elections – the vote of the chairman of the meeting concerned will have the casting vote, and if a resolution is adopted outside a meeting, the chairman of the Supervisory Board will have the casting vote in the event of a tie.
 - (5) Declarations of intent of the Supervisory Board will be issued by the chairman or deputy chairman.
 - (6) Minutes shall be recorded for all meetings of the Supervisory Board and signed by the chairperson of the meeting. The minutes shall state the place and date of the meeting, the participants, the items on the agenda, the main content of deliberations and the resolutions of the Supervisory Board.
- § 11**
- (1) The Supervisory Board determines which kinds of transactions the Board of Management may only carry out with the prior approval of the Supervisory Board.
 - (2) The Supervisory Board may make additional types of transactions dependent on its approval at any time. It may grant revocable advance approval for particular types of transactions in general or in the event that individual types of transactions fulfil certain conditions.

- § 12**
- (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.
 - (8) The total annual remuneration (the sum of fixed and performance-related remuneration and attendance fees in accordance with para. 1 and 3 to 6) is limited to a maximum of € 80,000.00 for an ordinary Supervisory Board member, € 150,000.00 for the deputy chairman of the Supervisory Board, € 100,000.00 for the chairman of the audit committee and € 200,000.00 for the chairman of the Supervisory Board. If a Supervisory Board member performs more than one of the functions listed in sentence 1 within a fiscal year, the higher amount shall apply to the limitation.
 - (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.

V. Annual General Meeting

- § 13** The Annual General Meeting, which resolves on the approval of the actions of the Board of Management and the Supervisory Board, the appropriation of profits, the election of an auditor and, if applicable, the approval of the annual financial statements (Annual General Meeting), shall be held within the first eight months of each financial year.
- § 14** (1) The Annual General Meeting shall be convened by the Board of Management or the Supervisory Board at the registered office of the company, in Koblenz or the location of any German stock exchange centre.
- (2) The Annual General Meeting is convened in accordance with legal formal and deadline regulations.
- § 15** (1) Only those shareholders who have registered to attend (“registration”) and who have proved to the company that they are eligible to take part in the Annual General Meeting and exercise their voting rights (“record of share ownership”) are entitled to attend the Annual General Meeting and vote.
- The registration and the record of share ownership have to be received by the company in text form in German or English at the address specified for this purpose in the invitation and according to the stipulation of the respectively valid statutory regulations concerning deadlines. The Board of Management is empowered to determine a shorter registration period in the invitation.
- A record of share ownership in text form by the final intermediary in accordance with section 67c para. 3 AktG suffices for verification. The record of share ownership has to apply to the start of the 21st day before the Annual General Meeting.
- (2) The prerequisites for the attendance of the Annual General Meeting and exercise of the voting rights shall be notified in the invitation.
- § 16** (1) Each share entitles the holder to one vote.
- (2) Voting rights may be exercised by a proxy holder. The granting, revocation and provision of proof to the company of proxy authorisation is subject to applicable law. In convening the Annual General Meeting, the company may appoint an individual as proxy bound to vote as instructed.
- (3) The Board of Management may allow shareholders to submit their votes by mail or electronic communication channels without attending the Annual General Meeting (absentia voting). The Board of Management shall determine the specifics pertaining to absentia voting, which are to be announced at the same time as the convocation of the Annual General Meeting.
- § 17** (1) The chair of the Annual General Meeting shall be the chairperson of the Supervisory Board or his/her representative. If neither of these individuals chairs the meeting, then the Supervisory Board will decide who will assume the chair in the Annual General Meeting; this may also be a natural person not related to the company.
- (2) The chairperson shall direct proceedings and determine the order in which the items on the agenda are dealt with. They can authorise the recording and broadcasting of the Annual General Meeting via electronic media. Broadcasting can also take place in a format to which the public has unrestricted access.

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- (3) The chairperson of the Annual General Meeting may restrict the amount of time shareholders are entitled to speak and ask questions in view of the following considerations:
- a) If, under the agenda (including any minority shareholder petitions per section 122 AktG), only items concerning the appropriation of profits, the appropriation of the actions of the of Board of Management members and the Supervisory Board members, election of an auditor and/or authorization to purchase and utilise own shares are to be voted on, the chairperson may restrict the amount of time shareholders are entitled to speak and ask questions so as to limit the duration of the Annual General Meeting to a total of six hours. Interruptions to the Annual General Meeting, the Board of Management speech and chairperson's comments prior to the general discussion do not count in calculating the length of the Annual General Meeting.
 - b) If, under the agenda (including any minority shareholder petitions per section 122 AktG), items other than those under letter a) are to be voted on, the chairperson may restrict the amount of time shareholders are entitled to speak and ask questions so as to limit the duration of the Annual General Meeting to a total of ten hours. Letter a) sentence 2 applies accordingly.
 - c) The chairperson may restrict the amount of time shareholders are entitled to speak and ask questions to 15 minutes per recognition, and to 10 minutes if three or more other speakers are awaiting recognition when one speaker is recognised. The chairperson may limit the total amount of time a shareholder is entitled to speak and ask questions during the Annual General Meeting to 45 minutes.
 - d) The chairperson may impose the limitations outlined under letters a) to c) at any time, including at the start of the Annual General Meeting.
 - e) The limitations outlined under letters a) to d) above constitute reasonable limitations per section 131 para. 2 sentence 2 AktG.
- (4) Irrespective of the chairperson's ability to restrict the amount of time shareholders are entitled to speak and ask questions per Paragraph 3, the chairperson may declare discussion ended at 22:30 on the date of the meeting and begin the voting on agenda items. In cases falling under the first sentence, no further questions are permitted once discussion has been declared ended.
- (5) The chairperson's right to restrict the amount of time shareholders are entitled to speak and ask questions beyond the provisions of paragraphs 3 and 4 remains unaffected by the provisions of paragraphs 3 and 4 in accordance with applicable legislation or in accordance with other principles established by case law.
- § 18**
- (1) Annual General Meeting resolutions are made with a simple majority of votes and, if a capital majority is required, with simple capital majority, in the event that neither the law nor the articles of incorporation determine otherwise. This does not apply to a resolution of the Annual General Meeting to remove Supervisory Board members from office, which requires a majority of at least three quarters of the votes cast.
 - (2) The chairperson shall determine the form and further details of the voting process. The voting result is obtained by ascertaining the "yes" and the "no" votes. The chairman will also decide the manner of ascertaining.
 - (3) The Supervisory Board is authorised to amend the articles of incorporation, provided such amendments relate solely to the wording.

VI. Financial year and annual financial statements

- § 19** The company's financial year is the calendar year.
- § 20** If the Board of Management and Supervisory Board endorse the annual financial statements, they are permitted to transfer all of the net profit for the year to other retained earnings, provided that the other retained earnings do not exceed half of the share capital, or would not exceed this amount after the transfer. Any amounts to be allocated to the legal reserves, and any losses carried forward, must be deducted from the net profit for the year in advance.



Aktiengesellschaft

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