



## **Report of the Management Board to the Annual General Meeting on the partial utilization of the Authorized Capital 2021 with the exclusion of shareholders' preemptive rights**

The Management Board submits the following written report to the Annual General Meeting of AUTO1 Group SE convened for 6 June 2024 on the capital increases from authorized capital with exclusion of shareholders' preemptive rights carried out in the period since the Company's last Annual General Meeting on 7 June 2023 until the date of the announcement of the convening of this year's Annual General Meeting in the Federal Gazette:

Based on the authorization in Section 4 (3) of the Company's Articles of Association, the Company's Management Board is authorized, with the approval of the Supervisory Board, to increase the Company's share capital on one or more occasions until 7 February 2026 (inclusive) against cash and/or non-cash contributions to the extent specified in the Articles of Association by issuing new no-par value bearer shares (**Authorized Capital 2021**).

The Authorized Capital 2021 was initially created by resolution of the Company's Annual General Meeting on 14 January 2021 and became effective upon entry in the Company's commercial register on 18 January 2021. The Company's Annual General Meeting on 2 February 2021 then adjusted and reissued the Authorized Capital 2021 by increasing the nominal amount and extending the term; the Authorized Capital 2021 thus adjusted and reissued became effective upon entry in the Company's commercial register on 19 February 2021. At this time, the Authorized Capital 2021 had a volume of EUR 103,746,000.00.

When utilizing the Authorized Capital 2021, the Management Board may, with the approval of the Supervisory Board, exclude the statutory preemptive right, among other things, in accordance with Section 4 (3) (e) of the Articles of Association if the new shares are to be issued against cash and/or non-cash contributions as part of participation programs and/or as part of share-based remuneration to persons who participate in the participation program or share-based remuneration as a member of the Management Board of the Company, as a member of the management of a company dependent from it or as an employee of the Company or a company dependent from it. The new shares may also be issued through a bank.

The shares issued in exercise of the authorization to exclude preemptive rights pursuant to Section 4 (3) (e) of the Articles of Association may not exceed a total of 10% of the share capital, neither at the time the authorization becomes effective nor at the time it is exercised. The nominal amount of the Conditional Capital 2020 resolved for the purposes of section 192 (2) no. 3 of the German Stock Corporation Act pursuant to Section 4 (4) of the Company's Articles of Association in the amount of EUR 6,624,900.00 is to be offset

against this 10% limit. Taking this offsetting into account, the authorization to exclude preemptive rights pursuant to Section 4 (3) (e) of the Articles of Association can be used for capital increases from the Authorized Capital 2021 with a total nominal amount of up to EUR 14,124,490.00; this corresponds to around 6.81% of the Company's share capital existing at the time the Authorized Capital 2021 takes effect.

In accordance with Section 4 (3) of the Articles of Association in the version valid at the time of the Annual General Meeting on 7 June 2023, the Management Board was authorized, with the approval of the Supervisory Board, to increase the Company's share capital on one or more occasions until 7 February 2026 (inclusive) by a total of up to EUR 95,252,219.00 by issuing new no-par value bearer shares in return for cash and/or non-cash contributions.

The Authorized Capital 2021 was then utilized in the period from the last Annual General Meeting on 7 June 2023 until the date of the announcement of the convening of this year's Annual General Meeting in the Federal Gazette as shown below:

- On 22 August 2023, the Company's Management Board resolved, with the approval of the Supervisory Board on 23 August 2023, to increase the Company's share capital by EUR 193,897.00 from EUR 215,987,682.00 to EUR 216,181,579.00 by issuing a total of 193,897 new no-par value bearer shares with dividend rights from 1 January 2023, making partial use of the Authorized Capital 2021. The implementation of the capital increase was entered in the commercial register on 6 September 2023.
- On 27 November 2023, the Company's Management Board resolved, with the approval of the Supervisory Board on 28 November 2023, to increase the Company's share capital by EUR 34,709.00 from EUR 216,181,579.00 to EUR 216,216,288.00 by issuing a total of 34,709 new no-par value bearer shares with dividend rights from 1 January 2023, making partial use of the Authorized Capital 2021. The implementation of the capital increase was entered in the commercial register on 7 December 2023.
- On 18 March 2024, the Company's Management Board resolved, with the approval of the Supervisory Board on 19 March 2024, to increase the Company's share capital by EUR 441,213.00 from EUR 216,216,288.00 to EUR 216,657,501.00 by issuing a total of 441,213 new no-par value bearer shares with dividend rights from 1 January 2024, making partial use of the Authorized Capital 2021. The implementation of the capital increase was entered in the commercial register on 28 March 2024.

The new shares from the aforementioned capital increases were issued to beneficiaries of the respective participation programs for the purpose of the partial settlement of various participation programs for employees or managers of the Company or its subsidiaries in Germany and abroad, in each case in return for a contribution in kind with the involvement of a bank. The beneficiaries of the shareholding programs in question contributed payment claims from the respective shareholding program to the Company as a contribution in kind

with the intermediary of the bank and assigned them to the Company. The shareholders' statutory preemptive rights were excluded in each case in accordance with Section 4 (3) (e) of the Articles of Association.

As a result of the capital increases described above, the Company's share capital was increased by a total of EUR 669,819.00. This corresponds to around 0.32% of the Company's share capital existing at the time the Authorized Capital 2021 came into effect. Together with the utilization of the Authorized Capital 2021 prior to the last Annual General Meeting on 7 June 2023, which the Management Board had already reported on at the last Annual General Meeting, the Company's share capital was thus increased by a total of EUR 9,163,600.00 as a result of the utilization of the Authorized Capital 2021 to date. This corresponds to a total of around 4.42% of the Company's share capital existing at the time the Authorized Capital 2021 came into effect. In particular, the volume limit provided for in the Authorized Capital 2021 for the authorization to exclude preemptive rights in accordance with Section 4 (3) (e) of the Articles of Association, which was exercised in each of these capital increases, was thus also complied with.

Participation programs and share-based remuneration serve to strengthen the motivation of employees and managers as well as their identification with the Company, in whose development they can participate through an investment in shares. Through appropriate links to the share price and/or suitable forfeiture provisions, the aim of promoting sustainable corporate development and the participation of beneficiaries in both share price gains and losses can be adequately taken into account. Such participation programs and performance-related remuneration packages for employees and managers serve to promote the sustainable development of the Company and at the same time to attract and retain qualified employees and managers. The use of shares for these purposes is only possible if shareholders' preemptive rights are excluded. The use of shares to service these programs instead of a cash payment of the corresponding payment claims also protects the Company's liquidity. For the above reasons, the exclusion of shareholders' preemptive rights for the aforementioned purposes was in the interests of the Company and its shareholders and was objectively justified.

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Berlin, April 2024

**AUTO1 Group SE**

*Christian Bertermann*

*Markus Boser*

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**Christian Bertermann**  
Chairman of the Management Board

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**Markus Boser**  
Member of the Management Board