Report pursuant to §§ 203 (2) sentence. 2, 186 (4) sentence 2 AktG (on Agenda Item 9)

The Management Board submits the following report on the exclusion of subscription rights on Agenda Item 9 in accordance with § 203 (2) sentence 2 in conjunction with § 186 (4) sentence 2 AktG.

General information

Under Agenda Item 9, the Management Board and Supervisory Board propose to the Annual General Meeting the creation of new Authorized Capital 2024/II in the total amount of up to EUR 17,400,000.00. The proposed volume of the new authorized capital would correspond to an increase in share capital of 10% of the current share capital if fully utilized. The new Authorized Capital 2024/II is to be available for both cash and non-cash capital increases and can also be used in partial amounts, whereby the total amount may not be exceeded. This is intended to provide the Management Board with a flexible instrument for shaping corporate policy for the next five years.

The proposed Authorized Capital 2024/II is intended to enable the Management Board to continue to raise the capital required for the strategic development of the company on the capital markets at short notice by issuing new shares or to quickly and flexibly take advantage of any favorable market conditions to cover future financing requirements without either having to wait until the next Annual General Meeting with a corresponding delay and thus not being able to take advantage of attractive market conditions at short notice or having to hold a costly Extraordinary General Meeting. In addition, the Management Board is to be put in a position to be able to take advantage of attractive acquisition opportunities at short notice and flexibly without having to use the capital markets or to acquire companies, parts of companies or interests in other companies from third parties in return for the issue of shares.

Shareholders' subscription rights and exclusion of subscription rights for fractional amounts

When using the Authorized Capital 2024/II, shareholders generally have subscription rights so that shareholders can participate in the capital increase in proportion to their shareholding and thus avoid a dilution of their shareholding. In addition to a direct issue of the new shares to shareholders, it is also possible for the technical processing of the share issue to have the new shares taken over by banks or companies determined by the Management Board within the meaning of Section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders for subscription (indirect subscription right).

However, with the authorization to increase the capital, the Management Board is also to be authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights insofar as this is necessary to offset fractional amounts.

The authorization to exclude subscription rights for fractional amounts resulting from the subscription ratio makes it possible to determine simple and practicable subscription ratios for the capital increase. Fractional amounts arise if, as a result of the subscription ratio or the amount of the capital increase, not all new shares can be distributed equally among the shareholders. The fractional amounts are of minor importance in relation to the total capital increase, and due to the restriction to fractional amounts, the potential dilution effect for shareholders is generally very low. This is another reason why the exclusion of subscription rights in this case is standard market practice. The new shares excluded from subscription rights as so-called "free fractions" are utilized in the best possible way for the companies.

Limitation of the total volume of capital increases without subscription rights

The authorization described above is also limited to the extent that, after its exercise, the total number of shares issued under Authorized Capital 2024/II excluding subscription rights may not exceed 10% of the share capital. This additionally limits the total volume of shares issued without subscription rights. In this way, shareholders are additionally protected against a possible dilution of their shareholding. Offsetting clauses ensure that the Management Board does not exceed the 10% limit by also making use of other authorizations to issue shares or to issue rights that enable or oblige the subscription of shares and also exclude shareholders' subscription rights.

Utilization of the authorized capital

There are currently no plans to utilize the Authorized Capital 2024/II. The Management Board will carefully examine in each individual case whether the use of the authorization to increase the capital and a possible exclusion of subscription rights is in the best interests of the company, also taking into account the interests of the existing shareholders.

The Management Board will report on each utilization of Authorized Capital 2024/II at the next Annual General Meeting.