Report of the Executive Board on the authorizations to exclude subscription rights mentioned in agenda item 10 (section 71 (1) no. 8 in conjunction with section 186 (4) sentence 2 of the German Stock Corporation Act (AktG)

Agenda item 10 contains the proposal of the Executive Board and Supervisory Board to authorize the Company pursuant to section 71 (1) no. 8 of the AktG to acquire its own shares in an amount of up to 10% of the current share capital or, if this amount is lower, the share capital of the Company existing at the time the authorization is exercised. This may be done by the Company itself, through companies that are dependent on the Company or in which the Company holds a majority interest, or through third parties acting for the account of such companies or the account of the Company. At the same time, the previous authorization to acquire own shares, which was utilized in the amount of 499,971 shares, is to be canceled.

In accordance with section 71 (1) no. 8 and section 186 (4) sentence 2 of the AktG, the Executive Board is submitting the following written report on this matter:

In order to give the Company long-term planning security and flexibility, the partially utilized authorization dated June 22, 2022, is to be canceled with regard to a further acquisition of own shares and a new authorization is to be resolved that exhausts the maximum amount of 10% of the share capital existing at the time of the authorization or, if this amount is lower, at the time the authorization is exercised. This new authorization to acquire and use own shares with the option of excluding shareholders' subscription rights is to be granted for a period of three years.

As regards the use of treasury stock acquired on the basis of the authorization dated June 22, 2022, the existing authorization (including the authorization to exclude shareholders' subscription rights contained in this resolution at that time) dated June 22, 2022, remains in effect in accordance with the proposed resolution on agenda item 10.

Types of acquisition

The proposed resolution under agenda item 10 provides for the Executive Board to be authorized, with the prior approval of the Supervisory Board, to acquire own shares up to a total of 10% of the share capital existing at the time of the authorization or, if the amount is lower, at the time the authorization is exercised. This is intended to make full use of the legal scope granted for such authorizations. Own shares may be acquired on the stock exchange, by means of a public tender offer addressed to all shareholders, on the basis of a public invitation made to all shareholders to submit offers for sale, or by way of a public offer to exchange shares for shares of a listed company within the meaning of section 3 (2) of the AktG. The principle of equal treatment stipulated in the German Stock Corporation Act must be observed in each case. The acquisition of own shares on the stock exchange may also be effected within the framework of a structured buyback program to be carried out by a credit institution or an enterprise as defined by section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the German Banking Act or by a syndicate of such credit institutions or enterprises.

In the case of a public invitation to all shareholders to submit offers for sale, the shareholders may decide how many shares they wish to tender to the Company and, if a price range has been fixed, at what price. When own shares are to be acquired by means of a public tender offer or a public exchange offer addressed to all shareholders or on the basis of a public invitation to submit offers for sale, the volume of the offer or invitation to submit offers for sale may be limited. The number of tendered shares may exceed the number of shares that the Company has intended to purchase, in which case tenders will be accepted on a quota basis. Here it will be possible to effect the purchase in the ratio of the subscribed or tendered shares rather than in accordance with the percentage stake, as this facilitates the allocation process within a commercially reasonable framework. A preferred consideration of low numbers of up to 100 tendered shares per shareholder can also be provided for. This option serves to avoid fractional shares in determining the quotas to be acquired and to avoid small residual amounts, thus simplifying technical execution of the share repurchase. Furthermore, it avoids actual disadvantages for minor shareholders. Finally, provision is also to be made for a rounding rule to be applied according to commercial principles in order to avoid fractional shares. To this extent, the purchase quota and the number of shares to be acquired from individual tendering shareholders can be rounded as required to enable the acquisition of whole numbers of shares for technical purposes. The Executive Board and Supervisory Board consider the consequent exclusion of any further shareholder tender rights to be objectively justified.

The offer price or the limits of the purchase price range per share determined by the Company (excluding incidental acquisition costs) may not be more than 10% higher or more than 20% lower than the arithmetic mean of the closing prices of the Company's shares in the XETRA trading system (or a comparable successor system) on Frankfurt Stock Exchange during the last three trading days before the day of the public announcement of the offer or the day of acceptance of offers for sale. If, after the publication of a public offer addressed to all shareholders or a public invitation to all shareholders to submit offers for sale, there are significant deviations in the applicable price, the tender offer or invitation to submit offers for sale can be adjusted.

In this case, the arithmetic mean of the closing prices on the last three trading days before the day of the public announcement of the adjustment is taken as the basis instead. The tender offer addressed to all shareholders or the invitation to all shareholders to submit offers for sale may specify further conditions.

The Company is also to be given the option to offer as consideration shares of a listed company as defined in section 3 (2) of the AktG instead of cash. This allows the Company greater flexibility and enables it to place any equity interests it holds. Such an approach may also be more attractive to shareholders than a public tender offer.

Use of treasury stock

The proposed option for selling or using treasury stock simplifies the procurement of funds. Pursuant to section 71 (1) no. 8 sentence 5 of the AktG, the Annual General Meeting may authorize the Executive Board to sell shares by means other than on the stock exchange or based on an offer to all shareholders. Under the proposed resolution, the Executive Board also requires the prior approval of the Supervisory Board to use treasury stock. The condition for doing so according to the alternative proposed under agenda item 10.1d (1) is that the treasury shares are sold, in accordance with section 186 (3) sentence 4 of the AktG, at a price that is not significantly lower than the stock exchange price of the Company's already listed shares that have essentially the same features at the time of the sale. The Company will thereby utilize the lawful and commonly practiced option to conduct simplified exclusion of subscription rights. The intent to protect shareholders from dilution is taken into account by allowing the shares to be sold only at a price that is not significantly lower than the applicable price on the stock exchange. Final determination of the sale price for the treasury stock will be made shortly before the sale. The Executive Board – with the approval of the Supervisory Board – will set any discount on the shares' stock exchange price as low as possible, taking into account market conditions prevailing at the time of placement.

In light of the fierce competition on the capital markets, the option to sell treasury stock with the exclusion of subscription rights and by means other than on the stock exchange or through an offer made to all shareholders is in the interests of the Company. Doing so provides the Company with the opportunity to offer treasury stock to national and international investors quickly and flexibly, expand its shareholder structure, and stabilize the value of its share. Selling at a purchase price that is not significantly lower than the stock exchange price and limiting the total number of treasury shares that can be sold with this type of exclusion of subscription rights to a maximum total of 10% of the share capital (as of the effective date and upon exercise of the authorization) reasonably safeguards shareholders' financial interests.

The 10% limit of the share capital also includes other shares that are issued or sold during the term of the authorization with the exclusion of subscription rights in direct or *mutatis mutandis* application of section 186 (3) sentence 4 of the AktG. or that are issued to service option and/or conversion rights and/or fulfill option and/or conversion obligations under warrant and/or convertible bonds and/or warrant-linked and/or convertible profit-participation rights, if these bonds or profit-participation rights are issued during the term of this authorization with the exclusion of subscription rights in *mutatis mutandis* application of section 186 (3) sentence 4 of the AktG. Since the treasury shares are placed at a price close to that on the stock exchange, each shareholder can in principle purchase shares on the market at almost the same conditions in order to maintain their percentage stake.

Pursuant to the resolution proposed in agenda item 10.1d (2), the Company also has the option of being able to offer treasury shares, if required, as consideration for the acquisition of contributions in kind, in particular as part of the acquisition of companies, parts of companies, equity interests in companies or in business combinations, or for acquiring other assets or entitlements to the acquisition of other assets including rights and receivables against the Company. The authorization proposed here is intended to provide the Company with the necessary freedom to take advantage of available opportunities to carry out such acquisitions and combinations quickly and flexibly. The proposed exclusion of subscription rights is in line with this objective. When determining valuation ratios, the Executive Board and Supervisory Board will take care to ensure that the interests of the shareholders are appropriately safeguarded. In particular, they will base their valuation of the treasury stock offered as consideration on the stock exchange price of the Company's shares.

However, the Company does not intend to systematically link the valuation to a stock exchange price so that the outcome of negotiations, once reached, will not be jeopardized by any fluctuations in the share price on the stock exchange.

In accordance with the authorization under agenda item 10.1d (3), the Company is also to be able to use treasury shares acquired on the basis of the proposed authorization, with the exclusion of shareholders' subscription rights, to fulfill conversion and/or option rights or conversion obligations under convertible bonds or warrant bonds issued by the Company or its Group companies. The proposed resolution will not create a new authorization to grant further conversion and/or option rights. It merely serves the purpose of giving management the possibility to service conversion and/or option rights, or conversion obligations established on the basis of other authorizations, fully or partially with treasury stock instead of utilizing contingent capital. As a result of that, Shareholders do not suffer any negative effects beyond the dilution that may be associated with the exclusion of subscription rights when convertible and/or warrant bonds are issued. Rather, such action increases the Executive Board's flexibility by not forcing it to service convertible bonds and other instruments from contingent capital. Instead, it can also make use of treasury stock when doing so appears more advantageous and in the interests of the Company and its shareholders given the specific situation. No conversion and/or option rights or conversion obligations that could be serviced by treasury stock currently exist, but could be established, for example, if the Annual General Meeting approves the authorization proposed under agenda item 9.

The possibility to issue treasury stock to employees of the Company is expressly provided for in the German Stock Corporation Act. For treasury shares to be offered to employees, shareholders' rights to subscribe to such shares must be excluded. The issue of employee shares

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to employees of Brockhaus Technologies AG or companies of the Brockhaus Technologies Group is intended to enable employees to participate to an appropriate extent in the Group's economic success. This is a suitable measure for both documenting the recognition of the work performed by employees and setting performance incentives with regard to future commitment and increasing identification with the Company. In determining the purchase price to be paid by the employees, a customary discount on offers of shares to employees may be granted.

Finally, the Company may cancel treasury shares acquired on the basis of this authorization in accordance with the resolution proposed in agenda item 10d (5) without this requiring another resolution by the Annual General Meeting. The Annual General Meeting of an enterprise may resolve the cancellation of the enterprise's fully paid-in no-par value shares without reducing its share capital pursuant to section 237 (3) no. 3 of the AktG. The authorization proposed here expressly provides for this alternative in addition to the cancellation with a capital reduction. Where treasury shares are canceled without a capital reduction, the pro rata amount of the remaining no-par value shares relative to the enterprise's share capital automatically increases. The Executive Board is therefore to be authorized to make the necessary amendment to the Articles of Association regarding the change in the number of no-par value shares resulting from a cancellation.

Shareholders' rights to subscribe to acquired treasury shares are excluded to the extent that these shares are used pursuant to agenda item 10d (1) through (4) other than through a sale on the stock exchange or through an offer made to all shareholders. Furthermore, where treasury shares are sold by way of an offer for sale to all shareholders, it will be possible to exclude shareholders' subscription rights for fractional amounts. The exclusion of subscription rights for fractional amounts is necessary in order to be able to technically execute the issue of treasury shares by way of an offer to the shareholders. The fractional shares for which shareholders' subscription rights are excluded will be used for the Company on the best possible terms by being sold on the stock exchange or otherwise. The Executive Board will report to the Annual General Meeting on any utilization of the authorization.

Frankfurt am Main, April 2024

Marco Brockhaus	Dr. Marcel Wilhelm