Non-binding translation

Report of the General Partner to the Annual General Meeting on the proposal under Agenda item 8 to exclude the subscription right pursuant to section 203 (2) sentence 2 in conjunction with section 186 (4) sentence 2 AktG

In accordance with section 278 (3) AktG in conjunction with section 203 (2) and section 186 (4) sentence 2 AktG, the General Partner must submit a written report on agenda item 6 explaining the reasons for the exclusion of the subscription right and the proposed issue amount. The report is to be published as follows:

The General Partner and Supervisory Board propose to the Annual General Meeting that new authorised capital be created. The previous Authorised Capital 2018 was approved by the General Meeting on 23 May 2018. The authorisation thus expires on 22 May 2023. In order to ensure that the Company will always be in a position to adjust its capital base flexibly and sustainably to cover future requirements and take advantage of opportunities, it is proposed that new authorised capital, in the legally permissible amount of EUR 29,449,246.00, be made available to the Company (Authorised capital 2023). The new Authorised Capital 2023 is to be available for both cash and non-cash capital increases.

When utilising the new Authorised Capital 2023, shareholders would generally have a subscription right. The shares may also be acquired by one or more credit institutions insofar as they accept the obligation to offer them to the Company’s shareholders for subscription (indirect subscription rights). However, an exclusion of the subscription right is possible in the following cases, if such an exclusion is in the interest of the Company.

The proposed authorisation provides that the General Partner may, with the approval of the Supervisory Board, exclude shareholders’ subscription rights for fractional amounts. In the case of cash capital increases, this serves to facilitate the utilisation of the authorised capital in round amounts and thus the technical execution of the share issue. The shares excluded from shareholders’ subscription rights as residual fractional amounts will be disposed of in the best possible way for the Company, either via the Stock Exchange or in some other manner.

Furthermore, the authorisation provides that the General Partner may, with the consent of the Supervisory Board, exclude the shareholders’ subscription rights in the event of a cash capital increase if the shares are issued at an amount that is not significantly lower than the stock exchange price of the already listed shares of the Company at the time the issue price is finally determined. This possibility of excluding subscription rights is provided for by law in section 203 (1) and (2), section 186 (3) sentence 4 AktG. It enables the Management to take advantage of favourable stock market situations at short notice, thereby achieving a high issue price and thus the best possible strengthening of the equity capital by fixing prices closely in line with the market. The exclusion of subscription rights enables a placement close to the stock exchange price, so that the customary discount for rights issues no longer applies. The amount provided for in the authorisation corresponds to the legally prescribed limit of 10% of the share capital for the simplified exclusion of subscription rights. In the event that this option to exclude subscription rights is exercised when the share capital is increased, the Management will keep any discount of the issue price vis-à-vis the stock exchange price as low as possible and limit it to a maximum of 5%. This ensures that the economic dilution of shareholders' participation will be kept to a very low level. In the case of such an exclusion of subscription rights when issuing new shares close to the stock exchange price, the cash capital increase may not exceed 10% of the share capital existing at the time the authorisation takes effect or – if this value is lower – at the time the authorisation is exercised. This takes into account the shareholders' need for protection against dilution of their participation. The liquid market and the number of shares held in the free float ensure that shareholders can acquire shares on the market at fairly comparable conditions in order to maintain their participation quotas.

Shares sold or issued during the term of the proposed authorisation until the time it is exercised in direct or analogous application of section 186 (3) sentence 4 AktG on the basis of other authorisations of the General Partner to sell or issue shares shall be counted towards the limit of 10% of the share capital. In particular, shares are to be taken into account which were issued or may still be issued on the basis of debt securities with conversion or option rights on shares issued during the term of this authorisation with the exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG. The inclusion ensures that treasury shares acquired are not sold under exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG if this would result in the exclusion of shareholders' subscription rights for more than 10% of the share capital in direct or indirect application of section 186 (3) sentence 4 AktG without special material reason. It is thus ensured that, in accordance with the legal assessment of section 186 (3) sentence 4 AktG, the financial and voting rights interests of shareholders are adequately safeguarded when utilising the authorised capital under exclusion of subscription rights, while the Company is afforded additional scope for action in the interest of all shareholders.

Finally, the proposed authorisation to exclude subscription rights in the event of capital increases against contributions in kind serves the purpose of enabling the acquisition of companies, parts of companies, interests in companies or other assets in return for the granting of shares. If the acquisition of companies, parts of companies or interests in companies or the acquisition of other assets by way of a capital increase against contributions in kind leads to tax savings for the seller or if the seller is for other reasons more interested in acquiring shares in the Company than in a cash payment, the possibility of being able to offer shares as consideration strengthens the negotiating position of the Company. In individual cases, taking into account any particular interests of the Company, it may also be desirable to offer the seller new shares in return for an acquisition.

The Authorised Capital 2023 enables the Company to react quickly and flexibly in the event of opportunities to acquire companies, parts of companies, interests in companies or other assets or claims for the acquisition of assets including claims against the Company or its group companies against the issue of new shares in suitable individual cases. Therefore, in individual cases, the proposed authorisation enables optimum funding of an acquisition in return for the issue of new shares while in turn strengthening the Company's equity base. The price at which the new shares are issued in such a case will depend on the individual circumstances and the timing. The General Partner and the Supervisory Board will be guided by the interests of the Company when setting prices. There are currently no definite plans to make use of this authorisation. The General Partner and the Supervisory Board will carefully examine in each individual case whether the exclusion of subscription rights is in the best interest of the Company. The valuation of the Company's shares on the one hand and that of the companies, parts of companies, interests in companies or other assets to be acquired or claims for the acquisition of assets, including claims against the Company or its group companies, on the other hand will be based on the neutral valuation report of an auditing company or a renowned investment bank.

The proposed validity period for the Authorised Capital 2023, which runs until 4 June 2028, is in line with the legally permissible framework.

If this authorisation is exercised, the General Partner will submit a report at the next Annual General Meeting.