Written report of the Management Board on agenda item 8 concerning the reasons for the exclusion of the subscription right pursuant to Sections 186 (4) sentence 2 AktG, 221 (4) AktG

The current authorisation for the issue of convertible bonds or bonds with warrants shall be cancelled and a new authorisation resolved by the Annual General Meeting on 11 May 2020 such that the Management Board may respond flexibly to market opportunities.

The current Conditional Capital 2020/I, which was also approved by the Annual General Meeting on 11 May 2020, shall be reformed as Conditional Capital 2022/II and adjusted to the Company's Share Capital, which has since increased. This shall be implemented once again to grant the Management Board the greatest possible flexibility for the issuance of convertible bonds or bonds with warrants such that it may respond to emerging market opportunities at any time. Calculation of the Conditional Capital 2022/II shall be based on the amount of the Company's Share Capital at the time of this invitation, which is EUR 15,527,775.00.

With the new authorisation proposed under agenda item 8, the Management Board and the Supervisory Board are seeking to exploit the possibility extended by the legislator to create equity by issuing bonds that are linked to conversion or option rights to shares in the Company (C/W bonds). Adequate equity capitalisation is an essential basis for Company's development going forward. The issue of C/W bonds enables the Company to exploit attractive financing opportunities as they emerge in the various market situations and hence to obtain capital for the Company at a low current interest rate. The conversion and option premiums will benefit the Company upon issue. Practice has shown that some financing instruments can only be placed with the extension of option or conversion rights.

In principle, the shareholders of the Company have a subscription right to newly issued C/W bonds in a number that corresponds to their respective participation in the Company's Share Capital until that time.

The C/W bonds may also be handled by one or more banking institution(s) or one or more companies operating pursuant to Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) KWG, with the obligation to offer them to the shareholders for subscription (indirect subscription right). The purpose in this regard is to facilitate settlement. It should not be equated with an exclusion of the subscription right, as the shareholders are granted an indirect subscription right to the C/W bonds in this way.

The proposed resolution includes an authorisation to exclude this subscription right, which applies in principle upon the issuance of C/W bonds for certain purposes that are specified in detail in the proposed resolution and reflect the relevant statutory provisions. The Management Board and the Supervisory Board hold that this authorisation to exclude shareholders' subscription rights is materially justified and appropriate vis-à-vis the shareholders, taking into account all circumstances in the reasons explained below.

1) The proposed authorisation to exclude the subscription right for the realisation of fractional shares enables the establishment of a workable subscription ratio. Fulfilment of the capital measure would otherwise be

complicated, especially for the issue of C/W bonds in round amounts. Fractional amounts are created if the subscription ratio and the amount of an issue do not permit the equal distribution of the new C/W bonds to shareholders. The costs of trading the rights to fractional amounts are disproportionate to the benefit for shareholders. The C/W bonds that are free of subscription rights and are created by exclusion of subscription rights for free fractional amounts will be sold on the stock exchange (if possible) or otherwise in the best possible way for the Company. The potential dilution effect is low due to the limitation of fractional amounts.

2) The authorisation to exclude subscription rights in favour of the holders of conversion or option rights is intended to prevent any necessary reduction of the option or conversion price for the option or conversion rights that have already been issued or the requirement to make an additional cash payment. In order to protect against dilution, it shall instead be possible to grant holders of these rights a subscription right to the new C/W bonds in the amount to which they would be entitled after exercising their rights.

3) Furthermore, the Management Board and the Supervisory Board shall be authorised to issue C/W bonds under exclusion of the shareholders' subscription rights inasmuch as the pro rata amount of the share capital attributable to the New Shares to be issued on the basis of the conversion or option rights does not exceed a total of 10% of the Share Capital, neither at the time this authorisation becomes effective nor at the time it is exercised. The Company will therefore be enabled to exploit favourable stock market situations at short notice and to achieve the best possible terms for the issue of C/W bonds by defining the conditions to reflect the needs of the market.

This is not possible if the subscription right is upheld, as the length of the subscription period limits the ability to react to market conditions at short notice. Uncertainty concerning the exercise of subscription rights may also affect a successful placement of the C/W bonds with third parties. Moreover, the exclusion of subscription rights will allow the Company to continue broadening its shareholder base through the inclusion of international investors.

The legal bases for the exclusion of the subscription right are Sections 221 (4) sentence 2 AktG, 186 (3) sentence 4 AktG. The interests of the shareholders are protected by the fact that the C/W bonds must not be issued significantly below the (theoretical) market value. A hypothetical stock exchange price for the bond can be determined in particular using the Black/Scholes model or other recognised financial mathematical methods, which then also identify any dilution effect by comparison with the issue price. In this respect, this is no different to a capital increase under exclusion of the subscription right pursuant to Section 186 (3) sentence 4 AktG.

Even if the conversion or option price is set depending on the development of the share price or share price according to the conditions of the convertible bond or option, it remains possible to determine an appropriate theoretical market value using recognised methods, in particular methods of financial mathematics, at least if the number of shares to be issued is determined with due consideration of a minimum price set when the C/W bonds are issued.

The Management Board and Supervisory Board will review on a case-by-case basis whether protection against dilution is guaranteed. This may take place by obtaining the expert opinion of an investment bank or auditing firm on the issue of the dilution effect.

The Management Board and the Supervisory Board will offset the following shares against the limit of 10% of the Share Capital as stipulated in the authorisation:

- shares that are issued during the term of this authorisation pursuant to or in analogous application of Section 186 (3) sentence 4 AktG, with exclusion of shareholders' subscription rights;
- shares which are sold during the term of this authorisation based on an authorisation for the sale of treasury shares pursuant to Sections 71 (1) no. 8 sentence 5, 186 (3) sentence 4 AktG, with exclusion of the subscription right; and
- shares that are or will be issued to service convertible bonds or bonds with warrants on the basis of other authorisations, insofar and inasmuch as the bonds are issued during the term of this authorisation in analogous application of Section 186 (3) sentence 4 AktG, with exclusion of shareholders' subscription rights.

4) Where it is in the interests of the Company, C/W bonds may also be issued against contributions in kind. The Management Board is authorised, with the consent of the Supervisory Board, to exclude the shareholders' subscription right in this case, provided that the value of the contribution in kind is in an appropriate ratio to the theoretical market value of the C/W bonds that is determined in accordance with recognised principles of financial mathematics. This creates the opportunity for using C/W bonds as consideration in acquisitions when suitable cases arise (for example in connection with the acquisition of companies, interests in companies or other assets). Practical experience has shown that it is often necessary during negotiations to offer not money, but also or exclusively other forms of consideration. It follows, therefore, that the opportunity to offer C/W bonds as consideration strengthens the Company's position in the competition for interesting acquisition targets and increases the scope for exploiting opportunities to acquire companies, interests in companies or other assets, even on a larger scale, while also preserving liquidity. An approach of this kind may also be purposeful from the perspective of optimised financing structures. The Management Board will scrutinise on a case-by-case basis whether to use the authorisation to issue C/W bonds against contributions in kind with exclusion of subscription rights. It will only do so if this approach is in the interests of the Company and hence in the interests of the shareholders.

Reformation of the current Contingent Capital 2020/I as Contingent Capital 2022/II is purposeful and necessary in order to service the conversion and option rights associated with the C/W bonds as well as the conversion and option rights that have already been issued under the authorisation that will now be cancelled.

The conversion or option price for a New Share shall be determined by the Management Board with the consent of the Supervisory Board – taking into account the market conditions at the time that the C/W bonds are issued – and may not be less than 80% of the reference price defined in the authorisation.

Where the Management Board uses one of the above authorisations to exclude subscription rights in connection with the issue of C/W bonds, it will report on the matter at the following Annual General Meeting.