The proposed authorisation to issue bonds with warrants or convertible bonds in a total nominal value of up to EUR 100,000,000 and to create the conditional capital of up to EUR 5,000,000 is intended to secure and extend the company's opportunities to finance its activities described below and to provide the Managing Board, with the consent of the Supervisory Board, with flexible and timely financing possibilities in the best interest of the company, in particular when the conditions in the capital markets are favourable.

There are two possible ways to arrange this: Firstly, the Managing Board is authorised, with the consent of the Supervisory Board, for a period ending on 18 May 2026 to issue on one or more occasions bonds with warrants or convertible bonds and to attach option or conversion rights to the relevant bonds, which entitle or oblige the purchaser, as specified in more detail in the terms and conditions of the bonds, to subscribe shares in the company up to a total of 5,000,000 shares. This authorisation does not affect the shareholders' legal subscription right. In order to facilitate the processing, use will be made of the possibility to issue the bonds with warrants or convertible bonds to one or more credit institutions or similar entities pursuant to Section 186 (5) Sentence 1 AktG with the obligation to offer them to the shareholders for subscription in proportion to their shareholding (indirect subscription right within the meaning of Section 186 (5) AktG).

Secondly, the Managing Board is authorised to exclude the shareholders' legal subscription right in respect of the bonds, however, only within certain limits:

<u>Exclusion of subscription rights for fractional amounts as well as in favour of holders of already issued or still to be issued conversion or option rights</u>

Firstly, it should be possible to exclude the subscription right to the extent necessary to be able to eliminate fractional amounts arising from the determination of the subscription ratio or to grant subscription rights to holders of already issued bonds with warrants or convertible bonds. Fractional amounts arise from the amount of the respective issue volume and the presentation of a practicable subscription ratio. In these cases, the exclusion of the subscription right facilitates the processing of the capital measure, in particular the subscription right of the shareholders.

The exclusion of subscription rights in favour of holders of already issued bonds with warrants or convertible bonds should be possible in consideration of the dilution protection to which they are entitled under the terms and conditions of the bonds in the event of an issue of bonds with warrants or convertible bonds by the company. The exclusion of the subscription right upon exercise of this authorisation is an alternative to the otherwise necessary adjustment of the option or conversion price. In this way, a higher overall cash inflow is made possible.

Exclusion of subscription rights according to Section 186 (3) Sentence 4 AktG

The Managing Board is also to be authorised, with the consent of the Supervisory Board, to exclude the subscription right pursuant to Sections 221 (4) Sentence 2 and 186 (3) Sentence 4 AktG if the issue price of the bonds with warrants or convertible bonds falls below the market value of the financial instruments, determined particularly based on financial modelling methods. However, the scope of this authorisation to exclude subscription rights is limited to the issuance of bonds with warrants or convertible bonds which grant conversion or option rights or obligations for shares in the company with a pro rata amount of capital stock of no more than 10 per cent on the date on which this authorisation takes effect or - if this value is lower - on the date the present authorisation is exercised. The issuance or sale of shares in the company or the issuance of bonds with warrants or convertible bonds with the right to subscribe for such shares under exclusion of shareholders' subscription rights pursuant to or in accordance with Section 186 (3) Sentence 4 AktG on the basis other authorisations count towards this maximum limit. With this limited volume, the shareholders can maintain their share in the capital stock of the company by acquiring the necessary number of shares via the stock exchange at virtually the same conditions.

This authorisation enables the Managing Board, with the consent of the Supervisory Board, to access the capital markets rapidly at short notice and, by determining terms and conditions in line with the market, to achieve ideal conditions for setting the interest rate and in particular the issue price of the bonds with warrants or convertible bonds, and thereby strengthen the capital base. The placement excluding the shareholders' subscription right provides the possibility to generate a considerably higher cash inflow than in the case of an issue with subscription rights. This is mainly due to the fact that by excluding the subscription right, the company obtains the flexibility required to take advantage of favourable situations on the stock exchange at short notice. Section 186 (2) AktG does allow publication of the subscription price when a subscription right is granted (i.e., of the terms and conditions of the bonds in case of bonds with warrants or convertible bonds) up to the third-to-last day of the subscription period. However, in view of the volatility on the stock markets, there is also a market risk, especially a price change risk, over a period of several days, which leads to safety margins when determining the terms and conditions of the bonds and thus to conditions that are not in line with the market. Even if a subscription right exists, the successful placement is at risk or at least burdened with additional expenses due to the uncertainty as to whether the right will be exercised (subscription behaviour). Finally, if a subscription right is granted, the company cannot react rapidly to favourable or unfavourable market conditions because of the length of the subscription period, but is exposed to declining share prices during the subscription period, which could lead to less favourable opportunities for the company to procure capital.

The requirement to protect shareholders is taken into account by setting the issue price at a level not significantly below the market value. This prevents a significant economic dilution of the value of the shares. Whether or not such a dilution effect will occur can be determined by calculating the hypothetical quoted price of the bonds with warrants or convertible bonds on the basis of generally accepted financial modelling methods in particular and comparing it to the issue price. If, after due examination by the Managing Board, this issue price is only insignificantly lower than the hypothetical quoted price at the date of issue of the bonds with warrants or conversion bonds the exclusion of the subscription right is permissible in accordance with and for the purpose of the provision in Section 186 (3) Sentence 4 AktG. This ensures that shareholders are protected from an unreasonable dilution of their shareholdings. By setting the issue price at a level not significantly below the imputed market value in accordance with the authorisation, the value of a subscription right practically drops to zero. Consequently, the shareholders do not suffer any material economic disadvantage from the exclusion of the subscription right. If the Managing Board considers it appropriate to obtain expert advice in the respective situation, it may call upon third parties for support. For example, a syndicate bank accompanying the issue can provide suitable assurances that no significant dilution of the value of the shares is expected. Irrespective of this due examination by the Managing Board, the implementation of the bookbuilding method also ensures that the terms and conditions are set in line with the market, thus avoiding a significant dilution of the value. Under this method the bonds with warrants or convertible bonds are not offered at a fixed issue price; in particular the issue price and the interest rate as well as some other terms and conditions of the bonds with warrants or convertible bonds are only set on the basis of the purchase request submitted by the investors. In this way, the total value of the bond is determined in line with the market. All of this ensures that no significant dilution of the value of the company's shares occurs as a consequence of the exclusion of subscription rights.

There are currently no specific plans to exercise the authorisation to issue bonds with warrants/convertible bonds. The Managing Board will in any case carefully examine whether the exercise of the authorisation is in the interest of the company and its shareholders. The Managing Board will report to the Shareholders' Meeting on any exercise of the authorisation.