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Brockhaus Technologies AG
Frankfurt am Main

Independent Auditor's Report on the substantive audit
of the remuneration report prepared to fulfil the requirements of Section 162 AktG
for the financial year from 1 January to 31 December 2025

Note: The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation.

RÖDL Audit GmbH

Wirtschaftsprüfungsgesellschaft

Am Lenkwerk 7
Oval Office
33609 Bielefeld
Telephone +49 (5 21) 26 07 48-0
Fax +49 (5 21) 26 07 48-22
E-mail bielefeld@roedl.com
Internet www.roedl.de

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TABLE OF CONTENTS

NOTICE ON ENGAGEMENT TERMS, LIABILITY AND INTENDED USE

The independent auditor’s report set out below was issued by Rödl Audit GmbH Wirtschaftsprüfungsgesellschaft, Bielefeld, on the basis of the engagement by the Chair of the Supervisory Board of Brockhaus Technologies AG, Frankfurt am Main, for the substantive audit of the remuneration report for the financial year from 1 January to 31 December 2025. This engagement is governed exclusively by German law and is based — also in relation to third parties — on the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2024. The independent auditor’s report is addressed to Brockhaus Technologies AG, Frankfurt am Main, and is not intended to serve as a basis for decisions by third parties. Rödl Audit GmbH Wirtschaftsprüfungsgesellschaft, Bielefeld, therefore assumes no obligations, responsibility, or duties of care toward third parties, unless something to the contrary has been expressly agreed with a third party in writing in advance

INDEPENDENT AUDITOR'S REPORT

To Brockhaus Technologies AG, Frankfurt am Main

Report on the audit of the remuneration report

We have audited the remuneration report of Brockhaus Technologies AG, Frankfurt am Main, for the financial year from 1 January to 31 December 2025, including the related disclosures, prepared to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of Management and the Supervisory Board

The management and the Supervisory Board of Brockhaus Technologies AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal controls as they have determined necessary to enable the preparation of the remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in compliance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the remuneration report. The procedures selected depend on the auditor's professional judgment. This includes an assessment of the risks of material misstatement due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or errors in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from 1 January to 31 December 2025, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Other matter – formal examination of the remuneration report

The substantive audit of the remuneration report described in this independent auditor's report includes the formal examination of the remuneration report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the remuneration report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report.

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Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services to Brockhaus Technologies AG, are set out in the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2024. By taking note of and using the information as contained in our report, each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations to € 4 million for negligence specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Bielefeld, 25 March 2026

RÖDL Audit GmbH
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Landgraf Wirtschaftsprüfer [German Public Auditor]	Schumacher Wirtschaftsprüfer [German Public Auditor]

APPENDICES

Appendix 1 Remuneration report of Brockhaus Technologies AG for the financial year from 1 January to 31 December 2025

Appendix 2 General Engagement Terms

Appendix 1 Remuneration report of Brockhaus Technologies AG for the financial year from 1 January to 31 December 2025

Remuneration report

Brockhaus Technologies AG

2025

This remuneration report of the Brockhaus Technologies AG ("**BKHT**" or the "**Company**", together with its subsidiaries "**Brockhaus Technologies**" or the "**Group**") for the 2025 fiscal year was prepared by the Executive Board and Supervisory Board and includes individualized disclosures about the remuneration awarded and owed to members of the Company's Executive and Supervisory Boards as well as explanations of the underlying remuneration system.

Remuneration is awarded if it is accrued to the member of the governing body and is thus transferred to their assets (payment-oriented view). Alternatively, it is permissible to present remuneration in the remuneration report for the fiscal year in which the underlying (single-year or multi-year) activity was carried out in full (vesting-oriented view). In the following, remuneration awarded is presented in the vesting-oriented view.

In this remuneration report, BKHT also illustrates how the remuneration for the Company's governing bodies supports its long-term development. The remuneration report complies with the requirements of section 162 of the German Stock Corporation Act (AktG) and is aligned with the recommendations of the German Corporate Governance Code (GCGC) as amended on April 28, 2022. The BKHT remuneration report and the auditor's opinion about the formal and substantive audit that it performed are available to the public on our website (www.brockhaus-technologies.com) in the section entitled Investor Relations, subsection Corporate Governance.

The remuneration report for the 2024 fiscal year was approved at the Annual General Meeting on November 27, 2025, with 59.72% voting in favor.

In the 2025 fiscal year, the Supervisory Board reviewed the Executive Board's remuneration system with input from external consultants. After in-depth discussion, particularly of the legal requirements, the provisions of the German Corporate Governance Code, investor expectations, and Brockhaus Technologies' strategy, as well as taking into account the interests of the Company, the existing remuneration system was revised based on previous experience ("Remuneration System 2025"). The changes made are intended to align performance-related remuneration more closely with the Company's strategic objectives and corporate governance. For this purpose, the acquisition component within the single-year variable remuneration (the Short-Term Performance Incentive; STPI) was replaced by a spot award component. Individual intraperiod targets are used as performance criteria for the spot award component. In addition, a separate incentive component was provided for the disposal of significant equity interests, assets, and/or intangible assets, with the return achieved during the investment period, specifically the multiple of invested capital (MOIC), representing the applicable performance criterion (hereinafter referred to as the Investment Performance Incentive; IPI). The MOIC is calculated from the net cash flows generated during the period of membership in the basis of consolidation (investment period), including net sale proceeds. Within the multi-year variable remuneration (the Strategic Long-Term Incentive; SLTI), the previous performance criteria of share price performance and ESG targets have been supplemented by the performance criteria of Group operating cash flow development and EBIT margin growth (Group). The option to grant special bonuses to members of the Executive Board for exceptional performance was abolished. The revised remuneration system was approved by the Supervisory Board on October 13, 2025, and took effect as of January 1, 2025.

The Annual General Meeting on November 27, 2025, rejected the Remuneration System 2025 with 76.96% of votes cast. In accordance with section 120a(3) of the AktG, a revised remuneration system must therefore be presented for approval to shareholders at the next Annual General Meeting. Nevertheless, the remuneration system adopted by the Supervisory Board for fiscal years 2025 and thereafter will remain in effect until a new system is adopted.

The remuneration system applied up to and including the 2024 fiscal year was approved by the Annual General Meeting on June 16, 2021, and was most recently described in the 2024 remuneration report. As only the new system was applied in the 2025 reporting period, the old system will not be described again.

Executive Board remuneration

The members of BKHT's Executive Board are:

- Marco Brockhaus, Chair of the Executive Board, Chief Executive Officer
- Dr. Marcel Wilhelm, Chief Operating Officer, Legal Counsel

The remuneration structure is geared toward sustainable business and long-term corporate development. It supports the Company's business strategy and contributes to a sustainable increase in enterprise value, and consists of fixed and variable remuneration components. The fixed remuneration components comprise the fixed annual salary and fringe benefits. Variable remuneration components include the Short-Term Performance Incentive, as short-term variable remuneration, the Investment Performance Incentive over the investment period, and the Strategic Long-Term Incentive, as multi-year variable remuneration.

The remuneration of the individual Executive Board members is determined and reviewed periodically by the Supervisory Board. It is the aim to remunerate the members of the Executive Board appropriately to reflect their activities and responsibilities, taking into account personal performance as well as the Company's financial situation, success and future prospects.

In this context, the Supervisory Board is guided by the remuneration paid by comparable companies to the members of their executive boards and by the appropriateness of the remuneration compared with the overall salary level in the Company. The Supervisory Board's intention is to ensure the long-term commitment of the members of the Executive Board to the Company and to provide an incentive to increase its enterprise value. The variable remuneration is also intended to promote the motivation and commitment of the members of the Executive Board and to provide incentives to achieve attractive returns on the sale of equity interests, assets, and intangible assets. At the same time, it offers an opportunity to incorporate the long-term successful implementation of the corporate strategy and sustainability aspects into the calculation of variable remuneration.

In its periodic review, the Supervisory Board takes into account the individual performance and the scope of the responsibilities assumed as well as the Company's financial situation.

The Supervisory Board will take the questions and suggestions for change raised by shareholders present at the 2025 Annual General Meeting regarding the revised Remuneration System 2025 as an opportunity to comprehensively revisit the concept and further develop it if necessary. The revised remuneration system will be presented to the shareholders for a new resolution at the next Annual General Meeting.

Both Executive Board members joined the Executive Board for the first time in August 2017. The contracts of service of the two members of the Executive Board were updated in the 2022 fiscal year and both are dated June 20, 2022. The contract of Marco Brockhaus ends on midnight on July 31, 2027. Dr. Marcel Wilhelm's contract ends on July 31, 2026.

Fixed remuneration components

Basic remuneration

The annual salary of the Executive Board members is paid in twelve equal installments at the end of each month. The final payment made is for the full month in which the contract of service ends. It is reviewed annually for appropriateness and adjusted if required.

Fringe benefits

The following standard market fringe benefits or fringe benefits similar to the following may be granted to members of the Executive Board:

- Company car
- Smartphone
- Accident insurance and life insurance
- Premium for public or private health insurance and contributions to a private retirement plan

The Supervisory Board defines the total value of the fringe benefits for each fiscal year based on its reasonable discretion. It is limited to 10% of the basic remuneration of the relevant Executive Board member per fiscal year.

The fringe benefits during the reporting period came to €28 thousand (previous year: €25 thousand).

Variable remuneration components

Single-year variable remuneration

The previous single-year variable remuneration (short-term incentive (STI) until 2024) took into account the Company's further planned acquisition activities and consisted of a portfolio component and an acquisition component. The portfolio component had a focus on the development of the Company's subsidiaries that have existed for a longer period, while the acquisition component was based on the development of subsidiaries recently acquired by the Company.

The new single-year variable remuneration (Short-Term Performance Incentive (STPI)) is structured as a target bonus with a single-year measurement period and consists of a portfolio component and a spot award component.

The portfolio component is based on the Group's adjusted EBIT as the sole performance measure, while the spot award component is linked to the achievement of a maximum of five defined individual targets set by the Supervisory Board.

The relative weighting of the two components is usually determined by the Supervisory Board before the start of the fiscal year, at the latest after the presentation of the annual financial statements and the completion of the budgeting process, and can range from 70% to 100% for the portfolio component and a maximum of 30% for the spot award component.

For the 2025 fiscal year, the portfolio component was weighted at 70% and the spot award component at 30% of the STPI.

The STPI is paid out in the fiscal year following the measurement period and is limited to 200% of the basic remuneration. At least 80% of the STPI is paid out in cash. Up to 20% of the gross payout amount may be allocated in the form of shares at the discretion of the Supervisory Board. The Supervisory Board must make this decision by no later than the end of the fiscal year, otherwise the condition lapses. When allocating shares, the Supervisory Board may require the relevant members of the Management Board to hold the shares for at least three years from the date of allotment, but not beyond the date of termination of their membership of the Executive Board (lock-up).

Portfolio component | The portfolio component is mainly based on the Group's adjusted earnings before interest and taxes (EBIT) and refers to the Group with the subsidiaries that were in the portfolio throughout the previous fiscal year. Adjusted EBIT is income from continuing and discontinued operations in accordance with the Group's external reporting, adjusted in consultation with the Supervisory Board for items such as share-based payments, costs of M&A transactions and equity capital measures, and depreciation/amortization of assets that the acquired company had not recognized as assets in its financial statements prior to being acquired by BKHT. The target value for adjusted EBIT is defined by the Supervisory Board. If the actual value achieved at the end of the fiscal year is less than 70% of the target value, the target achievement is 0%. If 70% of the target value is achieved, the target achievement is 70%. Exact achievement of the target value corresponds to 100% target achievement. If the value achieved is above the target value, this does not result in any further increase in target achievement. If a value between 70% and 100% of the target value is achieved, the target achievement is calculated through linear interpolation.

The EBIT target for the 2025 fiscal year was set at €78,678 thousand. The minimum value was €55,074 thousand.

An adjusted EBIT of €37,633 thousand was generated for the 2025 fiscal year, so target achievement rate is 0%.

The maximum amount for the portfolio component for Marco Brockhaus is €1,145 thousand and €549 thousand for Dr. Marcel Wilhelm.

Spot award component | The spot award component is based on the achievement of a maximum of five defined individual targets set by the Supervisory Board for the fiscal year that result in significant increases in value, improvements in earnings, or improvements in the ability of the Company or the Group distribute dividends.

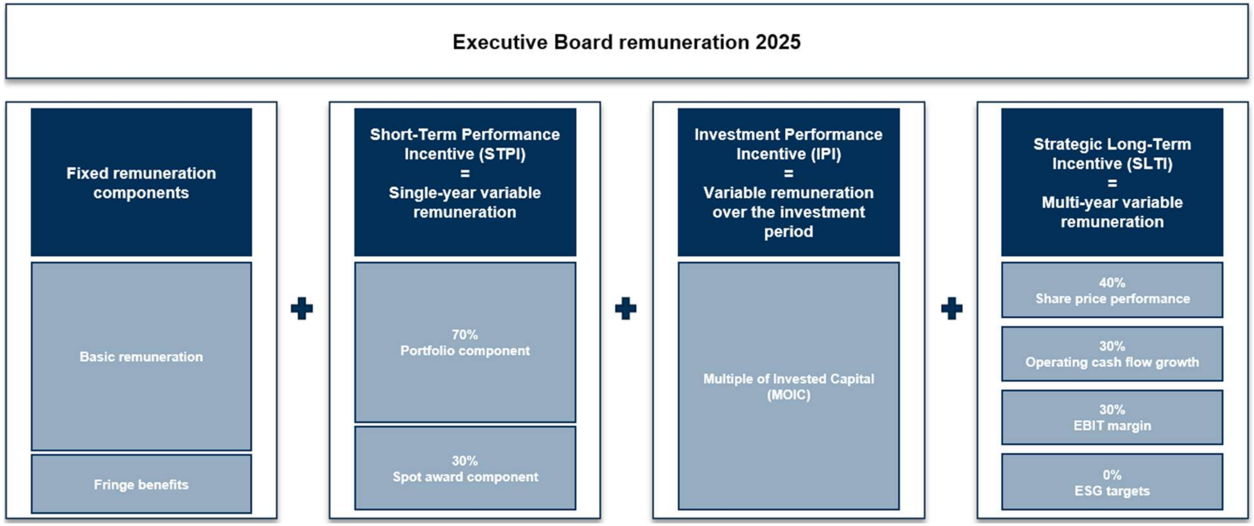
By agreeing on clear individual targets, the spot award component in the STPI also allows defined targets to be used to respond to changes that occur after the typically unique annual budget process, thereby enabling agile pursuit of the Group's operational efficiency and financial performance.

The Supervisory Board defines a target value to be achieved for each individual objective. The decisive factor here is that at least 70% of the relevant individual objective must be achieved by the end of the fiscal year, or even 100%, depending on the objective. If the actual value achieved at the end of the fiscal year is less than 70% of the target value, the target achievement is 0%. If 70% of the target value is achieved, the target achievement is 70%. Exact achievement of the target value corresponds to 100% target achievement. If the value achieved is above the target value, this does not result in any further increase in target achievement. If a value between 70% and 100% of the target value is achieved, the target achievement is calculated through linear interpolation. For targets whose achievement has already been defined as 100% right from the start, target achievement is either 0% or 100%.

Target achievement is calculated for each target individually when there are multiple targets. It is therefore not necessary to achieve 70% of all targets. Each target is therefore incentivized proportionately. With three targets, for example, the total value of the spot award component is distributed evenly across the three targets, which are then assessed individually.

Components of awarded and due Executive Board remuneration

			Fixed components			Variable components						
€ thousand	Start	Most recent position	Basic remuneration	Fringe benefits	Total	STPI	IPI	SLTI	Total	Total remuneration	Percentage that is fixed	Percentage that is variable
Current members												
Marco Brockhaus	Aug. 2017	Chairman	818	27	844	245	-	-	245	1,089	77%	23%
Dr. Marcel Wilhelm	Aug. 2017	Member	392	2	394	118	-	-	118	512	77%	23%
Total			1,210	28	1,238	363	-	--	363	1,601	77%	23%



The Supervisory Board defined the following individual targets for the 2025 fiscal year:

> Target 1 – Internationalization strategy for the HR Benefit & Mobility Platform segment: the establishment and operational launch of a foreign subsidiary should be successfully implemented. The target is considered to have been achieved if the foreign subsidiary can demonstrate at least ten active corporate customers or at least 100 brokered bicycles. Target achievement of 70% or more is recognized provided that significant steps have been taken to establish the foreign company and a significant customer or fleet base has been established.

> Target 2 – Introduction of partner participation in the HR Benefit & Mobility Platform segment: the introduction of a partner participation program for bicycle dealers should be implemented. The bicycle dealer pays a fee per bicycle sold for the provision of the Bikeleasing infrastructure, e.g., the provision of the dealer online portal. Target achievement is measured by a dealer acceptance rate of at least 75%.

> Target 3 – Increase in the share of revenue generated by customers in the defense sector of the Security Technologies segment: a 5 percentage point year-on-year increase in the share of revenue generated by customers in the defense sector was defined. This target is intended to support the Company's strategic focus on high-growth, high-margin customer industries and to contribute to strengthening its market position in the defense sector. The target is considered to have been 100% achieved if the share of revenue in the defense sector has increased by 5 percentage points compared with the previous year. Partial achievement of the target applies from an increase of 3.5 percentage points (corresponding to 70% target achievement); the target is not achieved below this value.

> Target 4 – Successful implementation of an acquisition: this target refers to the successful implementation of an acquisition, either through the direct acquisition of a new investment at company level or through an acquisition by a Group subsidiary that results in a change in the basis of consolidation. This target aims to support the Group's inorganic growth and drive the strategic development of its investment portfolio. The target is considered to have been fully achieved if a corresponding transaction has been successfully completed by December 31, 2025, and an entity required to be consolidated has been included in the consolidated financial statements.

The following targets were achieved in the 2025 fiscal year:

> Target 1: Establishing the foreign subsidiary and launching it operationally was not possible during the reporting period. Neither the defined minimum criteria regarding active corporate customers nor those regarding bicycles brokered were met. This means that the target was not achieved. Partial achievement of the target in line with the planned 70% threshold was also not achieved.

> Target 2: Partner participation was introduced in the HR Benefit & Mobility Platform segment as of August 1, 2025. 88% of dealers had switched to partner participation by December 31, 2025. Target achievement was therefore 100%.

> Target 3: The share of revenue in the defense sector of the Security Technologies segment amounts to 43.0% of segment revenue in 2025. This revenue share was 20.5% in the 2024 fiscal year. This means that the share of revenue in the defense sector increased by 109.8% and the target was 100% achieved.

> Target 4: No acquisitions were made during the reporting period that would have led to a change in the basis of consolidation. Potential transaction opportunities were examined, but none of them were implemented by December 31, 2025. The target was therefore not achieved, and target achievement is 0%.

The STPI is a target bonus comprising the portfolio component and the spot award component. Target achievement for the portfolio component is 0% or €0 thousand. Target achievement for the spot award component is 0% for two targets and 100% for two targets.

Variable remuneration over the investment period

The Investment Performance Incentive (IPI) is structured as a target bonus that covers the entire investment period of equity interests, assets, and intangible assets as the assessment period. The Group is a technology group with a long-term focus. However, this does not rule out that, for example, equity interests or other assets may be sold for strategic reasons.

Nevertheless, the members of the Executive Board should be given an incentive – which is not adequately provided for by the other remuneration components – to sell relevant equity interests, assets, and/or intangible assets of the Company whose net selling price exceeds 10% of the Group’s EBITDA for the last fiscal year and therefore have a significant impact on the Company's net assets, financial position, and results of operations, provided that this appears strategically sensible or necessary.

The return is attractive if the Multiple of Invested Capital (MOIC), i.e., the net cash flow during the investment period plus net sale proceeds, is at least 1.6, which corresponds to a 70% target achievement, with 100% target achievement corresponding to an MOIC of 1.9. If the MOIC achieved is between the above thresholds of 1.6 (70% target achievement) and 1.9 (100% target achievement), target achievement is calculated by linear interpolation. If the MOIC is above 1.9 and the selling price accounts for more than 25% of the Group’s EBITDA for the last fiscal year, the target achievement increases by 10% for each additional factor of 0.1 increments up to a maximum MOIC of 2.4. A MOIC of 2.4 then corresponds to a maximum target achievement of 150%.

The amount of the IPI for each member of the Executive Board is calculated as follows: net sale price earned multiplied by the degree to which targets were achieved, multiplied by 1.2%, and multiplied by the ratio of the basic remuneration of the relevant Executive Board member to the basic remuneration of all Executive Board members eligible for bonuses.

Target achievement is determined and the IPI is calculated in the annual or half-yearly report following the completion of the disposal and is limited to a maximum of 250% of the basic remuneration.

100% of the IPI is paid out in cash immediately after it has been calculated. If the calculated IPI exceeds 100% of the annual basic remuneration, the excess amount is carried forward to the next fiscal year, meaning that this portion of the IPI has already been granted in full by a Supervisory Board resolution but will not become payable until the next fiscal year. Any gross amount of the IPI exceeding 100% of the basic remuneration will be allocated in the form of shares either in whole or in part, at the Supervisory Board’s discretion, and any gross amount of the IPI exceeding 200% of the basic remuneration will be allocated in the form of shares. The Supervisory Board must make its decision by the end of the fiscal year in which the IPI is determined, otherwise the condition lapses. When allocating shares, the Supervisory Board may require the relevant members of the Management Board to hold the shares for at least four years from the date of allotment, but not beyond the date of termination of their membership of the Executive Board (lock-up).

On December 23, 2025, BKHT disposed of all of its indirectly held interests in BLS Beteiligungs GmbH (“Bikeleasing”) (signing). Closing of the transaction is still subject to several closing conditions in 2026 on the part of the sellers and the buyer. Target achievement will only be determined and the IPI will only be calculated after closing in the context of the following annual or half-yearly financial report. The actual purchase price for the interests in the Bikeleasing Group will be calculated as of the closing date in line with a closing accounts concept. The decisive parameters are the Bikeleasing Group’s available cash, financial liabilities, and net working capital at closing. The purchase price will then form the basis for determining the MOIC, which is expected to be calculated precisely in mid-2026.

Multi-year variable remuneration

The previous multi-year variable remuneration (long-term incentive (LTI) until 2024) was calculated based solely on share price performance. However, the Supervisory Board had the option of gearing a share of up to 20% of the multi-year variable remuneration to ESG or sustainability aspects.

The new multi-year remuneration (Strategic Long-Term Incentive (SLTI)) is structured as a performance cash plan with a three-year measurement period. The financial performance criteria used for the SLTI are the Company’s share price performance, weighted at 30% to 50%, changes in adjusted cash flow from operating activities before tax in accordance with the Group’s external reporting, weighted at 20% to 30%, and EBIT margin growth (Group), weighted at 20% to 30%. In addition to financial performance criteria, the SLTI also allows for non-financial ESG targets to be included, with a weighting of up to 20%. The precise weighting of the performance criteria is determined by the Supervisory Board before the start of the measurement period.

Before the start of the three-year measurement period, the Supervisory Board defines a target value and a lower and upper threshold value for each performance criterion, with a target achievement corridor of 0% to 200% applicable. If the actual change in the performance criterion at the end of the measurement period corresponds to the lower threshold, the target achievement is 0%. Exact achievement of the target value corresponds to 100% target achievement. If the performance criterion achieved is above the upper threshold, the target achievement is 200%. Any further increase in the performance criterion above the upper threshold value does not result in any further increase in target achievement. If the performance criterion lies between the lower threshold value and the target value, or between the target value and the upper threshold value, target achievement is calculated using linear interpolation. In the event of changes in the basis of consolidation, the target values for operating cash flow and the EBIT margin are adjusted in line with the contribution of the added or removed components to operating cash flow or the EBIT margin and with the same pro forma adjustments as in 2024.

The combination of external and internal as well as financial and non-financial performance criteria ensures a balanced incentive structure that incentivizes the implementation of strategic goals and the sustainability strategy and supports a consistent alignment between the interests of the Executive Board and investors.

Share price performance | Linking the SLTI to share price performance aligns the interests of Executive Board members and shareholders. Share price performance (after eliminating any dividends paid during the fiscal year) is measured on the basis of the performance from an initial average price (average closing prices in XETRA trading on the Frankfurt Stock Exchange (or the successor system) on 20 trading days prior to the start of the period) to a closing average price (average closing prices in XETRA trading on the Frankfurt Stock Exchange (or the successor system) on 20 trading days prior to the end of the period).

For the three-year measurement period beginning in 2025, the Supervisory Board has set a target share price of €29.04. The lower threshold is €26.14 and the upper threshold is €31.94. Share price performance accounts for 40% of the SLTI. This means that the target achievement for share price performance is 0% if the share price is at or below the lower threshold of €26.14. Target achievement is 100% if the share price is exactly equal to the target value of €29.04. Target achievement is 200% if the share price is above the upper threshold of €31.94.

The share price performance for the 2025 fiscal year is €11.58, so target achievement is 0%.

Operating cash flow growth | The operating cash flow growth performance criterion is measured by adjusted cash flow from operating activities in the Group, which comprises continuing and discontinued operations. It represents the net inflow of cash generated by operating activities. Operating cash flow is independent of accounting policy choices or noncash items and therefore does not consider cash flows from investing and financing activities. Considering operating cash flow growth creates valuable incentives to increase liquidity in line with the Company's strategic orientation.

The Supervisory Board defined a target value of €135,770 thousand for operating cash flow for the three-year measurement period beginning in 2025. The lower threshold is €122,193 thousand and the upper threshold is €149,347 thousand. Operating cash flow growth accounts for 30% of the SLTI. This means that target achievement is 0% if operating cash flow is equal to or below the lower threshold of €122,193 thousand. Target achievement is 100% if operating cash flow corresponds exactly to the target value of €135,770 thousand. Target achievement is 200% if operating cash flow exceeds the upper threshold of €149,347 thousand.

Adjusted operating cash flow for the 2025 fiscal year amounted to €40,125 thousand, so target achievement rate is 0%.

EBIT margin | The EBIT margin is defined as the ratio of the Group's adjusted EBIT margin before interest and tax revenue as defined in Brockhaus Technologies' external reporting. The figures refer to continuing and discontinued operations. Anchoring the adjusted EBIT margin in the SLTI incentivizes both maintaining high profitability and increasing profitability, and is consistent with the corporate strategy as an incentive to drive profitable growth.

The Supervisory Board has defined a target value of 30% for the EBIT margin for the three-year measurement period beginning in 2025. The lower threshold is 27% and the upper threshold is 33%. EBIT margin growth accounts for 30% of the SLTI. This means that target achievement is 0% if the EBIT margin is equal to or below the lower threshold of 27%. Target achievement is 100% if the EBIT margin is exactly equal to the target value of 30%. Target achievement is 200% if the EBIT margin is above the upper threshold of 33%.

The EBIT margin for the 2025 fiscal year amounted to 16.7%, so target achievement rate is 0%.

ESG targets | In addition to financial performance criteria, ESG targets with a weighting of up to 20%, which are derived from the sustainability strategy and thus incentivize support for the Company's long-term and sustainable development, can also be included in the SLTI.

The Supervisory Board selects a maximum of three ESG targets and determines their weighting before the start of the three-year measurement period. The Supervisory Board uses the following non-exhaustive list of criteria when selecting ESG targets:

Environmental	Social	Governance
Reduction in emissions	Employee satisfaction and development	Succession planning
Energy and raw materials efficiency	Social responsibility	Compliance
Climate and environmental protection	Customer satisfaction	Innovative performance and sustainable technology

The Federal Republic of Germany did not transpose the EU Directive on Corporate Sustainability Reporting (CSRD) into national law in 2025. The draft law transposing the CSRD, which requires companies to report on their ESG targets, was published on September 3, 2025, but the law has not yet definitively entered into force. Germany is therefore in a legal limbo; due to the current uncertainties, the Supervisory Board is currently refraining from defining specific ESG targets in the Executive Board's remuneration system. The Supervisory Board is closely monitoring regulatory developments and will examine the introduction of appropriate ESG-related targets as soon as a reliable national legal framework has been established.

Overall achievement of SLTI targets is determined at the end of the three-year measurement period by calculating the sum of the weighted target achievements for the individual performance criteria. Both target achievement for the individual performance criteria and overall target achievement can range between 0% and 200%.

The SLTI is paid out in the fiscal year following the measurement period and is limited to 200% of the basic remuneration, which amounts to €818 thousand for Marco Brockhaus and €392 thousand for Dr. Marcel Wilhelm.

The Supervisory Board may grant the SLTI in full or in part in cash, in shares, or in stock options of the Company. In this case, the shares granted are subject to a twelve-month lock-up period, i.e., the relevant members of the Executive Board are obliged to hold the allocated shares for at least twelve months from the date they are received, but not beyond the date of termination of their membership of the Executive Board. The Group does have two stock option programs (ESOP 2019 and ESOP 2024). The ESOP 2024 does not apply to members of the Executive Board, but only to employees, in accordance with the relevant resolutions of the Annual General Meeting.

Maximum remuneration

The Company has set maximum remuneration for every Executive Board member relating to all remuneration components. The remuneration awarded for a fiscal year is limited to a maximum amount of €5 million gross for the Chair of the Executive Board Marco Brockhaus and to a maximum amount of €3 million gross for Dr. Marcel Wilhelm. The maximum remuneration limits the total remuneration granted for a fiscal year, regardless of the actual payment date. In the case of payment in shares, the year in which the shares are allocated is the decisive factor. Where stock options (ESOP 2019) are granted, the fiscal year in which the stock options are exercised is the decisive factor. The maximum remuneration represents the maximum quantitative limits if all the corresponding ranges (caps) are used in full.

Total remuneration and components

The total remuneration awarded and due to members of the Executive Board in the 2025 fiscal year amounted to €1,601 thousand (previous year: €1,235 thousand). Of this amount, 77% (previous year: 100%) consists of fixed remuneration components and 23% (previous year: 0%) of variable remuneration components. The limit of the variable remuneration in 2025 was €4,439 thousand for Marco Brockhaus and €2,016 thousand for Dr. Marcel Wilhelm. The attached tables on remuneration granted and receipts show the changes over the last two fiscal years. These are not mandatory disclosures defined under the German Corporate Governance Code, but voluntary disclosures by BKHT.

No remuneration was promised or granted to the members of the Executive Board by third parties in connection with their activities as members of the Executive Board in fiscal year 2025.

Premature termination

Payments to Executive Board members in the event of premature termination of their Executive Board contract of service are contractually limited to two years' remuneration (severance payment cap) and may not exceed the remuneration for the remaining term of the Executive Board contract that would have been owed if it had not been terminated prematurely.

If the Company revokes the appointment for good cause and gives due notice of termination of the contract of service, the Executive Board member is entitled to a severance payment. The severance payment, which in the case of Marco Brockhaus and Dr. Marcel Wilhelm is limited to a total of two years' remuneration or compensation for the remaining term, whichever is lower, is made up of the total remuneration within the meaning of Section 285(9a) of the HGB (severance payment cap). The severance payment claim is due upon termination of the employment contract. The entitlement does not exist if the Company gives effective extraordinary notice of termination to the Executive Board member for good cause within the meaning of section 626 of the German Civil Code (BGB).

If the Company revokes the appointment of the Executive Board member for good cause but does not terminate the employment contract within one month from the date of revocation, or if the Executive Board appointment ends due to a conversion of the Company's legal form, the Executive Board member is entitled in turn to terminate the contract of service by giving notice pursuant to BGB section 622(2). In the event of such termination by the Executive Board member, the member is entitled to the severance payment described above.

If the appointment of the Executive Board member is revoked for good cause or the Executive Board member is terminated for good cause under BGB section 626 and court or arbitration proceedings deliver a conclusive and unappealable finding that there was no reason for revocation or that there was no good cause pursuant to BGB section 626, the Executive Board member will receive a lump sum of compensation amounting to two years' remuneration, i.e. total remuneration within the meaning of section 285(9a) of the HGB (including fringe benefits), without prejudice to the member's entitlements described above.

If a member of the Executive Board dies during his or her term of appointment, his or her widow, or alternatively after the widow's death, his or her dependent children, receive the monthly installments of the annual fixed salary in accordance with the Executive Board remuneration system and the related resolutions adopted by the Supervisory Board for twelve months, but for no longer than until the contractually agreed end of the contract of service.

The members of the Executive Board have a once-only special right of termination in the event of a change of control. A change of control is deemed to exist:

> if a third party or several third parties acting in concert who, at the time the contract of the Executive Board member was entered into, holds none or less than 20% of the voting rights in the Company, acquire voting rights in the Company such that they account for more than 30% in the aggregate (existing and acquired) of the voting rights in the Company, irrespective of whether this produces an obligation to make a takeover bid (the relevant provisions of the German Securities Acquisition and Takeover Act (WpUG), in particular sections 29 and 30, apply to the calculation of the share of the voting power) or
> in the event of a merger (section 2 of the German Company Conversion Act (UmwG)) involving the transfer of the assets of the Company under UmwG section 174(1) or (2) sentence 1 or a legal transfer of the material assets to third parties who do not belong to the Company's group of companies or
> in the event that a control agreement and/ or a profit and loss transfer agreement is or are entered into by the Company in a role as a dependent controlled company.

If this special right of termination is exercised, the Executive Board member is entitled to a severance payment limited to the total amount of the severance payment cap.

Penalty and clawback

Based on a corresponding provision in the Executive Board contracts of service, in the event of serious breaches of duty the Company is entitled to demand that the Executive Board member concerned fully or partially repay the single-year variable remuneration and/ or the multi-year variable remuneration for the year in which the serious breach of duty occurred. Such recovery is also possible after the Executive Board member has left the Company.

The Supervisory Board did not exercise the option to demand repayment of variable remuneration during the reporting period, as there were no breaches of duty.

Supervisory Board remuneration

The Supervisory Board remuneration is based on the AktG, the Company's Articles of Association as amended from time to time and relevant resolutions passed at the Annual General Meeting. Furthermore, the structure of the Supervisory Board remuneration is reviewed periodically to check its compliance with German, EU and international corporate governance recommendations and regulations. The German Corporate Governance Code's recommendations and suggestions have special relevance in this context.

The remuneration system for the members of the Supervisory Board resolved by the 2021 Annual General Meeting was confirmed by the Annual General Meeting on November 27, 2025.

The remuneration structure for the Supervisory Board members includes fixed annual remuneration, committee remuneration and reimbursement of expenses.

Members of the Supervisory Board who belong to the Supervisory Board or a committee or chair the Supervisory Board or the Audit Committee for only part of a fiscal year receive a lower remuneration in proportion to the time.

Fixed annual remuneration

Regular Supervisory Board members receive fixed annual remuneration of €30 thousand. The chair of the Supervisory Board is given remuneration of triple that amount, i.e., €90 thousand, while the deputy chair is given double the amount, i.e., €60 thousand.

Committee remuneration

Members of Supervisory Board committees receive additional fixed remuneration for their role on these committees. Regular committee members receive fixed annual remuneration of €2 thousand. The chair of the Audit Committee receives additional fixed annual remuneration of €20 thousand for his or her role on the committee. The chair of the Supervisory Board and deputy chair of the Supervisory Board do not receive additional fixed remuneration for their roles on committees. Remuneration is not paid for membership of committees that did not hold meetings during the fiscal year. All committee remuneration is payable after the conclusion of the Annual General Meeting at which a resolution is passed to approve the actions for the preceding fiscal year.

Components of awarded and due Supervisory Board remuneration

			Fixed components			
€ thousand	Start/ exit	Most recent position	Fixed annual remuneration	Committee remuneration	Reimbursement of expenses	Total remuneration
Current members						
Dr. Othmar Belker*+	Aug. 2017	Chairman	90	-	-	90
Michael Schuster+	Aug. 2017	Deputy Chairman	60	-	-	60
Martin Bestmann*	Feb. 2020	Member	30	2	-	32
Prof. Dr. Christoph Hütten**	April 2021	Member	30	20	2	52
Dr. Natalie Krebs+	June 2022	Member	30	2	-	32
Matthias Memminger	June 2023	Member	30	-	-	30
Total			**270**	**24**	**2**	**296**

*Member of the Audit Committee

**Chairman of the Audit Committee

+Member of the Executive and Nomination Committee

Reimbursement of expenses

In addition, the members of the Supervisory Board are reimbursed for their out-of-pocket expenses and any value added tax payable on their remuneration.

The total remuneration awarded and owed to the Supervisory Board members and reimbursement of expenses during the 2025 fiscal year amounted to €296 thousand (previous year: €298 thousand) overall.

Comparison of total remuneration

The following table shows the annual changes in percentage in the total remuneration for the Executive and Supervisory Boards and in the Company's income, as well as the development of the average remuneration for full-time-equivalent employees who worked at the Group companies in the respective fiscal year, over the last five fiscal years. Profit or loss for the period refers to the net profit/ loss for the fiscal year of Brockhaus Technologies AG (German GAAP). EBITDA means the earnings before interest, taxes, depreciation and amortization of the Group (IFRS). EBIT shows the earnings before interest and taxes (IFRS).

Five-year comparison

Year-over-year percentage change	2021	2022	2023	2024	2025
Governing-body member remuneration					
Current Executive Board members					
Marco Brockhaus (Chairman)	-6%	-17%	+2%	-41%	+30%
Dr. Marcel Wilhelm	+30%	-26%	+8%	-31%	+30%
Current Supervisory Board members					
Dr. Othmar Belker (Chairman)	+50%	0%	0%	0%	0%
Michael Schuster (Deputy Chairman)	+58%	0%	0%	0%	0%
Martin Bestmann	+28%	0%	+6%	0%	-6%
Prof. Dr. Christoph Hütten	n/a	+56%	+2%	+1%	0%
Dr. Natalie Krebs	n/a	n/a	+106%	-2%	0%
Matthias Memminger	n/a	n/a	n/a	+88%	0%
Company income					
Profit or loss for the period (German GAAP)*	+26%	+334%	+35%	-288%	+84%
EBITDA (IFRS)**	-95%	+11,052%	+24%	-4%	-124%
EBIT (IFRS)**	-788%	+416%	+28%	-143%	+45%
Average remuneration of full-time-equivalent employees**	-26%	+3%	+5%	-4%	+30%

* Profit or loss for the 2022 fiscal year contains the income from the sale of Palas and for the 2023 fiscal year the earnings of the intragroup contribution
** The development in 2025 represents the change in continuing operations and is not comparable to previous years

Awarded and owed Executive Board remuneration

	Marco Brockhaus				Dr. Marcel Wilhelm			
	Chairman of the Executive Board				Member of the Executive Board			
	Entry date Aug. 2017				Entry date Aug. 2017			
€ thousand	2024	2025	Min.	Max.	2024	2025	Min.	Max.
Basic remuneration	818	818	818	818	392	392	392	392
Fringe benefits	23	27	-	82	2	2	-	39
Total	**841**	**844**	**818**	**899**	**394**	**394**	**392**	**432**
Short-Term Performance Incentive (STPI)	-	245	-	1,635	-	118	-	785
Portfolio component	-	-	-	1,145	-	-	-	549
Spot award component	-	245	-	491	-	118	-	235
Investment Performance Incentive (IPI)	-	-	-	2,044	-	-	-	981
Strategic Long-Term Incentive (SLTI)	-	-	-	760	-	-	-	250
Share price performance	-	-	-	304	-	-	-	100
Operating cash flow growth	-	-	-	228	-	-	-	75
EBIT margin	-	-	-	228	-	-	-	75
ESG targets	-	-	-	-	-	-	-	-
Total	**-**	**245**	**-**	**4,439**	**-**	**118**	**-**	**2,016**
Total remuneration	**841**	**1,089**	**818**	**5,000**	**394**	**512**	**392**	**3,000**

Appendix 2 General Engagement Terms

[Translator's notes are in square brackets]

General Engagement Terms

for

Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]

as of January 1, 2024

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (Wirtschaftsprüferinnen/Wirtschaftsprüfer) or German Public Audit Firms (Wirtschaftsprüfungsgesellschaften) – hereinafter collectively referred to as "German Public Auditors" – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing (Textform) or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties. A German Public Auditor is also entitled to invoke objections (Einwendungen) and defences (Einreden) arising from the contractual relationship with the engaging party to third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (Grundsätze ordnungsmäßiger Berufsausübung). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (betriebswirtschaftliche Prüfungen), the consideration of foreign law requires an express agreement in writing (Textform).

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information submitted as well as the explanations and statements provided in statement as drafted by the German Public Auditor or in a legally accepted written form (gesetzliche Schriftform) or any other form determined by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in a legally accepted written form (gesetzliche Schriftform) or in writing (Textform) as part of the work in executing the engagement, only that presentation is authoritative. Draft of such presentations are non-binding. Except as otherwise provided for by law or contractually agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing (Textform). Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of, a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's consent be issued in writing (Textform), unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for subsequent performance (Nacherfüllung) in writing (Textform) without delay. Claims for subsequent performance pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: Handelsgesetzbuch], § 43 WPO [German Law regulating the Profession of Wirtschaftsprüfer: Wirtschaftsprüferordnung], § 203 StGB [German Criminal Code: Strafgesetzbuch]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, claims for damages due to negligence arising out of the contractual relationship between the

engaging party and the German Public Auditor, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: Produkthaftungsgesetz], are limited to € 4 million pursuant to § 54 a Abs. 1 Number 2 WPO. This applies equally to claims against the German Public Auditor made by third parties arising from, or in connection with, the contractual relationship.

(3) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(4) The maximum amount under paragraph 2 relates to an individual case of damages. An individual case of damages also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million.

(5) A claim for damages expires if a suit is not filed within six months subsequent to the written statement (Textform) of refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

(6) § 323 HGB remains unaffected by the rules in paragraphs 2 to 5.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report (Bestätigungsvermerk), he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's consent, issued in a legally accepted written form (gesetzliche Schriftform), and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any material errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing (Textform), ongoing tax advice encompasses the following work during the contract period:

a) preparation and electronic transmission of annual tax returns, including financial statements for tax purposes in electronic format, for income tax, corporate tax and business tax, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party
b) examination of tax assessments in relation to the taxes referred to in (a)
c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)
e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing (Textform).

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (Steuerberatungsvergütungsverordnung) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (Textform).

(6) Work relating to special individual issues for income tax, corporate tax, business tax and valuation assessments for property units as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

a) work on non-recurring tax matters, e.g. in the field of estate tax and real estate sales tax;
b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;
c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and
d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (Textform) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (Verbraucherschlichtungsstelle) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (Verbraucherstreitbeilegungsgesetz).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.