



Note: This is an automated translation of documents pertaining to the Annual General Meeting of PVA TePla AG on June 16, 2026. This translation is offered as a service in addition to the German-language document. Only the German language version is binding.

Explanatory Report of the Management Board on the Disclosures Pursuant to Sections 289a and 315a of the German Commercial Code (HGB) for the Fiscal Year 2025

Composition of Subscribed capital

The subscribed capital of PVA TePla AG, amounting to EUR 21,749,988 as of December 31, 2023, consists of 21,749,988 no-par value bearer shares, each representing a notional share of the share capital of EUR 1.00.

Restrictions Affecting Voting Rights or the Transfer of Shares

The Management Board is not aware of any restrictions affecting voting rights or the transfer of shares, in particular no restrictions that may arise from agreements between shareholders.

Direct or indirect equity interests exceeding 10% of the voting rights

According to information available to the company, Kempen Oranje Participaties NV, Amsterdam, Netherlands, holds 10.29% of the voting rights.

Holders of shares with special rights

There were and are no shares in PVA TePla AG with special rights that confer control.

Nature of voting control in the case of employee participation

No employees hold an interest in the share capital of PVA TePla AG that does not allow them to exercise their control rights directly.

Statutory provisions and provisions of the Articles of Association regarding the appointment and removal of members of the Management Board and regarding amendments to the Articles of Association

a) Appointment of Management Board members: The appointment of the members of the Management Board of PVA TePla AG is made in accordance with Section 84 of the German Stock Corporation Act (AktG) and Article 2 of Section 6 of the Articles of Association of PVA TePla AG. The following is stipulated therein: "Article 2: The appointment of members of the Management Board, the revocation of their appointment, and the conclusion, amendment, and termination of service contracts with members of the Management Board are carried out by the Supervisory Board. The same applies to the appointment of a member of the Management Board as Chairman or Spokesperson of the Management Board."

b) Removal of Management Board members: The Supervisory Board may revoke the appointment of a Management Board member and the appointment as Chairman of the Management Board pursuant to Section 84(3), Sentence 1 of the German Stock Corporation Act (AktG) if there is good cause. Pursuant to Section 84 (3), sentence 2 of the German Stock Corporation Act (AktG), such grounds include, in particular, gross breach of duty, inability to manage the company properly, or withdrawal of confidence by the Annual General Meeting, unless such withdrawal of confidence was based on manifestly unreasonable grounds. Pursuant to Section 84 (3), sentence 4 of the German Stock Corporation Act (AktG), the revocation of the appointment of the Management Board by the Supervisory Board is effective until its invalidity is legally established.

c) Amendment of the Company's Articles of Association: Pursuant to Section 179(1), Sentence 1 of the German Stock Corporation Act (AktG), any amendment to the Articles of Association requires a resolution by the General Meeting. However, pursuant to Section 179(1), Sentence 2 of the German Stock Corporation Act (AktG), the Supervisory Board is authorized to resolve on amendments to the Articles of Association that concern only their wording. Pursuant to Section 179(2), sentence 1 of the German Stock Corporation Act (AktG), a resolution of the Annual General Meeting regarding an amendment to the Articles of Association generally requires a majority comprising at least three-quarters of the share capital represented at the time of the resolution. Pursuant to Section 179(2), sentence 2 of the German Stock Corporation Act (AktG), the Articles of Association may specify a different capital majority, but only a larger capital majority for an amendment to the company's object, and may establish further requirements. Based on this statutory authorization, Section 14(3), sentence 3 of the Articles of Association provides that resolutions intended to amend the company's Articles of Association shall be adopted by a simple majority of the votes cast, to the extent permitted by law.

Powers of the Management Board to Issue or Repurchase Shares

The Management Board is authorized, with the approval of the Supervisory Board, to increase the share capital of PVA TePla AG until June 22, 2027, through one or more issuances of up to a total of 5,437,497 new no-par bearer shares in exchange for cash and/or non-cash contributions, by a total of up to EUR 5,437,497 (Authorized Capital 2022/I). The share capital of PVA TePla AG is further conditionally increased by up to EUR 5,437,497.00 through the issuance of up to 5,437,497 new no-par bearer shares (Conditional Capital 2022/I). Conditional Capital 2022/I is intended exclusively for the issuance of new shares to holders of conversion or option rights issued by PVA TePla AG or by companies in which PVA TePla AG holds a direct or indirect 100% stake, in accordance with the authorization resolution of the Annual General Meeting of June 23, 2022.

Material Agreements Subject to a Change of Control Resulting from a Takeover Bid

The current framework agreements with the banks assume a substantially unchanged shareholder structure and provide for renegotiation or, in one case, a right of termination on the part of the bank in the event of a change of control. Similarly, the provisions for a publicly funded research and development project provide for a special right of termination by the funding agency in the event of a change of control. Furthermore, a change of control also results in a right of termination for certain individual customer orders. Beyond this, the Company has no agreements that are subject to a change of control resulting from a takeover bid.

Compensation Agreements in the Event of a Takeover Bid

In the event of a change of control, members of the Executive Board receive benefits that are not to exceed 150% of the severance cap (the value of two years' compensation, including fringe benefits)