

ENERGY WITH PERSPECTIVE

Information pursuant to Section 125 (2) German Stock Corporation Act (AktG) in conjunction with Section 125 (5) AktG, Article 4 (1) and Table 3 of the Annex to Implementing Regulation (EU) 2018/1212

Type of Information	Description
A. Specification of the message	
1. Unique identifier of the event	Convocation of the Annual General Meeting on May 18, 2022 Format pursuant to Implementing Regulation (EU) 2018/1212: GMETPNE30522
2. Type of message	Convocation of the Annual General Meeting Format pursuant to Implementing Regulation (EU) 2018/1212: NEWM
B. Specification of the issuer	
1. ISIN	DE000A0JBPG2
2. Name of issuer	PNE AG
C. Specification of the meeting	
1. Date of the General Meeting	May 18, 2022 Format pursuant to Implementing Regulation (EU) 2018/1212: 20220518
2. Time of the General Meeting	10:00 hours (CEST) Format pursuant to Implementing Regulation (EU) 2018/1212: 8:00 UTC

Type of Information

Description

3. Type of General Meeting

Annual General Meeting as a virtual event without the physical presence of shareholders or their proxies

Format pursuant to Implementing Regulation (EU) 2018/1212: **GMET**

4. Location of the General Meeting

Location of the General Meeting as defined by the German Stock Corporation Act:

Peter-Henlein-Str. 2-4, 27472 Cuxhaven.

URL to the GM online-service as virtual venue:

<https://ir.pne-ag.com/hv>

5. Record Date

The shareholding entered in the stock register on the day of the General Meeting is the decisive criterion for exercising participation and voting rights. For organisational reasons, applications for changes to the stock register that are received by the company after May 11, 2022, midnight (CEST)/22:00 UTC will not be registered in the share register up to and including the day of the General Meeting (registration stop). The technical record date is therefore May 11, 2022, midnight (CEST)/22:00 UTC.

Format pursuant to Implementing Regulation (EU) 2018/1212: **20220511**

6. Uniform Resource Locator (URL)

<https://ir.pne-ag.com/hv>

PNE AG

Cuxhaven

– WKN A0JBPG – / – ISIN DE 000 A0J BPG 2 –

INVITATION TO THE ANNUAL GENERAL MEETING

Dear shareholders,

We hereby invite you to

the virtual Annual General Meeting to be held without the shareholders or their proxies being physically present

which will take place on Wednesday, May 18, 2022 at 10:00 hours (CEST).

For shareholders of PNE AG, the virtual General Meeting will be broadcast live on the Internet. The shareholders will exercise their voting rights exclusively by postal vote or by issuing powers of attorney to the Company-appointed proxies (*Stimmrechtsvertreter*). The venue of the General Meeting within the meaning of the German Stock Corporation Act (*Aktiengesetz*) is Peter-Henlein-Str. 2-4, 27472 Cuxhaven, Germany.

AGENDA

1. Presentation of the Adopted Annual Financial Statements of PNE AG as of December 31, 2021, the Approved Consolidated Financial Statements as of December 31, 2021, the Consolidated Management Report for PNE AG and the Group as well as the Supervisory Board's Report for the 2021 Fiscal Year

The Supervisory Board has approved the annual financial statements and the consolidated financial statements, each as prepared by the Board of Management; therefore, the annual financial statements are deemed adopted pursuant to Section 172 sentence 1 of the German Stock Corporation Act. A resolution by the General Meeting is therefore not required. The above-referenced documents will be explained in more detail in the General Meeting.

2. Resolution on the Appropriation of the Retained Profit for the 2021 Fiscal Year

The Board of Management and the Supervisory Board propose that the retained profit for the 2021 fiscal year disclosed in the adopted annual financial statements of PNE AG and amounting to EUR 231,127,360.22 be appropriated as follows:

Distribution of a dividend of EUR 0.04 for each no-par value share entitled to dividend;

with 76,336,531 no-par value shares entitled to dividend, this results in € 3.053.461,24

Distribution of a special dividend of EUR 0.04 for each no-par value share entitled to dividend;

with 76,336,531 no-par value shares entitled to dividend, this results in € 3.053.461,24

Balance to be carried forward € 225.020.437,74

Retained profit € **231.127.360,22**

In the amounts stated for the distribution of profit and the profit carried forward, the number of no-par value shares entitled to dividend for the past fiscal year (76,336,531) at the time the proposal for the appropriation of profits is made by the Board of Management and the Supervisory Board has been taken into account. In the event that the number of the no-par value shares entitled to dividend for the past fiscal year changes until the General Meeting, an adjusted resolution proposal that provides for an unchanged dividend of EUR 0.04 for each no-par value share entitled to dividend and a special dividend of EUR 0.04 for each no-par value share entitled to dividend and for profit carried forward that is adjusted accordingly will be put to the vote in the General Meeting.

In accordance with Section 58 (4) sentence 2 of the German Stock Corporation Act, the dividend entitlement falls due for payment and will be paid on the third business day following the date of the resolution of the General Meeting, i.e., on May 23, 2022.

3. Resolution on the Ratification of the Actions of the Members of the Board of Management for the 2021 Fiscal Year

The Board of Management and the Supervisory Board propose that the actions of each of the following members of the Board of Management, who were in office in the 2021 fiscal year, be ratified for that period:

- a) Markus Lesser
- b) Jörg Klowat

A separate vote is intended to be held on the ratification of the actions of the individual members of the Board of Management (ratification of the actions of each individual member).

4. Resolution on the Ratification of the Actions of the Members of the Supervisory Board for the 2021 Fiscal Year

The Board of Management and the Supervisory Board propose that the actions of each of the following members of the Supervisory Board, who were in office in the 2021 fiscal year, be ratified for that period:

- a) Per Hornung Pedersen
- b) Christoph Oppenauer

- c) Alberto Donzelli
- d) Marcel Egger
- e) Florian Schuhbauer
- f) Dr. Susanna Zapreva

A separate vote is intended to be held on the ratification of the actions of the individual members of the Supervisory Board (ratification of the actions of each individual member).

5. Appointment of the Auditor for the Annual Financial Statements and the Consolidated Financial Statements for the 2022 Fiscal Year

Based on the recommendation of the Audit Committee, the Supervisory Board proposes that the auditing company Deloitte GmbH Wirtschaftsprüfungsgesellschaft, based in Hamburg, be appointed as auditor and group auditor for the 2022 fiscal year.

The Audit Committee stated that its recommendation has not been improperly influenced by third parties and that no clause restricting the choice as regards the appointment of a particular statutory auditor or audit firm within the meaning of Article 16(6) of Regulation (EU) No 537/2014 of April 16, 2014 ("EU Audit Regulation") has been imposed upon it.

6. Appointment of the Auditor for the Audit Review of Interim Financial Statements and Reports for the 2022 Fiscal Year and the First Quarter of the 2023 Fiscal Year

Based on the recommendation of the Audit Committee, the Supervisory Board proposes that the auditing company Deloitte GmbH Wirtschaftsprüfungsgesellschaft, based in Hamburg, be appointed as auditor for any audit review of interim (condensed) financial statements and interim management reports for the 2022 fiscal year and the first quarter of the 2023 fiscal year.

The Audit Committee stated that its recommendation has not been improperly influenced by third parties and that no clause restricting the choice as regards the appointment of a particular statutory auditor or audit firm within the meaning of Article 16(6) of Regulation (EU) No 537/2014 of April 16, 2014 ("EU Audit Regulation") has been imposed upon it.

7. Election of Three Supervisory Board Members

The term of office of the acting members of the Supervisory Board Christoph Oppenauer, Marcel Egger and Florian Schuhbauer ends at the end of the General Meeting held on May 18, 2022. As a consequence, new members of the Supervisory Board are to be elected.

In accordance with Sections 96 (1), 101 (1) sentence 1 of the German Stock Corporation Act as well as § 8 (1) sentence 1 and (2) of the Articles of Association, as amended, the Supervisory Board of PNE AG consists of six members who are elected by the General Meeting. In accordance with § 8 (2) sentence 1 of the Articles of Association, the members of the Supervisory Board are elected for the period until the end of the Annual General Meeting which resolves on the ratification of the actions for the fourth fiscal year after the beginning of the term of office of the Supervisory Board member. The fiscal year in which the term of office commenced is not included in this calculation. The Articles of Association do not provide for the possibility to determine shorter terms of office.

Based on the recommendations of the Nomination Committee, the Supervisory Board proposes to elect the following persons as members of the Supervisory Board, in each case with effect from the end of the General Meeting on May 18, 2022 until the end of the Annual General Meeting which resolves on the ratification of the actions of the members of the Supervisory Board for the 2026 fiscal year:

- a) **Christoph Oppenauer**, Managing Director at Morgan Stanley Infrastructure Partners, resident in Frankfurt am Main, Germany.
- b) **Marcel Egger**, Member of the Group Management Board of the EUROGATE Group, certified banking specialist (Bankfachwirt), resident in Apensen, Germany.
- c) **Florian Schuhbauer**, Managing Director of Active Ownership Advisors GmbH, Active Ownership Capital S.à r.l. and Active Ownership Corporation S.à r.l., Investment Manager of the Active Ownership Fund SICAV-FIS SCS, resident at Frankfurt am Main, Germany.

Memberships of the candidates proposed for election in other legally required supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises (Section 125 (1) sentence 5 of the German Stock Corporation Act):

Christoph Oppenauer

Memberships in other legally required supervisory boards:

- Member of the Supervisory Board of VTG AG, Hamburg, Germany (not listed)
- Member of Supervisory Board of Tele Columbus AG, Berlin, Germany (not listed)

Memberships in comparable German and foreign controlling bodies of commercial enterprises:

- none

Marcel Egger

Memberships in other legally required supervisory boards:

- none

Memberships in comparable German and foreign controlling bodies of commercial enterprises:

- Board of Directors, NTB North Sea Terminal Bremerhaven GmbH & Co., Bremerhaven, Germany
- Board of Directors, MSC Gate Bremerhaven GmbH & Co. KG, Bremerhaven, Germany
- Board of Directors, EUROGATE Container Terminal Limassol Limited, Limassol, Cyprus
- Board of Directors, OOO Ust-Luga Container Terminal, Ust-Luga, Russia

Florian Schuhbauer

Memberships in other legally required supervisory boards:

- NFON AG, Munich, Germany (listed)
- Vita 34 AG, Leipzig, Germany, Chairman of the Supervisory Board (until December 15, 2021), Deputy Chairman of the Supervisory Board (since December 15, 2021) (listed)

Memberships in comparable German and foreign controlling bodies of commercial enterprises:

- Active Ownership Fund SICAV-FIS SCS, Luxembourg, Luxembourg (not listed)

Information pursuant to recommendation C.13 of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex*) regarding the personal and business relationships of the candidates with the enterprise, the governing bodies of the Company and any shareholders with a material interest in the Company:

- The Supervisory Board informs that Christoph Oppenauer has been proposed for election as a member of the Supervisory Board at the recommendation of Photon Management GmbH. Photon Management GmbH holds a stake of approximately 40% in PNE AG and is thus the

largest single shareholder of PNE AG. Christoph Oppenauer is an employee of Morgan Stanley Infrastructure Partners. Photon Management GmbH belongs to Morgan Stanley Infrastructure Partners' investment platform.

- The Supervisory Board informs that Florian Schuhbauer has been proposed for election as a member of the Supervisory Board at the recommendation of the Active Ownership Fund SICAV-FIS SCS. The Active Ownership Fund SICAV-FIS SCS holds a stake of approximately 12% in PNE AG and is thus the second-largest single shareholder of PNE AG. Florian Schuhbauer is a founding partner of Active Ownership Capital S.à r.l. which manages the Active Ownership Fund SICAV-FIS SCS.
- In all other regards, there are no personal or business relationships between the proposed candidates and PNE AG, its group companies or the executive bodies of PNE AG or a shareholder holding a material stake in the Company which, in the opinion of the Supervisory Board, an objectively judging shareholder would consider decisive for their election decision

The Supervisory Board has satisfied itself that the proposed candidates will be able to devote the time expected to be necessary for exercising their mandate.

Reference is made to the CVs and overviews of the main functions performed by the proposed candidates besides the Supervisory Board mandate set out in the section entitled "CVs and Overviews of the Main Functions Performed by the Proposed Candidates for the Supervisory Board besides the Supervisory Board Mandate (Agenda Item 7)" below.

Each Supervisory Board member is intended to be elected individually in a separate election.

8. Resolution on increasing the number of Supervisory Board members to seven by amending § 8 (1) sentence 1 of the Company's Articles of Association accordingly

In accordance with Sections 96 (1), 101 (1) sentence 1 of the German Stock Corporation Act as well as § 8 (1) sentence 1 and (2) of the Articles of Association, the Supervisory Board of PNE AG currently consists of six members who are elected by the General Meeting.

In order to take into account the growth strategy of PNE AG and to meet the increased demands upon the work performed by the Supervisory Board, and to source additional expertise for the Supervisory Board, the number of Supervisory Board members is to be increased in the future from currently six to seven members. The General Meeting is to elect the additional Supervisory Board member for the additional mandate so created.

The Board of Management and the Supervisory Board therefore propose to resolve as follows:

§ 8 (1) sentence 1 of the Articles of Association of PNE AG will be restated as follows:

"The Supervisory Board consists of seven members."

9. Election of an additional Supervisory Board Member

Once the amendment of the Articles of Association to be resolved under agenda item 8 takes effect, the Supervisory Board of PNE AG, pursuant to § 8 (1) sentence 1 of the Articles of Association in conjunction with Sections 96 (1), 101 (1) sentence 1 of the German Stock Corporation Act, will consist of seven members elected by the General Meeting.

Currently, the Supervisory Board has six members, three of whom are proposed for re-election at this Annual General Meeting by the Supervisory Board. Furthermore, it is intended to elect at this Annual General Meeting an additional member to the Supervisory Board, whose term of office is to start once the amendment to the Articles of Association to be resolved under agenda item 8 takes effect.

Based on the recommendation of the Nomination Committee, the Supervisory Board proposes to elect the following person as a member of the Supervisory Board with effect from the point in time when the amendment of the Articles of Association to be resolved under agenda item 8 takes effect until the end of the Annual General Meeting which resolves on the ratification of the actions of the members of the Supervisory Board for the 2026 fiscal year:

Marc van't Noordende, Operating Partner at Morgan Stanley Infrastructure Partners, resident in Amsterdam, The Netherlands.

Memberships of the candidate proposed for election in other legally required supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises (Section 125 (1) sentence 5 of the German Stock Corporation Act):

Memberships in other legally required supervisory boards:

- Chairman of Supervisory Board of Tele Columbus AG, Berlin, Germany (not listed)
- Member of the Supervisory Board of VTG AG, Hamburg, Germany (not listed)

Memberships in comparable German and foreign supervisory bodies of commercial enterprises:

- Member of the Board of Italgas Storage SpA, Italy (not listed)
- Chairman of the Board of FastFiber SA, Portugal (not listed)

- Member of the Board of Continuum Green Energy Ltd, Singapore (not listed)
- Chairman of the Supervisory Board of Berenschot BV, The Netherlands (not listed)
- Member of the Supervisory Board of ICE Endex Markets BV, The Netherlands (not listed)

Information pursuant to recommendation C.13 of the German Corporate Governance Code regarding the personal and business relationships of the candidate with the enterprise, the governing bodies of the Company and any shareholders with a material interest in the Company:

- The Supervisory Board informs that Mr. van't Noordende has been proposed for election as a member of the Supervisory Board at the recommendation of Photon Management GmbH. Photon Management GmbH holds a stake of approximately 40% in PNE AG and is thus the largest single shareholder of PNE AG. Mr. van't Noordende is an Operating Partner at Morgan Stanley Infrastructure Partners, and Photon Management GmbH belongs to Morgan Stanley Infrastructure Partners' investment platform.

The Supervisory Board has satisfied itself that the proposed candidate will be able to devote the time expected to be necessary for exercising his mandate.

Reference is made to the CV and overview of the main functions performed by the proposed candidate besides the Supervisory Board mandate set out in the section entitled "CV and Overview of the Main Functions Performed by the Proposed Candidate for the Supervisory Board besides the Supervisory Board Mandate (Agenda Item 9)" below.

10. Resolution on the Cancellation of the Authorized Capital pursuant to § 5 (4) of the Articles of Association and the Creation of New Authorized Capital 2022 (also with the Option to Exclude the Subscription Right) and on a Corresponding Amendment of § 5 of the Articles of Association (Amount and Division of Share Capital)

The authorization granted by the Annual General Meeting on May 31, 2017 to increase, with the approval of the Supervisory Board, the Company's share capital on one or more occasions on or before May 30, 2022 by up to a total amount of EUR 38,250,000.00 by issuing new no-par value registered shares against contributions in cash and/or in kind (Authorized Capital 2017) will expire on May 30, 2022.

In order to maintain flexibility in equity financing, the existing authorization is to be cancelled and new Authorized Capital 2022 in the amount of up to EUR 38,250,000.00 is to be created.

The Board of Management and the Supervisory Board therefore propose to resolve as follows:

- a) The Board of Management's authorization resolved in the Annual General Meeting on May 31, 2017 for the time until May 30, 2022 in accordance with § 5 (4) of the Articles of

Association to increase the share capital, with the approval of the Supervisory Board, by a further amount of up to EUR 38,250,000.00 by issuing new shares against contributions in kind and/or in cash is cancelled with effect as of the time of registration of the amendment of the Articles of Association referred to in para. c) below upon which the new authorization resolved in para. b) below becomes effective.

- b) The Board of Management is authorized, with the approval of the Supervisory Board, to increase the share capital of the Company until May 17, 2027 on one or more occasions by up to a total of EUR 38,250,000.00 by issuing new no-par value registered shares against contributions in cash and/or in kind (Authorized Capital 2022). In this context, the shareholders must be granted a subscription right subject to the restrictions set out below. The subscription right can be granted to the shareholders also indirectly in accordance with Section 186 (5) of the German Stock Corporation Act.

The Board of Management is authorized, with the approval of the Supervisory Board, to exclude the shareholders' subscription right regarding fractional amounts which result from the subscription ratio.

Furthermore, the Board of Management is authorized, with the approval of the Supervisory Board, to exclude the shareholders' subscription right up to an amount not exceeding 10% of the share capital existing at the time of the authorization taking effect or – if this value is lower – at the time the authorization is exercised in order to issue the new shares against contributions in cash at an issue price that is not significantly below the stock exchange price of the Company's shares of the same class carrying the same rights that are already listed (simplified exclusion of subscription rights pursuant to Section 186 (3) sentence 4 of the German Stock Corporation Act) at the time the final issue price is determined. When calculating the aforementioned 10% limit, the proportionate amount of the share capital will be taken into account which is attributable to new or reacquired shares that have been issued or disposed of during the term of this authorization with the simplified exclusion of the shareholders' subscription right under or in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act as well as the proportionate amount of the share capital to which conversion and/or option rights under bonds relate which have been issued during the term of this authorization in analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act.

Furthermore, the Board of Management is authorized to exclude the subscription right with the approval of the Supervisory Board for a partial amount of up to a total of EUR 15,300,000.00

- if the capital increase is implemented against contributions in kind, in particular in the case of the acquisition of enterprises or parts thereof or of shareholdings in companies or other assets, including rights and receivables – also against the Company –, or of claims for the acquisition of assets or in the context of business combinations, as well as

- in order to grant to holders or creditors of bonds issued by the Company or its subsidiaries with conversion and/or option rights a subscription right to new shares in the amount in which they would be entitled thereto after exercise of the conversion or option rights as a shareholder.

The Board of Management may avail itself of the aforementioned authorizations to exclude the subscription right with the approval of the Supervisory Board in aggregate only up to such an amount that the proportionate amount of the share capital that is attributable to shares of the Company issued or sold during the term of the Authorized Capital 2022 with the exclusion of the subscription right or that relates to instruments or rights issued during the term of the Authorized Capital 2022 with the exclusion of the subscription right and which enable the subscription of shares of the Company, also from conditional capital, in aggregate does not exceed 20% of the share capital existing at the time of the authorizations taking effect or – if this value is lower – at the time the authorizations are exercised.

The Board of Management will determine the content of the rights attached to the shares and the further terms of the share issue, including the issue price, with the approval of the Supervisory Board.

- c) For the cancellation of the previous Authorized Capital and for the creation of the new Authorized Capital 2022, § 5 (4) of the Articles of Association is restated as follows:

"4. The Board of Management is authorised, with the approval of the Supervisory Board, to increase the share capital of the Company until May 17, 2027 on one or more occasions by up to a total of EUR 38,250,000.00 by issuing new no-par value registered shares against contributions in cash and/or in kind (Authorized Capital 2022). In this context, the shareholders must be granted a subscription right subject to the restrictions set out below. The subscription right can be granted to the shareholders also indirectly in accordance with section 186 (5) of the German Stock Corporation Act.

- a) The Board of Management is authorised, with the approval of the Supervisory Board, to exclude the shareholders' subscription right regarding fractional amounts which result from the subscription ratio.

Furthermore, the Board of Management is authorised, with the approval of the Supervisory Board, to exclude the shareholders' subscription right up to an amount not exceeding 10% of the share capital existing at the time of the authorisation taking effect or – if this value is lower – at the time the authorisation is exercised in order to issue the new shares against contributions in cash at an issue price that is not significantly below the stock exchange price of the Company's shares of the same class carrying the same rights that are already listed (simplified exclusion of subscription rights pursuant to section 186 (3) sentence 4 of the German Stock Corporation Act) at the time the final issue price is

determined. When calculating the aforementioned 10% limit, the proportionate amount of the share capital shall be taken into account which is attributable to new or reacquired shares that have been issued or disposed of during the term of the authorisation with the simplified exclusion of the shareholders' subscription right under or in accordance with section 186 (3) sentence 4 of the German Stock Corporation Act as well as the proportionate amount of the share capital to which conversion and/or option rights under bonds relate which have been issued during the term of the authorisation in analogous application of section 186 (3) sentence 4 of the German Stock Corporation Act.

Furthermore, the Board of Management is authorised to exclude the subscription right with the approval of the Supervisory Board for a partial amount of up to a total of EUR 15,300,000.00

- if the capital increase is conducted against contributions in kind, in particular in the case of the acquisition of enterprises or parts thereof or of shareholdings in companies or other assets, including rights and receivables – also against the Company –, or of claims for the acquisition of assets or in the context of business combinations, as well as
- in order to grant to holders or creditors of bonds issued by the Company or its subsidiaries with conversion and/or option rights a subscription right to new shares in the amount in which they would be entitled thereto after exercise of the conversion or option rights as a shareholder.

The Board of Management may avail itself of the aforementioned authorizations to exclude the subscription right with the approval of the Supervisory Board in aggregate only up to such an amount that the proportionate amount of the share capital that is attributable to shares of the Company issued or sold during the term of the Authorised Capital 2022 with the exclusion of the subscription right or that relates to instruments or rights issued during the term of the Authorised Capital 2022 with the exclusion of the subscription right and which enable the subscription of shares of the Company, also from conditional capital, in aggregate does not exceed 20% of the share capital existing at the time of the authorisations taking effect or – if this value is lower – at the time the authorisations are exercised.

- b) Moreover, the Board of Management is hereby authorised to determine the further details of the capital increase and its consummation with the approval of the Supervisory Board.
- c) The Supervisory Board is authorised to adjust the Articles of Association from time to time to reflect the capital increase and, if the Authorised Capital 2022 has not been used in whole by May 17, 2027, following expiry of the period of authorisation."

11. Resolution on the Cancellation of the Existing Authorization and the Creation of a New Authorization to Issue Bonds with Conversion and/or Option Rights (also with the Option to Exclude the Subscription Right), on the Cancellation of the Conditional Capital 2017 and the Creation of a New Conditional Capital 2022 as well as on Corresponding Amendments to § 5 of the Articles of Association (Amount and Division of the Share Capital)

The authorization resolved in the Annual General Meeting of May 31, 2017 to issue convertible and/or option bonds in a total nominal amount of up to EUR 80,000,000.00 is limited in time until May 30, 2022.

In order to provide the Company with the possibility of flexible use of attractive debt instruments also in the future, a new authorization with bonds in a maximum total nominal amount of EUR 80,000,000.00 is to be resolved to replace the authorization of May 31, 2017 and the Conditional Capital 2017 is to be restated as the Conditional Capital 2022 with an amount of EUR 20,000,000.00. The authorization dated May 31, 2017 is to be cancelled under this resolution.

The Board of Management and the Supervisory Board therefore propose to resolve as follows:

a) Cancellation of the Authorization to Issue Bonds with Conversion and/or Option Rights Dated May 31, 2017

The authorization to issue bonds with conversion and/or option rights resolved in the Annual General Meeting on May 31, 2017 under agenda item 9 for the time until May 30, 2022, is cancelled with effect as of the time of registration of the amendment of the Articles of Association referred to in para. d) below upon which the new Conditional Capital 2022 resolved becomes effective.

b) Authorization to Issue Bonds with Conversion and/or Option Rights

With effect as of the time of registration of the amendment of the Articles of Association referred to in para. d) below, the Board of Management is authorized to issue, until May 17, 2027, with the approval of the Supervisory Board, on one or several occasions convertible and/or option bearer or registered bonds (collectively "bonds") with conversion and/or option rights in the total nominal amount of up to EUR 80,000,000.00 with a maximum term of 20 years. The holders or creditors (hereinafter collectively "holders") of the bonds may be granted conversion and/or option rights to up to a total of 20,000,000 no-par value registered shares of the Company corresponding to a proportionate amount in the share capital of EUR 20,000,000.00.

To the extent legally permissible, the bonds may be issued also in other legal currencies. The aggregate principal amount of the bonds must not exceed EUR 80,000,000.00 or the corresponding value in a different legal currency.

The bonds may also be issued by a direct or indirect wholly owned holding company of PNE AG; in this event, the Board of Management is authorized, with the approval of the Supervisory Board, to assume a guarantee in respect of the bonds for the issuing company and to grant to the holders of the bonds conversion and/or option rights to new no-par value registered shares of the Company, i.e., PNE AG.

Subject to the authorizations set out below, the shareholders are entitled to the statutory subscription right. For this purpose, the bonds are to be subscribed by a bank or a consortium of banks subject to the obligation to offer such bonds for subscription to the shareholders. If bonds are issued by a direct or indirect wholly owned holding company of PNE AG, the Company must ensure that the shareholders of the Company are granted the statutory subscription right in accordance with the preceding sentence.

The Board of Management is authorized, however, with the approval of the Supervisory Board, to exclude the subscription right of the shareholders for fractional amounts and to exclude the subscription right also to the extent that this is necessary in order to be able to grant to the holders of conversion and/or option rights already issued a subscription right in the amount to which they would be entitled upon exercise of their conversion or option rights as a shareholder.

Moreover, the Board of Management is authorized, with the approval of the Supervisory Board, to exclude the subscription rights of the shareholders regarding bonds of the Company, if the Board of Management, upon due review, determines that the issue price of the bonds is not materially below their theoretical market value to be computed in accordance with, in particular, generally accepted financial mathematical methods. However, the authorization to exclude the subscription right only applies to bonds with conversion and/or option rights on shares representing a proportionate amount of the share capital which must not exceed in aggregate 10% of the share capital either at the time this authorization takes effect or at the time the bonds are issued. When calculating the aforementioned 10% limit, the proportionate amount of the share capital will be taken into account which is attributable to new or reacquired shares that have been issued or disposed of during the term of this authorization with the simplified exclusion of the shareholders' subscription right under or in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act.

Moreover, the Board of Management may avail itself of the aforementioned authorizations to exclude the subscription right with the approval of the Supervisory Board only up to such an amount that the proportionate amount of the share capital that is attributable to shares of the Company issued or sold during the term of this authorization with the exclusion of the subscription right or that relates to instruments or rights issued during the term of the authorization with the exclusion of the subscription right and which enable the subscription of shares of the Company, also from conditional capital, in aggregate does not exceed 20% of the share capital existing at the time of the authorizations taking effect or – if this value is lower – at the time the authorizations are exercised.

If bonds with conversion rights are issued, the holders are granted the right to convert each bond (hereinafter also referred to as "partial bond") into no-par value registered shares of the Company pursuant to the terms and conditions of the bonds to be determined in detail by the Board of Management. The conversion ratio is calculated by dividing the nominal amount, or the issue price if that is below the nominal amount, of a partial bond by the fixed conversion price for one no-par value registered share of the Company. The conversion ratio may be rounded up or down to a full number; furthermore, an additional payment in cash may be determined. Moreover, a consolidation of, or a cash compensation for, any fractions may be determined. The terms and conditions of the bonds may provide for a variable conversion ratio and the determination of the conversion price within a predetermined scope which depends on the development of the price of the share of the Company during the term to maturity of the bond.

Where bonds with option rights are issued, one or more warrants will be attached to each partial bond granting to the holder the right to subscribe for no-par value registered shares of the Company subject to the option terms and conditions. The option terms and conditions may also provide that the option price can also be paid by way of a transfer of partial bonds and, if applicable, by an additional payment in cash. In this case, the proportionate amount of the share capital represented by the shares to be subscribed for under each partial bond must not exceed the nominal amount of the partial bond. If fractions of shares exist, a provision may be added stipulating that such fractions may be added up for the subscription of whole shares as provided for in the terms and conditions of the bonds, if necessary against additional payment.

The relevant conversion or option price to be determined for a no-par value registered share of the Company is determined in euros. It must be at least 80% of the volume weighted average closing price of the shares of the Company in XETRA trading (or a successor system replacing the XETRA system) on the Frankfurt Stock Exchange on the last ten stock exchange days prior to the date of the resolution on the issuance of the bonds by the Board of Management or – if a subscription right is granted – at least 80% of the volume weighted average closing price of the shares of the Company on the Frankfurt Stock Exchange during the days on which the subscription rights for the bonds are traded on the Frankfurt Stock Exchange (excluding the days of the subscription period which are necessary to allow for publication of the option or conversion price in due time in accordance with Section 186 (2) sentence 2 of the German Stock Corporation Act). Section 9 (1) and Section 199 of the German Stock Corporation Act remain unaffected.

The proportionate amount of the share capital represented by the no-par value shares of the Company to be issued upon conversion or exercise of the option must not exceed the nominal amount of the bonds.

The authorization will also include the possibility, subject to the terms and conditions of the relevant bonds, to provide dilution protection and/or other adjustments under certain circumstances to the extent that the adjustments have not already been provided for in the law. Dilution protection or other adjustments may be provided for in particular if the Company changes its capital structure during the term of the bonds (e.g., through a capital increase, a capital decrease or a share split), but also in connection with dividend payouts, the issuance of additional bonds, and in the case of extraordinary events that may occur during the term of the bonds and/or warrants (e.g., control gained by a third party). Dilution protection and/or other adjustments may be provided for in particular by granting subscription rights, by changes in the conversion and/or option price as well as by amending or introducing cash components. Section 9 (1) and Section 199 of the German Stock Corporation Act remain unaffected.

Moreover, the terms and conditions of the bonds may provide that, instead of conversion into new shares from conditional capital, bonds with conversion and/or option rights may, at the option of the Company, be converted into existing shares of the Company or of another listed company or that the option right may be fulfilled by delivery of such shares. The terms and conditions of the bonds may also provide for the right of the Company not to grant new shares in the event that the conversion or option is exercised but to pay an amount of money.

The Board of Management is authorized, with the approval of the Supervisory Board, to determine all other details regarding the issuance and the features of the bonds, including, without limitation, the interest rate, issue price, term to maturity and denomination, antidilution provisions, the applicable conversion or option periods and – within the limits set out above – the conversion and option price, and/or, where applicable, to determine such details in consultation with the relevant bodies of the direct or indirect wholly owned holding company of PNE AG issuing the bonds.

c) Cancellation of Conditional Capital 2017

Conditional Capital 2017 and its provisions set forth in § 5 (1) lit. d) of the Articles of Association will be cancelled upon registration of the amendment of the Articles of Association resolved in para. d) below with the Company's commercial register (*Handelsregister*).

d) Creation of New Conditional Capital 2022 as well as Corresponding Amendments to § 5 of the Articles of Association (Amount and Division of the Share Capital)

The share capital of the Company is conditionally increased by up to EUR 20,000,000.00 by issuing up to 20,000,000 new no-par value registered shares, with a proportionate amount of the share capital attributable to each share of EUR 1.00 (Conditional Capital 2022). The conditional capital increase serves to grant registered shares upon exercise of conversion and/or option rights to the holders or creditors of convertible and/or option bonds that are issued

based on the authorization resolution of the Annual General Meeting of May 18, 2022 until May 17, 2027 by the Company or a direct or indirect wholly owned holding company. The new shares will be issued at the conversion or option price to be determined in each case in accordance with the above-mentioned authorization resolution.

The new shares participate in the profits as of the beginning of the fiscal year in which they are issued. As far as legally permissible, the Board of Management, with the approval of the Supervisory Board, may determine the dividend right in respect of new shares in deviation herefrom and also in deviation of Section 60 (2) of the German Stock Corporation Act, even for a fiscal year already ended. The Board of Management is authorized, subject to the approval of the Supervisory Board, to determine the further details concerning the implementation of the conditional capital increase.

Based on the above resolutions, § 5 (1) lit. d) of the Articles of Association will be restated as follows:

"d) The share capital shall be conditionally increased by up to an additional EUR 20,000,000.00, divided into up to 20,000,000 no-par value registered shares representing a pro-rata amount of the share capital of EUR 1.00 per share (Conditional Capital 2022). The conditional capital increase will only be carried out to the extent that holders or creditors of option or conversion rights under convertible and/or option bonds issued or guaranteed by the Company or a direct or indirect wholly owned holding company of the Company based on the authorisation resolution of the Annual General Meeting of May 18, 2022 until May 17, 2027 exercise their option or conversion rights, respectively. The conditional capital increase will not be implemented to the extent that cash settlement is granted or to the extent that treasury shares, shares issued out of authorised capital or shares of another listed company are used for servicing. The new shares shall be issued at the conversion or option price to be determined in each case in accordance with the above-mentioned authorisation resolution. The new shares participate in the profits as of the beginning of the fiscal year in which they are issued; as far as legally permissible, the Board of Management, with the approval of the Supervisory Board, may determine the dividend right in respect of new shares in deviation herefrom and also in deviation of section 60 (2) of the German Stock Corporation Act, even for a fiscal year already ended. The Board of Management is authorised, subject to the approval of the Supervisory Board, to determine the further details regarding the implementation of the conditional capital increase."

12. Resolution on the Approval of the Remuneration Report

Pursuant to Section 120a (4) of the German Stock Corporation Act in the version applicable pursuant to the German Act Implementing the Second Shareholder Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie*) of December 12, 2019, the general meeting of a listed company resolves on the approval of the remuneration report for the preceding fiscal year that has been prepared and audited in accordance with Section 162 of the German Stock Corporation Act.

The Company's Board of Management and Supervisory Board have prepared in accordance with Section 162 of the German Stock Corporation Act a report on the remuneration awarded and due to the members of the Board of Management and the Supervisory Board in the 2021 fiscal year.

The remuneration report was reviewed in accordance with Section 162 (3) of the German Stock Corporation Act by the auditor as to whether the disclosures pursuant to Section 162 (1) and (2) of the German Stock Corporation Act have been made. The auditor's report on the audit of the remuneration report has been attached to the remuneration report.

The Supervisory Board and the Board of Management propose to approve the remuneration report for the 2021 fiscal year prepared and audited in accordance with Section 162 of the German Stock Corporation Act.

Reference is made to the remuneration report set out in the section entitled "Remuneration Report (Agenda Item 12)".

* * *

CVs and Overviews of the Main Functions Performed by the Proposed Candidates for the Supervisory Board besides the Supervisory Board Mandate (Agenda Item 7)

Christoph Oppenauer, resident in Frankfurt am Main, Germany

born in 1984 (nationality: German)

since 2021	Managing Director, Morgan Stanley Infrastructure Partners, Frankfurt am Main, Germany
2017 – 2020	Executive Director, Morgan Stanley Infrastructure Partners, Frankfurt am Main, Germany
2014 – 2016	Vice President, Morgan Stanley Infrastructure Partners, London, United Kingdom
2010 – 2013	Associate, Morgan Stanley Infrastructure Partners, London, United Kingdom / Sydney, Australia
2007 – 2013	Analyst, Morgan Stanley Infrastructure Partners, London, United Kingdom
2007	Business Administration graduate (<i>Dipl.-Kaufmann</i>), European Business School, Wiesbaden, Germany
2006	Master of Finance, Universidad Adolfo Ibáñez, Santiago, Spain
2005 – 2006	International MBA, Tsinghua University, Beijing, People's Republic of China

Main functions besides the supervisory board mandate:

- Managing Director at Morgan Stanley Infrastructure Partners
- Member of the Supervisory Board of VTG AG, Hamburg, Germany (not listed)
- Member of the Supervisory Board of Tele Columbus AG, Berlin, Germany (not listed)

Please see the details on memberships in other legally required supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises under agenda item 7 of the Invitation to the General Meeting.

Marcel Egger, resident in Apensen, Germany

born in 1965 (nationality: German)

since 2009	Member of the Group Management Board of the EUROGATE Group, Bremen, Germany, responsible for finance, controlling, administration, insurance
since 1999	Director of Finances and Business Development of the EUROGATE Group (EUROGATE GmbH & Co. KGaA, KG), Bremen, Germany
since 1991	Director of Finances and Investor Relations, EUROKAI GmbH & Co. KGaA, Hamburg, Germany (holder of a general power of attorney (<i>Generalbevollmächtigter</i>))
1989 – 1990	Staff member in the corporate clients division, BfG:Bank AG, Hamburg, Germany
1988 – 1989	Internal auditor, BfG:Bank AG, Hamburg, Germany
1990 – 1992	Studied to become a certified banking specialist (<i>Bankfachwirt</i>) at the Bankakademie, Frankfurt, Germany
1987 – 1988	Fulfilled the basic military service (<i>Grundwehrdienst</i>) as land surveying soldier (<i>Vermessungssoldat</i>), observation battalion (<i>Beobachtungsbataillon</i>) 33, Stade, Germany
1984 – 1986	Vocational training as a qualified banker (<i>Bankkaufmann</i>), BfG:Bank AG, Hamburg, Germany
1984	Completed his secondary education (<i>Abitur</i>), Halepaghen-Schule, Buxtehude, Germany

Main functions besides the supervisory board mandate:

- Member of the Group Management Board of the EUROGATE Group, Bremen, Germany, responsible for finance, controlling, administration, insurance
- Director of Finances and Investor Relations, EUROKAI GmbH & Co. KGaA, Hamburg, Germany (holder of a general power of attorney (*Generalbevollmächtigter*))
- Board of Directors, NTB North Sea Terminal Bremerhaven GmbH & Co., Bremerhaven, Germany
- Board of Directors, MSC Gate Bremerhaven GmbH & Co. KG, Bremerhaven, Germany

Please see the details on memberships in other legally required supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises under agenda item 7 of the Invitation to the General Meeting.

Florian Schuhbauer, resident in Frankfurt am Main, Germany

born in 1975 (nationality: German)

since 2014	Founding Partner and Managing Director, Active Ownership Capital S.à r.l., Grevenmacher, Luxembourg
2014 – 2015	Supervisory Board member, SSVL Monaco, Monaco
2010 – 2014	Partner, Triton Partners, Frankfurt, Germany
2006 – 2010	Partner, General Capital Group / Active Value Investors AG, Munich, Germany / Lachen, Switzerland
2008 – 2010	Non-Executive Director, Skypostal, Inc., Miami, USA
2002 – 2005	Director, Deutsche Post World Net & CFO, DHL Global Mail Inc., Bonn, Germany, & Fort Lauderdale, USA
1999 – 2002	Director, Newtron AG, Frankfurt, Germany
1996 – 1999	Associate Equity Research, Dresdner Kleinwort Benson, Frankfurt, Germany, & London, UK
1996 – 2000	Masters in Finance & Business Administration Frankfurt School of Finance & Management (former college for banking industry), Frankfurt am Main, Germany
1994 – 1996	Vocational training as a qualified banker, Dresdner Bank AG, Celle, Germany

Main functions besides the supervisory board mandatet:

- NFON AG, Munich, Germany (listed)
- Vita 34 AG, Leipzig, Chairman of the Supervisory Board (listed)
- Active Ownership Fund SICAV-FIS SCS, Luxembourg, Luxembourg (not listed)

Please see the details on memberships in other legally required supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises under agenda item 7 of the Invitation to the General Meeting.

CV and Overview of the Main Functions Performed by the Proposed Candidate for the Supervisory Board besides the Supervisory Board Mandate (Agenda Item 9)

Marc van't Noordende, resident in Amsterdam, The Netherlands

born in 1958 (nationality: Dutch)

since 2016	Operating Director at Morgan Stanley Infrastructure Partners
2011 - 2015	CEO of NKT Cables GmbH, Cologne, Germany
2008 - 2010	CEO of THEOLIA SA, Aix-en-Provence, France
2000 - 2008	COO and member of the executive board of ESSENT NV, Arnhem, The Netherlands
1997 - 2000	CEO and President of Protein Genetics Inc, Madison, Wisconsin, United States of America
1995 - 1997	Vice President of Gemini Consulting, Paris, France
1984 - 1995	Various positions at Akzo Nobel NV, Amsterdam, The Netherlands
1983	MBA, INSEAD, Fontainebleau, France
1980 - 1982	Internal Revenue Service, Finance Ministry, The Netherlands
1980 - 1982	Advanced Degree Tax Law, University of Leiden, Leiden, The Netherlands
1976 - 1980	Law Degree, University of Leiden, Leiden, The Netherlands

Main functions besides the supervisory board mandate:

- Operating Director at Morgan Stanley Infrastructure Partners
- Chairman of Supervisory Board of Tele Columbus AG, Berlin, Germany (not listed)
- Member of the Supervisory Board of VTG AG, Hamburg, Germany (not listed)
- Member of the Board of Italgas Storage SpA, Italy (not listed)

- Chairman of the Board of FastFiber SA, Portugal (not listed)
- Member of the Board of Continuum Green Energy Ltd, Singapore (not listed)
- Chairman of the Supervisory Board of Berenschot BV, The Netherlands (not listed)
- Member of the Supervisory Board of ICE Endex Markets BV, The Netherlands (not listed)

Please see the details on memberships in other legally required supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises under agenda item 9 of the Invitation to the General Meeting.

* * *

Report by the Board of Management to the Annual General Meeting pursuant to Section 203 (2) Sentence 2, Section 186 (4) Sentence 2 of the German Stock Corporation Act ad Agenda Item 10

The Board of Management submits to the Annual General Meeting of the Company convened for May 18, 2022 in accordance with Section 203 (2) of the German Stock Corporation Act in conjunction with Section 186 (4) sentence 2 of the German Stock Corporation Act the following written report on the creation of new Authorized Capital 2022 proposed for resolution under agenda item 10:

The authorization granted by the Annual General Meeting on May 31, 2017 will expire on May 30, 2022. Against this background, the previous authorization is to be cancelled and a new authorization is to be resolved.

The proposed authorization for Authorized Capital 2022 in the amount of up to EUR 38,250,000.00 allows for the implementation of capital increases in cash or in kind with which the Company can procure, within a reasonable scope, equity at favorable terms in a swift and flexible manner as and when necessary. Decisions on meeting capital requirements generally have to be taken at short notice. Hence, it is key that the Company is not dependent on the cycle of its annual general meetings in this connection and that authorized capital is available at all times. By introducing the instrument of authorized capital, the legislator accommodated this particular need.

When using the authorized capital, the shareholders are in principle offered a subscription right. The Board of Management is to be authorized, however, to exclude the shareholders' subscription right with the approval of the Supervisory Board in the cases described in more detail below:

Exclusion of Subscription Rights for Fractional Amounts in the Event of Capital Increases

First of all, the Board of Management is to be authorized, subject to the approval of the Supervisory Board, to exclude fractional amounts from the shareholders' subscription rights. This serves to create as few fractional shares as possible upon using the authorization and thus to facilitate the technical implementation of the capital increase. The new shares excluded as free fractional amounts from shareholder subscription rights will either be sold on the stock exchange or will otherwise be disposed of on behalf of the Company on the best possible terms. The Board of Management will seek to keep the volume of the free fractional amounts as low as possible. The restriction of the exclusion to such fractional amounts does not result in any significant dilution of the shareholders' shareholding quota. The shareholders' pecuniary interests are protected by way of the restriction to fractional amounts and the obligation to achieve the highest possible liquidation proceeds.

Exclusion of Subscription Rights in the Event of a Cash Capital Increase pursuant to Section 186 (3) sentence 4 of the German Stock Corporation Act

Furthermore, the Board of Management is authorized, with the approval of the Supervisory Board, to exclude the subscription right up to an amount not exceeding 10% of the share capital existing at the time of the authorization taking effect or – if this value is lower – at the time the authorization is exercised in order to issue the new shares against contributions in cash at an amount that is not significantly below the stock exchange price of the shares of the Company that are already listed. When calculating the aforementioned 10% limit, the proportionate amount of the share capital will be taken into account which is attributable to new or reacquired shares that have been issued or disposed of during the term of the authorization with the simplified exclusion of the shareholders' subscription right under or in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act as well as the proportionate amount of the share capital to which conversion and/or option rights under bonds relate which have been issued during the term of this authorization in analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act.

This puts the Company in a position where it can flexibly adjust its equity capital to the business requirements and can swiftly and flexibly react to favorable stock market situations. For example, shares may be issued to institutional investors, thereby attracting additional German and foreign shareholders. In contrast to an issue with a subscription right, the issue price in a capital increase with the exclusion of subscription rights can only be set immediately before placement, avoiding an increased risk of price change for the duration of the remaining subscription period. In contrast, where a subscription right is granted, the subscription price would have to be disclosed until three days prior to the end of the subscription period in accordance with Section 186 (2) sentence 2 of the German Stock Corporation Act. In view of the frequently observed volatility on the stock markets, the market and price change risks would be immanent for a number of days, which could result in

haircuts being deducted when stipulating the determination of the terms and conditions of the issue and, thus, result in conditions which are not in accordance with prevailing market terms. Also, the granting of a subscription right could jeopardize any successful placement with third parties, or result in additional expenses, as long as the uncertainty of the exercise thereof exists. On the whole, the exclusion of subscription rights thus serves the objective of achieving the highest and safest inflow of funds possible by determining the price in accordance with prevailing market terms and thus to achieve the largest possible strengthening of the Company's equity.

Shareholders' pecuniary interests and voting rights are adequately protected despite the proposed exclusion of subscription rights. The pecuniary interests, in particular shareholders' protection from a dilution of the value of their shareholding, is accounted for by the fact that the new shares may only be issued at a price not substantially lower than the stock exchange price for shares of the Company of the same class carrying the same rights. The Board of Management will seek to achieve the highest sales price possible and to keep any discount on the stock exchange price at which the current shareholders can buy additional shares as low as possible.

Moreover, the authorization is limited to a maximum of 10% of the Company's share capital. Thereby it can be ensured that the total number of the shares to be issued does not exceed, in aggregate, 10% of the Company's share capital; this corresponds to the requirements of Section 203 (1) sentence 1, (2) in conjunction with Section 186 (3) sentence 4 of the German Stock Corporation Act. Thus, due to the limitation of volume to 10% of the share capital and the possibility to acquire shares in the market on roughly the same terms and conditions, any relevant losses in the proportions of their shareholdings can also be ruled out from the viewpoint of the shareholders.

Exclusion of Subscription Rights in the Event of a Capital Increase against Contributions in Kind

Furthermore, the Board of Management is to be authorized to exclude the subscription right with the approval of the Supervisory Board if the capital increase is implemented against contributions in kind, in particular in the case of the acquisition of enterprises or parts thereof or of shareholdings in companies or other assets, including rights and receivables – also against the Company –, or of claims for the acquisition of assets or in the context of business combinations. This authorization is limited to a partial amount of EUR 15,300,000, which applies, as an aggregate amount, both to this authorization and to the authorization to exclude the subscription right to service bonds with conversion and/or option rights as described below; this corresponds to just under 20% of the Company's share capital currently existing.

In particular, this authorization is to enable the Company to have treasury shares of the Company at its disposal without having to take recourse to the stock market in order to be able to acquire, in suitable individual cases, enterprises or parts thereof or shareholdings in companies or other assets

in exchange for shares in the Company. At the same time, the acquisition of an enterprise or a part thereof or of a shareholding in a company or other assets in exchange for shares allows for an acquisition to be made while preserving corporate liquidity because the Company need not make any cash payment of the purchase price in this respect and the use of debt capital instruments can be avoided. Especially acquisitions of enterprises require, as a rule, a swift decision. The proposed authorization enables the Company to react in a swift and flexible manner to opportunities to make acquisitions when advantageous offers present themselves. The same applies accordingly to the acquisition of other contributions in kind. In the determination of the value of the shares granted as consideration, their stock exchange price may be particularly important. The schematic tying in with the stock exchange price will, however, not be required, in particular to avoid that negotiation results once achieved be jeopardized by fluctuations of the stock exchange price.

In addition, by limiting the authorization to a volume of just under 20% of the share capital currently existing, a further dilution of the relevant shareholding quota of the shareholders is avoided, resulting in an appropriate protection of their interests on the whole.

Exclusion of Subscription Rights to Service Bonds with Conversion and/or Option Rights

Furthermore, the Board of Management is to be authorized, with the approval of the Supervisory Board, to exclude the subscription right to the extent required in order to grant to holders of convertible and/or option bonds (collectively "bonds") with conversion and/or option rights in respect of new shares of the Company a subscription right in the amount to which they would be entitled upon exercise of their conversion or option rights. This authorization, too, is limited to a partial amount of EUR 15,300,000, which applies, as an aggregate amount, both to this authorization and to the authorization to exclude the subscription right in a capital increase against contributions in kind as described above; this corresponds to just under 20% of the Company's share capital currently existing.

As a rule, bonds are equipped with dilution protection which provides that the holders or creditors can be granted a subscription right to new shares in subsequent share issues in the same amount to which the shareholders are entitled. The holders or creditors are thus put in a position as though they were shareholders already, thereby avoiding the need for an adjustment of the conversion or option price, respectively. In order to be able to equip bonds with such a dilution protection, the shareholders' subscription right to these shares must be excluded. The proposed authorization is to create the corresponding requirements.

In addition, by limiting the authorization to a volume of just under 20% of the relevant share capital, a further dilution of the relevant shareholding quota of the shareholders is avoided, resulting in an appropriate protection of their interests on the whole.

20% Limit

On the whole, the authorization of the Board of Management is limited so that it can avail itself of the exclusion of subscription rights only to the extent that the proportionate amount of the share capital that is attributable to shares of the Company issued or sold during the term of the Authorized Capital 2022 with the exclusion of the subscription right or that relates to instruments or rights issued during the term of the Authorized Capital 2022 with the exclusion of the subscription right which enable the subscription of shares of the Company, also from conditional capital, in aggregate does not exceed 20% of the share capital existing at the time of the authorizations taking effect or – if this value is lower – at the time the authorizations are exercised. This is in the shareholders' interest because any further dilution of their respective shareholding quota can thus be ruled out.

Report by the Board of Management to the Annual General Meeting pursuant to Section 221 (4) sentence 2, Section 186 (4) sentence 2 of the German Stock Corporation Act ad Agenda Item 11

The Board of Management submits to the Annual General Meeting of the Company convened for May 18, 2022 in accordance with Section 221 (4) sentence 2, Section 186 (4) sentence 2 of the German Stock Corporation Act the following written report on the creation of a new authorization proposed for resolution under agenda item 11 to issue convertible and/or option bonds (collectively "bonds") and on the creation of a new conditional capital:

Based on a resolution by the Annual General Meeting of May 31, 2017, the Board of Management is authorized, limited in time until May 30, 2022, to issue convertible and/or option bonds backed by Conditional Capital 2017. In order to provide the Company with flexible discretionary powers to issue bonds also in the future, a new authorization to issue bonds and new conditional capital (Conditional Capital 2022) are to be created and the current authorization and Conditional Capital 2017 is to be cancelled.

The proposed authorization provides that the Board of Management will be authorized, with the approval of the Supervisory Board, to issue on one or several occasions bonds in the total nominal amount of up to EUR 80,000,000.00 and to create conditional capital of up to EUR 20,000,000.00 for the servicing of the option and/or conversion rights. The proposed Conditional Capital 2022 serves the purpose of servicing the conversion and/or option rights connected with the bonds.

An adequate capital base is an essential prerequisite for the future growth of the Company. The issuance of bonds provides the Company with a further opportunity, in addition to the conventional possibilities of raising debt and equity capital, to make use of attractive financing alternatives on the capital market. For example, the issuance of bonds enables the raising of debt capital at low interest that can be classified as equity or equity-like instruments both for rating and for accounting purposes.

Subscription Right of the Shareholders

When bonds with conversion and/or option rights are issued, shareholders are generally granted a subscription right. In order to facilitate the implementation, it is intended to provide the Company with the possibility of issuing the bonds to a credit institution or a consortium of credit institutions with the obligation that the bonds must be offered to the shareholders for purchase in accordance with their subscription rights (indirect subscription right within the meaning of Section 186 (5) of the German Stock Corporation Act). In certain cases described below, however, the proposed authorization is to provide for a possibility to exclude the shareholders' subscription right.

Exclusion of Subscription Rights for Fractional Amounts and in favor of the Holders and Creditors of Bonds with Conversion and/or Option Rights already Issued

First of all, the possibility to exclude fractional amounts from the subscription right is to be provided. Such fractional amounts may result from the amount of the respective issuance volume and the need for a practicable subscription ratio. In these cases, an exclusion of the subscription right facilitates the settlement of the shareholders' subscription right and is thus in the interest of the Company and its shareholders.

Furthermore, the Board of Management is to be provided with the possibility to exclude, with the approval of the Supervisory Board, the subscription right of the shareholders in order to grant to the holders or creditors of conversion and/or option rights a subscription right for the same number of shares to which they would be entitled upon exercise of their conversion or option rights as a shareholder. This may prevent that in case of the exercise of the authorization, the conversion or option price must be reduced in accordance with the rules that are customary in the terms and conditions of the bonds for the holders or creditors of already existing conversion or option rights. In aggregate, this facilitates a higher inflow of funds.

Thus, both cases of exclusion of the subscription right are in the best interest of the Company and its shareholders.

Exclusion of Subscription Rights pursuant to Section 221 (4) Sentence 2, Section 186 (3) Sentence 4 of the German Stock Corporation Act

Moreover, the Board of Management is to be authorized, with the approval of the Supervisory Board, to exclude the subscription right of the shareholders in the issue of bonds with conversion and/or option rights in analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act insofar as the issue of shares due to conversion and/or option rights granted is limited to up to 10% of the Company's share capital and the bonds are issued at a price that does not significantly

fall below the market value of these bonds. This possibility to exclude subscription rights based on Section 186 (3) sentence 4 of the German Stock Corporation Act in conjunction with Section 221 (4) sentence 2 of the German Stock Corporation Act enables the Company to take advantage of favorable situations in the stock market at short notice by setting the individual terms and conditions for the relevant bonds close to the market level. If the subscription right is preserved, this is only possible to a limited extent. While Section 186 (2) of the German Stock Corporation Act permits disclosure of the subscription price until three days prior to the end of the subscription period, taking into account the often volatile stock markets, a market risk exists over several days even in that case, which leads to haircuts being deducted when the terms and conditions of the bonds are determined, and therefore to terms and conditions which do not correspond to market conditions. Finally, the granting of a subscription right would hinder the Company from responding to favorable or adverse market conditions on a short-term basis due to the length of the subscription period and the Company could be subject to declining stock prices during such period instead, which, in turn, could deteriorate the Company's options to raise capital. Thus, the authorization to exclude the subscription right enables the Company to determine terms and conditions in accordance with prevailing market conditions, to achieve maximum security with respect to the possibility to place the bonds with third parties and to benefit from favorable market situations at short notice.

Compliance with the limit of 10% of the share capital set forth in Section 186 (3) sentence 4 of the German Stock Corporation Act is mandatory. When calculating this limit, the proportionate amount of the share capital is to be taken into account which is attributable to new or reacquired shares that have been issued or disposed of during the term of this authorization with the simplified exclusion of the shareholders' subscription right under or in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act.

It further results from Section 186 (3) sentence 4 of the German Stock Corporation Act that the issue price must not be significantly below the stock market price. This is to prevent a significant economic dilution of the shares already existing. Whether such a dilution effect occurs in case of the issuance of bonds with conversion and/or option rights with the exclusion of the subscription right can be determined by calculating the hypothetical market value of the bonds based on recognized, particularly financial mathematical, methods and by comparing this value with the issue price. If, following due review, such issue price is deemed to be only insignificantly lower than the notional stock exchange price at the time of issue of the bonds, the exclusion of subscription rights is deemed permissible in accordance with the intent and purpose of Section 186 (3) sentence 4 of the German Stock Corporation Act owing to the insignificant deviation. The lower the deviation, the more the notional market value of a subscription right would decrease to almost zero with the effect that the shareholders will not suffer any significant economic disadvantages on account of the exclusion of

the subscription rights. Thus, the resolution provides that the Board of Management must determine upon due review prior to issuing the bonds that the intended issue price will not cause any significant dilution of the value of the shares. To the extent that the Board of Management deems it appropriate in the relevant situation to obtain professional advice, it will retain the services of the underwriting banks, independent investment banks or auditing firms.

As regards the limitation of the volume of the authorization to up to 10%, the shareholders also have the possibility to maintain their shareholding quota in the share capital of the Company even after the exercise of conversion and/or option rights at any time by additional share purchases via the stock exchange. Any relevant losses in the proportions of their shareholdings can thus be ruled out from the viewpoint of the shareholders.

20% Limit

On the whole, this authorization of the Board of Management, too, is limited so that it can avail itself of the exclusion of subscription rights only to the extent that the proportionate amount of the share capital that is attributable to shares of the Company issued or sold during the term of the authorization with the exclusion of the subscription right or that relates to instruments or rights issued during the term of the authorization with the exclusion of the subscription right which enable the subscription of shares of the Company, also from conditional capital, in aggregate does not exceed 20% of the share capital existing at the time of the authorizations taking effect or – if this value is lower – at the time the authorizations are exercised. This is in the shareholders' interest because any further dilution of their respective shareholding quota can thus be ruled out.

Issue Price

The issue price of the new shares must be equivalent to at least 80% of the stock exchange price determined in a timely manner upon issuance of the bonds with conversion and/or option rights. The possibility of charging a premium will provide the basis for adjusting the terms and conditions of the convertible or option bonds to the prevailing capital market situation at the time of their issuance.

REMUNERATION REPORT (AGENDA ITEM 12)

REMUNERATION REPORT OF PNE AG FOR THE 2021 FISCAL YEAR

In the following remuneration report prepared by the Board of Management and Supervisory Board, the Company reports on the remuneration awarded and due to the members of the Board of Management and Supervisory Board in accordance with Section 162 of the German Stock Corporation Act (*Aktiengesetz* (AktG)).

Due to the legal changes resulting from the German Act Implementing the Second Shareholder Rights Directive (ARUG II), a report in this form is prepared for PNE AG for the first time for the 2021 fiscal year. In future, a corresponding report will be made annually in accordance with Section 162 (1) sentence 1 of the German Stock Corporation Act.

BOARD OF MANAGEMENT AND REMUNERATION OF THE BOARD OF MANAGEMENT MEMBERS

Principles of the Currently Applicable Remuneration System for the Board of Management in the 2021 Fiscal Year

The remuneration system for the members of the Board of Management of PNE AG makes a significant contribution to promoting the business strategy of PNE AG. For this purpose, the remuneration of the Board of Management members is based on various parameters, including the size of the company and the group of companies, the economic environment, the complexity of the Board of Management activities and the position of the company and its subsidiaries as well as the performance of the Board of Management as a whole and the experience and performance of the individual board members. In order to take these factors into account appropriately and to ensure compliance with the currently applicable benchmarks, the remuneration policy of the Board of Management is regularly reviewed by the Supervisory Board of the Company.

The remuneration system is structured in a way that promotes the sustainable and long-term corporate development of PNE AG and the achievement of the strategic corporate objectives. For this purpose, total remuneration of the individual Board of Management members consists of fixed and performance-related remuneration components. In addition, these two main remuneration components are supplemented by a package of non-performance-related additional benefits, which are linked to the activity of the Board of Management members for PNE AG (incl. insurance cover, company car).

The performance-related remuneration of the Board of Management members is, in turn, based on short-term and long-term targets, whereby the long-term targets predominate to ensure sustainable corporate development. This is intended to account for the medium- and long-term development of the Company in the remuneration system. The relevant parameters for the achievement of short-term and long-term targets are defined in target agreements between the Company and the respective Board of Management member. In terms of the long-term corporate strategy, the main parameters are performance indicators such as the Group EBITDA, the price of the PNE share over a defined assessment period as well as, with regard to the short-term performance-related remuneration, individual personal targets of the individual members of the Board of Management, which are defined as part of the target agreements.

Particularly due to the sometimes long project development periods, the fixed remuneration and long-term performance-related remuneration components are of essential importance at PNE AG.

The members of the Board of Management are not granted shares or share options as remuneration. However, the development of the Company's share price is taken into account within the framework of the targets for the long-term performance-related remuneration.

The overall structure and level of the Board of Management remuneration are determined by the Supervisory Board – based on the proposals of the Supervisory Board's Personnel Committee – through the remuneration system and the individual contracts and target agreements. The remuneration and the parameters used for determination are regularly reviewed by the Supervisory Board. In designing the currently applicable remuneration system, the Supervisory Board also sought external expertise and compiled a peer group of 15 listed companies (TecDax, ÖkoDax) to determine the remuneration level.

The Board of Management remuneration system is also determined by the Supervisory Board based on the proposals of the Personnel Committee.

The last adjustment to the Board of Management remuneration system was made in 2019 with effect from January 1, 2020.

The current remuneration system for the Board of Management has been submitted to the General Meeting of PNE AG on May 19, 2021 for approval. The General Meeting approved this remuneration system by a majority of 93.6%.

Overview of the Remuneration Components of the Board of Management

The remuneration system of PNE AG consists of fixed remuneration of the members of the Board of Management as well as performance-related remuneration with short-term and long-term components and, in addition, further non-performance-related benefits (fringe benefits). Target and maximum amounts have been set for the individual components for the members of the Board of Management:

			Mr. Lesser	Mr. Klowat
Non-performance-related remuneration	Fixed remuneration	Annual amount:	EUR 370.000,00	EUR 325.000,00
		Payment in twelve equal instalments (pro rata if the contract term begins or ends during the year)		
	Fringe benefits	Annual amount approx.:	EUR 50.000,00	EUR 50.000,00
Performance-related remuneration	Short-term performance-related remuneration	Annual target amount:	EUR 148.000,00	EUR 130.000,00
		Maximum amount:	EUR 207.200,00	EUR 182.000,00
		The bonus is due and payable after the Supervisory Board meeting on the approval of the annual financial statements for the fiscal year that was decisive for the achievement of the relevant short-term target.		
	Long-term performance-related remuneration	Annual target amount:	EUR 222.000,00	EUR 195.000,00
		Maximum amount:	EUR 499.500,00	EUR 438.750,00
		The due dates and payment dates of the individual components of the long-term performance-related remuneration are described below in the section on long-term performance-related remuneration.		
Total remuneration	Target remuneration		EUR 790.000,00	EUR 700.000,00
	Maximum remuneration		EUR 1.126.700,00	EUR 995.750,00

In addition, withholding and clawback provisions are also part of the Board of Management remuneration system of PNE AG.

The following table shows the relative shares of the remuneration components fixed remuneration, short-term performance-related remuneration, long-term performance-related remuneration and fringe benefits, in the maximum remuneration of the Board of Management members:

Relative shares of the remuneration components in annual maximum remuneration		
	Mr. Lesser	Mr. Klowat
Fixed remuneration	approx. 32.84%	approx. 32.64%
Short-term performance-related remuneration	approx. 18.39%	approx. 18.28%
Long-term performance-related remuneration	approx. 44.33%	approx. 44.06%
Fringe benefits	approx. 4.44%	approx. 5.02%
Maximum remuneration	100.00%	100.00%

The following table shows the relative shares of the remuneration components fixed remuneration, short-term performance-related remuneration, long-term performance-related remuneration and fringe benefits in the target remuneration of the Board of Management members:

Relative shares of the remuneration components in annual target remuneration		
	Mr. Lesser	Mr. Klowat
Fixed remuneration	approx. 46.84%	approx. 46.43%
Short-term performance-related remuneration	approx. 18.73%	approx. 18.57%
Long-term performance-related remuneration	approx. 28.10%	approx. 27.86%
Fringe benefits	approx. 6.33%	approx. 7.14%
Target remuneration	100.00%	100.00%

Fixed Remuneration of the Board of Management

The fixed remuneration is a fixed salary based on the full year, which is paid in twelve equal instalments after the end of a month. If a member leaves the Company during the year, the entitlement to remuneration accrues on a pro rata basis.

Short-term Performance-related Remuneration of the Board of Management

As part of their performance-related remuneration, the members of the Board of Management are granted short-term performance-related remuneration based on a one-year target.

The short-term performance-related remuneration is based firstly on Group EBITDA and secondly on one or two personal targets for the members of the Board of Management, which are set each year individually for each Board member as part of a corresponding target agreement. The targets should be in line with the guidance published in the forecast report. The total amount attributable to short-term performance-related remuneration (approx. 40% of variable remuneration) is allocated to the individual short-term targets (32% to the Group EBITDA target and 8% to the personal targets). With regard to the Group EBITDA as a performance criterion, the targets which are decisive for the short-term performance-related remuneration are intended to form an incentive for the Board of Management to actually achieve corresponding profitability of the Company and thus to create a central basis for sustainable and successful management of PNE; the personal targets provide the Supervisory Board with a set of instruments to establish incentives for specific individual successes of a member of the Board of Management, which simultaneously also promote the interests of the Company.

In the case of personal targets, only a target achievement rate of 100% is relevant; otherwise, the agreed target is considered not achieved.

The target achievement rate for the financial performance indicator (i.e., the Group EBITDA target) can range from 75% to 125%. Unless otherwise agreed, the Board of Management member is entitled to the full amount of this portion of the short-term performance-related remuneration if 100% of the respective target has been achieved; if less than 75% of the defined target for Group EBITDA has been achieved, the Board of Management member is not entitled to this share of short-term performance-related remuneration; if between 75% and 100% of the target has been achieved, the respective pro-rated amount is calculated by linear interpolation using 75% as the base. From a target achievement level of 100% to 125%, the Board of Management member receives an additional bonus, which can be a maximum of 50% of this remuneration component with full achievement of this target, whereby this value of 50% is to be applied to a target achievement of 125%. Between 100% and 125%, the value is calculated by linear interpolation. The amount of the performance-related remuneration for a particular fiscal year is determined by the Supervisory Board after approval of the consolidated financial statements for the fiscal year to which the target agreement relates.

Degree of target achievement and share of short-term performance-related remuneration to be distributed in relation to Group EBITDA:

Target achievement rate	< 75%	75%	100%	>= 125%
Percentage distribution of short-term performance-related remuneration (based on Group EBITDA)	0	75%	100%	150%

Intermediate values are determined by interpolation.

Long-term Performance-related Remuneration of the Board of Management

In addition to short-term performance-related remuneration, the long-term performance-related remuneration is the second component of variable remuneration for the Board of Management members. With a view to the sustainable and long-term development of the Company, greater value is placed on this component within the framework of the remuneration system. For this reason, long-term performance-related remuneration accounts for 60% of total performance-related remuneration if targets are fully achieved.

Here, one or more targets are set annually. They each relate to a period ("assessment period") of at least three years and apply to the duration of the assessment period. With a view to the long-term development of the Company, the long-term performance-related remuneration shall be divided equally between two financial performance indicators, namely (i) e.g., average Group EBITDA and (ii) e.g., the average weighted share price in the last year of the assessment period. Accordingly, the long-term performance-related remuneration of the Board of Management is based, on the one hand, on the Company's earnings development and, on the other, on the stock market value with a medium- to long-term perspective.

The target achievement rate for the long-term target "average Group EBITDA" can range from 75% to 125%, as is already the case for short-term performance-related remuneration. The decisive average Group EBITDA is determined by the Supervisory Board in a target agreement between the Board of Management member and the Company. The long-term performance-related remuneration component, which is based on Group EBITDA and currently amounts to 30% of total performance-related remuneration, is due to the Board of Management member if 100% of the target set for Group EBITDA is achieved. If less than 75% of the defined target is achieved, the Board of Management member is not entitled to this share of the performance-related remuneration. If between 75% and 100% of the target is achieved, the Board of Management member is entitled to a pro rata amount of this remuneration component, with 75% of this remuneration component being paid out if 75% is achieved. From a target achievement level of 100% to 125%, the Board of Management member

receives an additional bonus, which can be a maximum of 50% of this remuneration component with full achievement of this target, whereby this value of 50% is to be applied to a target achievement of 125%. Between 100% and 125%, the value is calculated by linear interpolation.

As a general rule, a target achievement rate of 100% is taken as the basis for the long-term target "Group EBITDA" in the first year of an assessment period, irrespective of actual results, and a corresponding payment is arranged, unless the Board of Management member requests in writing that the payment be made only after the target achievement rate has been finally determined. No Board of Management member has made use of this option. Adjustments are possible in the second and third year. This is done by means of a subsequent payment, insofar as a higher target achievement is expected, or by repayment by the Board of Management member if the achievement of the target appears to be impossible. The additional payment may also be waived on the basis of a written declaration by the Board of Management member concerned. In the year following the end of an assessment period, a final settlement is made.

The target value for the average weighted share price is determined by the average weighted share price of the last year prior to the start of the assessment period with an annual increase in the value of the share of 15% during the assessment period, whereby dividends actually paid within the assessment period are deducted from the average weighted share price of the last year of the assessment period. Any capital increases or decreases are also to be taken into account. The target achievement rate for the long-term target "average weighted share price of the last year of the assessment period" is determined by mutual agreement between the Supervisory Board and the Board of Management each year as part of the target agreement for the new assessment period, whereby this is a target corridor for the share price to be achieved. The amount to which the Board of Management member is entitled for this part of the long-term performance-related remuneration is, in turn, based on the target achievement value for the long-term target. This portion of the long-term performance-related remuneration is due in full to the respective Board of Management member if the median amount of the defined target corridor (equal to 100%) has been achieved. If the long-term target is not achieved within the corridor, the Board of Management member is not entitled to this portion of the performance-related remuneration. With a target achievement rate within the corridor, the Board of Management member receives a pro-rata amount of this portion of the long-term performance-related remuneration. Linear interpolation is performed between the values for the attainment. From a target achievement value above the mean value of the defined target corridor up to the maximum value of the target corridor, the Board of Management member is granted a bonus payment in addition to the full value of the long-term performance-related remuneration, up to a maximum of 50% of this share of the long-term performance-related remuneration, which is granted upon achievement of the maximum value of the target corridor. Linear interpolation is performed between the mean target achievement value and the maximum value of the target corridor.

Although the Board of Management of PNE AG does not receive any shares or share options, it is intended that, in the long term, part of the members' performance-related remuneration will be

linked to the development of the share price of PNE AG. For this purpose, a special payment is agreed in the event of an increase in the share value beyond the agreed corridor. However, the additional possible remuneration in the form of a special payment is capped so that the maximum remuneration per year cannot be exceeded in this way either. For this purpose, if the maximum remuneration is exceeded, the share price is reduced arithmetically until the maximum remuneration amount is no longer exceeded.

For the target "weighted average share price", too, a target achievement rate of 100% is taken as the basis in the first year of an assessment period, irrespective of the actual results, and a corresponding payment is made in full, unless the Board of Management member requests in writing that the payment be made only after the target achievement rate has been finally determined. No Board of Management member has made use of this option. Adjustments are possible in the second and third year. This is done by means of a subsequent payment, insofar as a higher target achievement is expected, or by repayment by the Board of Management member if the achievement of the target appears to be impossible. The additional payment may also be waived on the basis of a written declaration by the Board of Management member concerned. In the year following the end of an assessment period, a final calculation is made for the "weighted average share price" target.

The long-term performance-related remuneration determined in each case is due and payable after the Supervisory Board meeting on the approval of the annual financial statements for the fiscal year that was decisive for the respective achievement of the long-term target.

Non-performance-related Fringe Benefits for the Board of Management

In addition to the fixed remuneration and the variable performance-related remuneration components, the members of the Board of Management receive additional non-performance-related benefits. The relative share of this remuneration component is currently approx. 4 to 5% of the possible maximum remuneration or 6 to 7% of the target remuneration. The regular fringe benefits agreed in the employment contracts of the members of the Board of Management include premiums for health, care and accident insurance, continued payment of remuneration in the event of illness, an allowance for retirement benefits and for capital-forming benefits. In addition, the members of the Board of Management are provided with a company car and a company mobile phone by PNE AG.

The fringe benefits granted to members of the Board of Management are subject to fixed regulations and are thus also limited in amount.

The members of the Board of Management of PNE AG are also included in the coverage by a financial loss liability insurance (D&O insurance) taken out by the Company, taking into account a deductible corresponding to the provisions of Section 93 (2) sentence 3 of the German Stock Corporation Act.

Withholding and/or Clawback Provisions relating to the Board of Management Remuneration

The remuneration system of PNE AG and the remuneration agreements with the members of the Board of Management provide for withholding, adjustment and clawback clauses in the following cases:

- With regard to the disbursement policy concerning the long-term targets, a repayment claim has been agreed. In principle, a target achievement rate of 100% is taken as a basis in the first year of an assessment period, unless the respective Board of Management member requests that the payment be made only after the achievement of the long-term target has been finally determined. In subsequent years, repayment may be required to the extent that the achievement of the long-term target appears to be impossible. If it is determined at the end of an assessment period for a long-term target that the target achievement rate is less than 75% and therefore no entitlement exists or the share already paid out is higher than the entitlement determined at the end of the assessment period, the Company has a conclusive repayment claim regarding a long-term target. Instead of receiving a repayment, the Company is also entitled to offset it against a claim by the Board of Management member for payment of a performance-related remuneration component.
- The Supervisory Board has a unilateral right of adjustment within the meaning of Section 87 (2) of the German Stock Corporation Act in the event of an unfavorable development of the key performance indicators targeted as part of the long-term planning, which the Supervisory Board can exercise to reduce the variable remuneration amounts in the interests of the Company.
- In addition, if exceptional circumstances arise, the parameters for short-term or long-term targets may be adjusted insofar as it would be inequitable for the Board of Management to maintain them, in particular in view of developments. For example, the share price target is deemed to have been achieved if the Company were to be delisted, as the possibility of achieving a share price target would no longer be possible or only possible to a limited extent.

Maximum Limits for the Remuneration of the Board of Management

Under the remuneration system agreed to date, an annual cap on the Board of Management remuneration was also set and agreed with the members of the Board of Management. This ceiling relates to the maximum remuneration (incl. provisions) granted in a year, i.e. not the remuneration actually received in a year. Payment of the remuneration granted for one year can then be made in different periods. As a result, the actual payment may exceed the maximum remuneration set for that year due to the payouts made for past periods in a year. Likewise, refunds may occur.

The maximum annual remuneration of a Board of Management member may not exceed the gross amount of euro 1,076,700.00 in the case of Mr. Lesser and euro 945,750.00 in the case of Mr. Klowat; this maximum amount, which is fixed in the employment contracts with the members of the Board of Management, currently excludes fringe benefits (company car, insurance, etc.). The fringe benefits may not exceed the amount of euro 50,000.00 per member of the Board of Management. Taking into account the highest possible fringe benefits, this results in maximum remuneration of euro 1,126,700.00 for Mr. Lesser and euro 995,750.00 for Mr. Klowat.

Benefits on Termination of the Board of Management Mandate in Special Cases

The following special provisions regarding the termination of Board of Management mandates are included in the remuneration agreements:

- It has been agreed between the Company and the members of the Board of Management that if the term of their contract ends during the year because they are not reappointed, the performance-related remuneration for the fiscal year in question will be paid *pro rata temporis*. The Supervisory Board and the respective member of the Board of Management shall make an assumption as to how likely it is that the target will be achieved by the end of the relevant assessment periods and to what extent. For the year of departure, the estimated target achievement rate of the Board of Management member is decisive. For the following year, the estimate of the Board of Management member is generally decisive (unless obviously different), with the target achievement rate assumed to be at least 50%. For the following year, a target achievement rate of 100% is to be assumed – unless obviously different. The payment/repayment is made when the Board of Management member leaves the Company. There is no subsequent adjustment.
- In the event of revocation of the appointment without the Company terminating the employment contract for good cause, the Board of Management member is entitled to a one-off severance payment instead of the generally agreed remuneration claims resulting from the contract. The severance payment is subject to a severance payment cap of twice the total remuneration actually received by the Board member in the last full fiscal year – including the bonus payments made in that fiscal year for previous fiscal years – plus any provisions or liabilities recognized for long-term bonus components). If the remaining term of the employment contract on the date of revocation is less than two years, the severance cap is reduced *pro rata temporis*.
- In the event of a change of control, the members of the Board of Management have a special right of termination, which they can exercise within two months following the change of control by giving fourteen days' notice. A change of control has occurred if a third party notifies the Company in accordance with Section 33 of the German Securities Trading Act (WpHG) that it has reached or exceeded a participation of 50% in the voting shares of the Company.

If the special right of termination is exercised, the member of the Board of Management is entitled to the agreed fixed salary for the remaining term of the contract, which is to be paid out in one amount without discounting. In addition, the respective Board of Management member is entitled to a special bonus of 100% of the bonuses expected up to the originally agreed end of the contract, limited by a severance cap of 150% of the severance cap agreed for the revocation of the appointment without termination of the employment contract.

- If a member of the Board of Management resigns and their employment contract is terminated for good cause, all claims to payment of performance-related variable remuneration shall lapse without compensation, unless they were already due and payable at the time the termination took effect.

Individual Remuneration of the Board of Management Members in the 2021 Fiscal Year

Remuneration Awarded and Due

The remuneration within the meaning of Section 162 (1) sentence 1 of the German Stock Corporation Act awarded and due to the members of the Board of Management in the 2021 fiscal year is illustrated below. Furthermore, it is explained to what extent the remuneration awarded and due corresponded to the remuneration system applicable for the 2021 financial year or to what extent it deviated from it. It also explains the performance criteria used. In detail, the following remuneration within the meaning of Section 162 (1) sentence 1 of the German Stock Corporation Act was awarded and due to the members of the Board of Management in the 2021 fiscal year:

Remuneration awarded and due	Markus Lesser			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	370	41.48	370	40.84
Short-term performance-related remuneration	207	23.21	148	16.34
Long-term performance-related remuneration	278	31.17	352	38.85
<i>of which for the 2017 - 2019 period</i>	-	-	63	6.95
<i>of which for the 2019 - 2021 period</i>	-	-	289	31.90
<i>of which for the 2020 - 2022 period</i>	278	31.17	-	-
Fringe benefits	37	4.15	36	3.97
Total – remuneration awarded and due	892	100.00	906	100.00

Remuneration awarded and due	Jörg Klowat			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	325	41.24	325	40.12
Short-term performance-related remuneration	182	23.10	130	16.05
Long-term performance-related remuneration	244	30.96	320	39.51
<i>of which for the 2017 - 2019 period</i>	-	-	60	7.41
<i>of which for the 2019 - 2021 period</i>	-	-	260	32.10
<i>of which for the 2020 - 2022 period</i>	244	30.96	-	-
Fringe benefits	37	4.70	35	4.32
Total – remuneration awarded and due	788	100.00	810	100.00

Fixed Remuneration

The basic remuneration was in line with the remuneration system applicable for the 2021 fiscal year and approved by the General Meeting. Performance criteria are not applicable with regard to the basic remuneration, as this is a fixed remuneration.

Short-term Performance-related Remuneration

The short-term performance-related remuneration received by the members of the Board of Management in 2021 was based on the remuneration system applicable for the 2021 financial year. Accordingly, Mr. Lesser received short-term performance-related remuneration of euro 207,200.00 and Mr. Klowat received short-term performance-related remuneration of euro 182,000.00 for the 2021 fiscal year. This short-term performance-based remuneration is considered "remuneration due", as the underlying service has been fully rendered by the reporting date of December 31, 2021, but payment will not be made before April 2022. Irrespective of the fact that payment is not made until after the end of the reporting year, this is intended to achieve transparent and comprehensible reporting on short-term performance-related remuneration and to ensure a relation between activity and the agreed remuneration specific to the relevant period.

In line with the remuneration system, the short-term performance-related remuneration was based on Group EBITDA on the one hand and on personal targets agreed with the Board of Management

members on the other. In this respect, a personal target was agreed with Mr. Lesser in relation to the scale up strategy and a personal target was agreed with Mr. Klowat in relation to the Group's financing activities. In the opinion of the Supervisory Board, the personal targets were fully achieved by both members of the Board of Management. The guidance-based target for Group EBITDA in 2021 was significantly exceeded. As a result, both members of the Board of Management had reached the maximum amount of short-term performance-related remuneration for the 2021 fiscal year in accordance with the remuneration system.

Long-term Performance-related Remuneration

As long-term performance-related remuneration, an amount of euro 278,000.00 was paid to Mr. Lesser and an amount of euro 244,000.00 to Mr. Klowat in April 2021; no further remuneration components were granted to the members of the Board of Management under the long-term performance-related remuneration system in the 2021 fiscal year, nor are any such benefits due. The remuneration of euro 278,000.00 and euro 244,000.00 granted in the 2021 fiscal year is based on the agreements on long-term remuneration concluded with the members of the Board of Management for the 2020 fiscal year. In terms of content, the remuneration system applicable for 2020 is the same as that applicable for 2021. Therefore, the relevant targets for the long-term performance-related remuneration granted relate in equal parts to average Group EBITDA in the 2020 to 2022 fiscal years and to the share price performance in the years 2020 to 2022. In accordance with the provisions of the remuneration system, the payment of the long-term performance-related remuneration granted in 2021 was therefore only made on a provisional basis. To determine the amounts, a target achievement rate of 100% was assumed for the target of average Group EBITDA 2020 to 2022; for the target relating to the share price performance 2020 to 2022, in addition to full target achievement, it was assumed that there will also be an entitlement to a bonus payment. Whether and in what amount the Board of Management members are finally entitled to the remuneration payments granted will not be decided until after the end of 2022. If actual target achievement in terms of Group EBITDA or share price performance is lower than the amounts set aside in the calculation of the amounts granted, this would be offset against other payments to the Board members or otherwise repaid by the Board members.

The remuneration agreements relevant in this respect were based on the objective that the long-term development of the Company is promoted if the development of Group EBITDA and the share price development are considered over a longer period of three years. Above all, the multi-year comparison periods are intended to provide an incentive to increase the Company's earning power sustainably and thus in the long term. By looking at the share price performance over a period of three years, the aim is also to create a significant incentive to achieve a sustainable and long-term increase in the enterprise value, which will also directly benefit the shareholders.

Voluntary Supplemental Disclosure:

In addition, it is pointed out that the members of the Board of Management have also been promised long-term performance-related remuneration for their activities in the 2021 fiscal year in accordance with the remuneration system applicable for the 2021 fiscal year. As a result, Mr. Lesser will receive a payment of euro 333,000.00 and Mr. Klowat a payment of euro 292,500.00 in April 2022. In accordance with the remuneration system, depending on how the average Group EBITDA and the price of the PNE share will have developed in the years 2021 to 2023, it will be decided whether and in what amount the members of the Board of Management are entitled to the long-term performance-related remuneration promised in the 2021 fiscal year and to be paid out in 2022. In assessing the payments scheduled for April 2022, it is to be assumed in each case that the target achievement rate in relation to both targets will be above 125% and that a corresponding bonus entitlement will also be achieved as a result. However, if the actual target achievement level is lower, this would be taken into account in 2024 through corresponding offsets or repayments to the debit of the Board of Management members.

Fringe Benefits

The fringe benefits were in line with the remuneration system applicable for the 2021 fiscal year. Performance criteria are not applicable to fringe benefits because, as with fixed remuneration, they are firmly agreed remuneration components.

Additional Disclosures on the Board of Management Remuneration pursuant to Section 162 (1) and (2) of the German Stock Corporation Act

The members of the Board of Management are not granted any shares or share options in the Company as part of their contractually agreed remuneration. However, the Supervisory Board recommends that the members of the Board of Management acquire shares in PNE AG if the long-term target "average weighted share price" is achieved, whereby hedging is to be avoided.

There was no clawback of variable remuneration components from members of the Board of Management in 2021.

There are no contractual deviations from the general remuneration system.

Section 120a was included in the German Stock Corporation Act with effect from January 1, 2020. A corresponding resolution was adopted for the first time at the 2021 General Meeting. Against this backdrop, a resolution pursuant to Section 120a of the German Stock Corporation Act was not yet taken into account when determining the remuneration system and individual remuneration components.

Based on the parameters set by the Supervisory Board and the appropriately agreed targets, all members of the Board of Management did not receive more than the maximum remuneration.

No benefits were promised to the Board of Management members by third parties with regard to their activities as members of the Board of Management.

SUPERVISORY BOARD AND REMUNERATION OF THE SUPERVISORY BOARD

Principles of the Currently Applicable Remuneration System for the Supervisory Board in the 2021 Fiscal Year

The remuneration of the Supervisory Board of PNE AG is determined by corresponding resolutions of the General Meeting pursuant to § 11 of the Articles of Association. This is fixed remuneration, which increases, in addition to the basic amount and the attendance fees, if it refers to the Chairman or Deputy Chairman of the Supervisory Board and/or any committee members/chairpersons. There are no plans to include an additional variable remuneration component. This type of remuneration was resolved by the general meeting of shareholders. In addition to the relevant fixed remuneration, the actual time and effort expended by individual Supervisory Board members in attending meetings is also taken into account through attendance fees. The fixed remuneration ensures the basis of and the incentive for continuous monitoring and accomplishment of the tasks of the Supervisory Board in the interest of PNE AG, without making this dependent on external factors or specific economic developments of PNE AG.

In addition to the monetary remuneration, PNE AG also bears the costs of a financial loss liability insurance (D&O insurance) for the members of the Supervisory Board as a fringe benefit component.

The current remuneration system for the Supervisory Board has been submitted to the General Meeting of PNE AG on May 19, 2021 for approval. The General Meeting approved this shareholder remuneration by a majority of 99.7%.

Remuneration of the Supervisory Board

Pursuant to § 11 of the Articles of Association, the Supervisory Board of PNE AG receives a fixed remuneration, which is based on the position of the individual member of the Supervisory Board, their participation in the Supervisory Board meetings and their activities in the committees of the Supervisory Board. The annual general meeting of the Company is responsible for determining the remuneration of the Supervisory Board.

According to the Articles of Association, the Chairman of the Supervisory Board receives euro 120,000.00, the Deputy Chairman euro 90,000.00 and the other members of the Supervisory Board

euro 60,000.00 as fixed remuneration and, in addition, each member of the Supervisory Board receives euro 1,000.00 per meeting. The Chairman of the Audit Committee receives fixed remuneration of euro 30,000.00 and each other member of the Audit Committee euro 15,000.00 as additional remuneration. The chairpersons of other Supervisory Board committees receive additional remuneration of euro 20,000.00. The total remuneration of the Supervisory Board in the 2021 fiscal year amounted to euro 409,000.00 (prior year: euro 496,750.00).

Mr. Donzelli and Mr. Oppenauer issued a written declaration to the Company that they waive their fixed remuneration and the attendance fees granted pursuant to the Articles of Association for their term of office.

In addition, the Company bears the cost of directors' and officers' liability insurance for all members of the Supervisory Board (D&O insurance).

Individual Remuneration of the Supervisory Board Members in the 2021 Fiscal Year

The following tables show the remuneration of the Supervisory Board members in the 2021 fiscal year and, for comparison, in the 2020 fiscal year, in each case including the relative proportions of the individual remuneration components, i.e. fixed remuneration, remuneration for membership of committees and attendance fees.

In accordance with § 11 of the Articles of Association, the total Supervisory Board remuneration is not payable until after the end of the General Meeting in the following year. The remuneration stated in each case is therefore regarded as "remuneration due", as the underlying performance of the Supervisory Board members has been rendered in full by the reporting date of December 31, 2021. Accordingly, the tables show the amounts due to the Supervisory Board members for their activity in the 2021 fiscal year, even though payment will not be made until May 2022. Irrespective of the fact that payment is not made until after the end of the reporting year, this is intended to achieve transparent and comprehensible reporting on Supervisory Board remuneration and to ensure a relation between activity and the agreed remuneration specific to the relevant period.

Remuneration due	Per Hornung Pedersen			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	120.0	80.00	120.0	79.47
Committee remuneration	20.0	13.33	20.0	13.25
Attendance fees	10.0	6.67	11.0	7.28
Total	150.0	100.0	151.0	100.0

Remuneration due	Christoph Oppenauer*			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	0.0	0.00	0.0	0.00
Committee remuneration	0.0	0.00	0.0	0.00
Attendance fees	0.0	0.00	0.0	0.00
Total	0.0	0.0	0.0	0.0

*Waiver declared for remuneration of the full period in office

Remuneration due	Alberto Donzelli*			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	0.0	0.00	0.0	0.00
Committee remuneration	0.0	0.00	0.0	0.00
Attendance fees	0.0	0.00	0.0	0.00
Total	0.0	0.0	0.0	0.0

*Waiver declared for remuneration of the full period in office

Remuneration due	Dr. Susanna Zapreva			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	60.0	68.97	60.0	67.42
Committee remuneration	15.0	17.24	15.0	16.85
Attendance fees	12.0	13.79	14.0	15.73
Total	87.0	100.0	89.0	100.0

Remuneration due	Marcel Egger			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	60.0	58.82	60.0	57.69
Committee remuneration	30.0	29.41	30.0	28.85
Attendance fees	12.0	11.76	14.0	13.46
Total	102.0	100.0	104.0	100.0

Remuneration due	Florian Schuhbauer			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	60.0	85.71	60.0	84.51
Committee remuneration	0.0	0.00	0.0	0.00
Attendance fees	10.0	14.29	11.0	15.49
Total	70.0	100.0	71.0	100.0

Remuneration due	Dr. Jens Kruse*			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	0.0	0.00	37.5	73.89
Committee remuneration	0.0	0.00	6.3	12.32
Attendance fees	0.0	0.00	7.0	13.79
Total	0.0	0.0	50.8	100.0

*member of the Supervisory Board until May 2020

Remuneration due	Andreas M. Rohardt*			
	2021		2020	
Remuneration component	(€k)	(%)	(€k)	(%)
Fixed remuneration	0.0	0.00	25.0	80.65
Committee remuneration	0.0	0.00	0.0	0.00
Attendance fees	0.0	0.00	6.0	19.35
Total	0.0	0.0	31.0	100.0

*member of the Supervisory Board until May 2020

In addition, in accordance with the Articles of Association, the members of the Supervisory Board are entitled to reimbursement of expenses and of the value-added tax payable on their remuneration over and above the remuneration stated.

No member of the Supervisory Board provided personal services (such as consulting services) for PNE AG or its affiliated companies in the 2021 fiscal year and therefore did not receive any other remuneration based on such services.

COMPARATIVE PRESENTATION OF THE ANNUAL CHANGE IN THE REMUNERATION OF THE CORPORATE BODIES, INCLUDING DEVELOPMENT OF EARNINGS AND THE AVERAGE REMUNERATION OF EMPLOYEES OF PNE AG

Principles of Presentation

In the following, the percentage change in the remuneration of the members of the Board of Management as well as the members of the Supervisory Board is compared in each case with the earnings development of PNE AG and with the average remuneration of the employees on a full-time equivalent basis. In each case, the change in the 2021 fiscal year compared to the 2020 fiscal year is considered. For years further back, PNE has not yet collected the necessary data on employee remuneration on a full-time equivalent basis. With regard to the remuneration of the members of the corporate bodies and the development of the Company's earnings, we follow the view closely based on the wording of the law, according to which only an annual change from the previous year to the reporting year is to be disclosed.

Insofar as the development of earnings is based on the development of the annual result (net income/net loss), the basis for the indicated annual change is the annual result shown in the annual financial statements of PNE AG prepared, audited and approved in accordance with the provisions of the German Commercial Code (Section 275 (2) no. 17 HGB). Insofar as the development of earnings is based on the Group EBITDA, the basis for the respective change is the Group EBITDA reported in the audited and approved consolidated financial statements of PNE AG prepared in accordance with IFRS.

The group of employees taken into account comprises the employees working for the PNE Group in Germany and abroad in the respective year, converted to full-time equivalents. The resulting average number of full-time employees for a given year was compared with the total gross remuneration paid in that year (including all special payments such as Christmas bonuses, vacation pay, supplements, lump sums, benefits in kind, etc.). From this, the average annual remuneration as a full-time employee was then determined in each case, as well as finally its stated annual change.

Annual Change in the Remuneration of Board of Management Members in Comparison

Comparative presentation acc. to Sec. 162 (1) no. 2 AktG	Annual change
	2021 vs. 2020
Board of Management remuneration	
Markus Lesser	-2%
Jörg Klowat	-3%
Earnings development	
Annual result (net income/net loss) of PNE AG	81%
Group EBITDA	24%
Average remuneration of employees	
Total workforce	3%

The stated changes in the Board of Management remuneration are based on the total of all fixed and performance-related remuneration components received by the respective Board member in a given year. For this purpose, the standards of Section 162 (1) no. 1 of the German Stock Corporation Act were applied retrospectively in the same way as otherwise used in this remuneration report for Management Board remuneration in the 2021 fiscal year.

Annual Change in the Remuneration of Supervisory Board Members in Comparison

Comparative presentation acc. to Section 162 (1) no. 2 AktG	Annual change
	2021 vs. 2020
Supervisory Board remuneration	
Mr. Per Hornung Pedersen	-1%
Mr. Oppenauer	-
Mr. Donzelli	-
Dr. Zapreva	-2%
Mr. Egger	-2%
Mr. Schuhbauer	-1%
Dr. Kruse*	-100%
Mr. Rohardt*	-100%
Earnings development	
Annual result (net income/net loss) of PNE AG	81%
Group EBITDA	24%
Average remuneration of employees	
Total workforce	3%

*member of the Supervisory Board until May 2020

The stated changes in the Supervisory Board remuneration are based on the total of all fixed and performance-related remuneration components received by the respective Supervisory Board member in a given year. This is the sum of the fixed remuneration, the committee remuneration and the attendance fees. To determine the remuneration obtained, the standards of Section 162 (1) no. 1 of the German Stock Corporation Act were applied retrospectively in the same way as otherwise used in this remuneration report for the Supervisory Board remuneration in the 2021 fiscal year.

REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE REMUNERATION REPORT PURSUANT TO SECTION 162 (3) OF THE GERMAN STOCK CORPORATION ACT

To PNE AG, Cuxhaven

Audit Opinion

We have formally audited the remuneration report of PNE AG, Cuxhaven, for the fiscal year from January 1 to December 31, 2021 as to whether the disclosures pursuant to Section 162 (1) and (2) of the German Stock Corporation Act have been made in the remuneration report. In accordance with Section 162 (3) of the German Stock Corporation Act, we have not audited the content of the remuneration report.

In our opinion, the disclosures pursuant to Section 162 (1) and (2) of the German Stock Corporation Act have been made in all material respects in the attached remuneration report. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with Section 162 (3) of the German Stock Corporation Act and in compliance with the IDW Auditing Standard: The Audit of the Remuneration Report in accordance with Section 162 (3) of the German Stock Corporation Act (IDW PS 870 (August 2021)) of the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer*, IDW). Our responsibility under that provision and standard is further described in the section entitled "Responsibilities of the Auditor" of our report. Our auditing firm applied the requirements of the IDW Standard on Quality Control 1: Requirements for Quality Control in Audit Firms (IDW QS 1). We have fulfilled the professional responsibilities in accordance with the German Public Accountant Act (WPO) and the German Professional Code of Conduct for German Auditors/Certified Auditors including the requirements for independence.

Responsibilities of the Board of Management and the Supervisory Board

The Board of Management and the Supervisory Board are responsible for the preparation of the remuneration report, including the related disclosures, which complies with the requirements of Section 162 of the German Stock Corporation Act. They are also responsible for the internal controls as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditor

Our objective is to obtain reasonable assurance about whether the disclosures pursuant to Section 162 (1) and (2) of the German Stock Corporation Act have been made in all material respects in the remuneration report and to express an opinion thereon in an auditor's report.

We planned and performed our audit so as to allow us to obtain assurance on the formal completeness of the remuneration report by comparing the disclosures in the remuneration report with the information to be included pursuant to Section 162 (1) and (2) of the German Stock Corporation Act. In accordance with Section 162 (3) of the German Stock Corporation Act, we did not audit the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

Dealing with any misleading statements

In conducting our audit, we have a responsibility to read the remuneration report, taking into account the knowledge gained from the audit of the financial statements, and to remain alert for indications of whether the remuneration report contains any misleading statements as to the accuracy of the content of the disclosures, the completeness of the content of the individual disclosures, or the fair representation of the remuneration report.

If, based on the audit performed, we conclude that such misleading statements exist, we are required to report that fact. We have nothing to report in this context.

Hamburg, March 14, 2022

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Christian Dinter

Dr. Arno Probst

Wirtschaftsprüfer (German public auditor)

Wirtschaftsprüfer (German public auditor)

ADDITIONAL INFORMATION

REGARDING THE CONVENING OF THE GENERAL MEETING

On the basis of Section 1 of the German Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic (*Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie*) of March 27, 2020 (Article 2 of the German Act to Mitigate the Consequences of the COVID-19 Pandemic under Civil, Insolvency and Criminal Procedure Law (*Gesetz zur Abmilderung der Folgen der COVID-19-Pandemie im Zivil-, Insolvenz- und Strafverfahrensrecht*) of March 27, 2020, Federal Gazette I 2020, p. 569, amended by Article 11 of the German Act to Further Accelerate the Discharge of Residual Debt Proceedings and to Adjust Pandemic-Related Provisions Under the Law of Companies, Cooperative Societies, Associations, Foundations and Under Tenancy Law (*Gesetz zur weiteren Verkürzung des Restschuldbefreiungsverfahrens und zur Anpassung pandemiebedingter Vorschriften im Gesellschafts-, Genossenschafts-, Vereins- und Stiftungsrecht sowie im Miet- und Pachtrecht*) of December 22, 2020, Federal Gazette I 2020, p. 3328, "German COVID-19 Act"), the provisions of which continue to apply on the basis of Article 15 of the German Act for the Establishment of the 2021 Reconstruction Aid Fund ("Aufbauhilfe 2021") and the Temporary Suspension of the Insolvency Filing Obligation Due to Heavy Rainfall and Floods in July 2021 and the Amendment of Other Laws (*Gesetz zur Errichtung eines Sondervermögens "Aufbauhilfe 2021" und zur vorübergehenden Aussetzung der Insolvenzantragspflicht wegen Starkregenfällen und Hochwassern im Juli 2021 sowie zur Änderung weiterer Gesetze*) of September 10, 2021, Federal Gazette I 2021, p. 4147, until August 31, 2022, PNE AG's Board of Management, with the approval of the Supervisory Board, has decided to hold a virtual General Meeting without the shareholders or their proxies (except for the Company-appointed proxies) being physically present.

For shareholders of PNE AG, the entire General Meeting will be broadcast live on the Internet on May 18, 2022, from 10:00 hours (CEST) at

<https://ir.pne-ag.com/hv>

in the GM Portal.

Shareholders will receive access to the Internet-based GM Portal by entering an individual access code, which will be sent to them together with the registration documents. The option for shareholders to participate in the General Meeting without being present at the venue and without a proxy in accordance with Section 118 (1) sentence 2 of the German Stock Corporation Act and to exercise all or some of their rights in whole or in part by means of electronic communication is not available; in particular, the live broadcast does not permit participation in the General Meeting within the meaning of Section 118 (1) sentence 2 of the German Stock Corporation Act.

Shareholders or their proxies have the opportunity to exercise their voting rights by postal vote (also in electronic form) or by authorizing the Company-appointed proxies as specified below.

Questions from the shareholders must be received no later than one day prior to the meeting, i.e., no later than on May 16, 2022, 24:00 hours (CEST), as specified below in the section entitled "Shareholders' Right to Ask Questions pursuant to Section 1 (2) Sentence 1 No. 3, Sentence 2 of the German COVID-19 Act, Section 131 (1) of the German Stock Corporation Act".

Total Number of Shares and Voting Rights at the Time of the Convening of the General Meeting

At the time of the convening of the General Meeting, the share capital of the Company totaling EUR 76,603,334.00 is divided into 76,603,334 no-par value registered shares that entitle their holders to attend and vote at the General Meeting; each of the issued shares carries one vote. The Company is not entitled, however, to exercise any voting rights resulting from treasury shares. At the time when notice of the General Meeting is published in the Federal Gazette, the Company holds 266,803 treasury shares. The total number of exercisable voting rights consequently amounts to 76,336,531.

Exercising Voting Rights

All shareholders that are registered in the Company's share register on the day of the General Meeting and that have registered to attend the General Meeting in such a way that their registration has reached the Company at the address below no later than on Wednesday, May 11, 2022, 24:00 hours (CEST) are entitled to exercise their voting right.

Any shareholders registered in the share register may send their registration to the following address in writing or in text form (Section 126b of the German Civil Code (*Bürgerliches Gesetzbuch*)):

PNE AG
c/o Link Market Services GmbH
Landshuter Allee 10
80637 Munich
Germany

The registration may also be transmitted to the Company by email to namensaktien@linkmarketservices.de or electronically using the Internet-based GM Portal on the Company website at <https://ir.pne-ag.com/hv> before the above-mentioned deadline has expired.

Shareholders wishing to register via the Internet-based GM Portal need the individual access code that is sent to them together with the registration documents. Shareholders may use the Internet-based GM Portal not only to register but also to grant power of attorney and give instructions to the Company-appointed proxies who are bound by instructions, for casting postal votes in electronic form, for submitting questions to the Board of Management, for the video and audio transmission of the General Meeting and for the option to lodge an objection to a resolution of the General Meeting. For further information, please also refer to the registration documents that have been sent to you, or visit the above-mentioned website.

Shareholders may freely dispose of their shares even after registering. The right to vote is based on the shareholding evidenced by entry in the Company's share register as at the date of the General Meeting. This number will correspond to the number of shares at the end of the registration deadline because any orders to amend the share register that are given between May 12, 2022, 00:00 hours (CEST) and May 18, 2022 (inclusive) will be processed and considered only after the day of the General Meeting. Thus, May 11, 2022, 24:00 hours (CEST), is the technical record date as regards the voting rights to be exercised on the day of the General Meeting.

Powers of Attorney/Proxies Exercising a Voting Right

a) Granting Power of Attorney to a Third Party

Shareholders may have their right to vote exercised by a proxy, e.g., the custodian bank, a consultant on share voting rights, a shareholders' association or another person of their choice. This also requires timely registration according to the above-mentioned conditions. Shareholders receive a proxy form

together with the registration documents. Shareholders may also use a proxy form which will be made available on the Internet at <https://ir.pne-ag.com/hv>.

If no power of attorney pursuant to Section 135 of the German Stock Corporation Act is granted, the granting and revocation of the power of attorney, as well as the proof to the Company that the power of attorney has been granted, must have text form (Section 126b of the German Civil Code). The power of attorney may be granted or revoked by declaration made to the Company or the proxy; in the latter case, proof of the power of attorney to the Company will additionally be required.

Proof that the power of attorney has been granted must be received by the Company for organizational reasons at the following address on or before Tuesday, May 17, 2022, 18:00 hours (CEST), by post, or electronically by email:

PNE AG
c/o Link Market Services GmbH
Landshuter Allee 10
80637 Munich
Germany
Email: namensaktien@linkmarketservices.de

The same applies should a shareholder wish to revoke a power of attorney to the Company. For organizational reasons, the revocation notice must also be communicated to the Company by the deadline mentioned above.

If a power of attorney is granted in accordance with Section 135 of the German Stock Corporation Act (granting of power of attorney to intermediaries, consultants on share voting rights, shareholders' associations or professional agents), there is no text form requirement. However, the power of attorney must be verifiably recorded by the proxy. It must also be complete and may only contain declarations associated with the exercise of voting rights. Therefore, this generally requires compliance with special rules details on which must be obtained from the relevant intended proxy.

Proxies (except for the Company-appointed proxies) cannot physically be present at the General Meeting. They may only exercise the voting rights of shareholders they represent by postal vote or by granting (sub-)authorization to the Company-appointed proxies.

The use of the GM Portal by the proxy requires that the proxy receives the access data to the GM Portal.

b) Granting Power of Attorney to the Company-appointed Proxies who are Bound by Instructions

In addition, we give our shareholders the opportunity to grant power of attorney to the Company-appointed proxies bound by instructions. This also requires timely registration according to the above-mentioned conditions. The power of attorney for the proxies may be granted in text form and must always include instructions on how the voting right should be exercised. The power of attorney is invalid if it does not include instructions. The Company-appointed proxies are under the obligation to vote according to instructions. In order to grant power of attorney and to issue instructions to the Company-appointed proxies, shareholders may use the form that is part of the registration documents.

The Company-appointed proxies will not accept any instructions for submitting questions, for declaring objections or for submitting motions.

The powers of attorney and instructions for the Company-appointed proxies may be transmitted to the Company's address set out under a) above before the General Meeting in order to prove that the power of attorney has actually been granted and to grant or revoke the power of attorney. In this case, the Company must receive the power of attorney and the instructions by Tuesday, May 17, 2022, 18:00 hours (CEST) for organizational reasons. The same applies should a shareholder wish to revoke a power of attorney or the instructions. For organizational reasons, the revocation notice must also be communicated to the Company by the deadline mentioned above.

In order to grant power of attorney to the Company-appointed proxies, shareholders may also grant power of attorney and issue instructions electronically, i.e., via the Internet-based GM Portal on the Company website at

<https://ir.pne-ag.com/hv>.

Shareholders may use the Internet-based GM Portal to issue or revoke powers of attorney and instructions to the Company-appointed proxies, or to change any instructions, also during the General Meeting until the time voting starts.

c) General Information

For further details and information on granting powers of attorney and issuing instructions, please refer to the registration form and the accompanying notes sent to the shareholders. Information can also be found on the Company website at **<https://ir.pne-ag.com/hv>**.

The Company would like to ask its shareholders to use the forms for granting power of attorney (proxy forms) provided in order to facilitate processing. Please note that a power of attorney may

also be granted effectively in other ways provided the statutory form and other statutory conditions are met. A power of attorney may be granted even after registration or after the end of the registration period described above, and – in the case of authorization of the Company-appointed proxies via the Internet-based GM Portal – even until the time voting starts during the General Meeting, and may be revoked for the future at any time provided the form requirements are observed.

If differing declarations are received via different channels and it is not possible to identify which one was made last, they will be taken into account in the following order of precedence: (1) by Internet, (2) by email, and (3) on paper.

If a shareholder grants powers of attorney to more than one person, the Company may reject one or several of these persons.

Procedure for Casting Votes by Postal Vote

Shareholders may cast their votes by postal vote in text form or electronically via the Internet-based GM Portal. Only those shareholders who registered for the General Meeting in due time will be entitled to exercise voting rights by postal vote. For the postal vote in text form, the shareholders may use the form that is part of the registration documents. Shareholders may also use the form available on the Internet at **<https://ir.pne-ag.com/hv>**. Any votes cast by postal vote in text form must be received at the address specified below by Tuesday, May 17, 2022, 18:00 hours (CEST):

PNE AG
c/o Link Market Services GmbH
Landshuter Allee 10
80637 Munich
Germany

The same applies should shareholders wish to revoke the postal votes. Moreover, the Company offers an Internet-based GM Portal for electronic postal votes on its website at:

<https://ir.pne-ag.com/hv>.

The Internet-based GM Portal will be available to the shareholders for the casting of postal votes and any changes or the revocation thereof also during the General Meeting until the time voting starts. For further details on postal votes, please refer to the registration form sent to the shareholders. Corresponding information is also available on the Internet at the above-mentioned address.

If differing declarations are received via different channels and it is not possible to identify which one was made last, they will be taken into account in the following order of precedence: (1) by Internet and (2) on paper.

Shareholder Rights

Right to Add Items to the Agenda pursuant to Section 122 (2) of the German Stock Corporation Act

Shareholders whose shares in aggregate amount to one-twentieth of the share capital or represent a proportionate amount of EUR 500,000.00 (corresponding to 500,000 shares) may request that items be put on the agenda and published. Each new item must be accompanied by a statement of reasons or a resolution proposal. The request must be addressed to the Board of Management in writing and must be received by the Company at the following address no later than Sunday, April 17, 2022, 24:00 hours (CEST):

PNE AG

– Board of Management –

Peter-Henlein-Straße 2-4

27472 Cuxhaven

The request for addition will be taken into account only if the applicants demonstrate that they had been holders of the above-mentioned minimum shareholding for no less than 90 days prior to the receipt of the request and that they will hold the minimum shareholding until (and including) the date on which a decision on the request for addition has been made by the Board of Management. This may be demonstrated by documentation of registration in the share register. Section 121 (7) of the German Stock Corporation Act must be applied *mutatis mutandis* to the calculation of the period. Section 70 of the German Stock Corporation Act must be observed when calculating the minimum holding period.

Additions to the agenda which are to be published and which have not already been published together with the convening notice will be published without undue delay following the receipt of the request in the same manner as the convening notice.

Motions duly received by Sunday, April 17, 2022, 24:00 hours (CEST) relating to items added or to be added to the agenda in accordance with Section 122 (2) of the German Stock Corporation Act will be treated at the General Meeting as if they had been submitted during the General Meeting.

Shareholder Countermotions and Election Proposals pursuant to Sections 126 (1), 127 of the German Stock Corporation Act, Section 1 (2) Sentence 3 of the German COVID-19 Act

Any countermotions to a proposal made by the Board of Management and/or the Supervisory Board and any election proposals by a shareholder must be addressed exclusively to the following address:

PNE AG

– General Meeting –

Peter-Henlein-Straße 2-4

27472 Cuxhaven

Email: info@pne-ag.com

Countermotions and election proposals sent to a different address will not be considered.

Any countermotions and election proposals by shareholders that need to be made available and that are received at the above-mentioned address at least 14 days before the General Meeting takes place, i.e., no later than by Tuesday, May 3, 2022, 24:00 hours (CEST), will be published on the Internet at <https://ir.pne-ag.com/hv>. Statements by the management, if any, will also be published on the above-mentioned website.

Countermotions without a statement of reasons need not be made available. Moreover, a countermotion need not be made available if one of the exclusion criteria pursuant to Section 126 (2) sentence 1 of the German Stock Corporation Act is met. Moreover, the statement of reasons need not be made available if it exceeds a total of 5,000 characters.

No statement of reasons needs to be provided for election proposals made by shareholders pursuant to Section 127 of the German Stock Corporation Act. Election proposals are made available only if they include the name, profession exercised and place of residence of the nominee and, in the case of an election of Supervisory Board members, information on their membership in other legally required supervisory boards. Pursuant to Section 127 (1) of the German Stock Corporation Act in conjunction with Section 126 (2) of the German Stock Corporation Act, there are other reasons for which election proposals do not have to be made available online. In all other respects, the requirements and rules for disclosure of motions apply *mutatis mutandis*.

Motions and election proposals by shareholders that are to be made available in accordance with Section 126 or Section 127 of the German Stock Corporation Act will be deemed to have been submitted at the General Meeting if the shareholder submitting the motion or election proposal is duly entitled to do so and has registered for the General Meeting.

Shareholders' Right to Ask Questions pursuant to Section 1 (2) Sentence 1 No. 3, Sentence 2 of the German COVID-19 Act, Section 131 (1) of the German Stock Corporation Act

With the approval of the Supervisory Board, the Board of Management of PNE AG has decided that questions from shareholders registered for the General Meeting can be addressed to the Board of Management via the Internet-based GM Portal at <https://ir.pne-ag.com/hv>. Questions of the shareholders must be submitted no later than one day prior to the meeting, i.e., no later than on Monday, May 16, 2022, 24:00 hours (CEST), using that portal. No questions may be asked during the General Meeting.

The Board of Management must provide information about the affairs of the Company in response to questions that have been submitted on time to the extent that the information is necessary for proper evaluation of the agenda item. The duty of the Board of Management to provide information also extends to the legal and business relations of the Company with any affiliated company as well as the situation of the Group and of the companies included in the consolidated financial statements because the General Meeting will also be presented with the consolidated financial statements and the consolidated management report under agenda item 1. The Board of Management will decide at its due and absolute discretion how to answer questions. In particular, it may summarize questions and answers. The Board of Management may refrain from answering individual questions for the reasons set forth in Section 131 (3) of the German Stock Corporation Act.

Explanatory Notes

Further explanations on the rights of shareholders are set out on the Internet at <https://ir.pne-ag.com/hv>.

Objections to be Recorded in the Minutes

Shareholders that have exercised their voting rights may use the Internet-based GM Portal at <https://ir.pne-ag.com/hv> to lodge objections to resolutions of the General Meeting to be recorded in the minutes. The objection may be declared via the Internet-based GM Portal from the beginning of the General Meeting until the end of the General Meeting. Any other form of transmission is excluded.

Availability of the Speech of the Board of Management

It is intended to provide the shareholders with the opportunity to respond to the speech by the Board of Management by way of asking questions. Therefore, a preliminary manuscript with the essential statements of the speech of the Board of Management will be made available before the General Meeting on PNE AG's website at <https://ir.pne-ag.com/hv>. The speech held during the General Meeting may deviate from this preliminary manuscript, in particular where this is necessary due to current developments. The speech actually held will be decisive.

Confirmation of the Counting of the Votes pursuant to Section 129 (5) of the German Stock Corporation Act

Shareholders that have participated in the voting can request confirmation from the Company within one month after the date of the General Meeting about whether and how their vote was counted. In order to request the issuance of the confirmation of the counting of the votes via the Internet-based GM Portal at <https://ir.pne-ag.com/hv>, the shareholders need the individual access code that was sent to them together with the registration documents.

Information and Documents on the General Meeting and Data Protection

The documents required to be made available concerning the agenda items are available to the shareholders on the Internet at <https://ir.pne-ag.com/hv> from the time of convening the General Meeting. At the same address, the annual financial statements, the consolidated financial statements and the consolidated management and group management report of PNE AG and the Group (including the explanatory report by the Board of Management in relation to the information provided pursuant to Section 289a and Section 315a of the German Commercial Code (*Handelsgesetzbuch*)) as well as the report by the Supervisory Board for the 2021 fiscal year are available from the time of convening the General Meeting. These documents will also be available for inspection during the virtual General Meeting.

The information and documents mentioned under Section 124a of the German Stock Corporation Act, in particular those relating to the attendance of the General Meeting, powers of attorney and instructions will also be accessible at

<https://ir.pne-ag.com/hv>.

After the General Meeting, the voting results will also be published on that website.

Shareholders' information on data protection can be found in the Annex to this invitation.

Cuxhaven, April 2022

PNE AG

Board of Management

ANNEX

Information on data protection for shareholders

In its function as the controller, PNE AG, Peter-Henlein-Straße 2-4, 27472 Cuxhaven, processes the shareholders' personal data as well as personal data of the shareholder representatives, if any (e.g., last name and first name, address, email address, number of shares, class of shares, type of ownership of the shares, access data for the registration confirmation, postal votes, powers of attorney/instructions, and any questions submitted by the relevant shareholder) in accordance with applicable data protection laws. The shares in PNE AG are registered shares. The processing of personal data is a mandatory requirement for the proper preparation and conduct of the virtual General Meeting, for the exercise of voting rights, for tuning into and following the virtual General Meeting electronically, and for maintaining the share register. The legal basis for the processing is Article 6 (1) sentence 1 point (c) of the General Data Protection Regulation (GDPR) in conjunction with Sections 67e, 118 et seqq. of the German Stock Corporation Act and Section 1 of the German COVID-19 Act. In addition, to the extent that this is required to organize the virtual General Meeting, data may be processed on the basis of overriding legitimate interests (Article 6 (1) sentence 1 point (f) GDPR). To the extent that the shareholders do not themselves provide their personal data, PNE AG will generally obtain such data from the bank that the shareholders have entrusted with the safekeeping of their shares (so-called depository banks or last intermediaries). PNE AG will broadcast the virtual General Meeting for its shareholders on the Internet (Section 1 (2) sentence 1 of the German COVID-19 Act).

The service providers commissioned by PNE AG for the purpose of organizing the virtual General Meeting will process the shareholders' personal data exclusively as instructed by PNE AG and only to the extent this is necessary for the performance of the services commissioned. Each of the employees of PNE AG as well as all staff of commissioned service providers who have access to and/or process the personal data of the shareholders and/or the shareholder representatives are obliged to treat such data confidentially. Also, personal data of shareholders and/or shareholder representatives exercising their voting rights can be viewed by other

shareholders and shareholder representatives subject to applicable laws (in particular via the list of participants (Section 129 of the German Stock Corporation Act)).

This also applies mutatis mutandis in the context of answering questions (if any) that shareholders and shareholder representatives have asked in advance (Section 1 (2) sentence 1 no. 3 and sentence 2 of the German COVID-19 Act). When questions are answered, the Company reserves the right to state the names of shareholders who submitted the relevant questions. Personal data of shareholders and/or shareholder representatives will also be published or made available to other shareholders and shareholder representatives in the event of motions for additions to the agenda, counter motions, election proposals or lodged objections, under certain conditions and subject to the statutory requirements.

PNE AG will erase the shareholders' personal data in accordance with the statutory provisions, specifically if the personal data are no longer required for the purposes for which they were initially collected or processed, the data are no longer required in connection with administrative or court proceedings, if any, and if no statutory record retention requirements apply.

Subject to the statutory requirements, the shareholders have the right to access their personal data that were processed and to require rectification or erasure of their personal data or the restriction of the processing. The shareholders also have the right to lodge a complaint with the supervisory authorities. If personal data are processed on the basis of Article 6 (1) sentence 1 point (f) GDPR, shareholders or shareholder representatives, as the case may be, also have a right of objection subject to the statutory requirements.

Shareholders may address their questions or comments on the processing of personal data to the data protection officer of PNE AG at:

Stefan Schlie

Peter-Henlein-Straße 2-4

27472 Cuxhaven

Email: datenschutz@pne-ag.com

Phone: +49 4721 718 179

Telefax: +49 47 21 718 373.

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