Annual General Meeting of Pyrum Innovations AG on July 24, 2025

Report of the Executive Board on Agenda Item 5 (Resolution on the cancellation of the Authorized Capital 2024, the creation of the new Authorized Capital 2025 with the authorization to exclude subscription rights and the corresponding amendment to the Articles of Association)

The authorization of the Executive Board, granted by the Annual General Meeting on July 18, 2024, under agenda item 5, to increase the Company's share capital with the consent of the Supervisory Board on one or more occasions by up to a total of EUR 1,301,494.00 (in words: one million three hundred one thousand four hundred ninety-four euros) through the issuance of new no-par value registered shares against cash and/or non-cash contributions until July 17, 2029 (**Authorized Capital 2024**), was partially utilized. As part of a cash capital increase carried out in October 2024, the Company's share capital was increased by EUR 363,637.00 to a total of EUR 3,617,372.00.

To the extent not yet utilized, the remaining Authorized Capital 2024 is now to be canceled and replaced by the new Authorized Capital 2025.

Accordingly, the Executive Board and Supervisory Board propose to the Annual General Meeting on July 24, 2025, under agenda item 5, that the Authorized Capital 2024 be canceled and that the Executive Board be authorized, with the consent of the Supervisory Board, to increase the share capital of the Company on one or more occasions by a total of up to EUR 1,446,948.00 (in words: one million four hundred forty-six thousand nine hundred forty-eight euros) by issuing up to 1,446,948 new registered no-par value shares against cash and/or non-cash contributions until July 23, 2030 (Authorized Capital 2025). This corresponds again to 40% of the share capital existing at the time of the convening notice.

The purpose of the new Authorized Capital 2025 is to expand the Company's strategic flexibility and to ensure the Company's ability to conduct appropriate and flexible equity financing in the future. The cancellation of the existing Authorized Capital 2024 will only take effect once the new Authorized Capital 2025 is registered.

The proposed Authorized Capital 2025 will enable the Executive Board to strengthen the Company's equity base within a reasonable scope, particularly in connection with financing the development of the new site in Perl-Besch, investments in joint ventures, new facilities, and to support further growth of the Company and any related short-term financing needs in the interest of shareholders. The Company must at all times have access to financing tools regardless of specific plans for utilization. Since decisions regarding capital needs must often be made quickly, the Company must not be reliant on the timing of the annual general meeting. The German legislature created the concept of authorized capital to address precisely this need. Given the significant advantages, many large publicly listed companies in Germany have similar authorizations.

With regard to the proposed authorization to exclude shareholder subscription rights with the consent of the Supervisory Board, the Executive Board submits the following written report in accordance with Section 203 (2) Sentence 2 in conjunction with Section 186 (4) Sentence 2 of the German Stock Corporation Act (**AktG**):

In principle, shareholders are entitled to subscription rights in capital increases from Authorized Capital 2025. The shares may also be issued to one or more banks or financial institutions or entities within the meaning of Section 186 (5) Sentence 1 AktG with the obligation to offer them to shareholders for subscription (indirect subscription right).

However, as was the case under Authorized Capital 2024, the Executive Board shall be authorized, with the consent of the Supervisory Board, to exclude shareholders’ subscription rights, in whole or in part, in the following cases:

Exclusion of subscription rights for fractional amounts:

The Executive Board may exclude shareholders' subscription rights for fractional amounts with the Supervisory Board's consent. This is standard practice to ensure a practical subscription ratio and facilitate the technical implementation of a capital increase. Shares excluded in this way (so-called “free fractions”) will be best placed on the market or otherwise utilized in the best interest of the Company.

Exclusion of subscription rights in cash capital increases:

The Executive Board shall be authorized to exclude subscription rights in cash capital increases if the issue price of the new shares does not significantly undercut the stock market price of the already listed shares of the same class and features at the time the final issue price is determined by the Executive Board, pursuant to Sections 203 (1) and (2), 186 (3) Sentence 4 AktG. The stock price may also be the price of Norwegian Depository Receipts (NDRs) traded on the Oslo Stock Exchange (Euronext Growth). If the shares are listed both on Xetra (or a successor system of the Frankfurt Stock Exchange) and as NDRs in Oslo, the Company may choose which market price to use as reference.

This authorization is intended to make equity financing easier and quicker. The exclusion of subscription rights enables a near-market placement without the discount typical of rights offerings and allows for swift access to capital. The Executive Board will aim to keep any discount to the market price as small as possible. The proportion of share capital represented by shares issued under this authorization without subscription rights may not exceed 20% of the Company’s share capital at the time the authorization becomes effective or is exercised.

This cap includes shares or NDRs issued or to be issued under conversion or option rights or obligations linked to bonds issued during the term of this authorization, where the shareholders' subscription rights are excluded pursuant to Section 186 (3) Sentence 4 AktG. It also includes shares or NDRs issued or sold under simplified exclusions of subscription rights pursuant to Section 186 (3) Sentence 4 AktG. These safeguards aim to protect shareholders from dilution. Furthermore, due to the near-market issue price and quantitative limits, shareholders can generally maintain their shareholding by buying additional shares on the stock exchange under comparable terms.

Exclusion of subscription rights in non-cash capital increases:

The Executive Board shall also be authorized to exclude shareholders' subscription rights in capital increases against non-cash contributions, particularly to issue shares in connection with mergers or the acquisition of companies, business units, participations, or other assets or rights to acquire assets, including receivables against the Company or its group companies.

To act in shareholders' interests, the Company must retain flexibility in acquisitions and business combinations. Offering shares as consideration can preserve liquidity, meet sellers’ expectations, or align with an optimal financing structure. The Authorized Capital 2025 and the ability to exclude subscription rights equip the Company to pursue such strategic opportunities flexibly, efficiently, and cost-effectively.

The Executive Board will ensure any use of this authorization serves the best interests of the Company and its shareholders and will seek appropriate issue prices. Any dilution of shareholders' ownership will be offset by the value created through strategic growth, in which shareholders continue to participate despite a reduced percentage holding.

Exclusion of subscription rights in favor of holders of bonds or financing instruments:

Finally, the Executive Board may exclude subscription rights to grant holders of bonds or financing instruments with conversion or option rights or obligations issued by the Company or its subsidiaries the right to subscribe for new shares. This avoids having to reduce the conversion or option price under standard anti-dilution clauses.

Granting such holders the right to subscribe to new shares maintains the value of their instruments without adjustments to pricing terms. This may allow for a higher issue price for new shares issued upon conversion or exercise of options. The proposed authorization would enable the Executive Board to choose between mechanisms in the best interests of the Company and its shareholders.

The Executive Board will carefully assess each case to ensure that any exclusion of subscription rights serves the Company's and shareholders' interests and is objectively justified. The Executive Board will report to the next Annual General Meeting on each use of the authorization.

Dillingen/Saar, June 2025

Pyrum Innovations AG

The Executive Board

Pascal Klein

Kai Winkelmann