

Report to the Annual General Meeting of Pyrum Innovations AG on the partial utilisation of the Authorised Capital with the exclusion of shareholders' subscription rights in September 2021

By way of resolution of the General Meeting on 28 April 2021, the Executive Board was authorised, with the approval of the Supervisory Board, to increase the share capital of the Company by a total of up to EUR 771,070.00 by issuing new no-par value shares in exchange for cash and/or non-cash contributions until the end of 27 April 2026 (Authorised Capital 2021; Section 4 (7) of the Articles of Association of the Company). Authorised Capital 2021 was entered in the commercial register of the Company on 6 May 2021. Among other things, the Executive Board is authorised, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in order to offer the new shares in any jurisdiction at a selling price still to be stipulated by the Executive Board, subject to approval by a Supervisory Board resolution, by way of a private placement in connection with listing the shares of the Company and/or the depositary shares representing these shares for trading on a German stock exchange and/or foreign stock exchanges (including in a non-regulated market segment) and, in this context also to be able to fulfil an option agreed with the issuing banks to acquire additional shares (greenshoe option).

On 16 September 2021, the Executive Board of the Company partially utilised the authorisation set out in Section 4 (7) of the Articles of Association by resolving to increase the share capital of the Company by EUR 683,500.00, from EUR 2,570,235.00 to EUR 3,253,735.00, through the issue of 683,500 new no-par value registered shares in exchange for cash contributions and to issue the new shares with dividend rights from 1 January 2021 with the exclusion of shareholders' subscription rights. In accordance with the Executive Board resolution, the new shares were issued at an issue price of EUR 1.00 per share. Pareto Securities AS, Oslo, Norway, was permitted to subscribe for the new shares. The Supervisory Board approved the Executive Board resolutions on the same date. The capital increase from the Authorised Capital 2021 became effective when the increase in the share capital was entered in the commercial register of the Company on 21 September 2021.

Shareholders' subscription rights were excluded in order to offer the new shares to Pareto Securities AS by way of a private placement in accordance with the provisions of Section 4 (7) of the Company's Articles of Association in connection with the listing of the depositary receipts representing these shares, which represent the economic ownership of the underlying shares and are registered with the Norwegian Central Securities Depository (VPS) for trading on the Euronext Growth Oslo marketplace. As the shares of the Company cannot be directly traded as such on Euronext Growth Oslo, they had to be securitised and registered with VPS as depositary receipts in order to be admitted to local trading. The

securitisation was carried out here at a ratio of 1:1. This securitisation required the shares to be held by a trustee. To this extent, the new shares were issued to Pareto Securities AS subject to an obligation to transfer them to the party acting as trustee, DNB Bank ASA, with registered seat in Oslo, Norway, in order to facilitate the issue of the depositary receipts representing the new shares and the admission of these depositary receipts to trading on Euronext Growth Oslo. Pareto Securities AS placed the depositary receipts with institutional investors and the difference between the issue price of the shares (EUR 1.00 per share) and the selling price of the depositary receipts (NOK 610.00 per share) was

transferred to the Company less commission and expenses. The gross proceeds amounted to around NOK 416.9 million. The depositary receipts have been traded on Euronext Growth Oslo since 30 September 2021.

The exclusion of shareholders' subscription rights was necessary in order to implement the share issue at short notice, flexibly, and to generate the greatest possible proceeds. If subscription rights had been granted, it would not have been possible to transfer the new shares to the trustee and have them securitised as depositary receipts to the extent that shareholders exercised their subscription rights. Accordingly, the exclusion of shareholders' subscription rights served to enable the listing of the depositary receipts and their admission to trading on Euronext Growth Oslo, thereby opening up a broader investor base for the Company. As the selected procedure did not involve rigid deadlines or lengthy preparations, it was also possible to successfully place the depositary receipts with institutional investors. This has increased the financial scope available to the Company for investments in the continued development of its recycling facilities and other medium-term and long-term growth opportunities. Among other things, the proceeds will be used for the construction of a new recycling facility and further workforce expansion. By contrast, the two-week subscription period required when subscription rights are granted would not have permitted the measure to be conducted at short notice. If subscription rights had been granted, the uncertainty concerning the exercise of subscription rights by the beneficiaries would also have made it impossible to readily ensure the complete placement of the depositary receipts.

In light of the advantages described above, the exclusion of subscription rights was deemed to be in the best interests of the Company. Furthermore, the existing shareholders had the option of maintaining their relative equity interest in the Company following the admission of the depositary receipts to trading by purchasing such depositary receipts via the stock exchange.

In light of these considerations, the exclusion of shareholders' subscription rights in the partial utilisation of the Authorised Capital 2021 was objectively justifiable on the whole.

Dillingen/Saar, June 2022

Pyrum Innovations AG

The Executive Board

Pascal Klein

Michael Kapf

Kai Winkelmann