*Convenience Translation*

**Annual General Meeting of Pyrum Innovations AG on 14 July 2026**

**Report of the Executive Board on Agenda Item 6 (Resolution on the cancellation of the existing authorization, the creation of a new authorization to issue convertible and/or warrant bonds, profit participation rights and/or profit-sharing bonds (or combinations of these instruments), together with the cancellation of the Conditional Capital WSV 2025 and the creation of the Conditional Capital WSV 2026, as well as the corresponding amendment to the Articles of Association)**

The authorization granted by the Annual General Meeting of 24 July 2025 under agenda item 6 to issue convertible and/or option bonds, profit participation rights or profit-sharing bonds, or a combination of these instruments, is to be renewed in order to continue to ensure the Company has the greatest possible flexibility in corporate financing and access to debt capital. To date, no use has been made of this authorization. The Board of Management is now to be authorized once again to issue convertible and/or option bonds, profit participation rights or profit-sharing bonds, or a combination of these instruments (together "**bonds**") with the option to exclude subscription rights. At the same time, the Conditional Capital WSV 2025 provided for in Article 4 para. 9 of the Articles of Association is to be repealed and replaced by a new Conditional Capital WSV 2026. This is intended to provide the Company with the opportunity to establish an optimal financing structure and the necessary flexibility to issue bonds under a simplified exclusion of subscription rights in accordance with Section 221 para. 4 sentence 2 in conjunction with Section 186 para. 3 sentence 4 of the German Stock Corporation Act (*Aktiengesetz* – **AktG**).

The maximum total nominal amount of the bonds to be issued under the new authorization is to be EUR 100,000,000.00, and the volume of the new conditional capital to be created to service the bonds is to be EUR 1,872,421.00. Contingent Capital 2020/I pursuant to Section 4 para. 6 of the Articles of Association, Contingent Capital 2023 I pursuant to Section 4 para. 8 of the Articles of Association and Contingent Capital 2024/I pursuant to Article 4 para. 10 of the Articles of Association remain in force.

Adequate capitalization is an essential foundation for the Company's business development and successful market presence. Bonds are important financing instruments for the Company alongside traditional methods of raising capital. The issue of bonds initially provides the Company with low-interest debt capital, which remains as equity in the event of conversion. Any conversion and/or option premiums realized also benefit the Company. The option provided for under the proposed authorization to establish conversion and/or option obligations in addition to granting conversion and/or option rights enhances the flexibility of this financing instrument. The proposed authorization allows the Company to issue the bonds itself or through a company in which the Company holds a direct or indirect majority stake. Furthermore, it should be possible, amongst other things, to provide that the bonds may be serviced in whole or in part, in lieu of payment of the amount due, by shares in the Company or by Norwegian Depository Receipts of the Company ("**NDRs**") admitted to trading on the Oslo Stock Exchange (Euronext Growth), or by another form of performance.

The conversion or option price may not fall below a minimum amount, the basis for the calculation of which is specified in detail. The basis for the calculation is, in each case, the closing prices of the Company's shares or the closing prices of the NDRs on the stock exchange or the multilateral trading facility with the highest total trading turnover (**"Primary Listing**") in the period surrounding the placement of the bonds. The conversion or option price must amount to at least 80% of the volume-weighted average of the closing prices of the Company's shares or the closing prices of the NDRs on the Primary Listing on the ten trading days preceding the date of the Executive Board's resolution on the issue of the relevant bonds. In cases where there is a right of substitution or an obligation to convert or exercise options, the minimum price is calculated, in accordance with the detailed provisions of the bond terms and conditions, either on the basis of the aforementioned minimum price or the arithmetic mean of the closing prices of the Company's shares or the closing prices of the NDRs on the Primary Trading Venue on the ten trading days preceding the final maturity date or the other specified date.

Notwithstanding Section 9 para. 1 AktG, the conversion or option price may be reduced pursuant to an anti-dilution clause, as further specified in the terms and conditions, if, during the term of the bonds, there are, for example, changes in the Company's capital, such as a capital increase from the Company's own funds. Provision may also be made for adjustments in the event of a capital reduction or other measures or events associated with an economic dilation of the value of the conversion or option rights or conversion or option obligations.

In accordance with statutory provisions, shareholders generally have a pre-emptive right to the bonds (Section 221 para. 4 in conjunction with Section 186 para. 1AktG). The shares are also to be made available for subscription by one or more credit institutions, securities firms or companies within the meaning of Section 186 para. 5 sentence 1 AktG, designated by the Executive Board, subject to an obligation to offer them to the Company's shareholders for subscription (so-called indirect subscription right). However, in accordance with the statutory provisions, the Executive Board is to be authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights to bonds in the cases explained below.

Exclusion of subscription rights for fractional amounts:

The Executive Board is to be authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights for fractional amounts. This is common practice and is therefore objectively justified by the fact that it enables the requested authorization to be utilized in round amounts and facilitates the processing of shareholders' subscription rights. This exclusion of subscription rights is therefore in the interests of the Company and its shareholders. The so-called 'free fractional amounts' excluded from shareholders' subscription rights are realized in the best possible way for the Company, either through sale on the stock exchange or by other means.

<u>Exclusion of subscription rights in favor of holders or creditors of debentures:</u>

Furthermore, the Executive Board, with the approval of the Supervisory Board, shall be able to exclude shareholders' subscription rights in order to grant holders or creditors of debentures with conversion and/or option rights or conversion and/or option obligations, which have been or will be issued by the Company and/or by companies in which the Company holds a direct or indirect majority stake, a subscription right to debentures to the extent to which they would be entitled as shareholders following the exercise of the conversion or option right or following the fulfilment of an agreed conversion or option obligation. The terms and conditions of such bonds typically include so-called anti-dilution clauses in the event that the Company issues further such bonds to which the shareholders have a subscription right. To ensure that the value of the bonds is not impaired by such measures, the holders or creditors of the bonds are generally compensated either by a reduction in the conversion or subscription price or by being granted a subscription right to bonds issued at a later date. The authorization to exclude shareholders' subscription rights when issuing debentures, in order to grant holders or creditors of already issued debentures with conversion and/or option rights or conversion and/or option obligations a subscription right to these, serves the purpose of ensuring that the conversion or option price of the already issued bonds in accordance with the anti-dilution clauses described in the conversion or option terms. Instead, holders or creditors of already issued bonds should be able to be granted a subscription right to subsequently issued bonds to the extent to which they would be entitled as shareholders following the exercise of the respective conversion or option right or the fulfilment of an agreed conversion or option obligation. As protection against dilution does not need to be ensured in this case by reducing the conversion or option price, a higher issue price can be achieved for the shares to be issued upon conversion or exercise of the option. The proposed authorization is intended to give the Executive Board the option to choose between the two alternatives in the best interests of the company and its shareholders.

<u>Exclusion of subscription rights in the event of an issue against cash payment:</u>

Furthermore, the Executive Board, with the approval of the Supervisory Board, should be able to exclude shareholders' subscription rights if, following due diligence, the Executive Board concludes that the issue price of the debenture does not fall significantly below its theoretical market value (within the meaning of Sections 221 para. 4 sentence 2 and 186 para. 3 sentence 4 AktG). The purpose of this authorization is to enable the company to take advantage of favorable market conditions at very short notice and to secure better terms for the bonds by setting conditions in line with market rates. If subscription rights were granted, such a market-oriented setting of terms would not be possible. Although the publication of the subscription price is permitted under Sections 221 para. 4 sentence 2 and 186 para. 2 AktG up to three days before the expiry of the subscription period, however, volatility on the stock markets and the associated market risk lead to safety margins being applied when setting the bond terms. Furthermore, uncertainty regarding the exercise of subscription rights may jeopardize the successful placement with third parties. Only the exclusion of subscription rights enables swift action and a rapid response to favorable or unfavorable market conditions. By setting the issue price of the bonds – in these cases not significantly – below their theoretical market value as determined by recognized methods, in particular financial mathematical methods, the aim is to address shareholders' need for protection against the economic dilution of their shareholdings. When exercising this authorization, the Executive Board will endeavor to achieve the highest possible issue price and, taking into account the prevailing capital market conditions, keep the discount to market value as low as possible. This will reduce the calculated market value of a subscription right to close to zero, so that shareholders do not suffer any significant economic disadvantage as a result of the exclusion of subscription rights.

Furthermore, pursuant to sections 221 para. 4 sentence 2 and 186 para. 3 sentence 4 AktG, the authorization to exclude subscription rights when issuing bonds against cash payment applies only to bonds carrying a conversion or option right, or a conversion or option obligation, or a right of the Company to convert into shares with a proportionate amount of the share capital which may not exceed a total of 20% of the share capital, neither at the time this authorization takes effect nor – if this amount is lower – at the time this authorization is exercised. The shares or NDRs of the company issued or sold during the term of this authorization in direct or analogous application of Section 186 para. 3 sentence 4 AktG with the exclusion of subscription rights shall be counted towards this limit of 20% of the share capital. Furthermore, this limit shall include those shares or NDRs that are issued or are to be issued to service bonds with conversion and/or option rights or conversion and/or option obligations, provided that the bonds are issued during the term of this authorization pursuant to another authorization in accordance with Section 186 para. 3 sentence 4 AktG with the exclusion of subscription rights. These provisions ensure, in the interests of the shareholders, that no bonds with a conversion or option right, or a conversion or option obligation, or the right of the Company to convert into shares are issued if this would result in the shareholders' subscription rights being excluded, in direct or analogous application of Section 186 para. 3 sentence 4 AktG, for a total of more than 20% of the share capital. Furthermore, shareholders generally have the option of indirectly maintaining their relative shareholding and voting rights by acquiring the corresponding number of shares or NDRs, which, subject to the details of the custody agreement relating to the NDRs, may also be converted into shares at any time, via the stock exchange.

Exclusion of subscription rights in the event of an issue against contributions in kind:

Furthermore, the Executive Board, with the approval of the Supervisory Board, shall be able to exclude shareholders' subscription rights if bonds are to be issued in return for contributions in kind. This is intended to enable the Company, in particular in the context of business combinations or for the (including indirect) acquisition of companies, parts of companies, interests in companies or other assets, including receivables or other economic assets, against the Company or third parties, or to offer exemption from liabilities in whole or in part in lieu of cash payments, provided that the value of the contribution in kind is in reasonable proportion to the value of the bonds; in this context, their theoretical market value, to be determined using recognized actuarial methods, shall be decisive. The authorization is intended to give the Company the necessary scope to act quickly and flexibly in order to take advantage of opportunities arising for the acquisition of companies, parts of companies or shareholdings in companies or other assets, as well as for business combinations in the context of international competition. Making use of the option to offer debentures as consideration may be appropriate when acquiring companies, parts of companies or shareholdings. However, it may also be in the company's interest to offer debentures as consideration when acquiring other assets, including claims or other economic assets against the company or third parties, or in connection with the discharge of liabilities. The issuance of debentures eases the Company's liquidity position and serves to optimize its financial structure. The Executive Board will decide on a case-by-case basis, after weighing up the available alternatives, whether, with the approval of the Supervisory Board, it will make use of the option to issue debentures to the exclusion of shareholders' subscription rights in the event of a business combination or the acquisition of companies, parts of companies, shareholdings in companies or other assets. This does not result in any disadvantage to the company, as the issue of bonds in exchange for a contribution in kind requires that the value of the contribution in kind be in reasonable proportion to the value of the new bonds issued in return; the theoretical market value of the bonds, to be determined using recognized financial mathematical methods, is decisive in this regard.

Conditional Capital WSV 2026:

The Conditional Capital WSV 2026 is required to enable the Company to fulfil corresponding financing instruments with conversion or option rights, conversion or option obligations, or the Company's right of choice in relation to the Company's shares, insofar as other forms of fulfilment are not used, in whole or in part, to service them.

<u>Use of the proposed authorizations:</u>

There are currently no specific plans to utilize the proposed authorization to issue bonds. In any event, the Executive Board will carefully assess whether the exercise of the authorization is in the interests of the company and its shareholders. In doing so, it will, in particular, also assess whether any exclusion of subscription rights is objectively justified in individual cases. The Executive Board will report to the next Annual General Meeting on any exercise of the authorization.

Dillingen/Saar, June 2026

**Pyrum Innovations AG**

**The Executive Board**

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Pascal Klein

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Kai Winkelmann