ENGINEERING
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PRODUCTION

Invitation

2023
Annual General Meeting

manz

Manz AG

Reutlingen

ISIN DE000A0JQ5U3

Invitation to the 2023 Annual General Meeting

We hereby invite our shareholders to the Annual General Meeting on

Tuesday, July 4, 2023, at 10:00 a.m. (CEST).

Location: FILharmonie Filderstadt
Tuebinger Strasse 40
70794 Filderstadt, Germany

Non-binding translation of the German original.

Agenda overview

1. **Presentation of the adopted annual financial statements and the approved consolidated financial statements as of December 31, 2022, the management reports for Manz AG and the Group for the fiscal year 2022, and the report of the Supervisory Board for the fiscal year 2022**

2. **Resolution on the approval of the actions of the members of the Managing Board for the 2022 fiscal year**

3. **Resolution on the approval of the actions of the members of the Supervisory Board for the 2022 fiscal year**

4. **Resolution regarding the selection of the auditor for the individual and the consolidated financial statements for fiscal year 2023**

5. **Resolution on the approval of the compensation report for the fiscal year 2022**

6. **Resolution regarding the creation of new authorized capital and the corresponding amendment to the Articles of Incorporation**

7. **Resolution concerning the authority to grant subscription rights to members of the Managing Board and to managers of the Company and its affiliated companies as part of a performance share plan (Manz Performance Share Plan 2023) and the creation of a new Conditional Capital IV and the amendment of the Articles of Incorporation**

8. **Resolution on the amendment of the Articles of Incorporation to enable virtual shareholders' meetings in the future**

Overview

with the disclosures pursuant to Section 125 of the German Stock Corporation Act (AktG) in conjunction with Article 4 and Annex Table 3 of the Implementing Regulation (EU) 2018/1212 (EU-IR)

A. Content of the notification		
A 1	Clear designation of the event	Ordinary Annual General Meeting of Manz AG (formal information according to EU-IR: 622ceb1997f0ed118146005056888925)
A 2	Type of notification	Invitation to the Annual General Meeting (formal information according to EU-IR: NEWM)
B. Information on the issuer		
B 1	ISIN	DE000A0JQ5U3
B 2	Name of issuer	Manz AG
C. Information on the Annual General Meeting		
C 1	Date of the Annual General Meeting	July 4, 2023 (formal information according to EU-IR: 20230704)
C 2	Time of the Annual General Meeting	10:00 (CET) (formal information according to EU-IR: 8:00 UTC)
C 3	Type of Annual General Meeting	Ordinary Annual General Meeting (formal information according to EU-IR: GMET)
C 4	Location of Annual General Meeting	Venue of the Annual General Meeting as defined by the German Stock Corporation Act (AktG): FILharmonie Filderstadt, Tuebinger Strasse 40, 70794 Filderstadt, Germany
C 5	Record date	June 13, 2023, 00:00 (CEST) (corresponds to June 12, 2023, 22:00 UTC) (formal information according to EU-IR: 20230612)
C 6	Uniform Resource Locator (URL)	https://www.manz.com/agm

Further information about the invitation to the General Meeting (Blocks D through F of Table 3 in the Annex to the Implementing Regulation (EU) 2018/1212):

Further information about participating in the General Meeting (Block D), the agenda (Block E), and the defined periods for exercising other shareholder rights (Block F) can be found on the following website:

https://www.manz.com/agm

Agenda

1. **Presentation of the adopted annual financial statements and the approved consolidated financial statements as of December 31, 2022, the management reports for Manz AG and the Group for the fiscal year 2022, and the report of the Supervisory Board for the fiscal year 2022**

   The aforementioned documents also contain the explanatory reports on the disclosures pursuant to Section 289a (1), Section 315a (1) German Commercial Code (HGB). With the exception of the annual financial statement of Manz AG and the management report for Manz AG, they are included in the 2022 annual report. The 2022 annual report, the annual financial statements of Manz AG, and the management report for Manz AG, as well as the 2022 sustainability report (separate, non-financial Group report), are available at the Internet address

   https://www.manz.com/agm

   No resolution of the Annual General Meeting is provided for Item 1 of the agenda, because the Supervisory Board has already adopted the annual and consolidated financial statements prepared by the Managing Board.

2. **Resolution on the approval of the actions of the members of the Managing Board for the 2022 fiscal year**

   The Managing Board and the Supervisory Board propose that the actions of the members of the Managing Board be approved for the 2022 fiscal year.

3. **Resolution on the approval of the actions of the members of the Supervisory Board for the 2022 fiscal year**

   The Managing Board and Supervisory Board propose that the actions of the members of the Supervisory Board be approved for fiscal year 2022.

4. **Resolution regarding the selection of the auditor for the individual and the consolidated financial statements for fiscal year 2023**

   The Supervisory Board proposes that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, with its registered office in Munich, Stuttgart branch, be elected as auditors of the annual financial statements and the consolidated financial statements of the Company for the financial year 2023.

   The election proposals are based on the recommendation of the Supervisory Board's Audit Committee. Due to the intended change of auditor for the financial year 2023, the Audit Committee of the Supervisory Board had performed a selection process in accordance with the requirements of Art. 16 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April 16, 2014 on specific requirements for the statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC

("EU Statutory Audit Regulation"). On the basis of this selection process, the Audit Committee had recommended to the Supervisory Board Deloitte GmbH Wirtschaftsprüfungsgesellschaft, based in Munich, and KPMG AG Wirtschaftsprüfungsgesellschaft, based in Berlin, for the aforementioned auditing services, and informed the Supervisory Board of its reasoned preference for Deloitte GmbH Wirtschaftsprüfungsgesellschaft.

The Audit Committee has declared that its recommendation is free from undue influence by third parties pursuant to Art. 16 (2) 3 EU Statutory Audit Regulation, and that no clause of the kind referred to in Art. 16 (6) EU Statutory Audit Regulation has been imposed on it.

5. Resolution on the approval of the compensation report for the fiscal year 2022

Pursuant to Section 162 German Stock Corporation Act (AktG), a compensation report on the compensation of the members of the Managing Board and the Supervisory Board shall be prepared annually and submitted to the Annual General Meeting for approval pursuant to Section 120a (4) German Stock Corporation Act (AktG).

The compensation report for fiscal year 2022, including the auditor's report, is reproduced in the attachment to this agenda item 5 and is available on the website https://www.manz.com/agm from the time the Annual General Meeting is convened.

The Managing Board and the Supervisory Board propose that the compensation report for the fiscal year 2022 be approved.

6. Resolution regarding the creation of new authorized capital and the corresponding amendment to the Articles of Incorporation

In the course of the partial exercise of the Authorized Capital 2021 of May 23, 2022, the authorization to exclude shareholders' subscription rights in the case of cash capital increases of up to 10 % of the share capital was exhausted. Accordingly, there is still authorized capital of EUR 3,097,636.00. Therefore new authorized capital totaling 50 % of equity capital should be created so that the Company can use these instruments in the coming years, if needed, to strengthen its capital base.

The Managing Board and the Supervisory Board submit the following proposals for resolution:

a) Repeal the existing authorization to increase equity capital

The Managing Board's existing authorization to increase capital stock, with Supervisory Board approval, in the period until July 06, 2026, one or more times up to a total of EUR 3,097,636.00 through the issuance of a total of up to 3,097,636 new shares without par value (no-par shares) in return for cash or assets in kind (Authorized Capital 2021), based on the resolution of the Annual General Meeting of July 07, 2021 and as set forth in Section 3 (3) of the Articles of Incorporation, will be repealed.

b) Create new authorized capital

The Managing Board will be given authorization to increase the Company's capital stock, with the Supervisory Board approval, in the period until July 03, 2028, one or more times up to a total of EUR 4,270,143.00 through the issuance of up to a total of 4,270,143 new bearer shares (no-par shares) in return for cash or assets in kind (Authorized Capital 2023).

In principle, the new shares must be offered to shareholders for subscription. The new shares may also be assumed by banks designated by the Managing Board with the obligation to offer them to the shareholders for subscription (indirect subscription right). However, the Managing Board will be authorized, with Supervisory Board approval, to exclude shareholders' subscription rights

– in the event of a capital increase for cash consideration, if the issue amount of the new shares is not significantly less, within the meaning of Section 203 (1) and (2) and Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG), than the stock exchange price of shares of the Company of the same type at the time of establishment of the issue price, which is to be as close in time as possible to the time of issue of new shares. This authorization for the exclusion of the subscription right applies only to the extent that shares to be issued in the capital increase do not in total represent a proportionate amount of the capital stock of more than EUR 854,028.00 and overall do not comprise more than 10% of the capital stock at the time the authorization is exercised. The pro rata amount of the share capital of shares that are issued or sold during the term of this authorization due to other authorizations in direct or analogous application of Section 186 (3), Sentence 4 Stock Corporation Act (AktG), under exclusion of subscription rights shall be offset against this maximum amount for a subscription right exclusion;

– in the case of capital increases against contribution in kind for the acquisition of companies, parts of companies or participations in companies or other assets or for the purpose of business combinations;

– to the extent that it is necessary to give holders of warrants or convertible bonds, profit-sharing rights, or profit-sharing bonds (or combinations of these instruments) issued by the Company or direct or indirect affiliated companies of the Company a subscription right to new shares to the same extent as they would be entitled upon exercising their option or conversion right or after fulfilling their conversion obligation;

– to exclude fractional amounts from the subscription right.

The Managing Board will be authorized, with Supervisory Board approval, to determine the further details of the implementation of the capital increases from the authorized capital.

The Supervisory Board will be given authorization to amend the wording of the Articles of Incorporation according to the implementation of the capital increase by using authorized capital and after the expiration of the authorization term.

c) Amendment to the Articles of Incorporation

Section 3 (3) of the Articles of Incorporation will be amended as follows:

"(3) The Managing Board will be given authorization to increase the Company's capital stock, with Supervisory Board approval, in the period until July 03, 2028, one or more times up to a total of EUR 4,270,143.00 through the issuance of up to a total of 4,270,143 new bearer shares (no-par shares) in return for cash or assets in kind (Authorized Capital 2023).

In principle, the new shares must be offered to shareholders for subscription. The new shares may also be assumed by banks designated by the Managing Board with the obligation to offer them to the shareholders for subscription (indirect subscription right). However, the Managing Board is authorized, with Supervisory Board approval, to exclude shareholders' subscription rights

- in the event of a capital increase for cash consideration, if the issue amount of the new shares is not significantly less, within the meaning of Section 203 (1) and (2) and Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG), than the stock exchange price of shares of the Company of the same type at the time of establishment of the issue price, which is to be as close in time as possible to the time of issue of new shares. This authorization for the exclusion of the subscription right applies only to the extent that shares to be issued in the capital increase do not in total represent a proportionate amount of the capital stock of more than EUR 854,028.00 and overall do not comprise more than 10 % of the capital stock at the time the authorization is exercised. The pro rata amount of the share capital of shares that are issued or sold during the term of this authorization due to other authorizations in direct or analogous application of Section 186 (3), Sentence 4 AktG, under exclusion of subscription rights shall be offset against this maximum amount for a subscription right exclusion;

- in the case of a capital increase for contributions in kind for the purpose of acquisition of companies, parts of companies, and holdings in companies of other assets or entering into mergers;

- to the extent that it is necessary to give holders of warrants or convertible bonds, profit-sharing rights, or profit-sharing bonds (or combinations of these instruments) issued by the Company or direct or indirect affiliated companies of the Company a subscription right to new shares to the same extent as they would be entitled upon exercising their option or conversion right or after fulfilling their conversion obligation;

- to exclude fractional amounts from the subscription right.

The Managing Board is authorized, with Supervisory Board approval, to determine the further details of the implementation of the capital increases based on the authorized capital.

The Supervisory Board will be given authorization to amend the wording of the Articles of Incorporation according to the implementation of the capital increase using authorized capital and after the expiration of the authorization term."

7. Resolution concerning the authority to grant subscription rights to members of the Managing Board and to managers of the Company and its affiliated companies as part of a performance share plan (Manz Performance Share Plan 2023) and the creation of a new Conditional Capital IV and the amendment of the Articles of Incorporation

Therefore, in the past, the Company has granted members of the Managing Board, members of management at affiliated companies and managers in the Company below the Managing Board and managers of affiliated companies below general management a variable compensation component with long-term incentivizing effect. This is intended to promote action in favor of the Company among entitled members of the Managing Board and managers, make them loyal to the Company and affiliated companies in the long term and ensure consistent compensation in line with market conditions. The Manz Performance Share Plan 2019 resolved by the ordinary Annual General Meeting of July 2, 2019 with a scope of up to 180,000 performance shares for the purchase of up to 360,000 Company shares has been almost exhausted by issuing performance shares.

To continue ensuring the compensation structure facilitates long-term, multi-year corporate development and be able to continue issuing performance shares in the future, a new Manz Performance Share Plan 2023 should be resolved, with a design and vesting similar to the Manz Performance Share Plan 2019. The Managing Board and Supervisory Board should be able to issue up to 238,000 subscription rights (performance shares) for the purchase of up to 476,000 Company shares on this basis. Accordingly, a new Contingent Capital IV should also be created.

The Managing Board and the Supervisory Board submit the following proposals for resolution:

a) Authorization to grant subscription rights to carry out a performance share plan (Manz Performance Share Plan 2023)

The Managing Board, with Supervisory Board approval, is authorized to issue a total of up to 143,000 subscription rights ("Performance Shares") for a total of up to 286,000 no-par value bearer shares of Company stock to executives of affiliates as well as Manz's own managers below the executive level and managers of affiliates, both domestic and foreign, below the executive level on one or more occasions through Monday, July 03, 2028 ("authorization period").

Furthermore, the Supervisory Board is authorized to issue a total of up to 95,000 subscription rights ("Performance Shares") to up to 190,000 no-par value bearer shares in the Company to members of the Company Managing Board on one or more occasions through Monday, July 03, 2028 ("authorization period").

If performance shares are forfeited due to an end to the service or work relationship with the Company or a subordinate affiliated Company because an affiliated Company leaves the Manz Group, or for other reasons during the authorization period, a relevant number of performance shares may be issued once again.

The issuance, design and exercise of performance shares shall be carried out according to the following provisions:

(1) Beneficiaries and Division of Subscription Rights

The beneficiaries include members of the Managing Board of the Company (group 1), members of the management of affiliated companies (group 2) and managers in the Company below the Managing Board and managers of affiliated companies under the general management (group 3), both domestically and abroad.

During the authorization period, a maximum total of 238,000 performance shares shall be issued for all groups to purchase a maximum total of 476,000 bearer shares in the Company.

The maximum number of performance shares to be issued in the authorization period shall be divided as follows among the individual groups of beneficiaries:

- The members of group 1 shall receive a total of up to 95,000 performance shares, e.g. a maximum of around 39.9 % of subscription rights;

- The members of group 2 shall receive a total of up to 55,000 performance shares, e.g. a maximum of around 23.1 % of subscription rights;

- The members of group 3 shall receive a total of up to 88,000 performance shares, e.g. a maximum of around 37.0 % of subscription rights.

Members of Group 1, who are also members of Group 2, receive performance shares exclusively to the extent provided for members of Group 1. Members of Group 2, who are also members of Group 3, receive performance shares exclusively to the extent provided for members of Group 3.

The beneficiaries in the individual groups and the number of performance shares to be issued to each of these can vary over the term of the performance share plan, and shall be established by the Managing Board and, insofar as members of the Managing Board are affected, by the Supervisory Board.

(2) Issue Period (Purchase Period)

Performance shares may be issued once or several times per year in tranches within the authorization period as defined by a program to be published. If performance shares are issued to members of the Managing Board, the regulations shall be established by the Supervisory Board, or otherwise by the Managing Board.

In 2023, performance shares may be issued within three months after the registration of the Contingent Capital IV put up for a resolution in the Commercial Register. As of 2024, performance shares may be issued in each case within three months after four weeks have passed following the publication of the Company's consolidated financial statements for the preceding fiscal year. The issuing date shall be determining.

The time at which the beneficiaries receive the offer to issue performance shares shall be considered the issuing date, regardless of the time the offer is accepted. A later date can be agreed upon as the issuing date in the offer.

(3) Vesting Period for Initial Exercising

Performance shares may not be exercised until after the vesting period has passed. The vesting period for a tranche of performance shares ends after four calendar years have passed following the issuing date.

(4) Allocation Value

The Company's Managing Board or, if members of the Managing Board are affected, the Supervisory Board will specify a target value in euros to be the allocation value for each beneficiary for each tranche. The "initial number of performance shares" for the respective tranche corresponds to the allocation value divided by the initial share price determined based on a reasonable reference period for the Manz share in Xetra trading (or a relevant subsequent system) on the Frankfurt stock exchange at the start of the respective issue period, rounded up to the next whole number.

The number of performance shares attributed to the groups of beneficiaries for a tranche is determined based on the total allocation value established individually for each beneficiary of the group in euros, divided by the initial share price, rounded up to the next whole number.

(5) Targets and Degree of Target Attainment

The targets for performance shares consist in the (i) EBITDA margin calculated according to the following provisions and (ii) growth in corporate value. The EBITDA margin and growth in the enterprise value success target are each assigned a weighting of 50 % for measuring the total degree of target attainment.

There is an “objective,” a “minimum value” and a “maximum value” for each target. The objective defines the value at which the degree of target attainment for the respective performance target is 100 %. The minimum value designates the lower limit of the target corridor at or below which the degree of target attainment for the respective performance target is 0 %. The maximum value defines the value at or above which the degree of target attainment is 200 %.

If the value attained exceeds the specific minimum value with respect to a target but does not equal or exceed the objective, the degree of target attainment for the relevant target is ascertained through linear interpolation between the respective minimum value and objective. If the value attained equals or exceeds the specific objective with respect to a target, but does not equal or exceed the specific maximum value, the degree of target attainment for the relevant target is ascertained through linear interpolation between the objective and the maximum value. If the value attained equals or exceeds the maximum value with respect to a target, the degree of target attainment is 200 %.

The “degree of overall target attainment” for the particular tranche is the sum of the degrees of target attainment achieved for both targets divided by two. For each initial number of performance shares, up to two Company shares may be issued for the respective tranche in accordance with the total degree of target attainment.

(a) Target EBITDA Margin

The average value of EBITDA margins are used to determine whether and to what extent the EBITDA margin target has been achieved, as indicated in the approved group financial statements of the Company for the fiscal year in which the performance shares are issued, and for the next three fiscal years. The Performance period for the EBITDA margin target therefore covers a period of four fiscal years beginning on January 1st of the fiscal year, in which the performance shares are granted, and ending on December 31st of the fourth fiscal year starting from the beginning of the performance period.

The minimum value is an EBITDA margin of 5 %. The objective is an EBITDA margin of 10 %. The maximum value for the EBITDA margin target is reached with an EBITDA margin of 15 %.

(b) Target Growth in Corporate Value

The growth in corporate value indicates the percentage of increase in corporate value for the Company at the end of the waiting period, in relation to the corporate value at the beginning of the issue period. The performance period for the growth in corporate value target therefore covers a period of at least four calendar years beginning at the start of the issuing period, in which the performance shares are granted, and ending with the expiration of the vesting period. The corporate value is considered the market capitalization of the Company at the beginning or end of the performance period, which is determined based on the initial share price or final share price for Manz shares in Xetra trading (or a relevant subsequent system) on the Frankfurt stock exchange calculated based on a reasonable reference time period, multiplied by the Manz shares to be issued.

The minimum value is a 0 % growth in corporate value. The objective is 20 % growth in enterprise value. The maximum value for the development of the enterprise value target is attained if this value reaches 30 %.

(6) When Performance Shares may be Exercised, Scope of Subscription Rights

Performance shares may only be exercised if the vesting period has expired and if the minimum value for at least one of the targets has been exceeded.

The initial number of performance shares of a tranche is multiplied by the degree of overall target attainment and rounded to the next whole number. This multiplication results in the "final number of performance shares." The final number of performance shares is limited to 200 % of the initial number of performance shares (cap on number of units).

The final number of performance shares is furthermore multiplied by the final share price for Manz shares in Xetra trading (or a relevant subsequent system) on the Frankfurt stock exchange at the end of the waiting period using an appropriate reference period. This multiplication results in the "value of the performance shares when exercised". The value of the performance shares when exercised is limited to 300 % of the allocation value (cap). If this value is exceeded, the final number of performance shares is reduced until the cap is no longer exceeded.

The performance shares are serviced in Company shares, whereby one performance share entitles the bearer to purchase one share, in the extent of the final number of performance shares.

(7) Exercise Periods, Term

The performance shares may be exercised by the beneficiaries within three months after the date the Company's consolidated financial statements for the last fiscal year were approved prior to expiration of the vesting period and before the vesting period expires ("exercise period"). The term of the performance shares ends after each respective exercise period ends. Performance shares that have not been exercised by the end of the respective exercise period shall lapse without compensation.

(8) Exercise price (issue price)

The amount the grantee is to pay to the Company for the purchase of each share ("exercise price") as a result of exercising performance shares, corresponds to the respective, lowest issue price required by law (Section 9 (1) German Stock Corporation Act (AktG)), currently in the amount of EUR 1.00.

(9) Limitation in Case of Extraordinary Developments

In the event of extraordinary developments, the Supervisory Board is authorized, at its discretion, to limit the exercise of the performance shares granted to the members of the Managing Board. A limitation may be necessary in order to ensure the appropriateness of the compensation as understood in Section 87 (1) Sentence 1 German Stock Corporation Act (AktG).

In the event of extraordinary developments, the Managing Board is authorized, at its discretion, to limit the exercise of the performance shares granted to the beneficiaries of groups 2 and 3. A limitation may be necessary in order to ensure that the total earnings of the individual grantee are commensurate with the beneficiary's tasks and accomplishments and do not exceed the normal level of compensation without special reason.

(10) Transferability

Performance shares are personal. With the exception of inheritance, they cannot be transferred, alienated or pledged and are not intended to be traded publicly.

(11) Rights of Replacement of the Company

The Company may fulfill exercised performance shares with the issue of new no-par value bearer shares from the Contingent Capital II which was created for this purpose. The Company is also authorized to deliver treasury shares. Furthermore, in lieu of delivering shares, the Company is entitled to pay out the value of the shares that would have to be delivered following the exercise of performance shares, minus the exercise price.

The Managing Board or, if members of the Managing Board are affected, the Supervisory Board decides which option the Company will choose in a given case.

(12) Exercise Rights in Special Cases

The plan conditions can provide that performance shares lapse without reimbursement or compensation if the beneficiary's service or employment relationship with the Company or an affiliated Company ends. Performance shares which have lapsed in this manner can be exercised once again.

Special regulations may be concluded if the beneficiary dies, leaves the service or employment relationship, or if some other special case occurs related to leaving the Company or subordinate affiliated companies, companies or parts of companies in the Manz Group, or in case of a change of control, the conclusion of a Company agreement or delisting, or to fulfill statutory requirements. A change of control is the Company's awareness that control has been obtained according to or similar to the German Securities Acquisition and Takeover Act over the Company by a purchaser that is neither a subsidiary or a parent entity for the Company.

(13) Dilution Protection

Furthermore, plan conditions can include customary dilution protection clauses, under which the economic value of subscription rights according to the regulations of Section 216 (3) German Stock Corporation Act (AktG) are primarily secured, in particular in that any stock splits, capital increases from Company funds with the issuance of new shares or other measures with comparable effects are taken into consideration when determining the number of shares to be issued for each subscription right.

(14) Dividend Entitlements

The new bearer shares will be equivalent to already issued shares of the same class with respect to their dividend entitlement.

(15) Commitment to Issue Performance Shares

The Managing Board or, if members of the Managing Board are affected, the Supervisory Board can commit to issue performance shares for future tranches to be issued under this authorization.

(16) Authorization to Determine Further Details

Further details related to the issuance and fulfillment of performance shares, for issuing shares from contingent capital and other plan conditions are determined by the Supervisory Board, insofar as members of the Managing Board are affected, or otherwise by the Managing Board of the Company.

The other regulations include, in particular, a decision on the one time or repeated formation of annual tranches to use the authorization to issue performance shares and provisions on the implementation of the Performance Share Plan and the annual tranches and the process for allocating and exercising performance shares, the allocation of performance shares to individual beneficiaries, the determination of the issue date within the respective issue period and regulations on the ability to exercise these in special cases, in particular if beneficiaries leave their service or employment relationship, or if they die, or if a company, operation or part of an operation leaves the Manz Group or in case of a change of control, the conclusion of a company agreement or delisting or to fulfill statutory requirements.

b) Formation of Contingent Capital IV

The capital stock of the Company is conditionally increased by up to EUR 476,000.00 through the issue of up to 476,000 no-par value bearer shares (Contingent Capital IV). The contingent capital increase serves only to issue subscription rights (performance shares) to the members of the Managing Board of the Company, to members of the management at affiliated companies and to managers in the Company below the Managing Board and managers of affiliated companies below the general management, both domestically and abroad, that are issued under the above authorization. The issue of shares will be in the issue amount established in the above authorization. The contingent capital increase will be carried out only to the extent subscription rights are exercised and the Company does not issue either treasury shares or a cash settlement for the purpose of fulfillment of the subscription rights. The new shares will be equivalent to already issued shares of the same class with respect to their dividend entitlement. The Managing Board and, to the extent members of the Managing Board are affected, the Supervisory Board are authorized to establish the further details of the contingent capital increase and its implementation.

c) Amendment to the Articles of Incorporation

In Section 3 of the Articles of Incorporation of the Company, the following new paragraph (7) shall be added:

"(7) The capital stock of the Company is conditionally increased by up to EUR 476,000.00 through the issue of up to 476,000 no-par value bearer shares (Contingent Capital IV). The contingent capital increase serves to secure the rights of the holders of subscription rights (performance shares) granted on the basis of the authorization granted by the Annual General Meeting on July 4, 2023 in agenda point 7. The issue of shares will be in the issue amount established in the authorization resolved at the Annual General Meeting on July 4, 2023 in agenda point 7. The contingent capital increase will be carried out only to the extent subscription rights are exercised and the Company does not issue either treasury shares or a cash settlement for the purpose of fulfillment of the subscription rights. The new shares will be equivalent to already issued shares of the same class with respect to their dividend entitlement. The Managing Board and, to the extent members of the Managing Board are affected, the Supervisory Board are authorized to establish the further details of the contingent capital increase and its implementation."

d) Authorization to change the version of the Articles of Incorporation

The Supervisory Board is authorized to adjust the version of the Articles of Incorporation according to the respective issue of subscription shares and to make all other associated adjustments to the Articles of Incorporation that only relate to the version. The same applies in the event of the non-utilization of the authorization to issue subscription rights (performance shares) after the expiry of the authorization period and hereafter in the event of non-utilization of Conditional Capital IV after the expiry of performance shares due to non-achievement of the performance targets or expiry of the deadlines for exercise.

8. Resolution on the amendment of the Articles of Incorporation to enable virtual shareholders' meetings in the future

With the introduction of the new Section 118a German Stock Corporation Act (AktG), the legislator has created the possibility for the Managing Board to be authorized in the Articles of Incorporation to provide for the Annual General Meeting to be held without the physical presence of the shareholders or their proxies at the location of the Annual General Meeting. The authorization for such a virtual shareholders' meeting may be granted for a maximum period of five years after entry of the corresponding amendment to the Articles of Incorporation in the commercial register.

Accordingly, the Managing Board is to be authorized to convene virtual Stockholders' Meetings with the approval of the Supervisory Board. The authorization is to be valid until the end of the Annual General Meeting season in 2028 and is, therefore, not to be filed by the Managing Board for entry in the Commercial Register until after August 31, 2023. For future Annual General Meetings, it shall be decided – taking into account the circumstances of each individual case – whether to make use of the authorization and hold an Annual General Meeting as a virtual Annual General Meeting. The decision should take into account the interests of the Company and the shareholders, in particular, shareholder rights, effort and costs, and sustainability considerations.

The Managing Board and the Supervisory Board submit the following proposals for resolution:

In Section 14 of the Articles of Incorporation of the Company, the following new paragraph (6) shall be added:

"(6) The Managing Board is authorized, with the consent of the Supervisory Board, for Annual General Meetings to be held until the end of August 31, 2028, to provide for the Annual General Meeting to be held without the physical presence of the shareholders or their proxies at the location of the Annual General Meeting (virtual Annual General Meeting). If a virtual shareholders' meeting is held, the members of the Supervisory Board, with the exception of the Chairman of the meeting, may also participate by means of video and audio transmission."

The Managing Board is instructed to file this amendment to the Articles of Incorporation for entry in the commercial register only after August 31, 2023.

Information and reports on agenda items

Annex to agenda item 5: Compensation report for the fiscal year 2022

Compensation Report 2022 of Manz AG

Preamble

The Compensation Report explains the main features of the compensation system for the members of the Managing Board and Supervisory Board, as well as the amount of individual compensation received or granted to the members of Manz AG's executive bodies in the 2022 reporting year. The report complies with the statutory requirements of Section 162 German Stock Corporation Act (AktG) and the recommendations of the German Corporate Governance Code as amended on April 28, 2022. In preparing the Compensation Report, the Managing Board and Supervisory Board of Manz AG have attached importance to clear, comprehensible, and transparent reporting. The Compensation Report was audited by the auditors in accordance with Section 162 (3) Sentences 1 and 2 German Stock Corporation Act (AktG).

A. Review of the 2022 fiscal year from a compensation perspective

I. I. Performance in fiscal year 2022

In the 2022 reporting year, Manz AG once again benefited from major growth potential in the e-mobility market and strengthened its position as a leading supplier of equipment for the production of lithium-ion battery cells and modules. The entry of Daimler Truck AG as a new anchor shareholder and the strategic cooperation with GROB-WERKE GmbH & Co. KG and Dürr AG in September 2022 for the joint acquisition and joint projects for equipping complete battery factories have generated further momentum for this development. In the Industry Solutions business division, new and follow-up orders for assembly lines for manufacturing electronic components and devices and implementing the innovative Fan-Out Panel Level Packaging (FOPLP) process in chip production are solid proof of the tremendous trust Manz AG enjoys from its customers. The overall unsatisfactory development of sales and earnings is essentially characterized by the continuing challenges for the global economy and by sales shortfalls in the Mobility & Battery Solutions segment due to project postponements caused by customers and thus, contrary to expectations, the failure to significantly process the major order from the customer Power by Britishvolt Ltd., as well as by a delay in the realization of sales from individual projects due to delayed order intake.

In the 2022 fiscal year, Manz AG generated consolidated revenues of EUR 251.0 million (previous year: EUR 227.1 million). Earnings before interest, taxes, depreciation amortization (EBITDA) amounted to EUR 6.2 million, up on the previous year's figure of EUR –5.6 million). At 2.2 %, the EBITDA margin in relation to total performance was up on the previous year's figure of –2.3 %. The previous year's figure is mainly due to the impairment loss on a contract asset. Earnings before interest and taxes (EBIT) amounted to EUR –6.0 million (previous year: EUR –39.9 million). The EBIT margin based on total operating performance was –2.1 % (previous year: –16.8 %). After deduction of taxes on income, the consolidated result was EUR –12.1 million (previous year: EUR –43.7 million). Based on a weighted average of 8,082,499 shares, this resulted in basic earnings per share of EUR –1.42 (previous year: basic earnings per share of EUR 5.62 based on 7,750,144 shares). Further information on the analysis of the Group's results of operations, net assets and financial position can be found on pages 43 et seq. of the Annual Report (Group management report).

The Manz AG share started the 2022 fiscal year at a price of EUR 49.50. The share price showed a downward trend until mid-year, but recorded a jump at the end of May and subsequently reached its high for the year of EUR 50.60 on June 8, 2022. Subsequently, a steady downward movement has once again established itself. From September, the price stabilized but continued to fall. In the final trading days of the year, the share fell again more significantly, reaching the year's low of EUR 20.10 on December 28, 2022. On December 30, the share closed at EUR 21.05, corresponding to a market capitalization of EUR 179.8 million and a price decrease of –57.47 % since the beginning of the year.

II. Composition of the Managing Board and Supervisory Board

Managing Board member Jürgen Knie (Chief Operations Officer) left the Managing Board on March 31, 2022, so that the Managing Board in the reporting year 2022 consisted of the members Martin Drasch (Chairman) and Manfred Hochleitner (Chief Financial Officer) as of April 1, 2022. On December 20, 2022, Mr. Martin Drasch was reappointed as a member of the Managing Board for a new term of five years from August 1, 2023 to July 31, 2028.

There were no changes in the composition of the Supervisory Board in the reporting year 2022. In the reporting year 2022, the Supervisory Board consisted of Prof. Dr. Heiko Aurenz (Chairman), Dieter Manz (Deputy Chairman), Prof. Dr.-Ing. Michael Powalla and Dr. Zhiming Xu.

B. Compensation of the members of the Managing Board

I. The compensation system at a glance

The system for compensating members of the Managing Board of Manz AG was resolved by the Supervisory Board on May 6, 2021, on the recommendation of its Economic Committee, and approved by the Annual General Meeting on July 7, 2021, with a majority of 98.93 %. It continues to comply with the requirements of the German Stock Corporation Act (AktG) and also takes into account the recommendations of the German Corporate Governance Code (GCGC) in the latest version dated April 28, 2022.

The Managing Board compensation system approved by the Annual General Meeting is available on the Company's website under https://www.manz.com/en/investor-relations/corporate-governance/compensation/.

Manz AG's goal is to achieve a sustained increase in competitiveness with earnings-oriented growth. The Managing Board compensation system is closely linked to this strategy, and plays an important part in helping us achieve the corporate objectives described here. Based on this, the aim of the compensation system is to compensate the members of the Managing Board commensurately according to their area of activity and responsibility, taking into account not only the personal performance of each respective Managing Board member, but also the Company's overall situation and business success.

Integrating the main management indicators of Manz AG into the Managing Board compensation incentivizes increasing earning power and profitability, as well as the long-term financing power and appreciation in value of Manz AG. Furthermore, it should also incentivize performance that contributes to the strategic, technical and structural development of Manz AG. Therefore, non-financial factors, in particular from the environment, social & governance areas – "ESG" – also play an important role in Managing Board compensation. The objective is to unite the interests of the Managing Board and shareholders with other stakeholders as well.

The compensation paid to members of the Manz AG Managing Board consists of fixed and variable components. Non performance-related components as fixed compensation components include the annual salary, benefits, and company pension plan. Performance-related components as variable components include short-term incentives (STI) and long-term incentives (LTI).

The following table shows an overview of the compensation components as well as the parameters and bases on which they are calculated:

Fixed compensation (non performance-related components)	
Fixed salary	Monthly wages Expected employer contribution to social insurance Payment in cash
Fringe benefits	Private use of company car Insurance (D&O insurance, accident insurance)
Company pension plan	Contributions to the provident fund
Variable compensation (performance-related components)	
Short-term incentives (STI): Annual cash bonus	
Type	Annual target bonus with financial performance criteria
Performance criteria	EBIT margin
Performance period	One year
Limit	160 % of annual fixed salary
Payment	Annually in cash after approval of the consolidated financial statement
Short-term incentives (STI): Non-financial STI	
Type	Annual target bonus with non-financial performance criteria
Performance criteria	Objectives related to strategic, technical and structural development, including ESG criteria according to annual individual targets
Performance period	One year
Limit	30 % of annual fixed salary
Payment	Annually in cash after determination of the amount to be paid out
Long-term incentives (LTI): Manz Performance Share Plan	
Type	Performance Share Plan (share purchasing rights)
Performance criteria	EBITDA margin (50 %) Development in corporate value (50 %)
Performance period	Four fiscal years
Vesting period	Four years
Limit	300 % of the value of the performance shares upon allocation
Payment	After the end of the vesting period and approval of the consolidated financial statement for the fourth fiscal year, generally in shares of Manz AG
Maximum compensation	Fixed maximum amount for each member of the Managing Board

Based on the compensation system, the Supervisory Board established a specific target total compensation for each member of the Managing Board before the start of each fiscal year. This must be appropriate to the duties and performance of the Managing Board member, as well as the position of the Company, and may not exceed customary compensation. The target total compensation is comprised of the total of all compensation components used to determine overall compensation. The target amount for the STI and LTI is based on 100 % target achievement. The percentage of long-term incentives in the target total compensation exceeds the percentage of short-term incentives in the target total compensation.

The percentage of non-performance related components (annual fixed salary and bonuses) is around 41 % of the target total compensation, and the percentage of performance-related components as a variable component is around 59 % of the target total compensation. Therefore, the percentage of the STI target of the target total compensation is around 27 %, of which the percentage of annual cash bonuses makes up around 22 %, and the percentage of non-financial STI makes up around 5 %. The LTI target makes up around 32 % of the target total compensation. The LTI target is around 54 % of the target for total variable compensation, and therefore exceeds the STI target amount (around 46 %).

The following table shows an overview of the relative percentages of fixed and variable compensation components, based on the target total compensation:

Non performance-related components	Performance-related components		
41 %	**59 %**		
Monthly fixed salary Benefits Pension plan	Short-term variable compensation (STI)		Long-term variable compensation (LTI)
	Annual cash bonus	Non-financial STI	Manz Performance Share Plan
41 %	**22 %**	**5 %**	**32 %**

II. Principles of compensation determination

1. Target compensation and compensation structure

The Supervisory Board has determined the amount of the target total compensation for each member of the Managing Board on the basis of the compensation system for the 2022 fiscal year. In doing so, the Supervisory Board ensured that the relative proportions of the fixed and variable compensation components in relation to the target total compensation correspond to the values specified in the compensation system.

The following table shows the individual target total compensation for each member of the Managing Board for the 2022 fiscal year, as well as the target values of the fixed and variable compensation components and their relative proportions in relation to the target total compensation:

		Martin Drasch Chairman		Manfred Hochleitner Chief Financial Officer		Jürgen Knie Chief Operations Officer	
		in TEUR	of TTC	in TEUR	of TTC	in TEUR	of TTC
Fixed compensation	Fixed salary	331	38 %	266	37 %	266	37 %
	+ Fringe benefits	12	2 %	12	2 %	12	2 %
	+ Retirement benefits	12	1 %	12	2 %	12	2 %
	= Total	**355**	**41 %**	**290**	**41 %**	**290**	**41 %**
Variable compensation	STI (short-term)						
	+ Annual cash bonus	192	22 %	156	22 %	156	22 %
	+ Non-financial STI	48	5 %	39	5 %	39	5 %
	= Total STI	**240**	**27 %**	**195**	**27 %**	**195**	**27 %**
	LTI (long-term) Manz Performance Share Plan	280	32 %	228	32 %	228	32 %
	= Target total compensation (TTC)	**875**	**100 %**	**712**	**100 %**	**712**	**100 %**

2. Maximum compensation

The total compensation to be granted to the Managing Board member for a fiscal year as the total of all compensation amounts provided for the fiscal year in question, including the annual fixed salary, benefits and variable compensation components does have a maximum upper limit (“maximum compensation”), regardless of the time at which these amounts are paid out.

In accordance with the determination of the compensation system, the contractually agreed maximum compensation in fiscal year 2022 was TEUR 1,800 for the CEO Martin Drasch and TEUR 1,500 each for the Managing Board members Manfred Hochleitner and Jürgen Knie. To the extent that total compensation exceeds the maximum compensation, the Supervisory Board is entitled to reduce the amount paid out as a cash bonus or non-financial STI.

The following table shows for the 2022 fiscal year the maximum values of the fixed and variable compensation components and their relative proportions in relation to the total of the maximum compensation components, as well as the individual contractual maximum compensation for each Managing Board member:

		Martin Drasch Chairman		Manfred Hochleitner Chief Financial Officer		Jürgen Knie Chief Operations Officer	
		in TEUR	from MC	in TEUR	from MC	in TEUR	from MC
Fixed compensation	Fixed salary	331	19 %	266	19 %	266	19 %
	+ Fringe benefits	12	1 %	12	1 %	12	1 %
	+ Retirement benefits	12	1 %	12	1 %	12	1 %
	= Total	**355**	**20 %**	**290**	**20 %**	**290**	**20 %**
Variable compensation	STI (short-term)						
	+ Annual cash bonus	512	28 %	416	28 %	416	28 %
	+ Non-financial STI	96	5 %	78	5 %	78	5 %
	= Total STI	**608**	**34 %**	**494**	**34 %**	**494**	**34 %**
	LTI (long-term) Manz Performance Share Plan	840	47 %	683	47 %	683	47 %
	= Total	1,803	100 %	1,466	100 %	1,466	100 %
	= Maximum compensation (MC)	**1,800**		**1,500**		**1,500**	

3. Appropriateness of the compensation

Compensation for members of the Managing Board is based on the customary amounts and structure of management compensation at comparable companies, in accordance with the law and the recommendations of the German Corporate Governance Codex, as well as based on the economic position and future prospects of the Company. In addition, the duties and performance of the Managing Board member in question and the salary structure within the Company are taken into consideration.

As part of its regular review of the appropriateness of Managing Board compensation, the Supervisory Board conducted a horizontal and a vertical comparison in fiscal year 2021.

In the horizontal analysis, the compensation of the members of the Managing Board of Manz AG was compared with the compensation at comparable companies. For this purpose, the compensation data of the companies SMA Solar Technology AG, Singulus Technologies AG, AIXTRON SE, and SÜSS MicroTec

SE were used, as they are included in the Prime Standard of the Frankfurt Stock Exchange and operate in similar business segments as Manz AG.

In addition to the horizontal view, a vertical view was also taken. During this assessment, the internal Company compensation structure is evaluated by comparing the compensation of the Managing Board to the compensation of upper management and the workforce as a whole. The Supervisory Board has defined upper management for this purpose, including upper managers worldwide (heads of the business units and area managers, as well as managing directors of the subsidiary companies). The Supervisory Board has included employees of Manz AG in Germany who are not upper management for the vertical comparison of the entire workforce. In addition to the status quo, this assessment also considers the development of ratios over time.

The review of the appropriateness of the Managing Board's compensation showed that the Managing Board compensation resulting from the target achievement for fiscal year 2021 is appropriate.

III. Variable compensation in fiscal year 2022

The variable compensation components serve as a specific incentive to achieve sustained corporate growth while contributing to the Managing Board members' accumulation of personal assets and financial independence.

The variable compensation includes, firstly, an annual component tied to the Company's success in the previous year (short-term incentive), consisting of an annual cash bonus and non-financial STI, and, secondly, a share-based component with a multi-year basis for assessment, in the form of purchasing rights to Manz shares (performance shares) granted on an annual basis (long-term incentives (LTI).

1. Annual cash bonus based on EBIT margin as short-term variable compensation (financial short-term incentive)

a) The annual cash bonus under the compensation system

(1) Mode of operation and targets of the annual cash bonus

The aim of the annual cash bonus is to allow the members of the Managing Board to participate in the Company's financial success or failure in the previous fiscal year as a result of their own personal management performance. In accordance with the financial objectives of Manz AG derived from the corporate strategy, it focuses on incentivizing improving the profitability of Manz AG, using the EBIT margin as one of the primary performance indicators at Manz AG for all members of the Managing Board. Moreover, the annual cash bonus is calculated based on the respective fixed salary of the particular Managing Board member for the given previous fiscal year (fixed annual salary).

The annual cash bonus grant requires that an EBIT margin of at least 0.1 % has been achieved. The Managing Board member receives an annual cash bonus of 1 % of the annual fixed salary with an EBIT margin of 0.1 %. Accordingly, the percentage applicable for calculating the cash bonus increases by one percentage point for each full tenth of a percentage point by which the achieved EBIT margin exceeds an EBIT margin of 0.1 %. The maximum value is set at an EBIT margin of 16 %, at which the annual cash bonus is 160 % of the annual fixed salary.

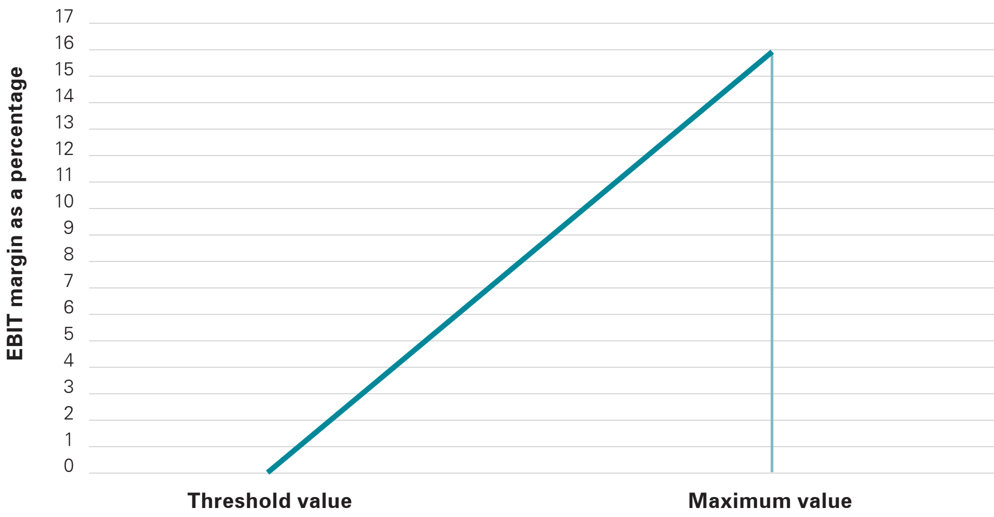
The Supervisory Board determines target achievement and the amount of the annual cash bonus at the end of each fiscal year based on the consolidated annual statement and annual fixed salary for the Managing Board member in question. Target achievement for performance criteria is calculated based on the target achievement value, and limited to a maximum target achievement of an EBIT margin of 16 %. The payment amount is calculated by multiplying the EBIT margin as a percentage by a factor of 10, and the annual fixed salary, and is therefore limited accordingly to 160 % of the fixed salary.

The following diagram shows an overview of how annual cash bonuses are calculated:

EBIT margin	X	Factor of 10	X	Annual fixed salary	=	Annual cash bonus	Cap: 160 % of the annual fixed salary
Example:							
6 %	X	**10**	X	**TEUR 260**	=	**TEUR 156**	**Cap: TEUR 416**

The following graphic shows the target achievement curve for the performance criteria of EBIT margin:

Target attainment curve for cash bonuses



Annual cash bonuses are paid out in cash, and are due ten days after approval of the Manz AG consolidated financial statement.

(2) Performance criterion EBIT margin

The cash bonus is granted annually, depending on the EBIT margin of the previous respective fiscal year. The EBIT margin is calculated as the ratio of earnings before interest and taxes (EBIT) to total revenues pursuant to the consolidated financial statements of Manz AG in accordance with IFRS. The EBIT margin serves as a key figure for reflecting the operational earnings of the Company, thereby reflecting the earnings power and profitability of the enterprise.

Therefore, directly tying annual cash bonuses to the performance criteria of the EBIT margin incentivizes and focuses the work of the Managing Board on consistently improving the earning power of the Manz Group, thereby ensuring the strategic alignment of the variable compensation. The target is decisive for all Managing Board members together. The financial performance criteria of the EBIT margin is not only used on the Managing Board level, but is also used to strategically align business activities in the individual corporate areas as well.

b) The cash bonus in fiscal year 2022

The Supervisory Board has set a target EBIT margin of 6 % for the 2022 fiscal year, resulting in an annual cash bonus of 60 % of the fixed annual salary. The granting of the annual cash bonus is subject to the condition that an EBIT margin of at least 0.1 % has been achieved (minimum value). The maximum value is set at an EBIT margin of 16 %, at which the annual cash bonus is 160 % of the annual fixed salary.

As the EBIT margin based on net sales was –2.5 % in fiscal 2022, no annual cash bonus was granted to the members of the Managing Board for fiscal year 2022.

2. Non-financial STI as short-term variable compensation (non-financial short-term incentive)

a) The non-financial STI according to the compensation system

(1) Calculation of the non-financial STI and payout

In addition to the annual cash bonus, the short-term variable compensation also includes a non-financial STI according to the non-financial performance criteria. The non-financial corporate and ESG division targets are used to assess the individual performance of Managing Board members. The non-financial STI is calculated based on the respective fixed salary of the particular Managing Board member for the given previous fiscal year (fixed annual salary).

The Supervisory Board calculates target attainment and the amount of the non-financial STI for the Managing Board member in question after the end of the fiscal year. Overall target attainment for the stipulated non-financial performance criteria is calculated based on the level of target attainment, and is limited to a maximum of 200 %. The non-financial STI is applied based on previously defined criteria stipulated by the Supervisory Board before the start of the fiscal year, and is 15 % of the annual fixed salary if all goals are achieved. The payment amount, therefore, is calculated by multiplying total target attainment by the annual fixed salary, as well as a factor of 15 %. The payment amount is limited to a maximum of 30 % of the annual fixed salary.

The following diagram shows an overview of how non-financial STIs are calculated:

Target attainment (up to 200 %)	X	Annual fixed salary	X	Factor 15 %	=	Non-financial STI	Cap: 30 % of the annual fixed salary
Example:							
100 %	X	**TEUR 260**	X	**15 %**	=	**TEUR 39**	**Cap: TEUR 78**

The non-financial STI is paid out in cash as soon as possible after the payment amount is calculated by the Supervisory Board, and at the latest within three months after the end of the fiscal year.

(2) Performance criteria

Before the start of the financial year, the Supervisory Board selects relevant non-financial performance criteria to assess the Managing Board member for the financial year, based on the following criteria:

- long-term strategic, technical or structural corporate development
- portfolio measures, primarily successful mergers & acquisitions and relevant integration measures
- successfully tapping into new growth markets, expanding market position
- optimizations, efficiency programs/increases, restructuring measures
- successfully completing key projects
- increasing innovative capacity and delivery capability
- performance in the ESG area (environment, social & governance)

The Supervisory Board defines up to three specific goals and their proportional weights. Unless otherwise indicated, the Supervisory Board stipulates ESG targets from the diversity area (social) and sustainability area (environment); however, the Supervisory Board is entitled to stipulate other ESG targets.

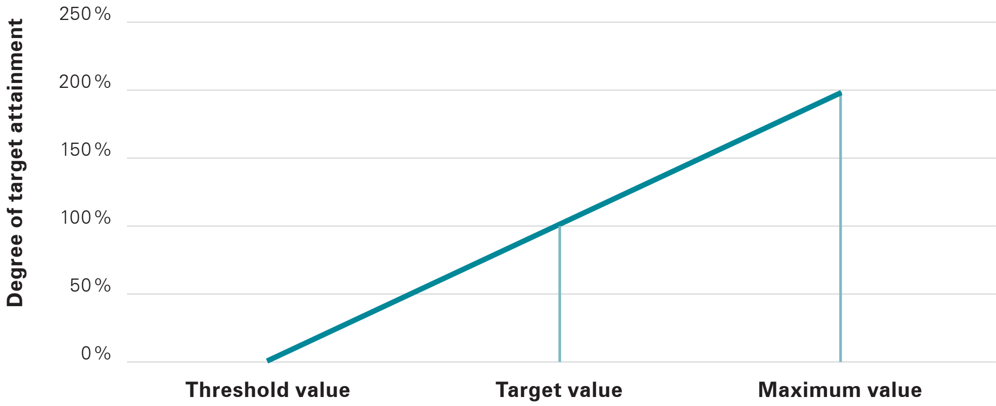
The purpose of non-financial performance criteria is to improve the competitiveness of Manz AG over the long term according to corporate objectives. In addition, the criteria should help align Managing Board activities to foster the technical and structural development of the Company, including in environmental, social and governance areas. These are individual targets of the individual Managing Board members.

(3) Setting the target

Before the start of the respective fiscal year, the Supervisory Board determines the relevant non-financial performance criteria for the respective Managing Board member, whose target achievement value can be up to 200 %, and thus the target compensation for the non-financial STI. At target attainment of 100 %, this is defined by multiplying the annual fixed salary by a factor of 15 %. The Supervisory Board defines up to three specific goals and their proportional weights.

The following graphic shows the target attainment curve for the non-financial performance criteria:

Target attainment curve for non-financial STI



b) The non-financial STI in fiscal year 2022

The table below shows the non-financial performance criteria defined by the Supervisory Board for the 2022 fiscal year for each Managing Board member and their respective pro-rata weighting, as well as the respective degree of target achievement:

	Weighting	Focus topic	Objective	Goal achievement	**Overall target achievement**
Martin Drasch Chairman	40 %	Anchor shareholder	Replacement of Shanghai Electric Group (PR China) by a new anchor shareholder	0 %	**0 %**
	30 %	New orders	Orders from specific target customers with a volume of EUR 15 million (min. EUR 10 million)	0 %	
	30 %	CIGS*fab* solar project	Conclusion of a settlement agreement with the customer of the CIGS*fab* solar project	0 %	
Manfred Hochleitner Chief Financial Officer	40 %	Anchor shareholder	Replacement of Shanghai Electric Group (PR China) by a new anchor shareholder	0 %	**69.8 %**
	30 %	Project controlling	Achieve planned profit margins on large new customer projects	67 %	
	30 %	Division Management Industry Solutions	Management position filled by qualified executive managers before September 2022	166 %	

The table below shows the target achievement and the amount of the non-financial STI for each Managing Board member for fiscal year 2022:

	Goal achievement	Annual fixed salary in TEUR[1]	Factor	Non-financial STI in TEUR
Martin Drasch Chairman	0 %	327	15 %	**0**
Manfred Hochleitner Chief Financial Officer	69.8 %	266	15 %	**28**

1) Monthly base salary only

In each case, the limit on the amount paid out to the maximum value of 30 % of the fixed annual salary was not reached.

3. Manz Performance Share Plan as Long-Term Incentive (LTI)

The long-term incentive (LTI) is a performance share plan with a four-year performance period. The purpose of the variable compensation component, which acts as a long-term incentive, is to encourage the Managing Board member to improve internal and external corporate value over the long term by granting performance shares each year to purchase shares in Manz AG. This helps to effectively tie their interests to those of the shareholders, as well as those of other stakeholders.

a) The Manz Performance Share Plan (LTI) according to the compensation system

(1) Mode of operation and targets of the Manz Performance Share Plan

Based on the authorization of the Annual General Meeting, the Supervisory Board grants members of the Managing Board the right to purchase shares in Manz AG ("performance shares")" The wait time to exercise the performance shares ends four years after the time at which the right is issued, and is therefore over four years. When performance shares are exercised, shares in Manz AG are issued to the exercising individual at the lowest legally prescribed issue amount of EUR 1.00 per share.

The performance shares can be exercised if and insofar as the respective performance target was achieved. The stipulated performance targets for exercising performance shares are the EBITDA margin and corporate development of Manz AG. The EBITDA margin performance target is calculated as the average of the EBITDA margins according to Manz AG's consolidated financial statements during the performance period of four fiscal years beginning with the fiscal year in which performance shares are granted. The development of the enterprise value performance target is calculated as the increase in the market capitalization of Manz AG during the performance period of four calendar years beginning with the start of the issue period in which the performance shares are granted.

The following table shows an overview of the performance targets and target corridor for the performance targets EBITDA margin and growth in enterprise value:

Target	Objective	Target corridor	
	Degree of target achievement 100 %	**Minimum value** Degree of target achievement 0 %	**Maximum value** 200 % target achievement
EBITDA margin	10 %	5 %	15 %
Growth in enterprise value	20 %	> 0 %	30 %

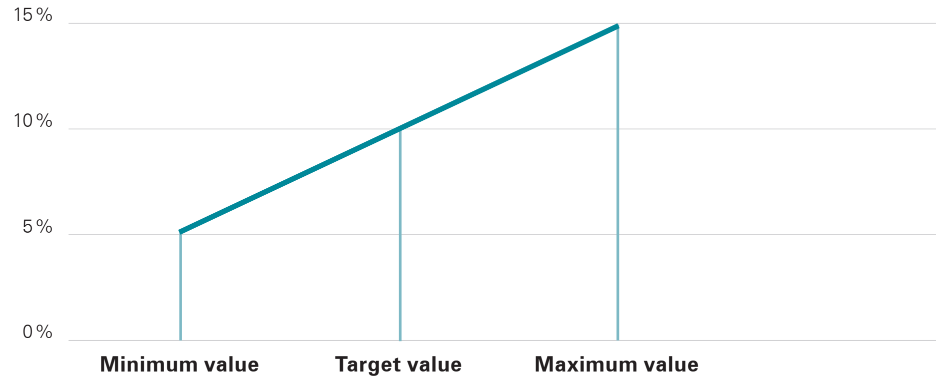
The EBITDA margin and growth in the enterprise value success target are each assigned a weighting of 50 % for measuring the total degree of target attainment. For each of the performance targets, there is a “target”, a “minimum value” and a “maximum value”. The objective defines the value at which the degree of target attainment for the respective performance target is 100 %. The minimum value designates the lower limit of the target corridor at or below which the degree of target attainment for the respective performance target is 0 %. The maximum value defines the value at or above which the degree of target attainment is 200 %.

For the EBITDA margin target, the minimum value for an EBITDA margin is 5 %. The objective is an EBITDA margin of 10 %. The maximum value for the EBITDA margin target is reached with an EBITDA margin of 15 %. The minimum value for the performance target of growth in enterprise value is positive growth in enterprise value, meaning that the enterprise value increases by more than 0 %. The objective is 20 % growth in enterprise value. The maximum value for this performance target is 30 % growth in the enterprise value.

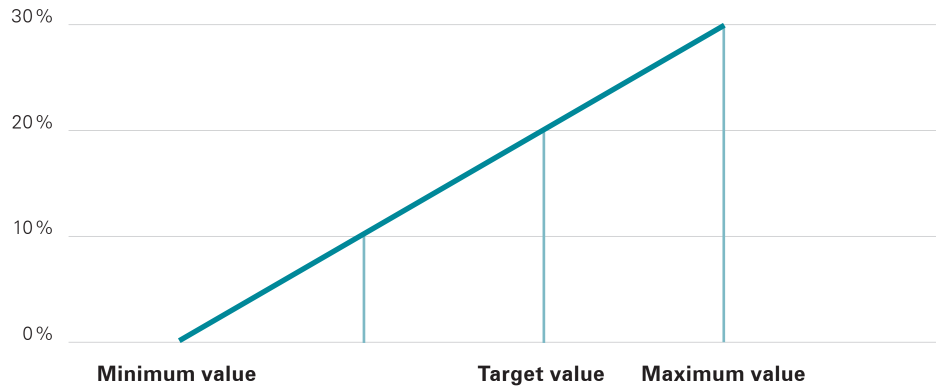
The degree of target attainment for the target is determined through linear interpolation between the minimum value for the target and the target specification, or between the target specification and maximum value for the target. The total degree of target attainment is the average for the degrees of attainment for the two performance targets. If the value attained equals or exceeds the maximum value with respect to a target, the degree of target attainment is 200 %.

The following graphics show the target attainment curves for the performance criteria of EBITDA margin and growth in enterprise value:

EBITDA margin



Growth in enterprise value



(2) Final number of performance shares and limits

The initial number of performance shares in an installment is multiplied by the degree of overall target attainment, resulting in the final number of performance shares.

The final number of performance shares is limited to 200 % of the initial number of performance shares (cap on number of units).

If the requirements for exercising the right apply, then Managing Board members are entitled to purchase Manz shares at an issue price of EUR 1.00 per share, within the scope of the final number of performance shares. Therefore, they can purchase up to two Manz AG shares for each number or partial number of performance shares, according to the overall degree of target attainment.

However, the value of the performance shares, which is calculated based on the share price of the Manz share before the end of the wait period, is limited to 300 % of the value determined based on the share price of Manz shares before issuance; if this is exceeded, the final number of performance shares is reduced accordingly (cap).

In case of extraordinary developments, the Supervisory Board is furthermore entitled to limit the ability to exercise the performance shares granted at their discretion, in particular, to ensure that compensation is appropriate in the sense of Section 87 (1) Sentence 1 German Stock Corporation Act (AktG).

(3) Performance criteria

The performance target EBITDA margin is calculated based on the ratio of earnings before interest, taxes, depreciation and amortization on property, plant and equipment and amortizations on intangible assets (EBITDA) on the revenues indicated in the Manz AG Group financial statement under the IFRS. The EBITDA margin serves as a key figure for assessing operational cash flow before taxes, and therefore for the long-term financing capacity of the Company.

The performance target of growth in enterprise value corresponds to the percentage of growth in Manz AG's enterprise value at the end of the vesting period to exercise the performance shares, in relation to the enterprise value when they were issued. The enterprise value is calculated by multiplying the share price of Manz shares by the number of total shares issued by Manz AG at the time in question, and therefore corresponds to the respective market capitalization, and therefore the enterprise value of Manz AG measured by the share price.

Connecting the performance shares to the equally weighted performance criteria of EBITDA margin and growth in enterprise value over the performance period of four fiscal years or four calendar years, therefore, provides an incentive for aligning the work of the Managing Board towards increasing the financing capability and enterprise value of Manz AG over the long-term. Doing so thereby ensures the strategic focus of long-term variable compensation. The targets are decisive for all Managing Board members.

The financial performance criteria of the EBITDA margin and growth in enterprise value are not only used on the Managing Board level, but are also used to strategically align business activities in the individual corporate areas as well. In particular, Manz AG grants annual performance shares to selected members of the general management of affiliated companies as well, and to selected managers in key positions at Manz AG and in affiliated companies below the general management.

(4) Payment

The Supervisory Board defines the final number of performance shares and how they are to be exercised, following approval of the Group financial statement for the last fiscal year, before the end of the vesting period and the end of the respective vesting period. The performance shares can then be exercised by Managing Board members within a limited time period after the time at which both the Group financial statement for the last fiscal year has been approved before the end of the wait time, and after the wait time has expired. The Manz shares to be issued based on the exercised performance shares are transferred to the Managing Board member in return for payment of the exercise price.

Manz AG can fulfill exercised performance shares by issuing new shares from the conditional capital available for the purpose. Manz AG is also authorized to deliver treasury shares. Furthermore, in lieu of delivering shares, Manz AG is entitled to pay out the value of the shares that would have to be delivered following the exercise of performance shares, minus the exercise price.

There is no obligation not to sell the Manz shares issued due to the exercise of performance shares (holding period).

b) The Manz Performance Share Plan (LTI) in fiscal year 2022

(1) Issue of performance shares in fiscal year 2022

The table below shows, for each member of the Managing Board, the performance shares issued by the Supervisory Board in the 2022 fiscal year on the basis of the Manz Performance Share Plan 2019 and the assignment value based on the initial share price of EUR 40.17 applicable to the 2022 tranche, corresponding to an enterprise value of TEUR 311,578, as well as the unit cap for the shares to be issued upon exercise (200 % of the initial number of performance shares) and the cap for the value of the shares to be issued upon exercise (300 % of the assignment value):

	Assign-ment value in EUR	Initial share price in EUR	**Performance shares**	Number of units cap	Cap in EUR
Martin Drasch Chairman	256,003	40.17	**6,374**	12,748	768,009
Manfred Hochleitner Chief Financial Officer	208,003	40.17	**5,179**	10,358	624,009

The assignment value corresponds to the fair value of the performance shares at the time of issue.

The number of performance shares issued is determined in accordance with the Manz Performance Share Plan 2019 on the basis of the relevant grant value using the initial share price. This corresponds to the arithmetic mean of the Xetra closing prices of the Manz share over the last 30 stock market trading days before the start of the issue period.

(2) Exercise of performance shares in fiscal year 2022

In fiscal year 2022, the performance shares of the 2018 tranche from the Manz Performance Share Plan 2015 became exercisable. The mode of operation and performance criteria of the Manz Performance Share Plan 2015 correspond to those of the Manz Performance Share Plan 2019. Exercise was dependent on the average value of the EBITDA margins according to the consolidated financial statements of Manz AG during the performance period of the fiscal years 2018 to 2021, as well as the increase in the market capitalization of Manz AG during the four-year performance period from the beginning of the issue period on May 16, 2018 until the end of the vesting period ending four calendar years after the issue date. In accordance with the degree of target achievement, new shares of Manz AG were issued from the existing conditional capital for this purpose in the 2022 fiscal year as a result of the exercise of performance shares after the expiration of the respective vesting period.

The table below shows the target achievement levels of the performance criteria and the overall target achievement level of the performance shares of the 2018 tranche for each eligible Managing Board member:

	Martin Drasch Chairman	Jürgen Knie Chief Operations Officer (since 07/2019)
EBITDA margin 2018 to 2021 (minimum value 5 %)	5.73 %[1]	5.73 %[1]
Degree of target achievement EBITDA margin	14.6 %	14.6 %
Enterprise value at the beginning of the issue period	TEUR 245,875	TEUR 245,875
Enterprise value at the end of the vesting period	TEUR 298,637	TEUR 296,232
Corporate value development (maximum value: 30 %)	21.46 %	20.48 %
Degree of target achievement Corporate value development	114.6 %	104.8 %
Overall degree of target achievement for the 2018 tranche	**64.6 %**	**59.7 %**

1 EBITDA margin of 5.73 % represents the value before error correction in 2021.

The table below shows, for each Managing Board member entitled to exercise performance shares, the assignment value, the initial share price and the initial number of performance shares when the performance shares were issued in 2018, as well as the number of shares issued (final number of performance shares) resulting from the total target achievement of the performance shares of the 2018 tranche:

	Assignment value 2018	Initial share price	Performance Shares	Degree of target attainment	Shares
Martin Drasch Chairman	**EUR 192,000**	EUR 31.75	6,048	64.6 %	**3,908**
Jürgen Knie[1] Chief Operations Officer	**EUR 30,800**	EUR 31.75	971	59.7 %	**580**

1) Member of the Managing Board since 07/2019, Managing Director of Manz Slovakia s.r.o. since 10/2010

The number of performance shares issued is determined in accordance with the Manz Performance Share Plan 2019 on the basis of the relevant grant value using the initial share price. This corresponds to the arithmetic mean of the Xetra closing prices of the Manz share over the last 30 stock market trading days before the start of the issue period.

The table below shows, for each Managing Board member entitled to exercise performance shares, the number of shares issued (final number of performance shares) resulting from the overall target achievement level of the performance shares of the 2018 tranche, the final share price and the value of the performance shares at the end of the vesting period, as well as the unit cap of the shares to be issued upon exercise (200 % of the initial number of performance shares) and the cap for the value of the shares to be issued upon exercise (300 % of the assignment value):

	Shares	End share course	Value after vesting period 2021	Number of units cap	**Cap**	Value upon transfer
Martin Drasch Chairman	**3,908**	EUR 38.50	**EUR 150,458**	12,096	**EUR 576,000**	EUR 134,240
Jürgen Knie[1] Chief Operations Officer	**580**	EUR 38.19	**EUR 22,150**	1,942	**EUR 92,400**	EUR 14,935

1) Member of the Managing Board from 07/2019 to 03/2022, Managing Director of Manz Slovakia s.r.o. since 10/2010

The value after the vesting period 2022 is determined in accordance with the Manz Performance Share Plan 2015 on the basis of the number of shares issued (final number of performance shares) using the final share price. This corresponds to the arithmetic mean of the Xetra closing prices of Manz stock over the last 30 trading days prior to the expiration of the vesting period. In addition, the value of the shares issued at the time of their transfer to the Managing Board members' securities accounts is shown on the basis of the Xetra closing price of Manz stock on the last stock market trading day before the transfer to the securities accounts. The eligible members of the Managing Board paid the exercise price in the amount of the legally prescribed lowest issue amount of EUR 1.00 per share before the transfer to Manz AG.

c) Performance shares granted

The table below shows for each Managing Board member the number of performance shares granted to him at the end of fiscal year 2022, the respective issue date and initial share price, and the respective expiry of the vesting period:

	Date of issue	Performance shares	Initial share price	Expiration of vesting period
Martin Drasch Chairman	May 15, 2019	**9,662**	EUR 24.84	May 15, 2023
	June 18, 2020	**18,721**	EUR 12.82	June 18, 2024
	May 10, 2021	**4,631**	EUR 53.56	May 20, 2025
	June 3, 2022	**6,374**	EUR 40.17	June 3, 2026
Manfred Hochleitner Chief Financial Officer (since 07/2018)	May 15, 2019	**7,730**	EUR 24.84	May 15, 2023
	June 18, 2020	**14,977**	EUR 12.82	June 24, 2024
	May 10, 2021	**3,735**	EUR 53.56	May 20, 2025
	June 3, 2022	**5,179**	EUR 40.17	June 3, 2026

The performance shares issued to Managing Board member Jürgen Knie (Managing Board member responsible for Operations) in 2019, 2020 and 2021 expired on March 31, 2022 due to his departure from the Managing Board.

If performance shares are exercised after the end of the vesting period, shares in Manz AG will be issued at the exercise price of EUR 1.00 per share.

4. Deviations from the compensation system, changes to performance criteria, and malus and clawback rules

In fiscal year 2022, there were no deviations from the compensation system for members of the Managing Board submitted for approval to the Annual General Meeting on July 7, 2021.

There has been no subsequent change to the performance criteria or the requirements for calculating the compensation components of the STI or the LTI or the caps applicable to them for the Managing Board compensation granted in fiscal year 2022.

The Managing Board contracts contain provisions allowing the reduction (malus) or clawback (clawback) of variable compensation not yet paid out or already paid out under certain conditions in the event that a Managing Board member has intentionally (or through gross negligence) breached the duties set out in Section 93 German Stock Corporation Act (AktG). These regulations apply to all variable components of Managing Board compensation, including both the STI and LTI. The Supervisory Board will make a decision in such cases at its own discretion. In fiscal year 2022, the Supervisory Board did not make use of the option to reduce or claw back variable compensation components.

5. Premature termination of professional activity

If a Managing Board member leaves office and their employment relationship prematurely, and there is no good cause, then severance payments to Managing Board members including benefits shall not exceed the amount of two year's annual compensation (severance cap), and not compensate more than the remaining term of the employment relationship. The total compensation for the last fiscal year, as well as the projected total compensation for the fiscal year at the time the employment relationship is ended prematurely, if applicable, shall be used to calculate the severance cap.

In the Managing Board contract of the Chairman of the Managing Board Martin Drasch, it is agreed that in the event of a change of control, the Managing Board member is entitled to terminate the Managing Board contract within six months of the occurrence of a change of control with three months' notice to the end of a calendar month and to resign from office as a member of the Managing Board with the same notice period. A change of control within the meaning of such change of control clause shall be deemed to have occurred if the Company receives a notification according to which a party subject to the notification requirement reaches or exceeds at least 25 % of the voting rights from shares in the Company belonging to or attributed to it. It is also agreed that, as a result of termination of the Managing Board member's contract due to a change of control, the Managing Board member shall be entitled to a severance payment due upon termination of the employment relationship. In this case, the severance shall generally amount to the fixed salaries and annual cash bonus (STI) for the remaining term of the employment relationship if it were not terminated, whereby the average of the last fiscal year before termination and the projected EBIT margin for the current fiscal year, based on Company budgetary figures, shall be used to calculate the severance payment. The severance payment is limited to the value of three years' compensation (150 % of the severance payment cap). Furthermore, in the event that the remaining term of the employment relationship at the time the termination takes effect is more than two years, it is agreed that the severance payment shall be reduced by 75 % to the extent that it is granted for the exceeding period. The amounts to be considered in calculating the severance are subject in every case to 3 % interest p.a.

Otherwise, the management contracts do not grant any severance payments in case of a premature end to the employment relationship.

The former member of the Managing Board, Jürgen Knie, left the Managing Board of Manz AG by mutual agreement on March 31, 2022, and ended his activities on this date. The employment contract, which was limited until June 30, 2022, was also terminated early by mutual agreement in fiscal year 2022, effective March 31, 2022. To compensate for the rights and entitlements lost as a result of the early termination, Mr. Knie was granted severance payments of TEUR 103 in fiscal year 2022.

IV. Compensation granted and owed

The following table shows the compensation granted and owed to current and former members of the Managing Board in the 2022 fiscal year in accordance with Section 162 (1) Sentence 1 German Stock Corporation Act (AktG), as well as all fixed and variable compensation components and their relative proportions.

The fixed salary includes the monthly salary and the additional notional employer's contribution to social insurance. The fringe benefits (private use of company car, D&O insurance, accident insurance) are stated in the amount of the taxable non-cash benefits. The pension plan consists of the Company's contributions to the provident fund.

In the section "STI (short-term)", short-term variable remuneration (annual cash bonus and non-financial STI) granted for activities in fiscal year 2022 (but not paid out until fiscal year 2023) is disclosed, as the underlying activity was performed in fiscal year 2022. This enables stringent reporting based on the compensation system and ensures the link between performance and compensation.

As shown in the section "LTI (non-current)", the performance shares of the 2022 tranche issued in fiscal year 2022 are stated at their issue value corresponding to the fair value of the performance shares at the time of issue.

The amount reported under "Other – Severance payments" includes the severance payments made to former Managing Board member Jürgen Knie in fiscal year 2022 to compensate for the rights and entitlements forfeited due to the premature termination of his employment in fiscal year 2022.

The compensation granted and owed to the members of the Managing Board was in each case below the amount of the maximum compensation.

		Martin Drasch Chairman		Manfred Hochleitner Chief Financial Officer		Jürgen Knie Chief Operations Officer (until 03/2022)	
		in TEUR	of TC	in TEUR	of TC	in TEUR	of TC
Fixed compensation	Fixed salary	336	54 %	275	51 %	67	36 %
	+ Fringe benefits	20	3 %	15	3 %	7	4 %
	+ Retirement benefits	12	2 %	12	2 %	6	3 %
	= Total	**368**	**59 %**	**302**	**56 %**	**81**	**44 %**
Variable compensation	STI (short-term)						
	+ Annual cash bonus	0	0 %	0	0 %	0	0 %
	+ Non-financial STI	0	0 %	28	5 %	0	0 %
	= Total STI	**0**	**0 %**	**28**	**5 %**	**0**	**0 %**
	LTI (long-term) Manz Performance Share Plan	256	41 %	208	39 %	0	0 %
Other	+ Severance payments		0	0	0 %	103	56 %
	= Total compensation (TC)	**624**	**100 %**	**538**	**100 %**	**184**	**100 %**
	Maximum compensation	1,800		1,500		750	

C. Compensation of the members of the Supervisory Board

I. The compensation system at a glance

The compensation of the members of the Supervisory Board applicable for the fiscal year 2022, which is governed by Section 12 of the Company's Articles of Association, was resolved by the Annual General Meeting on July 3, 2018. In accordance with Section 113 (3) Sentence 1 German Stock Corporation Act (AktG), the Annual General Meeting resolves on the compensation of the Supervisory Board at least every four years, and may confirm or amend the compensation. The compensation system for members of the Supervisory Board of Manz AG presented to the Annual General Meeting on July 7, 2021 was approved by the Annual General Meeting with a majority of 99.94 %.

The compensation system for members of the Supervisory Board adopted by the Annual General Meeting is available on the Company's website under https://www.manz.com/en/investor-relations/corporate-governance/compensation/.

Manz AG only compensates Supervisory Board members with fixed compensation. This reflects the function of the Supervisory Board as an independent advising and controlling body under German stock corporation law. Supervisory Board compensation at Manz AG is based on the goal of providing position-specific supplements in addition to appropriate fixed compensation, in order to adequately reflect the additional time spent by the Chair of the Supervisory Board, their deputy, and committee members. This structure implements recommendation G.17 of the German Corporate Governance Codex, in particular. Accordingly, the compensation of the members of the Supervisory Board shall take appropriate account of the higher time commitment of the Chairman and Deputy Chairman of the Supervisory Board, as well as the Chairman and members of committees. Furthermore, the time spent in individual meetings is compensated by an appropriate attendance fee.

The following overview shows the regulations governing the compensation of the members of the Supervisory Board and its committees:

Basic compensation		
Chairman of the Supervisory Board	**Deputy**	**Member**
EUR 48,000	EUR 32,000	EUR 16,000
Additional compensation for committee work		
Chairman of the Supervisory Board		**Member**
EUR 24,000		EUR 8,000
Attendance fee		
Chairman of the Supervisory Board		**Member**
EUR 4,500		EUR 1,500

The members of the Supervisory Board also receive reimbursements for their expenditures incurred while carrying out their office.

At its own cost, the Company can insure the members of the Supervisory Board against claims under civil and criminal law, including the costs of legal defense, in conjunction with carrying out their office, and can conclude relevant D&O insurance.

II. Compensation in the fiscal year 2022

In fiscal year 2022, the Supervisory Board consisted of four members and has formed an Economic Committee consisting of two members. Compensation for members of the Supervisory Board totaled TEUR 246 in fiscal year 2022 (previous year: TEUR 192).

In addition, the members of the Supervisory Board incurred pro rata costs of D&O insurance amounting to TEUR 32 in fiscal year 2022.

The following table shows the compensation granted and owed to the members of the Supervisory Board in the 2022 fiscal year in accordance with Section 162 (1) Sentence 1 German Stock Corporation Act (AktG) and their respective relative shares of the total compensation granted and owed (excluding pro rata costs of D&O insurance). Accordingly, the table contains all amounts actually received by the individual members of the Supervisory Board in the reporting period ("Compensation granted"), as well as all compensation legally due but not yet received ("Compensation owed"):

	Prof. Dr. Heiko Aurenz Chairman		**Dieter Manz** Deputy		**Prof. Dr.-Ing. Michael Powalla**		**Dr. Zhiming Xu**	
	in TEUR	of TC	in TEUR	of TC	in TEUR	of TC	in TEUR	of TC
Basic compensation	48	38.1 %	32	55.2 %	16	43.2 %	16	64 %
+ Attendance fee for the Supervisory Board	27	21.4 %	9	15.5 %	9	24.3 %	9	36 %
+ Activity in committees	24	19.0 %	8	13.8 %	6	16.2 %	–	–
+ Attendance fee for the committees	27	21.4 %	9	15.5 %	6	16.2 %	–	–
= Total compensation (TC)	**126**	**100 %**	**58**	**100 %**	**37**	**100 %**	**25**	**100 %**

D. Comparative presentation of earnings development and annual change in compensation

In accordance with Section 162 (1) Sentence 2 No. 2 German Stock Corporation Act (AktG), the following overview presents Manz AG's earnings performance, the annual change in compensation for members of the Managing Board and Supervisory Board, and the annual change in average employee compensation on a full-time equivalent basis over the last five fiscal years.

The development of earnings is shown on the basis of the Group's key performance indicators of revenue, EBITDA margin and EBIT margin, and earnings per share. As key performance indicators, the above-mentioned margin ratios are also components of the financial targets for the Managing Board's short-term and long-term variable compensation and, therefore, have a significant influence on the level of compensation paid to the members of the Managing Board. In addition, the development of Manz AG's net income for the year is presented in accordance with Section 275 (3) No. 16 German Commercial Code (HGB).

For the members of the Managing Board and the Supervisory Board, the compensation granted and owed in the respective fiscal year is presented in accordance with Section 162 (1) Sentence 1 German Stock Corporation Act (AktG).

The presentation of average employee compensation is based on Manz AG's workforce in Germany, which included an average of 468 employees (full-time equivalent) in fiscal year 2022. In comparison, the Manz Group employed an average of around 1,535 employees worldwide in fiscal year 2022, whose average compensation is also presented. Average employee compensation includes personnel expenses for wages and salaries, for fringe benefits, for employer contributions to social security, and for any short-term variable compensation components attributable to the fiscal year. Furthermore, the performance shares granted in the 2022 fiscal year are taken into account for compensation in connection with the Manz Performance Share Plan. Consequently, the presentation of employee compensation also corresponds, in principle, to the compensation granted and owed in accordance with Section 162 (1) Sentence 1 German Stock Corporation Act (AktG).

Fiscal year	2018	2019	Change	2020	Change
I. Earnings development					
Sales revenues in TEUR	296,920	264,404	–11.0 %	236,768	–10.5 %
EBITDA margin[1]	3.2 %	3.6 %	+0.4 %P	8.0 %	+4.4 %P
EBIT margin[2]	–1.1 %	–2.9 %	–1.8 %P	3.0 %	+5.9 %P
Earnings per share in EUR[3]	–1.00	–1.43	–43 %	0.44	+131 %
Net income for the year (HGB) in TEUR	–21,095	–37,636	–78 %	–9,660	+74 %
II. Average compensation of employees in TEUR					
Workforce in Germany	83.2	85.1	+2.3 %	87.7	+3.1 %
Group workforce	44.9	45.9	+2.2 %	49.1	+7.0 %
III. Compensation of the Managing Board in TEUR					
Martin Drasch (since 08/2015, Chairman since 10/2018)	384	454	+18.2 %	859	+89.2 %
Manfred Hochleitner (since 07/2018)	136	352	–	703	+99.7 %
Jürgen Knie (from 07/2019 until 03/2022)	–	190	–	688	–
Former members of the Managing Board					
Eckhard Hörner-Marass (from 10/2016 until 09/2018)	604	–	–	–	–
Gunnar Voss von Dahlen (from 06/2017 until 03/2018)	66	–	–	–	–
IV. Compensation of the Supervisory Board in TEUR					
Prof. Dr. Heiko Aurenz (since 2000)	24	75	+212.5 %	131	+74.7 %
Dieter Manz (since August 17, 2017)	4	33	–	60	+81.8 %
Prof. Dr.-Ing. Michael Powalla (since 2011)	18	19	+5.6 %	24	+26.3 %
Dr. Zhiming Xu (since October 17, 2017)	2	15	–	24	+60.0 %
Guoxing Yang (until September 12, 2017)	8	–	–	–	–

1) EBITDA as a percentage of total output as reported. Change in percentage points.
2) EBIT as a percentage of total output as reported. Change in percentage points.
3) Earnings per share (basic) as reported

Fiscal year	2021	Change	2022	Change
I. Earnings development				
Sales revenues in TEUR	227,060	–4.1 %	250,964	+10.5 %
EBITDA margin[1]	–2.3 %	–10.3 %P	2.2 %	+4.5 %P
EBIT margin[2]	–16.8 %	–19.8 %P	–2.1 %	+14.7 %P
Earnings per share in EUR[3]	–5.62	–1,377 %	–1.42	+74.7 %
Net income for the year (HGB) in TEUR	–15,320	–59 %	–30,896	–101.7 %
II. Average compensation of employees in TEUR				
Workforce in Germany	94.6	+7.9 %	89.8	–5.1 %
Group workforce	54.3	+10.6 %	52.6	–3.1 %
III. Compensation of the Managing Board in TEUR				
Martin Drasch (since 08/2015, Chairman since 10/2018)	697	–18.9 %	624	–10.5 %
Manfred Hochleitner (since 07/2018)	530	–24.6 %	538	+1.5 %
Jürgen Knie (from 07/2019 until 03/2022)	508	–26.2 %	184	–63.8 %
IV. Compensation of the Supervisory Board in TEUR				
Prof. Dr. Heiko Aurenz (since 2000)	99	–2.0 %	126	+27.3 %
Dieter Manz (since August 17, 2017)	49	+2.1 %	58	+18.4 %
Prof. Dr.-Ing. Michael Powalla (since 2011)	22	+10.0 %	37	+68.2 %
Dr. Zhiming Xu (since October 17, 2017)	22	+10.0 %	25	+13.6 %

1) EBITDA as a percentage of total output as reported. Change in percentage points.
2) EBIT as a percentage of total output as reported. Change in percentage points.
3) Earnings per share (basic) as reported

Reutlingen, May 3, 2023

For the Managing Board

Martin Drasch
Chairman of the
Managing Board
Manz AG

Manfred Hochleitner
Chief Financial Officer
Manz AG

For the Supervisory Board

Prof. Dr. Heiko Aurenz
Chairman of the
Supervisory Board
Manz AG

Report of the independent auditor on the audit of the remuneration report pursuant to Sec. 162 (3) German Stock Corporation Act (AktG)

To Manz AG

Audit opinion

We have conducted a formal audit of the remuneration report of Manz AG, Reutlingen, for the fiscal year from 1 January to 31 December 2022 to determine whether the disclosures required by Sec. 162 (1) and (2) AktG ("Aktiengesetz": German Stock Corporation Act) have been made therein. In accordance with Sec. 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required by Sec. 162 (1) and (2) AktG have been made in the accompanying remuneration report in all material respects. Our opinion does not cover the content of the remuneration report.

Basis for the opinion

We conducted our audit of the remuneration report in accordance with Sec. 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report in Accordance with Sec. 162 (3) AktG (IDW AuS 870). Our responsibilities under this provision and standard are further described in the "Responsibilities of the auditor" section of our report. As an audit firm, we applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1). We complied with the professional obligations pursuant to the WPO ("Wirtschaftsprüferordnung": German Law Regulating the Profession of Wirtschaftsprüfer (German Public Auditor)) and the BS WP/vBP ("Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer": Professional Charter for German Public Accountants/German Sworn Auditors) including the requirements regarding independence.

Responsibilities of the management board and supervisory board

The management board and supervisory board are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, they are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud or error.

Responsibilities of the auditor

Our objectives are to obtain reasonable assurance about whether the disclosures required by Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects and to express an opinion thereon in a report.

We planned and performed our audit so as to determine the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Sec. 162 (1) and (2) German Stock Corporation Act (AktG). In accordance with Sec. 162 (3) AktG, we have not audited the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

Stuttgart, May 3, 2023

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Maurer	Ilg
Wirtschaftsprüfer	Wirtschaftsprüfer

Report of the Managing Board to the General Meeting on item 6 of the agenda concerning the exclusion of the subscription right pursuant to Section 203 (2), Section 186 (4) Section 2 of the German Stock Corporation Act (AktG) (Authorized Capital 2023)

New authorized capital (Authorized Capital 2023) authorized by the General Assembly meeting on July 4, 2023, totaling up to EUR 4,270,143.00, which should be available for cash and non-cash capital increases, will be suggested to the general assembly of Manz AG under agenda item 6. The new authorized capital is to replace the previous authorization pursuant to Section 3 (3) of the Articles of Incorporation (Authorized Capital 2021) in the amount of EUR 3,097,636.00, which was partially exercised by the Managing Board with the approval of the Supervisory Board on May 23, 2022.

The new Authorized Capital 2023 should follow the established rules for the prior Authorized Capital 2021. With the new authorization the Company should be able to act quickly and flexibly in the interests of its shareholders with the capital increase. Because decisions concerning coverage of capital requirements usually must be made at short notice, it is important that the Company not be constrained by the yearly cycle of general meetings or by the long notice period before an extraordinary general meeting. The instrument of authorized capital is the government's response to these restrictions. The most common reasons to use authorized capital are to strengthen the equity base and to finance acquisitions.

In principle, shareholders have preemptive rights with regard to the use of the Authorized Capital 2023. However, the Managing Board is authorized, with Supervisory Board approval, to exclude shareholders from their preemptive subscription rights under the following conditions.

a) The Managing Board should be authorized, with Supervisory Board approval, to suspend the legal preemptive rights of shareholders in cases of cash capital increases in return for cash pursuant to Section 203 (1–2), Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG). This suspension of subscription rights allows us, in the best interests of the Company, to systematically place new shares in domestic and international capital markets, whereby the shares are issued on short notice under favorable trading conditions and at rates as high as possible yet close to market prices. The need to protect shareholders from dilution is accounted for by ensuring that the shares can only be offered at a price that is not significantly below the relevant trading price. The final determination of the placement price is made as close as possible to the time of the placement. Here the Managing Board will make every effort – while taking into account current market conditions – to keep any discounts from the trading price as small as possible. The discount from the trading price at the time the authorized capital is used will be less than 3 % whenever possible, but always less than 5 %.

   Generally, the sales that can be generated from placement under a subscription right exclusion will result in a significantly higher cash inflow than a share placement with performance shares, which generally result in significant discounts from the stock exchange price. One important reason for this is the fact that an issue without a compulsory subscription period can be carried out immediately after determining the issue price and thus no allowance needs to be made for price change risk for the subscription period in the issue price. Section 186 (2) of the German Stock Corporation Act (AktG) does allow for the publication of the subscription price up to the third day to the end of the subscription period. But in view of the frequently observed volatility on stock markets there is still a market risk over a period of several days, which results in safety margins in determining the subscription price and thus to conditions that are not in line with the market. Where a subscription right exists, the necessary placement with third parties is also put at risk or subject to additional costs due to the uncertainty of its exercise. In addition, because of the length of the subscription period when granting a subscription right the Company is unable to respond at short notice to either favorable or unfavorable market conditions and thus is exposed to falling share prices, which can result in an unfavorable issue for the Company. By foregoing a time-consuming and expensive preemptive rights process, capital requirements can be met by taking advantage of short-term market opportunities.

Capital increases due to this authorization to exclude subscription rights may not, in total, exceed either EUR 854,028.00, which corresponds to roughly 10 % of the current share capital, nor 10 % of the share capital at the time the authorization is exercised. This means that, even in cases of multiple capital increases within the authorization period, subscription rights cannot be exempted for more than a total of 10 % of share capital as a result of this authorization. An additional restriction requires that the maximum limit include shares that are issued up until the issue of new shares from the authorized capital in direct or indirect application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG) while utilizing other authorizations to exempt shareholder subscription rights. Therefore, conversion or option rights or conversion obligations for shares in the Company that are associated with warrants or convertible bonds, profit-sharing rights, or profit-sharing bonds (or combinations of these instruments) that are issued during this authorization in accordance with Section 186 (3) Sentence 4 Stock Corporation Act (AktG) for cash, excluding the performance shares, must be offset against the limit Furthermore, sales of own shares must be offset if they were conducted during this authorization based on an authorization in accordance with Section 71 (1) No. 8 Sentence 5 German Stock Corporation Act (AktG) in conjunction with Section 186 (3) Sentence 4 German Stock Corporation Act (AktG), excluding the performance shares. This ensures that no shares are issued from the authorized capital excluding the performance shares according to Section 203 (1) and (2), Section 186 (3) Sentence 4 German Stock Corporation Act (AktG) if this would result in the performance shares of the shareholders being excluded for more than 10 % of the share capital without a specific objective reason for this.

These specifications protect the shareholders rights against dilution of their holdings, according to the law. In addition, because the issue price of the new shares is close to the market price, each shareholder has the option to purchase an amount of shares necessary to maintain their proportional level of interest in the Company on the market at nearly the same terms. This ensures appropriate protection of the equity and voting interests of shareholders.

b) The purpose of the authorization to increase the share capital with the approval of the Supervisory Board, excluding performance shares in order to purchase companies, parts of companies or holdings in companies or other assets, or to carry out corporate mergers is to allow the Managing Board to purchase companies, parts of companies or company holdings or other assets in appropriate cases not only by paying a purchase price in cash, but also by transferring shares in the Company, or carrying out corporate mergers in this fashion. Depending on the size of such an acquisition and the expectations of the respective seller, it may be advantageous or necessary to use shares in the Company as payment. This will preserve the liquid assets of the Company and reduce the scope of a possible financing of the purchase price. This procedure requires the exemption of the preemptive subscription rights of shareholders.

Because the Company competes in global markets, it must be able at all times to act quickly and flexibly in both the national and international markets. This also requires the ability to merge with other companies or to acquire companies, parts of companies and interests in companies to improve its competitive position. Especially in connection with the acquisition of companies or parts of companies, it may also be advantageous to acquire other assets, such as those that can be of economic advantage to the Company or a part of the Company.

The purpose of the authorization provided to exclude the performance shares is to make the Company more competitive in acquiring entities of interest to it, and to allow the Company to act quickly and flexibly with the approval of the Supervisory Board if an opportunity arises. It is possible that in certain instances it may be in the best interests of the Company to enter into a merger or undertake an acquisition in return for shares of the acquiring company created through the use of the authorized capital. In past experience in both the domestic and international markets, it has also been observed that shares in the acquiring company are frequently desired as consideration in corporate mergers and for attractive objects for acquisitions in general.

When the opportunity for such a transaction arises, the Managing Board will carefully examine whether it should make use of the authorization to dispense treasury shares. When determining the valuation ratios, the Managing Board will ensure that the best interests of shareholders are adequately protected. Normally it will base its assessment of the value of the shares offered as consideration on the trading price of the Company shares. A schematic orientation to the share price is not provided for however, in particular so as not to put in question previously secured negotiating results through fluctuations in the share price. The value of the respective companies, parts of companies, or interests in companies to be acquired will be determined by using established valuation standards. Since the value of companies, parts of companies, and interests in companies which may be acquired in the future is not known, and therefore their purchase prices are also not known, a definite amount which will be spent cannot at present be named.

The scope of the performance share exclusion in the amount of the authorized capital is required to provide all or at least a significant part of payment for a large acquisition in the form of Company shares.

c) Furthermore, with the approval of the Supervisory Board, the Managing Board should be able to exclude the performance shares, to the extent that it is necessary to give holders of warrants or convertible bonds, profit-sharing rights, or profit-sharing bonds (or combinations of these instruments) issued by the Company or direct or indirect affiliated companies of the Company a subscription right to new shares to the same extent as they would be entitled upon exercising their option or conversion right or after fulfilling their conversion obligation.

Such bonds are generally equipped with protection against dilution in order to facilitate placement; this makes it possible to reduce the conversion price and makes it possible to grant the holders the right to purchase new shares, as the shareholders can, in case of subsequent capital increases. In this way, they are treated as if they were already shareholders. A subscription right for owners or creditors of already-existing options rights, convertible rights, or of convertible bonds with convertible requirements provides an opportunity to prevent the reduction of the option or conversion price in the case of the use of authorized capital. This provides for a higher issue price of the shares to be issued as a result of exercising the option or carrying out the conversion. In order to add such a protection against dilution to the bonds, the preemptive subscription rights of shareholders to these shares must be exempted. This serves the purpose of making the issue of bonds easier, and therefore serves the interests of the shareholders with regard to an optimal financial structure of the Company.

d) The authorization of the Managing Board to exclude any fractional amounts from the performance shares of the shareholders, with the approval of the Supervisory Board, serves to describe a practical subscription ratio, and therefore makes it easier to carry out capital increases and grant performance shares. The value of such fractional amounts is usually small, whereas the additional effort needed for an issue with such an exclusion is significantly higher. The new shares excluded from the subscription rights as fractional shares will be used in the best way possible for the Company.

Therefore the interests of the shareholders will not be unreasonably affected overall by the authorization to suspend shareholders from their preemptive subscription rights.

Specific plans for the use of the new Authorized Capital 2023 do not yet exist. Similar anticipatory resolutions which include the ability to exempt shareholders from subscription rights are common both in Germany and abroad. The Managing Board will always carefully examine whether the use of the Authorized Capital 2023 is in the interest of the Company and its shareholders. In the event that the proposed authorization is used, the Managing Board will report on it at the next General Meeting.

Report of the Managing Board to the Annual General Meeting regarding point 7 of the agenda concerning the authority to grant subscription rights to members of the Managing Board and to managers of the Company and its affiliated companies as part of a performance share plan (Manz Performance Share Plan 2023) and concerning the creation of a contingent capital IV, or are not in keeping with the change to the Articles of Incorporation.

Therefore, in the past, the Company has granted members of the Managing Board, members of management at affiliated companies and managers in the Company below the Managing Board and managers of affiliated companies below general management a variable compensation component with long-term incentivizing effect. This is intended to promote action in favor of the Company among entitled members of the Managing Board and managers, make them loyal to the Company and affiliated companies in the long term and ensure consistent compensation in line with market conditions. The Manz Performance Share Plan 2019 resolved for this purpose by the Annual General Meeting on July 2, 2019 in the amount of up to 180,000 subscription rights and up to 360,000 shares in the Company (this corresponds to around 4.2 % of the share capital) has almost been exhausted by issuing performance shares.

In order to continue to align the compensation structure with sustainable and multi-year corporate growth and to be able to issue performance shares in the future as well, a new Manz Performance Share Plan 2023 is to be adopted, which corresponds to the Manz Performance Share Plan 2015 and the Manz Performance Share Plan 2019 in terms of its structure and exercising capacity, and which implements the requirements of the compensation system for the members of the Managing Board of Manz AG resolved by the Supervisory Board and approved by the Annual General Meeting on July 7, 2021. The Managing Board and Supervisory Board should be able to issue up to 238,000 subscription rights (performance shares) for the purchase of up to 476,000 company shares on this basis. Accordingly, a new Contingent Capital IV should also be created.

Point 7 of the agenda of the ordinary Annual General Meeting of Manz AG on July 4, 2023 includes a proposal to authorize the Managing Board and, if members of the Managing Board are affected, the Supervisory Board to grant subscription rights (performance shares) to a total of up to 476,000 Company shares to members of the Managing Board of the Company, members of management in affiliated companies and managers of the Company under the Managing Board and managers of affiliated companies under the management. Accordingly, a new Contingent Capital IV shall be created and included in the Articles of Incorporation as Section 3 (7).

The formation of the Contingent Capital IV in the amount of EUR 476,000.00, corresponding to roughly 5.6 % of the current stock capital, serves to issue new shares in the Company, which can transfer these to the beneficiaries if they exercise the performance shares granted to them. The new shares shall only be issued if performance shares are issued to beneficiaries according to the conditions in the Annual General Meeting resolution and they exercise their subscription rights after the end of the waiting period and according to the achievement of targets established in the authorization. According to the provisions of the Joint Stock Corporation Act, the shareholders shall have no subscription rights to the new shares due to the appropriation of the contingent capital.

In contrast to phantom stocks (stock appreciation rights), which are generally serviced through cash payments after the end of the waiting period and achievement of targets, issuing performance shares entitling the bearer to purchase Company shares has the advantage that the beneficiaries can decide after the shares are issued whether they want to remain participating shareholders in the Company or sell the shares on the market. This tends to expand the shareholder base of the Company and increase equity. The Company avoids the loss of liquid funds.

Typically, performance shares should be issued in annual tranches, which should be of roughly the same size. According to the current plan, the allocation of performance shares to the individual groups of beneficiaries should primarily conform to the allocation of the maximum number to be issued under the authorization. However, the Managing Board and Supervisory Board reserve the right to make a decision each year on the allocation of performance shares and scope of the individual tranches, in consideration of the overall situation of the Company. There may also be fluctuations in the annual scope if the number of participating managers and/or share price for the Manz share changes.

Shares shall not be issued from Contingent Capital IV before the end of the waiting period of four calendar years after the issue date for the relevant tranche of performance shares. These can only be exercised once the minimum value has been exceeded for at least one of the targets; otherwise the performance shares shall lapse without compensation.

The targets for performance shares consist of the EBITDA margin and growth in corporate value. The EBITDA margin and growth in the enterprise value success target are each assigned a weighting of 50 % for measuring the total degree of target attainment.

There is an “objective,” a “minimum value” and a “maximum value” for each target. The objective defines the value at which the degree of target attainment for the respective performance target is 100 %. The minimum value designates the lower limit of the target corridor at or below which the degree of target attainment for the respective performance target is 0 %. The maximum value defines the value at or above which the degree of target attainment is 200 %.

The EBITDA margin target relates to the average value of the EBITDA margin according to the group financial statements of the Company during the performance period for the EBITDA margin target, which includes a period of four fiscal years from the start of the fiscal year in which the performance shares are issued. The minimum value is an EBITDA margin of 5 %. The objective is an EBITDA margin of 10 %. The maximum value for the EBITDA margin target is reached with an EBITDA margin of 15 %.

The growth in corporate value indicates the percentage of increase in the value of the Company. The performance period for the growth in corporate value target covers a period of at least four calendar years beginning at the start of the issuing period, in which the performance shares are granted, and ending with the expiration of the vesting period. The corporate value is considered the market capitalization of the Company. The minimum value is a 0 % growth in corporate value. The objective is 20 % growth in enterprise value. The maximum value for the development of the enterprise value target is attained if this value reaches 30 %

The “degree of overall target attainment” for the particular tranche corresponds to the average of the degrees of target attainment achieved for both targets. The ability to exercise the performance shares is staggered based on the overall degree of target achievement, in that the performance shares issued to beneficiaries in a tranche are multiplied by the overall degree of target achievement. Each performance share can, therefore, entitle the holder to subscribe to up to two shares of the Company (unit cap).

The opportunity associated with the performance shares is limited by a cap: the number of performance shares to be serviced is reduced if and insofar as the value of the shares to be issued at the end of the waiting period exceeds 300 % of the assignment value of the performance shares issued to beneficiaries in the relevant tranche. Furthermore, the authorization provides a right to the Supervisory Board or Managing Board to limit the vesting of performance shares at its discretion in case of extraordinary developments. Reasons for doing so may include, for instance, corporate takeovers, sales of parts of the Company, increases of hidden reserves or external influences that would result in windfall profits.

Beneficiaries can exercise eligible performance shares within an exercise period of three months. This shall start when both the group financial statement for the last fiscal year has been approved before the end of the waiting period for the relevant tranche and the waiting period is expired. The exercise price the beneficiary is to pay to the Company for the purchase of each share as a result of exercising performance shares, corresponds to the respective, lowest issue price required by law (Section 9, (1) German Stock Corporation Act (AktG)), currently EUR 1.00.

The Company would like to have a high level of flexibility in implementing the performance share plan. Therefore, it reserves the right to deliver its own existing shares which it holds or purchases for this purpose instead of issuing new shares from the Contingent Capital IV, or to pay out the respective value of the shares to be issued, minus the exercise price. Payment of the settlement amount will result in an outflow of funds, but will also avoid dilution through the issue of new shares and unreasonably high administrative costs if only a small amount are exercised. Issuing new shares will also be avoided if performance shares are serviced with the Company’s own shares, which can be preferable in a favorable rate situation. To do so, Company shareholders must be excluded from subscription rights to the Company’s own shares.

The Managing Board and Supervisory Board should be authorized to establish further details on issuing and fulfilling performance shares, issuing shares from the contingent capital and other planning conditions, including how to handle performance shares if beneficiaries have left their service or work relationship with the Company or its affiliated at the end of the waiting period due to a termination or cancellation agreement. Since the performance share plan also serves to increase manager loyalty to the Company, the intention is to make the exercise of performance shares in case of termination or if a cancellation agreement is concluded conditional on the shares being eligible for exercise at the time the service or employment relationship ends. However, the Supervisory Board and Managing Board would like to be able to decide in a flexible manner when to allow exceptions.

Under the Manz Performance Share Plan 2023, managers should be geared towards thinking about the long-term development of the Manz Group through long-term variable compensation components assessed over a multi-year term. The Managing Board and Supervisory Board are convinced that the suggested authorization to issue performance shares to members of the Managing Board, members of the management of affiliated companies and to Company managers below the Managing Board and managers of affiliated companies below management are especially well suited to encourage long-term performance among managers in the Manz Group, and to therefore contribute to sustainably increasing corporate value in the interest of the Company and its shareholders.

Notices and information for the shareholders

Participation in the Annual General Meeting and the exercise of voting rights

Registration for the Annual General Meeting and verification of holdings

In accordance with Section 14 of the Articles of Incorporation, those shareholders who have registered with the Company and have verified their holdings are entitled to participate in the Annual General Meeting and exercise their voting rights. Registration and verification of holdings must be received in writing (Section 126b German Civil Code (BGB)), in either German or English, no later than midnight on Tuesday, June 27, 2023, at the following address:

Manz AG
c/o Computershare Operations Center
80249 Muenchen, Germany
E-Mail: anmeldestelle@computershare.de

The proof of shareholding shall be provided by way of a proof prepared in German or English pursuant to Section 67c (3) German Stock Corporation Act (AktG) or by way of another proof prepared by the ultimate intermediary in text form in German or English referring to the beginning of Tuesday, June 13, 2023 0:00 hours (CEST) (“record date”). Only shareholders who have provided specific verification of their shareholdings will be deemed shareholders of the Company for the purposes of attending the Annual General Meeting and exercising their voting rights. Authorization to participate in the Annual General Meeting and to exercise voting rights is based on verification of holdings by the record date. Disposals and acquisitions of shares after the record date have no effect on the right to participate in the Annual General Meeting or to exercise voting rights.

Once the Company has received the registration and verification of holdings at the above address, tickets granting shareholders admission to the Annual General Meeting are sent out. To ensure that tickets are received within plenty of time of the event, we ask that all shareholders send their registration and verification of holdings to the Company at the above address as early as possible.

Procedures for participation in the Annual General Meeting and the exercise of voting rights by a duly authorized person

General information

Shareholders have the option of exercising their voting rights at the Annual General Meeting, by postal vote, or by authorizing the proxies nominated by the Company as specified in more detail below. Furthermore, shareholders may grant powers of attorney to third parties to whom the aforementioned options for exercising voting rights are equally available.

No resolution is proposed under agenda item 1 and, therefore, no vote is scheduled (for explanation, see there). The scheduled votes on agenda items 2 to 4 and 6 to 8 are of a binding nature, while the vote on agenda item 5 is of a recommendatory nature. With regard to the proposed resolution on agenda item 5, it should be noted that the resolution of the Annual General Meeting on the Compensation Report 2022 pursuant to Section 120a (4) Sentence 2 in conjunction with (2) Sentence 2 and 3 German Stock Corporation Act (AktG) does not create any rights or obligations, even in the event of non-approval, and is not contestable.

Shareholders and their proxies may vote "yes" (in favor) or "no" (against) or abstain from voting (abstention) on all votes.

Mail-in voting

Shareholders and their proxies, provided that the requirements for participating in the virtual Annual General Meeting and exercising voting rights are met, have the option of casting their votes by postal vote.

Votes cast by postal vote may be submitted to the Company prior to the Annual General Meeting in text form at the address given below or by e-mail at the e-mail address given below to the office authorized to receive such votes on behalf of the Company:

Manz AG
c/o Computershare Operations Center
80249 Muenchen, Germany
E-Mail: anmeldestelle@computershare.de

For technical processing reasons, the form provided by the Company should be used in this way for mail-in voting. The form will be sent to shareholders who register for the Annual General Meeting in due form and time together with the admission ticket.

Postal votes cast in this way must be received by the Company no later than 18:00 (CEST) on Monday, July 3, 2023. Up to that date, they may also be amended or revoked in the same way as they were submitted.

Mail-in votes can also be cast using the password-protected shareholder portal at the address:

https://www.manz.com/agm

after entering the access details using the process provided for this purpose. In this way, mail-in votes can still be cast, changed and revoked by 18:00 (CEST) on Monday, July 3, 2023 at the latest.

Mail-in votes may only be cast on resolutions proposed by the Managing Board and the Supervisory Board and announced by the Company prior to the Annual General Meeting, as well as on resolutions proposed by shareholders at the request of a minority pursuant to Section 122 (2) German Stock Corporation Act (AktG), as a countermotion pursuant to Section 126 (1) German Stock Corporation Act (AktG) or as an election proposal pursuant to Section 127 German Stock Corporation Act (AktG).

Granting power of attorney to third parties

Shareholders who have fulfilled the requirements to participate in the Annual General Meeting and to exercise their voting rights can have their voting rights in the Annual General Meeting exercised by a proxy, including a bank or a shareholders' association, by granting a corresponding power of attorney. Timely registration of the shareholder and timely proof of share ownership are also required if a proxy is appointed.

The authorization of intermediaries or equivalent shareholder associations pursuant to Section 135 (8) AktG, proxy advisors or persons who offer themselves to shareholders on a business basis to exercise voting rights at the Annual General Meeting must be verifiably recorded by them, and is otherwise subject to the statutory provisions of Section 135 AktG. In particular, submitting the special verification prepared by the last intermediary is sufficient to verify their voting rights in the Company. The institutions and persons named may have additional requirements for the process for their own assignment of proxy rights.

If a shareholder authorizes more than one person, the Company may refuse one or more of them.

The declaration of assignment of proxy authorization can be made to the authorized person or to the Company.

Proof of authorization may be submitted to the Company prior to the Annual General Meeting, on the one hand, in text form at the address stated below or by e-mail at the e-mail address stated below to the office authorized to receive such documents on behalf of the Company as stated below:

Manz AG
c/o Computershare Operations Center
80249 Muenchen, Germany
E-Mail: anmeldestelle@computershare.de

The methods of transmission mentioned above are also available when the proxy rights will be made via declaration to the Company or proxy rights to the Company need to be revoked.

The proxy form provided by the Company can be used for the assignment and verification of proxy rights. The proxy form can be found on the admission ticket, which will be sent to the shareholders after receipt of the registration and proof of share ownership.

Authorizations and evidence of powers of attorney issued in this way must be received by the Company by 18:00 (CEST) on Monday, July 3, 2023 at the latest. Up to that date, they may also be amended or revoked in the same way as they were submitted.

Proxies can also be granted using the password-protected shareholder portal at the address:

https://www.manz.com/agm

after entering the access details using the process provided for this purpose. In this way, proxies can still be issued, amended and revoked by 18:00 (CEST) on Monday, July 3, 2023 at the latest.

Granting power of attorney to the proxies of the Company

We offer our shareholders and their proxies the opportunity to authorize proxies appointed by the Company and bound by instructions to exercise their voting rights. Please note that the proxies appointed by the Company may only exercise voting rights on those items of the agenda on which the shareholders or their proxies issue instructions. Shareholders and their proxies who wish to grant power of attorney to the proxies appointed by the Company require an admission ticket for the Annual General Meeting for this purpose.

Proxies, together with instructions to the proxies appointed by the Company, may already be submitted prior to the Annual General Meeting either in text form at the address given below or by e-mail at the e-mail address given below to the office authorized to receive such proxies on behalf of the Company below:

Manz AG
c/o Computershare Operations Center
80249 Muenchen, Germany
E-Mail: anmeldestelle@computershare.de

The proxy and instruction form provided by the Company can be used for the assignment and proxy and instruction rights. The proxy and instruction form is also found on the admission tickets that will be sent to the shareholders upon receipt of registration and verification of holdings.

Proxies issued in this way together with instructions to the proxies nominated by the Company must be received by the Company no later than 18:00 (CEST) on Monday, July 3, 2023. Up to this date, they may also be amended or revoked in the same way as they were issued.

Proxy can also be granted and instructions given to proxies named by the Company using the password-protected shareholder portal at the address

https://www.manz.com/agm

after entering the access details using the process provided for this purpose. Proxies and instructions can be given, changed or revoked in this manner by 18:00 (CEST) on Monday, July 3, 2023 at the latest.

Votes may only be cast by the proxies named by the Company on resolutions proposed by the Managing Board and the Supervisory Board and announced by the Company prior to the

Annual General Meeting, as well as on resolutions proposed by shareholders at the request of a minority pursuant to Section 122 (2) AktG, as a countermotion pursuant to Section 126 (1) AktG or as an election proposal pursuant to Section 127 AktG. The proxies named by the Company will not accept any instructions to speak, to lodge objections against resolutions of the Annual General Meeting or to ask questions or propose motions.

Further information on the exercise of voting rights

If voting rights are exercised by postal vote in due time in several ways (by letter, by e-mail, electronically via the shareholder portal or pursuant to Section 67c (1) and (2) Sentence 3 German Stock Corporation Act (AktG) in conjunction with Article 2 (1) and (3) and Article 9 (4) of the Implementing Regulation (EU) 2018/1212) or if proxies and, if applicable, instructions are issued in due time in several ways, these will be taken into account regardless of the time of receipt: 1. electronically via the shareholder portal, 2. pursuant to Section 67c (1) and (2) Sentence 3 German Stock Corporation Act (AktG) in conjunction with Articles 2 (1) and (3) and 9 (4) of the Implementing Regulation (EU) 2018/1212, 3. by e-mail, and 4. by letter.

If several postal votes or powers of attorney and instructions are received by the same means of transmission within the time limit, the declaration received last shall be binding.

A later vote as such shall not be deemed to be a revocation of a previous vote. The last revocation of a declaration received in due time shall be decisive.

If declarations are received by the same means using more than one form of voting instruction, the following shall apply: postal votes shall have priority over the issuance of proxies and instructions to the Company's proxies, and the latter shall have priority over the issuance of proxies and instructions to third parties, in particular, an intermediary, a shareholders' association, a voting rights advisor pursuant to Section 134a German Stock Corporation Act (AktG), and a person equivalent to these pursuant to Section 135 (8) German Stock Corporation Act (AktG).

The attendance of the shareholder or his proxy at the Annual General Meeting shall be deemed to be a revocation of a vote cast by postal vote or of a proxy granted together with instructions to the company's proxy.

If an intermediary, a shareholders' association, a voting rights advisor pursuant to Section 134a German Stock Corporation Act (AktG) and a person equivalent to these pursuant to Section 135 (8) German Stock Corporation Act (AktG) are not willing to act as proxy, the proxies of the Company shall be authorized to act as proxies in accordance with the instructions.

Total number of shares and voting rights

At the time the General Meeting was convened, the total number of Company shares equaled 8,540,286 shares without par value, which grant a total of 8,540,286 votes.

Rights of shareholders

Requests for addition to the agenda pursuant to Section 122 (2) AktG

Shareholders of the Company whose shares jointly equal at least one-twentieth of share capital (427,015 Company shares) can, under Section 122 (2) AktG, request that additions be made to the agenda of the Annual General Meeting and that these additional items be announced. Every new agenda item must be accompanied by a statement of reasons or a proposed resolution. Requests for additions to the agenda must be made in writing to the Managing Board of Manz AG and must be received by the Company no later than midnight (CEST) on Saturday, June 3, 2023.

Requests for additions to the agenda must be addressed to the Company in writing at the address given below or in electronic form in accordance with Section 126a of the German Civil Code at the following e-mail address:

Vorstand der
Manz AG
„Hauptversammlung 2023“
Steigaeckerstrasse 5
72768 Reutlingen, Germany
E-Mail: hv@manz.com

Applicants must prove that they have held the shares for at least 90 days before the date of receipt of the request by the Company and that they will continue to hold the shares until the decision of the Managing Board concerning the request.

Any additions to the agenda that require publication and were not published in the calling notice will be published in the German Federal Gazette immediately upon receipt of the request and will be forwarded for publication to media, which can be expected to publish the information across the entire European Union. They will also be made available promptly following receipt on the Company’s website at the address https://www.manz.com/agm, and disclosed with shareholders as well according to Section 125 German Stock Corporation Act (AktG).

Further explanations of the above shareholder rights according to Section 122 (2) German Stock Corporation Act (AktG), are available on the Company website at the address https://www.manz.com/agm.

Counter proposals and election nominations pursuant to Sections 126 (1) and 127 of the German Stock Corporation Act (AktG)

Under Section 126 (1) AktG, shareholders of the Company can submit counter-proposals to the proposals by the Managing Board and/or Supervisory Board relating to particular items of the agenda and can, under Section 127 of the German Stock Corporation Act (AktG), submit proposals for the election of Supervisory Board members or auditors.

Counter proposals pursuant to Section 126 (1) AktG must include a statement of reasons. A statement of reasons is not required for proposals for election pursuant to Section 127 AktG. The Managing Board also does not have to make a proposal for election of Supervisory Board members or auditors available in cases where the proposal does not include the name, profession or city of the proposed individual. The Managing Board further does not have to make a proposal for election of Supervisory Board members available when information concerning the membership of candidates in other statutory supervisory boards is not provided.

Countermotions and election proposals must be sent to the Company in text form at the address given below or by e-mail at the e-mail address given below:

Manz AG
„Hauptversammlung 2023“
Steigaeckerstrasse 5
72768 Reutlingen, Germany
E-Mail: hv@manz.com

Countermotions and election proposals from shareholders of the Company, including the name of the shareholder, the reasons and any statement by management, will only be made available on the Company's website at https://www.manz.com/agm if they are received by the Company by midnight (CEST) on Monday, June 19, 2023.

The right of any shareholder to submit countermotions or election proposals on the various agenda items during the Annual General Meeting, even without prior submission to the Company, shall remain unaffected. We would like to point out that countermotions or nominations for election which have been submitted to the Company in advance and in due time will only be considered at the Annual General Meeting if they are made verbally there.

Further explanations of the aforementioned rights of shareholders Section 126 (1), Section 127 German Stock Corporation Act (AktG) can be found on the Company's website at https://www.manz.com/agm.

Shareholders' right to information pursuant to Section 131 (1) German Stock Corporation Act (AktG)

Shareholders of the Company can demand information at the Annual General Meeting from the Managing Board under Section 131 (1) German Stock Corporation Act (AktG) concerning the Company's affairs, the legal and business dealings of the Company with affiliated companies, and the current situation of the Group and the companies included in the consolidated financial statements, provided that the information is necessary for an accurate assessment of the agenda item.

The Managing Board my refrain from answering individual questions for the reasons specified in Section 131 (3) German Stock Corporation Act (AktG), for example, because on the basis of a sound business assessment it is judged that the disclosure of the information in question would likely cause significant harm to the Company or to an affiliated company.

If a shareholder is given information outside the Annual General Meeting on the basis of being a shareholder, then it must be provided to any shareholder upon request during the Annual General Meeting, even when it is not necessary in order to make an accurate assessment of the agenda item.

The right of shareholders to information can be exercised during the Annual General Meeting. The chair of the Annual General Meeting may limit the time allowed for the stockholders' questions and statements within appropriate bounds and, in particular, can set limits on the time of the Annual General Meeting and the discussion of individual agenda items, as well as limits on speaking times and time for asking questions.

Further explanations of the aforementioned rights of shareholders under Section 131 German Stock Corporation Act (AktG) can be found on the Company's website at https://www.manz.com/agm.

Information on the Company website

Information on the Annual General Meeting according to Section 124a German Stock Corporation Act (AktG), in particular, the documents to be disclosed in the Annual General Meeting can be accessed on the Company website at the address https://www.manz.com/agm.

Time data

The above times are given in Central European Summer Time (CEST; UTC+2), which is authoritative for Germany. With regard to the coordinated universal time (UTC), this corresponds to the ratio UTC = CEST minus two hours.

Data protection information

The Company collects and processes personal data of shareholders, their representatives and guests in conjunction with the Annual General Meeting. Details are available on the Company website at the address https://www.manz.com/agm. Shareholders authorizing a representative are requested to inform their representative of this data protection information.

Reutlingen, May 2023

Manz AG
The Managing Board

Manz AG

Steigaeckerstrasse 5
72768 Reutlingen
Phone +49 (0) 7121 9000-0
hv@manz.com
www.manz.com