

Report of the Board of Directors of POLYTEC Holding AG

Report of the Board of Directors on item 7 of the agenda of the 25th Ordinary Annual General Meeting to be held on 10 June 2025: New resolution regarding the authorisation of the Board of Directors to acquire treasury shares. Authorisation of the Board of Directors to withdraw treasury shares, as well as the authorisation of the Supervisory Board to agree amendments to the Articles of Association required owing to the withdrawal of shares.

The Board of Directors and the Supervisory Board of POLYTEC Holding AG (the “company”) domiciled in A-4063 Hörsching, Polytec-Straße 1, Commercial Register FN 197646 g, Commercial Court Linz, intend to propose to the Annual General Meeting a resolution regarding the authorisation of the Board of Directors to acquire treasury shares.

Pursuant to § 65 (1b) in conjunction with § 170 (2) and § 153 (4) of the Austrian Stock Corporation Act (AktG) the Board of Directors reports to the Ordinary Annual General Meeting to be held on 10 June 2025 as follows:

REPORT:

1. POLYTEC Holding AG’s share capital amounts to EUR 22,329,585.00 and is divided into 22,329,585 bearer shares with a nominal value of EUR 1.00 each. On the balance sheet date POLYTEC Holding AG held an unchanged total of 334,041 treasury shares, which amounted to roughly 1.50% of share capital.
2. At the upcoming Annual General Meeting, the Board of Directors and the Supervisory Board of POLYTEC Holding AG intend to propose a resolution, which authorises the Board of Directors to buy back treasury bearer shares with no par value pursuant to § 65 (1) 8 of the Austrian Stock Corporation Act (AktG) in an amount of up to 10% of the share capital during a period of 30 months following the day of the resolution by the Annual General Meeting for a minimum price per share of EUR 1.00 and a maximum price per share that may not exceed 10% of the average unweighted stock exchange closing price on the five stock exchange trading days preceding the buy-back. The purchase of treasury shares may occur via the stock exchange, by means of a public offering or in any other legally permissible manner and for any purpose permitted by law. In addition, the Board of Directors should be further authorised to withdraw the acquired treasury shares without any further resolution by the Annual General Meeting. The Supervisory Board should be authorised to resolve upon amendments of the company Articles of Association required upon the withdrawal of shares.
3. The authorisation of the Board of Directors to acquire treasury shares in accordance with § 65 (1) 8 of the Austrian Stock Corporation Act (AktG) without binding on a specific purpose enables the company to react quickly and flexibly to changing situations. In addition, the Supervisory Board should be empowered to amend the company Articles of Association, required owing to such a withdrawal of treasury shares. For the company and its shareholders, the withdrawal of treasury shares may have particular accounting advantages, since reserves must also be formed for treasury shares. Should the once acquired treasury shares no longer be required, and should there be no better use than their withdrawal, the advance authorisation of the Board of Directors to withdraw treasury shares and the advance authorisation of the Supervisory Board to amend corresponding changes to the company Articles of Association in the event of actual withdrawal are appropriate means to avoid the time- and cost-intensive holding of another General Meeting that would have to decide on these measures.
4. The Board of Directors will only take advantage of the authorisation to withdraw treasury shares, if the requirements described and all legal requirements have been met. Likewise, the Board of Directors shall comply with the disclosure requirements in accordance with the Austrian Stock Corporation Act and the Austrian Stock Exchange Act, in the event of the withdrawal of treasury shares. The same applies to the resolution of corresponding amendments to the company Articles of Association.

Hörsching, May 2025

The Board of Directors