EXPLANATORY REPORT OF THE MANAGEMENT BOARD ON DISCLOSURES PURSUANT TO § 289a (1) AND § 315a (1) HGB

Takeover-Related Disclosures and Explanatory Comments

The following overview outlines the disclosures mandatory under § 289a (1) and § 315a (1) of the German Commercial Code (HGB). Overall, these involve regulations that are typical at listed companies. The disclosures below reflect the circumstances at the balance sheet date.

Composition of issued capital

Issued capital amounted to € 124,472,487 as of 31 December 2020 and was divided into 124,472,487 no-par registered ordinary shares. According to the Share Register, these shares were distributed among 25,001 shareholders.

Limitations on voting rights or transfer of shares

Each share grants one vote at the Annual General Meeting. A voting and pooling agreement is in place between the following shareholders with direct and indirect holdings in q.beyond: Dr. Bernd Schlobohm, Gerd Eickers and Gerd Eickers Vermögensverwaltungs GmbH & Co. KG. This agreement provides for the uniform exercising of voting rights and restrictions relating to the disposability of the pool-bound shares.
The Management Board is otherwise not aware of any further limitations on voting rights or restrictions on the transfer of shares. There are also no special rights conferring powers of control. Furthermore, there are no voting right controls for employee holdings in capital.

Capital holdings of more than 10%

The following direct and (pursuant to § 34 of the German Securities Trading Act [WpHG]) indirect holdings in the company's capital exceed 10% of voting rights:

- Dr. Bernd Schlobohm, Germany, 25.34% of voting rights (of which 12.67% directly and 12.68% indirectly)
- Gerd Eickers, Germany, 25.34% of voting rights (indirectly)
- Gerd Eickers Vermögensverwaltungs GmbH & Co. KG, Cologne, Germany, 25.34% of voting rights (of which 12.68% directly and 12.67% indirectly).

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Appointment and dismissal of Management Board members

The appointment and dismissal of members of the Management Board is governed by § 84 and § 85 of the German Stock Corporation Act (AktG) and by § 7 of the Articles of Association in their version dated 18 January 2021. Pursuant to § 7 of the Articles of Association, the Management Board comprises one or more individuals. The Supervisory Board determines the number of Management Board members. Even though issued capital exceeds € 3 million, the Supervisory Board may stipulate that the Management Board should consist of only one individual. The appointment of deputy members of the Management Board is permitted.

Amendments to Articles of Association

Pursuant to § 179 AktG, amendments to the Articles of Association require a resolution adopted by a majority of at least 75% of issued capital represented at a shareholders' meeting. Pursuant to § 15 of the Articles of Association, the Supervisory Board is authorised to adopt amendments and additions to the Articles of the Association that are of a purely formal nature and do not in themselves involve any changes to actual content.

Acquisition and buyback of treasury stock

By resolution of the Annual General Meeting on 12 July 2018, the Management Board is authorised pursuant to § 71 (1) No. 8 AktG until 11 July 2023 to acquire q.beyond shares on a scale of up to 10% of issued capital. To date, the Management Board has not acted on this authorisation.

Authorised capital

By resolution of the Annual General Meeting on 20 May 2020, the Management Board is authorised, subject to approval by the Supervisory Board, to increase the company's issued capital by up to a total of € 37,000,000 on one or several occasions up to 19 May 2025 by issuing new no-par registered shares in return for contributions in cash and/or kind (Authorised Capital 2020). When drawing on authorised capital, the Management Board may, subject to approval by the Supervisory Board, exclude shareholders' subscription rights in five cases: (1) to exclude residual amounts from shareholders' subscription rights; (2) when the new shares are issued in return for contributions in kind, particularly in the context of company acquisitions; (3) if, pursuant to § 186 (3) Sentence 4 AktG, the new shares are issued in return for cash contributions and if, at the time of final stipulation, the issue price does not fall materially short of the stock market price of the shares already listed; (4) to the extent necessary to issue subscription rights for new shares to the bearers or creditors of warrant and/or convertible bonds in order to avoid dilution of their respective holdings; and (5) if the new shares are to be issued to employees of the company, employees of a company affiliated to the company, or members of the management of a company affiliated with the company in the context of share participation or other share-based plans. The number of shares issued to the exclusion of subscription rights in the final case may not exceed an aggregate total of 5% of issued capital.
This authorised capital is intended to enable q.beyond to react swiftly and flexibly to opportunities arising on the capital market and where necessary to obtain equity capital on favourable terms. No use was made of authorised capital in the past financial year.

Conditional capital

The company had conditional capital totalling € 27,451,500 as of the balance sheet date. This was divided into Conditional Capital IV (€ 25,000,000), Conditional Capital VIII (€ 2,001,500) and Conditional Capital IX (€ 450,000).

Conditional Capitals VIII and IX serve to secure the conversion rights of bearers of convertible bonds that q.beyond has issued within the framework of existing stock option plans to Management Board members (Conditional Capital IX) or to Management Board members, managing directors of affiliated companies, employees of q.beyond and affiliated companies (Conditional Capital VIII). Conditional Capital IV may be used by the Management Board to create tradable warrant and/or convertible bonds. The Management Board is authorised by resolution of the Annual General Meeting on 20 May 2020 to issue such instruments in order to access an additional, low-interest financing option given favourable capital market conditions. The bonds may be issued in return for both cash contributions and contributions in kind. The Management Board is authorised, subject to approval by the Supervisory Board, to exclude shareholders' subscription rights to these warrant and/or convertible bonds in four cases: (1) to settle residual amounts resulting from the subscription ratio; (2) when the bonds are issued in return for contributions in kind, particularly in the context of company acquisitions; (3) if, in the case of bonds being issued in return for cash contributions pursuant to § 186 (3) Sentence 4 AktG, the issue price does not fall materially short of the market value of the bonds; and (4) to the extent necessary to issue subscription rights to the bearers or creditors of warrant and/or convertible bonds previously issued in order to avoid dilution of their respective holdings. To date, the Management Board has not acted on the authorisation to issue tradable warrant and/or convertible bonds.

Capital limits for the exclusion of subscription rights

The exclusion of shareholders' subscription rights pursuant to § 186 (3) Sentence 4 AktG may apply for the use of treasury stock, for the issue of new shares from authorised capital and for the issue of warrant and/or convertible bonds corresponding to an aggregate total of no more than 10% of issued capital during the term of the respective authorisation. Apart from this, the exclusion of shareholders' subscription rights for the issue of new shares from authorised capital and for the issue of warrant and/or convertible bonds (excluding those issued within q.beyond's stock option plans) may not exceed an aggregate total of 20% of issued capital during the term of the respective authorisation. Treasury stocks sold to the exclusion of subscription rights would be imputed to the 20% of issued capital limit if they were sold during the term of the other authorisations.

Further details apply in accordance with the underlying resolutions adopted by the Annual General Meeting for each of these measures.

Material agreements taking effect in the event of a takeover bid

The company has no material agreements conditional on a change of control due to a takeover bid. Furthermore, no compensation agreements in the event of a takeover bid have been concluded either with the Management Board or with employees.

Cologne, 23 March 2021

q.beyond AG
The Management Board

Jürgen Hermann