

## **Annual General Meeting of Amadeus FiRe AG on 27 May 2021**

### **Regarding agenda item 10: Report of the Management Board pursuant to Section 71 (1) no. 8 sentence 5 in conjunction with Section 186 (4) sentence 2 AktG**

The authorisation to buy back treasury shares pursuant to Section 71 (1) no. 8 AktG resolved by the General Meeting of the Company on 17 June 2020 is intended to be revoked. As at the date of the convocation of the General Meeting, this authorisation has not been exercised. However, the Company's share capital has been increased as a result of the use of a portion of the Authorised Capital 2020. Therefore, it is intended that a resolution be passed granting a new authorisation for the acquisition and use of treasury shares which reflects the increase in the share capital, with the existing authorisation being revoked.

#### Acquisition of treasury shares

In addition to acquisition via the stock exchange, the new authorisation to be resolved upon is intended to grant the Company the option of acquiring treasury shares via a public purchase offer (tender process) or a public invitation to submit sale offers. This option will allow each shareholder of the Company wishing to sell to decide how many shares to sell and, in the case of a price range being determined, at what price these are to be offered. If the quantity offered at the determined price exceeds the number of shares requested by the Company, the sale offers are to be scaled down (pro rata acceptance). In this context, preferred acceptance of smaller offers or small parts of offers up to a maximum of 100 shares will be possible. This option will help prevent fractional amounts when determining the quotas for acquisition, as well as small residual amounts, thus simplifying the technical settlement. This will also make it possible to avoid any actual disadvantage to minority shareholders. Apart from that, the scaling down will be carried out in proportion to shares tendered (tender ratios) rather than in proportion to shareholding quotas because this is the way the acquisition procedure can be settled technically in an economically reasonable manner. Finally, it will be possible to provide for rounding according to the general rules of rounding to avoid arithmetical fractions of shares. In this respect, the acquisition ratio and the number of shares to be purchased from individual tendering shareholders can be rounded as necessary in order to make the acquisition of whole shares possible with respect to the technical settlement. The Management Board considers an exclusion of a more extensive shareholder right of tender on this basis to be objectively justified and appropriate with regard to the shareholders.

The Company will also be authorised to execute the acquisition by using rights of tender made available to the shareholders. These rights of tender are structured in such a way that the Company is only obligated to acquire full shares. To the extent rights of tender cannot be exercised as a result, they will expire. This process treats the shareholders equally but simplifies the technical settlement of a share buyback.

#### Use of treasury shares

Reselling treasury shares makes it possible to use them for raising new equity. The authorisation provides for options to resell treasury shares in the form of a disposal via the stock exchange – which ensures equal treatment of shareholders even according to the statutory definition – or an offer directed at all shareholders.

In the case of a disposal of treasury shares by way of an offer directed at the shareholders, the Management Board will be authorised to exclude shareholders' subscription rights for fractional amounts. This is necessary in order to be able to technically carry out the resale of treasury shares acquired, by way of an offer directed at the shareholders. The treasury shares that are excluded from the subscription right of the shareholders as free fractional shares will be liquidated either via their sale on the stock exchange or otherwise at the most favourable terms possible for the Company.

The final sale price for the treasury shares will be determined shortly prior to the disposal. When exercising the authorisation, the Management Board will determine a deduction (if any) from the then relevant stock exchange price that is as low as possible on the basis of the market conditions prevailing at the time of the final determination of the issue price. The deduction from the stock exchange price at the time at which the authorisation is exercised will not, under any circumstances, exceed 3-5% of the current stock exchange price. This option of excluding subscription rights is limited to a maximum of ten per cent of the share capital existing at the time this authorisation takes effect or – if such value is lower – at the time this authorisation is exercised. As a whole, this ensures that the interests of the shareholders are reasonably protected, in line with the legal assessment as made in Section 71 (1) no. 8 sentence 5 AktG in conjunction with Section 186 (3) sentence 4 AktG, in the case of authorised capital being made use of with the shareholders' subscription rights being excluded while the Company is provided with additional room for manoeuvre in the interest of all shareholders. The placement of the new shares being made close to the stock exchange price, each shareholder may acquire shares at nearly identical terms in the market in order to maintain his shareholding quota. Insofar as, during the term of such authorisation until its being used, other authorisations are used which were granted for the issue or disposal of shares or the issue of rights under which the subscription of shares is possible or which make such subscription obligatory and, in the course thereof, the subscription right is excluded pursuant to Section 186 (3) sentence 4 AktG, this will moreover be taken into account concerning the 10% threshold as referred to above. As a whole, this ensures that the interests of the shareholders are reasonably protected, in line with the legal assessment as made in Section 186 (3) sentence 4 AktG, in the case of the authorisation being exercised with the shareholders' subscription rights being excluded while the Company is provided with additional room for manoeuvre in the interest of all shareholders. The placement of the new shares being made close to the stock exchange price, each shareholder may acquire shares at nearly identical terms in the market in order to maintain his shareholding quota.

Furthermore, the authorisation provides for the Company's treasury shares also being available for use as consideration in the context of mergers or to acquire entities, participations in entities or parts of entities and other assets under exclusion of the subscription right of the shareholders. This is to enable the Company to react swiftly, successfully and in a way that preserves liquidity to advantageous offers or other opportunities arising for mergers, to acquire entities, participations in entities, parts of entities or other assets on both national and international markets. Negotiations quite often result in the necessity to provide consideration in the form of shares rather than cash. The authorisation takes this into account. The Management Board will take into consideration the stock exchange price of the Amadeus FiRe share when determining the value ratio although no systematic connection is planned in order to ensure that any negotiation results that are in the Company's interest are not jeopardised by price fluctuations.

The Supervisory Board and the Management Board also propose that the treasury shares acquired also be used to grant shares to employees and retired employees of the Company and its affiliates within the meaning of Sections 15 et seqq. AktG at favourable conditions. The use of existing treasury shares instead of creating new shares by utilising authorised capital is usually less complex and also less expensive for the Company because, *inter alia*, the use of treasury shares does not have to be entered into the commercial register, as opposed to the utilisation of authorised capital. Using treasury shares also avoids the dilution effect that would otherwise occur. Issuing shares to the mentioned employees and retired employees promotes a practised sustainable share culture, supporting long-term loyalty to the Company and the identification of these groups of persons with the Company. In determining the purchase price to be paid, a customary and adequate compensation based on the Company's success may be granted.

Furthermore, the acquired treasury shares will be allowed to be used for board members of affiliates, such as members of the management board or the board of directors of affiliates within the meaning of Sections 15 et seqq. AktG. In this context, too, the use of treasury shares is usually less complex and less expensive than the issue of new shares, for example from authorised capital. In addition, the use of treasury shares also prevents the dilution effect that would otherwise occur.

The Company may create programmes in the future which provide for shares to be granted as a compensation component. The treasury shares acquired under the proposed authorisation could also be used for granting shares under such future programmes.

In particular, the use of treasury shares for the issue or offer to the aforementioned group of persons and the associated exclusion of the subscription right is limited to shares in the amount of 5% of the share capital in the interest of shareholders who are not entitled to subscription in this respect.

Finally, the Supervisory Board will be authorised to transfer the treasury shares acquired by the Company to members of the Company's Management Board in fulfilment of compensation agreements as amended from time to time. Treasury shares could thus be used to satisfy claims that may be granted to members of the Management Board in the future under Management Board compensation provisions. Currently, the compensation scheme for the Management Board does not contain any component providing for the granting of shares in the Company. However, the Supervisory Board will be given the power to provide for a compensation component of this nature in the future. If, in the future, members of the Management Board were to be granted shares as a component of their compensation as Management Board members, it would be necessary to exclude the shareholders' subscription rights. The details are determined by the employment agreements or compensation agreements that the Supervisory Board, on behalf of the Company, enters into with the individual members of the Management Board. In accordance with its statutory obligation under Section 87 AktG, the Supervisory Board in particular ensures that the total compensation (including the components granted in shares) is in appropriate proportion to the duties and performance of the Management Board member and the situation of the Company and does not exceed the usual compensation without particular reasons.

The Management Board will inform the relevant subsequent General Meeting of the exercise of the authorisation. Currently, the Management Board does not have any plans to exercise the authorisation to acquire and use treasury shares.