JENOPTIK

MORE LIGHT

Executive Board report to the Annual General Meeting regarding item 10 of the agenda pursuant to section 203 para 1 sent. 1, para 2 sent. 2 AktG ("German Stock Corporation Act") in accordance wit section 186 para 4 sent. 2 German Stock Corporation Act
(Resolution on the cancellation of the existing authorized capital and the creation of new authorized capital and amendment of the articles of association)

(convenience translation)

The unused authorization resolved upon by the Annual General Meeting on June 7, 2023, to carry out a capital increase from the authorized capital will expire on June 6, 2026, and thus possibly before the next Annual General Meeting 2026. In order to enable the company to acquire adequate additional equity swiftly and flexibly, the existing authorization is to be cancelled and a new authorization for authorized capital in the same amount of 29,640,000.00 euros, with a subsequent amendment of the Articles of Association, is to be resolved. The amount of the authorization corresponds to approximately 19.9 percent of the current share capital.

The composition of the new authorized capital essentially corresponds to the provisions applicable to the prior Authorized Capital 2023.

The Executive Board is to be authorized through June 11, 2030, with the consent of the Supervisory Board, to increase the share capital of the company by up to 29,640,000.00 euros through one or multiple issues of new no-par value registered shares against cash and/or contributions in kind ("Authorized Capital 2025"). The authorization can also be used in partial amounts, i.e., on one or more occasions. The new shares may also be underwritten by credit institutions or enterprises within the meaning of sect. 186 para 5 sent. 1 German Stock Corporation Act with the obligation to offer them to shareholders (indirect subscription right).

Whenever the authorized capital is utilized, shareholders will generally be granted a subscription right. In order to protect shareholders against the dilution of their investments in the company, the proposed resolution limits all of the following authorizations to exclude subscription rights to a total of 10 percent of the share capital existing at the time this authorization becomes effective – or, if lower, to 10 percent of the share capital existing at the time this authorization is exercised. Shares issued or to be issued based on warrants and/or convertible bonds issued during the term of this authorization in which subscription rights are excluded also count toward this 10 percent limit. Shares sold or used by the company as treasury shares during the term of the authorized capital in which subscription rights are excluded are also considered.

In the following cases, the Executive Board is to be authorized, with the approval of the Supervisory Board, to exclude subscription rights:

a) The authorization to exclude shareholders' subscription rights for fractional amounts serves to facilitate the technical implementation of the capital increase if the setting of an even subscription right ratio gives rise to fractional amounts that cannot be evenly distributed among all shareholders. The shares excluded from subscription rights as fractional shares will either be sold on the stock exchange or otherwise used in the best feasible way for the company. In relation to the overall increase in capital, the fractional amounts are generally of minor importance.

b) Subscription rights are further to be excluded in the event of capital increases against contributions in kind. In particular and for the purpose of strengthening its competitiveness and increase its value and profitability, the company would like to continue to acquire companies or interest in companies, or expand its existing investments, and participate in mergers whenever suitable opportunities arise. The option of excluding subscription rights, which is provided for this purpose in particular, aims to enable the Executive Board, with the approval of the Supervisory Board, to carry out such acquisitions in return for shares of the company without the need to buy back treasury shares in advance. It may be useful or even necessary to grant shares as consideration in order to preserve the company's liquidity or to meet the seller's expectations. The proposed exclusion of shareholders' subscription rights in the case of contributions in kind takes this aspect into account. By contrast, it is not generally possible to wait for the company's Annual General Meeting. In case of such acquisitions, it may also be reasonable to acquire further assets with shares as consideration in addition to the actual acquisition target, if, for example, an entity to be acquired is not the owner of industrial or intellectual property rights associated with its business operations. In this context, the proposed resolution provides for the exclusion of subscription rights in order to issue new shares in connection with the acquisition of depositable assets relating to the acquisition of companies, parts of companies, or investments in companies. Furthermore, subscription rights shall also be excluded in order to grant the holders of claims against JENOPTIK AG or its affiliated companies – whether securitized or unsecuritized – shares in the entity wholly or in part instead of cash payments. This provides the company and its affiliated companies with additional flexibility and allows them, for example in cases in which the shareholders of JENOPTIK AG are to be offered the option of exchanging their cash dividend entitlement for shares (so called share dividend), if the shareholder elects to do so, to grant shares instead of a cash payment and thus preserve their liquidity.

In all cases involving the exclusion of subscription rights in the case of capital increases against contributions in kind pursuant to item b), the Executive Board will set the issue price with the approval of the Supervisory Board, taking into account the results of the legally required assessment of the value of a contribution in kind and the appropriate safeguarding of the interests of the company and its shareholders.

c) The proposed exclusion of subscription rights pursuant to sect. 203 para 1 and para 2, sect. 186 para 3 sent 4 German Stock Corporation Act in the case of capital increases in return for cash contributions enables the company to strengthen its capital resources quickly, flexibly, and cost-effectively where necessary. In a constantly evolving market environment, it is important that the Executive Board, with the approval of the Supervisory Board, should be in a position to quickly cover the company's capital requirements to take advantage of any opportunities that arise at short notice. There is also the need to make use of favorable market conditions to cover the company's future financing needs. In such cases, the capital increase without subscription rights results in a faster and higher inflow of funds than a comparable capital increase with subscription rights due to the elimination of time-consuming processing of subscription rights and typical subscription right discounts. The exclusion of subscription rights is therefore in the interest of both the company and its shareholders. The authorization is subject to the proviso that the percentage of the share capital attributable to the new shares does not in total exceed 10 percent of the share capital at the time the authorized shares are registered or in total 10 percent of the share capital at the time the new shares are issued, taking into consideration resolutions of the Annual General Meeting or the use of other authorizations to preclude subscription rights in a direct or corresponding application of sect. 186 para. 3 sent. 4 German Stock Corporation Act since the effective date of this authorization and the issue price of the new shares is not substantially lower than the stock market price within the meaning of seq. 203 para 1 and para 2, 186 para 3 sent. 4 German Stock Corporation Act. The shareholders' financial and voting right interests are appropriately protected in the event of the exclusion of subscription rights pursuant to sect. 186 para 3 sent. 4 German Stock Corporation Act. The fact that the shares may only be issued at a price not substantially below the stock market price provides protection against dilution. The final selling price for the shares to be issued will be determined shortly prior before the issuance. In doing so, the Executive Board will endeavor to minimize any discount on the stock market price in due consideration of current market conditions. Shareholders are protected by the fact that the discount on the stock market price must not be significant. In addition, shareholders have the option of maintaining their share of the company's share capital at any time by purchasing shares on the stock market. When utilizing the authorized capital with an exclusion of subscription rights as set out in the cases in item c), it is ensured that the shareholders´ financial and voting rights are protected pursuant to sect. 186 para. 3 sent. 4 German Stock Corporation Act, while the company can strengthen its capital resources quickly, flexibly, and cost-effectively.

d) The issuance of shares to employees of the company and its affiliated companies as well as to members of representative bodies of affiliated companies, serves to integrate and motivate employees by means of participation in the company and is thus in the interest of the company. This is only possible if subscription rights are excluded. The issuance price of the shares when issued to employees of the company and its affiliated companies, and to members of representative bodies of affiliated companies, may be below the current stock market price. The discount is not to be determined on a formal consideration of the discount for the individual share. Instead, the total amount of the benefit granted to an employee or a member of a representative body in each case as a result of the more favorable shares should be in reasonable proportion to the remuneration of the employee or the member of a representative body or the expected benefit for the company.

In each case, the Executive Board will carefully review, taking into account the interests of existing shareholders, whether utilization of the authorization to increase the capital and any exclusion of subscription rights is necessary and in both the company's and its shareholders' best interests.

Following (partial or full) utilization of the Authorized Capital 2025, the Executive Board will report on this utilization to the next Annual General Meeting.

Jena, April 2025

JENOPTIK AG
The Executive Board

Dr. Stefan Traeger
Chairman of the Executive Board

Dr. Prisca Havranek-Kosicek
Member of the Executive Board

Dr. Ralf Kuschnereit
Member of the Executive Board