

euromicron

**2017 General Meeting
on June 14, 2017**

**Explanatory report of the Executive Board
on the disclosures in accordance with Section 289 (4) and Section 315 (4) HGB
(German Commercial Code)**

We hereby explain the disclosures required pursuant to Section 289 (4) HGB in the management report of euromicron AG and the disclosures required pursuant to Section 315 (4) HGB in the group management report of euromicron AG:

1. Composition of subscribed capital

The capital stock of the company is EUR 18,347,554.88 and is divided into 7,176,398 no-par value registered shares. Each share conveys the same statutory rights and obligations and grants the holder one vote at the General Meeting. The exercise of voting rights and the transfer of shares are based on the general statutory provisions and the Company's Articles of Association, which do not limit either of the two. Section 15 of the Articles of Association determines the requirements that must be met by shareholders to attend the General Meeting and exercise their voting rights. To be treated by the company as one of its shareholders, one must be recorded in the share register.

2. Restrictions on voting rights or transfer of shares

The Executive Board is not aware of any other restrictions relating to voting rights or the transfer of shares. Euromicron AG currently does not hold any own shares, from which the Company derives no rights, particularly no voting rights. In particular, euromicron AG currently holds none of its own shares, from which it cannot exercise any rights in accordance with Section 71b of the German Stock Corporation Code (AktG).

3. Capital holdings that exceed 10% of the voting right sort transfer of shares

No shareholder held more than ten percent of the voting rights in euromicron AG directly or indirectly at December 31, 2016.

4. Naming of the holders of shares with special rights that confer controlling powers and description of the special rights

There are no shares with special rights that confer controlling powers.

5. Nature of the voting right control if employees hold a capital interest and do not directly exercise their control rights

Employees that hold a capital interest exercise their control rights like other shareholders according to law and the company's Articles of Association.

6. Provisions in the company's Articles of Association on the appointment and removal of members of the Executive Board

The provisions in the company's Articles of Association on the appointment and removal of members of the Executive Board correspond to the statutory stipulations (Articles 84 and 85 of the German Stock Corporation Code (AktG)). In accordance with Section 84 AktG the Supervisory Board appoints the Management Board for a maximum of five years. Renewed appointments or extensions of the term of office are permissible but, in each case, for not more than five years. According to Section 6 of the Articles of Association, the Executive Board consists of at least one member. The Supervisory Board decides the number of members of the Executive Board.

The provisions in the Articles of Association on amending the Articles of Association correspond in principle to the statutory stipulations in Sections 119 (1) No. 5, 179 (1) Sentence 1 AktG, although resolutions to amend the Articles of Association by the General Meeting require a majority of at least three quarters of the capital stock represented in adoption of the resolution only if the law makes this mandatory. According to Section 18 (4) of the Articles of Association the Supervisory Board is authorized to adopt resolutions regarding changes of the wording, but not the contents, of the Articles of Association.

7. Power of the Executive Board to issue or buy back shares

The power of the Executive Board to issue shares, in particular the authorization granted to the Executive Board by the General Meeting on May 14, 2014, to increase the capital stock of the company in the maximum amount of 9,173,770.00 Euros up to May 13, 2019, with the consent of the Supervisory Board ("authorized capital") are stated in the management report and in the group management report. An authorization to purchase own shares does not exist.

8. Material agreements by the company that are subject to the condition of a change in control as the result of a takeover bid and the resultant effects

There are no material agreements by the company that are subject to the condition of a change in control as the result of a takeover bid.

9. Compensation agreements by the company that are concluded with members of the Executive Board or employees in the event of a takeover bid

There are no compensation agreements by the company that are concluded with members of the Executive Board or employees in the event of a takeover bid.