



## **Einhell Germany AG**

### **Landau an der Isar**

**ISIN DE0005654909 / DE0005654933**

Notice is hereby given that our **Annual General Meeting** of shareholders will be held on Friday, 18 June 2021, at 10:00 a.m. (CEST) as a Virtual Annual General Meeting without the physical presence of the shareholders or their authorised representatives (with the exception of the Company's designated voting proxies).

The location of the Annual General Meeting within the meaning of the German Stock Corporation Act (AktG) is the premises at the registered office of Einhell Germany AG, Wiesenweg 22, 94405 Landau an der Isar, Germany.

With the consent of the Supervisory Board, the entire Annual General Meeting shall be held online, in accordance to the Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic (Section 2 of the Act to Mitigate the Consequences of the COVID-19 Pandemic under Civil, Insolvency and Criminal Procedure Law, Federal Law Gazette I 2020, p. 569), last amended by the Law on the Further Shortening of Residual Debt Relief Proceedings and on the Adjustment of Pandemic-Related Provisions in the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property of 22 December 2020, Federal Law Gazette I 2020, p. 3328, ("German COVID-19 Mitigation Act"), for the duly registered shareholders or their authorised representatives at <https://www.einhell.com/HV2021> in a password-protected web service by means of audio and video transmission; this transmission does not enable attendance at the Annual General Meeting within the meaning of Section 118 (1) Sentence 2 German Stock Corporation Act (AktG). Please also note the information at the end of this invitation.

### **Agenda**

- 1. Presentation of the adopted annual financial statements and the approved consolidated financial statements as at 31 December 2020, the management report for Einhell Germany AG and the group management report for the Einhell Group, the explanatory notes of the Board of Directors on the disclosures pursuant to Sections 289a (1), 315a (1) German Commercial Code (HGB) as well as the report of the Supervisory Board for financial year 2020**

The aforementioned documents must be made available to the Annual General Meeting in accordance with the provisions of the German Stock Corporation Act

(AktG). As the Supervisory Board has already approved the annual financial statements and the consolidated financial statements as prepared by the Board of Directors in accordance with statutory provisions and thus adopted the annual financial statements on 22 April 2021, the Annual General Meeting will not pass a resolution on agenda item 1.

**2. Resolution on the appropriation of unappropriated profit**

The Board of Directors and the Supervisory Board propose that the unappropriated profit for financial year 2020 in the amount of Euro 46,183,402.40 recognised in the annual financial statements of Einhell Germany AG be appropriated as follows:

Payment of a dividend of EUR 2.14 per ordinary share for 2,094,400 dividend-bearing ordinary shares	EUR 4,482,016.00
Payment of a dividend of EUR 2.20 per preference share for 1,680,000 dividend-bearing preference shares	EUR 3,696,000.00
Carry-forward to new account	EUR 38,005,386.40
Unappropriated profit	<u>EUR 46,183,402.40</u> =====

The dividend is payable on 23 June 2021.

**3. Resolution on the approval of the actions of the Board of Directors for financial year 2020**

The Board of Directors and the Supervisory Board propose to approve the actions of the members of the Board of Directors for financial year 2020.

**4. Resolution on the approval of the actions of the Supervisory Board for financial year 2020**

The Board of Directors and the Supervisory Board propose to approve the actions of the members of the Supervisory Board for financial year 2020.

**5. Appointment of auditors of the single-entity financial statements and the consolidated financial statements for financial year 2021**

The Supervisory Board proposes that Rödl & Partner GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Nuremberg, be elected as auditors of the single-entity financial statements and the consolidated financial statements for financial year 2021.

## 6. Resolution on the approval of the remuneration system for members of the Board of Directors

In accordance with Section 120 a (1) German Stock Corporation Act (AktG), the general meeting of companies listed on the stock exchange must pass a resolution on the approval of the system governing the remuneration of the members of the management board as proposed by the supervisory board every time the remuneration system is changed materially and at least every four years. The provision was added to the German Stock Corporation Act (AktG) in order to implement the Second Shareholders' Rights Directive ("ARUG II"). The first resolution must be adopted by the end of the first Annual General Meeting to be held after 31 December 2020.

The Supervisory Board proposes to approve the remuneration system for the Board of Directors of Einhell Germany AG as presented below and resolved by the Supervisory Board.

### Remuneration for the Board of Directors of Einhell Germany AG

The following chart provides an overview of the main components and the structure of the remuneration system for the members of the Board of Directors of Einhell Germany AG.

Remuneration components	Remuneration components		Severance payment upon leaving the Board of Directors	Maximum remuneration	Further structuring options
Fixed annual compensation	Basic compensation	Fringe benefits <sup>1</sup>	Constantly increasing severance payment up until completing 12 years on the Board or Einhell preference shares	Fixed compensation + fringe benefits + up to 200% (max.) of average variable remuneration in the last three completed financial years	Contractual agreement to adjust remuneration during contract term in accordance with Section 87 (2) German Stock Corporation Act (AktG)
		Pension commitment			
Variable remuneration (bonus)	Participation in EBT Einhell Group Participation in EBT strategic units				
Variable remuneration designed to promote corporate strategy (long-term approach)	Individual targets in line with the responsibilities/function of the member of the Board of Directors				

<sup>1</sup> Fringe benefits shall be paid up to an amount determined by the Supervisory Board

## 1. Remuneration components

### 1.1 Fixed annual compensation

Each member of the Board of Directors receives a fixed basic compensation. This is paid out in twelve monthly instalments. The relative proportion of the fixed basic compensation to the total compensation target for the members of the Board of Directors is between 10% and 60%.

#### 1.1.1 basic compensation

The basic compensation represents the portion of the Board of Directors remuneration that is contractually agreed irrespective of performance parameters.

#### 1.1.2 Fringe benefits

Fringe benefits and their maximum amount are either anchored by the Supervisory Board in the employment contracts of the members of the Board of Directors, or the maximum amount is defined separately for the respective upcoming financial year for each member of the Board of Directors. This amount covers the benefits for members of the Board of Directors, such as benefits in kind and fringe benefits provided by the Company (e.g. the provision of a company car and insurance premium allowances).

#### 1.1.3 Pension commitment

The members of the Board of Directors are granted a pension commitment for pension benefits in the form of a direct commitment from Einhell Germany AG. The pension commitment increases in direct correlation with the time the member of the Board of Directors has spent in office. The amount of the pension commitment is largely based on the comparable benefits of the public pension scheme (up to the income threshold).

### 1.2 variable remuneration (bonus)

The variable remuneration (bonus) represents the profit participation calculated on the basis of short-term performance indicators. It always refers to the financial year of the Company. The variable remuneration is paid in cash after the annual financial statements have been adopted by the Supervisory Board.

#### 1.2.1 Participation in EBT Einhell Group Participation in EBT strategic units

The system of short-term variable remuneration (bonus) is based on a direct participation of the respective member of the Board of Directors in the EBT (Earnings before Taxes) of the Einhell Group. The responsibilities of the individual members of the Board of Directors are focused on the development of the Einhell Group and the implementation of the Group

strategy. This establishes the direct link between the Group EBT and the short-term variable remuneration. For historical reasons related to the development of the Group, its central IT organisation is not located with Einhell Germany AG, but with the wholly owned subsidiary iSC GmbH. As a consequence, the member of the Board of Directors responsible for IT and Digitization also participates in the EBT of iSC GmbH.

After the end of the financial year, the target achievement with respect to the individual EBT values is determined. The bonus payment depends on the EBT calculated in accordance with IAS/IFRS, thereby taking into account provisions set aside for bonus payments.

Moreover, the accounting policies of the Einhell Group must be applied. These are set out in writing in the Einhell accounting manual (as amended from time to time) and agreed with the Group auditor (in particular: inventory valuation, receivables valuation and provisions).

The resulting bonus amount is paid in cash.

The relative proportion of the bonus to the total compensation target for the members of the Board of Directors is between 30% and 60%.

### 1.3 Variable remuneration designed to promote corporate strategy (long term approach)

The variable remuneration promotes corporate strategy as it is based on individual targets that contribute to achieving the long-term objectives of the Company. These targets are determined taking into account the strategic objectives of the relevant area of responsibility of the respective member of the Board of Directors. The variable remuneration is paid in cash after the annual financial statements have been adopted and the Supervisory Board has determined individual target achievement.

#### 1.3.1 Individual targets in line with the responsibilities/function of the member of the Board of Directors

The focus of all functions of the Board of Directors on the implementation of the Strategy 2025 is vital for the further development of Einhell Germany AG and the Einhell Group. For this reason, individual targets have been agreed with each member of the Board of Directors that refer to this objective.

The relative proportion of the variable remuneration (that promotes achievement of the corporate objectives) to the total remuneration target for the members of the Board of Directors ranges from 5% to 32%.

#### **Chief Technical Officer:**

- a) Successful IP registrations
- b) Product quality development
- c) Development of sourcing companies in Asia
- d) Development of ECOM companies

With these objectives, the achievements of the Chief Technical Officer are directly measured against the implementation of Strategy 2025 in the areas of product development, product quality, sourcing processes as well as the integration of sustainable technological trends.

**Chief Financial Officer:**

- a) Return on Capital Employed of the last three completed financial years
- b) Successful integration of M&A projects

In order to ensure a sustainable financial structure that remains stable in the long term, the calculation of the variable remuneration component is based on the respective average of the Return on Capital Employed of the last three completed financial years.

In addition to the planned organic growth, the Strategy 2025 also promotes unlocking growth potential through M&A projects. Crucial in this context is the legal and financial design of the M&A process, but also the sustainable integration of the M&A targets. The involvement of the Chief Financial Officer in the implementation of these projects is therefore sensible in order to achieve long-term success.

**Chief IT and Digitization Officer:**

- a) Main initiatives in the strategic field of digital organisation
- b) Main initiatives in the strategic field of service management
- c) Main initiatives in the digitalisation of supply chain management

In many areas of the Company, the digitalisation process and the corresponding future-oriented further development of our IT infrastructure and application landscape are key prerequisites to meeting the objectives of Strategy 2025 in a sustainable manner. On the one hand, this refers to leveraging improvement potential in process automation, and on the other hand to protecting the system against undesired access (cyber security).

**Chairman of the Board of Directors:**

The Chairman of the Board of Directors is rewarded for achieving future-oriented sustainable objectives with an additional committed profit participation in the Einhell Group's EBT. Mandatory for this additional profit participation is the purchase of Einhell preference shares. The long-term benefit of this agreement is furthered by the fact that these shares may not be divested during the Chairman's term of office. Moreover, this committed participation is also a component of the retirement package and conditional on the waiver of potential severance payments.

## 2. Severance payment upon leaving the Board of Directors

### 2.1 Constantly increasing severance payment up until completing 12 years on the Board or Einhell preference shares

If the employment contracts of members of the Board of Directors are not extended, the severance payments then due are governed by the respective clauses in the employment contracts. This is transparently anchored in the individual employment contracts of the members of the Board of Directors.

After 12 years of uninterrupted service on the Board of Directors of Einhell Germany AG, the members of the Board of Directors receive a one-off severance payment in a fixed

amount based on the average remuneration of the last three completed financial years when they leave this function.

For members of the Board of Directors with less than 12 years of service on the Board of Directors, the severance payment is also determined on the basis of the last three years (if available), with the entitlement being calculated on a pro rata temporis basis (1/12 per year). The Chairman of the Board of Directors' claims to severance payment have been replaced by the additional committed profit participation in the EBT of the Einhell Group, as already described above.

### 3. Maximum remuneration

#### 3.1 Fixed compensation + fringe benefits + up to 200% (max.) of average variable remuneration in the last three completed financial years

Maximum remuneration refers to all the components of the Board of Directors' remuneration.

The maximum remuneration is determined annually by the Supervisory Board for each member of the Board of Directors in accordance with Section 87 a (1) Sentence 2 No. 1 German Stock Corporation Act (AktG). The maximum remuneration for the respective member of the Board of Directors corresponds to the sum total of the maximum amount of all remuneration components for the relevant financial year and is calculated by adding basic compensation, maximum fringe benefits and twice the target bonus amount.

### 4. Further structuring options

#### 4.1 Contractual agreement to adjust remuneration during contract term in accordance with Section 87 (2) German Stock Corporation Act (AktG)

Further structuring options in accordance with Section 87 (2) German Stock Corporation Act (AktG)

The employment contracts stipulate that the Supervisory Board may adjust all components of remuneration if the prerequisite set out in Section 87 (2) German Stock Corporation Act (AktG) is fulfilled. In this case, the affected member of the Board of Directors shall have a special right of termination.

### **7. Resolution on the approval of the remuneration and the remuneration system for members of the Supervisory Board**

In accordance with the new version of Section 113 (3) German Stock Corporation Act (AktG), the annual general meeting must vote on the remuneration of supervisory board members at least every four years. The vote may also be held to confirm the existing remuneration structure. The first resolution on the remuneration of the members of the supervisory board in accordance with Section 113 (3) German Stock

Corporation Act (AktG) must be adopted by the end of the first annual general meeting to be held after 31 December 2020. The current remuneration of the Supervisory Board is conclusively determined by Article 6 (3) of the Articles of Association of Einhell Germany AG, and there are no ancillary or additional agreements.

The Board of Directors and the Supervisory Board are of the opinion that the amount of remuneration and the specific structure of the remuneration system for the Supervisory Board are appropriate in view of the responsibilities of the members of the Supervisory Board and the situation of the Company.

The Board of Directors and Supervisory Board therefore propose the following resolution:

The remuneration of the members of the Supervisory Board governed by Article 6 (3) of the Articles of Association of Einhell Germany AG, including the system on which this remuneration is based, is confirmed.

1. Legal basis of the remuneration of the members of the Supervisory Board

The remuneration of the members of the Supervisory Board is based on Article 6 (3) of the Articles of Association of the Company. This was last amended by resolution of the Annual General Meeting on 20 June 2008.

Article 6 (3) of the Articles of Association is currently worded as follows:

“(3) The members of the Supervisory Board receive a fixed remuneration for the first time for financial year 2008, which amounts to EUR 10,000.00 for each member of the Supervisory Board. The Chairperson of the Supervisory Board receives four times this amount and the Vice Chairperson receives twice this amount.

In addition, in financial years in which the amount per share calculated by dividing the total amount of the dividend distribution by the total number of ordinary and preference shares issued exceeds EUR 0.36, each member of the Supervisory Board receives additional remuneration of EUR 525 for each EUR 0.09 distributed in excess of EUR 0.36 per share. The Chairperson of the Supervisory Board receives three times this amount and the Vice Chairperson receives twice this amount.

In addition, each member of the Supervisory Board receives an attendance fee of EUR 525. Reimbursement of cash expenses is included in the attendance fee.

The respective value-added tax due for their activities on the Supervisory Board is reimbursed to the members of the Supervisory Board.

The remuneration for the Supervisory Board is due for payment immediately after the respective Annual General Meeting for the resolutions on the respective financial year has been held. If members of the Supervisory Board leave the Supervisory Board in the course of a financial year, they receive this remuneration on a pro rata temporis basis.”

## 2. Presentation of the remuneration system for members of the Supervisory Board

The remuneration system for the members of the Supervisory Board of the Company underlying the provision of Article 6 (3) of the Articles of Association is presented below in accordance with Sections 113 (3), 87a (1) Sentence 2 German Stock Corporation Act (AktG).

The remuneration system for members of the Supervisory Board of Einhell Germany AG is designed in a clear and comprehensible manner. It takes into account the responsibility and scope of activities of the members of the Supervisory Board. By monitoring the management activities of the Board of Directors, the Supervisory Board contributes to the advancement of the business strategy and the long-term development of the Company.

The members of the Supervisory Board receive a fixed remuneration, which amounts to EUR 10,000.00 for each member of the Supervisory Board. The Chairperson of the Supervisory Board receives four times this amount and the Vice Chairperson receives twice this amount.

In addition, in financial years in which the amount per share calculated by dividing the total amount of the dividend distribution by the total number of ordinary and preference shares issued exceeds EUR 0.36, the members of the Supervisory Board receive additional remuneration of EUR 525 for each EUR 0.09 distributed in excess of EUR 0.36 per share. The Chairperson of the Supervisory Board receives three times this amount and the Vice Chairperson receives twice this amount. The fact that the variable remuneration of the Supervisory Board is linked to the total dividend distribution contributes to the advancement of the Company's success.

In order to appropriately reflect the time spent attending meetings in the remuneration of the Supervisory Board, the members of the Supervisory Board also receive an attendance fee of EUR 525 for each meeting of the Supervisory Board they attend. Reimbursement of cash expenses is included in the attendance fee.

The remuneration amounts take into account the specific function and responsibility of the respective member of the Supervisory Board. In particular, the higher workload of the Chairperson and Vice Chairperson of the Supervisory Board is appropriately taken into account.

The Supervisory Board reviews regularly, but at least every four years, if the structure and amount of its remuneration is still appropriate.

## 3. Procedure

Whenever the Board of Directors and the Supervisory Board believe that the remuneration of the Supervisory Board requires changes, they must submit a proposal to the Annual General Meeting for a modified remuneration system or a modified remuneration amount and the corresponding amendment to Article 6 (3) of the Articles

of Association. In accordance with Section 113 (3) German Stock Corporation Act (AktG), the Annual General Meeting of Einhell Germany AG must pass a resolution on the remuneration of the Supervisory Board at least every four years (irrespective of any changes), whereby a resolution that confirms the status quo is also permitted. For the purpose of this submission to the Annual General Meeting, the amount of remuneration and the remuneration system for the Supervisory Board is subject to regular and timely review by the Board of Directors and the Supervisory Board at their due discretion. Key factors in the review are in particular the time taken up by the members' Board duties, their responsibilities and the development of Supervisory Board remuneration at other, comparable companies, changes in the corporate environment, the overall economic situation and strategy of the Company, as well as changes and trends in national and international corporate governance standards. A vertical comparison with the remuneration of the employees of Einhell Germany AG is not expedient for reviewing and determining the remuneration of the Supervisory Board (Section 87a (1) Sentence 2 No. 9 German Stock Corporation Act (AktG)) as the Supervisory Board remuneration is of a special nature and granted for an activity that is fundamentally different from the activities the employees of Einhell Germany AG perform. Where appropriate, external remuneration experts and other advisors are also consulted. In this context, the Board of Directors and the Supervisory Board make sure that the external remuneration experts and consultants are independent and take precautions to avoid conflicts of interest. If the Annual General Meeting does not approve the system as submitted, the Supervisory Board shall submit a revised remuneration system to the Annual General Meeting for approval at the following Annual General Meeting at the latest.

It is in the nature of things that the members of the Supervisory Board are involved in the design of the remuneration system that applies to them. However, the inherent conflicts of interest are mitigated by the fact that the decision on the final structure of the remuneration system is assigned by law to the Annual General Meeting and that the proposal for resolution is submitted to the Annual General Meeting by the Supervisory Board and the Board of Directors together.

#### **8. Resolution on an amendment to Article 7 (2) and Article 8 (2) of the Articles of Association**

The requirements for attending the Annual General Meeting and for exercising voting rights were changed by the Act Implementing the Second Shareholders' Rights Directive (ARUG II). According to the amended Section 123 (4) Sentence 1 German Stock Corporation Act (AktG), proof provided by the ultimate intermediary in accordance with the newly inserted Section 67c (3) German Stock Corporation Act (AktG) is sufficient for attending the Annual General Meeting or exercising voting rights for bearer shares of listed companies.

In order to avoid conflicts between the provisions on this proof for attending the Annual General Meeting of the Company or exercising voting rights in the Articles of Association and the law, a resolution to amend the corresponding provisions in the Articles of Association shall be passed.

An amendment to Article 7 (2) of the Articles of Association shall furthermore include a reference to the law with regard to the notice period for convening the AGM in order to avoid conflicts with the Articles of Association whenever the law might be changed.

The Board of Directors and Supervisory Board therefore propose the following resolution:

1. Article 7 (2) of the Articles of Association of the Company is amended and reworded as follows:

“(2) The notice period for convening the Annual General Meeting is subject to the statutory provisions.”

2. Article 8 (2) of the Articles of Association of the Company is amended and reworded as follows:

“(2) Written proof of shareholding (text form) issued by the ultimate intermediary in accordance with Section 67c (3) German Stock Corporation Act (AktG) is sufficient proof of the entitlement to attend the Annual General Meeting or to exercise the voting rights. The proof of shareholding must refer to the beginning of the 21st day before the date of the Annual General Meeting and must be received by the Company at the address stated for this purpose in the invitation convening the Annual General Meeting at least six days before the Annual General Meeting takes place, not counting the day of receipt and the day of the Annual General Meeting. In relation to the Company, only those who have provided proof shall be deemed to be shareholders for the purposes of attending the Annual General Meeting or exercising voting rights.”

### **Total number of shares and voting rights**

At the time of invitation, the share capital of Einhell Germany AG is divided into 2,094,400 ordinary shares and 1,680,000 preference shares. Each ordinary share carries one vote. At the time of invitation, there are therefore 2,094,400 voting rights. Einhell Germany AG does not hold any treasury shares at the time of invitation.

### **Prerequisite for attending the Virtual Annual General Meeting and for exercising voting rights**

Pursuant to Article 8 (1) and (2) of the Articles of Association, only those ordinary and preference shareholders are entitled to attend the Virtual Annual General Meeting and only those ordinary shareholders are entitled to exercise their voting rights who register with the Company at the following address, fax number or email address before expiry of the statutory deadline, i.e. by the end of 11 June 2021, midnight (CEST):

Einhell Germany AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 München

Germany  
Facsimile: +49 (0)89 889 690 633  
Email: anmeldung@better-orange.de

The entitlement to attend the Annual General Meeting and to exercise the voting rights must be evidenced by written proof provided by the ultimate intermediary (text form); proof of the shareholding by the ultimate intermediary in accordance with the requirements of Section 67c (3) of the German Stock Corporation Act (AktG) is sufficient. The proof must refer to the legally determined point in time prior to the Annual General Meeting, i.e. to 28 May 2021, start of day (CEST) ("record date"), and must be received by the Company at the aforementioned address, fax number or email address prior to the expiry of the legally determined period prior to the Annual General Meeting, i.e. at the latest by the end of 11 June 2021, midnight (CEST).

After receipt of the registration and proper proof of shareholding by no later than the end of 11 June 2021, midnight (CEST), the shareholders will be sent the access data ("AGM ticket") to log on to the password-protected web service. Shareholders are requested to register and send proof of their shareholdings to the Company as early as possible.

### **Significance of the record date**

The record date is the relevant cut-off date with regard to attending the Annual General Meeting and exercising shareholders' rights, in particular voting rights. In accordance with Section 123 (4) Sentence 5 German Stock Corporation Act (AktG), only those shareholders who have presented proof of their shareholdings are eligible to attend the Annual General Meeting (ordinary shares and preference shares) and to exercise the voting rights (only ordinary shares). The entitlement to attend and the scope of the voting rights is based solely on the share ownership as at the record date. The record date and the registration do not entail a ban on the sale of shareholdings. Shareholders may therefore continue to freely dispose of their shares even after registration. A disposition after the record date has no effect on the right to attend and the entitlement to exercise voting rights. Persons who do not hold any shares as at the record date and only become shareholders thereafter shall not be entitled to attend or vote unless they have been authorised to do so or have been authorised to exercise the rights. The record date is not relevant for potential dividend entitlements.

### **Video and audio transmission of the entire AGM**

Registered shareholders as well as their authorised representatives may follow the entire meeting on 18 June 2021 from 10:00 a.m. (CEST) live on the Company's website at <https://www.einhell.com/HV2021> in the password-protected web service with video and audio transmission.

After receipt of the proper registration and proper proof of shareholding, the shareholders will be sent the access data ("AGM ticket") to log on to the password-protected web service on the Company's website at <https://www.einhell.com/HV2021>.

The transmission of the Annual General Meeting does not enable attendance by means of electronic communication within the meaning of Section 118 (1) Sentence 2 German Stock Corporation Act (AktG).

### **Procedure for voting by proxy**

Ordinary shareholders may also have their voting rights exercised at the Virtual Annual General Meeting by an authorised representative, e.g. an intermediary, a shareholders' association, a voting advisor, the Company's designated voting proxies or any other third party. For such authorised representatives, timely registration and proof of entitlement to attend the Virtual Annual General Meeting and to exercise voting rights are also required in accordance with the above provisions in the section "Prerequisite for attending the Virtual Annual General Meeting and for exercising voting rights". If the shareholder grants more than one person power of attorney, the Company may reject one or more of them.

Authorised representatives may not physically attend the Virtual Annual General Meeting either. They may only exercise the voting rights of the ordinary shareholders they represent within the scope of their power of attorney by means of electronic postal vote or by (sub)authorising the Company's designated voting proxies.

In order for the authorised representatives to be able to use the password-protected web service, they must be given the corresponding login data.

If the power of attorney is granted to a person or institution not covered by Section 135 German Stock Corporation Act (AktG), the granting of the power of attorney, its revocation and the proof of authorisation must be presented to the Company in writing (text form as per Section 126b German Civil Code (BGB)).

If the power of attorney is granted to a person or institution covered by Section 135 German Stock Corporation Act (AktG), please note that the person or institution to be authorised may request a special type of power of attorney as they are required pursuant to Section 135 German Stock Corporation Act (AktG) to keep a verifiable record thereof. We therefore ask our shareholders to consult with the person or institution to be authorised with regard to the form of the power of attorney.

The proof of authorisation may be submitted, amended or revoked by post, fax or email to the Company by no later than 17 June 2021, midnight (CEST) to the following postal address, fax number or email address

Einhell Germany AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 München  
Germany  
Facsimile: +49 (0)89 889 690 655  
Email: einhell@better-orange.de

or, from 28 May 2021, by using the password-protected web service at <https://www.einhell.com/HV2021>. The time the message is received by the Company is decisive for meeting the deadline.

On the day of the Virtual Annual General Meeting, powers of attorney may only be submitted, amended or revoked by using the password-protected web service at <https://www.einhell.com/HV2021> up until the voting begins.

The aforementioned communication channels are also available up until the times stated above if the power of attorney is to be granted by way of declaration vis-à-vis the Company; in this case it is not necessary to provide additional proof of the power of attorney having been granted. Powers of attorney already granted may also be revoked or amended directly vis-à-vis the Company by means of the aforementioned communication channels up until the times stated above.

Shareholders who wish to authorise another person as their authorised representative may use the power of attorney form that will be sent to them after they have properly registered and provided proof of their shareholding. Such a form is also available for download on the Company website at <https://www.einhell.com/HV2021>.

### **Procedure for proxy-voting via the Company's designated voting proxies**

Ordinary shareholders may also choose to be represented by the Company's designated voting proxies who are obliged to cast votes in accordance with the instructions they are given. If a shareholder chooses to authorise the Company's designated voting proxies, timely registration and proof of shareholding in the prescribed form are still required in accordance with the provisions described above in the section "Prerequisite for attending the Virtual Annual General Meeting and for exercising voting rights".

Powers of attorney and instructions to the Company's designated voting proxies may be granted, issued, amended or revoked by post, fax or email to the address, fax number or email address stated above in the section "Procedure for proxy-voting" by no later than 17 June 2021, midnight (CEST) or, from 28 May 2021, by using the password-protected web service at <https://www.einhell.com/HV2021> in accordance with the designated procedures up until the voting begins at the Virtual Annual General Meeting on 18 June 2021.

A corresponding form will be sent to the shareholders after they have properly registered and provided proof of their shareholding and is also available for download on the Company website at <https://www.einhell.com/HV2021>.

If power of attorney is granted to the Company's designated voting proxies, they must also receive instructions on how to exercise the voting rights. The voting proxies are obliged to vote in accordance with the instructions received; they may not exercise the voting rights at their own discretion and, even if they have been granted power of attorney, they are only authorised to exercise the voting rights if they have been explicitly instructed with regard to the proposals for resolutions by the Board of Directors and/or the Supervisory Board as published in the invitation to the Annual General Meeting and, if applicable, with regard to any proposals for resolutions by shareholders that are published as additions to the agenda in accordance with Section 122 (2) German Stock Corporation Act (AktG) and any counter-

motions and nominations by shareholders made available before the Annual General Meeting in accordance with Sections 126 and 127 German Stock Corporation Act (AktG). The Company's designated voting proxies do not accept, neither before nor during the Virtual Annual General Meeting, any instructions or powers of attorney for raising objections to resolutions by the Annual General Meeting, for exercising the right to ask questions or for submitting motions.

If a separate vote is held on an agenda item without this having been communicated before the Virtual Annual General Meeting, any instructions with regard to this agenda item in general are deemed to also apply to each individual item in the separate vote.

### **Procedure for voting by electronic postal vote**

Ordinary shareholders may also exercise their voting rights by means of electronic communication (postal vote). For voting by way of electronic postal vote, timely registration and proof of shareholding in the prescribed form are also required in accordance with the above provisions in the section "Prerequisite for attending the Virtual Annual General Meeting and for exercising voting rights".

Postal votes may be cast, amended or revoked from 28 May 2021 by using the password-protected web service at <https://www.einhell.com/HV2021> in accordance with the designated procedures up until the voting begins at the Virtual Annual General Meeting on 18 June 2021.

Casting votes by electronic postal vote is limited to voting on the proposals for resolutions by the Board of Directors and/or the Supervisory Board as published in the invitation to the Annual General Meeting and, if applicable, with regard to any proposals for resolutions by shareholders that are published as additions to the agenda in accordance with Section 122 (2) German Stock Corporation Act (AktG) and counter-motions and nominations by shareholders that might have been made available before the Annual General Meeting in accordance with Sections 126 and 127 German Stock Corporation Act (AktG).

If a separate vote is held on an agenda item without this having been communicated before the Virtual Annual General Meeting, any instructions with regard to this agenda item in general are deemed to also apply to each individual item in the separate vote.

Intermediaries, shareholder associations and voting advisory or other persons or institutions equivalent to an intermediary as per Section 135 (8) German Stock Corporation Act (AktG) who have been granted power of attorney may also use postal voting.

### **How to raise objections against resolutions by the Annual General Meeting**

Shareholders and their authorised representatives, who exercised their voting rights with regard to one or more of the resolutions by the Annual General Meeting by means of postal vote or by granting power of attorney and issuing instructions to the Company's designated voting proxies, may raise objections against a resolution by the Annual General Meeting via the password-protected web service accessible on the Company's website at <https://www.einhell.com/HV2021> in accordance with the designated procedures from the beginning of the Virtual Annual General Meeting on 18 June 2021 until its end to be recorded

by the notary in accordance with Section 245 no. 1 German Stock Corporation Act (AktG) in conjunction with Section 1 (2) Sentence 1 No. 4 German COVID-19 Mitigation Act.

### **Shareholder rights: Additions to the agenda**

Ordinary and preference shareholders, whose shares together amount to a twentieth of the share capital or a proportionate amount of the share capital of EUR 500,000, may request that items be placed on the agenda and published if such request is received by the Company at least 30 days before the AGM, i.e. by 18 May 2021, midnight (CEST) in writing. Each new item on the agenda must be accompanied by a statement of reasons or a draft resolution. Please send requests for additions to the agenda to the following address:

Einhell Germany AG  
Investor Relations  
Wiesenweg 22  
94405 Landau an der Isar

Pursuant to Section 122 (2) Sentence 1 in conjunction with Section 122 (1) Sentence 3 German Stock Corporation Act (AktG), persons submitting such a request must prove that they have been holding the shares for at least 90 days before the request is received and that they will hold the shares until the Board of Directors decides on how to deal with their request.

Additions to the agenda that must be published will be published in the Federal Gazette immediately after receipt of the request and will be forwarded for publication to such media as may be expected to disseminate the information throughout the European Union. They will furthermore be published on the website at <https://www.einhell.com/HV2021> and shareholders will be notified.

### **Shareholder rights: Counter-motions and nominations**

Furthermore, ordinary and preference shareholders of the Company may submit counter-motions to proposals made by the Board of Directors and/or Supervisory Board on specific agenda items and may make nominations for elections of Supervisory Board members and/or auditors (provided that these elections are items on the agenda). Counter-motions and nominations must be addressed to:

Einhell Germany AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 München  
Germany  
Facsimile: +49 (0)89 889 690 655  
Email: [antraege@better-orange.de](mailto:antraege@better-orange.de).

The Company will publish all counter-motions to proposals made by the Board of Directors and/or Supervisory Board on specific agenda items in accordance with Section 126 (1) German Stock Corporation Act (AktG) and nominations in accordance with Section 127 German Stock Corporation Act (AktG), including any statement of reasons as well as any

comments by the management online at <https://www.einhell.com/HV2021>, provided they were received by the Company by no later than 3 June 2021, midnight (CEST) under the aforementioned address, fax number or email address and the other requirements for the obligation to publish them pursuant to Section 126 or Section 127 German Stock Corporation Act (AktG) are met. Counter-motions and nominations addressed elsewhere will not be considered for publication.

Under certain conditions set out in Sections 126 (2) German Stock Corporation Act (AktG), the Company may refrain from publishing a counter-motion and any accompanying statement of reasons. Nominations are only made accessible if they contain the name, current profession and place of residence of the nominated person.

No counter-motions or nominations may be submitted during the Virtual Annual General Meeting.

Counter-motions and nominations by shareholders that must be made accessible pursuant to Section 126 or Section 127 German Stock Corporation Act (AktG) are deemed to have been made at the Annual General Meeting if the shareholder submitting the motion or nomination is duly authorised and registered for the Annual General Meeting.

**Shareholder rights: Shareholders' right to ask questions under Section 1 (2) Sentence 1 No. 3 and Sentence 2 German COVID-19 Mitigation Act**

Ordinary and preference shareholders or their authorised representatives are entitled to submit questions before the Virtual Annual General Meeting on 18 June 2021 by means of electronic communication. It is at the Board of Directors' dutiful and free discretion to decide how to answer questions.

Shareholder questions must be submitted no later than one day before the AGM, i.e. by 16 June 2021, midnight (CEST) through the password-protected web service that is available on the Company's website at <https://www.einhell.com/HV2021> in accordance with the designated procedures.

No questions may be asked during the Virtual Annual General Meeting.

**Publications on the website**

The information required pursuant to Section 124a German Stock Corporation Act (AktG) and further information on shareholder rights (Sections 122 (2), 126 (1), 127, 131 (1) German Stock Corporation Act (AktG) in conjunction with Section 1 COVID-19 Mitigation Act) will be available to the shareholders at <https://www.einhell.com/HV2021> from the time the Annual General Meeting is convened and also during the AGM.

The outcomes of the votes will also be published on the same website after the Annual General Meeting.

## **Data protection**

In order to carry out the Virtual Annual General Meeting and in order to enable shareholders to attend the AGM and to exercise their rights in the scope of the Virtual Annual General Meeting, the Company will be processing personal data. This data will further be used for purposes in connection therewith and to fulfil additional legal duties (e.g. documentation and archiving duties).

More information on data protection is available on the Company's website at <https://www.einhell.com/HV2021>. Upon request, Einhell Germany AG will also provide this information in printed form.

Landau an der Isar, May 2021

**Einhell Germany AG**

**The Board of Directors**