

CORPORATE GOVERNANCE

The term corporate governance stands for responsible management with the aim of creating long-term added value. Good corporate governance increases the company's value in the long run. Values like responsibility, reliability and trust are therefore a priority at TAKKT. Detailed information regarding the topic of corporate governance at TAKKT can be found in the Declaration on Corporate Governance on the company's website at www.takkt.de. It also includes the current declaration of conformity with the German Corporate Governance Code.

Divisions shape the development of TAKKT AG

TAKKT AG is responsible for functional activities that apply to the entire Group, which is why they can best be implemented at this level. This includes functions such as finance, strategy development, M&A, legal and human resources. TAKKT AG is also increasingly assuming the coordination of, and responsibility for, operating activities in operations (warehousing and logistics) and technology & data (IT infrastructure and data analysis) within the Group in order to bundle and strengthen tasks that are critical to the Group's success. The operating business in terms of sales and marketing is handled within the divisions. Their results therefore have a considerable influence on the net assets, financial position and results of operations as well as the opportunities and risks for the future development of TAKKT AG.

Despite the challenging environment with high inflation rates, the three divisions were able to continue the good growth of the previous year in their operating business and once again achieve significantly higher sales and earnings in 2022. TAKKT AG increased its net income in the year under review to around EUR 91 (around 49) million, which was mainly attributable to the higher result from investments. The equity ratio of the AG was very stable at over 75 percent. As in previous years, the anticipated net income of TAKKT AG in 2023 will depend on the level of the investment result and is expected to be in the mid to high double-digit million euro range.

Information required under takeover law

According to section 289a(1) and section 315a(1) no. 1–9 of the German Commercial Code (HGB), the following details must be disclosed regarding TAKKT AG and the TAKKT Group:

TAKKT AG's share capital totaling EUR 65,610,331 corresponds to 65,610,331 no-par-value bearer shares. These are not subject to any restrictions regarding voting rights or the transfer of shares.

As of December 31, 2022, TAKKT AG is a subsidiary of Franz Haniel & Cie. GmbH, Duisburg, which holds a stake of 65.0 percent. There are no other shareholders holding more than ten percent of voting rights.

Sections 84 and 85 of the German Stock Corporation Act (AktG) and section 5 of the company's articles of association apply for appointing and removing members of the Management Board, while Sections 179 and 133 of the German Stock Corporation Act apply for changing the articles of association.

In accordance with the resolution passed at the Shareholders' Meeting of May 18, 2022, the Management Board of TAKKT is authorized to increase the share capital subject to the approval of the Supervisory Board, once or several times, by an amount of up to EUR 32,805,165 by issuing new no-par-value bearer shares by May 17, 2027, taking shareholders' subscription rights into account.

In addition, the Management Board is authorized, according to the resolution of the Shareholders' Meeting on May 18, 2022, subject to section 71(1) no. 8 of the German Stock Corporation Act (AktG) to acquire treasury shares up to an amount of ten percent of share capital. There is no reverse subscription right or a right to tender in the case of purchasing, nor is there a subscription right for shareholders in the case of selling. The company can exercise this authorization in total or in smaller amounts, once or several times, in the pursuit of one or more objectives until May 17, 2027.

On October 4, 2022, the Management Board of TAKKT AG resolved a share buy-back program for up to three percent of the current share capital with a volume of up to EUR 25 million. The buy-back program started on October 6, 2022, and will end on June 30, 2023, at the latest. Further information on the share buy-back can be found on the company's website.

At the end of the reporting period, an amount of EUR 43.8 million in liabilities from various financial institutions was subject to a change of control clause as per sections 289a(1) no. 8 and 315a(1) no. 8 of the German Commercial Code (HGB).

The additional disclosures as required by section 315a(1) no. 2 of the German Commercial Code (limitation of voting rights), no. 4 (shares with special rights), no. 5 (controlling voting rights of employees) and no. 9 (compensation agreement with the Management Board or employees in case of a takeover offer) are not relevant for TAKKT AG or the TAKKT Group.

Dependence report issued

Franz Haniel & Cie. GmbH, Duisburg is the majority shareholder of TAKKT AG. GmbH, Duisburg, Germany. The Management Board has therefore provided the Supervisory Board with a report on relations with affiliated companies as stipulated in section 312 of the German Stock Corporation Act. The dependence report comes to the following conclusion: "In summary, we can state that TAKKT AG has received adequate payment for every transaction, according to the circumstances known at the time when the transactions were undertaken."