

REPORT OF THE SUPERVISORY BOARD

OF POLYTEC HOLDING AG FOR THE 2023 FINANCIAL YEAR

Dear Shareholders,

During the year under review, the POLYTEC Holding AG Supervisory Board performed the duties incumbent upon it by law, the Articles of Association and the rules of procedure, was involved in fundamental decisions at an early stage and advised the Board of Directors. In the past financial year, as part of the ongoing reporting to the Chairman of the Supervisory Board, as well as in all meetings, on the basis of detailed reports the Board of Directors of POLYTEC Holding AG regularly informed the Supervisory Board and its committees about the business and financial situation, the course of business and the position of the company including its group affiliates.

Individual areas were dealt with in depth in the committees established by the Supervisory Board, which in turn reported to the full Supervisory Board on their activities. The Supervisory Board was thus constantly in a position to review the management of the company in a well-founded manner and support the Board of Directors in fundamental decisions. The Supervisory Board carried out the tasks required of it by law and the Articles of Association in compliance with the Austrian Corporate Governance Code in its current version.

The Supervisory Board held a total of four ordinary and two extraordinary meetings in the year under report, during which individual members also participated by videoconference on a case-by-case basis.

FULFILMENT OF DUTIES

In addition to the current issues emanating from the monitoring of the Board of Directors and the development of the company, the Supervisory Board focused on the economic impact of the ongoing upheavals in the automotive industry towards e-mobility, in the 2023 financial year.

The Board of Director's reporting also focused on the high requirements resulting from technologically demanding new orders with a noticeable impact on the net assets and results of operations of individual plants and the cost increases, which were mainly due to inflation. Other key topics of the meeting were updates on the sustainability strategy and new due diligence obligations with regard to

the supply chains of the POLYTEC Group, the refinancing of major promissory note loans and the change in the Board of Directors of POLYTEC Holding AG in the middle of the year.

AUSTRIAN CORPORATE GOVERNANCE CODE

During the 2023 financial year, the committees created in accordance with the Austrian Corporate Governance Code (ÖCGK) (Audit and Nomination Committees) convened as required. The meetings focused mainly on the discussion of the ongoing OePR review and the adoption of resolutions regarding significant business transactions and measures.

The POLYTEC Holding AG Supervisory Board, which consists of a total of five capital representatives, is committed to compliance with the ÖCGK. Four out of five members of the Supervisory Board are not independent according to the definitions of the ÖCGK. With the exception of four deviations, which are presented in the consolidated corporate governance report, all of the ÖCGK C-Rules are complied with.

REMUNERATION POLICY AND REPORT

Following the entry into force of the 2019 Austrian Stock Corporation Act Amendment Act, in the 2020 financial year, the Supervisory Board and the Board of Directors of POLYTEC Holding AG established a new remuneration policy, which was adopted by the necessary majority at the 20th Annual General Meeting on 7 August 2020.

The remuneration policy must be submitted to the Annual General Meeting for a vote in accordance with sections 78b (1) and 98a of the Austrian Stock Corporation Act (AktG) at least every fourth financial year. The revised remuneration policy will be put to a vote at the 24th Annual General Meeting on 21 June 2024.

ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS

The auditor appointed for the 2023 financial year, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, audited the annual financial statements and the management report, the consolidated financial statements including the POLYTEC Holding AG group management report and both the consolidated non-financial

report and the consolidated corporate governance report for the 2023 financial year. The auditor issued an unqualified audit opinion for both the separate financial statements and the consolidated financial statements of POLYTEC Holding AG for 2023.

On the basis of this audit, in addition to the explanation of particularly important audit matters, amongst other matters it was confirmed that the annual financial statements and the consolidated financial statements comply with the statutory provisions and give a true and fair view of the net assets and financial position as at 31 December 2023, as well as of the earnings for the financial year ending on this date.

In accordance with the auditor's assessment, the annual financial statements have been drawn up in accordance with the stipulations of Austrian company law and the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as applied in the EU (IFRS) and the additional requirements pursuant to § 245a UGB (Austrian Commercial Code).

In its meeting on 11 April 2024, the audit committee of the Supervisory Board dealt in detail with the annual financial statements including the management report, the consolidated financial statements together with the group management report including the non-financial statement and the audit reports of the auditor and discussed the results of the audit with the auditor.

Based on its examination, the audit committee endorsed the auditor's findings. The audit committee of the Supervisory Board reported to the Supervisory Board in accordance with § 92 Austrian Stock Corporation Act (AktG) on the results of the audit and the effects upon the financial reporting, as well as on the additional reporting of the auditor in accordance with Art. 11 of Regulation (EU) No. 537/2014 (Statutory Audit Regulation).

The Supervisory Board took note of and approved the annual financial statements together with the management report and the consolidated financial statements including the consolidated non-financial report and concurs with the results of the audit of the annual financial statements and the consolidated financial statements.

The Supervisory Board approves the annual financial statements for 2023, which are thus adopted in accordance with § 96 (4) Austrian Stock Corporation Act (AktG). The Supervisory Board agreed with the recommendation

of the audit committee and will propose to the Annual General Meeting that KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, be appointed as auditors for the 2024 financial year.

The Supervisory Board agrees with the Board of Directors to propose to the Annual General Meeting that no dividend to be paid for the 2023 financial year.

Despite the unsatisfactory business development in the 2023 financial year, on behalf of the Supervisory Board, I would like to thank the Board of Directors and all POLYTEC GROUP employees for their performance and tireless commitment. I would also like to thank the shareholders and customers of the POLYTEC GROUP for the trust they have placed in us.

Hörsching, in April 2024

Friedrich Huemer

Chairman of the Supervisory Board