

REPORT OF THE SUPERVISORY BOARD**Dear shareholders of Mutares SE & Co. KGaA,**

The fiscal year 2023 can be described as both challenging and successful for Mutares SE & Co. KGaA ("Company", "Mutares"). As part of its business model, Mutares actively and systematically seeks out companies in situations of upheaval in order to sell them profitably after a successful transformation. In times of great uncertainty, this poses operational challenges for the portfolio companies in transition; at the same time, however, it also opens up numerous opportunities for a restructuring specialist such as Mutares, which were once again successfully exploited in the fiscal year 2023. Thanks to increased advisory revenues, income from investments (dividends), and profitable sales of portfolio companies, Mutares has succeeded in generating the highest net income in the Company's history to date. Against this background, the Supervisory Board is satisfied with what has been achieved in the fiscal year 2023 and sees this as an excellent basis for the continued positive development of Mutares.

Personnel and structure

There were no changes to the Company's Supervisory Board in the fiscal year 2023.

The term of office of the four current Supervisory Board members, Volker Rofalski (Chairman of the Supervisory Board), Dr. Axel Müller (Deputy Chairman of the Supervisory Board), Raffaella Rein, and Dr. Lothar Koniarski, expires at the end of the Annual General Meeting in 2024 in accordance with the Articles of Association.

In 2023, the Audit Committee of the Company's Supervisory Board consisted unchanged of the two members Dr. Axel Müller (Chairman) and Volker Rofalski.

In the fiscal year 2023, Raffaella Rein, Dr. Lothar Koniarski, Dr. Axel Müller (Deputy Chairman), and Volker Rofalski (Chairman) were members of the Shareholder Committee.

The general partner of Mutares SE & Co. KGaA, Mutares Management SE, is responsible for the management and representation of the Company (hereinafter "Management Board") through its Management Board, consisting of Robin Laik (Chairman), Mark Friedrich and Johannes Laumann (until November 2023); Johannes Laumann, who had been a member of the Management Board since 2019, resigned from the Management Board of Mutares Management SE at his own request in November 2023.

The Supervisory Board of the Company would like to thank the Management Board of Mutares Management SE for their continued close and trusting cooperation in the fiscal year 2023.



Activity report for the fiscal year 2023

The Company's Supervisory Board performed the duties incumbent upon it in accordance with the law, the articles of association, and the rules of procedure. It met six times in the presence of the Supervisory Board members (in some cases via video conference) and at least one member of the Management Board in each case; the Supervisory Board also regularly met without the Management Board at times. Transactions requiring the approval of the Supervisory Board were submitted in good time; the transactions were carefully reviewed and discussed with the Management Board before an approval decision was made.

Composition of the Supervisory Board - Individualized disclosure of meeting attendance

The attendance rate of members at meetings of the Company's Supervisory Board was 100% at four meetings and 75% at two meetings, while the attendance rate of its committees was 100%.

To implement modern, more sustainable forms of meetings, the meetings of the Supervisory Board and its committees in the fiscal year 2023 were held not only as face-to-face meetings, but also as virtual meetings via video conference or as face-to-face meetings with the option of participating in virtual form (hybrid meetings). The participation of the members of the Supervisory Board in the meetings of the Supervisory Board and the committees is disclosed below in individualized form.

Meetings of the Supervisory Board of Mutares SE & Co. KGaA and its committees

Overview of plenary and committee meetings and individual attendance in the fiscal year 2023

Member	Term	Supervisory Board SB	in %	Audit Committee AC	in %	Shareholders Committee SC	in %
Volker Rofalski (Chairman SB) (Chairman SC)	until 2024	6/6	100	8/8	100	2/2	100
Dr. Axel Müller (Deputy Chairman SB) (Chairman AC) (Deputy Chairman SC)	until 2024	6/6	100	8/8	100	2/2	100
Dr. Lothar Koniarski	until 2024	6/6	100			2/2	100
Raffaella Rein	until 2024	4/6	67			1/2	50

In the fiscal year 2023, the Company's Supervisory Board supported the Management Board in the operational development of the Mutares Group and in all portfolio



decisions based on a timely exchange of information and regularly and extensively dealt with the situation of the Company and the Group.

To this end, the Supervisory Board received regular reports from the Management Board on current developments at the Company and the Group as well as their net assets, financial position, and results of operations and discussed this information in detail with the Management Board. This also included information on deviations in the actual development from previously reported targets and deviations in the actual course of business from planning.

The Management Board also provided regular and comprehensive information on all relevant topics relating to operational management, including significant developments at individual portfolio companies and their financial results. In the fiscal year 2023, this included an intensive, continuous exchange of information regarding the operating performance of the portfolio companies and the measures taken to further develop them, the impact of geopolitical crises on the business performance of the company and the portfolio companies, the results of acquisitions and disposals of portfolio companies and the Company's liquidity, as well as dealing with operating topics that are particularly important for business success, such as IT structure, human resources, compliance, risk management, significant legal disputes, internal auditing and investor relations activities. The Supervisory Board was also kept fully informed about the topics discussed by the Audit Committee through regular reports from the Audit Committee and its minutes.

The Supervisory Board also fulfilled its duty to audit the content of the separate non-financial Group report by continuously monitoring its preparation, in particular through the Audit Committee. It was involved from the outset in identifying the material topics and associated concepts, measures, and results. The Mutares project team responsible regularly reported on the progress of the preparation of the non-financial Group report at the Audit Committee meetings and provided key information. The Supervisory Board was directly involved in the management concepts and selection of non-financial key figures to ensure congruence with the Company's long-term orientation.

The Management Board also informed the members of the Company's Supervisory Board regularly and promptly outside of meetings about current business, updated financial figures, and matters of particular importance. The Management Board presented all company documents that the Supervisory Board wished to inspect in the course of fulfilling its statutory duties without delay and answered all questions asked in this context to the full satisfaction of the Supervisory Board.

The Supervisory Board regularly reviews its activities for efficiency. With this in mind, it has set up an Audit Committee. Beyond this, the Supervisory Board sees no need for further committees or other efficiency-enhancing measures.

Each member of the Supervisory Board discloses any conflicts of interest to the Chairman of the Supervisory Board in accordance with the recommendations of the German Corporate Governance Code ("GCGC"). In the past fiscal year, there were no

indications or notifications of conflicts of interest on the part of Supervisory Board members. The same applies to conflicts of interest of Management Board members.

The members of the Supervisory Board are responsible for their own training and development measures. They are supported in this by the Company. In the fiscal year 2023, the Supervisory Board members took part in various internal and external events to maintain and expand their expertise. At one meeting, the Supervisory Board dealt in detail with current regulatory developments in the areas of compliance and corporate governance as well as the German Corporate Governance Code ("GCGC").

Report on the work of the Audit Committee

The Audit Committee of the Supervisory Board of Mutares SE & Co. KGaA met eight times in the fiscal year 2023, in addition to several informal votes. All Audit Committee meetings were attended by all committee members and at least one member of the Management Board.

In addition to preparing the audit and approval of the annual financial statements, the Audit Committee also dealt with a review of the preparation process for the Company's annual financial statements and consolidated financial statements for the fiscal year 2022 together with the auditor and representatives of the Company's finance department, as well as an update on the preparation of the audits and the determination of key audit areas. The Audit Committee also regularly dealt with business developments and the resulting liquidity situation as well as the quarterly risk reporting submitted by the Management Board of Mutares Management SE. The main topics of individual meetings of the Audit Committee were also compliance, internal auditing, IT structure, and the effects of the Supply Chain Due Diligence Duties Act on the Company. In addition, the Audit Committee dealt intensively with the Company's non-financial Group reporting for the fiscal year 2023 to gain a direct impression of the quality of the preparation process sufficient for an audit of the report prepared by the Management Board, on which the Supervisory Board could then base its final audit opinion.

The Audit Committee is also authorized by the Supervisory Board to review and, if necessary, approve intended commissions for consulting services to the Company's auditor prior to awarding the contract, provided it does not consider the auditor's independence to be impaired by the nature and scope of the contract.

Corporate governance, responsibility and sustainability

The Company is listed in the Prime Standard of the Regulated Market of the Frankfurt Stock Exchange and has therefore also opted for the stock exchange's highest level of transparency concerning corporate governance. The Supervisory Board continuously monitors the development of corporate governance practices. Together with the Supervisory Board, the Management Board reports in detail on the Company's corporate governance in the "Corporate Governance Statement". The Management

Board and Supervisory Board last issued their annual declaration of conformity in December 2023 based on the GCGC as amended on April 28, 2022 (Section 161 AktG); the company makes this permanently available to the public on its website (<https://ir.mutares.com/en/corporate-governance/>).

Responsible action is firmly anchored in Mutares' corporate values. Mutares has already committed itself to the UN Global Compact initiative on corporate responsibility and its four principles in the areas of human rights, labor, environment, and anti-corruption in 2021. The Supervisory Board welcomes this voluntary commitment as an important signal for long-term sustainable corporate governance.

Mutares has published a non-financial Group report for the fiscal year 2023 and thus provides investors and the public with full information on the sustainability performance of the Mutares Group in accordance with CSR-RUG and the EU taxonomy. The non-financial Group report is publicly available on the company's website (<https://ir.mutares.com/en/corporate-governance/>).

Report on the work of the Shareholders' Committee

The Shareholder Committee of the Supervisory Board of Mutares SE & Co. KGaA met twice in the fiscal year 2023, in addition to several votes. At least three-quarters of all committee members attended both meetings of the Shareholder Committee in the fiscal year 2023.

The task of the Shareholder Committee is to carry out the matters assigned to it by the Annual General Meeting or by the Articles of Association in the fiscal year 2023. It exercised all rights arising from or in connection with the shares held by the Company in the general partner, in particular, the exercise of voting rights incumbent upon it at the general meeting of the general partner and the disposal of the shares in the general partner.



Audit of the annual and consolidated financial statements for the fiscal year 2023

Deloitte GmbH Wirtschaftsprüfungsgesellschaft audited the annual financial statements of Mutares SE & Co. KGaA (prepared in accordance with the German Commercial Code (HGB)) and the consolidated financial statements of Mutares SE & Co. KGaA (prepared in accordance with International Financial Reporting Standards (IFRS)) together with the combined management report, each as of December 31, 2023, prepared by the managing Mutares Management SE as the general partner. The annual financial statements and the consolidated financial statements were each issued with an unqualified audit opinion.

At its meeting on March 28, 2024, which was also held by means of telecommunication, the Supervisory Board discussed and examined the annual financial statements and the consolidated financial statements together with the combined management report for the fiscal year 2023 in detail; the audit reports of the auditor were available to the Supervisory Board in each case. Both the Management Board of Mutares Management SE and the undersigned auditors from Deloitte GmbH Wirtschaftsprüfungsgesellschaft were present at the meeting. They were therefore available to explain both sets of financial statements in detail and answered all of the Supervisory Board's questions to its complete satisfaction. The auditors reported on the scope, focus and key findings of the audits, in particular the audit focal points and the audit procedures. No significant weaknesses in the internal control and risk management system were reported.

As a final result of its own review, the Supervisory Board - following the unanimous proposal of the Audit Committee at its meeting on March 25, 2024 - determined that there were no objections to the annual and consolidated financial statements or the combined management report. Following the proposal of the Audit Committee at its meeting on March 25, 2024, the Supervisory Board then approved both the annual financial statements and the consolidated financial statements as well as the combined management report of the Company. At the same time, in agreement with the Management Board of Mutares Management SE, it resolved to propose to the Company's Annual General Meeting that the Company's annual financial statements for the fiscal year 2023 be adopted as prepared by the general partner in accordance with Section 286 (1) sentence 1 of the German Stock Corporation Act (AktG).

In addition, the Management Board of Mutares Management SE also prepared a non-financial Group report in accordance with Sections 289b and 315b HGB. At its meeting on March 28, 2024 - prepared by the meeting of the Audit Committee on March 25, 2024 and the close monitoring of the preparation of the report by the Audit Committee - the Supervisory Board examined the non-financial reporting and did not identify any objections.



Valuation of the fiscal year 2023

In the view of the Supervisory Board, Mutares' business model as a listed private equity firm focused on restructuring not only proved to be resilient in the fiscal year 2023, but also continues to offer good prospects.

Against this background, the Supervisory Board of Mutares SE & Co. KGaA has noted with approval the update of the dividend strategy carried out by the Management Board of Management SE in the fiscal year 2023, which now provides for an annual minimum dividend of EUR 2.00 per dividend-bearing share. In exceptionally successful financial years, the company will also consider the extent to which the remaining unappropriated surplus will also be distributed in the form of a bonus dividend, which may then be reported separately in the future when proposing the appropriation of profits.

In accordance with the resolution of the Annual General Meeting on July 10, 2023, a dividend of EUR 1.75 per share was paid out for the fiscal year 2022 (an increase of EUR 0.25 compared to the previous year), meaning that around EUR 36.1 million (previous year: EUR 30.9 million) was distributed to shareholders.

With revenues of EUR 103.6 million (previous year: EUR 71.1 million) from the Group's internal consulting business, Mutares once again achieved a record figure. Boosted by this and thanks to significant contributions from the two other sources from which the Company's net income for the year is generally derived, namely dividends from portfolio companies and, in particular, exit proceeds from the sale of investments, the Company's net income for the year under commercial law amounted to EUR 102.5 million (previous year: EUR 72.9 million). The sale of Special Melted Products ("SMP"), the most successful exit in the Company's history to date, had by far the greatest impact.

The market opportunities that open up for restructuring specialists in economic crises were actively exploited: The fiscal year 2023 was once again characterized by a high level of transaction activity, the core of Mutares' business model. The number of segments was expanded from three to four in the fiscal year 2023; these segments were strengthened by a total of 16 completed acquisitions in the financial year. In addition, acquisition agreements were signed for two further acquisitions, both of which had not yet been completed as at December 31, 2023. On the exit side, Mutares successfully completed seven sales of portfolio companies in the fiscal year 2023, including the above-mentioned sale of SMP.

Significant restructuring progress was achieved at numerous portfolio companies despite multiple operational challenges. In addition to the early refinancing of the bond in March 2023, the successes of the fiscal year 2023 include the increase of the bond by a volume of EUR 50 million to the existing nominal volume of EUR 150 million as at the reporting date under an existing increase option. The inflow of liquidity serves to refinance the bond issued in the fiscal year 2020, which was thus fully redeemed, as well as for general corporate financing. After the reporting date, the bond was fortunately increased by an amount of EUR 100 million to the maximum nominal volume of EUR 250 million.

As part of the regular review of its small-cap index in December 2023, Deutsche Börse has decided to include the shares of Mutares SE & Co. KGaA in the SDAX. This makes Mutares one of the most liquid and largest listed companies in Germany below the DAX and MDAX in terms of free float market capitalization. The share had already previously been included in the MSCI Germany Small Cap Index within the index family of the US financial services provider MSCI. The promotion to the SDAX and the inclusion in the MSCI Germany Small Cap Index mark further milestones in Mutares' capital market success story since the IPO in 2008 and the move to the Prime Standard of Deutsche Börse in 2021, which is associated with high transparency requirements, as part of the uplisting.

A resilient and promising business model alone does not guarantee such outstanding economic successes in times of unpredictable economic crises; rather, these are very much based on the impressive commitment and outstanding drive with which the enormous challenges of 2023 were tackled by the Management Board. The Supervisory Board would like to express its great appreciation and special thanks to the Management Board for this.

Great thanks and recognition also go to all employees of the Mutares Group for their once again excellent performance and great commitment.

Proposed appropriation of profits

In accordance with the German Stock Corporation Act, the dividend payable to shareholders is based on the net retained profits reported in the annual financial statements of Mutares SE & Co. KGaA prepared in accordance with German commercial law.

The Supervisory Board of the Company follows the proposal of the general partner Mutares Management SE on the appropriation of profits and has also resolved to propose to the Annual General Meeting of the Company to pay out an amount of EUR 2.25 per dividend-bearing share from the Company's net retained profits of EUR 184.2 million as at December 31, 2023 to the shareholders. This corresponds to a total amount of EUR 47.4 million concerning the shares currently in circulation. The remaining amount of EUR 136.8 million is to be carried forward to a new account.

As a listed private equity Company, Mutares will allow its shareholders to participate very directly in the profits of its successful restructuring-oriented business model, subject to a corresponding resolution by the Annual General Meeting.

Outlook

The Supervisory Board is optimistic that, despite persistently challenging economic and geopolitical conditions, the key success factors of the Mutares Group - a promising business model, a well-positioned portfolio, a corporate culture focused on performance and growth, excellent management and highly committed employees -

will continue to have a positive impact in fiscal year 2024 and beyond. With this assessment, the Supervisory Board assumes that Mutares SE & Co. KGaA and the Mutares Group will continue their success story in the current fiscal year 2024.

The Supervisory Board of Mutares SE & Co KGaA,


Volker Rofalski

Chairman of the Supervisory Board
Munich, March 2024