



## 6. OTHER DISCLOSURES

### 6.1. Disclosures relevant for takeovers (Section 289a, Section 315a (1) HGB)

1. As of December 31, 2022, Cherry SE's subscribed capital comprised the following: The Company's share capital amounted to EUR 24,300,000, divided into 24,300,000 no par value bearer shares. All shares carry the same rights and obligations. The rights and obligations of the shareholders are set out in detail in the provisions of the German Stock Corporation Act (AktG), particularly Sections 12, 53a et seq., 118 et seq., and 186.
2. The Cherry SE shares held either directly or indirectly by members of the Management Board were subject to a vesting period that expired on December 29, 2022. Any Cherry SE shares held either directly or indirectly by Marcel Stolk, Chairman of the Supervisory Board, and/or Steven M. Greenberg, member of the Supervisory Board, were subject to a vesting period that expired on June 29, 2022. The shares of the Company that were transferred to the owners of Xtrfy Gaming AB (Landskrona, Sweden) with value date January 17, 2023 are subject to a restriction on sale until January 16, 2025. The Management Board is not aware of any further limitations affecting voting rights or the transfer of shares.
3. According to a voting rights notification received by Cherry SE on July 30, 2021 as well as internal notifications to Cherry SE from individual investors that are not subject to disclosure requirements, the following direct shareholding exceeds 10% of the voting rights: Cherry TopCo S.à r.l. (Argand Partners Fund GP-GP, Ltd.): 30.79%.
4. There are no shareholders with special rights conferring powers of control.
5. There are no controls over voting rights relating to shares held by employees.
6. The appointment and dismissal of members of the Management Board is governed by Sections 84 and 85 of the German Stock Corporation Act (AktG) and Article 7 of the Articles of Incorporation of Cherry SE. The Management Board consists of one or more members. The Supervisory Board determines the number of members on the Management Board. The Supervisory Board may appoint a Chairman of the Management Board and also a Deputy Chairman. The Supervisory Board appoints members of the Management Board, concludes employment contracts, revokes appointments, and also amends and terminates employment contracts. The Supervisory Board may issue rules of procedure for the Management Board. The members of the Management Board are appointed by the Supervisory Board for a maximum period of five (5) years. Reappointments are permissible.

7. In accordance with the resolution of the Annual General Meeting held on June 11, 2021, the Management Board is authorized, with the approval of the Supervisory Board, to increase the share capital of Cherry SE by up to EUR 10,000,000 by issuing up to 10,000,000 new no par value bearer shares in return for cash contributions and/or contributions in kind (Authorized Capital) on or before June 10, 2026. The authorization may be exercised either once or several times in partial amounts, but only up to EUR 10,000,000 in total. Shareholders are fully entitled to subscription rights. If capital increases are made against cash contributions, the shares may also be underwritten by banks or companies designated by the Management Board as defined in Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG), subject to the obligation to offer them to the shareholders for subscription.

In accordance with the resolution of the Annual General Meeting on June 23, 2021, the Management Board is authorized, with the approval of the Supervisory Board, to acquire treasury shares of the Company until June 22, 2026, up to a total of 10% of the Company's share capital existing at the time the resolution is adopted or – if one of these values is lower – at the time this authorization becomes effective or at the time this authorization is exercised. The authorization may be exercised for any legally permissible purpose. The Management Board shall inform the Annual General Meeting in each case of the exercise of the authorization, in particular of the reasons for and purpose of the acquisition of treasury shares, the number of shares acquired and the amount of capital stock represented by them, the proportion of capital stock represented by them and the consideration for the shares. On June 9, 2022, the Management Board, with the approval of the Supervisory Board, launched a share buyback program using this authorization ("Share Buyback Program 2022"). Under the Share Buyback Program 2022, up to a total of 2,000,000 treasury shares (corresponding to up to approximately 8.2% of the Company's current share capital) may be repurchased in a period from June 13, 2022 to June 30, 2023 at a total purchase price (excluding incidental acquisition costs) of up to EUR 25.0 million. As of the balance sheet date, the Company has repurchased 907,117 treasury shares (corresponding to approximately 3.7% of the Company's share capital).

By resolution of the Annual General Meeting held on June 23, 2021, the Company's share capital was conditionally increased by up to EUR 10,000,000, divided into up to 10,000,000 no par value bearer shares (Conditional Capital 2021/1). The conditional capital increase may only be executed if the holders or creditors of option or



conversion rights – or those required to convert/exercise options arising from bonds with warrants and/or convertible bonds, profit participation rights and/or participating bonds issued against cash or non-cash contributions (or combinations of these instruments) that have been issued or guaranteed by Cherry SE or by a subsidiary of Cherry SE by June 22, 2026, based on the authorization given to the Management Board by resolution of the Annual General Meeting held on June 23, 2021 – exercise their option or conversion rights or, if they are required to convert/exercise options, actually fulfill their obligation, or if Cherry SE exercises an option to grant shares in the Company in whole or in part instead of payment of the cash amount due. The conditional capital increase will not be executed if a cash settlement is granted or treasury shares, shares out of authorized capital, or shares in another listed company are used to service the issue. The new shares shall be issued at the option or conversion price, which is to be determined in each case in accordance with the above authorization resolution. The new shares shall participate in profits from the beginning of the fiscal year in which they are created. To the extent legally permissible, the Management Board may, with the approval of the Supervisory Board, determine the profit participation of new shares in deviation from this and from Section 60 (2) sentence 3 AktG, including for a fiscal year which has already expired.

8. Cherry SE's credit agreements do not include change-of-control clauses that grant creditors any extraordinary right of termination.
9. Cherry SE has not entered into any compensation agreements, either with members of the Management Board or with employees, regarding termination of employment in the event of a takeover offer.

## 6.2. Remuneration Report pursuant to Section 162 of the German Stock Corporation Act (AktG)

The Remuneration Report for the 2022 fiscal year is published on the Cherry website at <https://ir.cherry.de/home/corporate-governance/>.

## 6.3. Corporate Governance Statement pursuant to Sections 289f and 315d of the German Commercial Code (HGB)

The Corporate Governance Statement for the 2022 fiscal year is published on the Cherry website at <https://ir.cherry.de/home/corporate-governance/>.

## 6.4. Internal control system and risk management system relating to the Group financial reporting process

Pursuant to Sections 289 (4) and 315 (4) of the German Commercial Code (HGB), Cherry SE is required to describe the key features of its financial reporting-related internal control and risk management system in the Management Report. At the time of the IPO on June 29, 2021, Cherry SE (until December 13, 2022 still operating as an AG) was still in the process of establishing a fully comprehensive internal control system (ICS) and risk management system. At the end of the reporting period, significant progress was made, particularly with regard to the risk management system. In the internal control system, additional measures and mechanisms were implemented in isolated cases, but Cherry has not yet achieved the target structure and will therefore be further improved in fiscal year 2023.

Accordingly, it is a top priority for the Management Board of Cherry SE to further expand the internal control and risk management system in the fiscal year 2023 and in the following years and to improve and automate it with the support of IT systems. System-supported, automated processes that will become an elementary component of the ICS are to contribute to this.

Overall, Cherry SE considers risk management as part of its internal control system (ICS). In this context, the ICS is understood as an ongoing process comprising organizational, management, control, and monitoring structures to ensure compliance with legal and corporate requirements at all times.

The Management Board of Cherry SE is responsible for the extent and the structuring of the ICS, taking the specific requirements of the Cherry Group duly into account. Monitoring the effectiveness of the ICS is one of the duties of the Supervisory Board of Cherry SE, which receives regular reports from the Management Board regarding the actual and planned status of the ICS and the results of internal control and monitoring measures. Together with the Supervisory Board, the Management Board reviews the appropriateness, effectiveness, and functionality of the ICS within the Cherry Group and currently performs these duties by means of various informational, audit, and reporting formats. Its reviews are based on a risk-oriented reporting system managed by Risk Controlling, which also regularly provides for checks at subsidiaries. Moreover, the Accounting and Controlling departments are responsible for checking the correctness of fixed asset and inventory counts.