

INVITATION TO THE ANNUAL GENERAL MEETING 2023

MAY 17, 2023



CHERRY 

– CONVENIENCE TRANSLATION ONLY –

Cherry SE

Munich

ISIN DE000A3CRRN9 / WKN A3CRRN

INVITATION TO THE ANNUAL GENERAL MEETING 2023

The shareholders of our company are hereby invited to the Annual General Meeting of Cherry SE (also referred to below as the “**Company**”), taking place on

**WEDNESDAY, 17 MAY 2023,
AT 10.00AM (CEST)**

at Haus der Bayerischen Wirtschaft, Max-Joseph-Straße 5, 80333 Munich, Germany.

I. AGENDA

- 1. Presentation of the adopted annual financial statements as at 31 December 2022 and the consolidated financial statements approved by the Supervisory Board as at 31 December 2022, the summarised management report for the Company and the Group for the 2022 financial year, the report of the Supervisory Board for the 2022 financial year and the explanatory report of the Management Board on the disclosures pursuant to sections 289a(1) and 315a(1) of the German Commercial Code (Handelsgesetzbuch, HGB)**

The above documents will be available on the internet from the time the Annual General Meeting is convened and during the Annual General Meeting at

<https://ir.cherry.de/de/home/annual-general-meeting>.

These documents will also be available for inspection by the shareholders and explained in more detail during the Annual General Meeting.

The Supervisory Board has approved the annual financial statements prepared by the Management Board and the consolidated financial statements. The annual financial statements have therefore been adopted in accordance with section 172 of the

German Stock Corporation Act*. Therefore, a resolution by the Annual General Meeting regarding this agenda item 1 is not required.

() The provisions of the German Stock Corporation Act apply to Cherry SE pursuant to Article 9(1)(c)(ii) and Article 10 of Regulation (EC) No 2157/2001 of the Council of 8 October 2001 on the Statute for a European company (SE) (hereafter also referred to as "SE Regulation") unless otherwise stipulated in special provisions of the SE Regulation.*

2. Resolution on the approval of the acts of the members of the Management Board for the 2022 financial year

The Management Board and Supervisory Board propose that the acts of the members of the Management Board in office during the financial year 2022 be formally approved for this period.

3. Resolution on the approval of the acts of the members of the Supervisory Board for the 2022 financial year

The Management Board and Supervisory Board propose that the acts of the members of the Supervisory Board in office during the financial year 2022 be formally approved for this period.

4. Resolution on the appointment of the auditors for the audit of the annual financial statements and consolidated financial statements and for any audit review of the half-year financial statements

4.1 Following the recommendation of its audit committee, the Supervisory Board proposes that Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, be appointed as auditors for the audit of the annual financial statements and consolidated financial statements for the 2023 financial year.

4.2 Following the recommendation of its audit committee, the Supervisory Board proposes that Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, be appointed as auditors for any audit review of the half-year financial statements (section 115(5) German Securities Trading Act (*Wertpapierhandelsgesetz, WpHG*)) in the 2023 financial year.

It is intended that agenda items 4.1 and 4.2 will be voted on individually.

The recommendation of the audit committee was preceded by a selection process in accordance with Article 16(3) of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC ("EU Audit Regulation"). Based on this selection process, the audit committee

recommended Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, and Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Nuremberg, and expressed a reasoned preference for Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, to the Supervisory Board for the audit services specified in Article 16(2) of the EU Audit Regulation.

The audit committee has stated that its recommendation is free from undue influence by a third party and that no clause restricting its choice within the meaning of Article 16(6) of the EU Audit Regulation was imposed on it.

5. Resolution on the approval of the Compensation Report for the 2022 financial year

Pursuant to section 162 German Stock Corporation Act, a compensation report on the compensation owed or paid in the last financial year to every current or former member of the Management Board and Supervisory Board is prepared each year by the Management Board and Supervisory Board (“**Compensation Report**”) and presented to the general meeting for approval as specified in section 120a (4) German Stock Corporation Act. The Compensation Report for the 2022 financial year produced by the Management Board and Supervisory Board was reviewed by the Company’s auditors in accordance with section 162(3) German Stock Corporation Act to establish whether the information set out in section 162(1) and (2) German Stock Corporation Act required by law had been provided. The opinion regarding the review of the Compensation Report is attached to the Compensation Report.

The Compensation Report for the 2022 financial year and the opinion regarding the review by the auditors are found in Part II.1 as an annex to this agenda item 5 and on the Company’s website at

<https://ir.cherry.de/de/home/annual-general-meeting>.

The Compensation Report will also be available at the Annual General Meeting.

The Management Board and Supervisory Board propose that the Company’s Compensation Report for the 2022 financial year prepared and reviewed in accordance with section 162 German Stock Corporation Act be approved.

6. Resolution on the election of the members of the Supervisory Board

The term of office of the incumbent members of the Supervisory Board of Cherry SE ends at the end of the Annual General Meeting on 17 May 2023 pursuant to Article 10(2), third sentence of the Articles of Association of Cherry SE. Therefore, all members of the Supervisory Board must be newly elected by the Annual General Meeting.

According to Article 40(2) and (3) SE Regulation in conjunction with section 17(1) of the German SE Implementation Act (*SE-Ausführungsgesetz*, SEAG) and Article 10(1) of the Articles of Association of Cherry SE, the Supervisory Board of Cherry SE consists of seven members who are elected by the general meeting. According to Article 10(2), first and second sentences of the Articles of Association of Cherry SE, the members of the Supervisory Board are, subject to any other specification of their term of office upon election by the general meeting, appointed until the end of the general meeting which passes a resolution formally approving the members' acts for the fourth financial year after the start of their term in office, but for no more than six years, not including the financial year in which their term of office starts.

In order to allow the composition of the Supervisory Board to be adapted to evolving requirements as to members' competencies in the future, the terms proposed on the occasion of this election are to be varying lengths for the candidates nominated below to introduce a staggered structure to the Supervisory Board ("Staggered Board"). This is meant to preclude a situation in which all members of the Supervisory Board need to be replaced in one single general meeting, which may result in the loss of knowledge. By contrast, the transition to a Staggered Board, aside from boosting the body's flexibility, brings about a greater balance between preserving existing and gaining new expertise, thus reinforcing continuity in the Supervisory Board's work. Typically, this approach also makes it easier to bring new members up to speed with respect to their new responsibilities on the Supervisory Board. And finally, varying term lengths facilitate the search for suitable successors on the Supervisory Board since its members do not need to be elected all at once in one single general meeting. This is why Mr James Burns (6.1), Ms Heather Faust (6.3) and Mr Marcel Stolk (6.7) are each to be elected for a three-year term, Mr Joachim Coers (6.2), and Ms Charlotte Hovmand Johs (6.5) each for a two-year term, and Mr Steven M. Greenberg (6.4) and Mr. Dino Sawaya (6.6) each for a one-year term respectively.

Following the recommendation of its nomination committee, the Supervisory Board recommends electing the following persons as members of the Supervisory Board of the Company, in each case to be elected individually:

- 6.1 Mr **James Burns**, independent consultant, resident in San Jose, California, United States of America,
- 6.2 Mr **Joachim Coers**, investor, resident in Nonnenhorn, Landkreis Lindau-Bodensee, Germany,
- 6.3 Ms **Heather Faust**, Managing Partner of Argand Partners, LP, resident in Chatham, New Jersey, United States of America,
- 6.4 Ms **Steven M Greenberg**, lawyer and advisor on IP law and innovation management, resident in Boynton Beach, Florida, United States of America,
- 6.5 Ms **Charlotte Hovmand Johs**, independent advisor, resident in Gland, Switzerland,
- 6.6 Mr **Dino Sawaya**, private equity investor, resident in New Canaan, Connecticut, United States of America, and
- 6.7 Mr **Marcel Stolk**, independent consultant, resident in Amsterdam, The Netherlands.

The election will take effect in each case as of the end of the Annual General Meeting on 17 May 2023 and

- shall be for the persons named under numbers 6.1, 6.3 and 6.7 above for a term of office until the end of the general meeting resolving on the approval of the members' acts for the financial year 2025,
- shall be for the persons named under numbers 6.2 and 6.5 above for a term of office until the end of the general meeting resolving on the approval of the members' acts for the financial year 2024, and
- shall be for the persons named under numbers 6.4 and 6.6 above for a term of office until the end of the general meeting resolving on the approval of the members' acts for the financial year 2023.

The nominations take into account the objectives determined by the Supervisory Board regarding its composition and seek to satisfy the skills profile developed by the Supervisory Board for the board as a whole. The candidates nominated for election have provided an assurance that they are able to devote the expected amount of time to serving on the Supervisory Board of the Company.

Joachim Coers and Heather Faust in particular have the specialist knowledge in the field of accounting required by at least one member of the Supervisory Board under section 100(5) German Stock Corporation. James Burns in particular, who is the

current chairman of the audit committee, has the specialist knowledge in the field of auditing required by at least one other member of the Supervisory Board under section 100(5) German Stock Corporation.

The Supervisory Board is convinced that the members of the Supervisory Board are also in the future as a whole familiar with the sector in which the Company operates for the purposes of the last half-sentence of section 100(5) German Stock Corporation Act.

Marcel Stolk is to stand as a candidate for chair of the Supervisory Board if he is re-elected.

Further information on all candidates nominated for election including their CV with details of relevant knowledge, skills and professional experience and information on memberships of statutory supervisory boards and comparable German and international supervisory committees at commercial companies (section 125(1) sentence 5 German Stock Corporation Act) and corresponding to recommendations C.13 and C.14 of the German Corporate Governance Code, are listed after the agenda in Part II.2. This information is also available on the Company's website at

<https://ir.cherry.de/de/home/annual-general-meeting>.

7. Resolution on the approval of the conclusion of a profit and loss transfer agreement between Cherry SE and Cherry Peripherals GmbH

Cherry SE and Cherry Peripherals GmbH, Munich, whose sole shareholder is Cherry SE, entered into a profit and loss transfer agreement on 20 March 2023. The profit and loss transfer agreement is intended to enable a tax group to be set up between Cherry SE and Cherry Peripherals GmbH for corporate income and trade tax purposes. The profit and loss transfer agreement requires the approval of the Annual General Meeting of the Company in order to be effective.

The Management Board and Supervisory Board propose that the profit and loss transfer agreement between Cherry SE and Cherry Peripherals GmbH dated 20 March 2023 be approved.

The profit and loss transfer agreement between Cherry SE and Cherry Peripherals GmbH dated 20 March 2023 contains the following:

“Profit and Loss Transfer Agreement

between

Cherry SE with its registered office in Munich, registered in the commercial register of Munich Local Court (*Amtsgericht München*) under HRB 280912,

– hereinafter the “**Controlling Company**” –

and

Cherry Peripherals GmbH with its registered office in Munich, registered in the commercial register of Munich Local Court under HRB 280487,

– hereinafter the “**Controlled Company**” –

– the Controlling Company and the Controlled Company also referred to jointly as the “**Parties**” or individually as a “**Party**” –

Preamble

The Controlling Company is the sole shareholder of the Controlled Company.

The Controlled Company is therefore closely connected to the Controlling Company financially. The following profit and loss transfer agreement (referred to below as the “**Agreement**”) is to be entered into in order to create a tax group within the meaning of sections 14 and 17 German Corporate Income Tax Act (*Körperschaftsteuergesetz*, KStG).

§ 1

Transfer of profits

1. The Controlled Company agrees to transfer its entire profits to the Controlling Company in accordance with section 291(1), first sentence, second alternative German Stock Corporation Act (profit and loss transfer agreement) (subject to other retained earnings created and released in accordance with paragraph 2) within the meaning and scope of section 301 German Stock Corporation Act, as amended from time to time.
2. The Controlled Company may place amounts from the annual net profits in other retained earnings within the meaning of section 272(3) German Commercial Code (*Handelsgesetzbuch*, HGB) with the approval of the Controlling Company to the extent permitted under commercial law and economically justified based on reasonable commercial judgement. Other retained earnings within the meaning of section 272(3) German Commercial Code that are set aside during the term of this Agreement are to be dissolved at the request of the Controlling Company and to be transferred as profit.
3. Transferring amounts from the release of other retained profits and from profits carried forward created from or arising from profits which were generated before the financial year in which this Agreement becomes effective and capital reserves within the meaning of section 272(2) German

Commercial Code created before or during the term of this Agreement is excluded. The distribution of profits from the release of such pre-contractual other retained earnings and such capital reserves created under section 272(2) German Commercial Code before or during the term of this Agreement outside this Agreement is permitted.

4. In any case, the Parties agree that the entire provisions of section 301 German Stock Corporation Act, as amended from time to time, apply by analogy.

§ 2

Assumption of losses

The provisions of section 302 German Stock Corporation Act, as amended from time to time, are to be applied by analogy.

§ 3

Due dates, advance payments

1. The obligation to transfer profits or compensate losses arises on the balance sheet date of the Controlled Company and is due on this date. The claim shall bear interest at arm's length.
2. The Controlling Company may claim advance payments towards a transfer of profits to which the Controlling Company is expected to be entitled for the financial year prior to the due date, provided that the Controlled Company's liquidity permits such advance payments. The Controlled Company may claim advance payments towards a net loss expected to be compensated for the financial year to the extent that it requires such advance payments considering its liquidity. Possible advance payments are to be offset against the value of the profit transfer actually due or the net loss for the year actually to be compensated. If and to the extent that the advance payments exceed these actual claims, this difference is to be reimbursed by the recipient of the advance payments.

§ 4

Compensation and settlement by analogy with section 304 et seq. German Stock Corporation Act

Compensation or settlement by analogy with sections 304 et seq. German Stock Corporation Act to external shareholders will not take place, as the Controlled Company does not have any external shareholders.

§ 5

Effective date, term of the Agreement

1. This Agreement requires the approval of the shareholders' meetings of the Parties entering into the Agreement.
2. The Agreement will become effective upon being entered in the commercial register responsible for the Controlled Company and will then apply for the entire financial year running at the time of entry in the commercial register.
3. The Agreement is entered into for an unlimited period of time.
4. Either Party may terminate the Agreement observing a notice period of three (3) months to the end of a financial year of the Controlled Company, but no earlier than at the end of the financial year after the expiry of which the minimum tax term of a profit and loss transfer agreement prescribed in section 14(1) no. 3 of the German Corporate Income Tax Act, which is required for recognition of the corporate income and trade tax group, has been fulfilled (according to the current legal situation five (5) years (60 months), calculated from the start (00.00 hours) of the financial year in which this Agreement became effective by being registered in the commercial register responsible for the Controlled Company ("Minimum Term")). If this Agreement is registered in the financial year commencing on 1 January 2023, the Minimum Term will expire at the close (midnight) of 31 December 2027 or, if no financial year of the Controlled Company ends on that date, at the close of the financial year in progress on that date.
5. This is without prejudice to the right to terminate for cause. The Controlling Company is in particular but not exclusively entitled to terminate for cause if one of the following circumstances occurs:
 - a) the recognition of this Agreement for tax purposes is denied with legally binding effect by a tax notice or judgment or is in danger of being denied on the basis of administrative orders;
 - b) the Controlling Company no longer holds a majority of the equity capital or voting rights in the Controlled Company;
 - c) cause within the meaning of Guideline 14.5 para. (6) German Corporate Income Tax Guidelines (*Körperschaftsteuer-Richtlinien*, KStR) or of an equivalent provision which is applicable at the time of termination of this Agreement otherwise exists;

- d) an external shareholder participates in the Controlled Company for the first time in analogy with section 307 German Stock Corporation Act, as amended from time to time.
6. Any notice of termination must be made in writing and signed.
7. If this Agreement ends, the Controlling Company is required to provide the Controlled Company's creditors with security in accordance with section 303 German Stock Corporation Act.

§ 6 Contract amendment

Any amendments or additions to the provisions of this Agreement must be in writing and signed. This also applies to this clause regarding signed written form.

§ 7 Final provisions

1. The provisions of this Agreement are to be interpreted in such a way that the tax group for income tax purposes intended by the Parties becomes fully effective. Should any of the provisions of the Agreement be or become ineffective or void, this will not affect the legal validity of the remainder of the provisions. The contractual provision concerned is to be replaced with another provision which comes as close as possible to the intended purpose. The same applies in the event that the provisions of the Agreement contain any omissions.
2. If the application of statutory provisions is intended in this Agreement, the latest version of the relevant statutory provisions is to be applied unless otherwise explicitly agreed in this Agreement."

The Company is the sole shareholder of Cherry Peripherals GmbH, meaning that it is not necessary to have the Profit and Loss Transfer Agreement reviewed by a contract auditor in accordance with section 293b(1) German Stock Corporation Act.

The following documents will be available from the time this General Meeting is convened on the Company's website at:

<https://ir.cherry.de/de/home/annual-general-meeting>

- the Profit and Loss Transfer Agreement between Cherry SE and Cherry Peripherals GmbH dated 20 March 2023;

- the joint report of the Management Board of Cherry SE and the management of Cherry Peripherals GmbH submitted under section 293a German Stock Corporation Act;
- the adopted annual financial statements and the approved consolidated financial statements of the Company and the summarised management report for the Company and the group for the 2022 and 2021 financial years (at the time still in the legal form of a stock corporation under the name of Cherry AG) and the adopted annual financial statements and the approved consolidated financial statements of Cherry Holding GmbH (after the change of legal form Cherry AG and now Cherry SE) for the 2020 financial year.

Approved annual financial statements and management reports are not available for Cherry Peripherals GmbH, because Cherry Peripherals GmbH was registered in the commercial register on 22 November 2022 as heptus 501. GmbH in the form of a shelf company which was not economically active in the 2022 financial year and was only activated in December 2022 through economic re-establishment (*wirtschaftliche Neugründung*). Therefore, no further approved annual financial statements and management reports are available for Cherry Peripherals GmbH.

Upon request, each shareholder will receive a copy of these documents without undue delay and free of charge. The documents will also be accessible during the Annual General Meeting on the Company's website at

<https://ir.cherry.de/de/home/annual-general-meeting>.

These documents will also be available for inspection by the shareholders during the Annual General Meeting.

8. Resolution on supplementing Article 16 of the Company's Articles of Association to enable virtual Annual General Meetings in future

The Act Introducing Virtual AGMs at Stock Corporations and Amending Regulations on Cooperatives, Insolvency and Restructuring dated 20 July 2022 (Federal Law Gazette 26 July 2022, from page 1166) enables annual general meetings to also be held in future without the physical presence of shareholders or their proxies at the location of the annual general meeting (virtual AGM). Under section 118a(1) first sentence German Stock Corporation Act, the articles of association may specify or authorise the management board to hold virtual AGMs. An authorisation is to be included in Article 16 of the Company's Articles of Association allowing the Management Board to hold virtual AGMs in future. Under section 118a(5)(2) German Stock Corporation Act the authorisation can be granted for a maximum period of five years after registration of the amendment to the articles of association.

In light of the new rules, the authorisation period allowed by statute of up to five years is not to be fully utilised but limited to two years up to 30 June 2025. This lets the shareholders make an earlier decision on potentially authorising the Management Board again to hold a virtual AGM than if the full statutory period were to be applied.

The virtual AGM in the format laid down by the corresponding new provisions in the German Stock Corporation Act adequately safeguards the shareholders' rights and, in particular, provides for direct interaction between shareholders and the management during the meeting via video communication and electronic communication channels similarly to an annual general meeting in person. Moreover, the proposed provision of the Articles of Association does not directly order the virtual holding of the general meeting, but authorises the management board under section 118a(1) first sentence, second alternative of the German Stock Corporation Act to decide in advance of each general meeting whether the meeting is to be held virtually or in person.

For future annual general meetings, a decision must be made separately taking into account the circumstances on a case-by-case basis whether the authorisation is to be used and an annual general meeting is to be held as a virtual AGM. The Management Board will make its decisions taking into account the interests of the Company and its shareholders and in doing so will weigh up factors including the safeguarding of shareholders' rights in particular as well as aspects such as protecting the health of participants, the effort and costs and sustainability considerations.

Article 16 of the Company's Articles of Association should be supplemented with a corresponding authorisation in a new paragraph 4.

The Management Board and Supervisory Board propose adopting the following resolution:

Article 16 of the Company's Articles of Association will be supplemented by the following new paragraph 4:

"(4) The Management Board is authorised to order that the Annual General Meetings of the Company taking place until 30 June 2025 inclusive shall be held without the physical presence of the shareholders or their proxies at the location of the Annual General Meeting (virtual AGM)."

9. Resolution on the amendment of Articles 18 and 19 of the Company's Articles of Association regarding the chair of the Annual General Meeting and the participation of the members of the Supervisory Board in the Annual General Meeting

The provisions in Article 18 of the Articles of Association relating to the chair of the Annual General Meeting and in Article 19 concerning the participation of the

members of the Company's Supervisory Board in the Annual General Meeting are to be adapted with regard to virtual AGMs.

Pursuant to the second sentence of section 131(2) German Stock Corporation Act, the Articles of Association can authorise the chair of the Annual General Meeting to limit the time in which the shareholders may speak and ask questions and can specify more details in that respect. To ensure the Annual General Meeting runs smoothly, the Company's Articles of Association specify in Article 18(3) as is common market practice that the chair may appropriately limit the time in which the shareholders may speak and ask questions in the Annual General Meeting. The existing rule on this is to be supplemented. In particular it should be made clear that the chair's right to do so also applies to all formats of a virtual Annual General Meeting and also refers accordingly to follow-up queries within the meaning of the first sentence of section 131(1d) German Stock Corporation Act and questions about new facts within the meaning of the first sentence of section 131(1e) German Stock Corporation Act.

In addition, the existing option in Article 19(2) of the Company's Articles of Association of allowing the Supervisory Board members, to attend the Annual General Meeting via audiovisual transmission in certain cases and in coordination with the chair, shall also be extended to cases of a virtual Annual General Meeting. If direct interaction between all or some Supervisory Board members and the Annual General Meeting is necessary, this will be enabled via direct connection of those people via the two-way communication provided.

The Management Board and Supervisory Board propose the following resolution:

9.1 Article 18(3) of the Company's Articles of Association is completely revised as follows:

“(3) The chair of the Annual General Meeting is authorised to adequately limit the time in which the shareholders may speak and ask questions within the meaning of the first sentence of section 131(1) German Stock Corporation Act, ask follow-up questions within the meaning of the first sentence of section 131(1d) German Stock Corporation Act and ask questions on new facts within the meaning of the first sentence of section 131(1e) German Stock Corporation Act. In doing so, he or she can, in particular, place limitations on the speaking time, question time (including the time for follow-up questions and questions on new facts) or the combined speaking and question time (including the time for follow-up questions and questions on new facts) and determine the appropriate timeframe for the whole course of the Annual General Meeting, for individual items on the agenda and for individual speakers at the start or during the course of the Annual General Meeting; this also includes in particular the option

of closing the list of speakers early if necessary and ordering the end of the debate.”

9.2 Article 19(2) of the Company’s Articles of Association is completely revised as follows:

“(2) Supervisory Board members in the Annual General Meeting can attend via audiovisual transmission in coordination with the Chair, insofar as the Supervisory Board member is resident abroad or is unable to attend on the day of the Annual General Meeting or if the Annual General Meeting is held as a virtual Annual General Meeting without the physical presence of the shareholders or their proxies at the location of the Annual General Meeting.”

Individual votes are intended to be held on agenda item 9.1 and 9.2.

II. ANNEXES AND OTHER INFORMATION ON THE AGENDA AND REPORT OF THE MANAGEMENT BOARD

1. Annex to agenda item 5 (Resolution on the approval of the Compensation Report for the 2022 financial year)

REMUNERATION REPORT pursuant to Section 162 AktG

Remuneration Report for the Management Board and Supervisory Board

The Remuneration Report for the Management Board and the Supervisory Board for the 2022 fiscal year has been jointly prepared by the Management Board and the Supervisory Board of Cherry SE (also referred to below as “Cherry” or “the Company”) in accordance with the requirements of Section 162 of the German Stock Corporation Act (AktG). The Remuneration Report explains the principal features of the systems of remuneration in place for the members of the Management Board and the Supervisory Board of Cherry and provides information on the remuneration granted and owed to each current and former member of the Management Board and the Supervisory Board of Cherry in the 2022 fiscal year. The Remuneration Report complies with all current legal and regulatory requirements, in particular Section 162 AktG, and takes into account the recommendations of the German Corporate Governance Code (GCGC). It also complies with all the applicable requirements of the current financial accounting regulations for capital market-oriented companies (German Commercial Code “HGB”, International Financial Reporting Standards “IFRS”) and the guidelines published by the “Guidelines for Sustainable Management Board Remuneration Systems” working group.

Review of the 2022 fiscal year

Cherry SE (the “Company”) was established through a change in the legal form of Cherry AG, which has its registered office in Munich, Germany. The entry in the commercial register of the Munich Local Court was made on December 13, 2022.

Cherry SE's business performance remained below expectations throughout 2022, especially since the beginning of the war in Ukraine and the ongoing supply chain issues. Although the financial earnings targets set for the Management Board were not achieved, the non-financial targets, which primarily related to targeted measures in relation to reporting, were met. From a business performance point of view, the entire 2022 fiscal year was dominated by the lingering impact of the global COVID-19 pandemic on the economy and supply chains, the outbreak of the war in Ukraine in February 2022, and the zero-Covid policy in China. Excessive inventory levels at our customers, the decline in demand caused by high inflation, and the rise in interest

rates resulted in revenue and earnings falling significantly short of original market expectations.

With an issue price of EUR 32.00 on June 29, 2021, the Cherry share recorded a high of EUR 39.00 on August 27, 2021 and had fallen to EUR 24.90 by December 31, 2021. In 2022, due to the decline witnessed across all share indices combined with two profit warnings issued by the Company, the Cherry share fell to a record low of EUR 4.96 on October 12, 2021 but had rebounded to EUR 7.58 by December 31, 2022.

Changes in the composition of the Management Board and the Supervisory Board

From the date Cherry SE was entered as a stock corporation in the commercial register of the Munich Local Court on June 2, 2021 until March 31, 2022, the Management Board comprised two members, *i.e.* the Chief Executive Officer (CEO), Mr. Rolf Unterberger and the Chief Financial Officer (CFO) and Chief Operating Officer (COO), Mr. Bernd Wagner. On April 1, 2022, the Management Board was enlarged to include a third member, Dr. Udo Streller, who took over the position of COO from Mr. Wagner, who had performed the duties of both CFO and COO up to that point. Dr. Streller received a Management Board service contract valid until June 30, 2024.

As of December 31, 2022, Mr. Rolf Unterberger resigned from Management Board and Mr. Oliver Kaltner assumed the role of CEO as of January 1, 2023. His resignation was in alignment with the Supervisory Board, so he retained his contractual STI and LTI entitlements for his service period 2021 and 2022, which are shown in the following overviews. A non-competition clause was subsequently agreed upon with Mr. Unterberger for the six-month period up to June 30, 2023. At 31 December 2022 provisions for this have been made of EUR 192,855. No further compensation or severance payments were granted beyond this.

In the period since Cherry was converted into a stock corporation (AG/SE) and hence during the 2022 fiscal year, the Supervisory Board has consisted of seven members. The members of the Supervisory Board are:

- Marcel Stolk, Chairman of the Supervisory Board
- James Burns, Deputy Chairman of the Supervisory Board and Chairman of the Audit Committee
- Joachim Coers, member of the Personnel and Compensation Committee
- Heather Faust, Chairwoman of the Personnel and Compensation Committee and member of the Audit Committee
- Steven M. Greenberg, Chairman of the Nomination Committee

- Tariq Osman, member of the Nomination Committee and member of the Personnel and Compensation Committee
- Dino Sawaya, member of the Audit Committee and member of the Nomination Committee.

Appropriateness of Management Board remuneration and compliance with the defined maximum remuneration

The remuneration system for the Management Board and the total remuneration for each member of the Management Board are determined and regularly reviewed by the full Supervisory Board – after appropriate preparation by the Personnel and Compensation Committee. The topics addressed by the Supervisory Board and the Personnel and Compensation Committee during the year under report are explained in detail in the Report of the Supervisory Board.

The Supervisory Board reviews the appropriateness of the individual remuneration components and the total amount of remuneration on a regular basis. The review of the appropriateness of the Management Board's remuneration showed that the remuneration resulting from the actual level of target achievement for the 2022 fiscal year is appropriate.

Horizontal comparison (external comparison)

In a horizontal comparison, the Supervisory Board ensures that the target total remuneration is commensurate with the duties and the performance of the Management Board as well as the situation of the Company in general and is also in line with current market practice. In particular, the remuneration levels and structures of comparable companies (peer groups) are examined. Suitable companies are used for this comparison with regard to Cherry's market position (particularly industry, size, and country).

In determining the remuneration of the Management Board, the Supervisory Board takes into account the customary level of remuneration, in particular by reference to those of Prime Standard and other selected national and international companies in the electronics and hardware sector. In a horizontal comparison, the appropriateness of the remuneration of the Management Board is reviewed annually by the Supervisory Board in order to ensure that it is in line with market practice and competitive in view of the economic situation of the Company. In addition to Prime Standard companies, the following national and international companies in particular were used for comparison purposes in the appropriateness review conducted during the year under report: Corsair Gaming Inc., Naccon SA, Logitech International SA, Turtle Beach Corp., Asustek Computer Inc.

Vertical comparison (internal comparison)

In addition to a horizontal comparison, the Supervisory Board compares the remuneration of the Management Board with that of the Cherry workforce in a vertical comparison. In the remuneration system of Cherry AG (now Cherry SE) approved by the Annual General Meeting on June 8, 2022, in addition to the executives used for the vertical comparison, the Supervisory Board is required to take the development of remuneration across the entire workforce into account. The Supervisory Board of Cherry SE therefore reviews the development of the specific total remuneration of the members of the Management Board within the Company in relation to the remuneration trend for senior management as well as the workforce as a whole. The senior management team consists of the first management level below the Management Board, comprising in particular the heads of the four business units as well as those of the main specialist departments. The total workforce includes all the employees of the Cherry Group worldwide.

Compensation granted and owed to the Executive Board in fiscal year 2022 decreased by around -27.7% year-on-year due to the high performance-related variable compensation components. By contrast, compensation granted and owed to the 1st management level decreased by only -1.4% and compensation including all incidental costs of the entire workforce increased by 1.1% year-on-year. Compensation granted and owed to the Supervisory Board did not change.

Remuneration of Management Board members

At the Company's Annual General Meeting held on June 8, 2022, pursuant to Section 120a (1) AktG, the remuneration system for the members of the Management Board – which complies with the requirements of Section 87a AktG and the recommendations of the German Corporate Governance Code (GCGC) – was approved. The service contracts of the currently serving members of the Management Board and the new CEO of Cherry SE comply with the requirements of this remuneration system.

The remuneration system for members of the Management Board is generally based on the size, complexity, and economic situation of the Cherry Group and its prospects for the future. Moreover, the system is geared towards the Group's corporate strategy, thus creating an incentive for successful and sustainable corporate leadership. At the same time, it takes into account the responsibilities and the performance of the Management Board as a whole as well as that of its individual members. The remuneration system is therefore based on transparent, performance-related parameters that are geared towards corporate success and sustainability. In order to place the main focus on Cherry's long-term development, the proportion of long-term variable remuneration exceeds that of short-term variable remuneration.

The Supervisory Board as a whole is responsible for the structure of the remuneration system for members of the Management Board and also for determining their individual remuneration. The Supervisory Board's Personnel and Compensation Committee assists the Supervisory Board in this regard, monitors the proper structuring of the remuneration system, and prepares Supervisory Board resolutions. In the event of significant changes to the remuneration system, but at least every four years, the remuneration system is presented to the AGM for approval.

Overview of the remuneration system for the members of the Management Board of Cherry SE

In determining the total remuneration of each Management Board member, comprising basic remuneration, fringe benefits, a pension plan, short-term variable remuneration (STI), and long-term variable remuneration (LTI), the Supervisory Board has taken care to ensure that the various factors are commensurate with the responsibilities and performance of each Management Board member and Cherry's situation and do not exceed the usual level of remuneration without specific justification. With the assistance of external remuneration consultants, in June 2021 the Supervisory Board aligned the remuneration structure to the sustainable and long-term development of the Company. Consequently, variable remuneration components are based on a multi-year assessment and limits have been agreed upon in the event of any exceptional developments.

The performance criteria for both short-term and long-term variable remuneration are based on the Group's strategic objectives and operational management, which are primarily aimed at increasing profitability. For this reason, adjusted EBITDA in conjunction with the relative development of the share price as performance indicators for Cherry SE form the key performance criteria for variable remuneration. While taking the interests of shareholders and other stakeholders into consideration, the aim is to ensure the sustainability of Cherry SE's business operations and take its social and ecological responsibilities duly into account. In addition to the financial targets set for adjusted EBITDA, the achievement of non-financial targets was also agreed for the 2022 fiscal year.

The following table provides a general overview of the various remuneration components for the members of the Management Board for the 2022 fiscal year, the structure of these components, and the objectives on which they are based. The target values for the performance criteria of the variable remuneration components are set annually by the Supervisory Board at the beginning of each fiscal year. All variable remuneration components are limited by a maximum payout cap. In the 2022 fiscal year, the Management Board received all the remuneration components with effect from January 1, 2022 (with the exception of the new third Management Board member, whose remuneration was granted on a time-apportioned basis with effect from April 1, 2022). The variable remuneration is also subject to malus and clawback

clauses. In addition, the total annual remuneration for members of the Management Board is limited by a maximum remuneration cap.

A share retention program also forms a further key component of the remuneration system. For the duration of their Management Board service contracts, each member of the Management Board is required to purchase and retain Cherry shares equivalent to at least 400% (CEO and CFO) and 150% (COO) of their annual basic remuneration until the end of the share accumulation phase.

The following table provides an overview of the main components of the Management Board's remuneration system, the underlying targets, including their reference to corporate strategy, and their specific structure in the 2022 fiscal year.

Current remuneration structure	Reference to corporate strategy	Application in 2022 fiscal year
Fixed remuneration		
Basic remuneration		
<ul style="list-style-type: none"> Annual fixed, non-performance-based basic remuneration Payable in twelve monthly installments 	Intended to reflect the role and area of responsibility on the Management Board. Intended to ensure an appropriate basic income and prevent unreasonable risk-taking.	CEO: EUR 385,710 p.a. CFO: EUR 303,600 p.a. COO: EUR 285,000 p.a.
Fringe benefits		
<ul style="list-style-type: none"> Fringe benefits/benefits in kind in line with market practice Insurance benefits 	To ensure fringe benefits in line with market practice and the assumption of costs that are directly related to and facilitate the activities of the Management Board.	<ul style="list-style-type: none"> Company car or vehicle allowance (CEO, COO) Accident insurance Contributions to public or private health and long-term care insurance Inclusion in D&O insurance
Pension plan		
<ul style="list-style-type: none"> Contributions to self-funded company pension plan 	Intended to secure a retirement pension in part and only granted if at least the same amount is additionally paid in by the Management Board member. Establishing and securing an adequate pension plan is part of a competitive remuneration system.	CEO: EUR 4,800 p.a. CFO: EUR 4,800 p.a., plus EUR 1,742.49 p.a. for direct insurance COO: EUR 4,800 p.a. The Management Board pension plan takes the form of a direct insurance policy in an outsourced pension fund with Allianz-Pensions Management e.V. that has no impact on the Company's statement of financial position.

Current remuneration structure	Reference to corporate strategy	Application in 2022 fiscal year
		<p>Management Board members are required to pay at least the same amount into the fund by way of salary conversion as that paid by Cherry SE. The monthly contribution is currently limited to EUR 400.</p>
<p>Performance-related annual remuneration</p>		
<p>Short-term variable remuneration (<i>Short Term Incentive, STI</i>)</p>		
<ul style="list-style-type: none"> • Type of plan: Annual bonus based on target amount • Performance criteria: <ul style="list-style-type: none"> • 70% adjusted Group EBITDA • 30% non-financial performance target • Duration: One year • Cash payment with first payroll statement after approval of the consolidated financial statements • Maximum amount payable is capped as a percentage of basic remuneration. 	<p>The STI is a performance-based variable remuneration component with a one-year assessment period that incentivizes the Management Board member's contribution to implementing corporate strategy at an operational level and ensuring sustainable corporate development during the fiscal year concerned.</p> <p>The STI is intended to promote profit-able growth, while taking into account the overall responsibility of the Management Board and the individual performance of each of its members.</p>	<p>CEO: 80%, <i>i.e.</i> EUR 308,568 (assuming 100% target achievement) of the annual basic remuneration once a threshold value of 85% of the agreed target has been achieved.</p> <p>The maximum amount payable is capped at 120%, <i>i.e.</i> EUR 462,852 of the annual basic remuneration (assuming 150% target achievement). Target achievement between 100-150% is calculated on a progressive linear basis, as presented below. The Supervisory Board defines targets on an annual basis.</p> <p>CFO: 60%, <i>i.e.</i> EUR 182,160 (assuming 100% target achievement) of the annual basic remuneration once a threshold value of 85% of the agreed target has been achieved.</p> <p>The maximum amount payable is capped at 90%, <i>i.e.</i> EUR 273,240 of the basic annual remuneration (assuming 150% target achievement). Target achievement between 100-150% is calculated on a progressive linear basis, as presented below. The Supervisory Board defines targets on an annual basis.</p> <p>COO: 31.6%, <i>i.e.</i> EUR 90,000 (assuming 100% target achievement) of the annual basic remuneration once a threshold value of 85% of the agreed target has been achieved.</p>

Current remuneration structure	Reference to corporate strategy	Application in 2022 fiscal year
		<p>The maximum amount payable is capped at EUR 135,000 p.a. (assuming 150% target achievement). Target achievement between 100-150% is calculated on a progressive linear basis, as presented below. The Supervisory Board defines targets on an annual basis.</p> <p>The STI is calculated on the basis of 70% target achievement for adjusted EBITDA and 30% achievement of various other non-financial performance targets.</p>
Multi-year variable remuneration (<i>Long Term Incentive, LTI</i>)		
<ul style="list-style-type: none"> • Type of plan: Virtual Performance Share Plan • Performance criteria: <ul style="list-style-type: none"> • 50% relative Total Shareholder Return • 50% adjusted Group EBITDA • Duration: Four years, consisting of a three-year performance period followed by a one-year lock-up period • Payment either in cash or in Cherry shares, at Cherry SE's discretion • Maximum amount payable is capped as a percentage of basic remuneration. 	<p>Intended to encourage Management Board members to act in the interests of the sustainable and long-term development of the Company. The link to the development of the share price fosters a stronger connection between shareholder interests and the promotion of Cherry's long-term growth. The variable remuneration component within the LTI also depends on Cherry's success in the context of its long-term strategy and is therefore geared to the long-term development of the Cherry Group.</p>	<p>CEO: 120%, <i>i.e.</i> EUR 462,852 of annual basic remuneration (assuming 100% target achievement).</p> <p>CFO: 90%, <i>i.e.</i> EUR 273,240 of the annual basic remuneration (assuming 100% target achievement).</p> <p>COO: 36.8%, <i>i.e.</i> EUR 105,000 of annual basic remuneration (assuming 100% target achievement). In 2022, the entitlement was 75%. The maximum payout amount per LTI tranche is limited to EUR 625,000 p.a.</p> <p>The same targets apply to all members of the Management Board: The LTI performance targets are 50% based on the relative Total Shareholder Return target ("rTSR target") and 50% on the adjusted Group EBITDA target ("LTI EBITDA target"). Together, the rTSR target and the LTI EBITDA target constitute the "LTI performance targets."</p>

Current remuneration structure	Reference to corporate strategy	Application in 2022 fiscal year
Payments in the event of early termination of service		
Termination by mutual consent		
Maximum two years' remuneration (severance payment cap)	Intended to avoid unreasonably high severance payments.	Severance pay in the event of early termination: Two years' remuneration without entitlement to an LTI bonus, benefits in kind, and other fringe benefits. The relevant annual remuneration is set out in the respective Management Board service contract. If the contract is terminated on a "bad leaver" basis, all claims to the STI that have not yet been paid out are also forfeited. "Bad leaver" covers resignation for good reason pursuant to Section 84 (3) AktG or due to termination by the Management Board member without good reason.
Other remuneration provisions		
Maximum remuneration		
Pursuant to Section 87a (1) Sentence 2 no. 1 AktG	Prevents unreasonably high remuneration.	The service contracts for members of the Management Board contain provisions on maximum remuneration. <ul style="list-style-type: none"> • CEO: EUR 3.5 million • CFO: EUR 3.0 million • COO: EUR 1.25 million
Share retention program		
Purchase and retention of Cherry shares in relation to the respective basic remuneration.		Each member of the Management Board is required to purchase and retain Cherry shares equivalent to 400% (CEO and CFO) and 150% (COO) of their annual basic remuneration until the end of the share accumulation phase.
Malus/compliance clawback clause	and Strengthens incentives to adhere to key principles of duty and compliance by avoiding inappropriate conduct and unreasonable risks	The Supervisory Board has the option to withhold the STI and LTI or reclaim variable remuneration already paid out in the event of a breach of duty pursuant to Section 93 AktG and/or other compliance duties on the part of Management Board members.
Continued payment of remuneration in the event of illness		Six months, or at the latest when the Management Board member's service contract expires.

In the 2022 fiscal year, the Management Board received the above remuneration from January 1, 2022 to December 31, 2022 on a time-apportioned basis for twelve months with the exception of the new Management Board member, who received the basic remuneration and the STI and LTI entitlement from April 1, 2022, *i.e.* for a period of nine months.

Target remuneration and remuneration structure

The Supervisory Board of Cherry SE has determined the amount of target remuneration for each member of the Management Board applicable for the 2022 fiscal year on a time-apportioned basis as shown in the following table. In doing so, it has ensured that the **target total remuneration** is commensurate with both the responsibilities and the performance of the respective Management Board member. Furthermore, the Supervisory Board of Cherry SE took particular account of the economic situation and the market environment as well as the success and future prospects of the Cherry Group, paying close attention to the standard market rate of the target total remuneration.

Table 1 – Management Board target remuneration 2022

Maximum target remuneration for 100% target achievement	Rolf Unterberger, CEO		Bernd Wagner, CFO		Dr. Udo Streller, COO	
	2022 (Jan. 1–Dec. 31, 2022)		2022 (Jan. 1–Dec. 31, 2022)		2022 (Apr. 1–Dec. 31, 2022)	
	in €	in %	in €	in %	in €	in %
Basic remuneration	385,710	32.3%	303,600	38.0%	213,750	55.5%
Fringe benefits	32,908	2.8%	32,978	4.1%	24,698	6.4%
Pension plan	4,800	0.4%	6,542	0.8%	400	0.1%
Total fixed remuneration	423,418	35.4%	343,121	43.0%	238,848	62.0%
Short-term variable remuneration (STI)	308,567	25.8%	182,160	22.8%	67,500	17.5%
Long-term variable remuneration (LTI)	462,852	38.7%	273,240	34.2%	78,750	20.4%
Total variable remuneration	771,419	64.6%	455,400	57.0%	146,250	38.0%
Other		0.0%		0.0%		0.0%
Target total remuneration	1,194,837	100.0%	798,521	100.0%	385,098	100.0%

Appropriateness of Management Board remuneration

In accordance with the remuneration system, the Cherry SE Supervisory Board conducts a review of the market compatibility of the Management Board's remuneration at regular intervals, generally on the basis of a horizontal and vertical comparison. The horizontal review of the appropriateness of the remuneration is conducted based on a comparison with other listed companies. Listed companies with which Cherry SE competes for talent were used for comparative purposes. When conducting the peer group analysis, the Supervisory Board considers companies that are similar to Cherry in terms of market position, industry, size, and country. Eleven listed companies based in Central Europe and North America were used for the peer group analysis in 2022. The peer group consists primarily of market-leading listed companies in the gaming and computer peripherals sector with consumer markets throughout all international regions. The companies selected have a similar business model. Moreover, the Supervisory Board has ensured that the companies included in the peer group are also comparable in terms of size. The Personnel and Compensation Committee considers financial characteristics such as revenue, earnings, and profitability when assessing the appropriateness of the remuneration packages for the Management Board.

Variable remuneration in the 2022 fiscal year

Amount of annual bonus (STI) for the 2022 fiscal year

The STI is a performance-based variable remuneration component with a one-year assessment period. 70% of the STI is calculated on the basis of target achievement for adjusted Group EBITDA (**STI EBITDA target**) and 30% on the achievement of various other non-financial performance criteria (**non-financial STI targets**).

Table 2 – STI diagram

The payment of the STI is calculated as follows:



Contribution to the long-term development of the Company

Adjusted EBITDA reflects the Cherry Group's operating profitability and thus helps to promote its business strategy. In addition to its financial development, the sustainable non-financial development of the Cherry Group is also of critical importance for its long-term success. This component of the STI is measured by the achievement of non-financial performance criteria that deliver a qualitative improvement and therefore underpin Cherry SE's capital market viability. For 2022, the focus was therefore on establishing a Group-wide corporate strategy, enlarging the Management Board, improving cooperation with the Supervisory Board, expanding management roles within the business units, and broadening the scope of Investor Relations work in line with the Prime Standard in order to provide investors and the capital market with appropriate information.

Financial performance criterion

The STI EBITDA target value is set annually by the Supervisory Board and based on the budget drawn up for the Cherry Group. The following applies when determining the target and threshold values: If the STI EBITDA target achievement is below 85% of the STI EBITDA target, the share of the total STI target achievement attributable to EBITDA is 0%. If the STI EBITDA target achievement is 85% of the STI EBITDA target, the share of the total STI target achievement attributable to EBITDA is 50% (**lower**

threshold value). If the STI EBITDA target achievement is 100% of the STI EBITDA target, the share of the total STI target achievement attributable to EBITDA is 100% (**target value**). If the STI EBITDA target achievement is 120% of the STI EBITDA target, the share of the total STI target achievement attributable to EBITDA is 125% (**upper threshold value**). If the STI EBITDA target achievement is 135% of the STI EBITDA target or greater, the share of the total STI target achievement attributable to EBITDA is 150% (**maximum threshold value**). If the STI EBITDA target achievement lies between the above-mentioned percentages, the STI EBITDA target achievement is calculated on a linear basis. The maximum target achievement is capped at 150% of the STI EBITDA target.

The STI bonus curves are structured according to the following diagram:

Table 3 – STI diagram



With regard to the financial performance criterion relevant for the 2022 fiscal year (STI EBITDA target), the Supervisory Board determined the following target achievements (in EUR million) after the end of the fiscal year:

STI financial target achievement 2022

Performance criterion	Lower threshold value for 50% target achievement	Target value for 100% target achievement	Upper threshold value for 125% target achievement	Maximum threshold value for 150% target achievement (cap)	Actual figure for 2022	Target achievement for 2022 in %
Adjusted Group EBITDA	42.50	50.00	62.50	75.00	15,20	30.40%

As the 2022 target agreed upon for the members of the Management Board is based on adjusted EBITDA, additional one-time adjustments were made in 2022 for extraordinary expenses related primarily to personnel changes, the corporate conversion to an SE, M&A activities, and the e-commerce launch totaling EUR 2.979 million. These expenses raised the actual financial targets achieved but were nevertheless not sufficient to achieve the overall financial targets, as the 85% threshold was not reached.

Non-financial performance criterion

The non-financial targets for 2022 mainly consisted of personal targets set for the Chairman of the Management Board, the Chief Financial Officer, and the Chief Operating Officer. The targets were different for each Management Board member in 2022. The non-financial targets were largely achieved with an achievable target attainment of between 78 - 113%. The achievement of the milestones reflects performance against development of the business strategy, integration of acquisitions, reliability of financial reporting, development of cost optimization initiatives, and implementation of ESG considerations including team development and mentorship.

STI total target achievement in 2022

For the members of the Management Board, this results in the following total target achievements and payments for the full year 2022 (January 1 to December 31, 2022) for the STI:

Table 4 – Total target achievement 2022

STI Target achievement 2022	Target amount 100%	Target achievement in %		Total target achievement	Amount payable in € (Jan. 1–Dec. 31, 2022)**
		financial target achievement	Non-financial performance		
Rolf Unterberger	308,568.00	0.00%	109%	32.7%	102,900
Bernd Wagner	182,160.00	0.00%	78%	23.5%	42,806
Dr. Udo Strelker*	67,500.00	0.00%	113%	34.0%	22,950
Total	558,228.00			30.00%	168,656

*Time-apportioned with effect from April 1, 2022

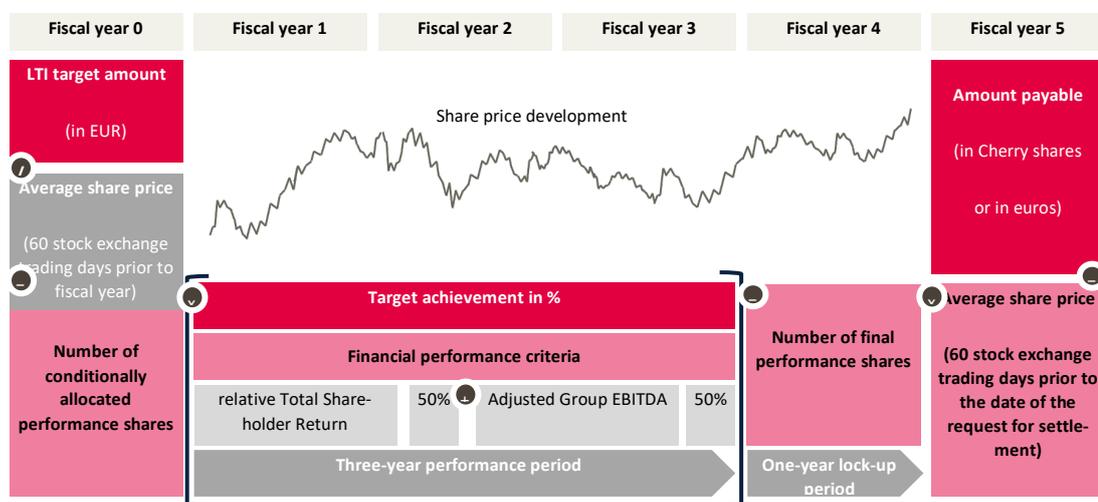
**Payment expected in April 2023

Long-term variable remuneration 2022 (LTI 2022) – conditionally allocated virtual shares

The LTI is structured as a Performance Share Plan in which virtual shares (performance shares) of Cherry SE are conditionally allocated in annual tranches on January 1 of each fiscal year (conditionally allocated performance shares). The duration of an LTI tranche is four years and consists of a three-year performance period (LTI Performance Period) and a subsequent one-year lock-up period (lock-up period). The LTI performance targets regularly consist of 50% based on relative Total Shareholder Return (rTSR target) and 50% based on adjusted Group EBITDA (LTI EBITDA target).

Table 5 – LTI diagram

The payment of the LTI is calculated as follows:



Contribution to the long-term development of the Company

The long-term variable remuneration (LTI) is intended to encourage the members of the Management Board to act in the interests of the sustainable and long-term development of Cherry SE. The link to the development of the share price fosters a stronger connection between shareholder interests and the promotion of Cherry's long-term growth. The variable remuneration component within the LTI also depends on Cherry's success in the context of its long-term strategy and is therefore geared to the long-term development of the Cherry Group. The relative Total Shareholder Return is an external performance criterion geared to the capital market and therefore promotes the congruence of interests between management and shareholders. Taking into account the share price performance compared with a peer group (SDAX) also creates an incentive to compete in the long term and outperform the peer group. Adjusted EBITDA reflects the Cherry Group's operating profitability and thus helps to promote its business strategy.

Number of conditionally granted performance shares and determination of targets

With effect from January 1, 2022 (CEO and CFO) and April 1, 2022 (COO), the members of the Management Board were granted an entitlement to receive multi-year variable share-based remuneration for the second and first time respectively. At the beginning of the three-year performance period, the Management Board members receive a number of conditionally allocated performance shares equal to the contractually agreed target amount. The conversion into performance shares is generally based on the average price of Cherry shares during the last 60 trading days prior to the beginning of the four-year term. The average share price relevant for the LTI 2022 is EUR 27.98. The number of performance shares conditionally granted to the individual Management Board members under the LTI in the year under report for the periods from January 1, 2022 and April 1, 2022 to December 31, 2022 respectively is shown in the following table.

Table 6 – LTI target amounts of conditionally granted performance shares

Management Board	2021			2022		
	Target amount (in EUR)	Share price (in EUR)	Number of conditionally allocated performance shares in 2022	Target amount (in EUR)	Share price (in EUR)	Number of conditionally allocated performance shares in 2022
Rolf Unterberger*	231,426.00	34.40	6,727	462,852.00	27.98	16,542
Bernd Wagner*	136,620.00	34.40	3,971	273,240.00	27.98	9,766
Dr. Udo Streller**	-	-	-	78,750.00	27.98	2,815

*Time-apportioned with effect from July 1, 2021

**Time-apportioned with effect from April 1, 2022

LTI EBITDA target

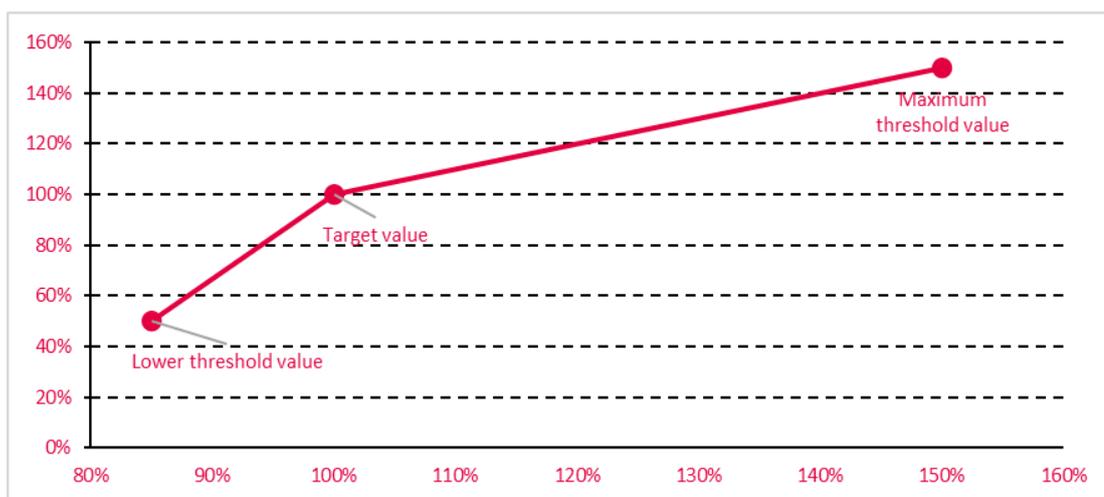
Target achievement in relation to Group adjusted EBITDA is calculated by comparing the Group's average adjusted EBITDA over the three-year performance period with a target value set by the Supervisory Board prior to the actual award. To measure target achievement, the adjusted EBITDA actually achieved based on the relevant approved consolidated financial statements of Cherry SE is compared with the target value for the respective fiscal year. The Supervisory Board takes into account adjustments to EBITDA to an appropriate extent due to, for example, M&A activities, capital market measures, the conversion of the AG into an SE, and other non-recurring special expenses. Target achievement for the LTI EBITDA target is calculated as the average of the LTI EBITDA target achievements during the respective performance period.

As the performance period and the LTI tranche for 2022 does not end until December 31, 2024 and will not be paid out until after the lock-up period (December 31, 2025), the Management Board members did not receive any payments under the LTI in the 2022 fiscal year. The achievement of the LTI tranche for 2022 will be assessed at the end of the performance period, which ends on December 31, 2024.

The following applies when determining the target and threshold values: If the target achievement for the LTI EBITDA target is below 85% of the target value for the year, the LTI EBITDA target achievement is "0" and the Management Board member will not receive any final performance shares for the LTI EBITDA target. If the target achievement for the LTI EBITDA target reaches 85% of the target value, the LTI EBITDA target achievement is 50% (lower threshold value). If the target achievement for the LTI EBITDA target reaches 100% of the target value, the LTI EBITDA target achievement is 100%. If the target achievement for the LTI EBITDA target reaches 150% of the target value or greater, the LTI EBITDA target achievement is 150% (upper threshold value). If the LTI EBITDA target achievement lies between the above-mentioned percentages, the LTI EBITDA target achievement is calculated on a linear basis. The maximum target achievement is capped at 150% for the LTI EBITDA target.

The bonus curve of the LTI EBITDA target is structured according to the following diagram:

Table 7 – LTI EBITDA bonus curve



The target value for the LTI EBITDA target is set by the Supervisory Board prior to or at the beginning of the respective LTI tranche for each of the three fiscal years of an LTI performance period and is based on the budget drawn up for the Cherry Group. For the 2022 fiscal year, the target value for the LTI EBITDA target was set at EUR 50.0 million. The actual figure achieved in the 2022 fiscal year was EUR 15,20 million, resulting in a target achievement of 30.4% for the 2022 fiscal year, which is below the required threshold of 85%.

rTSR target

The rTSR is calculated on the basis of the development of the share performance of the Company's share (**Cherry share**) in relation to the development of the SDAX. The rTSR for the respective LTI performance period is the difference between the TSR (Total Shareholder Return) value of the Cherry share and the TSR value of the SDAX according to the following formula:

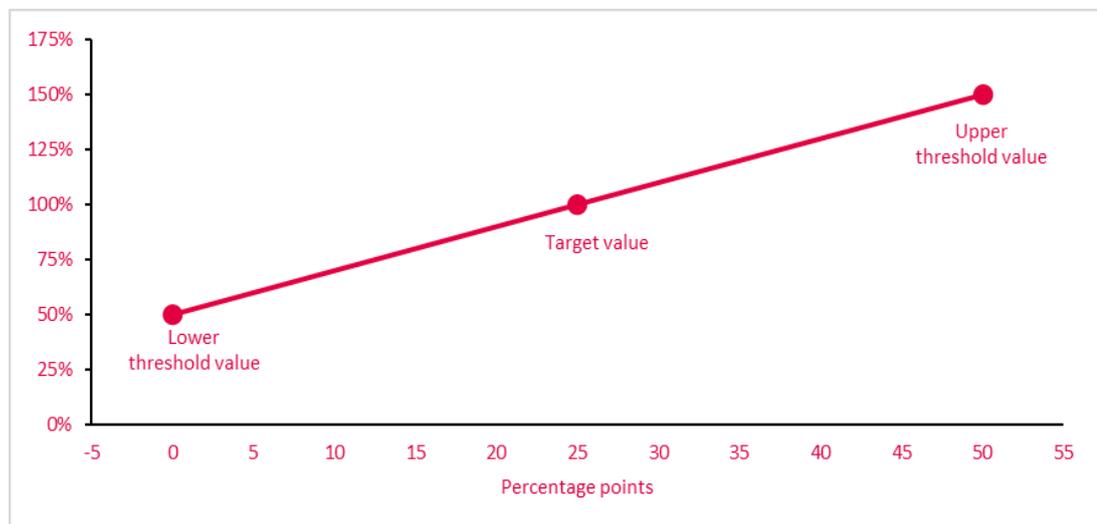
$$rTSR = TSR \text{ Cherry share} - TSR \text{ SDAX}$$

The following applies when determining the target and threshold values: If the difference between the TSR of the Cherry share and the TSR of the SDAX is less than 0 percentage points (*i.e.* negative), the rTSR target achievement is "0%" and the Management Board member will not receive any final performance shares in conjunction with the rTSR target. If the difference between the TSR of the Cherry share and the TSR of the SDAX equals 0 percentage points, the rTSR target achievement is "50%"

(**lower threshold value**). If the difference between the TSR of the Cherry share and the TSR of the SDAX equals 25 percentage points, the rTSR target achievement is "100%" (**target value**). If the difference between the TSR of the Cherry share and the TSR of the SDAX equals 50 percentage points or more, the rTSR target achievement is "150%" (**upper threshold value**). If the TSR target achievement lies between the above-mentioned percentages, the rTSR target achievement is calculated on a linear basis. However, the rTSR target achievement cannot exceed 150% of the initial performance shares related to the rTSR target under any circumstances.

The bonus curve of the rTSR target is structured according to the following diagram:

Table 8 – rTSR target bonus curve



As the initial performance period in 2022 does not end until December 31, 2024, the Management Board members did not receive any payments under the LTI for the 2022 fiscal year and therefore did not receive any remuneration granted or owed under the LTI in 2022 pursuant to Section 162 (1) AktG.

Share retention program

In order to align the interests of the members of the Management Board of the Company even more closely with those of the shareholders over and above the variable remuneration, members of the Management Board are required to retain shares in the Company (share retention program). For the duration of their Management Board service contracts, each member of the Management Board is required to purchase and retain Cherry shares equivalent to at least 400% (CEO and CFO) of their annual basic remuneration until the end of the share accumulation phase. The COO is required to purchase and retain 150% of his annual base compensation in Cherry shares until the end of the share accumulation phase. As of the reporting date, the members

of the Executive Board held the required number of shares in the shareholding program.

The retained shares are to be accumulated within four years of the beginning of the Management Board service contract. The Management Board member is required to spend a total amount corresponding to the relevant equivalent value as the purchase price for the Cherry shares acquired by the member in each case. Any Cherry shares already held by the Management Board member are thereby taken into account.

Each Management Board member is required to regularly provide Cherry SE with suitable evidence of the shares currently held at the end of each six-month financial reporting period throughout the duration of the Management Board service contract and immediately prior to the due date of the respective LTI payout.

Compliance with maximum remuneration

Pursuant to Section 87a (1) sentence 2 no. 2 AktG, the service contracts of the current members of the Management Board stipulate a maximum annual remuneration of EUR 3.5 million for the Chairman of the Management Board, EUR 3.0 million for the CFO, and EUR 1.25 million for the COO. However, the maximum remuneration can only be reviewed retrospectively once the payment of the LTI tranche issued for the respective fiscal year has been made. As the incumbent members of the Management Board received an LTI tranche with a three-year term in the year under report, compliance with the maximum remuneration as defined in Section 162 (1) sentence 2 no. 7 AktG can only be reported on for the first time in the Remuneration Report for the 2025 fiscal year.

Malus and clawback clauses

Under certain circumstances, the Supervisory Board has the option to withhold remuneration not yet paid out of variable remuneration components (“**malus**”) or reclaim remuneration already paid out of variable remuneration components (“**clawback**”).

No variable remuneration components were either withheld or clawed back in the 2022 fiscal year.

Third-party benefits

No benefits were either pledged or awarded by a third party to the incumbent members of the Management Board during the 2022 fiscal year with regard to their activities as members of the Management Board.

Change of control

No specific provisions exist in the event of a change of control.

Remuneration granted and owed to members of the Management Board pursuant to Section 162 (1) sentence 1 AktG

During the 2022 fiscal year, the members of the Management Board were granted remuneration for the period from January 1, 2022 to December 31, 2022 (with the exception of the Management Board member who most recently joined). The following tables show the remuneration granted and owed to the individual members of the Management Board in the 2022 fiscal year pursuant to Section 162 (1) sentence 1 AktG. This represents the total amount of remuneration granted in the 2022 fiscal year (basic remuneration, fringe benefits, variable remuneration related to a single year, and pension expense).

Remuneration is deemed to have been granted as defined in Section 162 (1) sentence 1 AktG once it is actually received by the member of the executive body and is thus transferred to his/her assets, irrespective of whether the payment is made to meet an obligation or for no legal reason. In the following table, remuneration is also deemed to have been granted as defined in Section 162 (1) sentence 1 AktG if the underlying work over one or more years has been completed by the end of the fiscal year and the remuneration is not transferred to the recipient's account until the beginning of the following fiscal year. The amounts disclosed in relation to the STI correspond to the entitlements earned for the fiscal year 2022, as the underlying performance was fully rendered by the end of the fiscal year on December 31, 2022, and the STI was therefore fully earned (performance period: January 2022 to December 2022, payment expected in April 2023). The bonus (STI) for the 2022 fiscal year is therefore regarded as remuneration granted as defined in Section 162 (1) sentence 1 AktG. For the LTI 2022, this applies mutatis mutandis: The underlying performance will not be fully rendered until the end of the fiscal year on December 31, 2024 and the LTI 2022 will therefore only be fully earned in 2024 (performance period: from January/April 2022 to December 2024, payment expected in June 2026). The LTI 2022 for the 2022 fiscal year is therefore not disclosed in this Remuneration Report, but for the first time in the Remuneration Report 2025 as remuneration granted in the 2024 fiscal year as defined in Section 162 (1) sentence 1 AktG.

The following table shows the remuneration granted and owed to the members of the Management Board who were active in the 2022 and 2021 fiscal years pursuant to Section 162 (1) sentence 1 AktG. These are the remuneration components that were either actually paid to the individual Management Board members within the period under report ("granted") or already legally due in the period under report, but not yet paid ("owed").

Table 9 – Overview of remuneration granted and owed pursuant to Section 162 AktG

Rolf Unterberger (Management Board member since June 1, 2021)	2021		2022	
	(in EUR)	(in %)	(in EUR)	(in %)
Basic remuneration	224,998	47.8%	385,710	73.6%
Fringe benefits	20,488	4.4%	32,908	6.3%
Total	245,486	52.2%	418,618	89.0%
Short-term variable remuneration (STI)*	221,960	47.2%	100,902	19.2%
Long-term variable remuneration (LTI)**	/	/	/	/
Total	221,960	47.2%	100,902	19.2%
Pension expense	2,800	-0.6%	4,800	0.9%
Total remuneration	470,246	100.0%	524,320	100.0%
Bernd Wagner (Management Board member since June 1, 2021)	2021		2022	
	(in EUR)	(in %)	(in EUR)	(in %)
Basic remuneration	177,100	53.5%	303,600	78.7%
Fringe benefits	19,258	5.8%	32,978	8.5%
Total	196,358	59.3%	336,578	87.2%
Short-term variable remuneration (STI)*	131,032	39.6%	42,806	11.1%
Long-term variable remuneration (LTI)**	/	/	/	/
Total	131,032	39.6%	42,806	11.1%
Pension expense	3,816	1.2%	6,542	1.7%
Total remuneration	331,206	100.0%	385,927	100.0%
Dr. Udo Streller (Management Board member since April 1, 2022)	2021		2022	
	(in EUR)	(in %)	(in EUR)	(in %)
Basic remuneration	/	/	213,750	81.6%
Fringe benefits	/	/	24,698	9.4%
Total	/	/	238,448	91.0%
Short-term variable remuneration (STI)*	/	/	22,950	8.7%
Long-term variable remuneration (LTI)**	/	/	/	/
Total	/	/	22,950	8.7%

Pension expense	/	/	400	0.2%
Total remuneration	/	/	261,798	100.0%

*In 2021, STI is calculated on a time-apportioned basis with effect from June 2021

**LTI in 2021 and 2022 are recorded as an expense for personnel-related provisions, despite the fact that an entitlement has not yet arisen.

Supervisory Board remuneration 2022

Structure of Supervisory Board remuneration

The remuneration of the members of the Supervisory Board is governed by Article 14 of the Company's Articles of Incorporation.

The remuneration of the members of the Supervisory Board comprises a fixed amount of EUR 45,000. In addition, Cherry SE reimburses the members of the Supervisory Board for necessary expenses incurred in the performance of their duties and for the value-added tax they are legally required to pay. Furthermore, the members of the Supervisory Board are included in a financial loss liability insurance policy for members of executive bodies (directors' and officers' liability insurance) maintained by the Company at an appropriate level in the interests of the Company, insofar as such a policy exists. In compliance with Recommendation G.17 of the GCGC, the greater time commitment of the Chairman and the Deputy Chairman of the Supervisory Board as well as the chairpersons and members of committees is appropriately taken into account. The Chairman of the Supervisory Board receives a fixed remuneration of EUR 90,000 and the Deputy Chairman a fixed basic remuneration of EUR 67,500 for the respective fiscal year.

For their work on the Audit Committee of the Supervisory Board, the Chairman of the Audit Committee receives EUR 25,000 and each further member of the Audit Committee receives EUR 12,500 for the respective fiscal year. The Chairman of the Nomination Committee and the Chairwoman of the Personnel and Compensation Committee each receive an additional annual fixed remuneration of EUR 15,000. Each member of the Supervisory Board who is also a member of the Personnel and Compensation Committee or the Nomination Committee without being chairperson receives an additional fixed annual remuneration of EUR 7,500.

The annual remuneration is payable at the end of each fiscal year and falls due for payment within the first six weeks of the following fiscal year. The initial members of the Supervisory Board and any members who join the Supervisory Board, a committee, commence a specific function or leave the Supervisory Board, a committee, or a specific function during a fiscal year are entitled to receive one twelfth of the relevant

annual remuneration component for each month or part thereof of their membership or the performance of their function.

The Supervisory Board's remuneration for the 2022 fiscal year was paid in February 2023.

Pursuant to Section 113 (3) AktG, a resolution on the remuneration of the members of the supervisory boards of listed companies must be approved by the Annual General Meeting at least every four years. The most recent resolution on the remuneration of the members of the Supervisory Board was approved by the Annual General Meeting of the Company on June 8, 2021.

Remuneration granted and owed to members of the Supervisory Board pursuant to Section 162 (1) sentence 1 AktG

The remuneration for the individual members of the Supervisory Board of Cherry SE pursuant to Section 162 (1) sentence 1 AktG for the 2022 fiscal year is presented below, whereby the remuneration of the Supervisory Board members included therein reflects the "remuneration granted and owed" pursuant to Section 162 (1) sentence 1 AktG as defined above in the Section "Remuneration granted and owed to members of the Management Board pursuant to Section 162 (1) sentence 1 AktG".

Table 10 – Remuneration granted and owed to members of the Supervisory Board pursuant to Section 162 (1) sentence 1 AktG

Name	Function	Committee chair	Remuneration 2021	Basic remuneration 2022	Basic remuneration	Nomination Committee	Personnel and Compensation Committee	Audit Committee	Committee remuneration	Total remuneration 2022
				(EUR)	in %	(EUR)	(EUR)	(EUR)	in %	(EUR)
Marcel Stolk	Chairman		60,000	90,000	100%				0%	90,000
James Burns	Deputy Chairman	X	59,583	67,500	73%			25,000	27%	92,500
Joachim Coers	Member		34,375	45,000	86%		7,500		14%	52,500
Steven Greenberg	Member	X	38,750	45,000	75%	15,000			25%	60,000
Heather Faust	Member	X	46,042	45,000	62%		15,000	12,500	38%	72,500
Tariq Osman	Member		38,750	45,000	75%	7,500	7,500		25%	60,000
Dino Sawaya	Member		41,667	45,000	69%	7,500		12,500	31%	65,000
Total			319,167	382,500	78%	30,000	30,000	50,000	22%	492,500

In 2022, the Supervisory Board received its entitlements to fixed remuneration with effect from January 1, 2022. The Supervisory Board members also received remuneration for their participation in committees for the entire 2022 fiscal year.

The Remuneration Report has been formally audited by the independent auditor and is required to be approved by the shareholders at the next AGM on May 17, 2023.

The Remuneration Report will be available on the Company's website for a period of 10 years. Any personal data contained in the report will be deleted after 10 years at the latest.

March 2023

Report of the independent auditor on the audit of the remuneration report pursuant to Sec. 162 (3) AktG

To Cherry SE (formerly Cherry AG)

Opinion

We have audited the formal aspects of the remuneration report of Cherry SE (formerly Cherry AG), Munich, for the fiscal year from 1 January to 31 December 2022 to determine whether the disclosures required by Sec. 162 (1) and (2) AktG ["Aktiengesetz": German Stock Corporation Act] have been made therein. In accordance with Sec. 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required by Sec. 162 (1) and (2) have been made in the accompanying remuneration report in all material respects. Our opinion does not cover the content of the remuneration report.

Basis for the opinion

We conducted our audit of the remuneration report in accordance with Sec. 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report in Accordance with Sec. 162 (3) AktG (IDW AuS 870). Our responsibilities under this provision and standard are further described in the "Responsibilities of the auditor" section of our report. As an audit firm, we applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1). We complied with the professional obligations pursuant to the WPO ["Wirtschaftsprüferordnung": German Law Regulating the Profession of Wirtschaftsprüfer (German Public Auditor)] and the BS WP/vBP ["Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer": Professional Charter for German Public

Accountants/German Sworn Auditors] including the requirements regarding independence.

Responsibilities of the management board and supervisory board

The management board and supervisory board are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, they are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud or error.

Responsibilities of the auditor

Our objectives are to obtain reasonable assurance about whether the disclosures required by Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects and to express an opinion thereon in a report.

We planned and performed our audit so as to determine the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Sec. 162 (1) and (2) AktG. In accordance with Sec. 162 (3) AktG, we have not audited the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

Düsseldorf, 29 March 2023

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Michael
Wirtschaftsprüfer
[German Public Auditor]

Dr. König
Wirtschaftsprüfer
[German Public Auditor]

2. Further information on all proposed candidates in agenda item 6 for election to the Supervisory Board

The following information is given in relation to the proposed candidates in agenda item 6 for election to the Supervisory Board:

2.1 Mr **James Burns**, independent consultant, resident in San Jose, California, United States of America.

Personal information

Year of birth: 1964
Place of birth: San Francisco, USA
Citizenship: US

Academic career

Studied accounting at Santa Clara University (bachelor's degree)

Professional career

since 2017	Independent consultant at Jim Burns Consulting
2016 to 2017	Chief financial officer at Accela, Inc.
2013 to 2016	Executive vice president and chief financial officer at Silver Spring Networks Inc.

Memberships of legally mandated supervisory boards

None

Memberships of comparable domestic and foreign supervisory committees of businesses

None

Other relevant work

- Cristo Rey High School, Work Study Program at San José Jesuit High School, San Jose, California, United States of America – member of the advisory board

- Adjunct lecturer at Santa Clara University, Leavey School of Business, Santa Clara, California, United States of America

Relevant knowledge, skills and experience

Alongside his business expertise, James Burns also has long-standing experience in advisory roles and from his work as CFO at Accela, Inc. and as an executive at Silver Spring Networks Inc. James Burns also has specialist knowledge in the field of auditing.

Information according to the recommendations of the German Corporate Governance Code (GCGC)

In the Supervisory Board's assessment, James Burns is to be considered independent. According to the Supervisory Board's assessment, Mr Burns does not have any personal or business relationships with the Company, its group companies, its governing bodies or any shareholder with significant holdings in the Company that are to be disclosed as per Recommendation C.13 GCGC.

- 2.2 Mr **Joachim Coers**, investor, resident in Nonnenhorn, Landkreis Lindau-Bodensee, Germany.

Personal information

Year of birth:	1965
Place of birth:	Mülheim/Ruhr, Germany
Citizenship:	German

Academic career

Studied economics at Rheinische Friedrich Wilhelm University in Bonn (degree in economics (*Diplom-Volkswirt*))

Professional career

2019 to 2022	Member of the supervisory board and chairman of the audit committee of the supervisory board of KAP AG
2020 to 2021	Managing director of Genui Sechste Beteiligungsgesellschaft mbH

2016 to 2019	Member of the advisory board of Genui Sechste Beteiligungsgesellschaft mbH
2014 to 2021	Member of the advisory board of Encome Energy Performance GmbH
2004 to 2013	Member of the management and the management board (initially as CFO and labour director, later as CEO) of MTU Friedrichshafen GmbH and Tognum AG
1993 to 2004	Worked for the Daimler-Benz Group in different divisions (debis Services, Trucks NAFTA, Railsystems, Passenger Cars Asia) and locations (Frankfurt am Main, Berlin, Portland, Oregon and Tokyo)

Memberships of legally mandated supervisory boards

None

Memberships of comparable domestic and foreign supervisory committees of businesses

- ensian group GmbH, Leutkirch im Allgäu, Germany – member of the advisory board

Other relevant work

- FV Oberwerder Damm GmbH, Hamburg, Germany – managing director
- FV Parade-Invest GmbH, Nonnenhorn, Landkreis Lindau-Bodensee, Germany – managing director
- JOBECO Management GmbH, Nonnenhorn, Landkreis Lindau-Bodensee, Germany – managing director

Relevant knowledge, skills and experience

As CFO and CEO of MTU Friedrichshafen GmbH and Tognum AG, Joachim Coers has acquired an outstanding level of expertise in matters involving operational and strategic corporate management. Joachim Coers also has specialist knowledge in the field of accounting. He has proven his proficiency as a supervisory board member through his long-standing experience in the same role on

the supervisory board of KAP AG and as member of the advisory board of ensian group GmbH.

Information according to the recommendations of the German Corporate Governance Code (GCGC)

In the Supervisory Board’s assessment, Joachim Coers is to be considered independent. According to the Supervisory Board’s assessment, Mr Coers does not have any personal or business relationships with the Company, its group companies, its governing bodies or any shareholder with significant holdings in the Company that are to be disclosed as per Recommendation C.13 GCGC.

- 2.3 Ms **Heather Faust**, managing partner of Argand Partners, LP, resident in Chatham, New Jersey, Unites States of America.

Personal information

Year of birth: 1979
 Place of birth: New Jersey, United States of America
 Citizenship: US

Academic career

Bachelor of Science in Engineering from Princeton University, New Jersey, United States of America and Master of Business Administration from Harvard Business School, Cambridge, Massachusetts, United States of America

Professional career

since 2015 Co-founder of the private equity firm Argand Partners and managing partner of Argand Partners, LP, New York, United States of America

2015 Managing partner of the private equity firm CHI Private Equity (successor entity to Castle Harlan, Inc.)

2008 to 2015 Investment professional at the private equity firm Castle Harlan, Inc. in New York, United States of America and member of the board of directors of

Ames True Temper, Inc., IDQ Holdings, Inc. and
Baker & Taylor, Inc.

Memberships of legally mandated supervisory boards

None

Memberships of comparable domestic and foreign supervisory committees of businesses

- Grosse Point Beacon Acquisition Inc., Delaware, United States of America – chair of the board of directors
- OASE Management GmbH, Hörstel, Germany – chair of the advisory board
- Sigma Electric Manufacturing Corporation, Garner, North Carolina, United States of America – member of the board of directors
- Concrete Pumping Holdings, Inc., Thornton, Colorado, United States of America – member of the board of directors

No other relevant work

Relevant knowledge, skills and experience

Heather Faust has acquired an outstanding level of expertise in matters involving operational and strategic corporate management as co-founder of the private equity firm Argand and during her years of experience as a private equity partner. Heather Faust also has specialist knowledge in the field of accounting. She has proved her expertise as a Supervisory Board member and as the chair of the personnel and compensation committee through her long-standing experience in comparable roles as a member of the board of directors of a range of companies.

Information according to the recommendations of the German Corporate Governance Code (GCGC)

Heather Faust has a business relationship with a shareholder holding a significant interest in the Company. Argand Partners Fund GP-GP holds 30.8% of the shares in Cherry SE. Heather Faust is the co-founder and managing partner of Argand Partners, LP.

Aside from this, according to the Supervisory Board's assessment, Ms Faust does not have any personal or business relationships with the Company, its group companies, its governing bodies or any shareholder with significant

holdings in the Company that are to be disclosed as per Recommendation C.13 GCGC.

- 2.4 Mr **Steven M Greenberg**, lawyer and advisor on IP law and innovation management, resident in Boynton Beach, Florida, United States of America.

Personal information

Year of birth: 1970
 Place of birth: Portsmouth, Virginia, United States of America
 Citizenship: US

Academic career

Studied economics and electrical engineering at Columbia University, New York, United States (bachelor’s degrees in economics and electrical engineering), received a Juris Doctor degree from University of Florida, Gainesville, Florida, United States of America.

Professional career

since 2021	President, CRGO Global (law firm and patent portfolio advisory)
2018 to 2021	Of counsel, Shutts & Bowen, LLP (acquired patent practice of CRGO Greenberg, LLC)
2014 to 2018	Partner and head of Intellectual Property Transactions at CRGO Greenberg, LLC (successor to Carey Rodriguez Greenberg & O’Keefe, LLP)
2006 to 2013	Co-founder, partner and head of Intellectual Property Transactions at Carey Rodriguez Greenberg & O’Keefe, LLP (law firm)
2000 to 2003	Akerman Senterfitt (acquired Florida patent practice of Quarles & Brady LLP)
1998 to 2000	Quarles & Brady LLP (law firm)
1995 to 1996	Software engineer at SIRS, Inc.

1994 to 1995 Research & development engineer at
Quantachrome Corporation

1993 to 1994 Programmer analyst at Datacor, Inc.

Memberships of legally mandated supervisory boards

None

Memberships of comparable domestic and foreign supervisory committees of businesses

- Ardent Medical Corporation, Boynton Beach, Florida, United States of America – President

No other relevant work

Relevant knowledge, skills and experience

Due to his long-standing experience as a co-founder and partner of intellectual property transactions law firms and also as president of Ardent Medical Corporation, Steven M Greenberg also has excellent specialist knowledge of business matters. In particular his expertise in the fields of patent law and electrical engineering makes an outstanding contribution to the Supervisory Board's skills set.

Information according to the recommendations of the German Corporate Governance Code (GCGC)

In the Supervisory Board's assessment, Steven M Greenberg is to be considered independent. According to the Supervisory Board's assessment, Mr Greenberg does not have any personal or business relationships with the Company, its group companies, its governing bodies or any shareholder with significant holdings in the Company that are to be disclosed as per Recommendation C.13 GCGC.

- 2.5 Ms **Charlotte Hovmand Johs**, independent Advisor, resident in Gland, Switzerland.

Personal information

Year of birth: 1964

Place of birth: Copenhagen, Denmark

Citizenship: Danish

Academic career

Master of Science of International Business from the Syddansk Universitet (University of Southern Denmark), Odense, Denmark and Certified board member from Copenhagen Business School, Copenhagen, Denmark

Professional career

2020 to 2023	Corporate General Manager at Logitech and member of the Executive Team
2016 to 2020	General Manager of Logitech Audio & Ultimate Ears at Logitech, California, United States of America and member of the Executive Team
2013 to 2016	Vice President and General Manager of PC Peripherals at Logitech
2010 to 2013	Vice President of EMEA Marketing at Logitech
1999 to 2009	Various roles as Category Director and Marketing Director at Cadbury plc
1992 to 1999	Product and Marketing Director at Sara Lee Nordics
1989 to 1992	Brand and Marketing Director, l'Oréal Nordics

Memberships of legally mandated supervisory boards

None

Memberships of comparable domestic and foreign supervisory committees of businesses

None

No other relevant work

Relevant knowledge, skills and experience

Charlotte Johs has extensive international experience from having worked in consumer electronics and consumer goods for multiple large corporations and having lived in the United Kingdom, the United States of America, France,

Switzerland and Denmark. Her outstanding competence in business transformation and strategy was acquired from her roles as General Manager at Logitech. Further, Charlotte Johs has long standing experience working within the field of consumer centric innovation and branding. Alongside her operational experience, Charlotte Johs has served on boards and advisory boards of start ups within technology and art.

Information according to the recommendations of the German Corporate Governance Code (GCGC)

In the Supervisory Board’s assessment, Charlotte Johs is to be considered as independent. According to the Supervisory Board’s assessment, Ms Johs does not have any personal or business relationships to the Company, its group companies, its governing bodies or any shareholder with significant holdings in the Company that are to be disclosed as per Recommendation C.13 GCGC.

- 2.6 Mr **Dino Sawaya**, private equity investor, resident in New Canaan, Connecticut, United States of America.

Personal information

Year of birth: 1983
 Place of birth: Sydney, Australia
 Citizenship: Australian

Academic career

Bachelor of Commerce from the University of New South Wales, Sydney, Australia and Bachelor of Laws from the University of Sydney, Sydney, Australia

Professional career

since 2021 Member of the board of directors of Seybert’s Billiards Corporation and TeleGeography Corporation
 since 2020 Member of the board of directors of Apartment Guardian Inc.
 2019 to 2022 Principal of Argand Partners, LP

2015 to 2018	Vice president at Argand Partners, LP
2014 to 2018	Member of the board of directors of Paddington Bay Partners Pty Ltd.
2013 to 2018	Member of the board of directors of Paddington Bay Pty Ltd.
2011 to 2014	Associate at CHAMP Private Equity (CHAMP Group Services Pty Ltd.)
2008 to 2011	Investment banking analyst at Deutsche Bank (Deutsche Australia Limited) in Sydney

Memberships of legally mandated supervisory boards

None

Memberships of comparable domestic and foreign supervisory committees of businesses

- TeleGeography Corporation, Washington D.C., United States of America – member of the board of directors
- Seybert's Billiards Corporation, Coldwater, Michigan, United States of America – member of the board of directors
- Apartment Guardian Inc., Los Angeles, California, United States of America – member of the board of directors
- OASE Management GmbH, Hörstel, Germany – member of the advisory board

No other relevant work

Relevant knowledge, skills and experience

Dino Sawaya has extensive experience in corporate transactions and investments. He also has specialist knowledge in the field of accounting. He has proved his proficiency as a supervisory board member through his long-standing experience in comparable roles as a board member at a range of German and international companies.

Information according to the recommendations of the German Corporate Governance Code (GCGC)

Dino Sawaya has a business relationship with a shareholder holding a significant interest in the Company. Argand Partners Fund GP-GP holds 30.8% of the shares in Cherry SE. Dino Sawaya was the principal of Argand Partners, LP until 31 December 2022. Since 1 January 2023 there is no business relationship to any shareholder with significant holdings in the Company that is to be disclosed as per Recommendation C.13 GCGC.

Aside from this, according to the Supervisory Board's assessment, Mr Sawaya does not have any personal or business relationships with the Company, its group companies, its governing bodies or any shareholder with significant holdings in the Company that are to be disclosed as per Recommendation C.13 GCGC.

- 2.7 Mr **Marcel Stolk**, independent consultant, resident in Amsterdam, The Netherlands.

Personal information

Year of birth: 1967
Place of birth: Middelburg, The Netherlands
Citizenship: Dutch

Academic career

Completed the executive programme in international executive management at Stanford Graduate School of Business, Stanford, California, United States of America.

Professional career

2013 to 2019	Senior vice president of the Consumer Computing Platform Business Group at Logitech Europe S.A.
2011 to 2019	Member of the board of directors and executive chairman of Logitech Europe S.A.
1991 to 2005	Worked at the Logitech Group, most recently as senior vice president of worldwide sales &

marketing and member of the management of Logitech International S.A.

Memberships of legally mandated supervisory boards

None

Memberships of comparable domestic and foreign supervisory committees of businesses

None

Other relevant work

- FORWARD.one, Amstelveen, The Netherlands – venture partner

Relevant knowledge, skills and experience

Marcel Stolk has extensive economic expertise in both operational and strategic matters. His outstanding competence in the field of international technology, which he has acquired through his work at Logitech International S.A. and Logitech Europe S.A, is particularly noteworthy. Alongside his business expertise, Marcel Stolk also has long-standing experience in advisory functions and managerial roles.

Information according to the recommendations of the German Corporate Governance Code (GCGC)

In the Supervisory Board's assessment, Marcel Stolk is to be considered independent. According to the Supervisory Board's assessment, Mr Stolk does not have any personal or business relationships with the Company, its group companies, its governing bodies or any shareholder with significant holdings in the Company that are to be disclosed as per Recommendation C.13 GCGC.

3. Report of the Management Board on utilising the authorisation of the Annual General Meeting on 23 June 2021 to acquire treasury shares and to appropriate them under exclusion of the shareholders' subscription right

The Company's Management Board submits the following report pursuant to Article 5 SE Regulation in conjunction with Section 71(1)(8) and the first sentence of section 71(3) German Stock Corporation Act regarding the acquisition and appropriation of treasury shares based on the authorisation of the Annual General Meeting on 23 June 2021:

3.1 Acquisition of treasury shares

The Company's Management Board resolved on 9 June 2022 with the consent of the Company's Supervisory Boards, using the authorisation of the Annual General Meeting on 23 June 2021, agenda item 3, to carry out a share buyback program in the period from 13 June 2022 to 30 June 2023 for a total of 2,000,000 treasury shares in the Company (ISIN DE000A3CRRN9) for a total purchase price (excluding ancillary acquisition costs) of a maximum of EUR 25,000,000.00 up to a price ceiling of EUR 14.00 per share ("**Share Buyback Program**"). In the period from 13 June 2022 to day the Annual General Meeting is convened inclusive, the Company acquired a total number of 1,077,960 treasury shares in the Share Buyback Program for an average price of EUR 7.46 per share and a total purchase price (excluding ancillary acquisition costs) of EUR 8,041,366.01. This equated to a portion of the share capital of EUR 1,077,960.00 and thus rounded 4.44 % overall of the Company's share capital. The treasury shares were bought based on and according to the authorisation from the Annual General Meeting of 23 June 2021, agenda item 3, for all legally permissible purposes decided by the Annual General Meeting of 23 June 2021, agenda item 3.

For further information on the purchase of treasury shares in the Share Buyback Program, including details of the acquisition transactions, see the Company's website at

<https://ir.cherry.de/de/home/share/#share-buyback>.

3.2 Appropriation of treasury shares

Of the total of 1,077,960 treasury shares bought in the Share Buyback Program, the Company's Management Board, with the consent of the Company's Supervisory Board, contributed a total of 234,138 shares as acquisition currency as part of a corporation acquisition. On 13 December 2022 the Company's Management Board decided with the consent of the Supervisory Board to take over the Swedish e-sports equipment specialist, Xtrfy, by buying all shares in Xtrfy Gaming AB, Landskrona, Sweden and Built on Experience AB, Landskrona, Sweden ("**Xtrfy Transaction**"). The Xtrfy Transaction was completed on 17 January 2023. As part of the Xtrfy Transaction, a total number of 234,138 treasury shares were transferred for part of the purchase price, specifically for the sum of EUR 1,645,987.23, to the sellers. This equals the sum of rounded EUR 7.03 per share and thus above the average share price of the share in XETRA trading on 13 December 2022, *i.e.* the day of the resolution on the Xtrfy Transaction, and below the average share price of the share in XETRA trading on 17 January 2023, *i.e.* the closing day of the Xtrfy Transaction. The 234,138 treasury shares transferred to the sellers equate to a portion of the share capital of EUR 234,138.00 and thus rounded 0.96% overall of the Company's share capital.

The Xtrfy Transaction was intended for the strategic expansion of the GAMING business area and thus in the Company's interest.

The treasury shares were used in accordance with the authorisation of the Annual General Meeting of 23 June 2021, agenda item 3 lit. d), for the permissible purpose of transferring the treasury shares to third parties in return for non-cash contributions, in particular for the acquisition of companies, parts of companies or participations in companies or for mergers as well as for the acquisition of other assets including rights and receivables. The subscription right of the shareholders was excluded in accordance with the authorisation of the Annual General Meeting of 23 June 2021, agenda item 3 lit. a).

Based on the above considerations, the exclusion of the shareholders' subscription rights in the context of the use of treasury shares in accordance with the provisions of the authorisation of the Annual General Meeting of 23 June 2021, agenda item 3, was objectively justified overall.

3.3 Portfolio of treasury shares

According to the information above, the Company has acquired a total of 1,077,960 treasury shares under the Share Buyback Program since 13 June 2022 up to and including the date the Annual General Meeting was convened and used a total of 234,138 treasury shares in the Xtrfy Transaction. Accordingly, the Company holds a total of 843,822 treasury shares at the time of convening the Annual General Meeting, which corresponds to rounded 3.47 % of the share capital of the Company. This is within the limit of 10% of the share capital of the Company provided for in agenda item 3 of the authorisation of the Annual General Meeting of 23 June 2021.

III. Further information

1. Total number of shares and voting rights at the time the Annual General Meeting is convened

At the time of convening of the Annual General Meeting, the share capital of the Company amounts to EUR 24,300,000.00 and is divided into 24,300,000 no-par value shares, with each no-par value share in principle entitling the holder to one vote at the Annual General Meeting. The Company holds 843,822 treasury shares. The Company has no voting rights from these treasury shares. The total number of shares conferring participation and voting rights therefore amounts to 23,456,178.

2. Requirements for attending the Annual General Meeting and exercising voting rights

Only shareholders who have duly registered and duly provided evidence of share ownership will be entitled to attend the Annual General Meeting and exercise their voting rights. Evidence of a shareholding is to be provided by submitting evidence for the shareholding issued by the final intermediary; evidence of a shareholding issued by the final intermediary according to the requirements of section 67c(3) German Stock Corporation Act is sufficient. The evidence of ownership of the Company's shares must relate to 0:00 hours (CEST) at the beginning of 26 April 2023 ("**Record Date**").

The registration and evidence of share ownership must be sent to the Company using one of the contact methods below and must be received no later than 24:00 hours (CEST) on 10 May 2023 to one of the contact options below:

Cherry SE
c/o Computershare Operations Center
80249 Munich, Germany
or by email to: anmeldestelle@computershare.de

The registration and evidence of share ownership must be in text form (section 126b German Civil Code) and in German or English. We advise our shareholders to contact their custodian bank early on to ensure proper evidence from the final intermediary is received by the Company on time.

After receipt of the registration in due form and time as well as the evidence of shareholding via one of the contact options mentioned above, admission tickets for the Annual General Meeting will be sent to the shareholders entitled to attend. We ask our shareholders to register and send evidence of their shareholding to the Company as early as possible. Unlike the registration for the Annual General Meeting, admission tickets are merely organisational items and not a requirement for attending the Annual General Meeting and exercising voting rights. In order to ensure timely receipt of the admission tickets, we kindly ask our shareholders to request an admission

ticket from their custodian bank as early as possible. In these cases, the required registration and the submission of proof of share ownership are carried out directly by the custodian bank. Shareholders who have requested an admission ticket from their custodian bank in good time therefore do not need to take any further action.

3. Significance of the Record Date

As regards the exercising of shareholder rights in connection with attending the Annual General Meeting, including the right to vote, only persons who have provided evidence of share ownership will be considered shareholders in relation to the Company. The entitlement to attend the Annual General Meeting and the scope of the right to vote will be based solely on the shareholder's share ownership on the Record Date. The Record Date does not create any restrictions on the disposal of the shareholding, meaning that the shareholders may also dispose of their shares after registering. Even in the event of a full or partial disposal of the shareholding after the Record Date, the attendance at the Annual General Meeting and the scope of the right to vote are solely based on the shares held by the shareholder on the Record Date, *i.e.* any disposal of shares after the Record Date does not affect the entitlement to attend the Annual General Meeting or the scope of voting rights. The same applies to additional acquisitions of shares after the Record Date. Consequently, persons who do not hold any shares on the Record Date and subsequently become shareholders may only attend and vote at the Annual General Meeting provided that they arrange to be given power of attorney or be authorised to exercise these rights. The Record Date does not have any significance for potential dividend entitlements.

4. Procedure for voting by proxy

Shareholders can also authorise voting by a proxy, e.g. an intermediary, a shareholders' association, a proxy advisor or any other person of their choice. If the shareholder authorises more than one person, the Company may reject one or more of them.

The power of attorney, its revocation and the evidence vis-à-vis the Company of the power of attorney must be in text form (section 126b German Civil Code). Intermediaries within the meaning of section 67a(4) German Stock Corporation Act, a shareholders' association, a proxy advisor or any other person within the meaning of section 135(8) German Stock Corporation Act may, if they are authorised to do so, provide for different rules which are to be requested from them.

The power of attorney can be declared or evidenced to the proxy or to the Company. If the granting of a power of attorney, amendment or revocation thereof is done by declaration to the Company, the declaration can be submitted to one of the following contact options:

Cherry SE
c/o Computershare Operations Center
80249 München
or by email: anmeldestelle@computershare.de

The date of receipt at the Company is relevant. The power of attorney can also be revoked by the shareholder attending the Annual General Meeting in person or by granting a power of attorney to a different proxy.

Evidence of a power of attorney may be sent to one of the contact details given above for the granting of power of attorney. The date of receipt by the Company is relevant. To be able to clearly allocate the evidence of a power of attorney, please state the full name or company name, the place of residence or business address of the shareholder.

Proof can also be provided by the proxy showing the power of attorney at the entrance on the day of the Annual General Meeting. Power of attorney can also be granted during the Annual General Meeting. Forms for granting power of attorney are also available during the Annual General Meeting at the place of the Annual General Meeting.

If, in connection with the granting and revocation of a power of attorney, the Company receives different declarations by different means of transmission and if it is not apparent to the Company which of these declarations was made last, these declarations shall be treated as binding in the following order of transmission: (1) email and (2) paper.

Even when power of attorney has been granted, proper registration and proper evidence of share ownership are required (see No. 2, *Requirements for attending the Annual General Meeting and exercising voting rights*). This does not preclude granting power of attorney after registration and providing evidence of the shareholding, subject to the aforementioned deadlines for granting power of attorney.

5. Voting procedure for proxies appointed by the Company

We offer our shareholders the opportunity to be represented by proxies appointed by the Company, who exercise the voting right exclusively in accordance with the instructions of the respective shareholder. In addition to the power of attorney, these proxies appointed by the Company must also be given instructions for the exercise of voting rights. They will not exercise the voting right at their own discretion but exclusively on the basis of the instructions given by the shareholder. If no explicit or contradictory or unclear instructions have been given, the proxies appointed by the Company shall abstain from voting on the relevant agenda items; this always applies to other motions as well.

If an individual vote is to be taken on an agenda item without this having been communicated in advance of the Annual General Meeting, an instruction on this agenda item as a whole shall also be deemed to be a corresponding instruction for each item of the individual vote.

Please note that the proxies appointed by the Company will not accept orders to speak, ask questions or propose motions or make statements for the record, neither in advance of the Annual General Meeting or during the Annual General Meeting, nor will they exercise any other shareholder rights except for voting rights.

Granting power of attorney to the proxies appointed by the Company, as well as issuing instructions, must be done in text form (section 126b German Civil Code). The same applies to the amendment or revocation of the power of attorney or the instructions. The power of attorney and instruction form for the proxies appointed by the Company and the corresponding explanations are printed on the admission ticket which is sent to the shareholders after the Company has received the registration and the evidence of shareholding in due form and on time.

Granting of power of attorney to the proxies appointed by the Company, giving instructions, and the amendment and revocation thereof, must be received by the Company no later than 24:00 (midnight) (CEST) on 16 May 2023 via one of the following contact options:

Cherry SE
c/o Computershare Operations Center
80249 München
or by email: anmeldestelle@computershare.de

After 24:00 (midnight) (CEST) on 16 May 2023 it will only be possible to grant power of attorney and give instructions to the proxies appointed by the Company if the shareholders fill in the form enclosed with the voting documents and submit it at an entry and exit check at the latest until the voting is opened at the Annual General Meeting.

Authorising of proxies appointed by the Company does not preclude personal participation in the Annual General Meeting. For shareholders who wish to participate in person or via a different authorised person and exercise their shareholders' rights despite having authorised the proxies appointed by the Company, the personal participation or participation via an authorised person is deemed a revocation of the power of attorney granted to the proxies appointed by the Company.

During the Annual General Meeting, powers of attorney and instructions can be given on site to the proxies appointed by the Company also by using the form for this purpose found on the voting card.

If the Company receives differing declarations in connection with the granting and/or revocation of power of attorney or instructions via differing means of sending and it is not possible for the Company to discern which of these declarations was made most recently, the binding handling of these declarations will be in the following order according to means of sending: (1) email and (2) paper form.

Proper registration and proper evidence of share ownership (see no. 2 above, *“Requirements for attending the Annual General Meeting and exercising voting rights”*) are likewise necessary to authorise the proxies appointed by the Company.

6. Rights of the shareholders under the second and third sentences of Article 56 SE Regulation, sec. 50(2) SE Implementing Act (SEAG), and secs. 122(2), 126(1), 127, 131(1) and 293g(3) German Stock Corporation Act

6.1 Additions to the agenda upon request by a minority pursuant to the second and third sentences of Article 56 SE Regulation, sec. 50(2) SE Implementing Act, sec. 122(2) German Stock Corporation Act

Shareholders whose shares, alone or in the aggregate, are at least equivalent to one twentieth of the share capital or to a pro rata amount of EUR 500,000.00 (equivalent to 500,000 shares) are entitled under section 122(2) German Stock Corporation Act to request that items be placed on the agenda of the Annual General Meeting and be announced. This quorum is required according to Article 56, third sentence of the SE Regulation in conjunction with section 50(2) SEAG for additions requested by the shareholders of a European company (SE). The content of section 50(2) SEAG corresponds to section 122(2) German Stock Corporation Act. Each new item must be accompanied by reasons or a draft resolution. The request is to be addressed in writing to the Management Board of the Company and must be received by the Company according to section 122(2) third sentence German Stock Corporation Act at least 30 days before the Annual General Meeting, *i.e.* no later than 24:00 (midnight) (CEST) on 16 April 2023. Requests for additions received later will not be accommodated. Please address any such request to:

**Cherry SE
Management Board
Cherrystraße 2
91275 Auerbach/OPf., Germany**

Additions to the agenda which have to be announced will be published in the Federal Gazette without undue delay after receipt of the request, unless this has already been done at the time the Annual General Meeting was convened, and forwarded to such media as can be assumed to disseminate the information throughout the European Union. These will also be published on the Company's website at

<https://ir.cherry.de/de/home/annual-general-meeting>

and communicated to the shareholders pursuant to the third sentence of section 125(1) German Stock Corporation Act.

6.2. Countermotions and nominations by shareholders pursuant to section 126(1) and section 127 German Stock Corporation Act

Shareholders can send countermotions to proposals by the Management Board and/or Supervisory Board and submit proposals for selecting the auditors (agenda item 4) or for electing Supervisory Board members (agenda item 6).

Countermotions and nominations for election must be received at the Company no later than 24:00 (midnight) (CEST) on 2 May 2023 via one of the following contact options:

Cherry SE
Dr Kai Holtmann (Head of Investor Relations)
Cherrystraße 2
91275 Auerbach/OPf., Germany
or by email: kai.holtmann@cherry.de

If and to the extent that the countermotions and nominations for election are received via one of the aforementioned contact options in a timely manner, *i.e.* by 24:00 (midnight) (CEST) on 2 May 2023, and are to be made accessible, they will be made accessible to the other shareholders without undue delay, including the name of the shareholder and any reasons, via the Company's website

<https://ir.cherry.de/de/home/annual-general-meeting>.

Any statements of opinion by the administration will also be published on this website.

A countermotion and the reasons for it need not be made accessible under the conditions found in section 126(2) German Stock Corporation Act (in conjunction with section 127, first sentence German Stock Corporation Act). For example, the reasons need not be made accessible if they comprise a total of more than

5,000 characters. According to section 127 third sentence German Stock Corporation Act, the Management Board need not make a nomination accessible if it does not include the information required under section 124(3) fourth sentence German Stock Corporation Act.

We would like to point out that countermotions and nominations for election that are not sent to the Company in advance in a timely manner will only be included in the Annual General Meeting if they are proposed orally there. This is without prejudice to the right of the participating shareholders to propose countermotions or nominations for election in regard to agenda items during the Annual General Meeting without having previously sent them to the Company.

6.3 Rights to information under section 131 and section 293g(3) German Stock Corporation Act

At the Annual General Meeting, each shareholder or their representative may request information from the Management Board on the affairs of the Company to the extent that such information is necessary for an objective evaluation of the subject matter of the agenda (section 131(1) German Stock Corporation Act).

The duty to provide information also extends to the legal and business relationships of the Company with an affiliated company as well as to the situation of the group and the companies included in the consolidated financial statements. The Management Board may refuse to provide information for the reasons listed in section 131(3) German Stock Corporation Act.

Under section 293g(3) German Stock Corporation Act, information on agenda item 7 must also be provided to each shareholder upon request at the Annual General Meeting on all matters of Cherry Peripherals GmbH that are material to entering into the Profit and Loss Transfer Agreement.

6.4 Further explanations

Further explanations on shareholder rights under Article 56 sentence 2 and sentence 3 of the SE Regulation, section 50(2) SEAG, section 122(2), section 126(1), section 127, section 131(1), section 293g(3) German Stock Corporation Act can be found on the Company's website at

<https://ir.cherry.de/de/home/annual-general-meeting>.

7. Information on data subject rights for shareholders and their proxies

When shareholders register for the Annual General Meeting and exercise their shareholder rights in relation to the Annual General Meeting or grant a power of attorney, the Company collects personal data about the shareholders and/or their proxies in order to enable the shareholders and their proxies to exercise their rights in relation to the Annual General Meeting. The Company processes personal data as a data controller in accordance with the provisions of the General Data Protection Regulation (GDPR) and all other applicable laws.

Details on the processing of personal data and the rights of shareholders and/or their proxies under the GDPR can be found on the Company's website at

<https://ir.cherry.de/de/home/annual-general-meeting>.

8. Website with the information pursuant to section 124a German Stock Corporation Act

This invitation to the Annual General Meeting, the documents to be made available to the Annual General Meeting and further information in connection with the Annual General Meeting can be found on the Company's website once the Annual General Meeting has been convened, at

<https://ir.cherry.de/de/home/annual-general-meeting>.

The voting results will also be published there after the Annual General Meeting.

Munich, April 2023

**Cherry SE
Management Board**

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D-80331 Munich, Germany

Postal address

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D-91275 Auerbach, Germany

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