NON-BINDING WORKING TRANSLATION

Report of the Management Board

of

ams-OSRAM AG

Premstätten, FN 34109 k,

about the

Exclusion of subscription rights in connection with the authorization of the Management Board to issue financial instruments within the meaning of Section 174 AktG

(Item 8 - Financial instruments within the meaning of Section 174 AktG)

in connection with the

conditional increase in the Company's share capital pursuant to Section 159 (2) no. 1 AktG

for issuance to creditors of financial instruments

(Agenda item 9 - Conditional capital 2024 for financial instruments)

All members of the Management Board submit the following report of the Management Board of ams-OSRAM AG with its registered office in Premstätten (the "**Company**") pursuant to Section 174 (4) in conjunction with Section 153 (4) sentence 2 AktG to the Annual General Meeting of ams-OSRAM AG on June 14, 2024:

1. Proposed resolutions

The Management Board and the Supervisory Board of the Company intend to propose the following resolution on **agenda item 8 to** the Annual General Meeting of the Company on June 14, 2024

1. *"The Annual General Meeting revokes the authorization of the Management Board resolved at the last Annual General Meeting on June 23, 2023 to issue financial instruments within the meaning of Section 174 AktG with the approval of the Supervisory Board until June 22, 2028.*

2. *The Management Board is authorized, with the approval of the Supervisory Board, to issue financial instruments within the meaning of Section 174 AktG, in particular convertible bonds or participating bonds, with a total nominal amount of up to EUR 750,000,000.00 until June 13, 2029, which also include the conversion and/or subscription right to acquire a total of up to 99,844,394 shares (9,984,439 shares after the reverse stock split in*

accordance with agenda item 7 of the Annual General Meeting on 14 June 2024) in the Company and/or are also structured in such a way that they can be reported as debt or equity, also in several tranches and in different combinations, also indirectly by way of a guarantee for the issue of financial instruments by an affiliated Company of the Company with conversion and/or subscription rights to shares in the Company.

3. *To service the conversion and/or subscription rights, the Management Board may use conditional capital, in particular the new Conditional Capital 2024 to be created in accordance with agenda item 9 of the Annual General Meeting on June 14, 2024, treasury shares or a combination of conditional capital and treasury shares.*

4. *The issue amount and issue conditions of the financial instruments (in particular: Interest rate, term, subordination, denomination, protection against dilution, conversion modalities (conversion rights and/or obligations), conversion price, conversion and/or subscription conditions, etc.) are to be determined by the Management Board with the approval of the Supervisory Board; in particular, the following conditions (or a combination thereof) may be provided for: (i) an additional payment to be made in cash and the pooling or a cash settlement for non-convertible fractions; (ii) a fixed or variable conversion ratio or a determination of the conversion price within a specified range depending on the development of the price of the Company's shares during the term; (iii) the right of the Company not to grant shares in the event of conversion (exercise of the conversion and/or subscription right), but to pay an appropriate cash settlement based on the price of the Company's shares; (iv) the right of the Company to terminate financial instruments early and to pay the creditors the issue price of the financial instruments and also compensation for the early termination; (v) the right of the creditors to terminate the financial instruments early and to receive the issue price of the financial instruments and, if applicable, compensation for early termination; or (vi) a conversion obligation (conversion and/or subscription obligation) at the end of the term (or at another time) or the right of the Company to grant the creditors shares in the Company in whole or in part. The issue amount of the financial instruments is to be determined in accordance with standard market financial mathematical methods in a standard market pricing procedure. The issue amount of the shares to be issued upon conversion (exercise of the conversion and/or subscription right) and the conversion and/or subscription ratio must be determined taking into account*

standard market financial mathematical methods and the price of the Company's shares (basis for calculating the issue amount); the issue amount may not be less than the pro rata amount of the share capital.

5. *Shareholders' subscription rights to the financial instruments within the meaning of Section 174 (4) AktG are excluded."*

Furthermore, the Management Board and the Supervisory Board of the Company intend to propose the following resolution on **agenda item 9** to the Annual General Meeting of the Company on June 14, 2024:

1. *"The Annual General Meeting revokes the conditional increase in the Company's share capital resolved at the last Annual General Meeting on June 23, 2023 in accordance with Section 159 para. 2 no. 1 AktG by up to EUR 27,428,928.00 by issuing up to 27,428,928 new no-par value bearer shares with a pro rata amount of the share capital of EUR 1.00 per share for issue to creditors of financial instruments in accordance with Section 174 AktG."*

2. *"The Annual General Meeting resolves to conditionally increase the Company's share capital in accordance with Section 159 para. 2 no. 1 AktG by up to EUR 99,844,394.00 by issuing up to 99,844,394 new no-par value bearer shares (9,984,439 shares after the reverse stock split according to agenda item 7 of the Annual General Meeting on June 14, 2024) with a pro rata amount of the share capital of EUR 1.00 per share (EUR 10.00 per share after the reverse stock split according to agenda item 7 of the Annual General Meeting on June 14, 2024) to issue*

   a. *to creditors of financial instruments pursuant to Section 174 AktG that are issued in the future by the Company or an affiliated Company on the basis of the Annual General Meeting resolution on agenda item 8 dated June 14, 2024 and by exercising the authorization granted at this Annual General Meeting, insofar as the creditors of the financial instruments exercise their conversion and/or subscription rights to shares in the Company; or*

b. *to creditors of financial instruments pursuant to Section 174 AktG, which were issued by the Company on the basis of the Annual General Meeting resolution on agenda item 8 of June 3, 2020 and using the authorization granted at this Annual General Meeting (EUR 760,000.000 convertible bond 20/27), insofar as the creditors of this financial instrument exercise their conversion and/or subscription rights to shares in the Company and insofar as the Conditional Capital 2024 is not required to secure or service conversion and/or subscription rights to shares in the Company for new financial instruments already issued by the Company on the basis of the authorization resolved in agenda item 8 of the Annual General Meeting on June 14, 2024 in accordance with Section 174 AktG.*

The issue amount and the exchange and/or subscription ratio are to be determined in accordance with standard market financial mathematical methods and the price of the Company's shares in a standard market pricing procedure (basis for calculating the issue amount). Newly issued shares from the conditional capital increase are entitled to dividends to the same extent as existing shares in the Company. The Management Board is authorized, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase."

2. Reporting obligation of the Management Board and approval of the Supervisory Board

With regard to the exclusion of subscription rights to be resolved by the Annual General Meeting on June 14, 2024 when exercising the authorization in accordance with agenda item 8, the Management Board must submit a written report to the Annual General Meeting on the reasoning for the exclusion of subscription rights in accordance with Section 174 para. 4 in conjunction with Section 153 para. 4 sentence 2 AktG.

The issue amount and the issue conditions can only be determined with the approval of the Supervisory Board.

3. Management Board report

The exclusion of shareholders' subscription rights when issuing financial instruments within the meaning of Section 174 AktG is in the interest of the Company for the following reasons and is also suitable, necessary and proportionate for the purposes pursued:

3.1. General information

At the Annual General Meeting on June 23, 2023, the Management Board was authorized by the shareholders in accordance with the resolution on agenda item 9 to issue new financial instruments within the meaning of Section 174 AktG, which could be provided with subscription/exchange rights of up to 10% of the Company's share capital at that time. In order to underpin the subscription/exchange rights of the creditors of such financial instruments, the shareholders also resolved a corresponding conditional capital increase in accordance with Section 159 (2) no. 1 AktG in the amount of up to EUR 27,428,928.00, corresponding to 10% of the share capital existing at the time of the resolution ("Conditional Capital 2023") in accordance with the resolution on agenda item 10 of the Annual General Meeting on June 23, 2023.

In the course of the successfully completed comprehensive refinancing of the ams OSRAM Group in 2023, the Company's share capital was also significantly increased to EUR 998,443,942.00 ("Capital Increase 2023") based on the capital increase resolution passed by the shareholders at the Extraordinary General Meeting on October 20, 2023. As a result of this measure, the Conditional Capital 2023 now only represents around 2.75% of the current share capital. In line with the Company's financial planning, the existing authorization to issue financial instruments within the meaning of Section 174 AktG as well as the Conditional Capital 2023 shall be revoked and a new authorization and a new Conditional Capital 2024, which in future will again correspond to 10% of the Company's current share capital, shall be resolved. This measure shall give the Company the opportunity to eventually redeem (parts of) the two still outstanding convertible bonds of the Company with remaining terms until March 2025 and November 2027 respectively, which were issued based on the resolutions adopted by the Annual General Meetings on June 9, 2017, and June 3, 2020, respectively, by issuing new financial instruments within the meaning of Section 174 AktG, in particular convertible bonds or participating bonds.

The Company primarily wishes to create the framework conditions to be able to refinance the payment obligations from the 2.125% coupon convertible bond in the amount of EUR 760,000,000.00 with a term until November 3, 2027 and a denomination of EUR 100,000.00 per bond (ISIN: DE000A283WZ3) in various ways (hereinafter "EUR 2027 Convertible Bond"). The subscription rights of the EUR 2027 Convertible Bond are secured with conditional capital in the amount of EUR 27,428,928.00, which can be seen in this amount in the Company register (hereinafter "Conditional Capital 2020"). From today's perspective, the exercise of the subscription rights of the EUR 2027 Convertible Bond (corresponding to around 2% of the currently outstanding share capital) is also not considered to be likely due to the conversion price of originally EUR 27.72 - which was adjusted to currently EUR 14.36 on the occasion of the 2023 Capital Increase in accordance with the bond conditions - so that it is also unlikely that the Conditional Capital 2020 will have to be utilized.

3.2. Company Interest

The exclusion of shareholders' subscription rights when issuing financial instruments within the meaning of Section 174 AktG is in the interest of the Company for the following reasons:

The timely optimization of the Company's capital and financing structure by means of refinancing is made possible by flexible action in a volatile capital market environment at favorable conditions from the Company's perspective.

In general, when issuing convertible bonds, for example, one advantage compared to a capital increase may be that a higher issue price can be achieved in the event of conversion compared to an immediate capital increase. In accordance with the usual conditions of convertible bonds on the capital market, the conversion and/or subscription price of the shares to be issued upon conversion (exercise of the conversion and/or subscription right) will be higher than the share price at the time of issue of the convertible bonds.

Financial instruments such as convertible bonds offer investors a secure opportunity to benefit from an increase in the value of the Company as an alternative to a direct equity investment. In return, the Company gains access to attractive financing conditions that are usually below the market level of pure debt instruments. Convertible bonds, for example, also offer the opportunity to use the volatility of the Company's shares in the Company's favor, thereby reducing the Company's cost of capital.

The various financial instruments within the meaning of Section 174 AktG are therefore a suitable means of achieving the goal of advantageous refinancing of external liabilities. Refinancing through a target group-specific orientation of the financial instruments replaces other cost-intensive capital measures and offers attractive financing conditions.

The exclusion of shareholders' subscription rights when issuing financial instruments has proven to be in the interest of the Company and its shareholders. The advantage for the Company is, in particular, that it can take advantage of an accelerated placement of financial instruments close to the market, thereby reducing the price and placement risk.

3.3. Necessity of the exclusion of subscription rights

In order to successfully place the financial instruments, it is in any case necessary to exclude the statutory subscription rights of the Company's existing shareholders. The authorization to issue financial instruments in accordance with Section 174 AktG proposed to the shareholders under agenda item 8 of the Company's Annual General Meeting on June 14, 2024, therefore includes the exclusion of shareholders' statutory subscription rights when issuing such financial instruments. At the same time, however, the revocation of the authorization resolved at the Annual General Meeting on June 23, 2023 is also proposed, so that in the event of a corresponding resolution by the Annual General Meeting on June 14, 2024, an authorization limited to a maximum of 10% of the current share capital will be retained when issuing financial instruments.

Financial instruments such as convertible bonds are also attractive from the perspective of (existing) shareholders. The main commercial parameters of convertible bonds, in particular the issue price, the conversion price and the resulting conversion ratio, are generally based on the market price of the Company's share immediately before the convertible bonds are issued. This avoids dilution of shareholders that is not in line with the market.

Financial instruments such as convertible bonds are primarily only subscribed to by institutional investors who specialize in this form of investment. Convertible bonds can therefore be placed with these investors very quickly and in advance. The Company's advantage in an accelerated process lies in a placement close to the market and the reduction of market and price risks.

Without the exclusion of subscription rights, the Management Board would have to observe a subscription period of at least two weeks when issuing shares in compliance with the statutory subscription rights, which would prevent the Management Board from being able to react quickly and flexibly to favorable market conditions. Compliance with the two-week subscription period would most likely also mean that fewer investors could be approached due to unusual market conditions or allocation mechanisms and/or the market risks arising for these investors within the subscription period, or that an approach could only be made in connection with a lower issue volume. For these reasons too, the exclusion of subscription rights is therefore common practice when issuing financial instruments on the international capital market.

The direct exclusion of subscription rights at the Annual General Meeting compared to a corresponding authorization to the Management Board also offers the Company the advantage of avoiding the publication of the planned issue with a lead time of at least two weeks. In the case of an authorization, a further Management Board report would have to be published at least two weeks before the Supervisory Board resolution. The immediate exclusion of subscription rights - without this lead time - allows the Company to react quickly and flexibly to favorable market conditions on the one hand and, on the other hand, to avoid any disadvantages due to price pressure on the share after publication of the planned issue until it is actually implemented.

Even if subscription rights are excluded directly, the Management Board may only make use of the issue authorization with the approval of the Supervisory Board if an issue is in the interests of the Company in accordance with the general conditions set out in this report.

In addition, a rights offering for the financial instruments would constitute a public offering of securities, which would require the prior preparation and approval of a securities prospectus by the competent supervisory authority. Compliance with these regulations would require considerable additional time and costs for the Company and, in addition to the two-week subscription period or the two-week waiting period, would result in an additional significant delay in the placement of several weeks.

Therefore, the issue can only be accelerated in terms of time to the benefit of the Company, and thus also its shareholders, by excluding subscription rights and thus avoiding the time-consuming processing of subscription rights.

3.4. Proportionality

The exclusion of subscription rights is also proportionate. Without the exclusion of subscription rights, the Company would not be able to achieve an advantageous and equally transaction-safe partial refinancing of its financial liabilities and at the same time react flexibly to market opportunities.

If the financial instruments are valued in line with the market and placed at the best possible conditions achievable on the market, as the Company strives to do in its own interests and those of its shareholders, the subscription rights are of no material economic significance. This is achieved above all by determining the reference share price for any conversion, as described below, which is based on the market price of the shares at the time the convertible bonds are priced.

In addition, the Company assumes that only a few shareholders of the Company would exercise their subscription rights due to the complex and, in some cases, risky structure of financial instruments such as convertible bonds. For this reason, the exclusion of subscription rights when issuing convertible bonds is also common practice on the international capital market.

The expected short-term partial refinancing of financial liabilities from the issue of financial instruments with the exclusion of subscription rights will benefit all shareholders. It can therefore be assumed that the advantage achieved through the exclusion of subscription rights outweighs the proportionate loss of participation of the shareholders excluded from the subscription right.

3.5. Issue amount and conversion price

When issuing the financial instruments, the Management Board will, with the approval of the Supervisory Board and in accordance with the provisions of the Austrian Stock Corporation Act, determine the issue and features as well as the conditions, in particular the interest rate, issue price, term and denomination, anti-dilution provisions, conversion period and/or dates, conversion rights and/or obligations, conversion ratio as well as conversion price and conversion and/or subscription conditions.

The conversion and/or subscription rights or obligations can be fulfilled by conditional capital, in particular also by the new conditional capital to be created in accordance with agenda item 8 of the Annual General Meeting on June 14, 2024, treasury shares or a combination of conditional capital and treasury shares.

The price of the financial instruments is to be determined using standard market calculation methods in a standard market pricing procedure. The price (issue price) of a convertible bond is to be determined in particular from the price (issue price) of a fixed-interest bond and the price for the conversion right, taking into account the other features. The issue price of a bond is determined on the basis of standard market calculation methods in accordance with the maturity of the bond, the interest rate of the bond, the current market interest rate and taking into account the credit quality of the Company. The value of the conversion and/or subscription right is calculated using the option price calculation methods, in particular taking into account the maturity/exercise period, the share price performance (volatility) and other key financial figures and the ratio of the conversion and/or subscription price to the price of the Company's shares. Other features, such as early termination rights, a conversion obligation, a fixed or variable conversion ratio, must be taken into account.

The issue amount of the shares to be issued to the creditors of the financial instruments (conversion price) when exercising a conversion and/or subscription right or obligation and the conversion ratio must also be determined in accordance with standard market financial mathematical methods and the price of the Company's shares.

The newly issued shares from the conditional capital increase have a dividend entitlement that corresponds to the shares traded on the stock exchange at the time of issue.

These restrictions imposed on the Management Board in the issue authorization sufficiently take into account the need to protect against dilution of the existing shareholders' stake in the Company. The aim is to achieve an issue amount that results in only a minor value of a hypothetical subscription right of existing shareholders to convertible bonds.

4. Summarized balancing of interests

The proposed exclusion of subscription rights is objectively justified by the objectives pursued, namely to ensure the prompt partial refinancing of existing financial liabilities falling due in the medium term and thus to optimize the capital and financing structure and financing costs as well as to open up new groups of investors in the interests of the Company and its shareholders.

The exclusion of subscription rights is also appropriate and necessary because the expected injection of debt or equity capital can replace more cost-intensive capital measures and financing conditions due to the target group-specific orientation of the financial instruments within the meaning of Section 174 AktG, thus ensuring flexible long-term business planning and realization of the planned corporate goals for the benefit of the Company and, in connection with this, all shareholders. Without the exclusion of subscription rights, it is not possible for the Company to react to favorable market conditions with comparable speed and flexibility.

The Management Board of the Company expects that the benefit to the Company from the issue of the financial instruments with the exclusion of subscription rights will benefit all shareholders and clearly outweigh the (potential) proportionate loss of participation of the shareholders excluded from subscription rights, so that the interests of the Company as a whole outweigh any disadvantage to the shareholders as a result of the exclusion of subscription rights.

In summary, after weighing up all the circumstances mentioned, it can therefore be concluded that the exclusion of subscription rights to financial instruments in accordance with Section 174 AktG in connection with the Management Board's issue authorization is necessary, suitable, appropriate and objectively justified and required in the overriding interest of the Company and therefore complies with the statutory provisions.

Premstätten, on May 13, 2024

The Management Board

Aldo Kamper

Rainer Irle