NON-BINDING CONVENIENCE TRANSLATION

Report of the Management Board

of

ams-OSRAM AG

Premstätten, FN 34109 k,

on the

Authorization of the Management Board to issue financial instruments within the meaning of section 174 AktG even with exclusion of subscription rights
(Item 9 - Financial instruments within the meaning of section 174 AktG)

in connection with the

conditional increase of the share capital of the Company pursuant to section 159 para 2 no 1 AktG for issuance to creditors of financial instruments
(Item 10 - Conditional capital 2023 for financial instruments)

All members of the Management Board of ams-OSRAM AG, with its registered office in Premstätten (the "**Company**"), submit the following report to the Annual General Meeting of ams-OSRAM AG on June 23, 2023, in accordance with sections 174 para 4 in conjunction with 153 para 4 sentence 2 of the Austrian Stock Corporation Act (AktG):

1. Proposed resolutions

The Management Board and the Supervisory Board of the Company intend to propose the following resolution to the Annual General Meeting of the Company on June 23, 2023 on **agenda item 9**:

1. *"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 income bonds, with a total nominal value of up to EUR 27,428,928.00 until June 22, 2028, which may also grant conversion and/or subscription rights for the acquisition of a total of up to 27,428.928 shares in the Company and/or are also structured in such a way that they can be recognized as debt or equity, also in several tranches and in different combinations, and also indirectly by way of 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.

2. *To service the conversion and/or subscription rights, the Management Board may use conditional capital, in particular the new conditional capital to be created in accordance with agenda item 10 of the Annual General Meeting on June 23, 2023, treasury shares or a combination of conditional capital and treasury shares.*

3. *The issue amount and issue conditions of the financial instruments (in particular: Interest rate, term, subordination, denomination, dilution protection, conversion modalities, conversion price, conversion and/or subscription conditions, etc.) are to be determined by the Management Board with the approval of the Supervisory Board, whereby the issue amount is to be determined in accordance with recognized financial mathematical methods customary in the market as well as the price of the shares of the Company in a recognized pricing procedure.*

4. *The Management Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights to the financial instruments within the meaning of section 174 para 4 AktG."*

Furthermore, the Management Board and the Supervisory Board of the Company intend to propose the following resolution to the Annual General Meeting of the Company on June 23, 2023 on **agenda item 10:**

1. *"The Annual General Meeting resolves to conditionally increase the share capital of the Company pursuant to 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 issuance to creditors of financial instruments pursuant to section 174 AktG, which are issued in the future by the Company or by an affiliated company on the basis of the resolution on item 9 of the Annual General Meeting of June 23, 2023 and utilizing the authorization granted in this Annual General Meeting, to be issued in the future by the Company or by an affiliated company, insofar as the creditors of the financial instruments*

exercise their conversion and/or subscription rights to shares in the Company. The issue amount and the exchange ratio are to be determined in accordance with recognized financial mathematical methods and the price of the shares of the Company in a recognized pricing procedure. The newly issued shares of the conditional capital increase are entitled to dividends to the same extent as the existing shares of 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. *"The Supervisory Board is authorized to adopt amendments to the Articles of Association resulting from the issue of shares from the conditional capital."*

2. Reporting obligation of the Management Board and approval of the Supervisory Board With regard to the authorization of the Management Board to be resolved by the Annual General Meeting on June 23, 2023 to exclude subscription rights when exercising the authorization pursuant to agenda item 9, the Management Board shall submit a written report to the Annual General Meeting on the reason for any exclusion of subscription rights in accordance with sections 174 para 4 in conjunction with 153 para 4 sentence 2 AktG.

The Management Board may determine an exclusion of shareholders' subscription rights to the financial instruments issued only with the approval of the Supervisory Board. The issue amount and the issue conditions may also only be determined with the approval of the Supervisory Board.

3. Management Board Report

The authorization of the Management Board, with the consent of the Supervisory Board, to exclude the statutory subscription right of shareholders in connection with the issuance of financial instruments within the meaning of section 174 AktG is in the interest of the Company, is suitable and necessary, and is also proportionate, for the following reasons:

3.1. General

In connection with the financing of the acquisition of OSRAM Licht AG, ams-OSRAM AG has issued various debt financial instruments for which partial or full refinancing is planned in the next few years. In line with the Group's prudent financial policy, it is therefore intended to create the possibility of being able to raise part of the refinancing volume, if necessary, by issuing financial instruments within the meaning of section 174 of the AktG, in particular convertible bonds or participating bonds.

The Company aims to refinance existing debt maturing by the end of 2025 in a timely manner in order to be able to respond quickly and flexibly to favorable capital market conditions. This should enable a reduction in refinancing requirements in 2025 and further optimize the maturity profile and thus the capital and financing structure. In particular, payment obligations from the zero-coupon convertible bond currently still amounting to EUR 447,400,000.00 with a term until March 5, 2025 and a denomination of EUR 200,000.00 per bond (ISIN: DE000A19W2L5) are also to be refinanced (hereinafter "EUR 2025 convertible bond"). The subscription rights of the EUR 2025 Convertible Bond are, as previously the subscription rights of the convertible bond issued in US dollars in 2017, secured by conditional capital in the amount of EUR 8,441,982.00, which can be seen in this amount from the commercial register ("Conditional Capital 2017"). The convertible bond issued in US dollars was fully repaid as scheduled in September 2022, so that part of the Conditional Capital 2017 in the amount of EUR 2,187,152.00 (corresponding to approximately 1% of the currently outstanding share capital of the Company) can in any case no longer be utilized. From today's perspective, the exercise of the subscription rights of the EUR 2025 convertible bond (corresponding to approximately 2% of the currently outstanding share capital) is also considered unlikely due to the conversion price of EUR 83.84, so that the Conditional Capital 2017 will in all likelihood remain unused in its entirety.

It is therefore intended to create the possibility of being able to refinance part of the total financing volume, if necessary, by issuing financial instruments within the meaning of section 174 AktG, in particular convertible bonds or income bonds (cf. agenda item 9 of the Annual General Meeting on June 23, 2023). The resolution of the Annual General Meeting of the Company on June 23, 2023 is intended to create the necessary conditions for this.

3.2. Society interest

The authorization of the Management Board to exclude shareholders' statutory subscription rights when issuing financial instruments within the meaning of section 174 AktG, with the approval of the Supervisory Board, is in the interests of the

Company for the following reasons:

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

In general, when issuing convertible bonds, for example, an advantage compared to a capital increase may be that a higher issue price can be achieved for the conversion event compared to an immediate capital increase. In accordance with the terms and conditions of convertible bonds customary on the capital market, the conversion and/or subscription price of the shares to be issued upon conversion (exercise of conversion and/or subscription rights) 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 way of benefiting 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 exploit 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 therefore represent 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 authorization of the Management Board, with the approval of the Supervisory Board, to exclude shareholders' subscription rights when issuing financial instruments is proving to be in the interests of the Company and its shareholders. The advantage for the Company consists in particular in enabling an accelerated placement of financial instruments close to the market and a related reduction of the price and placement risk.

3.3. Necessity of the exclusion of subscription rights

In order to be able to successfully place the financial instruments, it is imperative to authorize the

Management Board to exclude the statutory subscription rights of the existing shareholders of the Company. The authorization to issue financial instruments pursuant to section 174 AktG proposed to the shareholders for resolution under agenda item 9 of the Annual General Meeting of the Company on June 23, 2023 therefore also includes the authorization of the Management Board to exclude the shareholders' statutory subscription rights when issuing such financial instruments with the approval of the Supervisory Board.

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 stock market price of the Company's shares immediately before the convertible bonds are issued. This helps to avoid dilution of shareholders that is not in line with the market.

Financial instruments such as convertible bonds are usually only subscribed 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 advantage of the Company in such an accelerated procedure is a placement close to the market and the reduction of market and price risks.

If subscription rights could not be excluded, the Management Board would have to observe a subscription period of at least two weeks in the case of an issue respecting 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 also in all probability result in only a small number of investors being able to be addressed or only in connection with a smaller issue volume due to non-market design or allocation mechanisms and/or the market risks arising for these investors within the subscription period. For this reason, the exclusion of subscription rights is therefore quite common when issuing financial instruments on the international capital market.

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 mean a considerable additional expenditure of time and also costs for the Company and, in addition to the two-week subscription period, would result in an additional substantial delay of several weeks in the placement.

Therefore, only by excluding the subscription right and thus avoiding a time-consuming processing of the subscription right can the debt financing be reduced in the short term to the benefit of the Company and thus also its shareholders.

3.4. Proportionality

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

In contrast, if the financial instruments are valued in line with the market and placed on the best possible terms that can be achieved on the market, as the Company aims to do in its own interests and in the interests of its shareholders, the subscription rights are of no material economic significance. This is achieved above all by determining the reference share price relevant for any conversion as described below, which is based on the market price of the shares at the time the price of the convertible bonds is determined.

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 investors. 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 issuance of financial instruments under exclusion of subscription rights will benefit all shareholders. It can therefore be assumed that the benefit achieved through the exclusion of subscription rights outweighs the proportionate participation loss of the shareholders excluded from subscription rights.

3.5. Issue amount and conversion rate

When issuing the financial instruments, the Management Board shall, with the consent of the Supervisory Board, determine the issue and features characteristics as well as the terms and 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, in accordance with the provisions of the Austrian Stock Corporation Act.

The conversion and/or subscription rights or obligations may be fulfilled by conditional capital, in particular by the conditional capital to be newly created in accordance with agenda item 9 of the Annual General Meeting on June 23, 2023, treasury shares or a combination of conditional capital and treasury shares.

The price of the financial instruments shall be determined using a recognized pricing procedure, taking into account calculation methods customary in the market. The price (issue price) of a convertible bond shall be determined in particular on the basis of 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 on 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 methods of option price calculation, taking into account in particular the maturity/exercise period, the performance of the share price (volatility) and other key financial indicators and the ratio of the conversion and/or subscription price to the price of the shares of the Company. Further features, such as early termination rights, a conversion obligation, a fixed or variable conversion ratio shall be taken into account.

The issue price of the shares to be issued to the creditors of the financial instruments upon exercise of a conversion and/or subscription right or obligation (conversion price) and the conversion ratio shall also be determined in accordance with recognized methods of financial mathematics and the price of the shares of the Company as well as the other features of the financial instruments in a recognized pricing procedure.

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

This restriction imposed on the Management Board in the authorization takes sufficient account of the need for protection against dilution of the existing shareholders' interest in the Company. The aim is to achieve an issue price which results in only a minor value of a hypothetical subscription right of existing shareholders to convertible bonds.

4. Summary weighing of interests

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

The exclusion of subscription rights is also appropriate and necessary because the expected injection of debt or equity capital through the target group-specific orientation of the financial instruments within the meaning of section 174 AktG can replace more cost-intensive capital measures and financing conditions advantageously and ensures flexible long-term business planning and realization of the planned corporate objectives for the benefit of the Company and, associated with this, also of all shareholders. Without the exclusion of subscription rights, it is not possible for the Company to react comparably quickly and flexibly to favorable market conditions.

The Management Board of the Company expects that the advantage of the Company from the issuance of the financial instruments under authorization to exclude subscription rights, with the consent of the Supervisory Board, will benefit all shareholders and clearly outweigh the (potential) proportionate loss of participation of the shareholders excluded from the subscription right, so that therefore also overall the interest of the Company outweighs the possible disadvantage of the shareholders from the exclusion of the subscription right.

In summary, it can therefore be determined, after weighing all the circumstances cited, that the granting of an authorization to the Management Board of the Company to resolve on financial instruments in accordance with section 174 AktG, if necessary also with the exclusion of subscription rights, is necessary, suitable, appropriate and objectively justified and required in the overriding interest of the Company in the specific case and therefore fully complies with the statutory provisions.

The Management Board