

exceet Group SCA
Société en commandite par actions

(the “Company”)

**Registered Office: 17, rue de Flaxweiler, L-6776 Grevenmacher, L-1420 Luxembourg
R.C.S. Luxembourg B 148.525**

**Remuneration Report of exceet Group SCA (the “Company”) for the financial year
2019**

Preamble

As a result of the implementation of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (the “**Shareholder Rights Directive II**”) into Luxembourg law, the Company has to establish a remuneration policy in connection with the remuneration of any member of its administrative, management or supervisory bodies in accordance with Article 7ter of the Luxembourg law of 24 May 2011 on Shareholders’ Rights, as amended by the law of 1 August 2019 regarding the exercise of certain shareholder rights and implementing the Shareholder Rights Directive II (the “**Shareholder Rights Law**”). This requirement came into force with immediate effect as of 1 August 2019.

To comply with the legal framework, exceet Management S.à r.l. (the “**General Partner**”) has prepared the present remuneration report which will be presented at the annual general meeting of the Company and disclosed on the Company’s homepage.

During most of the financial year 2019 the Company existed in the legal form of an SE; on 20 November 2019 the Company changed its legal form into an S.A. in order to change its legal form into an SCA on 23 January 2020. Both in the legal forms of SE and S.A., the Company was governed by a board of directors (one-tier structure), without a separate supervisory body. Consequently, the remuneration report presents the remuneration policy for the former board of directors, and provides information on the compensation of the directors awarded and due for the financial year 2019 in accordance with article 7bis of the Shareholder Rights Law.

It should be noted that since the change into its current legal form as an SCA, the Company has been managed by its General Partner and supervised by a Supervisory Board of three (3) members. The Company has further appointed an independent auditor (*réviseur d’entreprises agréé*). If adopted, the new remuneration policy of the Company to be submitted to the annual general meeting of shareholders will be applicable as from 23 January 2020, and the effective remuneration to be paid based on which will be disclosed in the remuneration report for the fiscal year 2020.

Total Remuneration Granted to the Members of the Former Board of Directors in 2019

The remuneration principles for the board of directors as applied for the financial year ended 31 December 2019 were based on the following principles:

- *Executive Director*

The fixed remuneration 2019 of the executive director (CEO&CFO) was paid on a monthly basis in 2019.

The performance related remuneration for the executive director was based on meeting targets, set by the board of directors during the budgeting process for the financial year 2019 in meetings in November/December 2018. At least two thirds of the targets set by the board of directors had to be quantitative measures, one third could be qualitative measures, but the board could also set only quantitative measures. The targets were intended to provide realistic incentives for the executive director. A compensation of over- and under-achievements for separate targets up to the maximum remuneration was possible.

For 2019 the quantitative measures were based on EBIT performance of the operating subsidiaries of the Group, with the budget as baseline of 100%.

Qualitative measures for 2019 were set concerning the realization of the reorganization of exceet Group: closure of the location in Rotkreuz, Switzerland; initiation of the transition of the legal form of exceet Group SE into exceet Group S.A. and finally into exceet Group SCA; and the return of liquidity to shareholders, in form of a special distribution.

Only the executive member of the board of directors was entitled to receive a variable component of the remuneration, which was paid after the publication of the financial results 2019 in March 2020. The Company does not have the possibility to reclaim any variable remuneration.

In addition, the executive director received an annual pension contribution.

In accordance with the foregoing principles, in the financial year 2019 the executive director received a total base salary of EUR 263,665, an additional variable component of EUR 126,845 and an annual pension contribution amounting to EUR 37,366.

- *Non-executive Directors*

The non-executive Directors were entitled exclusively to fixed fees.

In accordance with the foregoing principles and the decision of the general meeting of shareholders held on 16 May 2019, a fixed remuneration in an aggregate amount of EUR 160,000 was paid to the non-executive directors in relation with their activities as members of the board of directors and/or board committees for the financial year ending 31 December 2019. The fixed fees 2019 for the non-executive directors were paid after the shareholder meeting on 23 January 2020.

Elements of the Remuneration as applicable during the financial year 2019

The remuneration of the directors was paid as follows, in accordance with the decision of the general meeting of shareholders and applicable policy:

Total Remuneration of directors										
Name of director, Position (start/end)		Fixed remuneration			Variable remuneration		Extra-ordinary items (€)	Pension expenses (€)	Total remuneration (€)	Portion of fixed and variable remuneration
		Base salary (incl. Social Security) (€)	Fees (€)	Other benefits (€)	One-year variable (€)	Multi-year variable (€)				
Executive director										
Wolf-Günter Freese, director, CEO, CFO (04/05/2016-23/01/2020)	FY 2019	263,665	n/a	n/a	126,845	n/a	n/a	37,366	427,876	70/30
	FY 2018	255,887	n/a	n/a	134,844	n/a	n/a	25,603	416,334	68/32
Non-executive directors										
Klaus Röhrig, director, Chairman (05/12/2017-23/01/2020)	FY 2019	45,000	n/a	n/a	n/a	n/a	n/a	n/a	45,000	100/0
	FY 2018	45,000	n/a	n/a	n/a	n/a	n/a	n/a	45,000	100/0
Florian Schuhbauer, director (05/12/2017-23/01/2020)	FY 2019	30,000	n/a	n/a	n/a	n/a	n/a	n/a	30,000	100/0
	FY 2018	30,000	n/a	n/a	n/a	n/a	n/a	n/a	30,000	100/0
Jan Klopp, director (05/12/2017- to date)	FY 2019	30,000	n/a	n/a	n/a	n/a	n/a	n/a	30,000	100/0
	FY 2018	30,000	n/a	n/a	n/a	n/a	n/a	n/a	30,000	100/0
Roland Lienau, director (09/10/2009-to date)	FY 2019	30,000	n/a	n/a	n/a	n/a	n/a	n/a	30,000	100/0
	FY 2018	30,000	n/a	n/a	n/a	n/a	n/a	n/a	30,000	100/0
White Hills Management & CO SCS, represented by Mr. Andreas Füchsel as permanent representative, director (31/05/2013-23/01/2020)	FY 2019	25,000	n/a	n/a	n/a	n/a	n/a	n/a	25,000	100/0
	FY 2018	25,000	n/a	n/a	n/a	n/a	n/a	n/a	25,000	100/0

Performance of directors in the reported financial year:			
Name of director, position	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance and b) actual award/ remuneration outcome
Executive director			
Wolf-Günter Freese, director, CEO, CFO (04/05/2016-23/01/2020)	Quantitative Measure: Actual EBIT performance 2019 of subsidiary compared to budget	66.67%	a) 91.1% b) EUR 81,895
	Qualitative Measure: Reorganization of the Group	33.33%	a) 100% b) EUR 44,950
Non-executive directors			
Jan Klopp	n/a	n/a	n/a
Roland Lienau	n/a	n/a	n/a
Klaus Röhrig	n/a	n/a	n/a
Florian Schuhbauer	n/a	n/a	n/a
White Hills Management &Co SCS	n/a	n/a	n/a

Finally, no shares or share options were granted or offered to any of the directors of the Company during the financial year 2019.