

PROFIT AND LOSS TRANSFER AGREEMENT

between

VARTA AKTIENGESELLSCHAFT
VARTA-Platz 1
73479 Ellwangen (Jagst)

and

VARTA Consumer Europe Holding GmbH
VARTA-Platz 1
73479 Ellwangen (Jagst)

INTRODUCTORY REMARKS

- A. In the commercial register of the Local Court of Ulm, the public limited company under the name VARTA AKTIENGESELLSCHAFT with its registered office in Ellwangen (Jagst) is registered under HRB 728059 (hereinafter "**Controlling Company**").
- B. The limited liability company VARTA Consumer Europe Holding GmbH with its registered office in Ellwangen (Jagst) is registered in the commercial register of the Local Court of Ulm under HRB 739922 (hereinafter the "**Controlled Company**", and together with the Controlling Company hereinafter also the "**Parties**").
- C. Until [●] 2023, all shares in the Controlled Company with a total nominal value of EUR 25,000.00 were held by VARTA Consumer Batteries Benelux B.V., 100% of whose shares were in turn held by the Controlling Company. In connection with a restructuring, there was an exchange of shares and an associated capital increase at the controlled company. This resulted in the Controlling Company now directly holding all shares in the Controlled Company with a total nominal value of EUR [25,100].00 as of [●] 2023. Therefore, the controlling company was and is directly or indirectly involved in the entire voting share capital of the controlled company during the current financial year (financial integration).
- D. The present Profit and Loss Transfer Agreement is intended to establish a tax group relationship between the controlling company and the controlled company within the meaning of Section 14 of the German Corporation Tax Act (KStG).

On the above basis, the Parties agree as follows:

1. Profit transfer

- 1.1 The Controlled Company shall undertake to transfer to the Controlling Company its entire profit, that is, subject to the provision in paragraph 1.2, the entire annual net profit arising without the profit transfer, reduced by any loss carried forward from the previous year, by the amount to be mandatorily allocated to a statutory reserve and by the amount blocked from distribution pursuant to Section 268 para. 8 HGB. The provisions of Section 301 AktG, as amended from time to time, shall apply accordingly.
- 1.2 The Controlled Company may, with the consent of the Controlling Company, allocate amounts from the net profit for the year to revenue reserves (Section 272 (3) HGB), with the exception of statutory reserves, only to the extent that this is permissible under commercial law and is economically justified on the basis of a reasonable commercial judgement.
- 1.3 Other revenue reserves formed during the term of the present Agreement pursuant to Section 272 para. 3 HGB shall - to the extent legally permissible - be dissolved at the request of the Controlling Company and used to offset any net loss for the year or loss carried forward or transferred as profit. Other reserves and amounts from the release of profit

carried forward and retained earnings which were formed or arose from profits generated prior to the financial year in which the present Agreement comes into force may not be transferred to the Controlling Company as profit. The same shall apply to amounts from the release of capital reserves within the meaning of Section 272 (2) of the German Commercial Code (HGB), irrespective of whether these capital reserves were formed before or during the term of the present Agreement.

- 1.4 The claim to profit transfer arises at the end of the respective financial year of the Controlled Company. It is due with value date at this time.

2. Transfer of loss

The provisions of Section 302 AktG, as amended from time to time, shall apply mutatis mutandis.

3. Preparation of the Annual Financial Statements

- 3.1 The Annual Financial Statements of the Controlled Company shall be submitted to the Controlling Company for information, review and approval prior to their adoption.
- 3.2 The Annual Financial Statements of the Controlled Company shall be prepared and adopted before the Annual Financial Statements of the Controlling Company.
- 3.3 If the financial year of the Controlled Company ends at the same time as the financial year of the Controlling Company, the result of the Controlled Company to be taken over shall nevertheless be taken into account in the Annual Financial Statements of the Controlling Company for the same financial year.
- 3.4 The Controlling Company may - to the extent legally permissible - assume losses in advance before the end of the financial year or, subject to a sufficient net profit for the year, request an advance transfer of profits. The amounts transferred or taken over in advance shall be credited against the profit to be transferred or the loss to be taken over for the financial year in accordance with the above provisions: interest shall be paid on amounts transferred or taken over in excess at the usual lending rate and shall be refunded after the annual financial statements have been adopted.

4. Term and Termination of the Agreement

- 4.1 To become effective, the Agreement requires
 - (a) the approval of the General Meeting of the Controlling Company
 - (b) the approval of the Shareholders' Meeting of the Controlled Company
 - (c) Entry in the Commercial Register of the Controlled Company

The Agreement shall apply retroactively from the beginning of the financial year of the Controlled Company current at the time of the entry of the present Agreement in the Commercial Register.

- 4.2 The agreement shall be concluded for a fixed term of five (5) years ("**minimum term**"). The minimum term shall commence at the beginning of the financial year of the Controlled Company current at the time of registration of the present Agreement in the Commercial Register of the Controlled Company, for which the legal consequences of section 14 (1) clause 1 of the Corporation Tax Act (KStG) arise for the first time. If the minimum term of five (5) years ends during a current financial year of the Controlled Company, the minimum

term shall be extended until the end of that financial year. If the Agreement is not terminated by one party three (3) months before its expiry, it shall be extended by one (1) further year in each case.

- 4.3 The Parties shall be entitled to terminate the contract for good cause in particular,
- (a) if, due to a sale of shares or for other reasons, the conditions for a financial integration of the Controlled Company into the Controlling Company within the meaning of tax law no longer exist after completion of the respective measure:
 - (b) if the Controlling Company contributes the shareholding in the Controlled Company to another company:
 - (c) if the Controlling Company or the Controlled Company is merged, split or liquidated: or
 - (d) if there is good cause within the meaning of R 14.5(6) of the 2015 KStG (or equivalent) or other good cause recognised for income tax purposes at the time of termination.
- 4.4 If the effectiveness of the present Agreement or its proper execution is not or not fully recognised for tax purposes, the Parties agree that the minimum term shall in each case only begin on the first day of that financial year of the Controlled Company for which the conditions for recognition of its effectiveness or its proper execution for tax purposes are met for the first time or are met again for the first time.
- 4.5 If the Agreement ends, the Controlling Company shall provide security to the creditors of the Controlled Company in accordance with Section 303 AktG as amended from time to time.

5. Concluding provisions

- 5.1 Amendments to the present Agreement in accordance with Section 295 AktG require the approval of the General Meeting of the Controlling Company and the Shareholders' Meeting of the Controlled Company. The approval of the Controlled Company must be unanimous and must be entered in the Commercial Register of the Controlled Company.
- 5.2 Furthermore, amendments and additions hereto must be made in writing, unless notarisation is required. This shall also apply to any waiver of the present requirement for written form.
- 5.3 Should any provision of the present Agreement be or become invalid, impracticable or unenforceable in whole or in part, or should the Agreement contain a loophole, the validity and enforceability of the remaining provisions of the present Agreement shall remain unaffected thereby. The Parties undertake to agree on a valid, feasible and enforceable provision in place of the invalid, impracticable, unenforceable or missing provision which comes as close as possible to the economic intent of the Parties.
- 5.4 When interpreting individual provisions of the present Agreement, the provisions of Sections 14 and 17 KStG, as amended from time to time, or, where applicable, the corresponding successor provisions, shall be observed. Insofar as individual provisions of the present Agreement conflict with Section 2 hereof, then Section 2 of the present Agreement shall take precedence over those provisions.