

The following compensation report pursuant to § 162 AktG explains the compensation granted and owed to the current and former members of the Management Board and Supervisory Board of VIA optronics AG by the Company and - where applicable - by companies of the Group.

According to the wording of the law, the compensation granted and owed must be reported. In accordance with the legislative materials for the revised § 162 AktG, no precise regulation of the time of accrual has been made. The disclosures made in this compensation report follow the payment-oriented approach, i.e. compensation is stated at the time at which it actually accrues to the recipient.

Compensation Report 2021

The Management Board of VIA optronics AG is composed of a Chief Executive Officer (CEO) and a Chief Financial Officer (CFO).

By resolution of January 11, 2020, the Supervisory Board of VIA optronics AG appointed Mr. Jürgen Eichner (CEO) as Chief Executive Officer and Mr. Daniel Jürgens as Chief Financial Officer (CFO). In September 2020, VIA optronics AG concluded service agreements with the two members of the Management Board expiring on December 31, 2022.

Furthermore, both members of the Executive Board served as managing directors of VIA optronics GmbH. The service contracts (Managing Director Agreement) for this ended on March 09, 2021.

By resolution dated July 01, 2021, Dr. Markus Peters was appointed Chief Financial Officer (CFO). The service contract has a fixed term until June 30, 2024.

Mr. Daniel Jürgens left the Company as of September 30, 2021.

1. Basic Features of the Compensation System for the Board of Management

The remuneration system of VIA optronics AG for the members of the Management Board consists of an annual fixed salary and a variable remuneration component, the payment of which depends on the achievement of pre-agreed financial and non-financial targets by the company.

The aim of the compensation components is to bind the Executive Board members to the Company and to contribute to the achievement of the Company's objectives. The objective of the non-performance-related basic compensation is to align the performance of the Executive Board member with the interests of the Company and the duties of a prudent

businessman, uninfluenced by short- and medium-term performance targets. Through an appropriate variable remuneration depending on financial corporate targets as well as the development of the share price, effective incentives are to be created to contribute to the development and success of VIA optronics AG. The financial targets are supplemented by a process compliance component.

With the contribution of VIA optronics GmbH to VIA optronics AG, the management service contracts of Mr. Eichner and Mr. Jürgens were completely replaced by new management service contracts at the level of VIA optronics AG.

Under the new Executive Board service agreements, neither Mr. Eichner nor Mr. Jürgens received separate compensation for services rendered in their capacity as managing directors of VIA optronics GmbH until March 2021. Instead, the services rendered in their capacity as managing directors of VIA optronics GmbH were covered by the remuneration from the Executive Board service agreements with our Company. Since March 2021, of the members of the Management Board of VIA optronics AG, only Mr. Eichner still exercises an executive function at another Group company - VIA LLC.

We have concluded service agreements with the current members of our Executive Board, the content of which is explained in more detail below.

2. Compensation of the members of the Board of Management

The total compensation of the Executive Board members consists of the following components:

Compensation component	Share of target total compensation
Fixed base salary	53 % - 72 %
Variable compensation	28 % - 47 %

The members of the Management Board of VIA optronics AG receive a fixed basic salary and a variable compensation component.

The sum of the fixed base salary and the variable compensation component results in an annual target salary that is determined in the course of the agreement of the service contracts between the Executive Board member and the Company.

At the beginning of the reporting year, the following target compensation was set for the Executive Board members for the reporting year:

in EUR	Jürgen Eichner (CEO)	Daniel Jürgens (CFO, until 06/30/2021)	Dr. Markus Peters (CFO, since 07/01/2021)
Fixed remuneration	380.000	139.000	129.000
<i>thereof basic salary VIA optronics AG</i>	<i>325.000</i>	<i>132.000</i>	<i>100.000</i>
<i>thereof basic salary VIA LLC</i>	<i>21.000</i>	-	-
<i>thereof fringe benefits</i>	<i>30.000</i>	<i>7.000</i>	<i>13.000</i>
<i>thereof pension contributions</i>	<i>4.000</i>	-	-
STI target	325.000	59.000	50.000
Target total compensation	705.000	198.000	163.000

2.1 Composition of the fixed remuneration

The annual base salary is composed of twelve monthly salaries to be granted in the fiscal year. Mr. Eichner's fixed base salary is adjusted at the time of the annual collective pay increases for employees in the Bavarian metal industry by a percentage equal to the percentage by which the salaries of employees in the highest pay scale level for employees in the Bavarian metal industry are increased. Otherwise, the fixed basic salary is adjusted in accordance with individual agreement between the Company, the Supervisory Board and the respective Executive Board member.

In addition, fringe benefits include the use of a company car and a cell phone, as well as the reimbursement of necessary and reasonable expenses, including travel costs, accommodation and entertainment expenses, the cost of appropriate term life insurance, and allowances for health and long-term care insurance and retirement benefits. Our Company has taken out D&O insurance for the benefit of our Executive Board members covering the legal liability arising from their activities in this function.

2.2 Composition of variable remuneration

The bonus payments of the members of the Management Board relate exclusively to annual assessment periods and have been defined in the form of a Short-Term Incentive (STI) plan.

75% of the bonus payments depend on business performance - measured in the form of the Corporate Performance Indicator (CPI) - and 25% on the Process Compliance Factor (PCF). The CPI in turn comprises the Capability Factor (CF), the Growth Factor (GF) and the Stock Performance Factor (PF). These factors are decisive for target achievement within the defined period.

The objective of the CPI is to adequately reflect the business success and market success of VIA optronics AG. The individual factors of the CPI are defined as follows:

- *Capability Factor (CP)*: The capability factor is defined as earnings before interest, taxes, depreciation and amortization (EBITDA), as presented in the budget, compared with the audited consolidated financial statements. The basis in each case is the values determined in accordance with International Financial Reporting Standards (IFRS).
- *Growth Factor (GF)*: The growth factor is defined as all attributable sales recognized in the consolidated financial statements according to IFRS compared to the audited sales according to the consolidated financial statements according to IFRS of the previous year.
- *Stock Performance Factor (PF)*: The stock performance factor is defined as the development of the VIAO share price compared to its own underlying.

In addition, the bonus payments of the Executive Board members depend on the compliance of the entire Group with the corporate processes, which are determined as part of a process audit (*Process Compliance Factor*).

The following performance targets were used to measure the STI in the reporting year:

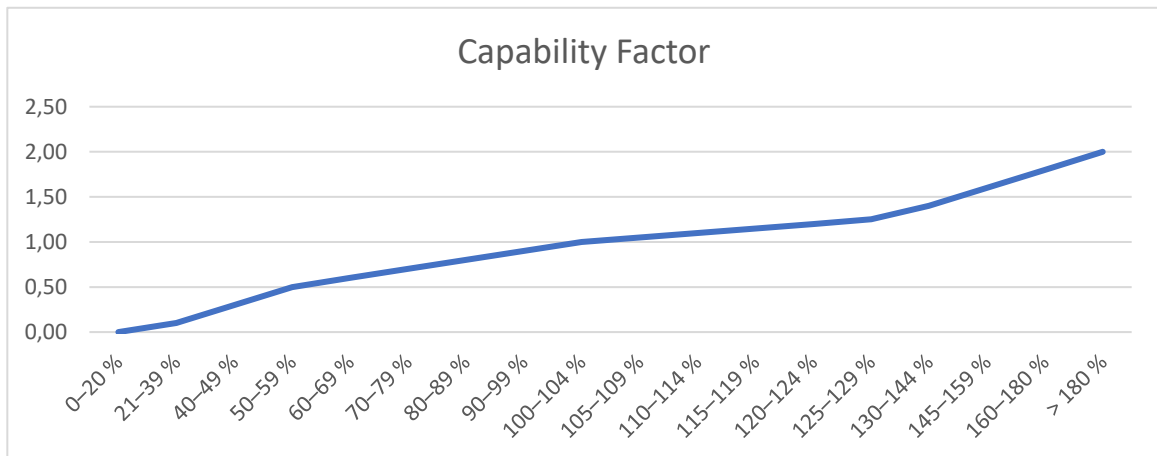
Target		Share in the measurement of the target STI
CPI	CF	25 %
	GF	25 %
	SPF	25 %
PCF		25 %

The performance targets are corporate goals and are therefore set by the company, approved by the company's Supervisory Board and explained in a guideline. The expected capability factor is determined during the annual budget process.

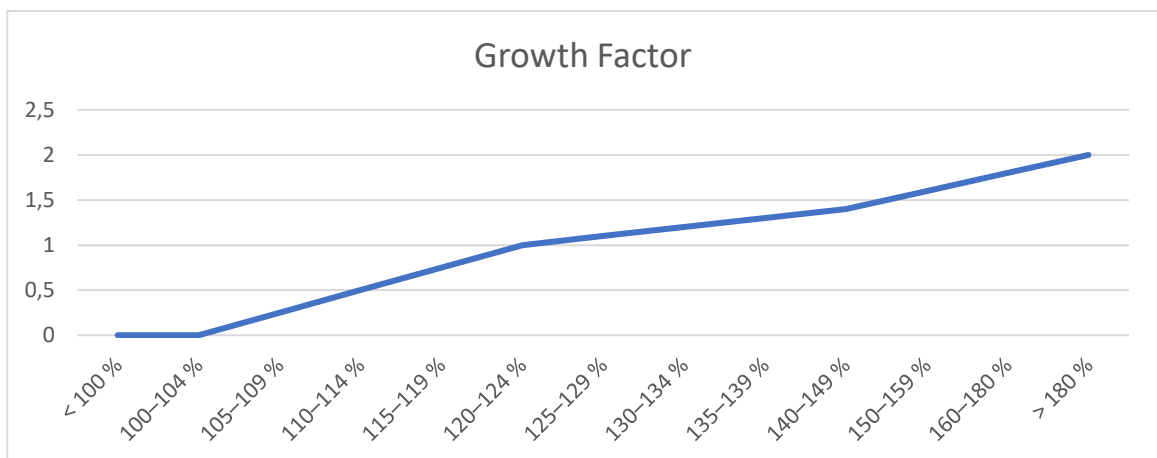
The annual bonus target under the STI for Mr. Jürgens is 33.3% and for Dr. Peters 50% of the respective annual fixed base salary. The target achievement factor calculated from CPI and PCF is applied to this bonus target in accordance with the weighting described above. The bonus target for Mr. Jürgen Eichner is based on EBITDA.

Deviations from the respective defined target values of the individual relevant factors are reflected as follows:

- **Capability Factor (CP):** If the EBITDA achieved in the financial year corresponds to the target value (budget value), the CF is "1.00". A higher EBITDA achieved leads to a CF > 1, but is capped at a CF of "2.00". A lower EBITDA achieved leads to a CF < 1, but is capped at a CF of "0".

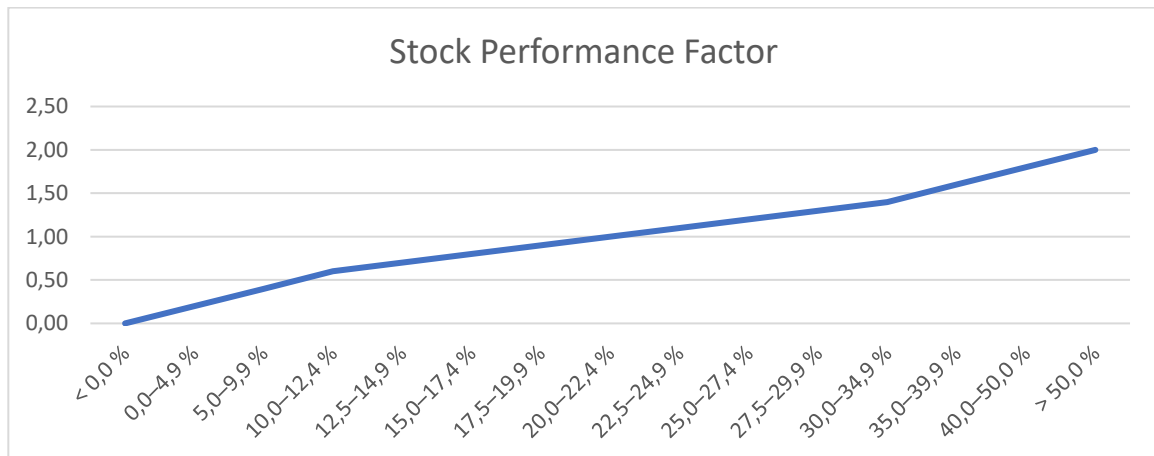


- **Growth Factor (GF):** If the sales achieved in the financial year correspond to the value of the previous year plus 20%, the GF is "1.00". A higher increase in sales leads to a GF > 1, but is capped at a GF of "2.00". A lower increase in sales leads to a GF < 1, but is capped at a GF of "0".



- *Stock Performance Factor (PF)*: The stock performance factor is derived from a single comparison: the development of the VIAO share in the relevant fiscal year compared to the previous year. The PF cannot be negative. The baseline is defined as "0.00" and is capped at "2.00".

The year-on-year development is examined based on the stock price in the 60-day average before the end of the year compared to the 60-day average of the previous year in the same period to determine the PF.



Once the individual factors have been determined, they are aggregated to form the CPI by multiplying the respective factor by the weighting explained above.

The current compensation system does not provide for any clawback arrangements for variable compensation.

2.3 Further agreements on remuneration - benefits upon termination of the contract

The service contracts of the members of the Management Board of VIA optronics AG provide for a two-year non-competition clause after termination of the service contract. During the term of the non-competition clause, the respective Executive Board member is entitled to continued salary payment (non-competition clause) in the amount of 50% of the average remuneration (fixed basic salary plus variable remuneration) received by the Executive Board member in the period of 36 months prior to termination of the service agreement.

The amount of the non-competition clause shall be paid pro rata in equal monthly installments during the term of the agreement. The Company, represented by the Supervisory Board, has the right to waive this non-competition clause prior to termination of the service agreement by means of a unilateral written declaration to the Executive Board member, with the consequence that no continued salary payment is to be made either.

If the Company terminates Mr. Eichner's employment contract for a reason other than a material breach of duty, Mr. Eichner is entitled to a lump-sum severance payment equal to one month's basic salary for each year of service since June 1, 2006. The basic monthly salary is determined on the basis of the basic monthly salary applicable at the time of departure.

If the service of a member of the Executive Board ends prematurely because he dies during the term of his service contract, the fixed monthly compensation shall continue to be paid to his heirs for a period of six months. The Company has no defined benefit pension commitments for members of the Executive Board in office in fiscal year 2021.

2.4 Compensation granted and owed to current and former members of the Executive Board for the reporting year

The basic salary is paid out in the reference year divided into twelve monthly salaries or, in the case of later entry, divided accordingly into the number of months since entry. The variable compensation under the STI is paid out in cash in the following financial year once the necessary information for determining the CPI is available and the Supervisory Board has passed a resolution on the determination of the variable compensation.

For the reporting year 2021, the compensation components granted and owed are shown in the following table:

in EUR	Jürgen Eichner (CEO)		Daniel Jürgens (CFO, until 06/30/2021)		Dr. Markus Peters (CFO, since 07/01/2021)	
Fixed remuneration	486.000	85,7 %	139.000	70,2 %	113.000	100,0 %
<i>thereof basic salary VIA optronics AG</i>	<i>325.000</i>	<i>57,3 %</i>	<i>132.000</i>	<i>66,7 %</i>	<i>100.000</i>	<i>88,5 %</i>
<i>thereof basic salary VIA LLC</i>	<i>21.000</i>	<i>3,7 %</i>	-	-	-	
<i>thereof fringe benefits</i>	<i>30.000</i>	<i>5,3 %</i>	<i>7.000</i>	<i>3,5 %</i>	<i>13.000</i>	<i>11,5 %</i>
<i>thereof vacation pay</i>	<i>106.000</i>	<i>18,7 %</i>	-	-	-	
<i>thereof pension contributions</i>	<i>4.000</i>	<i>0,7 %</i>	-	-	-	-
STI 2020	81.000	14,3 %	49.000*	24,8 %	-	
Target total compensation	567.000		188.000		113.000	

*Fiscal year 2020 and 2021 pro rata

With the exception of the base salary paid by VIA LLC to Mr. Eichner, no further compensation from affiliated companies or third parties was granted to or owed to the members of the Executive Board for the reporting year 2021 with regard to Executive Board activities

The amounts spent on retirement benefits for the reporting year 2021 for Mr. Eichner amount to €4,000.

At the end of September 30, 2021, Mr. Jürgens has terminated his employment with VIA optronics AG. In this context, no separate benefits have been promised to him and granted to him in the course of fiscal year 2021; in particular, no salary continuation payments have been or will be made due to the non-competition clause.

The performance criteria for the STI agreed with the respective Executive Board on the basis of the compensation system described were applied as follows for the reporting year:

			Jürgen Eichner (CEO)		Daniel Jürgens (CFO, until 06/30/2021)		Dr. Markus Peters (CFO, since 07/01/2021)	
Share of target amount 2021	Target	maximum	erreicht					
	in %	in %	in EUR	in %	in EUR	in %	in EUR	in %
STI 2020	100	200	81.000	25,0	49.000*	83,0		

*Fiscal year 2020 and 2021 pro rata

Against the background of the company's development in the 2020 financial year, the Supervisory Board and Executive Board have decided to set the bonus factor at 0.5 for all employees in relation to the STI for this year. The aim of this decision is to further improve employee retention and to bind qualified employees to the company in the long term for the future growth phase. The variable remuneration for all employees included in the STI, including the members of the Executive Board, was determined and paid on this basis.

In deviation from this, the Supervisory Board has set Mr. Eichner's variable compensation for fiscal year 2020 at the bonus factor 0.25. Mr. Eichner's performance-related compensation was aligned with the compensation system applicable to all employees, taking into account the bonus target on an adjusted basis.

In addition to the variable compensation for the 2020 financial year determined as above, Mr. Daniel Jürgens was granted variable compensation amounting to two-thirds of the variable compensation for 2020 due to his departure from the Company for the 2021 financial year.

2.5 Appropriateness of the remuneration of the Board of Management

The annual salaries and the variable compensation component (STI) to be granted for the past financial year of the members of the Board of Management are compared in total with the annual salaries and the variable compensation component (STI) to be granted for the past financial year of all employees on average and evaluated according to their development. A comparative presentation of compensation and earnings development can be found in section 5.

3. Remuneration system of the Supervisory Board

On August 25, 2020, the Annual General Meeting adopted the following compensation system for the members of our Supervisory Board, which has applied since then:

- The regular members of the Supervisory Board receive fixed compensation of €20,000 per year.
- The Chairman and Vice Chairman of the Supervisory Board receive fixed compensation of €40,000 and €30,000 per year, respectively.
- The Chairman of the Audit Committee receives fixed compensation of €30,000 per year.

If more than four Supervisory Board meetings are held in a calendar year, the members of the Supervisory Board receive €5,000 for each additional meeting attended. Beyond this,

Supervisory Board members receive no remuneration for their attendance at Supervisory Board meetings.

Members of the Supervisory Board are entitled to reimbursement of their reasonable, documented expenses (including travel, accommodation and telecommunications costs).

This compensation system remains in force until it is amended or cancelled by our Annual General Meeting. The compensation is paid on a pro rata temporis basis.

4. Compensation of the members of the Supervisory Board

The compensation of the Supervisory Board in the reporting year consisted exclusively of the respective fixed compensation, which was granted in full to all members of the Supervisory Board, and is as follows:

	Fixed remuneration 2021		Fixed remuneration 2020	
	in TEUR	in %	in TEUR	in %
Dr. Heiko Frank (Chairman of the Supervisory Board as of 12/31/2021)	40	100	50	100
Anil Doradla (Chairman of the Audit Committee Supervisory Board as of 12/31/2021)	30	100	30	100
Arthur Tan (Deputy Chairman of the Supervisory Board from 12/29/21)	--	n/a	--	n/a
Anthony John Best (Supervisory Board as of 12/31/2021)	20	100	20	100
Shuji Aruga (Supervisory Board from 12/29/21)	--	n/a	--	n/a
Diosdato Banatao (former member of the Supervisory Board until 12/29/21)	20	100	20	100
Jerome Tan* (former member of the Supervisory Board until 12/29/21)	--	n/a	--	n/a

* Waiver of remuneration

5. Comparative presentation of compensation and earnings development

The following comparative presentation shows the annual change in the compensation granted and owed to current and former members of the Executive Board and Supervisory Board, the Company's earnings performance and the compensation of employees on a full-time equivalent (FTE) basis, whereby the latter is based on the average wages and salaries of all employees of VIA optronics AG in the respective financial year.

	Remuneration		Change 2021 vs. 2020	
	2020	2021		
	in TEUR		in %	in TEUR
Current and former members of the Board of Management				
Jürgen Eichner	372	567	52,4	195
Daniel Jürgens*	195	188	-3,6	7
Dr. Markus Peters*	0	113	100	113
Current and former members of the Supervisory Board				
Dr. Heiko Frank	50	40	-20,0	10
Anil Doradla	30	30	0,0	0
Arthur Tan	-	-	0,0	0
Anthony John Best	20	20	0,0	0
Shuji Aruga	-	-	0,0	0
Diosdato Banatao	20	20	0,0	0
Jerome Tan	-	-	0,0	0
Employees				
Ø-Remuneration FTE	99	117	18,2	18
Earnings performance				
Consolidated net income after taxes (in TEUR)	(4.914)	(11.756)	-139,2	(6.842)
Result VIA optronics AG after taxes (in TEUR)	(11.430)	(6.528)	42,8	4.902

* Retired or joined during the year