

Explanatory notes on shareholders' rights pursuant to Section 121 (3) no. 3 of the German Stock Corporation Act

The invitation to the Annual General Meeting of IVU Traffic Technologies AG on May 25, 2023 contains information on the rights of shareholders pursuant to Sections 122 (2), 126 (1), 127 and 131 (1) of the German Stock Corporation Act. These rights are based in particular on the following current legal provisions:

Requests for additions to the agenda in accordance with Section 122 (2) German Stock Corporation Act

Shareholders whose shares collectively account for at least one twentieth of the share capital or a EUR 500,000.00 share of the share capital may request that items be added to the agenda and announced. Every new item must be accompanied by a justification or a draft resolution. The request must be addressed to the Executive Board of IVU Traffic Technologies AG in writing and must be received by the company at least 30 days before the Annual General Meeting (not including the date of receipt, in accordance with Section 122 (2) sentence 3 German Stock Corporation Act), i.e. no later than Monday, 24 April 2023, 24:00 CEST. Such requests must be sent to the following address:

IVU Traffic Technologies AG
Executive Board
Bundesallee 88
12161 Berlin

Pursuant to Section 122 (2) in conjunction with (1) sentence 3 German Stock Corporation Act, the shareholders concerned must provide evidence demonstrating that they have been holders of the necessary number of shares since at least 90 days before the date the company receives the request and that they have held the minimum number of shares until the decision on the request is made.

Section 122 of the German Stock Corporation Act reads as follows:

Section 122 Convening the general meeting upon a corresponding demand being made by a minority

(1) The general meeting is to be convened wherever stockholders, whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital, demand that it be so convened, doing so in writing and citing the purpose and the reasons therefor; the demand is to be addressed to the management board. The by-laws may tie the right to demand that the general meeting be convened to a different form and to possession of a lesser portion of the share capital. The petitioners are to submit proof that they have been holders of the shares of

stock since at least 90 days prior to the date on which their demand is received, and that they will continue to so hold the shares until the management board takes a decision regarding their petition. Section 121 (7) applies accordingly.

(2) In like manner, stockholders whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital or to a stake of 500,000 euros, may demand that items of business be set out in the agenda and that notice be given by publication. Each item of business to be newly added to the agenda must include the reasons therefor or a proposal for a resolution. The demand within the meaning of sentence 1 must be received by the company at the latest 24 days prior to the general meeting, in the case of listed companies at the latest 30 days prior to the general meeting; the date on which the demand is received is not to be included in calculating the period.

(3) Where the demand is not complied with, the court may grant authority to the stockholders who have raised the demand to convene the general meeting or to give notice by publication of the item of business. Concurrently, the court may determine the chairperson of the general meeting. The invitation convening the general meeting or the notice must indicate the authorisation by the court. A complaint may be lodged against the decision taken. The petitioners are to submit proof that they will continue to hold the shares of stock until the court hands down its decision.

(4) The company bears the costs of the general meeting and, in the case governed by subsection (3), also the court costs if the court has complied with the petition.

Section 121 (7) of the German Stock Corporation Act reads as follows:

Section 121 General provisions

(7) In the case of periods and deadlines that are counted back from the date of the general meeting, the date of the general meeting itself is not to be counted. Rescheduling the general meeting from a Sunday, a Saturday or a holiday to a preceding or subsequent business day is not an available option. Sections 187 to 193 of the Civil Code do not apply accordingly. In the case of unlisted companies, the by-laws may provide for a different calculation of the period.

Section 70 of the German Stock Corporation Act reads as follows:

Section 70 Calculation of the period of possession of the share of stock

If the exercise of rights attaching to the share of stock is contingent upon the stockholder having been holder of the share of stock for a specified period of time, then a claim to transfer of title against a credit institution, a financial services provider, a securities institution or an enterprise pursuing activities in accordance with section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the Banking Act is equivalent to ownership of the share of stock. The period of ownership of a predecessor in title is attributed to the stockholder if they have purchased the share of stock in any of the following manners: without monetary consideration, from their trustee, as a universal successor, in the course of a distribution of assets among a community or as part of a portfolio transfer pursuant to section 13 of the Insurance Supervisory Act (Versicherungsaufsichtsgesetz – VAG) or section 14 of the Act on Savings and Loan Associations (Gesetz über Bausparkassen – BauSparkG).

Counter-motions and nominations in accordance with Sections 126 and 127 German Stock Corporation Act

In addition, every shareholder has the right to submit motions and nominations regarding agenda items and the rules of procedure at the Annual General Meeting, without requiring notification, publication or other particular action before the Annual General Meeting.

The company will announce counter-motions within the meaning of Section 126 German Stock Corporation Act and nominations within the meaning of Section 127 German Stock Corporation Act, including the name of the shareholder, the justification (although this is not necessary for nominations), and any relevant opinions of the management, at the URL

<http://www.ivu.de/investoren/hauptversammlung/>

if they have been submitted to the company at the following address at least 14 days before the Annual General Meeting (not including the date of receipt, in accordance with Section 126(1) sentence 2 German Stock Corporation Act), i.e. no later than Wednesday, 10 May 2023, 24:00 CEST:

IVU Traffic Technologies AG
Investor Relations
Bundesallee 88
12161 Berlin
E-mail: ir@ivu.de

Section 126 of the German Stock Corporation Act reads as follows:

Section 126 Motions by stockholders

(1) Motions by stockholders are to be made accessible to the beneficiaries set out in section 125 (1) to (3), subject to the pre-requisites listed therein, including the name of the stockholder, the reasons for which the motions are being made, and a statement, if any has been made, by the management regarding its position, provided that the stockholder has sent, at the latest 14 days prior to the date of the general meeting, a counter-motion opposing a proposal or guidance by the management board and the supervisory board regarding a certain item of business set out in the agenda, specifying the reasons therefor, to the address set out for this purpose in the invitation convening the general meeting. The date on which the counter-motion is received is not to be included in calculating the period. In the case of listed companies, the counter-motion is to be made accessible via the company's website. Section 125 (3) applies accordingly.

(2) A counter-motion and the reasons for which it is being made need not be made accessible:

1. inasmuch as the management board would be liable to punishment under law, were it to make such proposal accessible;
2. if the counter-motion were to result in the general meeting adopting a resolution that is in violation of the law or of the by-laws;

3. if the reasons make manifestly false or misleading statements regarding key aspects or if they are insulting;
4. if a counter-motion made by the stockholder based on the same facts and circumstances has already been made accessible pursuant to section 125 for a general meeting of the company;
5. if the same counter-motion of the stockholder, citing substantially the same reasons, has been made accessible pursuant to section 125 in the past five years to at least two general meetings of the company, and if less than one twentieth of the share capital represented voted for this counter-motion at the general meeting;
6. if the stockholder indicates that they will not attend the general meeting and will not have a proxy represent them;
7. if, in the past two years at two general meetings, the stockholder has failed to propose or to have proposed a counter-motion regarding which they have informed the company.

The reasons need not be made accessible if they amount to more than 5,000 characters in total.

(3) Where several stockholders propose counter-motions regarding one and the same item of business to be resolved upon, the management board may combine the counter-motions and the reasons specified for them.

Section 127 of the German Stock Corporation Act reads as follows:

Section 127 Nominations by stockholders

Section 126 applies accordingly to nominations by stockholders of candidates for the supervisory board or as statutory auditors. No reasons need be specified for the nomination. The management board need not make accessible the nomination also in those cases in which the nomination does not include the information pursuant to section 124 (3) sentence 4 and section 125 (1) sentence 5. The management board is to supplement the nomination by a stockholder of candidates for the supervisory board of listed companies, to which the Employee Co-Determination Act, the Act on Co-determination in the Coal, Iron and Steel Industry or the Supplementary Co-determination Act applies, by the following substantive content:

1. indication of the requirements stipulated by section 96 (2),
2. whether an objection has been raised against the fulfilment of the ratio by the supervisory board as a whole pursuant to section 96 (2) sentence 3 and
3. the number of seats on the supervisory board that must be filled, at a minimum, by women and men, respectively, in order to fulfil the requirement as to the minimum ratio pursuant to section 96 (2) sentence 1.

Right to information in accordance with Section 131(1) German Stock Corporation Act

In accordance with Section 131(1) German Stock Corporation Act, the Executive Board must provide any shareholder with information on matters pertaining to the company upon request at the Annual General Meeting, insofar as the information is necessary in order to properly assess an agenda item and there is no right to withhold information.

The Executive Board's obligation to provide information extends to IVU Traffic Technologies AG's legal and business relations with its affiliates as well as the position of the IVU Group and the companies included in the IVU consolidated financial statements, likewise on the condition that the information is necessary in order to properly assess the agenda item in question and there is no right to withhold information.

Section 131 of the German Stock Corporation Act reads as follows:

§ 131 Shareholder's right to information

(1) The management board is to inform each stockholder at the general meeting, upon a corresponding request being made, concerning matters pertaining to the company insofar as this is required in order to appropriately adjudge the item of business set out in the agenda. The obligation to provide information also extends to include the legal and business relations of the company with an affiliated enterprise. Where a company avails itself of the eased requirements pursuant to section 266 (1) sentence 3, section 276 or section 288 of the Commercial Code, each stockholder may request that, at the general meeting deliberating on the annual financial statements, the annual financial statements be made available to them in the form that they would be in without these eased requirements. The obligation of the management board of a parent undertaking to provide information (section 290 (1) and (2) of the Commercial Code) at the general meeting to which the consolidated financial statements and the consolidated management report are submitted also extends to cover the situation of the group and the enterprises included in the consolidated financial statements.

(1a) [...]

(1b) [...]

(1c) [...]

(1d) [...]

(1e) [...]

(1f) [...]

(2) The information provided is to comply with the principles of conscientious and faithful accounting. The by-laws or the rules of procedure pursuant to section 129 may grant authority to the person chairing the meeting to impose reasonable time limits on the stockholder's right to ask questions and to speak, and may also allow them to make further determinations concerning the details in this regard.

(3) The management board may refuse a request for information:

1. inasmuch as the provision of the information, when assessed applying prudent business judgment, is suited to cause a greater than insignificant disadvantage to the company or an affiliated enterprise;
2. inasmuch as it refers to carrying values for tax purposes or the amount of individual taxes;
3. regarding the difference between the value at which objects were stated in the annual balance sheet and a higher value of such objects, unless the general meeting approves and establishes the annual financial statements;
4. regarding the accounting and valuation methods insofar as it suffices to cite these methods in the notes in order to accurately represent the company's assets, financial position and revenue situation in keeping with its actual circumstances within the meaning of section 264 (2) of the Commercial Code; this does not apply if the general meeting approves and establishes the annual financial statements;
5. inasmuch as the management board would be liable to punishment under law were it to provide the information;
6. inasmuch as, in the case of a credit institution, a financial services provider or a securities institution, no information need be provided regarding the accounting and valuation methods applied, nor regarding the netting performed in the annual financial statements, management report, consolidated financial statements or consolidated management report;
7. inasmuch as such information is continuously accessible on the company's website for at least seven days prior to commencement of the general meeting, and also in its course.

Any refusal to provide information for other than the grounds set out above is not permissible.

(4) Where information has been provided to a stockholder because of their capacity as such, and this was done outside of the general meeting, it is to be provided to every other stockholder making a corresponding request at the general meeting, even if such information is not required in order to appropriately adjudge the item of business set out in the agenda. The management board may not refuse to provide the information in accordance with subsection (3) sentence 1 nos. 1 to 4. Sentences 1 and 2 do not apply if a subsidiary undertaking (section 290 (1) and (2) of the Commercial Code), a joint venture (section 310 (1) of the Commercial Code) or an associated enterprise (section 311 (1) of the Commercial Code) issues the information to a parent undertaking (section 290 (1) and (2) of the Commercial Code) for purposes of including the company in the consolidated financial statements of the parent undertaking and the information is required for this purpose.

(5) Where a stockholder's request for information is refused, the stockholder may demand that their question and the grounds for refusing to provide the information be included in the minutes of the meeting.