

Explanation of shareholders' rights pursuant to Section 121 (3) No. 3 AktG and further information

technotrans SE Sassenberg

Annual General Meeting in the form of a virtual Annual General Meeting without the presence of shareholders and their proxies
on May 7, 2021

Explanatory notes on the legal framework for the 2021 virtual Annual General Meeting of technotrans SE ¹

The COVID-19 pandemic continues to have a major impact worldwide on private and economic life. For example, at the time of publishing this invitation, in Germany there is a time-limited ban on holding public events. It is unclear whether further lockdowns and possibly other restrictions may occur, for instance because of virus mutations. In light of the pandemic, in spring 2020 the legislators passed the Act to Mitigate the Consequences of the COVID-19 Pandemic under Civil, Insolvency and Criminal Procedure Law. This omnibus act includes the Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic (hereinafter referred to as "COVID-19 Act" as amended). Pursuant to Section 1 (2) COVID-19 Act, it for example permits stock corporations and listed European companies (SE) such as technotrans SE to conduct an Annual General Meeting in a virtual format without the physical presence of the shareholders or their proxies. The application period of the regulations on the convening and conducting of virtual Annual General Meetings was extended by the Regulation extending Measures Under the Law of Companies, Cooperative Societies, Associations and Foundations to Combat the COVID-19 Pandemic from October 20, 2020 until December 31, 2021. With the Act Concerning the further Shortening of the Residual Debt Discharge Proceedings and the Adjustment of Pandemic-Related Regulations in the Law of Companies, Cooperative Societies, Associations and Foundations as well as in the Law of Tenancies dated December 22, 2020 the regulations on the convening and conducting of the virtual Annual General Meeting were adjusted selectively with regard to shareholder interests in the holding of virtual Annual General Meetings.

This year's Annual General Meeting is to be held as a virtual Annual General Meeting, after consideration of the various interests involved and to protect the shareholders, governing bodies and workforce of technotrans SE on the basis of a corresponding resolution of the Board of Management, with the consent of the Supervisory Board in the application of these regulations.

The rights of the shareholders to participate, exercise voting rights, grant powers of proxy, regarding the right to ask questions and regarding the right to object are to that extent attached to Section 1 COVID-19 Act and the general regulations governing invitation to and conducting of the Annual General Meeting of a listed European Company (SE) and the Articles of Association of the company, unless specified otherwise by Section 1 COVID-19 Act and if use is made of these regulations.

The virtual Annual General Meeting 2021 of technotrans SE is based on the following provisions of the COVID-19 Act:

¹The following provisions may supersede shareholders' rights under the Articles of Incorporation as well as rights granted in principle under stock corporation law. In particular, the provisions regulate a modified framework for so-called virtual Annual General Meetings without the physical presence of share-holders or their proxies.

Section 1 Stock corporations; public partly limited partnerships; European companies (SEs); mutual insurance companies

(1) Decisions concerning the right of shareholders to participate in the general meeting by means of electronic communication in accordance with section 118 (1) sentence 2 of the Stock Corporation Act (Aktiengesetz) (electronic participation), to exercise the right to cast their vote by means of electronic communication in accordance with section 118 (2) of the Stock Corporation Act (postal vote), the participation of members of the supervisory board by means of audio and video transmission in accordance with section 118 (3) sentence 2 of the Stock Corporation Act and provision for the general meeting to be broadcast by means of audio and video transmission in accordance with section 118 (4) of the Stock Corporation Act may be taken by the company's management board even without authority being granted therefor under the by-laws or rules of procedure.

(2) The management board may decide that the general meeting is to be held in the form of a virtual general meeting without the need for shareholders or their authorised representatives to be physically present, provided that

1. the broadcast by means of audio and video transmission encompasses the entire general meeting,
2. provision is made for shareholders to exercise their voting right by means of electronic communication (postal vote or electronic participation) and to grant a power of attorney,
3. shareholders are given the opportunity to ask questions by means of electronic communication,
4. shareholders who exercise their voting right in accordance with no. 2 are afforded the possibility of objecting to a resolution adopted by the general meeting by way of derogation from section 245 no. 1 of the Stock Corporation Act, the need to be physically present at the general meeting thus being waived.

The management board decides at its duty-bound, free discretion which questions it wishes to respond to; it may also stipulate that questions must be submitted by means of electronic communication no later than two days prior to the meeting.

(3) By way of derogation from section 123 (1) sentence 1 and (2) sentence 5 of the Stock Corporation Act, the management board may decide to convene the general meeting no later than the 21st day prior to the day of the general meeting. By way of derogation from section 123 (4) sentence 2 of the Stock Corporation Act, proof of shares held in companies listed on the stock exchange must refer to the start of the 12th day prior to the general meeting and must, in the case of bearer shares of the company, be sent to the address stated in the invitation convening the general meeting to arrive there no later than four days prior to the general meeting, unless the management board makes provision in its invitation convening the general meeting for a shorter period within which the company must be in receipt of that proof; deviating determinations made in the by-laws are irrelevant. Where an invitation convening a general meeting stipulates a shorter period than that set out in sentence 1, the notification referred to in section 125 (1) sentence 1 of the Stock Corporation Act must be made no later than 12 days prior to the general meeting and the notification referred to in section 125 (2) of the Stock Corporation Act must be made to the entity entered in the share register before the start of the 12th day prior to the general meeting. By way of derogation from section 122 (2) of the Stock Corporation Act, the company must, in the afore-mentioned case, be in receipt of any demands for amendments no later than 14 days prior to the general meeting.

(4) By way of derogation from section 59 (1) of the Stock Corporation Act, the management board may decide, even without being granted authority therefor under the by-laws, to make an interim payment towards the net income to shareholders pursuant to section 59 (2) of the Stock Corporation Act. Sentence 1 applies accordingly to an interim payment towards the payment of compensation (section 304 of the Stock Corporation Act) made to external shareholders under an inter-company agreement.

(5) The management board may decide, by way of derogation from section 175 (1) sentence 2 of the Stock Corporation Act, that the general meeting is to be held in the course of the financial year.

(6) The decisions of the management board as referred to in subsections (1) to (5) require the consent of the supervisory board. By way of derogation from section 108 (4) of the Stock Corporation Act, the supervisory board may pass resolutions pertaining to its consent in writing, by telephone or by other comparable forms, regardless of the rules set out in the by-laws or rules of procedure and without the need for its members to be physically present.

(7) Notwithstanding the rule set out in section 243 (3) no. 1 of the Stock Corporation Act, an action for avoidance of a resolution adopted by the general meeting may also not rely on breaches of section 118 (1) sentences 3 to 5, (2) sentence 2 or (4) of the Stock Corporation Act, on a breach of formal requirements in respect of notifications in accordance with section 125 of the Stock Corporation Act nor on a breach of subsection (2), unless the company can be proven to have acted with intent.

(8) Subsections (1) to (7) apply accordingly to companies established in the form of a public partly limited partnership (Kommanditgesellschaft auf Aktien). Subsections (1) to (7), with the exception of subsection (5), apply accordingly to European companies within the meaning of Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (OJ L 294, 10.11.2001, p. 1), as last amended by Regulation (EU) No 517/2013 (OJ L 158, 10.6.2013, p. 1). The decisions referred to in subsections (1) to (4) are taken by the administrative board in the case of a company established in accordance with section 20 of the Act Implementing Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European Company (SE) (SE-Ausführungsgesetz) of 22 December 2004 (Federal Law Gazette I, p. 3675), as last amended by Article 9 of the Act of 12 December 2019 (Federal Law Gazette I, p. 2637), (company with a one-tier system); subsection (6) does not apply to such companies.

(9) Subsections (1) and (2), subsection (3) sentences 1 and 3, and subsections (4) to (7) apply accordingly to mutual insurance companies within the meaning of section 171 of the Insurance Supervision Act (Versicherungsaufsichtsgesetz).

Explanatory notes pursuant to Section 121 (3) No. 3 of the German Stock Corporation Act (AktG) on the rights of shareholders pursuant to Sections 122 (2), 126 (1), 127 and 131 (1) of the German Stock Corporation Act (AktG) and pursuant to Section 1 (2) of the German Act to Mitigate the Consequences of the COVID-19 Pandemic under Civil, Insolvency and Criminal Procedure Law (COVID-19 Act)

The information on shareholders' rights pursuant to Sections 122 (2), 126 (1), 127 and 131 (1) AktG already contained in the invitation to this year's - virtual - Annual General Meeting is further explained by the following information within the meaning of Section 121 sentence 3 (3) no. 3 AktG. It should be noted that - in contrast to the other framework conditions - due to the COVID-19 pandemic, the special provisions in Section 1 (2) COVID-19 Act:

1. Right to supplement the Agenda, Art. 56 second and third sentence SE Regulation, Section 50 (2) SEAG, Section 122 (2) AktG, Section 1 (3) COVID 19 Act

Shareholders whose shares together amount to one-twentieth of the share capital (i.e. 345,384 no par value shares) may demand that items be placed on the agenda and announced. The applicants shall demonstrate that they were the holders of the above minimum number of shares for at least 90 days before the date of receipt of the supplementary motion and that they will hold the shares at the time of the Board of Management decision about the motion. Section 70 AktG shall be noted in calculating the minimum holding period. Section 121 (7) AktG shall be applied correspondingly for calculation of the deadline.

For each new subject a reason must be stated or a draft resolution presented.

The request must be received by the Board of Management of the company in writing by the end of **Tuesday, April 6, 2021, 24:00 (CEST)**, stating the full name and the shareholder number, using the following channel of communication:

technotrans SE
– Investor Relations –
Robert-Linnemann-Straße 17
48336 Sassenberg

These shareholder rights are based on the provisions of the German Stock Corporation Act (AktG), which are re-produced in extracts below:

[Section 122 of the German Stock Corporation Act – Convening at the request of a minority](#)

(1) The General Annual Meeting shall be convened if shareholders whose combined shareholdings amount to at least one-twentieth of the share capital request such a meeting in writing, stating the purpose and reasons; such request shall be addressed to the Management Board. The articles of incorporation may provide that the right to demand an Annual General Meeting may be subject to another form and to the holding of a lower proportion of the share capital. The applicants must prove that they have held the shares for at least 90 days prior to the date of receipt of the request and that they will hold the shares until the Management Board decides on the request. § Section 121 (7) shall apply accordingly.

(2) In the same way, shareholders whose shares together amount to one-twentieth of the share capital or the pro-rata amount of EUR 500,000 may request that items be placed on the agenda and published. Each new item must be accompanied by a statement of reasons or a draft resolution. The request within the meaning of sentence 1 must be received by the company at least 24 days, in the case of listed companies at least 30 days, prior to the meeting; the day of receipt shall not be counted.

(3) If the request is not complied with, the court may authorise the shareholders who have made the request to convene the Annual General Meeting or to publish the item. At the same time, the court may appoint the chairman of the meeting. Reference must be made to the authorization in the notice convening the meeting or announcing the meeting. The decision may be appealed against. The applicants must prove that they hold the shares until the court's decision.

(4) The Company shall bear the costs of the Annual General Meeting and, in the case of paragraph 3, also the court costs if the court has granted the request.

[Section 121 AktG – General \(excerpt\)](#)

(7) The day of the meeting shall not be counted in the case of deadlines and dates that are calculated backwards from the meeting. A postponement from a Sunday, a Saturday or a public holiday to a preceding or subsequent working day shall not be considered. Sections 187 to 193 of the German Civil Code shall not be applied accordingly. In the case of non-listed companies, the articles of incorporation may stipulate a different calculation of the period.

[Section 70 AktG – Calculation of the period of share ownership](#)

If the exercise of rights arising from the share is dependent on the shareholder having been the holder of the share for a certain period of time, a claim for transfer of title against a credit institution, financial services institution or a company operating in accordance with Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) of the German Banking Act shall be deemed equivalent to ownership. The period of ownership of a predecessor in title shall be attributed to the shareholder if he/she received the share free of charge, from his/her fiduciary, as universal successor in title, in the event of a split-up of the shareholding.

2. Counter-motions and nominations for election by shareholders, Sections 126 (1), 127 AktG in conjunction with Section 1 (2) third sentence COVID-19 Act

Every shareholder is entitled to make counter-motions to the resolution proposals on the Agenda items. If a shareholder wishes to submit counter-motions to a proposal of the Board of Management and/or Supervisory Board, it shall be sent to the company exclusively stating the full name and the shareholder number and using the following channel of communication:

technotrans SE
– Investor Relations –
Robert-Linnemann-Strasse 17
48336 Sassenberg
Fax No: +49 (2583) 301-1054
e-mail: hv2021@technotrans.de

Reasons for counter-motions, but not for nominations for election, shall be given. The counter-motions and nominations for election received from shareholders at the following address at least 14 days before the meeting, in other words by no later than the end of **Thursday, April 22, 24:00 (CEST)** and to be disclosed, will be published by us on the internet at <https://www.technotrans.com/investor-relations/annual-shareholders-meeting>.

Counter-motions and nominations for election sent to another address or received after the deadline shall not be considered. Any comments by the management shall likewise be published on the internet at the same address.

Because the company's Annual General Meeting this year takes the form of a virtual Annual General Meeting without the physical presence of the shareholders or their proxies, no motions can be tabled during the virtual Annual General Meeting. Counter-motions or nominations for election to be disclosed pursuant to Sections 126, 127 AktG, by shareholders who are entered on the share ledger and have registered in a timely manner, shall pursuant to Section 1 (2) third sentence COVID-19 Act regarding the virtual Annual General Meeting be treated as tabled or submitted.

The right of the meeting's chair to put proposals of the management to the vote first remains unaffected. If the proposals of the management are accepted by the required majority, the counter-motions or (alternative) nominations for election shall be deemed resolved.

These shareholder rights are based on the provisions of the German Stock Corporation Act, which are reproduced in extracts below:

Section 126 AktG – Motions by shareholders

(1) Motions by shareholders, including the name of the shareholder, the grounds and any statement by the management, shall be made available to the entitled persons named in § 125 (1) to (3) under the conditions specified therein if the shareholder has sent a counter-motion against a proposal of the Management Board and Supervisory Board on a specific item on the agenda, together with the reasons for the counter-motion, to the address specified for this purpose in the notice of meeting at least 14 days before the meeting of the company. The day of receipt shall not be counted. In the case of companies listed on the stock exchange, access shall be provided via the company's website. § Section 125 (3) shall apply accordingly.

(2) A counter-motion and its substantiation need not be made accessible,

1. insofar as the Board of Management would render itself liable to prosecution by making such information available,
2. if the counter-motion would lead to a resolution of the shareholders' meeting that is contrary to law or the articles of incorporation,
3. if the statement of reasons contains statements which are manifestly false or misleading in material re-spects, or if it is defamatory,
4. if a countermotion of the shareholder based on the same facts has already been made available to a shareholders' meeting of the company pursuant to section 125,
5. if the same counter-motion of the shareholder with essentially identical substantiation has already been made accessible to at least two shareholders' meetings of the company pursuant to section 125 within the last five years and less than one-twentieth of the share capital represented voted in favour of it at the shareholders' meeting,
6. if the shareholder indicates that he will not participate in the shareholders' meeting and will not be repre-sented, or
7. if the shareholder has not made or has not had a counter-motion communicated by him/her at two Annual General Meetings within the last two years.

The grounds need not be made accessible if they exceed 5,000 characters in total.

(3) If several shareholders make counter-motions on the same subject matter of the resolution, the Board of Man-agement may combine the counter-motions and their reasons.

127 AktG – Proposals for election by shareholders

Section 126 shall apply mutatis mutandis to a shareholder's proposal for the election of Supervisory Board members or auditors. The nomination need not be substantiated. The Board of Management does not need to make the nomination accessible even if the nomination does not contain the information required under section 124 (3) sentence 4 and section 125 (1) sentence 5. The Board of Management shall provide the following information on a shareholder's proposal for the election of Supervisory Board members of listed companies to which the Co-Determination Act, the Coal and Steel Co-Determination Act or the Co-Determination Supplementary Act applies:

1. reference to the requirements of Section 96 paragraph 2,
2. indication of whether the overall performance pursuant to section 96(2) sentence 3 has been objected to and
3. indication of the minimum number of seats on the Supervisory Board that must be occupied by men and women in order to meet the minimum percentage requirement pursuant to section 96 (2) sentence 1.

Section 124 AktG – Publication of requests for supplements; proposals for resolutions (excerpt)

(3) (Sentence 4) The proposal for the election of Supervisory Board members or auditors shall state their names, profession and place of residence.

Section 125 AktG – Notifications for the stockholders and to members of the Supervisory Board

(1) The board of management of a company that has not issued exclusively registered shares shall give notice of the convening of the shareholders' meeting at least 21 days before the same as follows:

1. the intermediaries holding shares of the company in custody,
2. the shareholders and intermediaries who have requested notification, and
3. the associations of shareholders who requested the notification or who exercised voting rights at the last shareholders' meeting.

The day of the notification shall not be counted. If the agenda is to be amended pursuant to Section 122 (2), the amended agenda shall be notified in the case of listed companies. The notification shall refer to the possibility of exercising voting rights by proxy, including by an association of shareholders. In the case of listed companies, a proposal for the election of Supervisory Board members shall be accompanied by details of their membership of other statutory supervisory boards; details of their membership of comparable domestic and foreign supervisory bodies of business enterprises shall be enclosed.

(2) The management board of a company which has issued registered shares shall make the same notification to those entered in the share register at the beginning of the 21st day prior to the Annual General Meeting, as well as to shareholders and intermediaries who have requested notification and to associations of shareholders who have requested notification or who exercised voting rights at the last shareholders' meeting.

(3) Each member of the Supervisory Board may request that the Board of Management send him the same notifications.

(4) Each member of the Supervisory Board and each shareholder shall, upon request, be notified of the resolutions adopted at the General Annual Meeting.

(5) The requirements of Implementing Regulation (EU) 2018/1212 shall apply to the content and format of a minimum content of information in the notifications pursuant to paragraph 1 sentence 1 and paragraph 2. Section 67a (2) sentence 1 shall apply mutatis mutandis to paragraphs 1 and 2. In the case of listed companies, intermediaries holding shares in the company in custody shall be obliged to forward and transmit the information pursuant to paragraphs 1 and 2 in accordance with sections 67a and 67b, unless the intermediary is aware that the shareholder is receiving it from another source. The same shall apply to unlisted companies, subject to the proviso that the provisions of Implementing Regulation (EU) 2018/1212 shall not apply.

3. Shareholder's right to submit questions, Section 1 (2) COVID-19 Act

Every shareholder shall fundamentally, on request, be given information by the Board of Management at the Annual General Meeting on matters concerning the company, including its legal and business relationships with subsidiaries as well as the position of the Group and the companies included in the Consolidated Financial Statements, to the extent that this information is required to form an objective opinion of a subject on the agenda and no right to refuse information exists.

Pursuant to Section 1 (2) COVID-19 Act, it is not possible to exercise the right to information to the customary extent due to the conducting of a virtual Annual General Meeting without the physical presence of the shareholders or their proxies. However, pursuant to Section 1 (2) No. 3 COVID-19 Act the company is creating a right to ask questions by enabling every registered shareholder to submit questions to the management by means of electronic communication. To exercise the right to ask questions, questions should be entered on the password-protected shareholder portal on the following website:

<https://www.technotrans.com/investor-relations/annual-shareholders-meeting>

Pursuant to Section 1 (2) second sentence COVID-19 Act, questions must be received by the company no later than one day before the start of the Annual General Meeting, i.e. by **Wednesday, May 5, 2021, 24:00 (CEST)**, via the password-protected shareholder portal.

During the broadcast of the Annual General Meeting, pursuant to Section 1 (2) second sentence COVID-19 Act the management will answer all questions received in time by the company at its discretion and using its best judgment.

The Board of Management reserves the right to name the questioners when replying to questions via the password-protected shareholder portal. Shareholders who do not consent to this have the option of objecting to their naming on the shareholder portal.

4. Objection

Pursuant to Section 245 No. 1 AktG in conjunction with Section 1 (2) first sentence COVID-19 Act, shareholders who have exercised their voting right have the opportunity to lodge an objection to the resolutions of the Annual General Meeting with the notary public taking the minutes of the virtual Annual General Meeting, by means of electronic communication.

Such declarations may be submitted by e-mail to the e-mail address widerspruch-hv2021@technotrans.de from the opening of the virtual Annual General Meeting until it is closed by the chair of the meeting.

These shareholder rights are based on the provisions of the German Stock Corporation Act, which are reproduced in extracts below:

[Section 245 AktG – Authority to bring an action for avoidance \(excerpt\)](#)

The following shall have authority to bring an action for avoidance:

1. Any stockholder attending the general meeting, provided he has purchased the shares of stock already prior to the agenda having been published by notice and provided he raised an objection concerning the resolution and had it recorded in the minutes;

Sassenberg, March 2021