

Explanations on the rights of shareholders pursuant to sections 122 para. 2, 126 para. 1, 127 and 131 para. 1 of the German Stock Corporation Act (AktG)

1. Motions for additions to the agenda at the request of a minority pursuant to section 122 (2) AktG

Shareholders whose shares together amount to one-twentieth (5 %) of the share capital or the proportional amount of EUR 500,000.00 (corresponding to 500,000 shares) may request that items be added to the agenda or announced. Each new item must be accompanied by a statement of reasons or a draft resolution. The request must be made in writing (section 126 of the German Civil Code) to the Management Board of hGears AG and must be received by the company no later than 11 May 2026 at 24:00 (CEST).

The applicants must prove that they have been the holders of 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 has decided on the request.

Any requests for additions shall be sent to the following address:

hGears AG
- Management Board -
c/o ABN AMRO Bank N.V. Frankfurt Branch
Mainzer Landstraße 1
60329 Frankfurt am Main
Germany

Any additions to the agenda that are to be announced will be published in the Federal Gazette immediately upon receipt of the request and forwarded to media outlets that can be expected to disseminate the information throughout the European Union. They will also be published at <https://ir.hgears.com/annual-general-meeting/> and communicated to shareholders.

The relevant sections of the German Stock Corporation Act upon which those shareholder rights are based are as follows:

Section 122 of the German Stock Corporation Act: 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 capital stock, 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 capital stock. The petitioners are to submit proof that they have been holders of the shares of stock since a minimum of 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) is to be applied accordingly.

- (2) In like manner, stockholders whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the capital stock 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 on which it is based 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 made 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 124 (1) of the German Stock Corporation Act: Notice by publication of demands for supplementation; guidance regarding resolutions

- (1) Where the minority pursuant to section 122 (2) has demanded that items of business be set out in the agenda, notice of said items of business is to be given by publication either together with the invitation convening the general meeting or, if that is not the case, without undue delay after the demand has been received. Section 121 (4) applies accordingly; moreover, in the case of listed companies, section 121 (4a) applies accordingly. The notice is to be published and forwarded in the same way as the invitation convening the general meeting.

Section 121 (4), (4a), (7) of the German Stock Corporation Act: General provisions

- (4) Notice of the invitation convening the general meeting is to be given in the company's publications of record. Where the stockholders of the company are known by name, the general meeting may be convened by registered letter unless stipulated otherwise in the by-laws; the date on which the invitation is posted is considered the date of the notice. The notification of the parties entered in the share register is sufficient.
- (4a) In the case of listed companies that have not issued exclusively registered shares of stock or that do not directly send the invitation convening the general meeting to the stockholders pursuant to subsection (4) sentence 2, the invitation convening the general meeting is to be forwarded, at the latest as per the time of the notice, to such media for publication regarding which it can be assumed that they will disseminate the information in the entire European Union.
- (7) In the case of time limits 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 are not to be applied accordingly. In the case of unlisted companies, the by-laws may provide for a different calculation of the time limit.

Section 70 of the German Stock Corporation Act: 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*).

Section 87 (4) of the German Stock Corporation Act: Principles applying to the emoluments of the members of the management board

- (4) Upon a demand being filed in accordance with section 122 (2) sentence 1, the general meeting may reduce the maximum remuneration established in accordance with section 87a (1) sentence 2 no. 1.

2. Counter-motions and election proposals by shareholders pursuant to sections 126 (1) and 127 AktG

Shareholders may submit counter-motions to the company against proposals by the Management Board and Supervisory Board on specific items on the agenda (together with any reasons) as well as election proposals for the election of auditors and Supervisory Board members. Counter-motions and election proposals must be sent exclusively to:

hGears AG
c/o ABN AMRO Bank N.V. Frankfurt Branch
Mainzer Landstraße 1
60329 Frankfurt am Main
Germany

Or via eMail: corporate.broking@nl.abnamro.com

The company will publish all counter-motions to a proposal by the Management Board and the Supervisory Board on a specific agenda item in accordance with section 126 (1) AktG and nominations in accordance with section 127 AktG, including the name of the shareholder, any reasons and any comments by the management, on the Internet at <https://ir.hgears.com/annual-general-meeting/> if they are received by the company at least 14 days before the meeting, i.e. no later than 27 May 2026, 24:00 (CEST), at the above postal address or email address. Counter-motions and election proposals from shareholders sent to any other address will not be considered.

The company may refrain from publishing a counter-motion or election proposal and, if applicable, its reasons under the conditions specified in section 126 (2) AktG. The reasons for a counter-motion do not need to be made available if they exceed 5,000 characters in total. Furthermore, the Management Board is not required to make nominations by shareholders available if they do not contain the name of the person nominated, their profession and place of residence.

Counter-motions and election proposals shall only be submitted if they are submitted during the Annual General Meeting. The right of each shareholder to submit counter-motions and election proposals on the various items on the agenda during the Annual General Meeting, even without prior and timely notification to the Company, remains unaffected.

The relevant sections of the German Stock Corporation Act upon which those shareholder rights are based and which also set forth under which preconditions counterproposals and election proposals do not need to be made available are as follows:

Section 126 of the German Stock Corporation Act: Motions by stockholders (excerpt)

- (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 on which the motions are based, 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 on which it is based 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 capital stock represented voted for this counter-motion at the general meeting;
 6. if the stockholder indicates that they will not participate in 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 provided for them.
- (4) [...].

Section 127 sentences 1 to 3 of the German Stock Corporation Act: 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 provided 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.

Section 124 (3) sentence 4 of the German Stock Corporation Act: Notice by publication of demands for supplementation; guidance regarding resolutions

- (3) ...The nominations of candidates for the supervisory board or as auditors are to state their names, the profession exercised, and their places of residence. ...

Section 125 (1) sentence 5 of the German Stock Corporation Act: Notifications for the stockholders and to members of the supervisory board

- (1) ...In the case of listed companies, information on the candidates' membership in other supervisory boards mandated by law as a rule is to be attached to any nomination of candidates for the supervisory board; information on their membership in comparable supervisory committees of business enterprises within Germany and abroad as a rule is to be attached.

Section 137 of the German Stock Corporation Act: Votes on nominations by stockholders

Where a stockholder has nominated a candidate for the supervisory board pursuant to section 127 and moves at the general meeting that the candidate be elected, the stockholder's motion is to be resolved upon prior to the nomination made by the supervisory board, provided that a minority of the stockholders so demands whose shares of stock, in the aggregate, are at least equivalent to one tenth of the capital stock represented.

3. Right of shareholders to information pursuant to section 131 (1) AktG

Pursuant to section 131 (1) AktG, every shareholder is entitled, upon request at the Annual General Meeting, to receive information from the Management Board on matters concerning the company, including the company's legal and business relationships with an affiliated company, as well as the situation of the Group and the companies included in the consolidated financial statements, insofar as this is necessary for a proper assessment of the agenda item.

The exercise of the right to information requires participation in the Annual General Meeting. In this respect, the requirements for participation in the Annual General Meeting explained in section 1 of this invitation must be observed, in particular the registration deadline.

The relevant sections of the German Stock Corporation Act upon which those shareholder rights are based and which also set forth under which preconditions the Management Board can refuse to answer are as follows:

Section 131 of the German Stock Corporation Act: Stockholder's right to seek information (excerpt)

- (1) The management board is to inform each stockholder at the general meeting, upon a corresponding demand 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 duty 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 duty 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) to (1f) *[virtual general meeting]*

- (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 to provide 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 a minimum of 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 demand 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. In the case of the virtual general meeting, it is to be warranted that each stockholder participating in the general meeting by electronic means is able to transmit their demand under sentence 1 by way of electronic communication. The management board may not refuse to provide the information in accordance with subsection (3) sentence 1 nos. 1 to 4. Sentences 1 to 3 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 is denied the information sought, the stockholder may demand that their question and the grounds for refusing to provide the information be included in the minutes of the meeting. In the case of the virtual general meeting, it is to be warranted that each stockholder participating in the meeting by electronic means is able to transmit their demand under sentence 1 by way of electronic communication.

The relevant section of the Company's Articles of Association is as follows:

Clause 16 (2) of the Articles of Association of hGears AG:

16.2 The chairman of the meeting shall preside over the proceedings and determine the order in which the items on the agenda are dealt with, the form and further details of the voting and the order of speakers. He shall be entitled to impose reasonable time limits on the shareholders' right to ask questions and to speak.

Schramberg, April 2026

hGears

The Management Board