Articles of Association of Knorr-Bremse Aktiengesellschaft

I. General provisions

§ 1
Company name, registered office

(1) The company is named Knorr-Bremse Aktiengesellschaft.

(2) Its registered office is in Munich.

§ 2
Purpose

(1) The purpose of the company is to manage a group of companies operating in the mechanical engineering, electrical, electronics, and hydraulics industries and in related fields. This includes, in particular, research and development, production, and sales of brake and other control systems for rail, commercial, and other vehicles, train door and platform door systems, air conditioning systems, power converters, other electrical components, rotary vibration dampers for combustion engines for motor vehicles and ships, and other equipment for rail and commercial vehicle transport, as well as parts, additions, and accessories for the aforementioned products.

(2) The company may also engage in the activities specified in paragraph (1) itself.

(3) The company is entitled to take all actions and measures and may conduct all business that is related to the object of the company as specified in paragraph (1) and paragraph (2) or that appears suitable to serve it directly or indirectly.

(4) The company may establish, operate, acquire, or participate in other companies in Germany and abroad, in particular those whose objects extend in whole or in part to the areas specified in paragraph(1) , and may manage such companies or limit itself to the administration of its participation. It may have its operations and holdings managed in whole or in part by affiliated companies or transfer or outsource them to such companies, and may enter into intercompany agreements. The company may also establish branches and permanent establishments in Germany and abroad.

(5) The company may limit its activities to part of the areas specified in paragraph (1) and (2) .

§ 3
Fiscal year

The company's fiscal year begins on January 1 and ends on December 31 of each year.

§ 4
Announcements and transmission of information

(1) The company's announcements are published in the Federal Gazette.

(2) The company is entitled to transmit information to shareholders and other holders of securities of the company by means of remote data transmission, to the extent permitted by law.

II. Share capital and shares

§ 5
Share capital and shares

(1) The share capital of the company amounts to EUR 161,200,000.00 (in words: one hundred and sixty-one million two hundred thousand euros).

(2) The share capital is divided into 161,200,000 shares (no-par value shares).

The shares are registered to the bearer.

(3) Shareholders have no right to demand that their shares be certified, insofar as this is legally permissible and certification is not required under the rules applicable at a stock exchange on which the shares are listed. The company is entitled to issue certificates for individual shares (individual certificates) or for several shares (global certificates). The shareholder's claim to the issue of profit participation certificates and renewal certificates is also excluded.

(4) The form and content of share certificates, any profit participation certificates and renewal certificates shall be determined by the Executive Board. The same applies to debentures and interest certificates.

§ 6
Authorized capital

(1) The Executive Board is authorized, with the approval of the Supervisory Board, to increase the Company's share capital on one or more occasions in the period until May 4, 2028, by a total of up to EUR 32,240,000.00 by issuing up to 32,240,000 new no-par value bearer shares against cash and/or non-cash contributions (Authorized Capital 2023). The new shares shall participate in profits from the beginning of the fiscal year in which they are issued. To the extent permitted by law, the Executive Board may, with the approval of the Supervisory Board, deviate from this provision and from Section 60 (2) of the German Stock Corporation Act (AktG) and determine that the new shares shall participate in profits from the beginning of a financial year that has already expired for which no resolution on the appropriation of net retained profits has been passed by the Annual General Meeting at the time of their issue.

(2) The new shares shall generally be offered for subscription to shareholders; they may also be acquired by banks or companies within the meaning of Section 186 (5) sentence 1 AktG with the obligation to offer them to shareholders for subscription (indirect subscription right).

(3) The Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in whole or in part,

(i) in order to utilize fractional amounts excluding subscription rights;

(ii) in the case of capital increases against contributions in kind, in particular in the context of mergers or for the purpose of (also indirect) acquisition of companies, parts of companies, interests in other companies or other assets or claims to the acquisition of assets, including claims against the company or its group companies within the meaning of Section 18 AktG;

(iii) in the event of a capital increase against cash contributions pursuant to Section 186 (3) sentence 4 AktG, if the issue price of the new shares does not significantly fall below the stock exchange price of the Company's shares already listed on the stock exchange at the time of the final determination of the issue price, which should take place as close as possible to the placement of the shares, within the meaning of Section 203 (1) and (2), Section 186 (3) sentence 4 AktG, and the proportion of the share capital attributable to the new shares does not exceed 10% of the Company's share capital either at the time this authorization becomes effective or at the time the authorization is exercised. This limit of 10% of the share capital shall be reduced by the proportionate amount of the share capital attributable to shares that are sold during the term of the Authorized Capital 2023 on the basis of an authorization to sell treasury shares pursuant to Sections 71 (1) No. 8 Sentence 5, Section 186 (3) sentence 4 of the German Stock Act (AktG) with the exclusion of subscription rights. The proportionate amount of the share capital attributable to shares issued during the term of the 2023 authorized capital pursuant to other authorizations to issue shares of the company with the exclusion of shareholders' subscription rights in direct or corresponding application of Section 186 (3) sentence 4 AktG shall also be taken into account. Furthermore, the proportionate amount of the share capital attributable to shares that may be or must be issued to service bonds with conversion or option rights or with conversion or option obligations must be taken into account provided that the bonds are issued during the term of the Authorized Capital 2023, excluding shareholders' subscription rights in accordance with Section 186 (3) sentence 4 AktG;

(iv) and (a) to the extent necessary to service acquisition obligations or acquisition rights to Knorr-Bremse shares arising from or in connection with option and/or convertible bonds and/or profit participation rights with option and/or conversion rights and/or obligations issued by the Company or its group companies, and (b) to the extent to the extent necessary to protect against dilution in order to grant the holders or creditors of the option and/or convertible bonds and/or profit participation rights with option and/or conversion rights and/or obligations issued by the Company or its group companies (or combinations of these instruments) subscription rights to shares in the Company to the extent that they would be entitled to as shareholders upon exercise of the option or conversion rights or upon fulfillment of option or conversion obligations.

The sum of (i) the shares to be issued from conditional capital in the form of bonds, which are issued pursuant to an authorization granted by the Company's Annual General Meeting to the exclusion of subscription rights, and (ii) the shares to be issued during the term of this authorization from the Authorized Capital 2023, excluding subscription rights, may not exceed a proportionate amount of the share capital of EUR 16,120,000.00 (corresponding to 10% of the share capital of EUR 161,200,000.00 at the time of the authorization).

(4) The Executive Board is authorized, with the approval of the Supervisory Board, to

determine the further details of the capital increases from the Authorized Capital 2023 and their implementation, in particular the further content of the share rights and the terms and conditions of the share issue.

(5) The Supervisory Board is authorized to amend the wording of Section 6 of the Articles of Association in accordance with the respective utilization of the Authorized Capital 2023 and after the expiry of the authorization period.

§ 7
Contingent capital

(1) The Company's share capital is conditionally increased by up to EUR 16,120,000.00 through the issuance of up to 16,120,000 new no-par value bearer shares (Conditional Capital 2023). The conditional capital increase will only be carried out to the extent that, on the basis of convertible bonds or bonds with warrants, profit participation rights or profit bonds (or combinations of these instruments) with conversion or option rights or conversion or option obligations, which are issued by Knorr-Bremse Aktiengesellschaft or by group companies of Knorr-Bremse Aktiengesellschaft within the meaning of Section 18 of the German Stock Corporation Act (AktG) by May 4, 2028, based on the authorization granted by the Annual General Meeting on May 5, 2023, are exercised, or holders of bonds who are obliged to convert or exercise options fulfill their obligation to convert or exercise options, or the Company exercises its right to grant the holders of the respective partial bonds, in whole or in part, no-par value shares of the Company in lieu of payment of the amount due upon maturity of the bonds, and unless other forms of fulfillment are used. The new shares will be issued at the conversion or option price to be determined in accordance with the above authorization resolution. The new shares issued will participate in profits from the beginning of the fiscal year in which they are created; to the extent permitted by law, the Executive Board may, with the approval of the Supervisory Board, determine that the new shares shall participate in profits from the beginning of the fiscal year for which no resolution on the appropriation of retained earnings has been passed by the Annual General Meeting at the time the conversion or option right is exercised or the conversion or option obligation is fulfilled.

(2) The Executive Board is authorized, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase.

III. Executive Board

§ 8
Composition and rules of procedure

(1) The Executive Board of the company shall consist of at least two persons. In all other respects, the Supervisory Board shall determine the number of members of the Executive Board. The Supervisory Board may appoint a Chairman of the Executive Board and a Deputy Chairman of the Executive Board.

(2) If the Supervisory Board does not issue rules of procedure for the Executive Board, the Executive Board shall adopt its own rules of procedure by unanimous resolution of all members of the Executive Board, which shall require the approval of the Supervisory Board.

§ 9
Management and representation

(1) The Executive Board manages the company on its own responsibility. The members of the Executive Board are obliged to comply with the restrictions imposed on their management powers by the Annual General Meeting, the Articles of Association, the Supervisory Board, or the rules of procedure within the framework of the statutory provisions.

(2) The company shall be represented by two members of the Executive Board or by one member of the Executive Board together with a proxy.

(3) The Supervisory Board may determine that individual or all members of the Executive Board are exempt from the prohibition on concluding legal transactions on behalf of the company as representatives of a third party (exemption from the prohibition on multiple representation under Section 181 (2) BGB); Section 112 AktG remains unaffected. In all other respects, the company is represented by authorized signatories or other persons authorized to sign on behalf of the company as specified by the Executive Board.

IV. Supervisory Board

§ 10
Composition, term of office and resignation

(1) The Supervisory Board consists of twelve members, six of whom are elected by the Annual General Meeting and six of whom are elected in accordance with the German Co-Determination Act (MitbestG).

(2) Unless otherwise specified, the members of the Supervisory Board are appointed for the period until the end of the Annual General Meeting that decides on the discharge for the fourth fiscal year after the beginning of their term of office. The fiscal year in which the term of office begins is not included in this calculation. A replacement election for a member who leaves office before the end of their term of office shall be held for the remainder of the term of office of the member who has left office. The same applies if a replacement election becomes necessary due to an election challenge.

(3) The Annual General Meeting may simultaneously appoint substitute members for the Supervisory Board members to be elected by it, who shall replace Supervisory Board members of the shareholders who resign prematurely or whose election is contested in an order to be determined at the time of election. If a substitute member replaces a member who has left office, his or her term of office shall expire at the end of the next Annual General Meeting at which a replacement election is held in accordance with the above paragraph ((2)), but no later than at the end of the term of office of the Supervisory Board member who has left office. If the substitute member who has left office as a result of a replacement election was appointed for several Supervisory Board members, his or her position as substitute member shall be reinstated. The election of substitute members for the employee representatives on the Supervisory Board shall be governed by the German Co-Determination Act (MitbestG).

(4) The members and alternate members of the Supervisory Board may resign from office by giving four weeks' written notice to the Chairman of the Supervisory Board or, in the event of resignation by the Chairman of the Supervisory Board, to his deputy, unless the resignation is for good cause, in which case it may take effect immediately. The Chairman of the Supervisory Board or, in the event of resignation by the Chairman of the Supervisory Board, his deputy may agree to a reduction of the notice period or a waiver of the notice period.

§ 11
Chairperson and deputy

(1) The Supervisory Board shall elect a chairperson and two deputies from among its members in accordance with the German Co-Determination Act. The election shall take

place at a meeting following the Annual General Meeting at which the Supervisory Board members representing the shareholders have been elected; this meeting does not require a special convocation.

(2) Unless a shorter term of office is determined at the time of election, the term of office of the chairperson and his or her deputies shall correspond to their term of office as members of the Supervisory Board.

(3) If the Chairman or a Deputy Chairman leaves office before the end of his term of office, the Supervisory Board shall immediately elect a replacement from among its members for the remainder of the term of office of the person who has left office.

(4) The election of the chairperson or a deputy may only be revoked for good cause. Good cause shall also include the chairperson or a deputy being permanently prevented from performing their duties. The provisions of the Co-Determination Act regarding their election shall apply mutatis mutandis to the revocation of the election of the chairperson and a deputy.

(5) The deputies of the chairperson shall have the rights and obligations of the chairperson if the latter is prevented from performing his or her duties, with the exception of the second vote to which the chairperson is entitled under the Co-Determination Act or these Articles of Association and unless otherwise provided by law, the Articles of Association or the rules of procedure of the Supervisory Board.

(6) If the chairperson and his or her deputy are unable to perform their duties, these duties shall be assumed for the duration of the absence by the longest-serving member of the supervisory board or, in the event of equal length of service, by the oldest member who is not prevented from performing these duties. The second vote shall not be cast by this member.

§ 12
Statements by the Supervisory Board

(1) Statements by the Supervisory Board and its committees may be issued on behalf of the Supervisory Board by the Chair.

(2) The chairperson is authorized to accept statements on behalf of the Supervisory Board.

§ 13
Duties and powers

(1) The Supervisory Board has all the duties and rights assigned to it by law and the Articles of Association.

(2) The Supervisory Board shall determine in the rules of procedure for the Executive Board or the Supervisory Board or by resolution that certain transactions or types of transactions may only be carried out with its approval.

(3) The Supervisory Board may revoke its consent to a specific group of transactions in general or in advance if the individual transaction meets certain requirements.

(4) The Supervisory Board is authorized to resolve amendments to the Articles of Incorporation that only affect their wording.

§ 14
Rules of procedure

The Supervisory Board shall adopt rules of procedure within the framework of the mandatory statutory provisions and the provisions of these Articles of Association.

§ 15
Meetings, resolutions, and minutes

(1) Meetings of the Supervisory Board shall be convened by the Chairman with at least fourteen days' notice, not including the day on which the invitation is sent and the day of the meeting. This period may be shortened in urgent cases. The meeting may be convened in writing, verbally, by telephone, by fax, by e-mail or by other customary means of communication. In all other respects, the statutory provisions and the provisions of the rules of procedure for the Supervisory Board shall apply to the convening of the Supervisory Board.

(2) The meetings of the Supervisory Board shall be chaired by the Chairman. The Supervisory Board may regulate the details in its rules of procedure.

(3) At the request of the chairperson or with the consent of all members of the Supervisory Board, meetings may also be held in the form of a conference call or by means of

electronic communication (in particular video conferencing), and individual members of the Supervisory Board may be connected by telephone or other electronic means of communication (in particular video transmission). The Supervisory Board may regulate the details in its rules of procedure.

(4) Resolutions of the Supervisory Board are generally passed at meetings. Absent members of the Supervisory Board may also participate in the Supervisory Board's decision-making process by having their votes cast in writing by another member of the Supervisory Board. Resolutions on items on the agenda that were not included in the invitation and were not communicated by the third day prior to the meeting are only permissible if no member of the Supervisory Board objects to the vote. This notification period may be shortened in urgent cases. Absent members shall be given the opportunity to object to the resolution or cast their vote in writing, verbally, by telephone, by fax, by email, or by other customary means of communication within a reasonable period to be determined by the chair of the Supervisory Board. The resolution shall only become effective if no absent member of the Supervisory Board has objected within the time limit. Members of the Supervisory Board who are connected by telephone or electronic means of communication shall be deemed to be present.

(5) Resolutions may also be passed outside of meetings in writing, verbally, by telephone, fax, email, or other customary means of communication, in combination with the aforementioned forms, or in combination with a meeting and resolution outside of a meeting, if the chair of the Supervisory Board orders this with reasonable notice or if all members of the Supervisory Board participate in the resolution. Members who abstain from voting on a resolution are deemed to have participated in the resolution.

(6) The Supervisory Board shall constitute a quorum if at least half of the members of which it is composed participate in the resolution. Members of the Supervisory Board who are absent or not connected by telephone or electronic means of communication (in particular video conferencing) and who cast their votes in accordance with paragraphs(4) or(5) , as well as members who abstain from voting, shall be deemed to have participated in the resolution in this sense.

(7) Unless otherwise required by law, resolutions of the Supervisory Board shall be passed by a simple majority of the votes cast. Abstentions shall not be considered as votes cast in this sense. If a vote in the Supervisory Board results in a tie, the chairperson of the Supervisory Board shall have two votes in a repeat vote on the same matter, even if this also results in a tie. Section 108 (3) AktG shall also apply to the casting of the second

vote.

(8) The chairperson may cancel or postpone a convened meeting at his or her discretion.

(9) Minutes shall be taken of the resolutions and meetings of the Supervisory Board and shall be signed by the chair of the respective meeting or, in the case of paragraph(5) , by the chair of the Supervisory Board. The details shall be determined by the rules of procedure of the Supervisory Board.

§ 16
Committees of the Supervisory Board

(1) The Supervisory Board may form committees from among its members and assign them specific tasks and, to the extent permitted by law, decision-making powers.

(2) In any case, immediately after the election of the Chairman of the Supervisory Board and his deputies, the Supervisory Board shall form the committee to be formed in accordance with Section 27 (3) of the German Co-Determination Act (MitbestG) (the "Mediation Committee"). The Mediation Committee shall perform the tasks specified in Section 31 (3) sentence 1 of the German Co-Determination Act (MitbestG).

(3) If a vote in the committee results in a tie, the Chairman of the Supervisory Board shall have two votes in a new vote on the same matter, provided that he chairs the committee, with the exception of the committee pursuant to Section 27 (3) of the German Co-Determination Act (MitbestG) (Mediation Committee). This requires that the committee consists of an equal number of Supervisory Board members representing the shareholders and the employees. The second vote may also be cast in writing.

(4) In all other respects, the provisions of the Supervisory Board Rules of Procedure (§ 15) shall apply mutatis mutandis to the committees' proceedings, unless the Supervisory Board determines otherwise in the Rules of Procedure or when the committee is formed.

§ 17
Confidentiality

(1) Each member of the Supervisory Board is obliged to maintain confidentiality regarding all confidential information and secrets of the company, in particular trade or business secrets, which become known to them through their activities on the Supervisory Board,

and not to use or exploit them for other purposes.

(2) This shall also apply after the end of their term of office as a member of the Supervisory Board. Upon expiry of their term of office, all documents must be returned to the company.

(3) If a member of the Supervisory Board wishes to disclose information to third parties which cannot be ruled out with certainty as being confidential or relating to company secrets, they are obliged to inform the Chairman of the Supervisory Board in advance and give them the opportunity to comment.

§ 18
Remuneration of the Supervisory Board

(1) With the exception of the Chairman and the Deputy Chairmen, the members of the Supervisory Board receive a basic remuneration of EUR 100,000.00 for the respective financial year of the company; The Chairman of the Supervisory Board receives a basic remuneration of EUR 300,000.00 for the respective financial year of the Company and each deputy receives a basic remuneration of EUR 150,000.00.

For their work on the committees of the Supervisory Board,

(i) the chairperson of the executive committee EUR 90,000.00, each other member of the executive committee EUR 30,000.00;

(ii) the chair of the Audit Committee EUR 120,000.00, each other member of the Audit Committee EUR 40,000.00;

(iii) from the establishment of the Strategy Committee on May 1, 2021, the chair of the Strategy Committee EUR 120,000.00, each other member of the Strategy Committee EUR 40,000.00.

(2) Supervisory Board members who have not been members of the Supervisory Board or a committee for a full financial year or who have not held the chairmanship for a full financial year shall receive remuneration pro rata temporis, rounded up to full months.

(3) In addition, members of the Supervisory Board shall receive a meeting allowance of EUR 1,000 for each meeting of the Supervisory Board or its committees in which they

participate. Participation by telephone, video conference, or similar means of communication shall also be deemed participation in a meeting. If several meetings take place on the same day, the attendance fee shall be paid only once. The annual attendance fee is limited to a maximum of 9.9% of the total remuneration of the respective Supervisory Board member in the respective year.

(4) The remuneration is payable after the Annual Shareholders' Meeting that receives the annual financial statements for the past fiscal year or decides on their approval.

(5) The members of the Supervisory Board are included in a financial loss liability insurance policy for members of executive bodies and certain employees of the Knorr-Bremse Group (known as "D&O insurance") maintained by the company in the interests of the company at an appropriate level, insofar as such a policy exists. The premiums for this insurance are paid by the company.

(6) The company reimburses the members of the Supervisory Board for reasonable expenses incurred in the performance of their duties.

(7) Value added tax shall be reimbursed by the company to the extent that the members of the Supervisory Board are entitled to invoice the company separately for value added tax and exercise this right.

§ 19
Honorary Chairman

The Supervisory Board may elect individuals who have rendered outstanding services to the Company as honorary chairmen of the Supervisory Board.

V. Annual General Meeting

§ 20
Location and convening; virtual Annual General Meeting

(1) The Annual General Meeting shall take place at the company's registered office or in another German city with more than 100,000 inhabitants.

(2) The Annual General Meeting shall be convened by the Executive Board, subject to the

statutory rights of the Supervisory Board and a minority of shareholders to convene the meeting.

(3) Unless otherwise required by law, the Annual General Meeting must be convened at least thirty days before the date of the Annual General Meeting. The date of the convocation shall not be included in this period. The minimum period shall be extended by the number of days required for registration in accordance with the German Stock Corporation Act (§ 21(2)).

(4) The Executive Board is authorized to provide that the Annual General Meeting may be held without the physical presence of shareholders or their proxies at the venue of the Annual General Meeting (virtual Annual General Meeting). This authorization applies to the holding of virtual general meetings within a period of two years after the entry of this provision of the Articles of Association, as resolved by the general meeting on April 30, 2025, in the commercial register of the company.

§ 21
Participation and voting rights

(1) Shareholders who have previously registered with the company for the Annual General Meeting and who can prove their eligibility are entitled to participate in the Annual General Meeting and exercise their voting rights. Eligibility is proven by a share certificate issued by the last intermediary. The certificate must refer to the close of business on the twenty-second day prior to the Annual General Meeting.

(2) The registration and proof of eligibility must be received by the company at the address specified in the notice of the Annual General Meeting in text form (Section 126b of the German Civil Code (BGB)) or by other electronic means to be specified by the company in German or English at least six days before the Annual General Meeting. The notice of the meeting may provide for a shorter period, measured in days. The day of the Annual General Meeting and the day of receipt of the registration shall not be included in this period.

(3) Voting rights may be exercised by proxy. The granting of proxy, its revocation, and proof of proxy to the company must be in text form (Section 126b BGB), unless the notice of the meeting provides for simplifications. The details for granting proxies, revoking them, and proving them to the company will be announced when the Annual General Meeting is called. Section 135 of the German Stock Corporation Act (AktG)

remains unaffected.

(4) The Executive Board is authorized to provide that shareholders may participate in the Annual General Meeting without being present at the venue and without a proxy and may exercise all or some of their rights in whole or in part by means of electronic communication (electronic participation). If the Executive Board makes use of this authorization, it shall announce the details of the procedure when convening the Annual General Meeting. Shareholders who participate in the Annual General Meeting in accordance with sentence 1 are not entitled to object to or challenge the resolutions of the Annual General Meeting.

(5) The Executive Board is authorized to stipulate that shareholders may cast their votes in writing or by electronic means (postal vote) without attending the meeting. If the Executive Board exercises this authority, it shall announce the details of the procedure when convening the Annual General Meeting.

(6) Members of the Supervisory Board may participate in the Annual General Meeting by means of video and audio transmission in consultation with the Chairman of the Supervisory Board if the Supervisory Board member in question is prevented from physically attending the venue of the Annual General Meeting, if the Supervisory Board member is resident abroad or if attendance at the venue of the Annual General Meeting would involve an unreasonably long journey, or if the Annual General Meeting is held as a virtual Annual General Meeting without the physical presence of shareholders or their proxies at the venue of the Annual General Meeting.

§ 22
Chairing and conduct of the Annual General Meeting

(1) The Annual General Meeting shall be chaired by the Chairman of the Supervisory Board or another person appointed by the Supervisory Board to chair the meeting. If none of these persons takes the chair, the chair shall be elected by the shareholder representatives present.

(2) The chairperson shall preside over the meeting. He shall determine the order in which the items on the agenda are dealt with and the manner, form, and order of voting.

(3) The Executive Board is authorized to permit the partial or complete image and sound transmission of the Annual General Meeting in a manner to be determined by it.

(4) The chairperson may determine the order in which speakers are called and may reasonably restrict the right of shareholders to ask questions and speak. In particular, he may, at the beginning or during the Annual General Meeting, set the time frame for the entire course of the meeting or for the discussion of individual agenda items, as well as the speaking and question time in general or for individual speakers; this includes, in particular, the possibility of closing the list of speakers prematurely and ordering the conclusion of the debate if necessary.

§ 23
Resolution

(1) Each share grants one vote at the Annual General Meeting.

(2) Resolutions of the Annual General Meeting are passed by a simple majority of the votes cast and, if a majority of the capital is required, by a simple majority of the share capital represented at the time the resolution is passed, unless the law or the Articles of Association stipulate otherwise. In the event of a tie, a motion is deemed rejected. This does not apply to elections.

VI. Annual financial statements and appropriation of profits

§ 24
Annual financial statements and consolidated financial statements

Within the first three months of the fiscal year, the Executive Board shall prepare the annual financial statements and the management report for the past fiscal year and, to the extent required by law, the consolidated financial statements and the group management report, and shall submit them without delay to the Supervisory Board and the auditor for review. At the same time, it shall submit to the Supervisory Board its proposal for the appropriation of net profits to be submitted to the Annual General Meeting.

§ 25
Appropriation of profits and ordinary Annual General Meeting

(1) The Annual General Meeting shall decide annually in the first eight months of the fiscal year on the appropriation of net income, the discharge of the members of the Executive

Board and the Supervisory Board, and the appointment of the auditor (Annual General Meeting) as well as, in the cases provided for by law, on the adoption of the annual financial statements.

(2) The shareholders' shares in the profit are determined by their shares in the share capital.

(3) In the event of an increase in the share capital, the profit participation of the new shares may be determined in deviation from Section 60 (2) of the German Stock Corporation Act (AktG).

(4) The Annual General Meeting may decide to distribute the net income in the form of a distribution in kind instead of or in addition to a cash distribution. In its resolution on the appropriation of net income, it may allocate amounts to retained earnings or carry them forward as profits.

(5) After the end of the fiscal year, the Executive Board may, with the approval of the Supervisory Board, distribute an interim dividend to the shareholders within the scope of Section 59 of the German Stock Corporation Act (AktG).

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