

Joint Report
pursuant to Section 293a of the German Stock Corporation Act
of the Management Board of SAF-HOLLAND SE
and
the Management of SAF-HOLLAND GmbH

on the conclusion and contents of the
Profit and Loss Transfer Agreement of April 23, 2024

between SAF-HOLLAND SE
and
SAF-HOLLAND GmbH

I. Preliminary remarks:

The Management Board of SAF-HOLLAND SE, whose registered office is in Bessenbach, registered in the Commercial Register of Aschaffenburg Local Court (*Amtsgericht Aschaffenburg*) under no. HRB 15646 (also referred to below as the “Controlling Company”), and the Management of SAF-HOLLAND GmbH, whose registered office is in Bessenbach, registered in the Commercial Register of Aschaffenburg Local Court under no. HRB 9685 (also referred to below as the “Controlled Company”), hereby jointly submit the following report pursuant to Section 293a of the German Stock Corporation Act (*Aktiengesetz, AktG*) (also referred to below as the “Agreement Report”) regarding the Profit and Loss Transfer Agreement (*Gewinnabführungsvertrag*) dated April 23, 2024 between the Controlling Company and the Controlled Company (also referred to below as the “Agreement”). The Agreement is attached to the Agreement Report as an **Annex**. The purpose of the Agreement Report is to inform the Controlling Company’s shareholders in preparation for the Annual General Meeting of the Controlling Company on June 11, 2024.

II. Introduction

The Agreement between the Controlled Company, as the company transferring its profits, and the Controlling Company, was signed on April 23, 2024 by the Controlled Company’s Management and the Controlling Company’s Management Board. In the Agreement the Controlled Company agrees to transfer its entire profits to the Controlling Company. The Controlling Company itself agrees to assume the Controlled Company’s losses. The Agreement requires the consent of the Controlling Company’s general meeting and the consent of the Controlled

Company's shareholders' meeting in order to be effective. The Annual General Meeting of the Controlling Company will be holding a resolution on whether to approve the Agreement on June 11, 2024. The shareholders' meeting of the Controlled Company will subsequently hold a resolution on whether to approve the Agreement.

The Agreement will become effective when its existence is entered in the commercial register of the Aschaffenburg Local Court responsible for the Controlled Company. The duty to transfer profits and to assume losses will apply retroactively for the entire financial year in progress of the Controlled Company at the time of entry in the commercial register.

III. Parties to the Agreement

The parties to the Agreement are SAF-HOLLAND SE, as the Controlling Company, and SAF-HOLLAND GmbH, as the Controlled Company.

1. Controlling Company

The Controlling Company is a European company (Societas Europaea, SE) incorporated under German law, whose registered office is in Bessenbach. It is registered in the commercial register of the Aschaffenburg Local Court under no. HRB 15646.

The Controlling Company is the parent company of the SAF-HOLLAND Group and, in this function, holds direct or indirect investments in numerous other companies in Germany and abroad in addition to its direct investment in the Controlled Company.

Pursuant to its Articles of Association, the Controlling Company's objects are to acquire, hold, sell and manage direct or indirect investments in other companies or enterprises, including acting as a management or functional holding company by way of direct or indirect entrepreneurial control, managing and administering these companies and enterprises, in particular by providing administrative, financial, commercial and technical services to the relevant investment company in return for payment, as well as the acquisition, holding and sale of loan receivables and other financial assets, primarily in the area of the production and sale of systems, modules and components for commercial vehicles.

The Controlling Company is authorized to enter into any transactions and take any measures that are related to the Company's objects or appear to be directly or indirectly beneficial to them. It may also establish branch offices in Germany or abroad, found and acquire other enterprises, or acquire interests in such enterprises. The Controlling Company is authorized to itself operate in all business areas mentioned in the above paragraph or to transfer such tasks to affiliated companies within the meaning of Sections 15 et seq. of the German Stock Corporation Act. The Controlling Company may consolidate companies in which it holds an interest under unified management and enter into corporate agreements with them.

Convenience Translation

The Controlling Company may limit its activity to a part of the areas designated in the two preceding paragraphs.

The Controlling Company's share capital amounts to EUR 45,394,302.00 and is divided into 45,394,302 no-par value bearer shares (shares with no-par value). Each share carries one vote in the general meeting.

All shares in the Controlling Company are traded on the Regulated Market of Frankfurt Stock Exchange in the Prime Standard sub-segment under ISIN DE000SAFH001 and WKN SAFH00. The shares of the Controlling Company are also traded on the electronic trading platform XETRA of Deutsche Börse AG and in over-the-counter trading on the Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart stock exchanges as well as via Tradegate Exchange.

The Management Board of the Controlling Company is authorized, with the approval of the Supervisory Board, to increase the share capital of the Controlling Company on one or more occasions in the period up to May 19, 2025 by up to a total of EUR 22,697,151.00 by issuing new no-par value bearer shares in return for contributions in cash and/or in kind (2020 Authorized Capital).

Pursuant to Article 8(1) of the Controlling Company's Articles of Association, the Management Board of the Controlling Company consists of at least two persons; the Supervisory Board may appoint a higher number of Management Board members. Pursuant to Article 9(2) of the Controlling Company's Articles of Association, the Controlling Company is legally represented by two members of the Management Board jointly or by one member of the Management Board together with a holder of general commercial power of attorney (*Prokurist*). At the time of submission of this Agreement Report, the Controlling Company's Management Board consists of two members: Mr. Alexander Geis and Mr. Frank Lorenz-Dietz.

Article 11(1) of the Controlling Company's Articles of Association states that the Controlling Company's supervisory board consists of five members who are elected by the general meeting. At the time of submission of this Agreement Report, the Controlling Company's Management Board consists of the following members: Dr. Martin Kleinschmitt (Chair), Mr. Matthias Arleth, Ms. Ingrid Jägering, Ms. Jurate Keblyte and Mr. Carsten Reinhardt.

The Controlling Company had a total of 28 employees as at December 31, 2023.

The Controlling Company is a tax resident for the purposes of corporate income tax and trade tax in Germany.

The Controlling Company's financial year is the calendar year.

As at December 31, 2021, the annual financial statements of the Controlling Company show net retained profits of EUR 39,660 thousand. As at December 31, 2022, the net retained profits reported in the Controlling Company's annual financial statements amounted to EUR 47,756 thousand. As at December 31, 2023, the Controlling Company generated net retained profits of EUR 69,041 thousand.

For further details on the financial situation of the Controlling Company, please refer to the annual financial statements and management reports of the Controlling Company for the 2023, 2022 and 2021 financial years, which are available on the Controlling Company's website at "<https://corporate.safholland.com/de/>" in the "Investor Relations" section under "Annual General Meeting".

2. Controlled Company

The Controlled Company is a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under German law, whose registered office is in Bessenbach. It is registered in the commercial register of the Aschaffenburg Local Court under no. HRB 9685.

Pursuant to its Articles of Association, the Controlled Company's objects are to manufacture and sell non-driven axles, axle systems and other attachments and accessories for truck trailers, semi-trailers and trucks as well as the manufacture and sale of products and control systems for means of transport, in particular braking technology.

The Company may conduct all business and take all measures that are appropriate to directly or indirectly further the attainment of the Company's objects. The Company may establish branch offices and subsidiaries and acquire companies with the same, similar or other objects and invest in such companies.

The Controlled Company has share capital in the amount of EUR 25,000.00. The Controlling Company holds all shares and voting rights in the Controlled Company and is therefore the sole shareholder of the Controlled Company.

According to Article 5(1) of the Controlled Company's Articles of Association, the Controlled Company has one or more managing directors (*Geschäftsführer*). At the time of submission of this Agreement Report, the Controlling Company's Management Board consists of three members: Mr. Christoph Günter and Mr. Alexander Geis and Mr. Frank Lorenz-Dietz.

If only one managing director is appointed, then that managing director will represent the Controlled Company alone pursuant to Article 5(1) of the Controlled Company's Articles of Association. If several managing directors are appointed, then the Controlled Company will be represented by two managing directors jointly or by one managing director together with a person holding general commercial power of representation (*Prokurist*). The shareholders' meeting may pass a resolution authorizing the managing directors to represent the Company individually. Each managing director – including a managing director who holds all shares – can be exempted from the restrictions of Section 181 of the German Civil Code (*Bürgerliches Gesetzbuch, BGB*) by shareholder resolution. The managing director in office at the time of submission of this Agreement Report is exempted from the prohibition of multiple representation under Section 181 of the German Civil Code.

The Controlled Company had a total of 1,141 employees as at December 31, 2023.

The Controlled Company is a tax resident for the purposes of corporate income tax and trade tax in Germany.

As at December 31, 2021, the annual financial statements of the Controlled Company show net retained profits of EUR 85,577 thousand. As at December 31, 2022, the net retained profits reported in the Controlled Company's annual financial statements amounted to EUR 119,880 thousand. As at December 31, 2023, the Controlled Company generated net retained profits of EUR 202,568 thousand.

For further details on the financial situation of the Controlled Company, please refer to the annual financial statements and management reports of the Controlled Company for the 2023, 2022 and 2021 financial years, which are available on the Controlling Company's website at "<https://corporate.safholland.com/de/>" in the "Investor Relations" section under "Annual General Meeting".

IV. Legal and commercial reasons for entering into the Profit and Loss Transfer Agreement

The Controlling Company holds all the shares and the voting rights in the Controlled Company. This means that entering into a profit and loss transfer agreement provides the possibility of establishing a tax group between the Controlling Company and the Controlled Company for both corporate income and trade tax purposes. Due to the tax group relationship, the Controlled Company's income will be directly attributed to the Controlling Company for the purposes of corporate income tax and trade tax. Consequently, positive and negative results within the tax group can be offset for tax purposes at the level of the Controlling Company. This can lead to tax advantages, depending on the tax situation of the companies included in the tax group in terms of their results. Without a profit and loss transfer agreement, offsetting earnings for tax purposes in this way is not possible; profits of the Controlled Company could at best be distributed to the Controlling Company by way of a profit distribution. In this case, under current tax law the Controlling Company would in principle be liable for corporate income tax and trade tax on 5% of the profits distributed.

There is no economically reasonable alternative to entering into the Profit and Loss Transfer Agreement. According to Section 14(1), first sentence of the German Corporate Income Tax Act (*Körperschaftsteuergesetz, KStG*) in conjunction with Section 17(1), first sentence of the German Corporate Income Tax Act and Section 2(2), second sentence of the German Trade Tax Act (*Gewerbesteuer-gesetz, GewStG*), entering into the Profit and Loss Transfer Agreement is a mandatory requirement for a corporate income and trade tax group between the Controlled Company and the Controlling Company. The tax advantages explained above can only be realized through the Profit and Loss Transfer Agreement.

In particular, a change the Controlled Company's legal form into a partnership would not lead to an equivalent result for tax purposes, since the Controlled Company's income would be subject to taxation at the level of the partnership for trade tax

purposes. On the other hand, in the case of a tax group, the income would be taxable at the level of the Controlling Company and could be offset by it against any of its negative income.

Merging the Controlled Company into the Controlling Company is also not a preferable alternative because the Controlled Company would then lose its legal independence. Such a change in the legal organization of SAF-HOLLAND is currently not intended.

There was no need from an income tax point of view to enter additionally into a control agreement since the Controlling Company has sufficient possibilities to influence the Controlled Company due to its status as the Controlled Company's sole shareholder. The shareholders' meeting of the Controlled Company has, for example, a right to issue instructions to Management.

V. Explanations on the contents of the Agreement

The Agreement involves a profit and loss transfer agreement within the meaning of Section 291(1), first sentence, second alternative of the German Stock Corporation Act that can be entered into on a private contractual basis. It requires the approval of the general meeting of the Controlling Company and the shareholders' meeting of the Controlled Company. Its existence has to be entered in the commercial register responsible for the Controlled Company.

The contents of the Agreement are based on the statutory requirements in Sections 291 et seq. of the German Stock Corporation Act and are essentially limited to the necessary provisions, supplemented by terms arising from the requirements for recognition of the desired income tax group.

The following should be noted with regard to the individual terms of the Agreement:

1. Profit transfer (clause 1 of the Agreement)

Clause 1(1) of the Agreement contains the obligation characteristic of a profit and loss transfer agreement for the Controlled Company to transfer its entire profits to the other party to the agreement. According to the clause, the Controlled Company agrees to transfer its entire profits in accordance with the provisions of Section 301 of the German Stock Corporation Act, as amended from time to time, to the Controlling Company. The transfer of profits pursuant to Section 14(1), first sentence of the German Corporate Income Tax Act in conjunction with Section 17(1), first sentence of the German Corporate Income Tax Act is essential for the income tax group between the Controlled Company and Controlling Company to be effective. The latest applicable provision in Section 301 of the German Stock Corporation Act regarding the maximum value of the profits transferred is incorporated into the Agreement by analogy, i.e. by dynamic reference. This dynamic reference takes into account possible future changes in the items to be deducted in Section 301 of the German Stock Corporation Act. According to Section 301 of the version of the German Stock Corporation Act currently in force, a company can transfer no more than the net profit for the year arising before profits are transferred, less any loss

carried forward from the previous year, the amount that has to be allocated to the statutory reserves under Section 300 of the German Stock Corporation Act and the amount excluded from distributions under Section 268(8) of the German Commercial Code (*Handelsgesetzbuch, HGB*), as its profits.

The scope of the profit transfer is described in more detail in clause 1(2) and (3) of the Agreement.

The income tax group in principle requires the entire profits of the Controlled Company to be transferred; creating revenue reserves from the earnings generated by the Controlled Company is only permitted under certain circumstances. According to clause 1(2), first sentence of the Agreement, the Controlled Company may only place amounts from the annual net profits in retained earnings within the meaning of Section 272(3) of the German Commercial Code with the approval of the Controlling Company to the extent permitted under commercial law and economically justified based on reasonable commercial judgement. This wording is based on the wording of Section 14(1), first sentence, no. 4 of the German Corporate Income Tax Act in conjunction with Section 17(1), first sentence of the German Corporate Income Tax Act.

Other retained earnings within the meaning of Section 272(3) of the German Commercial Code that are established during the term of this Agreement are, to the extent legally permissible, to be released at the request of the Controlling Company in accordance with the provisions of the second sentence of Clause 1(2) and to be transferred as profits under the conditions set out in Section 301 of the German Stock Corporation Act, as amended from time to time.

Pursuant to Clause 1(3) of the Agreement, any amounts from the release of capital reserves, retained earnings established and/or any profits carried forward before this Agreement comes into force may not be transferred as profits.

Accordingly, the obligation to transfer profits arises at the end of the Controlled Company's financial year and becomes due on this date.

The provisions agreed under clause 1 of the Agreement correspond to the typical provisions regarding the transfer of profits contained in profit and loss transfer agreements and are based closely on the statutory provisions.

2. Assumption of losses (clause 2 of the Agreement)

The transfer of profits corresponds to the Controlling Company's obligation provided for under the law on public limited companies in Section 302 of the German Stock Corporation Act to compensate losses at the Controlled Company. Under Section 302 of the German Stock Corporation Act, an assumption of losses is the mandatory consequence of a profit and loss transfer agreement.

As a result of the obligation to compensate losses, the Controlling Company effectively bears the economic risk of the Controlled Company (see Part III.2 above of this Agreement Report regarding the economic situation of the Controlled

Company). This ensures that the balance sheet equity of the Controlled Company existing at the time the Agreement becomes effective is not reduced during the term of the Agreement. This obligation to offset losses serves to safeguard the pecuniary interests of the Controlled Company, its shareholders and creditors during the existence of the Agreement.

According to clause 2 of the Agreement, the provisions of Section 302 of the German Stock Corporation Act, as amended from time to time, apply to the requirement to assume any losses. Section 17(1), second sentence, no. 2 of the German Corporate Income Tax Act provides that it is essential that the assumption of losses is agreed by reference to the provisions of Section 302 of the German Stock Corporation Act, as amended from time to time, so that the income tax group between the Controlled Company and the Controlling Company is effective.

Under the version of Section 302(1) of the German Stock Corporation Act in force at the time this Agreement Report is submitted, the Controlling Company's obligation to assume losses only applies to the extent that a net loss for the year which would otherwise arise is not offset by withdrawing amounts from other revenue reserves that were allocated to them during the term of the Agreement. Thus if other revenue reserves were formed during the term of the Agreement, they may be released in order to offset losses in subsequent years instead of the Controlling Company making compensation payments to offset these losses.

The provisions agreed under clause 2 of the Agreement correspond to the typical provisions regarding compensation for losses contained in profit and loss transfer agreements and are based closely on the statutory provisions.

3. Advance payments (clause 3 of the Agreement)

Clause 3(1) of the Agreement makes clear that the Controlling Company may demand advance payments on the profit expected to be transferred to it for this financial year and the Controlled Company may demand advance payments on the net loss expected to be offset for this financial year provided that this is legally permissible and the liquidity of the Controlled Company permits such advance payments or the Controlled Company requires such advance payments considering its liquidity.

Any profits to be remitted after the end of the relevant financial year or the net loss for the year to be compensated are to be set off against the advance payments made pursuant to clause 3(2) of the Agreement during the course of the year. Any overpayments will be treated as interest-bearing loans.

4. Effective date, term of the Agreement (clause 4 of the Agreement)

Clause 4(1) of the Agreement first of all makes clear that the Agreement requires the approval of the Controlling Company's general meeting and the approval of the shareholders' meeting of the Controlled Company in order to be effective.

Convenience Translation

Pursuant to clause 4(2) of the Agreement, the Agreement will become effective upon being entered in the commercial register responsible for the Controlled Company and will then apply retroactively for the entire financial year in progress at the time of entry in the commercial register.

The remainder of the Agreement contains provisions on the term and termination of the Agreement. The Agreement is entered into for an indefinite period pursuant to clause 4(3) of the Agreement. Pursuant to clause 4(4) of the Agreement, either the Controlling Company or the Controlled Company may terminate the Agreement by observing a notice period of three (3) months to the end of a financial year of the Controlled Company, but no earlier than at the end of the financial year after the expiry of which the minimum tax term of a profit and loss transfer agreement prescribed in Section 14(1), first sentence, no. 3 in conjunction with Section 17(2), second sentence of the German Trade Tax Act (*Gewerbesteuer*gesetz, GewStG), as amended from time to time, which is required for recognition of the corporate income and trade tax group, has been fulfilled. According to the current legal situation, this minimum term is five (5) years (60 months), calculated from the start (midnight) of the financial year of the Controlled Company in which this Agreement became effective by being registered in the commercial register responsible for the Controlled Company. This ensures that the minimum term required for recognition of an income tax group relationship is complied with.

This is without prejudice to the right pursuant to clause 4(5) of the Agreement to terminate for cause without observing a notice period. The Agreement contains a non-exhaustive list of examples of where cause exists.

Clause 4(6) of the Agreement provides that any notice of termination must be made in writing and signed. The requirement that any termination be in writing and signed corresponds to the statutory provision in Section 297(3) of the German Stock Corporation Act.

Clause 4(7) of the Agreement makes reference to the protection for creditors in Section 303 of the German Stock Corporation Act: According to this provision, if the Agreement ends, the Controlling Company must provide security to the creditors of the Controlled Company in line with Section 303 of the German Stock Corporation Act.

Clause 4(8) of the Agreement contains a special provision on the beginning of the (new) Minimum Term: If the implementation of this Agreement is not recognized for income tax purposes or not recognized in full in a financial year, then the Parties agree that (in derogation from Clause 4(4) of this Agreement) the new Minimum Term will only begin on the first day of the financial year of the Controlled Company for which this Agreement is implemented again for the first time.

5. Amendments (clause 5 of the Agreement)

According to clause 5 of the Agreement, any amendments or additions to the provisions of the Agreement, including this clause regarding signed written form, must be in writing and signed in order to be effective.

6. Final provisions (clause 6 of the Agreement)

Clause 6(1) of the Agreement contains an interpretation rule to ensure that the Agreement is recognised for income tax purposes as well as a typical “severability clause”; this is intended to ensure that the Agreement is upheld if any of the provisions of the Agreement should be wholly or partially invalid or incomplete. The contractual provision concerned is to be replaced with another provision that comes as close as possible to the intended purpose.

Clause 7(2) makes clear that references to statutory provisions refer to the latest version of the relevant statutory provisions unless otherwise explicitly agreed in the Agreement.

VI. No special consequences of the Agreement for the shareholders’ holdings

Apart from the Controlling Company’s obligation to assume losses, there are no special consequences for the holdings of the Controlling Company’s shareholders, since in the absence of any outside shareholders at the Controlled Company the Controlling Company is not liable in particular for any compensation or settlement payments.

VII. No review of the Agreement

As the Controlling Company is the Controlled Company’s sole shareholder, the Agreement did not have to be reviewed by one or more expert auditors as contract auditors in accordance with Section 293b(1) of the German Stock Corporation Act. Such a review therefore did not take place and will not take place.

This summary assessment of the Agreement shows that the Agreement is advantageous for both SAF-HOLLAND SE as Controlling Company and SAF-HOLLAND GmbH as Controlled Company.

Bessenbach, April 23, 2024

SAF-HOLLAND SE

Alexander Geis

Member of the Management Board and
Chief Executive Officer

Frank Lorenz-Dietz

Member of the Management Board and
Chief Financial Officer

SAF-HOLLAND GmbH

Christoph Günter

Managing Director

Alexander Geis

Managing Director

Frank Lorenz-Dietz

Managing Director

Annex:

Profit and Loss Transfer Agreement dated April 23, 2024 between SAF-HOLLAND SE and
SAF-HOLLAND GmbH

Profit and Loss Transfer Agreement

by and between

1. **SAF-HOLLAND SE, whose registered office is in Bessenbach, registered in the commercial register of the Aschaffenburg Local Court (*Amtsgericht Aschaffenburg*) under no. HRB 15646**

– the “**Controlling Company**” –,

and

2. **SAF-HOLLAND GmbH, whose registered office is in Bessenbach, registered in the commercial register of the Aschaffenburg Local Court (*Amtsgericht Aschaffenburg*) under no. HRB 9685**

– the “**Controlled Company**” –

– the Controlling Company and Controlled Company also referred to collectively below as the “**Parties**” or individually as a “**Party**” –

Background

The Controlling Company is the sole shareholder of the Controlled Company.

The Parties intend that the Controlled Company will transfer its entire profits arising during the term of this Profit and Loss Transfer Agreement (the “**Agreement**”) to the Controlling Company and that the Controlling Company will compensate any net loss of the Controlled Company for the year arising during the term of this Agreement.

NOW, THEREFORE, the Parties hereby agree as follows:

Section 1 Transfer of profits

1. The Controlled Company hereby agrees to transfer its entire profits in accordance with the provisions of Section 301 of the German Stock Corporation Act (*Aktiengesetz, AktG*), as amended from time to time, to the Controlling Company. The profit transfer may not exceed the amount referred to in Section 301 of the German Stock Corporation Act, as amended from time to time. Should the wording of this Agreement conflict with the statutory provisions in the event of future amendments of Section 301 of the German Stock Corporation Act, the statutory provisions will apply, as amended from time to time.
2. The Controlled Company may place amounts from the net income for the year in retained earnings within the meaning of Section 272(3) of the German Commercial Code (*Handelsgesetzbuch, HGB*) with the approval of the Controlling Company to

Convenience Translation

the extent permitted under commercial law and economically justified based on reasonable commercial judgement. Other retained earnings within the meaning of Section 272(3) of the German Commercial Code that are established during the term of this Agreement are, to the extent legally admissible, to be released at the request of the Controlling Company and to be transferred as profits under the conditions set out in Section 301 of the German Stock Corporation Act, as amended from time to time.

3. Any amounts from the release of capital reserves, retained earnings established before this Agreement comes into force and/or any profits carried forward established before this Agreement comes into force may not be transferred as profits.
4. The obligation to transfer profits arises at the end of the financial year of the Controlled Company and becomes due on this date.

Section 2 Assumption of losses

The provisions of Section 302 of the German Stock Corporation Act, as amended from time to time, are to be applied by analogy to the assumption of losses.

Section 3 Advance payments

1. The Controlling Company may claim advance payments toward the profits expected to be transferred to it for the current financial year during the ongoing financial year provided that this is legally admissible and the Controlled Company's liquidity allows for such advance payments. The Controlled Company may claim advance payments toward the net loss expected to be compensated for the current financial year during the ongoing financial year provided that this is legally admissible and it requires such advance payments considering its liquidity.
2. Any profits to be remitted after the end of the relevant financial year or the net loss for the year to be compensated are to be set off against the advance payments made during the course of the year. Any overpayments by the Controlled Company will be treated as interest-bearing loans granted by the Controlled Company to the Controlling Company. Any overpayments by the Controlling Company will be treated as interest-bearing loans granted by the Controlling Company to the Controlled Company. This is without prejudice to all the other provisions of this Agreement.

Section 4 Effective date, term of the Agreement

1. This Agreement requires the approval of the Controlling Company's general meeting and the approval of the shareholders' meeting of the Controlled Company.

Convenience Translation

2. The Agreement will become effective upon being entered in the commercial register responsible for the Controlled Company and will then apply retroactively for the entire financial year in progress at the time of entry in the commercial register.
3. The Agreement is entered into for an indefinite period.
4. Either Party may terminate this Agreement observing a notice period of three (3) months to the end of a financial year of the Controlled Company, but no earlier than at the end of the financial year after the expiry of which the minimum tax term of a profit and loss transfer agreement prescribed in Section 14(1), first sentence, no. 3 in conjunction with Section 17 of the German Corporate Income Tax Act (*Körperschaftsteuergesetz, KStG*) and Section 2(2), second sentence of the German Trade Tax Act (*Gewerbesteuerengesetz, GewStG*), as amended from time to time, which is required for recognition of the corporate income and trade tax group, has been fulfilled (according to the current legal situation five (5) years (60 months), calculated from the start (midnight) of the financial year of the Controlling Company in which this Agreement became effective by being registered in the commercial register responsible for the Controlled Company (referred to below as the “**Minimum Term**”). If this Agreement is registered in the financial year of the Controlled Company commencing on January 1, 2024, the Minimum Term will expire at the close (midnight) of December 31, 2028 or, if no financial year of the Controlled Company ends on that date, at the end of the financial year in progress on that date.
5. This is without prejudice to the right to terminate for cause without observing a notice period. Cause exists in particular but not exclusively if (i) the Controlling Company no longer holds a majority of the voting rights in the Controlled Company, (ii) the Controlling Company sells or contributes the shares in the Controlled Company, (iii) the Controlling Company or Controlled Company is merged, split or liquidated, or (iv) an outside shareholder acquires an interest in the Controlled Company for the first time within the meaning of Section 307 of the German Stock Corporation Act.
6. Any notice of termination must be made in writing and signed.
7. If this Agreement ends, the Controlling Company will be required to provide the Controlled Company’s creditors with security in accordance with Section 303 of the German Stock Corporation Act.
8. If the implementation of this Agreement is not recognized for tax purposes or not recognized in full for a financial year, then the Parties agree that (in derogation of Section 4(4) of this Agreement) the new Minimum Term will only begin on the first day of the financial year of the Controlled Company for which this Agreement is implemented again for the first time.

Section 5 Amendments to the Agreement

Any amendments or additions to the provisions of this Agreement must be in writing and signed. This also applies to this clause regarding signed written form.

Section 6
Final provisions

1. The provisions of this Agreement are to be interpreted in such a way that the tax group for corporate income tax and trade tax purposes intended by the Parties becomes fully effective. If any provision of the Agreement is or becomes ineffective or void, the remainder of the provisions of the Agreement will remain in full force and effect. The contractual provision concerned is to be replaced with another provision that comes as close as possible to the intended purpose. The same applies in the event that any provisions of the Agreement are incomplete.
2. If the application of statutory provisions is intended in this Agreement, the latest version of the relevant statutory provisions is to be applied unless otherwise explicitly agreed in this Agreement.

Bessenbach, April 23, 2024

Alexander Geis

Member of the management board of
SAF-HOLLAND SE

Jörg Wahl

Holder of general commercial power of
attorney (*Prokurist*) of SAF-HOLLAND
SE

Frank Lorenz-Dietz

Managing director of SAF-HOLLAND
GmbH

Alf Hospes

Holder of general commercial power of
attorney (*Prokurist*) of SAF-HOLLAND
GmbH