

**Report of the Supervisory Board of
MOBOTIX AG,
Winnweiler-Langmeil**

Financial year 2020/21

October 1, 2020 to September 30, 2021

Dear Sir or Madam,

Dear Shareholders

The MOBOTIX Group is in a phase of transformation. Several different facets of the company are being refined independently of each other. This includes expanding sales in the American market, placing a clearer focus on certain vertical markets, and transforming MOBOTIX from a manufacturer of products (hardware) into a provider of solutions for complex applications through the growing use of intelligent software. The latter is in conjunction with increasing capacity for the development of software and marketable software applications ("apps").

The company's transformation, which is already demanding in itself, is taking place in a challenging economic environment. Global supply chain problems are illustrating that the overall impact of the COVID-19 pandemic goes beyond the already serious health consequences for those who contract the virus. All of this has also been reflected in the profit, financial and assets situation in the past financial year 2020/21.

On an operational level, MOBOTIX closed the past financial year with a turnover of €62.4 million and an EBIT of €0.2 million. The Management Board and the Supervisory Board found both of these figures unsatisfactory. The reason for this was that business in the Asia-Pacific (APAC) region in particular suffered from various, sometimes repeated lockdowns, which especially affected project business, such as with hotels or shopping centers. Despite the sometimes high demand for thermal cameras during the previous financial year 2019/20, the effects of COVID-19 were felt by MOBOTIX — not just on the demand side but also elsewhere. For example, supply was also affected due to the global supply chain problem, especially in terms of semiconductors, chips and processors. The annual financial statement also includes an addition for the provision of €700 thousand for criminal and legal expenses in connection with the pending legal proceedings of the French competition authority (DGCCRF) in France.

Consultation, Review and Monitoring Methods

The Management Board has fulfilled its duties to inform. It provided the Supervisory Board with regular, comprehensive and timely information about all issues relevant for the Group in its meetings, such as the technology strategy, product development, business performance, the financial position, the personnel situation and ongoing and new investment projects, as well as about any important decisions and business transactions.

The Management Board always provided prompt and detailed explanations regarding deviations in business performance from the established plans which were discussed by the Supervisory Board in depth.

The Management Board regularly provided us with detailed written reports for the preparation of Supervisory Board meetings. This provided us with ample opportunity in all cases to critically analyze the Management Board's reports and proposed resolutions and to put forward our own suggestions before passing resolutions following in-depth examination and consultation. The Management Board was available to answer our questions at the Supervisory Board meetings.

The Management Board also informed the Supervisory Board outside of the meetings by means of regular reports about the current state of business and about important financial and internal company developments. In the case of transactions requiring approval, the Supervisory Board

approved the measures proposed by the Management Board after detailed examination and discussion. We critically evaluated the plausibility of, as well as scrutinized and reviewed, the information submitted by the Management Board.

The Supervisory Board was satisfied with the proper governance of company management throughout the year. There were no conflicts of interest concerning members of the Supervisory Board or the Management Board.

The reports of the Management Board during the year provided a good indication of the business performance and are in line with the report given in the 2020/21 annual financial statements. In addition, the Management Board also informed the Chairperson of the Supervisory Board of all important developments and pending decisions in the course of regular discussions between the meetings. The Supervisory Board did not exercise the right to examine the company's documents and records or to commission special experts with specific tasks in the reporting year (Section 111 (2) of the German Stock Corporation Act (AktG)). To date the Supervisory Board has not formed any committees since they would not have contributed to improved efficiency due to the size and structure of the company. The entire Supervisory Board has consistently focused its attention on future topics and decisions in all matters.

Focal Points of the Supervisory Board Discussions

A total of 13 meetings of the Supervisory Board took place in the 2020/21 financial year. When needed the Supervisory Board met without the attendance of the Management Board. All three members of the Supervisory Board were present at the meetings.

At the first regular meeting of the Supervisory Board in October 2020, the agenda included the sales analysis for the 2019/2020 financial year, regional sales strategies for 2020/21, the preliminary profit and loss account for the 2019/2020 financial year, the launch of the MOBOTIX 7 platform, the product strategy for the 2020/21 financial year and the preparation of the virtual Annual General Meeting in 2021.

At the second regular meeting of the Supervisory Board in November 2020, the Management Board presented the financial report for the past financial year 2019/20. The annual and consolidated financial statements as of September 30, 2020 were presented and analyzed in detail in the presence of the auditor confirming this report. All questions were answered by the auditor conclusively and in full. In this meeting, we passed a resolution to adopt the annual financial statements and approve the consolidated financial statements. The invitation to and agenda for the Annual General Meeting in January 2021 and the proposal for the distribution of profits were determined. During this meeting, the Supervisory Board also discussed the sales and profit trends in the first half of the 2020/21 financial year, in the context of the COVID-19 pandemic.

The third regular meeting of the Supervisory Board in January 2021 discussed the current COVID-19 situation and its impact on MOBOTIX. The Management Board presented the development of sales in the first fiscal quarter and a forecast of sales trends in the first half of the year. The Management Board presented the profit trends in the first fiscal quarter and an outlook on profit trends for the first half of the year. In addition, the Management Board presented the status of the strategic direction, the product strategy and the timetable for the preparation of the Annual General Meeting. Aspects of potential investments were discussed in detail.

The fourth regular meeting of the Supervisory Board in April 2021 discussed the current COVID-19 situation and its impact on MOBOTIX. The Management Board presented the sales trends in the

first half of the year and gave an outlook for the second half of the year. The Management Board presented various scenario models regarding profit trends. With regard to product development, the Management Board presented the planned new launches as well as a status report on a potential M&A transaction. The Management Board presented the current status of two legal disputes concerning France and Langmeil/buildings.

The fifth regular meeting of the Supervisory Board in July 2021 discussed the current COVID-19 situation and its impact on MOBOTIX. The Management Board presented the sales trends in the third quarter and provided a sales outlook for the full year. The Management Board presented the current status of the profit and loss account as well as various scenario models for its future development. The Management Board also presented in-depth analysis of the business model for vertical markets and presented a report on the status of a potential M&A transaction, a recruiting plan and a new investor relations strategy, which were discussed and analyzed by the Supervisory Board.

At a special meeting of the Supervisory Board in August 2021, a potential M&A transaction was discussed in detail by the Management Board and the Supervisory Board.

The Supervisory Board held discussions on multiple occasions and maintained regular contact with the Management Board and in particular with the CEO between the meetings to discuss significant issues. During the months in which no meetings of the Supervisory Board took place, a total of seven "jour fixes" were held, during which the Management Board and the Supervisory Board discussed current issues and developments.

Topics that were generally discussed on a regular basis all year round included: the development of the company, sales and marketing activities, the status of product development and product quality, technology partnerships and the implementation of new IT infrastructure, pending legal proceedings, and share price trends.

The Supervisory Board also dealt intensively with the issue of personnel, financial and liquidity planning as well as the status of process and structural optimization. The development of the subsidiary in the USA, the US market as a whole, and the situation and related reorganization measures in the DACH and APAC sales regions were also regularly discussed.

Another key issue was the development of the COVID-19 situation in Germany/Rhineland-Palatinate. Outside the regular meetings, the Management Board also kept the Supervisory Board informed about the impact of the pandemic on the company, including the (protective) measures taken for the workforce.

AG and Consolidated Financial Statements Audit 2020/21

On January 28, 2021 the Annual General Meeting of the company selected Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Mannheim, as the annual and consolidated financial statements auditor for the financial year ending September 30, 2021. A statement of independence was obtained from the auditor in advance and did not lead to any objections.

The annual financial statements and the annual report of MOBOTIX AG according to the German Commercial Code (HGB), the consolidated financial statements and consolidated annual report according to HGB as of September 30, 2020 were audited by the auditor and an unqualified independent auditors' report was issued respectively. No significant weaknesses in the risk management system were identified.

Report of the Supervisory Board

The report presented by MOBOTIX AG to the Management Board on relationships with affiliated companies pursuant to Section 312 of the German Stock Corporation Act (Dependent Company Report) for the period from October 1, 2020 to September 30, 2021 was also audited by the auditor and endorsed with the following unqualified independent auditors' report:

"There are no objections based on the final outcome of our audit to the dependent company report. We are therefore issuing the following independent auditors' report: Following our obligatory audit and assessment, we confirm that:

1. The actual content of the report is correct,
2. With regards to the legal transactions listed in the report, the payments made by the company were not unreasonably high or disadvantages were offset,
3. Among the measures listed in the report, there are no circumstances for a materially different assessment from that of the Management Board.

Mannheim, November 24, 2021

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft

Kaschub, Auditor

Wöhe, Auditor"

The annual accounting documents and proposed resolution for the distribution of profits of the Management Board and the audit reports of the auditor were submitted to the Supervisory Board for review in good time. The Supervisory Board conducted a detailed review and discussion of the annual financial statements, the consolidated financial statements, the summary management report, the dependent company report pursuant to Section 312 of the German Stock Corporation Act (AktG), the resolution for the distribution of profits proposed by the Management Board and the audit report of the auditor. The auditor attended these discussions, was available for questions and reported on significant findings of the audit.

Upon completing its own review, the Supervisory Board agreed with the results of the auditor and noted that it had no objections, including with the declaration by the Management Board at the conclusion of the Dependent Company Report:

"The Management Board declares that, for the legal transactions and measures disclosed in the report regarding relationships with affiliated companies, adequate consideration was received by the company for each legal transaction and the company was not disadvantaged by the implemented measures according to the circumstances that were known to us at the time the legal transactions were concluded or the measures were implemented.

No measures have been refrained from at the behest or in the interest of the controlling company or a company affiliated with it.

Winnweiler-Langmeil, November 23, 2021

The Management Board".

In its meeting on November 24, 2021, the Supervisory Board adopted the annual financial statements prepared by the Management Board and approved the consolidated financial statements of MOBOTIX AG. As a result, the annual financial statements were adopted.

Distribution of Profits

Together with the Management Board, we closely examined its proposed resolution for the distribution of profits, which, as in the previous year, calls for a dividend, and approved this suggestion in view of the company's current and projected future financial situation.

Committees

The Supervisory Board of MOBOTIX AG currently has no committees, because a need for them has not yet become apparent. A report on the work of committees has therefore been omitted.

The following changes to the composition of the Supervisory Board occurred during the reporting period:

Reappointment and Changeover of Supervisory Board Members

On February 10, 2021, the district court of Kaiserslautern granted the previously filed request to reappoint Mr. Olaf Jonas as Supervisory Board member. From February 3, 2021, the Supervisory Board thus consisted of Toshiya Eguchi (Chairman of the Supervisory Board), Olaf Jonas (Deputy Chairman of the Supervisory Board) and Tsuyoshi Yamazato.

Supervisory Board member Mr. Tsuyoshi Yamazato resigned on June 30, 2021. The district court of Kaiserslautern has granted the request filed for the judicial appointment of Supervisory Board member, Mr. Osafumi Kawamura. Osafumi Kawamura (General Manager, Business Planning Division, Imaging-IoT Solution; Konica Minolta Inc. Tokyo, Japan) succeeded Mr. Yamazato on July 1, 2021. From July 1, 2021, the Supervisory Board thus consisted of Toshiya Eguchi (Chairman of the Supervisory Board), Olaf Jonas (Deputy Chairman of the Supervisory Board) and Osafumi Kawamura.

The Supervisory Board member Mr. Osafumi Kawamura resigned on October 31, 2021. The district court of Kaiserslautern has granted the request filed for the judicial appointment of Supervisory Board member, Mr. Koji Ozeki. Koji Ozeki (General Manager, Konica Minolta Business Solutions Europe GmbH, Langenhagen, Germany) succeeded Mr. Kawamura on November 2, 2021. From November 2, 2021, the Supervisory Board thus consisted of Toshiya Eguchi (Chairman of the Supervisory Board), Olaf Jonas (Deputy Chairman of the Supervisory Board) and Koji Ozeki.

The following decisions about the composition of the Management Board occurred during the reporting period:

Reappointment of a Member of the Management Board

At its meeting on December 15, 2020, the Supervisory Board reappointed Mr. Klaus Kiener, Graduate in Business Administration, as Chief Financial Officer (CFO) of MOBOTIX AG until March 31, 2023. He is also responsible for Finance, Corporate Planning, Investor Relations, Legal/Compliance/Data Protection, Organization, IT-Services, Purchasing and Logistics/Customs. Since 01/07/2021, the Management Board has thus consisted of Thomas Lausten (Chairman of the Board of Management and Sales Director), Klaus Kiener (Chief Financial Officer) and Hartmut Sprave (Chief Technology Officer).

Report of the Supervisory Board

The Supervisory Board would like to thank all Group employees around the world and the Management Board members for their hard work in the 2020/21 financial year. We would also like to express our gratitude for the loyal service of the employee representatives.

We are convinced that the MOBOTIX Group is well positioned for the future to grow profitably in the 2021/22 financial year and beyond. The cooperation with Konica Minolta is opening up quality growth opportunities in the medium term both for technological order development and in sales.

After careful consideration, we have again decided to conduct the Annual General Meeting virtually, although we regret that we will not be able to meet you, the shareholders, in person.

We wish management and the employees great success in tackling the challenges of the 2021/22 financial year. Our special gratitude goes out to the customers, partners and shareholders of MOBOTIX AG for their faith and confidence during these challenging times.

Winnweiler-Langmeil, November 24, 2021

On behalf of the Supervisory Board



Toshiya Eguchi