

SONO
GROUP N.V.

AUDIT COMMITTEE CHARTER



**SOLAR ON
EVERY VEHICLE.**

AUDIT COMMITTEE CHARTER

SONO GROUP N.V.

INTRODUCTION

ARTICLE 1

- 1.1 This charter, together with the relevant provisions of the Supervisory Board Rules, govern the organisation, decision-making and other internal matters of the Committee. In performing their duties, the Committee Members shall comply with this charter and the relevant provisions of the Supervisory Board Rules.
- 1.2 This charter shall be posted on the Website.

DEFINITIONS AND INTERPRETATION

ARTICLE 2

- 2.1 Unless otherwise defined in this charter, capitalised terms shall have the meanings ascribed to them in the Supervisory Board Rules.
- 2.2 Without prejudice to Article 2.1, the following definitions shall apply in this charter:

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| Article | An article of this charter. |
| CEO | A chief executive officer of the Company. |
| CFO | The Company's chief financial officer. |
| Committee | The Company's audit committee. |
| Committee Chairperson | The chairperson of the Committee. |
| Committee Member | A member of the Committee. |
| Company | Sono Group N.V. |
| Exchange Act | The United States Securities Exchange Act of 1934, as amended. |
| Internal Audit Function | The Company's internal audit function, if and when established. |
| Internal Controls | The Company's internal risk management and control systems. |
| Regulation S-K | Regulation S-K promulgated under the Securities Act. |
| SEC | The United States Securities and Exchange Commission. |
| Securities Act | The United States Securities Act of 1933, as amended. |

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| Supervisory Board | The Company's supervisory board. |
| Supervisory Board Rules | The internal rules of the Supervisory Board. |
- 2.3 Terms that are defined in the singular have a corresponding meaning in the plural.
- 2.4 Words denoting a gender include each other gender.

COMPOSITION

ARTICLE 3

- 3.1 The Committee consists of at least three Supervisory Directors.
- 3.2 The Committee Members shall be appointed and dismissed by the Supervisory Board.
- 3.3 More than half of all Committee Members shall be independent within the meaning of the Dutch Corporate Governance Code.
- 3.4 All Committee Members shall be independent within the meaning of NASDAQ Rule 5605(a)(2) and shall meet the criteria for independence set forth in Rule 10A-3(b)(1) of the Exchange Act, subject to the applicable exceptions provided in Rule 10A-3(c) of the Exchange Act.
- 3.5 Subject to any available exceptions under applicable law and stock exchange requirements:
- a. each Committee Member must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement and may not have participated in the preparation of the financial statements of the Company or any of its subsidiaries in the last three years; and
 - b. at least one Committee Member shall be an audit committee financial expert under Item 407(d)(5)(ii) and (iii) of Regulation S-K.
- 3.6 The Committee shall elect a Committee Member to be the Committee Chairperson. The Committee may dismiss the Committee Chairperson, provided that the Committee Member so dismissed shall subsequently continue his term of office as a Committee Member without having the title of Committee Chairperson.
- 3.7 The Committee Chairperson shall not be the Chairperson or a former Managing Director.

DUTIES AND ORGANISATION

ARTICLE 4

- 4.1 The Supervisory Board may allocate from time to time certain of its tasks and duties to the Committee pursuant to a resolution to that effect.
- 4.2 The Committee is charged with the following matters:
- a. monitoring the Management Board with respect to :

- i. the relations with, and the compliance with recommendations and follow-up of comments made by, the Internal Audit Function and the External Auditor;
 - ii. the Company's funding;
 - iii. the application of information and communication technology by the Company, including risks relating to cybersecurity; and
 - iv. the Company's tax policy;
- b. the Company's compliance with applicable legal and regulatory requirements;
- c. the operation of the Company's code of business conduct and ethics and its other internal policies;
- d. issuing recommendations concerning the appointment and the dismissal of the head of the Internal Audit Function, as relevant, and reviewing and discussing the performance of the Internal Audit Function;
- e. reviewing and discussing the Company's audit plan, including with the Internal Audit Function and the External Auditor;
- f. reviewing and discussing the essence of the audit results, also with the Internal Audit Function, including:
 - i. flaws in the effectiveness of the Internal Controls;
 - ii. findings and observations with a material impact on the Company's risk profile; and
 - iii. failings in the follow-up of recommendations made previously by the Internal Audit Function;
- g. reviewing and discussing with the External Auditor, at least annually:
 - i. the scope and materiality of the Company's audit plan and the principal risks of the Company's annual financial reporting identified in such audit plan;
 - ii. the findings and outcome of the External Auditor's audit of the Company's financial statements and its management letter; and
 - iii. significant findings from the audit of the Company's financial statements and any problems or difficulties encountered, including restrictions on the scope of the External Auditor's activities or on access to requested information, as well as significant disagreements with the Company's management;
- h. receiving from the External Auditor a formal written statement at least annually delineating all relationships between the External Auditor and the Company consistent with applicable requirements of the Public Company Accounting Oversight Board regarding the External Auditor's communications with the Committee concerning independence;
- i. determining whether and, if so, how the External Auditor should be involved in the content and publication of financial reports other than the Company's financial statements;
- j. resolving disagreements between the Company's management and the External Auditor regarding the Company's financial reporting;

- k. reviewing and discussing with the External Auditor any audit problems or difficulties and the response of the Company's management thereto, including those matters required to be discussed with the Committee by the External Auditor pursuant to established auditing standards, including:
 - i. restrictions on the scope of the External Auditor's activities or on access to requested information;
 - ii. accounting adjustments that were noted or proposed by the External Auditor but were "passed" as immaterial or otherwise;
 - iii. communications between the audit team and the audit firm's national office regarding auditing or accounting issues presented by the engagement; and
 - iv. management or internal control letters issued, or proposed to be issued, by the External Auditor;
- l. reviewing and discussing the effectiveness of the design and operation of the Internal Controls with the Management Board, the CEO(s) and the CFO, including:
 - i. identified material failings, deficiencies or material weaknesses in the Internal Controls, including whether there are significant deficiencies and material weaknesses in the design or operation of the Internal Controls which are reasonably likely to affect the Company's ability to record, process, summarize and report financial information and fraud involving the Company's management or other employees with a significant role in the design or operation of the Internal Controls; and
 - ii. material changes made to, and material improvements planned for, the Internal Controls;
- m. assisting the Company in preparing the disclosure to be included in the Company's applicable filings as required by the Securities Act, the Exchange Act and their related rules;
- n. advising the Supervisory Board regarding the External Auditor's nomination for (re)appointment or dismissal (including confirmation and evaluation on the rotation of the audit partners on the audit engagement team as required by applicable law and stock exchange requirements) and preparing the selection of the External Auditor for such purpose, as relevant; and
- o. reviewing and discussing the terms of engagement of the External Auditor to audit the Company's financial statements, to prepare or issue an audit report, or to perform other audit, review or attest services, submitting proposals to the Supervisory Board concerning the External Auditor's engagement to audit the Company's financial statements, in each case including the scope of the audit, the materiality standard to be applied and the External Auditor's compensation and causing the Company, without further action, to pay the compensation of the External Auditor as approved by the Committee;
- p. engagement of such independent legal, accounting and other advisors as the Committee deems necessary or appropriate to carry out its responsibilities, including causing the Company, without further action, to pay the reasonable compensation of such advisors as approved by the Committee;
- q. causing the Company to pay, without further action, the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its

- responsibilities;
- r. preparing the Committee report that the SEC rules require to be included in the Company's annual proxy statement (if and when the Company would become subject to those rules);
 - s. establishing policies for the Company's hiring of current or former employees of the External Auditor;
 - t. establishing procedures for:
 - i. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - ii. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
 - u. reviewing potential conflicts of interest involving Managing Directors or Supervisory Directors, including whether they may take part in the deliberations and the decision-making on any issue as to which there may be a conflict;
 - v. developing and recommending to the Supervisory Board the Company's related person transaction policy.
- 4.3 The Committee shall pre-approve all audit services to be provided to the Company, whether provided by the External Auditor or other firms, and all other services (review, attest and non-audit) to be provided to the Company by the External Auditor, provided, however, that *de minimis* non-audit services may instead be approved in accordance with applicable SEC rules.
- 4.4 The Committee shall meet as often as it determines is appropriate to carry out its responsibilities, but not less frequently than quarterly, and each meeting shall be presided over by the Committee Chairperson and, in the absence of the Committee Chairperson, one of the other Committee Members shall be designated as the acting chair of the meeting.
- 4.5 The CFO, the head of the Internal Audit Function and the External Auditor should attend all meetings of the Committee, unless the Committee determines otherwise. The Committee may decide whether and, if so, when, one or all CEO(s) should attend its meetings.
- 4.6 The Committee shall meet with the External Auditor as often as it considers necessary, but no less than annually, outside the presence of the Managing Directors.
- 4.7 The Committee may delegate all or part of its authority to subcommittees or to the Committee Chairperson.
- 4.8 The Committee shall regularly report on its deliberations and findings to the Supervisory Board. At least annually, such reports should include the following information:
- a. the methods used to assess the effectiveness of the design and operation of the Internal Controls and the Company's internal and external audit procedures;
 - b. the Committee's material considerations regarding the Company's financial reporting;
 - c. the manner in which material risks and uncertainties that are relevant to the expectation of the Company's continuity have been analysed and discussed, along

- with a description of the most important findings of the Committee in this respect;
and
 - d. the functioning of, and the developments in, the Company's relationship with the External Auditor.
- 4.9 At least annually, the Committee shall evaluate its own performance and report to the Supervisory Board on such evaluation. The Committee shall also review and assess the adequacy of this charter at least annually and recommend any proposed changes to the Supervisory Board.

INTERNAL AUDIT FUNCTION

ARTICLE 5

- 5.1 The Internal Audit Function shall have direct access, and shall report directly, to the Committee and Committee shall ensure that the Internal Audit Function shall also have direct access to the External Auditor.
- 5.2 Provisions in this charter relating to the Internal Audit Function shall only apply if and when such Internal Audit Function has been established.
- 5.3 If and for as long as there is no Internal Audit Function, the Committee shall make recommendations to the Supervisory Board in order for the Supervisory Board to assess at least annually whether:
- a. adequate alternative measures have been taken; and
 - b. it is necessary or desirable to establish an Internal Audit Function.

AMENDMENTS AND DEVIATIONS

ARTICLE 6

Pursuant to a resolution to that effect, the Supervisory Board may amend or supplement this charter and allow temporary deviations from this charter, subject to ongoing compliance with applicable law and stock exchange requirements.

GOVERNING LAW AND JURISDICTION

ARTICLE 7

This charter shall be governed by and shall be construed in accordance with the laws of the Netherlands. Any dispute arising in connection with this charter shall be submitted to the exclusive jurisdiction of the competent court in Amsterdam, the Netherlands.