

**Proposed Resolutions by the Management Board and  
the Supervisory Board  
for the  
Annual General Meeting  
September 10<sup>th</sup>, 2019**

- 1. Presentation of the annual financial statements including the management report, the consolidated financial statements including the management report for the Group, the consolidated corporate governance report, the consolidated non-financial report, the proposal on the allocation of the balance sheet profit and the report of the Supervisory Board for the business year 2018/19**

No resolution is required for this item of the agenda.

- 2. Resolution on the allocation of balance sheet profits**

The financial statements of Kapsch TrafficCom AG for the business year 2018/19 show a balance sheet profit in the amount of EUR 158,863,668.80 (thereof profits carried forward EUR 127,945,071.14).

The Management Board and the Supervisory Board propose the allocation of the balance sheet profit shown in the 2019 annual financial statement as follows: The amount of EUR 19,500,000.00 shall be distributed as a dividend (EUR 1.50 per dividend-bearing share). The remaining amount of EUR 139,363,668.80 shall be carried forward onto new account.

The ex-dividend date is September 13, 2019; the dividend payment date is September 18, 2019.

- 3. Resolution on the formal approval of the actions of the members of the Management Board for the business year 2018/19**

The Management Board and the Supervisory Board propose a resolution on the formal approval of the action of the members of the Management Board in office in the business year 2018/19 for such period.

**4. Resolution on the formal approval of the actions of the members of the Supervisory Board for the business year 2018/19**

The Management Board and the Supervisory Board propose a resolution on the formal approval of the actions of the members of the Supervisory Board in office in the business year 2018/19 for such period.

**5. Appointment of the auditor and the group auditor for the business year 2019/20**

The Supervisory Board proposes the appointment of PwC Wirtschaftsprüfung GmbH, Vienna, as the auditor and Group auditor for the business year 2019/20. This proposed resolution is based on a proposal by the Audit Committee.

**6. Election to the Supervisory Board**

At the end of the General Meeting on September 10th, 2019, the term of office of three members of the Supervisory Board, namely Dr. Franz Semmerneegg, Dr. Kari Kapsch and Dr. Harald Sommerer, shall end.

In accordance with Section 9 of the articles of association, the Supervisory Board has at least three and no more than six members.

So far, the Supervisory Board has had four members elected by the General Meeting. In order to reach this number again three members must be elected in the next general meeting. Therefore, the Supervisory Board proposes electing three persons to the Supervisory Board at the coming General Meeting so that the Supervisory Board in future will consist of four members again elected by the General Meeting.

The following candidates for the Supervisory Board are based on the Supervisory Board's recommendations. The recommendations were made on the basis of the requirements of the Corporate Governance Code.

The Supervisory Board has less than six members elected by the General Meeting, therefore the minimum quota according to Section 86 para 7 Austrian Stock Corporation Act ("AktG") is not applicable to Kapsch TrafficCom AG.

The Supervisory Board proposes the election of Dr. Franz Semmerneegg, Dr. Kari Kapsch and Dr. Harald Sommerer to the Supervisory Board effective as of the end of the General Meeting and up to the end of the General Meeting that passes the resolution on the formal approval for the third

business year after the election, whereas the current business year shall not be taken into account. In case the current balance sheet date of March 31 is maintained, the term of office of the members of the Supervisory Board to be elected shall end at the end of the General Meeting deciding on the formal approval for the business year 2022/23.

Each of the persons proposed provided a declaration in accordance with section 87, paragraph 2 of the Stock Corporation Act, which is also available on the website of the Group.

The General Meeting shall be bound by the proposals made in the election in accordance with the method described below. Proposals for the election of members of the Supervisory Board together with the declarations in accordance with Section 87, para 2 AktG for each person proposed must be made available on the website of the Group no later than September 3, 2019; otherwise the persons may not be included in the election. This shall also apply to candidates proposed by shareholders in accordance with section 110 AktG, which must be received by the Group in writing no later than August 30, 2019, whereas concerning the details and pre-conditions in order to take into account such proposals, we make reference to "Information on the rights of the shareholders in accordance with section 109, 110 and 118 of the Stock Corporation Act / Proposed resolutions by shareholders in accordance with section 110 of the Stock Corporation Act".

**7. Resolution on the authorization of the Management Board**

- a) to purchase own shares in accordance with Section 65 para. 1 no. 8 as well as para. 1a and para 1b AktG both on the stock exchange and over-the-counter up to a total of 10% of the share capital, also by excluding the shareholders' pro rata disposal rights,**
- b) in accordance with Section 65 para. 1b AktG to determine a method of selling or using shares in a manner other than via the stock exchange or a public offer and also to exclude the shareholders' pro rata subscription rights (exclusion of subscription rights),**
- c) to decrease the share capital of the Company by redeeming own shares without further resolution by the General Meeting.**

The Management Board and the Supervisory Board propose the following resolution under agenda item 7:

- a) Pursuant to Section 65 para. 1 No. 8 as well as para. 1a and 1b AktG, the Management Board shall be authorized to purchase both via the stock exchange and over the counter own bearer shares of the Company in a volume of up to 10% of the share capital of the Company for a validity period of 30 months from 10th September 2019, thus until 10th March 2022, whereby the lowest consideration may be not less than EUR 1,-- and the highest consideration may be not more than 10% above the average unweighted closing price on the Vienna Stock Exchange for the last ten trading days prior to purchase of the shares. Trade in own shares is excluded as a purpose of purchase. The said authorization may be exercised wholly or in part or also by

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way of several part amounts , with option to make repeated use of the 10% limit, and in pursuit of one or several purposes by the Company, by a subsidiary (Section 189a para 7 of the Austrian Business Enterprise Code (“Unternehmensgesetzbuch” or “UGB”)) or for the account of the Company by third parties.

- b) The Management Board shall be authorized to resolve the purchase of own shares via the stock exchange and has to inform the Supervisory Board on the resolution afterwards. The purchase over the counter shall be subject to the Supervisory Board's prior approval. A purchase of shares over the counter may be performed excluding the shareholders' pro rata disposal rights.
- c) For a period of five years with effect from 10th September 2019 , the Management Board shall be authorized pursuant to Section 65 para. 1b AktG , with the approval of the Supervisory Board, to resolve on the sale or appropriation of own shares in a different way than via the stock exchange or via a public offer, and exclude the shareholders' pro rata subscription rights (exclusion of subscription rights), and to stipulate the conditions of sale. Authorization may be exercised wholly or in part or by way of several part amounts and in pursuit of one or several purposes by the Company or by a subsidiary (Section 189a para 7 UGB) or for the account of the Company by third parties.
- d) Furthermore, the Management Board is authorized, with the approval of the Supervisory Board, to decrease the share capital of the Company by a redemption of own shares according to Section 65 para. 1 no. 8 last sentence in conjunction with Section 122 AktG without any further resolution by the General Meeting. The Supervisory Board is authorized to resolve upon the amendments of the Articles of Association as a consequence of the redemption of shares.

Reference is made to the Management Report according to Section 65 para 1b in conjunction with Section 170 para 2 and Sec 153 para 4 second sentence AktG on this agenda Item.