Agenda and draft resolutions for the extraordinary General Meeting to be held on 20 September 2019

1. First item of the agenda: Resolution on the appropriation of the profits.

The profits shown in the financial statements of the Company as of 31 December 2018 amounting to EUR 41,692,464.69 (annual net profit 2018: EUR 3,123,295.45) were preliminarily carried forward onto new account in accordance with the resolution of the Annual General Meeting on 8 April 2019.

The Management Board and the Supervisory Board of FREQUENTIS AG propose to utilize the profits shown in the financial statements of FREQUENTIS AG as of 31 December 2018 amounting to EUR 41,692,464.69 as follows:

Distribution of a dividend amounting to EUR 0.10 (10 Cent) per outstanding participating no-par value share, corresponding to a total amount of EUR 1,320,000.00. The remaining amount of EUR 40,372,464.69 shall be carried forward onto new account.

The payment of the dividend shall be made as from 18 October 2019.

2. Second item of the agenda: Resolution on the amendment of the Articles of Association in Article 5.2.1 concerning the internal organisation of the Supervisory Board.

The Management Board and the Supervisory Board of FREQUENTIS AG propose to amend the Articles of Association in Article 5.2.1 concerning the internal organisation of the Supervisory Board, so that Article 5.2.1 of the Articles of Association reads as follows:

"The Supervisory Board elects a chairperson and one or two deputies from among its members. If no member obtains an absolute majority of the votes, a second ballot is held between the two members who received the most votes."

3. Third item of the agenda: Supervisory Board election.

Pursuant to Article 5.1.1 of the Articles of Association the Supervisory Board comprises at least three and at most six members elected by the General Meeting or delegated by the shareholders (shareholder representatives). At present, the Supervisory Board of the Company is composed of four shareholder representatives (four men) and two employee representatives (one women and one man).

In order to increase both the professional and the gender-specific diversity of the Supervisory Board after the IPO, it shall consist of five members elected by the General Meeting or delegated by the shareholders (shareholder representatives) in the future. Therefore, the Supervisory Board proposes that the General Meeting may resolve to increase the number of members of the Supervisory Board elected or delegated by the shareholders by one person to a total of five members within the maximum limit of six members according to the Articles of Association.

As the Supervisory Board is to be composed of five members elected by the General Meeting or delegated by the shareholders (shareholder representatives) according to the proposal of the Supervisory Board of the Company, both Section 86 Para 7 of the Stock Corporation Act regarding the equal representation of women and men in the Supervisory Board and the minimum quota requirement pursuant to Section 86 Para 7 Stock Corporation Act (= 30%) are not applicable to the Company even considering this election (only as from six shareholder representatives such provision may become applicable). Due to the inapplicability of Section 86 Para 7 Stock Corporation Act, no objection was raised pursuant to Section 86 Para 9 Stock Corporation Act.

The Supervisory Board proposes the election of Mrs. Petra Preining – according to Section 87 Para 7 Stock Corporation Act for the longest time permitted, i.e. until the end of the General Meeting voting on the discharge for the fourth financial year after the election, not counting the financial year in which the election is held, thus until the end of the General Meeting voting on the financial year 2023 – into the Supervisory Board.

For information: The proposed person has submitted a declaration pursuant to Section 87 Para 2 Stock Corporation Act regarding professional qualifications and professional or similar occupations and stated that there are no circumstances which could constitute concerns with regard to potential conflicts of interest, which may be viewed under www.frequentis.com/ir (menu item > General Meeting > Extraordinary General Meeting 2019).

4. Fourth item of the agenda: Resolution on the Long Term Incentive Plan 2019.

The Management Board and the Supervisory Board of FREQUENTIS AG propose the approval of the following share based and performance related incentive and compensation program:

Plan purpose and objectives
The performance based share plan (Long Term Incentive Plan 2019 – "**LTIP2019**") is a long-term compensation instrument for the Chairman of the Management Board that promotes mid and long-term value creation at FREQUENTIS AG.

The LTIP2019 seeks to align the interests of the Chairman of the Management Board and the shareholders of the Company by providing the Chairman of the Management Board with the possibility to receive – on a performance basis, dependent on the fulfilment of certain mid and long-term targets – shares in the Company. The plan also seeks to prevent inadequate risk-taking and to set the focus on the long-term development of the Company. In this respect, the LTIP2019 draws on sustainable, long-term and multi-annual performance criteria and includes also non-financial criteria.

Participation
The Chairman of the Management Board of FREQUENTIS AG, Norbert Haslacher, is the participant in the LTIP2019.

It is envisaged, to also provide in subsequent years – subject to approval by the respective general meeting – for a long term incentive plan which shall orient itself with respect to its key terms by the LTIP2019. With respect to potential future long term incentive plans, also other members of the Management Board as well as selected senior executives of FREQUENTIS AG or of its affiliated companies, shall be eligible to participate.

Personal share ownership rules
There is no requirement for an ex ante investment in Frequentis shares in order to participate in the LTIP2019. However, the Chairman of the Management Board is obliged to build up, out of the LTIP2019 (and potential future long term incentive plans), an appropriate volume of shares in the Company and to hold such shares until his retirement or departure from the Company. The shareholding requirement amounts to 7,000 shares in the Company. Subject to such shareholding requirement, the Chairman of the Management Board may sell – as from the date of pay out – per calendar year one third of the shares acquired under the LTIP2019.

Grant levels
The *maximum number of shares* which may be allocated to the Chairman of the Management Board under the LTIP2019 amounts to 14,000 shares in the Company (gross) whereby no increase of shares under the LTIP2019 shall take place in case of capital increases or other capital measures. The term "gross" in connection with shares refers to the number of shares before deduction of taxes and duties. Due to the aforementioned deductions, in case of a pay out of shares, as a general rule approximately only half of the stated share number is actually transferred to the Chairman of the Management Board.

In accordance with Rule 27 of the Austrian Corporate Governance Code it is, in addition, determined as *maximum value amount* that under the LTIP2019 the Chairman of the Management Board may not be allocated more than 200% of his yearly gross base salary in form of shares. The calculation of such maximum value amount is to be made on the basis of the average share price of the Frequentis shares at the Vienna Stock Exchange during the three-month period following the end of the calendar year 2019.

In any case, the total accumulated number of shares paid out under the LTIP2019 (and potential future long term incentive plans and/or other share transfer or share option programs) will amount to less than 5% of the outstanding nominal capital of FREQUENTIS AG.

Effective Date and term
- Plan commencement: 1 January 2019, subject to approval by the general meeting
- Performance period: 3 years (1 January 2019 to 31 December 2021)
- Vesting date: 30 April 2022, subject to approval by the Supervisory Board of the Company

Performance criteria and weightings
The number of shares is calculated by multiplying the maximum number of shares that can be allocated (gross) by the total percentage of target achievement, whereby the target achievement is measured over the entire performance period of three years. When doing such calculation, rounding is made in any event down to one full share.

In case of a 100% target achievement, all shares allocable under the LTIP – observing, however, the limits of the maximum value amount – are allocated. However, also in case of an over-achievement of targets (i.e. more than 100% target achievement) the allocation of shares will not exceed the maximum value amount and the maximum number of shares. An over-achievement with respect to one performance target/criterion may equate an under-achievement with respect to another performance target/criterion within the limits of the aforementioned maximum determinations.

In case of a lesser target achievement, the number of shares is reduced accordingly (linear). Should the target achievement amount to less than 50%, no shares are allocable under the LTIP2019.

The performance criteria aim for a sustainable creation of value in the following performance areas:

Shareholders:
- 30% of the total allocation (in case of 100% target achievement; up to 33% in case of more than 100% target achievement) are based on the Total Shareholder Return ("**TSR**") relative to a group of peer companies. The performance criterion is calculated as described below under "Calculation of relative TSR outcome".

Company:
- 20% of the total allocation (in case of 100% target achievement; up to 22% in case of more than 100% target achievement) are based on the organic growth of the operating performance (of the Group) whereby the operating performance figure set forth in the consolidated accounts for the financial year 2018 shall serve as basis.
- In each of the following cases 10% of the total allocation (in case of 100% target achievement; up to 12.5% in case of more than 100% target achievement) are based on the annual increase of: (i) the EBIT-margins of the Group and (ii) the profit margins (earnings before tax) of FREQUENTIS AG whereby the respective margins set forth in the individual accounts, respectively consolidated accounts for the financial year 2018 shall serve as basis.

Sustainability:
- 10% of the total allocation (in case of 100% target achievement) are based on compliance with a target range of non-refinanced R&D-expenditures in per cent of the total performance.
- 10% of the total allocation (in case of 100% target achievement; up to 15% in case of more than 100% target achievement) are based on the development of additional key account customers in the performance period.
- In each of the following cases 5% of the total allocation (in case of 100% target achievement; up to 7% in case of more than 100% target achievement) are based on compliance with target figures for: (i) employee fluctuation and (ii) customer satisfaction.

The defined performance criteria must not be amended during the performance period of the LTIP2019. However, in order to maintain the incentivizing character of the LTIP2019, the Supervisory Board has the discretion to adjust the figures for target achievement if market conditions change significantly and/or special situations occur. In this respect the Supervisory Board has to consider in line with Section 78 Para 1 of the Stock Corporation Act that an allocation of shares under the LTIP2019 is proportionate to the tasks and the performance of the member of the Management Board, to the situation of the Company and to the usual remuneration and that the criterion of a long-term incentive for a sustainable development of the Company is preserved.

In addition, the Supervisory Board may, in case that FREQUENTIS has in two years out of the three-year performance period a negative annual result (in the individual or consolidated accounts), reduce the number of shares allocable under the LTIP2019 in full or in part, depending on the reasons and the extent of the losses within its reasonable discretion.

Calculation of relative TSR outcome
Performance of the relative TSR criterion is calculated by comparing the TSR of FREQUENTIS AG over the three-year performance period against the TSR of a peer group of companies. The relative TSR peer group was determined by the Supervisory Board and includes the following companies:

- CS Communication et Systemes AS
- Indra Sistemas SA
- Kapsch TraffiCom AG
- S&T AG
- SAAB AB
- Kongsberg Gruppen ASA
- OHB SE

TSR is the percentage change in the value of an investment in a company over a given period and is calculated as (i) the growth in share price over a given period plus (ii) the value of dividends paid out over the period, assuming they are reinvested in shares of the Company.

For the TSR calculation the average share price in the period from 1 July 2019 to 31 August 2019 (as initial share price) and the average share price in the period from 1 October 2021 to 31 December 2021 (as end share price) are used (with respect to FREQUENTIS AG, the respective share price at the Vienna Stock Exchange shall apply).

The TSR for the performance period is determined for each company in the peer group, including FREQUENTIS AG, and is ranked in descending order of the performance.

The allocation of shares depends on the position of the TSR of FREQUENTIS AG in the four quartiles of the ranking, whereby the forth quartile includes the lowest TSR and the first quartile the highest TSR. Target for such performance criterion (100% target achievement) is a relative position of FREQUENTIS AG in the second quartile.

Vesting/payout/clawback
The determination of target achievement is to be done by the Supervisory Board of the Company until the vesting date, if possible. If approval for pay out of the shares is granted by the Supervisory Board on the vesting date or prior thereto, the pay out shall be effected on the business day following the vesting date. Otherwise, pay out shall be effected at the beginning of the month following the approval. The Company does not cover any share price risk caused by the delay or the transfer.

In case of specific circumstances (pay out of shares based on evidently incorrect data; adjustment of approved financial statements for a financial year in the performance period due to a mistake; serious misconduct by the Chairman of the Management

Board constituting a material violation of applicable laws, the Articles of Association of the Company, the bylaws for the Management Board or internal guidelines; material failure of the risk management which results in significant damages for the Company), the Supervisory Board may, in its reasonable discretion, reduce the number of shares allocable under the LTIP2019 in full or in part or claim full or partial repayment of paid out shares.

Rules for Leavers prior to the Vesting Date
In case the Company terminates the contract with the Chairman of the Management Board for good cause or the Chairman of the Management Board ends his membership to the Management Board without good cause, no shares under the LTIP2019 shall be allocable.

In case the Chairman of the Management Board ceases to be a member of the Management Board without his fault (premature termination of the contract with the Chairman of the Management Board by the Company without good cause; Chairman of the Management Board ending his membership to the Management Board with good cause; retirement of the Chairman of the Management Board; expiry of the tenure of his mandate as member of the Management Board without extension or re-appointment and no good cause being at hand for not extending or re-appointing him) the shares allocable under the LTIP2019 are to be allocated pro rata, to the extent the targets have been fulfilled until the date the Chairman of the Management Board has ceased to be a member of the Management Board.

In case of death or permanent occupational disability of the Chairman of the Management Board, claims for shares which are not due are valued and settled in cash per the date of death/permanent occupational disability; the value is to be determined on the basis of actual target achievement until the date of death/permanent occupational disability.

In case of an amicable termination of the contract with the Chairman of the Management Board, also an agreement on the LTIP2019 is to be made between the Company and the Chairman of the Management Board.

Plan termination
In case the Chairman of the Management Board ceases prematurely to be a member of the Management Board for any reason whatsoever, the LTIP2019 terminates with immediate effect. Other than that, a premature termination of the LTIP2019 is – except for a termination for good cause – excluded. A good cause is given if e.g. the Chairman of the Management Board commits a serious misconduct or if the Company ceases to be publicly listed.

5. **Fifth item of the agenda: Resolution on the authorization (i) of the Management Board to purchase own shares pursuant to Section 65 Para 1 No. 4 and No. 8 Stock Corporation Act both via the stock exchange and off-market in a volume of up to 10% of the nominal capital of the Company and to also exclude the general selling possibility of the shareholders related to such purchase, (ii) of the Management Board to reduce the nominal capital by cancelling own shares without any further resolution by the General Meeting, and (iii) of the Supervisory Board to adopt amendments to the Articles of Association arising from the cancellation of shares.**

The Management Board and the Supervisory Board of FREQUENTIS AG propose the following resolution:

a) The Management Board shall be authorized pursuant to Section 65 Para 1 No. 4 and No. 8 Stock Corporation Act to purchase both via the stock exchange and off-market bearer shares in the Company in a volume of up to 10% of the nominal capital of the Company for a period of 30 months from the date of such resolution of the General Meeting, whereby the minimum consideration per share may not be more than 20% below and the maximum consideration per share may not be more than 10% above the average closing price on the stock exchange over the preceding ten trading days. Trade in own shares is excluded as an object of purchase. This authorization may be exercised in total or partially and also in several tranches and for several purposes by the Company, by a subsidiary (Section 189a No. 7 of the Austrian Business Enterprise Code - "UGB") or for the account of the Company or a subsidiary (Section 189a No. 7 UGB) by third parties. In case of a purchase of shares off-market, such purchase may be effected under the exclusion of the general selling possibility of shareholders, and may be effected also only from certain shareholders or from one single shareholder.

b) Furthermore, the Management Board shall be authorized to reduce the nominal capital by cancelling own shares without any further resolution by the General Meeting.

c) The Supervisory Board shall be authorized to adopt amendments to the Articles of Association arising from the cancellation of shares.

Apart from that, reference is made to the report of the Management Board regarding this item of the agenda.

6. Sixth item of the agenda: Resolution on the authorization of the Management Board pursuant to Section 65 Para 1b Stock Corporation Act to dispose of, or utilize own shares in the Company also in other ways than a disposal via the stock exchange or a public offering for any legally permissible purpose and to also exclude the general purchasing possibility of the shareholders.

The Management Board and the Supervisory Board of FREQUENTIS AG propose to authorize the Management Board pursuant to Section 65 Para 1b Stock Corporation Act to dispose of, or utilize, own shares repurchased for a period of five years from the day of the resolution, therefore until and including 19 September 2024 with the consent of the Supervisory Board and without a further resolution by the General Meeting, also in other ways than a disposal via the stock exchange or a public offering, in particular

a) to grant own shares to employees, senior employees and/or members of the Company's Management Board or the management boards of its affiliates including for purposes of share transfer programs, in particular stock options, long term incentive plans or other stock ownership plans,

b) to deliver own shares under convertible bonds issued by the Company,

c) as consideration for the acquisition of entities, business operations, parts of business operations or shares in one or several companies at home or abroad and

d) for any other legally permissible purpose,

and to exclude the general purchasing possibility of the shareholders. This authorization may be exercised in total or partially and also in several tranches and for several purposes.

Apart from that, reference is made to the report of the Management Board regarding this item of the agenda.