



**Pankl Racing Systems AG**  
Bruck upon Mur, FN 143981 m  
ISIN AT0000800800

## **Invitation to the Annual General Meeting**

Hereby, we invite our shareholders to the Annual General Meeting of Pankl Racing Systems AG on **Wednesday, 25 April 2018**, at 10.30am at the Company's offices in 4 Industriestrasse Ost, 8605 Kapfenberg, Austria.

### **I. AGENDA**

1. Report of the Management Board
2. Presentation of the annual financial statements including the status report and the corporate governance report as well as the consolidated financial statements including the group status report, the dividend proposal and the Supervisory Board report for the fiscal year 2017
3. Motion regarding the use of the balance sheet profit for the fiscal year 2017
4. Motion regarding the discharge of the Management Board members for the fiscal year 2017
5. Motion regarding the discharge of the Supervisory Board members for the fiscal year 2017
6. Motion regarding the remuneration for members of the Supervisory Board for the fiscal year 2017
7. Election of the auditor and group auditor for the fiscal year 2018
8. Motion regarding the creation of new authorised share capital which can be issued also with the exclusion of pre-emption rights and against contributions in kind [Authorised Share Capital 2018]. The authorised share capital according to the AGM resolution of 25.04.2013 shall be cancelled.
9. Motion regarding the change of the Articles of Association in chapter 5 paragraph 2 regarding the creation of authorised share capital
10. Motion regarding the (repeated) Management Board authorisation to issue financial instruments in accordance with chapter 174 of the Austrian public companies act (§174 AktG), especially convertible bonds, participating bonds, participation rights which may involve subscription rights for or conversion options into shares of the Company also excluding pre-emption rights of shareholders with regards to these financial instruments
11. Motion regarding
  - (a) the cancellation of the conditional capital according to the AGM resolution of 30.01.2009 to agenda item 10 (in connection with the authorisation to issue financial instruments re-

lating to chapter 174 of the Austrian public companies act (§174 AktG) in accordance with the AGM resolution of 30.01.2009 to agenda item 8 and the AGM resolution of 25.04.2013 to agenda item 8)

- (b) the conditional increase of share capital of the Company in accordance with chapter 159, paragraph 2, item 1 of the Austrian public companies act (§159 Abs 2 Z1 AktG) to be issued to creditors holding financial instruments [Conditional Capital 2018] and
- (c) the change of the Articles of Association in chapter 5 paragraph 3

12. Motion regarding substantial changes in the Articles of Association due to the termination of the stock exchange listing and the resulting obligatory change from bearer shares to registered shares

## II. AGM DOCUMENTATION AND INFORMATION ON COMPANY WEBSITE

In particular, the following documents will be available to be reviewed from **4 April 2018** on our homepage under the link <https://www.pankl.com/de/header-navigation/investor-relations/hauptversammlung/> (hardcopies will also be available at the AGM):

- Financial statements with status report
- Corporate governance report
- Consolidated financial statements with group status report
- Dividend distribution proposal
- Report of the Supervisory Board  
each for the fiscal year 2017;
- Proposals for the motions regarding the agenda items 3 to 12
- Regarding agenda item 8, report of the Management Board regarding the exclusion of pre-emption rights for issuing authorised share capital
- Regarding agenda items 10 and 11, report of the Management Board regarding the authorisation to exclude pre-emption rights according to chapter 153, paragraph 4 of the Austrian public companies act (§153 Abs 4) in connection with chapter 174, paragraph 4 of the Austrian public companies act (§174 Abs 4 AktG)
- Articles of Association indicating the proposed changes
- Proxy form
- Form to revoke a proxy
- Complete text for convening this AGM

## III. DATE OF VERIFICATION AND REQUIREMENTS FOR ATTENDANCE IN THE AGM

Shareholders are required to evidence their shareholding as of **15 April 2018** (Date of Verification) to be able to attend the AGM, exercise the voting rights and other shareholder rights.

Only persons who hold shares in the Company on this date and who can proof this to the Company are entitled to take part in the AGM.

A depositary confirmation in accordance with chapter 10a of the Austrian public companies act (§10a AktG) is required in written form to proof the shareholding and must be received by the Company by **20 April 2018** (24.00h) in one of the following manners only:

- (i) for the submission of the depositary confirmation in text form according to chapter 22, paragraph 2 of the Articles of Association

By telefax: +43 1 512 46 11-28

By email: [team-brix@wien1-notare.at](mailto:team-brix@wien1-notare.at)

(Please attach depositary confirmations as PDF files)

- (ii) for the submission of the depositary confirmation in written form

By post or courier Pankl Racing Systems AG  
c/o Bieber Brix Mayer, public notaries, for the attention of Rupert Brix

A-1010 Vienna, Seilerstätte 28

By SWIFT CENBATWW

(Message Type MT599, please urgently quote the reference: ISIN AT0000800800)

The shareholders are requested to arrange with their custody banks the issue and sending of depositary confirmations.

The Date of Verification does not have any impact on the saleability of shares and is of no relevance for the dividend entitlement.

### **Depositary Confirmation in accordance with Chapter 10a of the Austrian public companies act (§10a AktG)**

The depositary confirmation shall be issued by a custodian bank domiciled in the EU, the EEA or in a full OECD member state and shall contain the following:

- Information regarding the issuer: Name and address or customary transfer code used for identification purposes between banks (BIC)
- Information regarding the shareholder: Name and address, date of birth for natural persons, commercial register identification for legal entities
- Information regarding the shares: Number of shares of the shareholder, ISIN AT0000800800
- Deposit account number or any other appropriate description
- Date of the depositary confirmation.

The depositary confirmation shall refer to the Date of Verification, which is the **15 April 2018** (24.00h CEST, Vienna time).

The depositary confirmation shall be in the German or English language.

The shareholders and their representatives are requested to present an official, valid photo ID.

#### IV. REPRESENTATION BY PROXY AND APPROPRIATE PROCEDURE

Each shareholder who is entitled to take part in the AGM and has proven this to the Company in accordance with item III of this invitation may elect a proxy who takes part in the AGM on her/his behalf and who can exercise all rights which the shareholder herself/himself is entitled to.

The power of attorney shall be issued to one or more defined persons (natural person or legal entity) in writing (chapter 13 paragraph 2 of the Austrian public companies act, §13 Abs 2 AktG).

The power of attorney can be granted before and during the AGM. The power of attorney may be delivered to the Company in one of the following manners:

|                    |   |
|--------------------|---|
| By post or courier | Pankl Racing Systems AG<br>c/o Bieber Brix Mayer, public notaries, for the attention of Rupert Brix<br>A-1010 Vienna, Seilerstätte 28 |
| By telefax:        | +43 1 512 46 11-28  |
| By email           | <a href="mailto:team-brix@wien1-notare.at">team-brix@wien1-notare.at</a><br>(Please attach proxies as PDF files)                      |

The power of attorney form shall be received by the Company by **24 April 2018, 16.00h**. The power of attorney form may also be delivered to the Company in person on the day of the AGM at the registration point.

A power of attorney form and the form to revoke a proxy are available on the internet under the link <https://www.pankl.com/de/header-navigation/investor-relations/hauptversammlung/>. To avoid problems, we kindly request that only the provided forms are used.

The proxy forms provided give details of the power of attorney in particular regarding text format and contents.

Custody banks which were granted power of attorney by their clients (chapter 10a of the Austrian Public Companies Act, §10a AktG) only need to notify the Company of this in the course of the transfer of depositary confirmations.

Shareholders who have granted proxies may still exercise their rights in the AGM personally. A proxy shall be automatically cancelled if a shareholder appears at the AGM in person.

All of the above shall apply appropriately for revoking a proxy.

### Independent shareholder representative

As a special service, shareholders may use a representative of the shareholder protection association, IVA, A-1130 Vienna, Feldmühlgasse 22 as their independent representative to vote in the AGM bound by the shareholder's instructions. For this service we provide a special proxy form under the link <https://www.pankl.com/de/header-navigation/investor-relations/hauptversammlung/>. Shareholders may also contact Mr Michael Knap of the IVA directly by telephone +431 8763343 0, by telefax +431 8763343 49 or by email [michael.knap@iva.or.at](mailto:michael.knap@iva.or.at).

## V. REFERENCE TO THE SHAREHOLDERS' RIGHTS IN ACCORDANCE WITH CHAPTERS 109, 110, 118 AND 119 OF THE PUBLIC COMPANIES ACT (§§ 109, 110, 118, 119 AktG)

### 1. Additional Agenda Items from Shareholders According to Chapter 109 of the Austrian Public Companies Act (§109 AktG)

Shareholders, whose combined stake exceeds 5% of the share capital and who have been holding this stake for at least 3 months prior to the application described herein, may request in writing that **additional agenda items** shall be included **in the agenda** of the AGM and publicly announced as long as this application reaches the Company by **4 April 2018** (24.00h) at the address A-8605 Kapfenberg, Industriestrasse West 4, Investor Relations Department for the attention of Nicole Barth. Each such additional agenda item shall be accompanied by a proposal and the reasoning behind the proposal. In order to proof that the applying shareholders have been holding their shares for at least 3 months prior to their application, they have to present a confirmation of their depositary in accordance with chapter 10a of the public companies act (§10a AktG) dated within 7 days from the day this confirmation is presented to the Company. For other requirements of depositary confirmations, please refer to the text regarding the right to attend the AGM (item III).

## **2. Shareholder Proposals Regarding Agenda Items According to Chapter 110 of the Austrian Public Companies Act (§110 AktG)**

Shareholders, whose combined stake exceeds **1% of the share capital** may request in writing that their **motion proposals regarding any agenda item** including the appropriate reasons shall be published on the Company's homepage provided this request has been received by the Company in writing by **16 April 2018** (24.00h) either via telefax on +43 3862 33999 181 or via post or personal delivery to A-8605 Kapfenberg, Industriestrasse West 4, Investor Relations Department for the attention of Nicole Barth, or by email to [ir@pankl.com](mailto:ir@pankl.com) with the request being attached as a separate text file (e.g. a PDF document).

In order to proof that the applicants are shareholders, they have to present a confirmation of their depositary in accordance with chapter 10a of the public companies act (§10a AktG) dated within 7 days from the day this confirmation is presented to the Company. For other requirements of depositary confirmations, please refer to the text regarding the right to attend the AGM (item III).

## **3. Information Right According to Chapter 118 of the Austrian Public Companies Act (§118 AktG)**

In the AGM, each shareholder shall receive appropriate information about the Company's affairs at her/his request provided this information is necessary for the adequate assessment of an agenda item. This obligation to provide information covers also legal relationships of the Company to group companies, the position of the Group and companies which are included in the consolidated financial statements.

Such information requests may be rejected if, based on a reasonable commercial assessment, the appropriate information may cause significant harm to the Company or any of its group companies. Information shall also be rejected if it is a criminal offence to provide such information.

The chairman of the AGM may impose reasonable time limits on shareholders' questions and statements in the AGM. In general, requests for information shall be made orally in the AGM but may also be delivered in writing.

Questions which require lengthy preparation time shall be delivered to the Management Board in writing as text files ahead of the AGM in a timely manner so that the meeting can be held efficiently. Questions can be delivered to the Company by post, 8605 Kapfenberg, Industriestraße West 4, Investor Relations Department, Nicole Barth, or by email to [ir@pankl.com](mailto:ir@pankl.com).

#### **4. AGM Motions in Accordance with Chapter 119 of the Austrian Public Companies Act (§119 AktG)**

Every shareholder is entitled to present motions in the AGM to each agenda item no matter how many shares she/he owns. If there are more than one motion to an agenda item, the chairman of the AGM shall define the order at which these motions are voted on (chapter 119 paragraph 3 of the Austrian public companies act, §119 Abs 3 AktG).

#### **5. Information on the Homepage**

Further information on these shareholder rights according to chapters 109, 110, 118 and 119 of the Austrian public companies act (§§ 109, 110, 118, 119 AktG) are available on the internet under [www.pankl.com/Hauptversammlung](http://www.pankl.com/Hauptversammlung).

### **VI. FURTHER INFORMATION**

#### **Total Number of Shares and Voting Rights**

At the time the AGM is convened, the share capital of the Company amounts to EUR 3,150,000 and is divided into 3,150,000 shares without nominal value. Each share represents one equal vote. At the time the AGM is convened, the total number of votes is 3,150,000. At the time the AGM is convened, the Company holds no own shares, neither directly nor indirectly.

### **VII. INFORMATION REGARDING THE CHANGE FROM BEARER SHARES TO REGISTERED SHARES**

On 14 February 2018, Pankl Racing Systems AG applied for the listing of its shares in the official market segment of the Vienna Stock Exchange to be revoked. On 19 February 2018, the Vienna Stock Exchange accepted the application and gave notice that the stock exchange listing of Pankl Racing Systems AG shares will end on 31 May 2018. The last day of trading in the official market segment of the Vienna Stock Exchange will be 30 May 2018.

Due to legal requirements, the Company will have to change from bearer shares to registered shares. The Articles of Association have to be changed appropriately. The required resolutions shall be passed in the AGM of 25.04.2018. The changes to the Articles of Association will be filed with the commercial register only after the shares ceased trading on the Vienna Stock Exchange.

Shareholders of Pankl Racing Systems AG shall be registered in the Company's share register after the change from bearer shares to registered shares if they wish to exercise their shareholders' rights in future. They need to provide the following information:

1. Natural persons: title; last name; first name; date of birth; mailing address  
Legal entities: firm name; commercial registration number, under which the legal entity is registered in its country of origin; mailing address
2. Number of shares or share number
3. Details of a bank account with a credit institution in accordance with chapter 10a paragraph 1 of the Austrian public companies act (§10a Abs 1 AktG) which shall be used for any payments
4. Ownership structure  
Note: If the ultimate beneficial owner is another person, e.g. a trustor, all information according to items 1 and 2 shall be provided also for the ultimate beneficial owner provided she/he is not a credit institution in accordance with chapter 10a of the Austrian public companies act (§10a AktG).

The Company will provide an appropriate form and further information regarding the change from bearer shares to registered shares on [www.pankl.com](http://www.pankl.com) under Investor Relations in a timely manner after the 20<sup>th</sup> AGM.

According to the Austrian public companies act (AktG), the Company is required to record the information provided by its shareholders in the share register. Due to the termination of the stock exchange listing, Pankl Racing Systems AG is required to maintain such a share register.

Registration in the share register is essential as after the change only registered shareholders may exercise their shareholder rights against the Company, in particular with regards to participation in the AGM and the receipt of dividend payments.

The change from bearer shares to registered shares will in no way affect the legal status of shareholders which are then registered in the share register. Their participation in the Company will remain unchanged.

Your custodian bank will provide details regarding the technical execution in a timely manner.

Bruck upon Mur in March 2018

The Management Board