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Notice and invitation to attend the Annual General Meeting of Sensys Gatso Group AB

The shareholders of Sensys Gatso Group AB (publ) reg no 556215-4459, are hereby invited to the Annual General Meeting on Tuesday 12 May 2020 at 3:00 PM at Elite Stora Hotellet, Hotellplan, Jönköping, Sweden. Due to the outbreak of the corona virus, the Annual General Meeting will be held in the simplest possible form.

Entitlement to participate

Anyone who is registered as a shareholder in the register of shareholders produced by Euroclear Sweden AB in respect of the situation on Wednesday, 6 May 2020 and who notifies the company no later than on Wednesday, 6 May 2020 of his/her intention to participate at the meeting, is entitled to participate at the meeting.

A shareholder whose shares are nominee-registered must temporarily register the shares in his or her own name with Euroclear Sweden AB in order to be able to participate at the meeting. Such registration must be completed by Wednesday, 6 May 2020. This means that the shareholder must notify the administrator of his or her wish in this respect in good time ahead of this date.

Registration of participation

Registration of participation at the meeting takes place in writing to Sensys Gatso Group, Box 2174, SE-550 02, Jönköping, by telephone to +46 (0)36 - 34 29 80, by fax to +46 (0)36 - 12 56 99, or by e-mail to info@sensysgatso.com. When registering, the name, personal civic registration number or corporate ID number, number of shares held, daytime phone number and, if relevant, the number of advisors (no more than two) intending to attend the meeting, must all be stated. If the shareholder intends to be represented by another party, the proxy and other authorisation documents should be attached to the registration. The proxy form is available from the company's website www.sensysgatso.com

Information with regards to the corona virus

Due to the outbreak of the corona virus, the Annual General Meeting will be held in the simplest possible form. Shareholders with symptoms of illness are asked not to attend in person, there is a possibility to attend and exercise their voting rights through a proxy holder. Shareholders who want to authorise a proxy holder can find relevant documents on the Sensys Gatso Group AB's website www.sensysgatso.com.

The Company may allow that certain parts of the Annual General Meeting can be followed electronically, please visit Sensys Gatso Group AB's website www.sensysgatso.com for the latest information regarding the Meeting's practical execution.

Please follow the recommendations regarding the corona virus and the covid-19 disease from the Public Health Agency. For up-to-date information, see folkhalsomyndigheten.se.

Proposed Agenda

1. Opening of the meeting.
2. Election of the chairman for the meeting.
3. Establishment and approval of register of voters.
4. Approval of the agenda.
5. Election of a member to review and approve the minutes.
6. Confirmation that the meeting has been properly called.
7. Presentation of the annual accounts and the auditor's report together with the annual consolidated accounts and the auditor's report for the Group.
8. Decision on the adoption of the company's income statement and the balance sheet and the consolidated income statement and the balance sheet for the Group.
9. Decision on dispositions in respect of the company's profits/loss according to the adopted balance sheet.
10. Decision concerning the discharge from liability for the Members of the Board of Directors and the CEO.
11. Establishment of the number of Members of the Board and Alternate Members, as well as the number of Auditors and deputy auditors.
12. Establishment of remuneration to the Members of the Board and the fees for the auditors.
13. Election of the member of the Board of Directors and the Chairman of the Board.
14. Election of auditors.
15. The Board's proposed decision on remuneration guidelines for senior executives.
16. Decision on the appointment of the nomination committee.
17. Resolution to authorise the Board of Directors to make decisions concerning the issuance of shares.
18. Resolution to authorise the Board of Directors to make decisions concerning acquisitions and transfers of the company's own shares.
19. Conclusion of the meeting.

The Board of Directors, etc. (items 2, 11-14)

The nomination committee, which consisted of Timo Gatsonides (individual holdings), Per Wall (individual holdings), Jan Johansson (appointed by Inger Bergstrand), and Claes Ödman (Chairman of the Board), has submitted the following proposals regarding items 2, 11 - 14:

Chairman of the meeting: Claes Ödman

Number of Board Members: six Board Members, with no alternate members

Board Members: re-election of Claes Ödman, Jochem Garritsen, Pia Hofstedt, Kerstin Sjöstrand, Christina Hallin and new election of Nishant Batra.

Nishant Batra, born 1978, EVP and CTO of Veoneer Inc. Prior to Veoneer Nishant Batra held several key positions for Ericsson in the US, Sweden, and India. He graduated with an MBA from INSEAD in 2006 and has M.Sc. degrees in telecommunications and computer science from Southern Methodist University in Dallas.

Chairman of the Board: Claes Ödman

Remuneration to Board Members: the remuneration to the Chairman of the Board will be paid in the amount of SEK 400,000. The remuneration to each of the other Board Members elected by the Annual General Meeting shall amount to SEK 200,000. Total Board remuneration thus amounts to SEK 1.4 million.

Auditor: Re-election of the auditing firm BDO AB with authorised auditor Johan Pharmanson appointed as principal auditor.

Auditor's fee: in accordance with approved invoice, within the framework of the price estimation submitted.

Details concerning the proposed Board Members can be found on the company's website www.sensysgatso.com.

The Board of Directors' proposal concerning the allocation of the net profits/losses (item 9)

The Board proposes that no dividend be distributed to the shareholders.

The Board of Directors' proposal concerning guidelines for remuneration to senior executives (item 15)

The Board of Directors proposes the following guidelines for remuneration to senior executives in the company. Due to new EU rules on shareholders' rights that have been implemented through amendments to the Swedish Companies Act and the Swedish Code of Corporate Governance the remuneration guidelines in the proposal differ from the guidelines adopted by the Annual General Meeting 2019.

The Group Management fall within the provisions of these guidelines. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption

of the guidelines by the Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or local practice, taking into account, the overall purpose of these guidelines.

The guidelines' promotion of the Company's business strategy, long-term interests and sustainability

In short, the Company's business strategy is the following.

- Expansion in the US-market with Traffic Enforcement as a Service
- Entry into new markets with Traffic Enforcement as a Service
- Developing scalable software & flexible hardware
- Extension of the service scope in existing markets

For more information regarding the Company's business strategy, please see www.sensysgatso.com

The Company shall offer total remuneration at the prevailing market rate to enable the recruitment and retention of senior executives.

Types of remuneration, etc.

Remuneration of the Group Management shall consist of a base salary, variable remuneration, pension and other benefits and remuneration. Together, these various parts shall comprise each individual's total remuneration.

Additionally, long-term share-related incentive plans can be implemented in the Company. Such plans are resolved by the General Meeting and are therefore excluded from these guidelines.

Variable remuneration covered by these guidelines shall aim at promoting the Company's business strategy and long-term interests, including its sustainability.

The base salary and variable compensation together constitute the senior executive's annual salary.

The base salary shall take into consideration each individual's area of responsibility and experience.

The variable compensation shall be linked to predetermined and measurable criteria. The variable compensation is based on the Company's net sales and EBITDA for the financial year, and may be paid to the Group Management. For the CEO and other members of the Group Management the variable compensation can amount to a maximum 50 per cent of their annual base salary.

No variable compensation is to be paid out in the event of negative EBITDA. The Board of Directors is responsible for evaluating to what extent the criteria have been satisfied.

The criteria shall be designed so as to contribute to the Company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.

The CEO shall benefit from a supplementary pension scheme with a premium that represents approximately 30 per cent of the current annual salary. Other members of the Group Management shall have the right to retirement pensions as per the Swedish ITP plan or equivalent. The retirement age is 65 years.

Other remuneration and benefits shall be paid at market rate and contribute to enabling each senior executive to fulfill their duties. Such benefits may be of a limited amount.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or local practice, taking into account, the overall purpose of these guidelines.

The CEO's employment contract includes termination conditions. The notice period is six months. If notice is made from the Company's side a severance pay in the form of another three months' salary is paid. The customary notice period of three to six months applies to all other members of the Group Management. The fixed salary shall remain unchanged during the notice period.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration shall be based on the fixed cash salary at the time of termination of employment and be paid during the time the non-compete undertaking applies, however not for more than 9 months following termination of employment.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the Company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Company does not have a Remuneration Committee, instead the Board of Directors handle all matters. The matters that would have been handled by a Remuneration Committee are instead handled by the Board of Directors, inter alia, preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors also monitors and evaluates questions regarding the CEO's terms of employment, pension benefits and variable remuneration, and resolute on corresponding terms regarding other senior executives. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting. The Board of Directors shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the Company. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As set out above, the Board of Directors' tasks include preparing the resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Nomination Committee (item 16)

The nomination committee proposes that, until the general meeting decides otherwise, a nomination committee be appointed of the four biggest identified shareholders according to the share register held by Euroclear Sweden AB as of 30 September, together with the Chairman of the Board. In the assessment of who are the four biggest owners in terms of the number of votes, a group of shareholders shall be considered to constitute an owner if they (i) have been grouped as an owner in the Euroclear Sweden system or (ii) have made it public and notified the company in writing that they have concluded a written agreement to adopt a long-term, shared approach with regard to the company's administration by means of exercising their voting right.

If one or more shareholders do not wish to appoint a member of the nomination committee, the shareholder that is next in line shall be contacted. If the shareholder that is next in line declines to appoint a member of the nomination committee, the Chairman of the Board only needs to contact the eight biggest shareholders in order to achieve a nomination committee with at least five members (including the Chairman of the Board). If, having contacted the eight biggest shareholders, a nomination committee of five members (including the Chairman) is not achieved, the Chairman of the Board shall continue to contact subsequent shareholders in line until a nomination committee of four members (including the Chairman) has been achieved.

Changes in the composition of the nomination committee shall be made public immediately.

The Chairman of the Board shall convene the first meeting of the nomination committee. Unless otherwise agreed by the members, the Chairman of the nomination committee shall be the member who represents the biggest shareholder in terms of the number of votes.

The term of office of the nomination committee shall run until a new nomination committee is appointed.

Resolution to authorise the Board of Directors to make decisions concerning the issuance of shares (item 17)

The Board of Directors proposes that the General Meeting of Shareholders authorises the Board of Directors, on one or more occasions during the period until the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, to make decisions concerning an issuance of new shares corresponding to no more than ten (10) percent of the total number of the company's outstanding shares as of the date of publication of this notice and invitation to attend the Annual General Meeting. This authorisation is to include the right to make a decision concerning the issuance of new shares with a provision on an issue in-kind, offset or otherwise with conditions in accordance with the Swedish Companies Act.

The reason for the proposal and the deviation from the shareholders' preferential rights is to allow flexibility in connection with possible further acquisitions or the raising of capital. The basis for the subscription price shall be the market price of the share.

For a valid resolution and approval, a vote in agreement of at least two-thirds of the votes cast as well as those shares represented at the Meeting, is required.

Resolution to authorise the Board of Directors to make decisions concerning acquisitions and transfers of the company's own shares (item 18)

The Board of Directors proposes that the General Meeting of Shareholders authorise the Board of Directors to make decisions, on one or more occasions during the period until the next Annual General Meeting, concerning the acquisition of the company's own shares (treasury shares) up to where, after the acquisition, the company does not hold a total of more than five (5) percent of the total outstanding shares of the company. The repurchases shall be made on the Nasdaq Stockholm exchange at a price within the currently registered share price range (known as the "spread"), i.e. the range between the highest bid price and lowest ask price, and otherwise in compliance with the rules laid down by the stock exchange's rules. The purpose of the repurchase of its own shares is to adapt the company's capital structure to the company's capital requirements and, where appropriate, to be able to transfer shares in connection with financing of company acquisitions and other types of strategic investments and acquisitions.

The Board of Directors proposes that the Meeting authorise the Board to make decisions, on one or more occasions during the period until the next Annual General Meeting, concerning the transfer of shares of the company. The transfer of treasury shares may only be made as part of the purchase price for an acquisition or a merger, and at a maximum with the number of the company's own shares that the company holds at any given time. Payment for the thus transferred shares may be made in-kind or via offsetting of claims against the company, or otherwise with conditions. The reasons for Board of Directors authorisation to deviate from the shareholders' preferential rights is to be able to implement, where appropriate, any company acquisitions and other types of strategic investments and acquisitions in a cost-effective manner.

For a valid resolution and approval, a vote in agreement of at least two-thirds of the votes cast as well as those shares represented at the Meeting, is required.

Documentation

The Annual Report, Audit Report and complete proposals and other documents pursuant to the Swedish Companies Act, will be available at the company and on its website, www.sensysgatso.com, no later than Tuesday, 14 April 2020 and sent to those shareholders who so request and provide their postal address.

Shareholders are reminded of their right to request disclosures pursuant to Chapter 7, Section 32 of the Swedish Companies Act.

There are a total of 860 024 407 shares in Sensys Gatso Group AB, providing an entitlement to the identical number of votes. The company does not hold any treasury shares.

Jönköping, April 2020

The Board of Directors for Sensys Gatso Group AB (publ)

For further information:

Ivo Mönnink, CEO

Sensys Gatso Group AB

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The information was submitted for publication, through the agency of the contact person set out above, at 16.45 PM on the 7th of April 2020.

Sensys Gatso Group AB is a global leader in traffic management solutions for nations, cities and fleet owners. Sensys Gatso Group has subsidiaries in Australia, Germany, the Netherlands, Sweden and the USA, and a branch office in the United Arab Emirates. The Sensys Gatso Group's shares are listed on Nasdaq Stockholm and has 252 employees.

For further information, visit www.sensysgatso.com