



# ARUNDEL

Arundel AG  
Gotthardstrasse 21,  
CH-8002 Zurich,  
Switzerland  
[www.arundel-ag.com](http://www.arundel-ag.com)

## ARUNDEL AG, ZURICH

### Invitation to the Annual General Meeting of Shareholders

to be held on **11 June 2019 at 10.00 a.m.**  
at the **Swissôtel Zürich, Schulstrasse 44, 8050 Zurich, Switzerland**

#### AGENDA AND PROPOSALS OF THE BOARD OF DIRECTORS

- 1 Approval of the directors' report for the financial year ended 31 December 2018 and the financial statements of the company and the group as of 31 December 2018**

The board of directors proposes that the directors' report for the company's financial year running from 1 January 2018 to 31 December 2018 ("financial year 2018") and the financial statements of the company and the group as of 31 December 2018 shall be approved.

- 2 Appropriation of balance sheet result**

The board of directors proposes to carry forward the loss for the financial year 2018 of CHF 44,086,145.

*For the board of directors' proposal to reduce the company's share capital and use the reduction amount to eliminate losses carried forward, see item 8.*

- 3 Granting of discharge to the members of the board of directors and of executive management**

The board of directors proposes to grant discharge to the members of the board of directors and of executive management for the financial year 2018.

## **4 Votes on compensation**

### **4.1 Binding votes on board and management remuneration**

The board of directors proposes to the shareholders:

- A. to approve an aggregate maximum amount of the fixed remuneration for the members of the company's board of directors for the one-year term starting at this annual general meeting and ending at the 2020 annual general meeting of CHF 60,000;
- B. to approve an aggregate maximum amount of the fixed remuneration for the members of the company's executive management for the financial year running from 1 January 2019 to 31 December 2019 of CHF 1,600,000.

*The company did not pay any variable remuneration to members of executive management for the financial year 2018, so that no vote pursuant to article 37 para. 2 of the company's articles of association is necessary.*

### **4.2 Advisory vote on remuneration report**

The board of directors proposes that the company's remuneration report for the financial year 2018 shall be approved in an advisory vote.

## **5 Elections regarding the board of directors**

### **5.1 Election of the members of the board of directors**

The board of directors proposes the re-election of each of

- Dr. Volkert Klaucke,
- Dr. Doraiswamy Srinivas,
- David Quint, and
- Markus Müller,

each as a member of the board of directors for a tenure of one year until the 2020 annual general meeting.

## **5.2 Election of the chairman of the board of directors**

The board of directors proposes the re-election of Dr. Volkert Klaucke as chairman of the board of directors for a tenure of one year until the 2020 annual general meeting.

## **5.3 Election of the members of the nomination and compensation committee**

The board of directors proposes the re-election of each of Dr. Volkert Klaucke, David Quint and Markus Müller as a member of the nomination and compensation committee of the board of directors for a tenure of one year until the 2020 annual general meeting.

## **6 Election of the auditor**

The board of directors proposes the re-election of PricewaterhouseCoopers AG, Zurich, as auditor of the company for a tenure of one year until the 2020 annual general meeting.

## **7 Election of the independent proxy**

The board of directors proposes the re-election of Dr. Roger Groner as independent proxy of the company for a tenure of one year until the end of the 2020 annual general meeting.

## **8 Reduction of share capital**

The board of directors proposes:

1. to reduce the company's share capital from CHF 136,036,476.00 by CHF 120,921,312.00 to CHF 15,115,164.00, by way of a reduction of the nominal value of each of the company's registered shares from CHF 9.00 by CHF 8.00 to CHF 1.00;
2. to use the reduction amount of CHF 120,921,312 to eliminate losses carried forward in the total amount of CHF 117,935,864, and allocate the remaining amount of CHF 2,985,448 to legal capital reserves;
3. to declare, as a result of the special audit report prepared in accordance with art. 732 para. 2 of the Swiss Code of Obligations ("CO"), that the claims of the creditors are fully covered notwithstanding the reduction of the share capital;

4. upon consummation of the capital reduction, to amend the first paragraph of article 3 of the articles of association as follows:

**"Article 3**

*<sup>1</sup>The company's share capital is CHF 15,115,164.00. It is divided into 15,115,164 registered shares of CHF 1.00 par value each. The share capital is fully paid in."*

5. upon consummation of the capital reduction, to amend the first paragraph, respectively, of article 3a, of article 3b and of article 3c of the articles of association as follows:

**"Article 3a**

*<sup>1</sup>The share capital may be increased by a maximum amount of CHF 1,511,516.00 through the issuance of up to 1,511,516 registered shares with a nominal value of CHF 1.00 each, which shall be fully paid in, in connection with the exercise of option rights granted to members of the board of directors, management and advisors of the company or its subsidiaries."*

**"Article 3b**

*<sup>1</sup>The share capital may be increased by a maximum amount of CHF 6,046,066.00 through the issuance of up to 6,046,066 registered shares with a nominal value of CHF 1.00 each, which shall be fully paid in, in connection with the exercise of conversion or option rights which will be or have been granted to bondholders or other creditors of the company or its subsidiaries."*

**"Article 3c**

*<sup>1</sup>The board of directors may increase the company's share capital in the amount of up to CHF 7,557,582.00 until 12 June 2020 through the issuance of up to 7,557,582 fully paid in additional registered shares with a nominal value of CHF 1.00 each. An increase in partial amounts is permitted."*

The rest of the articles 3a, 3b and 3c remains unchanged.

*The reduction of the share capital can only be accomplished after publication of the notices to creditors in accordance with art. 733 CO. Such notices will be published after the annual general meeting in the Swiss Official Commercial Gazette. The creditors may file their claims and demand payment or security within two months after the date of the third and last publication. The share capital may be reduced only after the two-month period has expired and all claims filed have been satisfied or secured.*

## Documentation

The directors' report, the remuneration report, the financial statements of the company and the group and the auditors' respective reports may be inspected at the registered office of Arundel AG at Gotthardstrasse 21, CH-8002 Zurich, Switzerland, or ordered by mail (to be sent to the aforementioned address), by telephone (phone number: +(41) 44 512 78 80) or via e-mail to [info@arundel-ag.com](mailto:info@arundel-ag.com) from 17 May 2019. They can also be viewed on the company's website ([www.arundel-ag.com](http://www.arundel-ag.com); "News" section).

## Admission

Shareholders who are registered as shareholders with voting rights in the share register on 27 May 2019 may order the admission cards by telephone (phone number: +44 (0) 20 7766 7000 (Attn: Sian Morgan)), via e-mail to [info@arundel-ag.com](mailto:info@arundel-ag.com), or by mail (Arundel AG, Gotthardstrasse 21, CH-8002 Zurich, Switzerland) from 28 May 2019 until and including 4 June 2019. From 28 May 2019 until and including 11 June 2019 no entries of registered shares into the share register will be made.

## Representation

Shareholders who do not attend the annual general meeting in person can be represented as follows:

- by another person (who does not need to be a shareholder), upon presentation of a proxy in writing; or
- by the independent proxy, Dr. Roger Groner, attorney at law, Tödistrasse 52, CH-8002 Zurich (phone number: +41 (0)44 283 29 24).

A proxy form for the giving of proxies and voting instructions to the independent proxy, or to another person, will be included with each admission card ordered from the company (see above). Shareholders wishing to give a proxy to the independent proxy in electronic form are kindly requested to say so when ordering the admission card, and to provide an e-mail address. They will then be sent an electronic proxy form, with instructions how to proceed. Proxies to persons other than the independent proxy cannot be given in electronic form, but only in writing.

Zurich, 17 May 2019

The board of directors of Arundel AG