



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Schweizerisches Handelsamtsblatt SHAB
Feuille officielle suisse du commerce FOSC
Foglio ufficiale svizzero di commercio FUSC
Swiss Official Gazette of Commerce SOGC

Rubrik: Mitteilungen an Gesellschafter
Unterrubrik: Einladung zur Generalversammlung
Publikationsdatum: SHAB 15.03.2024
Öffentlich einsehbar bis: 15.03.2025
Meldungsnummer: UP04-0000005912

Publizierende Stelle
TX Group AG, Werdstrasse 21, 8004 Zürich

Einladung zur ordentlichen Generalversammlung TX Group AG

Betroffene Organisation:
TX Group AG
CHE-105.836.696
Werdstrasse 21
8004 Zürich

Angaben zur Generalversammlung:
19.04.2024, 15:00 Uhr, Kongresshaus, Claridenstrasse 5, 8002 Zurich

Einladungstext/Traktanden:
The Ordinary General Shareholders' Meeting 2024 of TX Group Ltd will take place as scheduled on Friday, 19 April 2024.
All details can be found in the pdf.



TX Group Ltd
Board of Directors

General Shareholders' Meeting 2024

To the shareholders of TX Group Ltd

Zurich, 14 March 2024

Ladies and Gentlemen,

It is our pleasure to invite you to the

2024 Ordinary General Shareholders' Meeting of TX Group Ltd

on Friday, 19 April 2024, 15.00 hours at the Kongresshaus, Claridenstrasse 5, 8002 Zurich.

Registration begins at 14.00 hours, and the hall opens at 14.40 hours. Please note to use entrances G and K, which lead to the garden halls (see location plan).

Electronic voting devices will be used at the meeting. You can find a form in the enclosure that will give you access to the electronic platform through which you can issue proxies and instructions to the independent representative of voting rights. Enclosed is also a summary of the amendments to the statutes, which are dealt with under agenda item 6.

Agenda items and motions of the Board of Directors

1. Annual report, consolidated financial statements and annual financial statements 2023 (as of 31 December 2023), auditor's reports

Motion

The Board of Directors proposes that the auditor's reports be acknowledged and that the annual report, the consolidated financial statements, and the annual financial statements for 2023 be approved.

Comments

Revenue increased by 6.2 per cent year-on-year to CHF 982.5 million, which is mainly due to the acquisition of the out-of-home advertising company Clear Channel Switzerland. Excluding the effects of changes in the scope of consolidation, revenue would have fallen by around 2 per cent to CHF 907.3 million. Advertising revenue increased by 31 per cent to CHF 331.5 million, partly thanks to the takeover. The slowdown in the job market had a negative impact on the business performance of JobCloud, in which the TX Group holds a half interest and is fully consolidated. Revenue from Classifieds & Services therefore fell to CHF 238.3 million (-3.5 per cent). Paid Media recorded a decline in subscription and single sales of 1.8 per cent to CHF 226.8 million, and commercialization revenues, which are generated exclusively in the Goldbach segment, also fell by 2.1 per cent to CHF 82.2 million. In the revenue mix, advertising revenue consequently increased significantly and now accounts for around a third, while Classifieds & Services revenue and subscription and single sales each account for around a quarter. At almost 58 per cent, the digital share of revenue remained at the previous year's level.

The operating result and margins increased significantly compared to the previous year. The positive development of the SMG Swiss Marketplace Group, in which the TX Group holds a 30 per cent stake, was a decisive factor. In addition, the discount rate for pension provisions was adjusted at the beginning of 2023, resulting in significantly lower expenses. The cost of materials and third-party services also decreased. In actual terms, the operating result before depreciation and amortisation (EBITDA) increased by 70.4 per cent to CHF 211 million, while the corresponding margin rose to 21.5 per cent (previous year: 13.4 per cent). Operating profit before the effects of business combinations (EBIT b. PPA) amounted to CHF 122.6 million (+119 per cent) in the reporting year, with a margin of 12.5 per cent (previous year: 6 per cent). The operating result (EBIT) also increased significantly to CHF 71 million (previous year CHF 5.9 million) and the margin from 0.6 per cent to 7.2 per cent.

The parent company TX Group AG reported revenue of CHF 181.2 million for the 2023 financial year (previous year: CHF 196.9 million) and an operating result before depreciation and amortisation (EBITDA) of CHF 8.4 million (previous year: CHF 8.1 million). The operating result (EBIT) amounted to CHF -40.8 million (previous year: CHF 17.5 million).

In their reports to the Annual General Meeting, the auditors PricewaterhouseCoopers AG, Zurich, recommend that the 2023 consolidated financial statements and the 2023 annual financial statements of the parent company be approved.

2. Appropriation of net profit and determination of dividends

Motion

The Board of Directors proposes to the General Shareholders' Meeting to distribute a total amount of CHF 65.7 million or CHF 6.20 per share as dividend for the financial year 2023 of TX Group.

Comments

The dividend policy stipulates that 35% to 45% of free cash flow before M&A and after dividends to minority interests and repayment of lease liabilities be distributed as dividends.

Free cash flow before M&A activities increased significantly in 2023 and amounted to CHF 161.7 million (previous year: CHF 79.6 million). The increase is due in particular to the higher operating result and the positive impact from the change in net working capital. Distributions to minority shareholders increased by 70.5 per cent or CHF 28.7 million as a result of an interim dividend distributed for the first time. The repayment of lease liabilities increased significantly by 78.0 per cent to CHF 55.3 million, mainly due to the acquisition of Clear Channel Switzerland. Based on this, the Board of Directors proposes to the Annual General Meeting the payment of an ordinary dividend of CHF 2.00 per share.

In addition, the Board of Directors is proposing a special dividend of CHF 4.20 per share from the cash inflow in connection with the establishment of the SMG Swiss Marketplace Group. The special dividend totaling 135 millions of Swiss francs was distributed over three years. If this proposal is accepted, the third and final part would be distributed.

If the Annual General Meeting approves this proposal, the dividend of 6.20 francs per share will be paid out on April 25, 2024, less withholding tax of 35 per cent.

3. Discharge of the members of the Board of Directors and the Group Management

Motion

The Board of Directors proposes that the members of the Board of Directors and the members of the Group Management be discharged in respect of their activities in the 2023 financial year.

4. Elections

4.1. Elections to the Board of Directors

4.1.1. Re-election of Pietro Supino as a member and Chairman of the Board of Directors

Motion

The Board of Directors proposes that Dr Pietro Supino be re-elected as a member and Chairman of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.2. Re-election of Martin Kall as a member of the Board of Directors

Motion

The Board of Directors proposes that Mr. Martin Kall be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting. Martin Kall shall remain as Vice President and Lead Director.

4.1.3. Re-election of Pascale Bruderer as a member of the Board of Directors

Motion

The Board of Directors proposes that Ms. Pascale Bruderer be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.4. Re-election of Stephanie Caspar as a member of the Board of Directors

Motion

The Board of Directors proposes that Dr Stephanie Caspar be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.5. Re-election of Claudia Coninx-Kaczynski as a member of the Board of Directors

Motion

The Board of Directors proposes that Ms. Claudia Coninx-Kaczynski be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.6. Re-election of Sverre Munck as a member of the Board of Directors

Motion

The Board of Directors proposes that Dr Sverre Munck be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.7. Re-election of Konstantin Richter as a member of the Board of Directors

Motion

The Board of Directors proposes that Mr. Konstantin Richter be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.2. Elections to the Compensation Committee

4.2.1. Re-election of Martin Kall as a member of the Compensation Committee

Motion

The Board of Directors proposes that Mr. Martin Kall be re-elected as a member of the Compensation Committee until the end of the next General Shareholders' Meeting. Mr. Martin Kall shall remain Chairman of the Compensation Committee.

4.2.2. Re-election of Pascale Bruderer as a member of the Compensation Committee

Motion

The Board of Directors proposes that Ms. Pascale Bruderer be re-elected as a member of the Compensation Committee until the end of the next Ordinary General Shareholders' Meeting.

4.2.3. Re-election of Claudia Coninx-Kaczynski as a member of the Compensation Committee

Motion

The Board of Directors proposes that Ms. Claudia Coninx-Kaczynski be re-elected as a member of the Compensation Committee until the end of the next Ordinary General Shareholders' Meeting.

4.3. Re-election of Gabriela Wyss as independent representative of voting rights

Motion

The Board of Directors proposes that Dr iur. Gabriela Wyss, Attorney at Law, Zurich, be re-elected as Independent Representative of Voting Rights until the end of the next General Shareholders' Meeting.

4.4. Re-election of PricewaterhouseCoopers Ltd as auditors

Motion

The Board of Directors proposes the re-election of PricewaterhouseCoopers Ltd as the auditors for the 2024 financial year.

5. Total remuneration to the Board of Directors and Group Management

5.1. Total remuneration to the Board of Directors for the 2023 financial year

Motion

The Board of Directors proposes that the total remuneration to the members of the Board of Directors for the 2023 financial year in the amount of CHF 2'398'742 approved.

Comments

Details are provided in the compensation report on pages 36 et seq. of the Annual Report.

5.2. Total fixed remuneration to the Group Management for the 2023 financial year

Motion

The Board of Directors proposes that the total fixed remuneration to the members of the Group Management for the 2023 financial year in the amount of CHF 1'544'307 be approved.

Motion

Details are provided in the compensation report on pages 36 et seq. of the Annual Report.

5.3. Total variable remuneration to the Group Management for the 2023 financial year

Motion

The Board of Directors proposes that the total variable remuneration to the members of the Group Management for the 2023 financial year in the amount of CHF 418'783 be approved.

Comments

Details are provided in the compensation report on pages 36 et seq. of the Annual Report.

6. Revision of the Articles of Association

The Board of Directors proposes that the Articles of Association be adapted to the new company law entered into force on 1 January 2023, and that certain other provisions be updated. The Articles of Association shall also be amended editorially.

The text of the proposed revised Articles of Association can be found in the annex, with the amendments shown in red. The content-related changes are additionally marked in yellow. All other changes are of a purely editorial nature and are not explained further below.

Only the German version of the Articles of Association is legally binding; the English version is an unofficial translation and is not affected by the editorial amendments due to linguistic peculiarities. The currently valid version of the Articles of Association is available on the website of TX Group AG (www.tx.group/statuten).

6.1. Provision regarding sustainability

Proposal

The Board of Directors proposes to amend Art. 2 para. 1 of the Articles of Association.

Explanatory notes

To reinforce the importance of creating sustainable value for TX Group, the Board of Directors proposes incorporating sustainability in the Articles of Association.

In accordance with Art. 14 para. 4 of the current Articles of Association, a change in the purpose of the Company must be approved by at least two-thirds of the votes represented and an absolute majority of the nominal value of the shares represented.

6.2. Provisions regarding share capital and shares, Board of Directors, remuneration and related matters and other provisions of the Articles of Association

Proposal

The Board of Directors proposes to amend Art. 5 and 6, Art. 18, 20 and 21, Art. 26 and 31 as well as Art. 25, 35 (incl. marginal title to Art. 35 and Title V) and Art. 37 (incl. marginal title and Title VII).

Explanatory notes

Art. 5 para. 4 states that persons shall be entered into the share register as shareholders with voting rights, provided that they expressly declare that they have acquired the shares in their own name and on their own account. The provision is supplemented in accordance with the revised company law. This is intended to reduce the misuse of securities lending and similar legal transactions to influence votes and elections at the General Meeting. In addition, in accordance with the wording of the new law, it clarifies that the request for entry in the share register may be made by the bank.

Art. 6 regulates the subscription right in case of an increase in the share capital and the issue of new shares and stipulates in the last sentence of para. 2 that no one may be advantaged or disadvantaged in an improper manner. In line with the revised wording of Art. 652b para. 4 CO, this sentence is to be clarified.

The term "secretary" no longer exists in the revised law, which is why the corresponding sentence in Art. 18 of the Articles of Association will be deleted. Regardless of the formal implementation of the revised law, the Board of Directors also plans to appoint a secretary in the future.

The language of Art. 20 para. 3 of the Articles of Association will be adapted to the revised company law, which sets less stringent formal requirements for resolutions of the Board of Directors.

Art. 20 para. 4 of the Articles of Association stipulates that the minutes of the Board of Directors must be signed by the person taking the minutes (previously the secretary).

In Art. 21 para. 1 of the Articles of Association, the non-transferable and inalienable duties of the Board of Directors are adapted to the new legal provisions (compilation of the report on non-financial matters in accordance with Art. 964c CO and filing an application for a debt restructuring moratorium).

In the event that the general meeting votes prospectively on the remuneration of the Management Board the current Articles of Association provide for an additional amount in Art. 26 para. 2. This provision is adapted to the revised legal provision, which is why the end of the sentence in para. 2 is to be deleted.

In accordance with the provisions of the new law, the new para. 5 of Art. 26 of the Articles of Association stipulates a mandatory advisory vote by the General Meeting on the remuneration report if the variable remuneration is voted on prospectively. As long as TX Group continues to vote on remuneration retrospectively, an advisory vote is not necessary.

The provision on the number of authorised external activities (appointments) of the Board of Directors and the Management Board is set out in Art. 31 of the Articles of Association. The revised company law redefines the term "activities". Activities in comparable positions in other undertakings with commercial objects are relevant. This leads to an amendment of Art. 31 para. 4 of the Articles of Association.

The revised company law stipulates that the external auditor can only be removed by the General Meeting for good cause. Art. 25 para. 1 must therefore be adapted to the new legal regulation.

Due to the revised company law, the provision on the profit allocation and reserves in Art. 35 must be amended. The Board of Directors proposes a more open wording, which leads to an adaptation of the marginal title to Art. 35 and Title V.

The revised company law now stipulates that the form of communications with its shareholders must be included in the Articles of Association. Title VII and Art. 37 must therefore be amended accordingly.

6.3. Provisions regarding General Meeting

Proposal

The Board of Directors proposes to amend Art. 8, 9, 10, 11, 14, 15 and 16.

Explanatory notes

Among other things, the new law has strengthened the minority rights of shareholders. The threshold for the right to convene an Extraordinary General Meeting was lowered from 10 per cent to 5 per cent of the share capital or votes. This leads to adjustments in Art. 8 of the Articles of Association.

Revised company law contains slight adjustments to the content of the notice convening the General Meeting. Art. 9 para. 2 is to be adapted accordingly.

Under the revised law, shareholders only have a right to receive the annual report, the remuneration report and the audit reports if these are not accessible electronically. This shall be clarified in Art. 9 para. 3 of the Articles of Association.

Art. 10 of the Articles of Association regulates the agenda and the right to table motions. The threshold for adding items on the agenda is adapted in para. 1 to the revised legal provision, which now stipulates a percentage of 0.5 per cent of the share capital or votes instead of CHF 1 million before. The same threshold applies to the new possibility of including motions relating to items on the agenda in the notice convening meeting; this is reflected in the new para. 2. A brief explanation can be submitted with the agenda or the motions at least 60 days before the General Meeting, which is reflected in the new para. 3 and amended para. 4 (former para. 1). Para. 5 (former para. 2) of Art. 10 of the Articles of Association has been adapted to the revised wording of the law.

The list of powers of the general meeting as the supreme governing body of the Company in Art. 11 of the Articles of Association is adapted to the new legal provisions pursuant to Art. 698 para. 2 CO and supplemented accordingly.

Art. 14 of the Articles of Association is to be adapted to the new legal provisions of Art. 703 and Art. 704 para. 1 CO. On the one hand, this means that elections and votes should now be based on a simple majority and no longer on an absolute majority, which makes the previous additional provision for elections obsolete. Art. 14 para. 1 should therefore be amended and Art. 14 para. 2 deleted. On the other hand, the list of resolutions requiring a two-thirds majority in the previous Art. 14 para. 4 (new Art. 14 para. 3) should be adapted to the new legal provisions pursuant to Art. 704 para. 1 CO.

The Board of Directors proposes to implement the basis for hybrid or virtual General Meetings in Art. 15 of the Articles of Association and to take account of the new digital possibilities. Art. 15 therefore additionally provides that the Board of Directors may hold the General Meeting at various locations at the same time and/or enable shareholders to exercise their rights electronically (hybrid General Meeting). Alternatively, the Board of Directors may hold the General Meeting without a physical venue (virtual General Meeting).

The minimum content of the minutes of the General Meeting should be adapted to the new legal provisions pursuant to Art. 702 para. 2 CO. Art. 16 para. 3 of the Articles of Association is to be amended accordingly.

6.4. Editorial amendments

Proposal

The Board of Directors proposes to amend Art. 4, 12, 13, 17, 19, 22 and 28.

Explanatory notes

These are strictly editorial amendments, which are shown in red (without yellow marking). The English, unofficial translation of the Articles of Association is not affected by the editorial changes.

7. Sustainability report 2023 (non-financial matters)

Motion

The Board of Directors proposes that the Sustainability Report 2023 be approved.

Comments

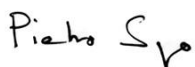
TX Group's most important impact on sustainability is its contribution to society. This contribution is a direct result of the Group's business strategy and daily work. Thanks to its independence and professional journalistic offerings, TX Group enables those interested to form their own opinions. In 2023, 64% of all people aged 15 and over in Switzerland used the journalism of the media companies Tamedia and 20 Minuten, which belong to the TX Group, several times a week. The journalistic products reach at least 55% of the population in every municipality in Switzerland, regardless of size and location. The distribution of our journalists' places of residence shows that they have a broad base throughout Switzerland.

Employees are essential to the sustainable development of TX Group. The Group promotes equality and a respectful corporate and working culture. 39 per cent of employees are female, and the proportion of women in top management (Group Management and Executive Board) is 29 per cent. Three out of seven members of TX Group's highest supervisory body, the Board of Directors, are women, which corresponds to 43 per cent.

TX Group is committed to the responsible use of natural resources. Greenhouse gas emissions fell by 5 per cent to 76,748 t CO₂e (Scope 1-2-3) in 2023; around 80 per cent of emissions are attributable to the printing of the company's own media products and printing orders for third parties.

8. Other Topics

For the Board of Directors



Dr. Pietro Supino
Chairman

Enclosures: Registration with LOGIN as well as reply card and annex "Amendments to the Statutes"

Organisational Information

Company Report, Auditor's Reports

The company report, containing the annual report, the compensation report, the annual financial statements and the consolidated financial statements for the period ending 31 December 2023, as well as the external auditor's reports, are available as of 14 March 2024 to our shareholders for consultation at our registered office's reception (TX Group Ltd, Werdstrasse 21, 8004 Zurich).

The full company report is available on the website of TX Group Ltd for download at www.tx.group. This also applies to the sustainability report.

Admission ticket, voting documents and representation

Shareholders entered in the share register as being eligible to vote will receive a registration card (with proxy form, see below) together with the invitation to the General Shareholders' Meeting. We kindly ask you to return the registration card by 16 April 2024. The admission tickets and the voting documents will be mailed by the Computershare Switzerland Ltd share registry upon receipt of the registration.

Eligibility to attend and vote at the General Shareholders' Meeting

The shareholders entered in the share register as being eligible to vote by 11 April 2024 are entitled to attend the General Shareholders' Meeting on Friday, 19 April 2024. The share register will be closed on 11 April 2024 at 13.00 hours. Any unregistered shareholders and accompanying persons may attend the General Shareholders' Meeting, without voting rights, using a guest card.

Personal attendance at the General Shareholders' Meeting

To be admitted to the General Shareholders' Meeting, the admission ticket as well as the voting cards or the visitor's card must be presented. The admission windows will open at 14.00 hours.

Early departure from the General Shareholders' Meeting

If you need to leave the General Shareholders' Meeting early, we kindly ask you to hand in your electronic voting device at the exit so that we may correctly determine shareholder presence.

Representation

Shareholders may be represented at the General Shareholders' Meeting by their legal representative, by a third party who is not a shareholder, or by the independent representative of voting rights, Dr iur. Gabriela Wyss, attorney at law, Freigutstrasse 22, 8002 Zurich. The independent representative of voting rights will vote according to your instructions. If no instructions have been provided, she will vote in favour of the Board of Directors' proposals. If Dr iur. Gabriela Wyss is unable to attend, the Board of Directors will appoint a substitute.

The proxy may be granted in writing using the proxy form on the registration card or the admission ticket, or electronically in accordance with the enclosed information and log-in details. If proxies are granted, it is not possible to personally exercise the voting rights at the General Shareholders' Meeting. Electronic participation or any changes to electronically submitted instructions are possible until 17 April 2024 at 23.59 hours latest.

Situation plan General Shareholders' Meeting 2024

Zurich Convention Center
Claridenstrasse 5
8002 Zurich

Arrival by public transport

Zurich Airport

S-Bahn or IC in the direction of Zurich Main Station, then continue from «Zurich Main Station»

Zurich Main Station

- Tram no. 7 direction Wollishoferplatz
- Tram no. 10 or 13 direction Bahnhof Enge / Albisgütli to Stockerstrasse, then approx. 5 minutes on foot
- Tram no. 11 direction Rehalp to Bürkliplatz, then approx. 4 minutes on foot

Zurich Enge

- Tram no. 7 direction Bahnhof Stettbach
- Tram no. 10 direction Zurich Airport to Stockerstrasse, then approx. 5 minutes on foot

Zurich Stadelhofen

- Tram no. 8 direction Hardturm
- Tram no. 11 direction Auzelg to Bürkliplatz, then approx. 4 minutes on foot

Zurich Bellevue

- Tram no. 2 direction Geissweid
- Tram no. 5 direction Laubegg
- Tram no. 9 direction Heuried
- Tram no. 11 direction Auzelg to Bürkliplatz, then approx. 4 minutes on foot

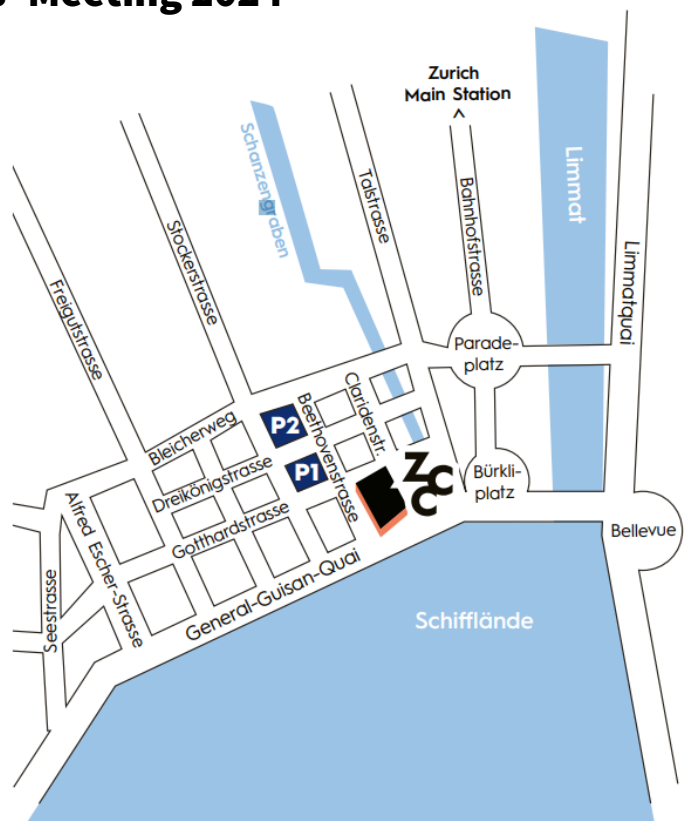
Parking spaces

In walking distance to the Zurich Convention Center you will find the following car parks:

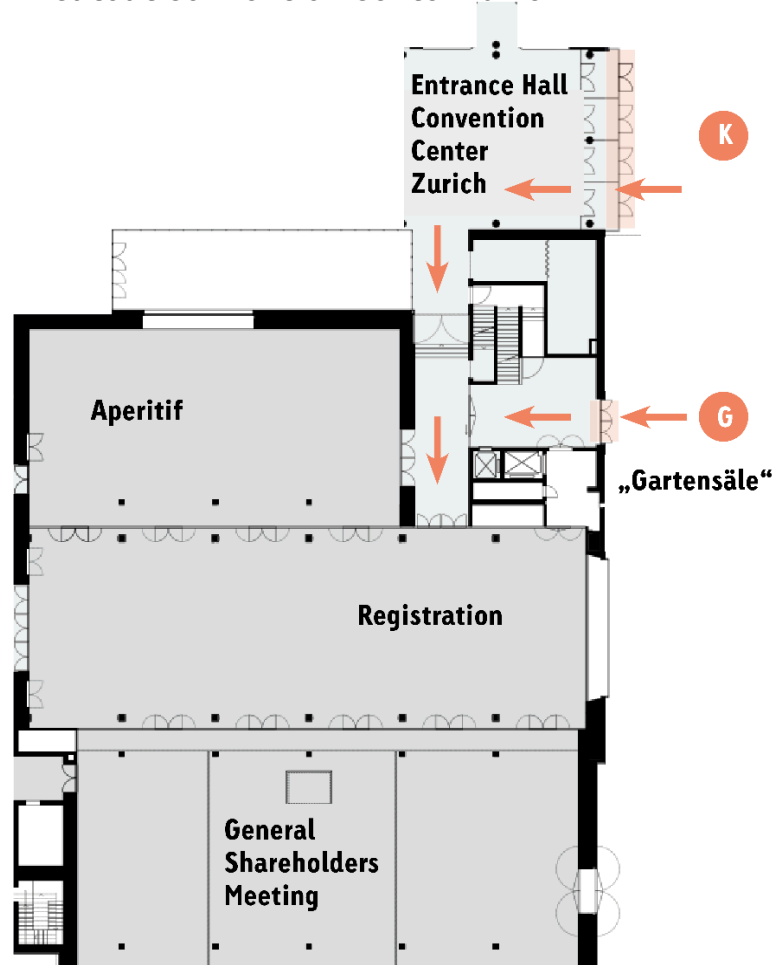
- Parking garage Park Hyatt Zurich (P1)
- Parking garage Bleicherweg (P2)

There are two other car parks in the area available:

- Parking garage Hohe Promenade (near Bellevue)
- Parking garage Opéra (near Bellevue)



Cutout Convention Center Zurich



Annex to the invitation General Meeting 2024
Amendment of the Articles of Association of Tamedia Ltd
(Unofficial translation of German original; only German text is binding)

ARTICLES OF ASSOCIATION

of

TX Group AG

I. Company Name, Registered Office and Purpose of the Company

Article 1

**Company name,
registered office**

Under the company name

TX Group AG
(TX Group SA; TX Group Ltd.)

a company limited by shares has been incorporated with registered office in Zurich.

Article 2

Purpose

The purpose of the Company is the manufacture and distribution of products in particular in the field of media and information procurement, in the area of media marketing and digital marketplace and in similar lines of business. **The focus is on long-term and sustainable value creation.**

The Company may in addition buy, hold and sell equity interests of all types.

The Company may carry out all transactions directly or indirectly related to the corporate purposes mentioned above, including the acquisition and the sale of real estate.

II. Share Capital and Shares

Article 3

Share capital

The Company's share capital amounts to CHF 106,000,000.00 and is divided into 10,600,000 fully paid-in registered shares with a nominal value of CHF 10.00 per share.

Article 4

Shares

The Company issues its shares in the form of individual certificates, share certificates, global certificates or uncertificated securities. The Company may, subject to compliance with the requirements laid down by law, convert shares issued in one of these forms into another form at any time without the approval of the shareholders.

Shareholders shall have no entitlement for shares issued in one particular form to be converted into another form. However, each shareholder may request at any time that the Company issue an attestation relating to the registered shares held by him or her, as stated in the share register.

The transfer of intermediated securities the underlying assets of which are shares of the Company and any posting of collateral against such intermediated securities shall occur in accordance with the provisions of the Swiss Intermediated Securities Act. Intermediated securities may not be assigned.

Article 5

Share register, restriction on entry, nominees

The Company shall keep a share register in which the owners and usufructuaries of registered shares are registered along with their full name, place of residence, address and nationality (registered office for legal entities). Statutory usufructuaries, legal representatives of minors etc. who are not shareholders, but who are vested with voting rights in relation to a share according to law shall, upon application, be noted in the share register. Upon request, the Company shall issue to registered shareholders a confirmation of their shareholding in accordance with the share register.

The voting rights associated with the shares and related rights may only be exercised by persons who have been entered into the share register as shareholders, usufructuaries or nominees with voting rights and by persons vested with statutory voting rights in relation to a share. The foregoing shall be without prejudice to Article 12 paragraph 2.

Shares shall be indivisible. The Company shall recognise only one representative per share.

Upon request, the transferees of registered shares shall be entered into the share register as shareholders with voting rights, provided that they expressly declare that they have acquired the shares in their own name and on their own account, that there is no agreement to take back or return the shares concerned and that they bear the economic risk associated with the shares. The entry cannot be refused on the grounds that the request was made by the acquirer's bank.

The Board of Directors may refuse to register the transferee as a shareholder or usufructuary with voting rights if the number of shares held by him or her exceeds 5% of the total number of shares indicated in the Commercial Register. Legal entities and partnerships that are associated with or related to one another by virtue of capital ownership or voting rights, common management or in any other manner, and natural persons, legal entities and partnerships that act jointly or in a coordinated manner by common agreement or for the purpose of circumventing this provision shall be regarded as one single (1) person.

Shareholders who were entered in the share register on 14 September 2000 or transferees related to such shareholders shall be exempt from this restriction on entry.

The Board of Directors may enter nominees into the share register with voting rights in respect of up to a maximum of 3% of the share capital recorded in the Commercial Register. Nominees are persons who do not explicitly declare in the application for entry that they are holding the shares on their own account. The Board of Directors may register nominees in the share register with voting rights in respect of more than 3% of the share capital recorded in the Commercial Register, provided that the respective nominee informs the Company of the names, addresses and shareholdings of the persons on whose account he or she holds 0.5% or more of the registered share capital recorded in the Commercial Register. The Board of Directors shall conclude agreements with such nominees to determine, *inter alia*, the representation of the shareholders and the voting rights.

After hearing the registered shareholder or nominee, the Board of Directors may cancel entries in the share register retroactively to the date on which they were made if they were made using false information. The person concerned must be informed of the cancellation immediately.

Article 6

Subscription right

In the event that the share capital is increased and new shares are issued, the previous shareholders shall have a subscription right in proportion to the nominal value of their previous equity interest.

If the share capital is increased, the General Shareholders' Meeting may resolve to adopt other rules concerning entitlement to subscription rights if there is good reason to do so, and may in particular allocate all or part of the newly issued shares to non-shareholders. A good reason shall be deemed to include in particular the taking over of undertakings, parts of undertakings or equity interests and employee participation and the expansion of the shareholder base by way of national or international share placements. No person may be unduly advantaged or disadvantaged

through the restriction or revocation of the subscription right or the fixing of the issue price.

III. Governing bodies of the Company

A. The General Shareholders' Meeting

Article 7

Competence

The General Shareholders' Meeting shall be the supreme governing body of the Company.

Article 8

Calling ~~and~~ ~~agenda~~

1. Right and duty

The ordinary General Shareholders' Meeting shall be held annually within six months of the end of the financial year. Extraordinary General Shareholders' Meetings shall be called as required. In addition to the external auditors, any shareholder or shareholders representing at least ~~one tenth~~ 5% of the share capital or the votes may request in writing that a meeting be called, stating the agenda items and the motions.

Article 9

2. Form

The General Shareholders' Meeting shall be called by the Board of Directors by publication of a notice in the Company's publication organs at least 20 days prior to the date of the meeting. Shareholders entered into the share register may also be informed thereof in writing.

The invitation shall state

1. the date, the starting time, the form and the location of the meeting;
2. the agenda items;
3. and the motions of the Board of Directors and a short explanation for these motions;

4. if applicable, of the shareholders' motions with a short explanation of each;

5. the name and the address of the independent voting representative.

~~who requested that a General Shareholders' Meeting be held or that certain matters be placed on the agenda.~~

The annual report, the remuneration report and the external auditor's reports shall be made available to the shareholders ~~for consultation at the Company's registered office~~ at least 20 days prior to the ordinary meeting. If the documents are not electronically accessible, any shareholder may request that they be sent to them in good time. ~~Shareholders entered into the share register shall be informed thereof by a notice in a publication or organ of the Company.~~

Article 10

3. Agenda and right to table motions

Shareholders cumulatively representing at least 5% of the shares capital ~~with a nominal value of CHF 1,000,000.00 or of the votes~~ may request that ~~a particular matter~~ items be included placed on the agenda ~~for discussion.~~

Subject to the same requirements, the shareholders may request that motions relating to items on the agenda be included in the notice convening the General Shareholders' Meeting.

Shareholders may submit a brief explanation when placing an item on the agenda or tabling a motion. This must be included in the notice convening the General Shareholders' Meeting.

The inclusion of an item on the agenda or motions on agenda items must be requested in writing at least 60 days prior to the meeting, ~~indicating the agenda item and the motions proposed by the shareholders.~~

No resolutions may be passed in relation to agenda items that have not been duly announced, with the exception of proposals to call an extraordinary General Shareholders' Meeting or conduct a special audit investigation or to elect an external auditor.

Article 11

Inalienable powers

The General Shareholders' Meeting shall have the following inalienable powers:

1. to determine and amend the Articles of Association;
2. to appoint the members of the Board of Directors and its chairperson and the members of the remuneration committee;
3. to elect the external auditor;
4. to elect the independent representative of voting rights;
5. to approve the management report and the consolidated accounts;
6. to approve the annual accounts and resolutions concerning the use of the balance sheet profit;
7. to approve the remuneration of the Board of Directors and the Management Board in accordance with these Articles of Association;
- ~~8.~~ to determine the interim dividend and approve the interim account required therefor;
- ~~9.~~ to pass resolutions on repaying the statutory capital reserve;
- ~~10.~~ ~~8.~~ to discharge the members of the Board of Directors;
- ~~11.~~ to delist the equity securities of the Company;
- ~~12.~~ ~~9.~~ to resolve on the motions of the Board of Directors, the external auditor and individual shareholders;
- ~~13.~~ to approve the report on non-financial matters in accordance with Art. 964c CO;
- ~~14.~~ ~~10.~~ to pass resolutions concerning the matters reserved to the General Shareholders' Meeting by law or the Articles of Association or those submitted to it by the Board of Directors.

Article 12

Voting rights and representation

Subject to paragraph 3 of this Article, each share entitles its holder one vote at the General Shareholders' Meeting.

Each shareholder may arrange by written power of attorney to be represented at the General Shareholders' Meeting by a third party, who need not be a shareholder, or pursuant to a written or electronic power of attorney.

ney by the independent representative of voting rights. The chairperson shall decide whether to recognise such powers of attorney.

A shareholder may exercise voting rights directly or indirectly for his or her own shares and for other shares represented, up to a maximum of 5% of the total number of shares indicated in the Commercial Register, or make arrangements to this effect. In this respect, legal entities and partnerships that are related to one another by virtue of capital ownership or voting rights, common management or in any other manner, and natural persons, legal entities or partnerships that act jointly or in a coordinated manner by common agreement or for the purpose of circumventing this provision shall be regarded as one single (1) person.

The following persons shall be exempted from this restriction on voting rights

1. the independent representative of voting rights and
2. shareholders entered into the share register as holding more than 5% of the voting rights.

Article 13

Independent representative of voting rights

The General Shareholders' Meeting shall elect the independent representative of voting rights for a term in office which shall expire upon conclusion of the next ordinary General Shareholders' Meeting. Re-election is permitted.

Article 14

Resolutions and elections

Unless otherwise provided by law or the articles of association, ~~The the~~ General Shareholders' Meeting shall pass resolutions and conduct elections by an ~~absolute~~-majority of the ~~voting~~-shares bearing voting rights represented.

~~If an election cannot be completed on the first ballot and more than one candidate is up for election, a second ballot shall be conducted, at which the relative majority shall decide.~~

Elections and votes shall be conducted by a show of hands or electronically, unless the General Shareholders' Meeting decides to hold a written ballot or if so ordered by the chairperson.

A resolution by the General Shareholders' Meeting shall require at least two-thirds of the votes represented and an ~~absolute~~ majority of the nominal value of shares represented for:

1. any amendment of the Company's purpose;
- ~~2.~~ the consolidation of shares;
- ~~3. 2.~~ the introduction of shares with preferential voting rights;
- ~~4. 3.~~ any restriction on the transferability of registered shares;
- ~~5. 4.~~ the introduction of contingent capital or the introduction of a ~~an au-~~ authorised or conditional capital increase ~~band~~;
- ~~6. 5.~~ a capital increase from equity capital, ~~against in return for~~ contributions in kind or by offset with a claim ~~to fund acquisitions in kind~~ and the granting of special privileges;
- ~~7. 6.~~ any restriction or cancellation of the subscription right;
- ~~8.~~ any change in the currency of the share capital;
- ~~9.~~ the introduction of a casting vote for the person chairing the General Shareholders' Meeting;
- ~~10.~~ a provision of the articles of association on holding the General Shareholders' Meeting abroad;
- ~~11.~~ the delisting of the equity securities of the company;
- ~~12. 7.~~ the relocation of the Company's registered office;
- ~~13.~~ the introduction of an arbitration clause in the articles of association;
- ~~14. 8.~~ the dissolution of the Company.

Article 15

Meeting location- Venue The Board of Directors shall decide on the venue for the General Shareholders' ~~Meeting shall normally be held at the Company's registered office.~~

The Board of Directors ~~is entitled to designate an alternative location for the meeting~~ may determine that the General Shareholders' Meeting be

held in various locations at the same time, provided the oral contributions of participants are transmitted directly in sound and vision to all venues and/or that shareholders who are not present at the venue or venues of the General Shareholders' Meeting are able to exercise their rights electronically.

Alternatively, the Board of Directors may provide for the General Shareholders' Meeting to be held with no venue by electronic means.

Article 16

Chair, minutes

The General Shareholders' Meeting shall be chaired by the chairperson or, if he or she is unavailable, by another member of the Board of Directors.

The chairperson shall designate the teller or tellers and the secretary, who need not be shareholders.

Minutes shall be kept of the General Shareholders' Meeting, which must be signed by the chairperson and the secretary and shall contain in particular the following information:

1. the date, the starting and end times, the form and the venue of the General Shareholders' Meeting;
- ~~2. 1.~~ the quantity, type, nominal value and class of shares represented by the shareholders and the independent representative of voting rights;
- ~~3. 2.~~ resolutions and the results of elections;
- ~~4. 3.~~ requests for information and the answers provided in response;
- ~~5. 4.~~ declarations made by shareholders for the record;
6. any significant technical problems that arise during the General Shareholders' Meeting.

B. The Board of Directors

Article 17

**Composition,
election, term
in office**

The Board of Directors shall be comprised of at least 5 members, each of whom - including the chairperson - shall be elected to a term in office expiring upon the conclusion of the next ordinary General Shareholders' Meeting. Re-election is permitted. If replacement elections are held during the term in office, the newly elected officials shall serve out their predecessors' term in office. If the office of the chairperson is vacant, the Board of Directors shall appoint one of its members as chairperson until the conclusion of the next ordinary General Shareholders' Meeting.

Article 18

Constitution

Subject to the election of the chairperson and the members of the remuneration committee by the General Shareholders' Meeting, the Board of Directors shall organise its own internal affairs. ~~It shall appoint a secretary, who need not be a member of the Board of Directors.~~

Article 19

Calling, chair

The Board of Directors shall meet upon invitation by the chairperson or, if he or she is unavailable, by another Board member whenever business requires this or whenever requested by a member, but as a rule at least four times a year.

The Board of Directors shall be chaired by the chairperson or, if he or she is unavailable, by another member of the Board of Directors.

Article 20

**Resolutions,
minutes**

The Board of Directors shall be quorate if attended by a majority of its members. No quorum for attendance shall be required if a capital increase that has already been implemented is to be documented and the resulting amendments to the Articles of Association are to be resolved upon.

The Board of Directors shall pass resolutions and conduct elections by a majority of the votes cast. In the event of a tie, the chairperson shall have a casting vote.

~~Unless otherwise stipulated by law Resolutions~~ resolutions may also be adopted by using electronic means, applying Articles 701c–701e mutatis mutandis ~~telephone or video conference~~ and, unless a member requests an oral discussion, ~~either in writing~~ on paper or electronically ~~or by fax / electronic data transmission, as applicable.~~ If the resolution is passed electronically, no signature is required.

Minutes shall be kept of discussions and resolutions and must be signed by the chairperson and by the ~~secretary~~ minute-taker.

Article 21

Non-transferable duties

The Board of Directors shall have the following non-transferable and inalienable duties:

1. the Company's overall management and the issuing of all necessary directives;
2. the determination of the Company's organisation;
3. the organisation of the accounting, financial control and financial planning systems;
4. the appointment or removal of persons entrusted with business management and representation and the determination of their authority to sign;
5. overall supervision of the persons entrusted with managing the Company, also with regard to compliance with the law, Articles of Association, operational regulations and directives;
6. compilation of the annual report, ~~and the remuneration report~~ and the report on non-financial matters in accordance with Art. 964c CO and other reports prescribed by law as well as preparation for the General Shareholders' Meeting and implementation of its resolutions;

7. filing an application for a debt restructuring moratorium and notification of the courts in the event that the Company is over-indebted;
8. the adoption of resolutions concerning an increase in the share capital, insofar as this falls within the competence of the Board of Directors, as well as the documentation of capital increases and the corresponding changes of the Articles of Association.

The Board of Directors shall moreover be empowered to resolve in relation to all matters save for those that have been transferred or reserved to the General Shareholders' Meeting.

The Board of Directors may appoint committees comprised of individual Board members to attend to certain duties. The foregoing shall be without prejudice to Article 22 and Article 23 concerning the remuneration committee.

Article 22

Organisation of the remuneration committee

The remuneration committee shall be comprised of at least three members of the Board of Directors, each of whom shall be elected to a term in office expiring upon conclusion of the office expiring upon conclusion of the next ordinary General Shareholders' Meeting. Re-election is permitted. If replacement elections are held during the term in office, the newly elected officials shall serve out the term in office of their predecessors. If the number of members of the remuneration committee falls below the minimum number of three members, the chairperson shall replace the missing member or members with a member of the Board of Directors until the conclusion of the next ordinary General Shareholders' Meeting.

The remuneration committee shall organise its own business insofar as permitted by law and the Articles of Association. The chairperson of the Board shall designate the committee chairperson.

With regard to other matters, the Board of Directors shall direct the organisation of the remuneration committee through regulations.

Article 23

Principles governing the tasks and competences of the committee

The remuneration committee shall support the Board of Directors in relation to the determination and review of the compensation systems and targets as well as the preparation of motions for the General Shareholders' Meeting concerning the remuneration of the members of the Board of Directors and the Management Board.

The remuneration committee may present proposals to the Board of Directors concerning additional issues relating to compensation.

The Board of Directors may allocate further tasks and competencies to the remuneration committee and may clarify the tasks and competences under the Articles of Association.

Article 24

Transfer of management and organisational regulations, signatory power

The Board of Directors shall be entitled, acting in accordance with organisational regulations, to transfer the management or certain areas thereof to individual members of the Board of Directors or to other natural persons. These regulations shall govern business management, specify the necessary management positions, describe their tasks and regulate in particular reporting requirements.

The Board of Directors shall designate the members of the Board and third parties who are empowered to sign on behalf of the Company with legally binding effect. and it shall determine the manner in which they sign.

C. External auditor

Article 25

Prerequisites, election, term in

The General Shareholders' Meeting shall elect for a term in office of one year an external auditor that complies with the statutory requirements and

office and duties

is independent pursuant to Articles 728 and 729 of the Swiss Code of Obligations. Re-election is permitted. The external auditor may **only** be removed ~~at any time without notice~~ **for good cause**.

The General Shareholders' Meeting may only approve the annual accounts and the consolidated accounts and decide on the allocation of the balance sheet profit if an audit report has been presented and the external auditor is present.

The tasks, rights and duties of the external auditor shall be determined according to law (Article 727 et seq of the Swiss Code of Obligations).

IV. Provisions governing remuneration and related issues

Article 26

Approval of remuneration

The General Shareholders' Meeting shall hold a separate vote each year to approve the overall amounts resolved upon by the Board of Directors either in advance or retrospectively for the period of time designated by it in the motion concerning:

- a) the remuneration of the members of the Board of Directors;
- b) the remuneration of the members of the Management Board, whereby the Board of Directors may also subdivide this total amount into an amount for fixed remuneration and an amount for variable remuneration and present motions to this effect to the General Shareholders' Meeting separately for approval.

If the General Shareholders' Meeting has approved in advance a maximum amount for the full or partial remuneration of the Management Board, during the compensation periods concerned the Company or undertakings controlled by it may designate an additional sum of up to a maximum of 30% of this amount for each compensation period for the full or partial remuneration of each person appointed to the Management Board ~~or promoted within the Management Board~~.

The Board of Directors may present motions with different effect or additional motions in relation to the periods designated by it for approval by

the General Shareholders' Meeting.

The Company or undertakings controlled by it may disburse remuneration prior to approval by the General Shareholders' Meeting, which shall be subject to a requirement of retrospective approval.

If variable remuneration is voted on prospectively, the remuneration report must be submitted to the General Shareholders' Meeting for an advisory vote.

Article 27

Remuneration of the Board of Directors

The members of the Board of Directors shall be paid exclusively fixed remuneration. The fixed remuneration shall be comprised of basic compensation (fee) and may include additional remuneration elements.

Article 28

Remuneration of the Management Board

The members of the Management Board shall receive fixed and variable remuneration. The fixed remuneration shall be comprised of basic compensation (salary) and additional remuneration elements. The variable remuneration shall be conditional upon the fulfilment of quantitative and/or qualitative targets of a short- and/or long-term nature. Quantitative targets relate to the group and/or to individual areas of business, whilst qualitative targets shall constitute personal targets. The total remuneration for each member shall take account of the function and level of responsibility of the recipient and comparisons with competitors and other sectors.

The variable remuneration may comprise a cash element and/or a share element that shall be subject to appropriate conditions governing vesting, exercise, forfeiture and/or performance.

The Board of Directors shall determine the relevant quantitative and/or qualitative targets, their weighting and their fulfilment in consultation with the remuneration committee and, if appropriate, upon the proposal of the chairperson of the Management Board.

Article 29

Common principles applicable to remuneration for the Board of Directors and the Management Board

Remuneration may be disbursed in the form of cash, shares, benefits in kind or services. Remuneration may also be disbursed to members of the Management Board in the form of options, comparable instruments or units.

The amount of remuneration shall reflect the market value of the remuneration at the time it is allocated.

The Board of Directors or, if such powers have been delegated to it, the remuneration committee, shall determine the market value of the remuneration at its reasonable discretion and shall determine the conditions applicable to allocation, vesting, exercise and forfeiture insofar as applicable. These may stipulate in particular that conditions governing vesting and exercise may continue to apply or may be curtailed or revoked, that remuneration may be paid in the event that certain targets are met or that remuneration may be forfeited in the event of the occurrence of events specified in advance, such as a change in control or the termination of an employment relationship or appointment.

The Company or undertakings controlled by it may acquire on the market the shares required in order to comply with its duties or, if available, make such shares available using the Company's contingent capital.

The remuneration may be paid by the Company or by undertakings controlled by it.

Article 30

Contracts concerning remuneration

The Company may agree upon remuneration with the members of Board of Directors and the Management Board either directly or through undertakings controlled by it. The maximum term or notice period for such contracts amounts to 3 years, unless any shorter periods are prescribed by law.

Article 31

Permitted activities outside the Group

No member of the Board of Directors may accept more than ten additional appointments, including no more than five in companies listed on the stock exchange.

No member of the Management Board may accept more than five additional appointments, including no more than one in a company listed on the stock exchange.

Appointments to businesses controlled by the Company or that control the Company are not subject to this limitation.

Appointments shall include appointments, ~~that the members of~~ ~~to the highest Board of Directors and the management~~ ~~Management Board or administrative body~~ ~~carry out in comparable positions in other undertakings with~~ ~~of a legal entity that must be entered into the Commercial~~ ~~objects~~ ~~Register or into an equivalent foreign register.~~ Appointments to different ~~undertakings~~ ~~legal entities~~ under uniform control or with the same economic beneficiary shall be regarded as one single appointment.

V. Annual report, management report, ~~distribution allocation of the profits~~ and reserves

Article 32

Financial year

The Board of Directors shall determine the start and end of the financial year.

Article 33

Accounting rules

The Board of Directors shall determine the applicable accounting rules and decide in situations in which these rules provide for different options.

Article 34

Annual report

The Board of Directors shall draw up an annual report for each financial year, which shall be comprised of the annual accounts (consisting of a profit and loss statement, cash flow statement, balance sheet and notes), the management report and the consolidated accounts. If consolidated accounts are to be drawn up according to a recognised standard of accounting, the cash flow statement and the management report may be dispensed with.

Article 35

Allocation of profit and Reserve funds and the Articles of Association

The General Shareholders' Meeting decides on the allocation of the balance sheet profit ~~Subject to~~ in accordance with the statutory provisions. concerning further allocations to the reserves, ~~and without prejudice to Article 671 and 677 of the Swiss Code of Obligations, the balance sheet profit may be disposed of freely by the General Shareholders' Meeting.~~ The Board of Directors submits its motions to it.

In addition to the reserves required by law ~~The~~ the General Shareholders' Meeting can create further ~~may resolve to create special reserves~~ within the legal framework ~~in addition to the statutory reserve, which may be disposed of freely by it.~~

VI. Dissolution and Liquidation

Article 36

Liquidation

The General Shareholders' Meeting may resolve at any time to dissolve and liquidate the Company according to law and the Articles of Association.

Liquidation shall be conducted by the Board of Directors unless resolved otherwise by the General Shareholders' Meeting. With regard to other matters, dissolution and liquidation shall be governed by Articles 736 et seq of the Swiss Code of Obligations.

VII. Announcements and Communications

Article 37

Announcements The publication organ for official announcements by the Company is the Swiss Official Gazette of Commerce. The Board of Directors is empowered to designate further publication organs.

Communications Communications from the Company to shareholders are made by publication in the Swiss Official Gazette of Commerce.