

Minutes¹ of the 2018 Annual General Meeting of the

VAT Group AG

located in Sennwald

Address: Seelistrasse 1, CH-9469 Haag

from Thursday, **17 May 2018**, from 15.00 to 17.30 o'clock

in **9008 St.Gallen**, Splügenstrasse 12
Olma Messen St. Gallen, Hall 2.1

I. Formalities

Martin Komischke, Chairman of the Board of Directors ("**BoD**") of VAT Group AG ("**VAT**"), welcomes the shareholders present, in particular the former Chairman of the Board, Mr. Horst Heidsieck, and takes over as Chairman pursuant to Art. 10 para. 1 of the Articles of Association. He welcomed Mr. Alfred Gantner, Vice Chairman of the Board of Directors, as well as Mr. Ulrich Eckhardt, Mr. Hermann Gerlinger, Mr. Urs Leinhäuser and Mr. Karl Schlegel. He also welcomed CEO Mr. Mike Allison, CFO Mr. Andreas Leutenegger and COO Mr. Jürgen Krebs.

Mr. Komischke also welcomes Mr. Marcel Körting, Secretary of the Board of Directors.

The Chairman noted that the Ordinary General Meeting ("AGM") had been convened in due form and time by publication in the Swiss Official Gazette of Commerce No. 78 of 24 April 2018 and pointed out that the shareholders could recognize the 2017 Annual Report, the 2017 Financial Statements, the 2017 Consolidated Financial Statements and the audit reports pursuant to Art. 696 para. 1 CO at the company's registered office.

Mr. Marcel Körting was designated by the Board of Directors to keep the minutes of this AGM.

Attorney Mr. Roger Föhn is acting as an independent proxy.

The auditors KPMG AG are represented by Mr. Toni Wattenhofer.

Based on Art. 10 para. 2 of the Articles of Association, Mr. Markus Steiger - St. Galler Kantonalbank (Chairman), Ms. Franziska Petersen - VAT, Ms. Susanne Melillo - VAT, Mr. Yanick Göggel - VAT and Mr. Adrian Sonderer - VAT are appointed as vote counters by the Chairman.

The Chairman informs the shareholders about other administrative matters and finally declares that the AGM has been duly constituted and can therefore validly resolve on all transactions on the agenda. Votes and elections shall be conducted electronically.

¹ There does exist also a German version of these Minutes. In case of possible contradictions the German version is decisive.

II. Presence (at 15.00 o'clock)

Mr. Komischke notes the presence.

513 shareholders and 1 independent proxy, who together represent 16,083,769 registered shares and thus 53.6% of all issued registered shares as follows:

- Roger Föhn, Attorney as independent proxy:	15'108'843 registered stock
- remaining shareholders:	974'926 registered stock

III. Speeches

Martin Komischke and Michael Allison gave speeches and provided an overview and outlook on VAT activities and challenges.

Alfred Gantner and Ulrich Eckhardt was then be given a worthy farewell by Mr. Komischke as members of the Board of Directors. Neither of them is running for re-election.

Finally Alfred Gantner bids farewell to the former CEO Heinz Kundert and pays tribute to his services to VAT over the past few years. It is extremely gratifying that the handover of the management from Heinz Kundert to Mike Allison at the beginning of 2018 took place so smoothly and in a coordinated manner. Mr. Gantner reaffirms the wish that Mr. Kundert will hopefully continue to support VAT as a valued expert and connoisseur of the industry for a long time.

IV. Votes and elections

Mr. Komischke passes on to the votes and elections:

1. Approval of 2017 Annual Report

The Board of Directors proposes that the Annual General Meeting approves the 2017 annual report, the statutory financial statements of VAT Group AG and the consolidated financial statements for the 2017 financial year and acknowledges receipt of the audit report.

- Yes:	99.97%
- No:	0.03%
- Abstention:	211'593 Votes

2. Appropriation of Results and Distribution from Capital Contribution Reserves
2.1. Appropriation of Results

The Board of Directors proposes that the Annual General Meeting approves that the accumulated losses of CHF –7,351,371 (comprising retained losses of CHF –8,665,351 carried forward from the previous year and the gain for the period 2017 of CHF 1,313,980) be carried forward to the new account.

- Yes:	99.92%
- No:	0.08%
- Abstention:	216'545 Votes

2.2. Distribution from Capital Contribution Reserves

The Board of Directors proposes the distribution of CHF 4.00 per registered share payable out of capital contribution reserves in the form of a cash distribution. The Company will not make such distribution with respect to Company shares that it holds itself at the time of distribution.

- Yes:	99.92%
- No:	0.08%
- Abstention:	207'472 Votes

3. Discharge of the Members of the Board of Directors and the Group Executive Committee

The Board of Directors proposes that the Annual General Meeting grants discharge to all members of the Board of Directors and of the Group Executive Committee (GEC) for the 2017 financial year in a single vote.

- Yes:	99.90%
- No:	0.10%
- Abstention:	240'332 Votes

4. Elections
4.1. Election of the Chairman of the Board of Directors and further Members of the Board of Directors
4.1.1. Re-election of the Dr. Martin Komischke as Chairman of the Board of Directors

The Board of Directors proposes that the Annual General Meeting elects Dr. Martin Komischke as Chairman of the Board of Directors until the end of the next Annual General Meeting.

- Yes:	98.78%
- No:	1.22%
- Abstention:	292'093 Votes

4.1.2. Re-election of Urs Leinhäuser as member of the Board of Directors

The Board of Directors proposes that the Annual General Meeting re-elects Urs Leinhäuser as member of the Board of Directors until the end of the next Annual General Meeting.

- Yes:	99.17%
- No:	0.83%
- Abstention:	214'541 Votes

4.1.3. Re-election of Karl Schlegel as member of the Board of Directors

The Board of Directors proposes that the Annual General Meeting re-elects Karl Schlegel as member of the Board of Directors until the end of the next Annual General Meeting.

- Yes:	99.03%
- No:	0.97%
- Abstention:	261'240 Votes

4.1.4. Re-election of Dr. Hermann Gerlinger as member of the Board of Directors

The Board of Directors proposes that the Annual General Meeting elects Dr. Hermann Gerlinger as member of the Board of Directors until the end of the next Annual General Meeting.

- Yes:	98.56%
- No:	1.44%
- Abstention:	253'995 Votes

4.1.5. Election of Heinz Kundert as new member of the Board of Directors

The Board of Directors proposes that the Annual General Meeting elects Dr. Heinz Kundert as new member of the Board of Directors until the end of the next Annual General Meeting.

- Yes:	99.22%
- No:	0.78%
- Abstention:	236'146 Votes

4.1.6. Election of Dr. Libo Zhang as new member of the Board of Directors

The Board of Directors proposes that the Annual General Meeting elects Dr. Libo Zhang as new member of the Board of Directors until the end of the next Annual General Meeting.

- Yes:	99.71%
- No:	0.29%
- Abstention:	231'471 Votes

4.2. Election of the Members of the Nomination and Compensation Committee

Der Verwaltungsrat beantragt, einzeln die folgenden Personen als Mitglieder des Nominations- und Vergütungsausschusses bis zum Ende der nächsten Generalversammlung zu wählen:

4.2.1. Re-election of Dr. Martin Komischke as member of the Nomination and Compensation Committee

- Yes:	91.85%
- No:	8.15%
- Abstention:	285'236 Votes

4.2.2. Re-election of Karl Schlegel as member of the Nomination and Compensation Committee

- Yes:	91.17%
- No:	8.83%
- Abstention:	302'096 Votes

4.2.3. Election of Heinz Kundert as new member of the Nomination and Compensation Committee

- Yes:	95.56%
- No:	4.44%
- Abstention:	236'792 Votes

5. Re-election of the Independent Proxy

The Board of Directors proposes that the Annual General Meeting re-elects Roger Föhn, attorney-at-law, Kalchbühlstrasse 4, 8038 Zurich, as Independent Proxy from May 18, 2018, until the end of the next Annual General Meeting.

- Yes:	99.92%
- No:	0.08%
- Abstention:	248'210 Votes

6. Re-election of the Statutory Auditors for the Financial Year 2018

The Board of Directors proposes that the Annual General Meeting re-elects KPMG AG, St. Gallen, as Statutory Auditors for the financial year 2018.

- Yes:	93.81%
- No:	6.19%
- Abstention:	214'520 Votes

7. Compensation
7.1. Consultative Vote on the Compensation Report for the Financial Year 2017

The Board of Directors recommends that the Compensation Report 2017 contained in the Annual Report be approved (consultative vote).

- Yes:	98.74%
- No:	1.26%
- Abstention:	540'680 Votes

7.2. Approval of actual Short-Term Variable Compensation (STI) of the Group Executive Committee (GEC) for the Financial Year 2017

The Board of Directors proposes that the shareholders approve the actual amount of CHF 430,555 for the short-term variable compensation of the GEC for the financial year 2017.

- Yes:	99.24%
- No:	0.76%
- Abstention:	568'204 Votes

7.3. Approval of the Maximum Aggregate Amount of Fixed Compensation of the GEC for the Financial Year 2019

The Board of Directors proposes that the shareholders approve a maximum aggregate amount of CHF 1,950,000 for the fixed compensation of the GEC for the financial year 2019.

- Yes:	69.98%
- No:	30.02%
- Abstention:	322'220 Votes

7.4. Approval of the Maximum Aggregate Amount of Long-Term Incentive (LTI) Compensation of the GEC for the Financial Year 2019

The Board of Directors proposes that the shareholders approve a maximum aggregate amount of CHF 1,700,000 for the long-term incentive (LTI) compensation of the GEC for the financial year 2019.

Mr. Erwin Scherrer from Schlieren took the opportunity to speak:

Question:

Why does the LTI vote prospectively? In retrospect, it would actually be better, because then one knows what has been achieved.

Answer Mr. Komischke:

The contractual structure of share-based compensation requires prospective vote, to provide planning and legal certainty. For this reason, 100% of the companies in Switzerland have a prospective

vote for the LTI. This only determines the maximum frame. At the end of the performance period, however, a review is carried out to determine whether and to what extent the defined goals have actually been achieved.

For the Cash Bonus (STI) VAT has a retrospective voting. This allows the shareholder an active voice at the compensation ("say on pay").

- Yes:	71.23%
- No:	28.77%
- Abstention:	301'801 Votes

7.5. Approval of the Maximum Aggregate Amount of Compensation of the Board of Directors from the Annual General Meeting of 2018 to the Annual General Meeting of 2019

The Board of Directors proposes that a maximum aggregate amount of compensation of CHF 920,000 of the Board of Directors is being approved for the term of office from the Annual General Meeting 2018 to the Annual General Meeting 2019.

- Yes:	96.92%
- No:	3.08%
- Abstention:	299'517 Votes

The Chairman closed the meeting at 17:30.

The Chairman



Martin Komischke

The Secretary



Marcel Körting

