



Category: Notifications issued to company members

Sub-category: Invitation to the General Meeting

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Cicor Technologies Ltd., route de l'Europe 8, 2017 Boudry

Invitation to the ordinary general meeting Cicor Technologies Ltd.

Organisation concerned:

Cicor Technologies Ltd.
CHE-103.362.109
route de l'Europe 8
2017 Boudry

General meeting details:

18.04.2023, 14:00 Uhr, Cicor Technologies Ltd., Route de l'Europe 8, 2017 Boudry, Switzerland

Invitation/Agenda:

Dear Shareholders,

We are pleased to invite you to the Annual General Meeting of Cicor Technologies Ltd.

The Annual General Meeting will take place as follows:

Date: April 18, 2023

Door opening: 1:30 pm CET

Start: 2:00 pm CET

Location: Cicor Technologies Ltd., Route de l'Europe 8, 2017 Boudry, Switzerland

Language: English

We look forward to welcome you on site.

Sincerely yours,

The Board of Directors and the Group Management
of Cicor Technologies Ltd.

Agenda

Opening and welcome by the Chairman of the Board of Directors
Business update by the CEO
Financial update by the CFO

Proposals and explanations

1. Annual report, annual financial statements and consolidated financial statements 2022; report of the statutory auditors
2. Appropriation of available earnings
3. Discharge from liability of the members of the Board of Directors and the Group Management
4. Approval of the total compensation of the Board of Directors for the next term of office
5. Approval of the total compensation of the Group Management for the financial year 2024
6. Consultative vote on the Remuneration Report 2022
7. Conditional capital for compensation purposes
8. Capital band with 10% right to exclude preemptive rights
9. Increase of the 10% right to exclude preemptive rights to 20%
10. Formal amendments to the articles of incorporation
11. Amendment regarding virtual shareholders meeting
12. Re-elections of the Board of Directors
13. Re-elections of the Remuneration Committee
14. Re-election of auditors
15. Re-election of independent proxy

Closing by the Chairman of the Board of Directors

The full text of the proposals of the Board of Directors can be found in the PDF.



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Closing by the Chairman of the Board of Directors

Proposals and explanations

- Annual report, annual financial statements and consolidated financial statements 2022; Report of the statutory auditors**
Proposal: The Board of Directors proposes that the annual report, annual financial statements and consolidated financial statements 2022 be approved.
Explanation: The annual report, the annual financial statements and the consolidated financial statements 2022 were prepared in accordance with the applicable accounting standards and the Swiss Code of Obligations. The audit reports were issued without reservations. The Board of Directors is also of the opinion that neither the annual report, nor the annual financial statements, nor the consolidated financial statements 2022 contain any elements that require special emphasis with regard to the vote.
- Appropriation of available earnings**
Proposal: The Board of Directors proposes to appropriate the reported accumulated loss of TCHF 43,996 to be appropriated as follows: Carry forward TCHF –43,996 to new account. No dividend will be paid.
Explanation: In line with the growth strategy of the company, the board of directors proposes not to make any distributions.
- Discharge from liability of the members of the Board of Directors and the Group Management**
Proposal: The Board of Directors proposes that discharge be granted to the members of the Board of Directors and the Group Management for their activities in the 2022 financial year.
Explanation: The Board of Directors is not aware of any facts that would make it necessary to refuse the discharge.
- Approval of the total compensation of the Board of Directors for the next term of office**
Proposal: The Board of Directors proposes the approval of the maximum total compensation in the amount of CHF 600,000 for five members of the Board of Directors for the term of office from the Annual General Meeting 2023 until the Annual General Meeting 2024.
Explanation: In order to strengthen the independence of the members of the Board of Directors in the performance of their supervisory duties, they receive only fixed compensation. The compensation of the Board of Directors comprises an annual fixed Board fee, which is partly paid in cash and in entitlements to Cicor shares, as well as committee fees in cash. The compensation model is summarized in the following table:

Directors' fees (CHF, gross p.a.)	Cash compensation	Entitlements to shares
Chairman of the Board of Directors	143,000	66,000
Member of the Board of Directors	55,000	22,000
Committee fees (CHF, gross p.a.)	Committee Chair	Committee member
Audit Committee	16,500	5,500
Remuneration Committee	16,500	5,500

The cash payment is made quarterly. The entitlements to shares are allocated at the beginning of the term of office and converted into shares in Cicor Technology Ltd. at the end of the term of office. The shares are subject to a three-year blocking period.

The compensation actually paid to the members of the Board of Directors will be disclosed in the Compensation Reports 2023 and 2024, respectively, which will be submitted to the Annual General Meetings in 2024 and 2025, respectively, for a consultative vote.
- Approval of the total compensation of the Group Management for the financial year 2024**
Proposal: The Board of Directors proposes the approval of the total compensation of the members of the Group Management for the financial year 2024 in the maximum amount of CHF 3,900,000.
Explanation: The compensation of the Group Management consists of a fixed compensation in cash, which includes the base salary and any other compensation elements, fringe benefits as well as employer contributions to social security and pension funds, a performance and profit-related variable compensation in cash as well as an allocation of vested rights and stock options under the employee Performance Share Unit Plan and Performance Option Plan. The compensation model is summarized in the following table:

Element	Purpose	Structure	Factors
Basic salary, Retention, Motivation	Monthly remuneration in cash		
Social Security contributions	Protection against risks, employee retention	Insurance policies Social Security contributions	
Short Term Incentive Plan	Reward for annual performance	Annual cash payment	Financial targets and individual targets over one year - EBITDA (30%) - Operating free cash flow (25%) - Net sales (30%) - Individual goals (15%) - Payout between 0% and 150% contingent on achievement of annual budget
Long Term Incentive Plans	- Remuneration for long-term performance - Alignment with shareholders' interests - Employee retention	Stock Rights (Performance Share Units – PSU) Three-year vesting period	Financial targets over three years - Sales growth (50%) - EBITDA margin (50%) - Vesting between 0% and 200%
		Performance Stock Options (PO): Three-year vesting period	Relative performance over three years: relative TSR. Vesting between 0% and 100%

The proposed maximum total amount of compensation for the Group Management of CHF 3,900,000 consists of the following components: a fixed compensation in the amount of CHF 1,792,764, legally mandated social security and pension fund contributions by the employer in the amount of CHF 470,000, an annual cash variable compensation in the amount of CHF 1,057,236, the grant of performance stock options (PO) with an estimated value at the grant date of CHF 290,000 and the grant of rights to performance share units (PSU) with an estimated value at the grant date of CHF 290,000. Depending on the degree of achievement of the performance targets over a period of three years, between 0 and 100% of the stock options granted are definitively allocated and between 0 and 2 shares of the Company are allocated per PSU granted.

The proposed maximum total amount of CHF 3,900,000 is higher than the approved maximum total amount of compensation of the Group Management for the financial year 2022. This is due to the following reasons: Flexibility to increase the Group Management from three to four members as a result of company growth.

The effectively paid fixed and variable compensation of the Group Management for the financial year 2024 will be disclosed in the Remuneration Report 2024, which will be submitted to the Annual General Meeting in 2025 for a consultative vote.

- Consultative vote on the remuneration report 2022**
Proposal: The Board of Directors proposes to approve the Remuneration Report 2022 by way of an advisory vote.
Explanation: The Remuneration Report 2022 explains the compensation programs of the Board of Directors and the Group Management. The report provides information on the compensation granted to the members of the Board of Directors and the Group Management for the year 2022. The Remuneration during 2021 and 2022 can be found on pages 82 to 85 of the PDF version of the Annual Report 2022.
- Conditional capital for compensation purposes**
Proposal: The Board of Directors proposes to amend Article 5 bis by inserting after the expression "preferential subscription rights" in the last sentence of the second paragraph a bracketed expression reading: "(with respect to the options and the underlying shares)" and to add a new third paragraph with the following text: "The option rights may be exercised or waived in writing, by e-mail or, if made available by the company, through the means of an electronic platform."
Explanation: The insertion in the second paragraph is a clarification that if option or similar rights are granted to employees all preferential subscription rights, i.e. those to the options and those to the shares, need to be excluded. The third paragraph shall make sure that more efficient ways of exercising the rights granted under Article 5 bis may be used.
- Capital band with 10% right to exclude preemptive rights**
Proposal: The Board of Directors proposes to add a new Article 5 quarter with the following text: "Article 5 quater
The lower limit of the capital band is CHF 34,095,420 and the upper limit is CHF 40,914,500. The Board of Directors is authorized until 12 April 2026 to increase the share capital in one or more steps by a maximum of CHF 6,819,080 by issuing a maximum of 681,908 registered shares with a par value of CHF 10 each, but not authorized to reduce the share capital. In the event of an increase of the share capital, the new shares must be fully paid up. The Board of Directors shall determine the time of issue of new shares, their issue price, the method of payment, the conditions for the exercise of preferential subscription rights and the commencement of dividend entitlement. The Board of Directors may issue new shares by way of firm underwriting or intermediation by a financial institution, a syndicate of financial institutions or another third party and subsequent offer to the existing shareholders or to third parties (provided that the preferential subscription rights of the existing shareholders are cancelled or not validly exercised). The Board of Directors is authorized to permit, restrict or exclude the trading of preferential subscription rights. The Board of Directors may allow preferential subscription rights that are not exercised to lapse, or it may place them or shares for which preferential subscription rights are granted but not exercised at market conditions or at the conditions of the capital increase in which the preferential subscription rights were not exercised, or use them otherwise in the interest of the Company.
The Board of Directors may exclude the shareholders' preferential subscription rights in whole or in part and allocate them to individual shareholders or third parties, including subsidiaries for the acquisition of or investment in companies, parts of companies, participations, products and product development programs, intangible property rights or licenses for the development, manufacture or distribution of products in the fields of activity of the Company or its Group companies or for share placements for the financing or refinancing of such acquisition or investment projects of the Company. In all other cases, the pre-emptive right shall be preserved.
The right of the Board of Directors to exclude preferential subscription rights under this Article shall be limited in the aggregate to 340,954 shares to be issued. Under Article 5 ter, 1,267,115 shares are reserved for the already issued Mandatory Convertible Bond (ISIN CH1155135838); any reservation of further shares thereunder without granting pre-subscription rights shall result in a decrease of the number of shares for which the preferential

subscription rights may be excluded under this paragraph and vice versa; and any reservation of further shares thereunder with or without granting pre-subscription rights shall result in a decrease of the number of shares that may be issued by the Board of Directors under this Article whether with or without preferential subscription rights and vice versa." and also to amend the note in brackets immediately after such Article with the following text: "(Article 5 quinquies is repealed)."

Explanation: The Company is following a growth strategy which includes acquisitions. This has already been successfully put in practice, e.g. with the acquisition of the companies Axis Electronics and SMT Elektronik. For the purpose of such acquisitions, the Company may wish to pay part or the entire price in shares. For that purpose the Board of Directors needs to have the ability to increase the share capital and exclude the pre-emptive rights of the shareholders. That allows the board not only to save cash, but also to increase the free float, which over time increases the interest of institutional investors, improves the liquidity of the shares, and thereby increases the share price. Since the transactions for purchasing other businesses are competitive processes, it is important that the Board of Directors has all the powers to increase the share capital and exclude the pre-emptive rights. Had the Company to obtain shareholders' approval in such a situation, it would often not be successful in the auction process because a shareholders' meeting adds substantial uncertainty for the sellers. The Company proposes in this agenda item eight to authorize capital increases of up to 20% of the existing share capital, but to allow the Board of Directors to exclude pre-emptive rights only up to 10%. The Board of Directors submits this proposal as a main proposal (followed by a separate supplementary proposal in agenda item nine) because it is in line with market practice for granting authorizations to the Board of Directors to increase capital and exclude pre-emptive rights without there being a special justification. In the separate supplementary proposal the special reasons will be discussed so that the shareholders can decide on a fully informed basis. In addition to the above, the Board of Directors has also made sure that any usage of the authorization under Article 5 ter (which has been almost entirely used on the mandatory convertible bond) does not lead to an exclusion of pre-emptive rights or pre-subscription rights over and above the limit of 10%.

9. Increase of the 10% right to exclude preemptive rights to 20%

Proposal: Should the proposal 8 have been approved, the Board of Directors proposes to increase the number of shares for which preferential subscription rights may be excluded under new Article 5 quater from 340,954 to 681,908 shares and to amend the last paragraph of said Article 5 quater accordingly.

Explanation: In view of the possible acquisition targets, the Board of Directors expects that it may well need an authorization to exclude pre-emptive rights that exceeds the 10%. Therefore, the Board of Directors asks for an increase to 20%. Only if such authorization is granted, cash resources can be saved and acquisitions can be paid up to that amount with shares. Given that the process ensures a fair pricing and the shares are allocated to persons interested in the well-being of the combined entity, the Board of Directors is convinced that this increased authorization is in the interest of the shareholders and the Company. The risk of relevant economic dilution or allocation of new shares to the disadvantage of the shareholders is reasonably excluded in the case at hand.

10. Formal amendments to the articles of incorporation

Proposal: The Board of Directors proposes to amend the following Articles as follows:

- Article 6: amend the second paragraph of Article 6 to read as follows: "The company shall keep a share register of all registered shares, which shall state the name, the address and the e-mail address of the owners."
- Article 7: amend the first paragraph of Article 7 to read as follows: "The company issues registered shares in the form of individual shares, share certificates, global certificates or simple value rights."
- Article 9: insert a new number 5 after current number 4 and insert a new number 8 after current number 6 with the following text:
"5. to set the interim dividend and to approve the interim accounts necessary for this purpose;" and "8. to delist the company's equity securities;". Thereafter to renumber numbers 6 through 9.
- Article 11: amend the second through the fourth paragraph of Article 11 with the following text: "One or more shareholders, together representing at least five percent of the share capital or the votes, may also request the convening of a general meeting or the inclusion of an item on the agenda.
In addition, one or more shareholders, together representing at least 0.5 percent of the share capital or the votes shareholders whose shares have a total nominal value of one million Swiss francs may request that an item be included in the agenda or that motions relating to items on the agenda be included in the convening notice. The convening of the meeting and the inclusion of an item or a motion on the agenda must be requested in writing, indicating the items to be discussed and the proposals."
- Article 12: replace the first through the fifth paragraph of Article 12 by the following three paragraphs:
"The general meeting shall be announced at least twenty days before the date of the meeting: by letter or e-mail addressed to each shareholder or usufructuary entered in the share register of the company and/or by a notice published in the Swiss Official Gazette of Commerce.
The notice of meeting shall state the date, the beginning, the type and the place of the general meeting, the items on the agenda and the proposals of the Board of Directors or of the shareholders who have requested the meeting or the inclusion of an item or a proposal on the agenda, a brief explanation of the proposals and the name and address of the independent shareholder representative.
The management report, the remuneration report and the auditors' report shall be made available to the shareholders by electronic means no later than twenty days before the ordinary general meeting."
- Article 17: replace the numbers 1 through 8 by the following numbers 1 through 12 of paragraph 5 of Article 17:
1) the modification of the corporate purpose;
2) the consolidation of shares;
3) the issuance of shares with preferential voting rights;
4) the restriction of the transferability of registered shares;
5) the introduction of conditional capital or the introduction of a capital band;
6) the increase of share capital via equity, against contribution in kind or for the purpose of taking over assets and the granting of special benefits;
7) the limitation or cancellation of preferential subscription rights;
8) the transfer of the company's registered office;
9) a provision in the articles of association for the holding of the general meeting abroad;
10) the change of currency of the share capital;
11) the delisting of the Company's equity securities;
12) the dissolution of the company.
- Article 18: replace the numbers 1 through 4 by the following numbers 1 through 6 of paragraph 2 of Article 18:
1) the date, beginning and the end the type and the place of the general meeting;
2) the number, type, nominal value and class of shares represented, specifying the shares represented by the independent proxy, by the corporate proxy or by proxies for deposited shares;
3) the decisions and outcome of the elections;
4) inquiries and responses;
5) declarations for which the shareholders request registration;
6) relevant technical problems arising during the conduct of the general meeting.
and of the last paragraph of Article 18 by the following text:
"The resolutions and the election results must be made available electronically within 15 days of the general meeting, stating the exact proportions of votes. Any shareholder may request that the minutes be made available to him within 30 days of the general meeting."
- Article 23: replace the last paragraph of Article 23 by the following text: "Decisions of the Board of Directors may also be taken in the form of a written approval of a proposal or an approval of a proposal by electronic means, unless discussion is requested by one of its members. They must be recorded in the minutes."
- Article 24: replace number 7 of the second paragraph of Article 24 by the following text: "file the application for debt-restructuring moratorium and notify the court in case of over-indebtedness."
- Article 25: replace the third paragraph of Article 25 with the following text:
"At the request of shareholders or creditors of the company who demonstrate that they have an interest worthy of protection, the Board of Directors shall inform them in writing or in electronic form about the organization of the management."
- Article 31: replace the first paragraph of Article 31 with the following text:
"A sum equal to five per cent of the profit for the financial year shall be deducted to constitute the gain reserve until it reaches twenty per cent of the paid-up share capital."

Explanation: These amendments have been proposed with a view to the changes of the law:

- Article 6: creates the basis in the shareholders register for that notices to shareholders may be distributed by e-mail;
- Article 7: the reference to „simple“ value rights is required to exclude shares in the blockchain;
- Article 9: the powers of the shareholders meeting are amended to reflect amendments to the law;
- Article 11: the amendments to the provisions on the rights of shareholders to have a shareholders meeting called or an item added to the agenda is amended to reflect amendments to the law;
- Article 12: the provisions on the calling of a shareholders meeting are amended to reflect the new law;
- Article 17: the items requiring a super majority in the shareholders meeting are amended to reflect the new law;
- Article 18: the new law provides for amended rules on the minutes of the shareholders meeting;
- Article 23: the new law allows the board to use electronic means to take board resolutions;
- Article 24: the powers of the board are amended to reflect changes to the law;
- Article 25: the new law allows to inform shareholders and creditors of the organization by electronic means;
- Article 31: the new law uses different terms for the reserves.

11. Amendment regarding virtual shareholders meeting

Proposal: The Board of Directors proposes to amend Article 10 with the following new fourth paragraph:

"General meetings may also be held by electronic means only without a physical location if so decided by the Board of Directors."

Explanation: The proposed provision makes it possible to hold general meetings purely virtually. This can reduce costs and, above all, make it possible to convene extraordinary general meetings at shorter notice, because there is no need to reserve a location way in advance. However, the Board of Directors will only use this option once it has been demonstrated that such general meetings can be held without any problems. The Board of Directors will also be very cautious in its use of virtual general meetings, as it acknowledges the value of physical general meetings, especially where it concerns the annual general meeting.

12. Election and re-elections of the Board of Directors

Proposals:

- 12.1 Re-election of Mr. Daniel Frutig to the Board of Directors as its Chairman for the term of one year.
 - 12.2 Re-election of Mr. Konstantin Ryzhkov to the Board of Directors for the term of one year.
 - 12.3 Re-election of Ms. Norma Corio to the Board of Directors for the term of one year.
 - 12.4 Re-election of Ms. Denise Koopmans to the Board of Directors for the term of office of one year.
- Explanation:** The Board of Directors works efficiently and effectively in its current composition. It has a balanced composition with regard to the shareholder base, the experience of its members and other aspects relevant to the composition of the Board of Directors. Therefore, the Board of Directors proposes the re-election of all of its members. Mr. Daniel Frutig leads the Board of Directors in an excellent and prudent manner. The Board of Directors therefore proposes him for re-election.

13. Re-elections of the Remuneration Committee

Proposals:

- 13.1 Re-election of Mr. Daniel Frutig as a member of the Remuneration Committee for a term of office of one year.
 - 13.2 Re-election of Konstantin Ryzhkov as a member of the Remuneration Committee for a term of office of one year.
- Explanation:** The Board of Directors is convinced that the composition of the Remuneration Committee is well-balanced and ideally reflects the views of all stakeholders, with the persons proposed for re-election.

14. Re-election of the auditors

Proposal: The Board of Directors proposes the re-election of KPMG AG for a further term of office of one year.

Explanation: The auditors have performed their duties impeccably over several years. The Board of Directors therefore proposes their re-election.

15. Re-election independent proxy

Proposal: The Board of Directors proposes the re-election of Etude Athemis, Rue Jaquet-Droz 32, Case Postale 1548, 2300 La Chaux-de-Fonds, as independent proxy for the term of office until and including the next Annual General Meeting.

Explanation: The independent proxy has performed his work in an impeccable manner over several years. The Board of Directors therefore proposes his re-election.

Important notice on the availability of mark-up of articles of incorporation in French and English

For a better overview of the amendments to the articles of incorporation voted on in proposals 7 - 11, please find on our website at www.cicor.com/agm the complete original version of the articles of incorporation in French and English, including a marking of the mentioned amendments. The QR code on the right will lead you directly to the mentioned articles of incorporation. The French version of the articles of incorporation is binding.



Information

Documents / Admission cards / Proxy authorization

The annual report with the annual financial statements and the consolidated financial statements 2022 as well as the reports of the auditors are available for inspection by shareholders as of today at Cicor Technologies Ltd, Route de l'Europe 8, 2017 Boudry and online at <https://report.cicor.com>. On this page, the annual report is additionally available for download as a PDF document. In line with our sustainability efforts, we do not publish a printed version of the annual report.

Shareholders who will not attend the Annual General Meeting in person may appoint a proxy. To grant a proxy, the admission cards must be signed and handed over to the proxy. Shareholders may be represented by a third person or by the independent proxy, Etude Athemis, Rue Jaquet-Droz 32, 2300 La Chaux-de-Fonds.

Electronic remote voting by means of proxies and instructions to the independent proxy

Shareholders can participate in votes and elections by electronic remote voting using proxies and instructions to the independent proxy. The information and login data required for this purpose can be found in the enclosure. Electronic participation or any changes to electronically submitted instructions are possible until 11:59 p.m. on April 11, 2023 at the latest. If electronic proxies or instructions are issued, it is no longer possible to exercise voting rights in person at the Annual General Meeting 2023.

Shareholders are requested to order their admission card to the Annual General Meeting by April 12, 2023 from the Share Register, Computershare Schweiz AG, Baslerstrasse 90, P.O. Box, 4601 Olten, for delivery to their address.

All shareholders entered in the share register with voting rights at 5:00 p.m. on April 3, 2023 are entitled to vote at the Annual General Meeting 2023.

Cicor Technologies Ltd. Boudry, March 24, 2023

For the Board of Directors:
Daniel Frutig, President

Further information on the Annual General Meeting 2023

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