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# Invitation

to vote at the Annual General Meeting  
of Comet Holding AG  
2020

Please note the  
information  
inside regarding  
the coronavirus

**c•met**  
group

## **Note on the performance of the Annual General Meeting regarding coronavirus**

Comet will hold its Annual General Meeting on April 23, 2020 based on Art. 6a(1)(b) of COVID-19 Ordinance 2 (version of March 16, 2020) on measures to combat the coronavirus, without the physical presence of shareholders. Please instruct the independent proxy or use electronic voting.

Questions that you would like to ask at the AGM can be sent in writing to [info@comet.ch](mailto:info@comet.ch). Comet will answer them and publish them afterwards on the website.

**Thank you for your understanding and support in the fight against the further spread of COVID-19.**

Please find attached the key information on the fiscal year and the agenda items:

- 4 Chairman Statement
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# Annual General Meeting on April 23, 2020

**Date: Thursday, April 23, 2020, 10 AM**

**Location: Kellerhals Carrard, Effingerstrasse 1, 3001 Bern**

Dear Sir or Madam,

Owing to the extraordinary circumstances related to the coronavirus, Comet will hold its Annual General Meeting on April 23, 2020 based on Art. 6a(1)(b) of COVID-19 Ordinance 2 (version of March 16, 2020) on measures to combat the coronavirus, without the physical presence of shareholders. The Board of Directors invites all shareholders to cast their votes by written or electronic proxy by issuing instructions to the independent proxy.

The agenda items can be found on pages 14 ff. The full annual report including the compensation report and the reports of the independent auditors is published on the Internet at [www.comet-group.com](http://www.comet-group.com). The most important key figures for fiscal year 2019 can be found from page 10 onward.

You can use the enclosed form to appoint a proxy and/or order a short version of the annual report. You will receive the short report once your request has been received

by Devigus Engineering AG, the company that is assisting us in performing the Annual General Meeting. To vote electronically, please visit the website [www.gvmanager.ch/comet](http://www.gvmanager.ch/comet). You can also submit changes of address here. You will find your personal one-time code for appointing a proxy in the top section of the registration form. Electronic remote voting will be possible from 6:00 AM on April 2, 2020 through 12:00 noon on April 20, 2020.

Shareholders whose name is entered in the Company's share register on April 14, 2020 are entitled to vote.

We thank you for your understanding and wish you and your families all the best. Stay healthy.

On behalf of the Board of Directors

Chairman  
Heinz Kundert

## Chairman's statement

# The stage is set.

Comet enters the new decade stronger after a demanding year. We have sharpened our strategic focus, launched the Group-wide Boost improvement program and strengthened the core business. The suite of actions initiated early in fiscal year 2019 is producing results. With an EBITDA margin of 10.8%, our profitability is above expectations.

As Chairman since April and CEO since July of the year, I together with the leadership team and staff have looked very closely at our portfolio of customers, markets, technologies and the business model: Our company is endowed with highly motivated employees, superb technological expertise and excellent potential. In recent years Comet has grown into an important partner to customers in the semiconductor and electronics industry. This attractive growth market – driven by the progressive digitalization, and despite fluctuations – offers great potential for Comet's plasma control technology and Comet x-ray technology.

In order to continue to succeed in this fast-paced, innovation-driven market as our customers' strong partner, we are focusing on these two technologies, on our data analytics capabilities, and on a select few high-volume, high-growth markets. Our realignment will in future enable us to generate up to 70% of our business in the semiconductor and electronics market and, I am confident, will allow us to achieve growth above market rates and best-in-class EBITDA profit margins of about 25%. Before we become this high-performance organization, there is still much work to do. Through Boost, we have made a good start. Strong growth drivers such as digitalization will continue to support our ambitions.



Heinz Kundert, Chairman of the Board of Directors and interim CEO

**"Realigned, we will be able to achieve above-market growth rates and a mediumterm EBITDA margin of about 25%."**

What we have accomplished thus far, we owe to the enormous dedication of our employees and to the confidence placed in us by our customers, partners and investors. I sincerely thank all of you and look forward to your continuing support on our charted course forward.

Heinz Kundert  
Chairman of the Board of Directors  
Interim CEO

## Review of 2019

# Comet masters the challenges of a demanding year.

A continued weak semiconductor market at the beginning of 2019, then a trend reversal and significant demand increase in the fourth quarter, requiring rapid ramp-up – Comet is reporting on a challenging year. Thanks to swift and vigorous action, the Group closed the year with results above expectations.

The consolidated net sales of CHF 371.6 million were off 14.8% from the prior year. Nevertheless, Comet raised its operating profitability in terms of EBITDA margin from 9.8% in the prior year to 10.8%. This significantly surpassed the guided range of 7%–8.5%. Net income, at CHF 12.0 million, was in line with the year-earlier level. What is more, net working capital was successfully reduced as planned and free cash flow rose from CHF 0.8 million to CHF 30.0 million. Comet is financially sound, with an equity ratio of 50% and net debt that was reduced from CHF 39 million to CHF 25 million. On this solid footing, and invigorated by a sharpened strategic focus and the Boost improvement program, Comet is moving forward with renewed strength.

## Semiconductor cycle reflected in sales trajectory

After the semiconductor market correction in 2018, the year 2019 was defined by continued weak demand in this market important to Comet. The industry's overcapacity especially for memory chips reduced demand for Comet's products in the first three quarters. In the fourth quarter, the market picked up again. Comet's Plasma Control Technologies division rapidly and flexibly ramped up manufacturing capacity, although this was not able to make up for the weak previous quarters. The division's sales of CHF 151.7 million were 28.5% below the prior year's. Meanwhile, the picture in the x-ray business was mixed. X-Ray Systems achieved growth with recent product innovations in the electronics sector and benefited from sizeable prior-year orders in the aerospace industry. Sales increased by 2.9% to CHF 139.6 million. X-Ray Modules held its own despite reduced demand for manufactured goods in the end markets of automotive and aerospace. Its sales of CHF 78.1 million were only slightly less than in the prior year. At ebeam, the main focus was on examining strategic options for the further reduction of risks and costs. Sales were CHF 15.5 million, as expected.

### Measures taken have traction – Profitability above both prior year and expectations

In this demanding market environment, Comet was quick to take substantial cost-saving measures. Besides the cost reductions, the better utilization of production capacity at the end of the year and the absence of prior-year one-time costs of CHF 10.5 million were positive for EBITDA. Despite the fact that sales were 14.8% lower than in the year before, Comet delivered consolidated EBITDA earnings of CHF 40 million (prior year: CHF 43 million). The EBITDA margin rose from the prior year's 9.8% to 10.8%. The largest contribution was made by the X-Ray Modules division, which increased its EBITDA profit from CHF 20.7 million to CHF 21.7 million and improved its EBITDA margin by 2.3 percentage points to 27.8% despite lower sales. At X-Ray Systems, the program of measures launched in the previous year had the desired effect: The division generated EBITDA of CHF 12.0 million (prior year: CHF 1.0 million). This corresponded to an EBITDA margin of 8.6% and exceeded the target for the year. In order to maintain the ability to take advantage of future opportunities, Comet continued to invest in promising forward-looking projects, including bolstering its product portfolio. This was particularly evident at Plasma Control Technologies. The division adjusted its costs to reflect current demand in the semiconductor market, but kept up investment in the new RF power generator, which was presented to key accounts in the summer. This and the 28.5% reduction in sales were reflected in the EBITDA earnings result of CHF 15.4 million (prior year: CHF 43.5 million). In the ebeam business, the increased focus on the further reduction of risks and costs paid off. The EBITDA loss was reduced from CHF 19.9 million in the prior year to CHF 6.2 million, thanks

also to the non-recurrence of one-time costs of CHF 6.6 million.

### Strategic realignment adopted – Implementation launched

The growing digitalization and demand for ever more powerful, more reliable and smaller semiconductors offers major opportunities for Comet's established technologies. After its strategic review, the Board of Directors has therefore decided to focus the Group on the core businesses of plasma control and x-ray and the high-volume markets of semiconductor and electronics, automotive, aerospace and security. This includes the repositioning of the x-ray systems business as a manufacturing partner of choice

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Sales in CHF million  
2019

# 371.6

2018: 436.4

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Net income in CHF million  
2019

# 12.0

2018: 12.3

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Free cash flow in CHF million  
2019

# 30.0

2018: 0.8

that will focus on modular standardization, high-volume markets and the expansion of its service offering. An important success factor for this shift are capabilities in data analytics and artificial intelligence. Comet will therefore increase its investment in developing and expanding these competencies.

As part of focusing on its core business, Comet also decided to review its strategic options for the ebeam business and mitigate the risks associated with it; this process was begun in the summer.

In order to strengthen the core business and be able to serve the Asian growth market faster and better, the decision was also made to establish a manufacturing site in Penang, Malaysia, and open a subsidiary there. These and other measures form part of Boost, the comprehensive improvement program adopted by the Board of Directors in conjunction with the refocusing. At its center are initiatives to promote growth and efficiency: Thus, for example, structures, processes and costs Group-wide are being adjusted and made more flexible so as to raise profit-

## Comet Group key consolidated financial results

In thousands of CHF	2019	2018 <sup>1</sup>	2017	2016	2015
Net sales	371,606	436,356	443,370	332,437	282,321
Operating income	19,939	18,771	50,737	36,473	25,488
In % of net sales	5.4%	4.3%	11.4%	11.0%	9.0%
EBITA	24,541	29,426	55,129	39,630	27,994
In % of net sales	6.6%	6.7%	12.4%	11.9%	9.9%
EBITDA	39,974	42,966	63,203	47,699	35,718
In % of net sales	10.8%	9.8%	14.3%	14.3%	12.7%
Net income	12,027	12,347	35,336	27,336	17,106
In % of net sales	3.2%	2.8%	8.0%	8.2%	6.1%
Operating cash flow <sup>2</sup>	48,688	27,727	38,353	33,179	35,672
In % of net sales	13.1%	6.4%	8.7%	10.0%	12.6%
Total assets	391,710	380,266	389,789	344,908	255,642
Shareholders' equity	195,948	198,292	201,548	176,345	162,205
In % of total assets	50.0%	52.1%	51.7%	51.1%	63.4%
Number of employees (year-end)					
Switzerland	494	509	535	438	366
International	836	837	900	792	729
Total	1,330	1,346	1,435	1,230	1,095

<sup>1</sup> Amounts for 2018 in this annual report are restated for IFRS 16 (see note 2.2 in the consolidated financial statements).

<sup>2</sup> Net cash provided by operating activities, as per consolidated statement of cash flows.

ability and better cushion future market volatility.

### **New leadership**

In terms of personnel, too, 2019 was a year of renewal for Comet. Heinz Kundert, Patrick Jany and Christoph Kutter were elected to the Board of Directors and Heinz Kundert became the new Chairman of the Board. On the Executive Committee, Heinz Kundert took over as CEO on an interim basis from René Lenggenhager, who left the Group in June 2019. The succession process to select a new CEO and CFO is well underway. With Heinz Kundert as Chairman of the Board and interim CEO, the necessary stability is given.

### **Streamlining of management and Board**

As part of its corporate focusing, Comet reduced the size of the Executive Committee from seven members to six. Following the decision of Franz Richter and Christoph Kutter not to stand for re-election, going forward the Board of Directors has decided to limit the number of Board members to five. With the remaining five Board members, a balanced mix of competencies and experience is achieved. The Board of Directors thanks Franz Richter and Christoph Kutter for their valuable contributions to the development of the company. As well, in line with contemporary corporate governance practice, the Board will propose at the next Annual Shareholder Meeting to abolish the age limit of 70 years for Board members that is currently specified in the company's Bylaws.

### **Dividend**

At the Annual Shareholder Meeting on April 23, 2020, the Board of Directors will propose a dividend of CHF 1.00 per share (2019: CHF 1.20). This represents a dividend of 65% of the Group's net income (2019: 75%).

### **Outlook 2020**

Digitalization continues its transformative onward march. The growth opportunities in the semiconductor and fabrication equipment markets are intact. The new 5G standard, logic chips and foundries (contract chip manufacturers) are all on the threshold of a new growth surge. The market for memory chips is progressively recovering, as inventories have largely been drawn down and prices are rising again.

However, in all markets, the impact of the coronavirus on supply chains is still difficult to assess. At the moment there are no major supply bottlenecks for the Comet Group. In the event that supply delays occur, Comet has contingency plans in place that can be activated at any time. Conversely, Comet is also ready to address a strong rise in demand once the coronavirus situation eases. In the X-Ray Systems business, Comet is making every effort to bring those systems into operation as soon as possible that currently cannot be installed due to travel restrictions at customers. Some delays are likely, however.

Comet is on track with its focus strategy and is systematically driving forward the implementation of the Boost initiatives to grow sales and improve efficiency. Due to the coronavirus-related low visibility, Comet currently opts not to issue a forecast for the full year 2020.

# Financial figures.

## Consolidated statement of income

In thousands of CHF	Note	2019	%	2018 restated <sup>1</sup>	%
Net sales	3, 4	371,606		436,356	
Cost of sales		(228,763)		(265,274)	
<b>Gross profit</b>		<b>142,843</b>	<b>38.4%</b>	<b>171,082</b>	<b>39.2%</b>
Other operating income	5	5,051	1.4%	4,201	1.0%
Development expenses	7	(48,693)	-13.1%	(53,881)	-12.3%
Marketing and selling expenses		(49,843)	-13.4%	(63,188)	-14.5%
General and administrative expenses		(29,419)	-7.9%	(32,848)	-7.5%
Loss on disposal of businesses	8	-	-	(6,595)	-1.5%
<b>Operating income</b>		<b>19,939</b>	<b>5.4%</b>	<b>18,771</b>	<b>4.3%</b>
Financing expenses	2.4, 10	(6,738)	-1.8%	(7,003)	-1.6%
Financing income	2.4, 10	2,162	0.6%	3,484	0.8%
<b>Income before tax</b>		<b>15,363</b>	<b>4.1%</b>	<b>15,251</b>	<b>3.5%</b>
Income tax	11	(3,336)	-0.9%	(2,904)	-0.7%
<b>Net income</b>		<b>12,027</b>	<b>3.2%</b>	<b>12,347</b>	<b>2.8%</b>
Earnings per share in CHF, diluted and basic	12	1.55		1.59	
<b>Operating income</b>		<b>19,939</b>	<b>5.4%</b>	<b>18,771</b>	<b>4.3%</b>
Amortization	9	4,602	1.2%	10,655	2.4%
<b>EBITA</b>		<b>24,541</b>	<b>6.6%</b>	<b>29,426</b>	<b>6.7%</b>
Depreciation	9	15,433	4.2%	13,540	3.1%
<b>EBITDA</b>		<b>39,974</b>	<b>10.8%</b>	<b>42,966</b>	<b>9.8%</b>

<sup>1</sup> Restated for IFRS 16 (see note 2.2).

## Consolidated statement of comprehensive income

In thousands of CHF	Note	2019	2018 restated <sup>1</sup>
Net income		12,027	12,347
<b>Other comprehensive income</b>			
Foreign currency translation differences		(2,286)	(1,684)
<b>Total items that will be reclassified to the income statement on realization</b>		<b>(2,286)</b>	<b>(1,684)</b>
Actuarial losses on defined benefit plans	25	(3,425)	(913)
Income tax	11	361	132
<b>Total items that will not subsequently be reclassified to the income statement</b>		<b>(3,064)</b>	<b>(781)</b>
<b>Total other comprehensive income</b>		<b>(5,350)</b>	<b>(2,465)</b>
<b>Total comprehensive income</b>		<b>6,677</b>	<b>9,881</b>

<sup>1</sup> Restated for IFRS 16 (see note 2.2).

## Consolidated balance sheet

In thousands of CHF	Note	Dec. 31, 2019	%	Dec. 31, 2018 restated <sup>1</sup>	%	Jan. 1, 2018 restated <sup>1</sup>
<b>Assets</b>						
Cash and cash equivalents		60,255		43,007		60,420
Trade and other receivables	13	62,627		63,943		64,574
Other financial assets	14	271		26		277
Tax receivables		609		2,893		2,660
Inventories	15	85,184		91,090		102,825
Prepaid expenses	16	8,296		5,109		4,555
<b>Total current assets</b>		<b>217,243</b>	<b>55.5%</b>	<b>206,068</b>	<b>54.2%</b>	<b>235,311</b>
Property, plant and equipment	17	115,702		113,591		95,056
Right-of-use assets	18	11,682		12,055		14,274
Intangible assets	19	38,318		40,827		51,647
Financial assets	14	367		209		239
Deferred tax assets	11	8,397		7,516		8,053
<b>Total non-current assets</b>		<b>174,467</b>	<b>44.5%</b>	<b>174,198</b>	<b>45.8%</b>	<b>169,269</b>
<b>Total assets</b>		<b>391,710</b>	<b>100.0%</b>	<b>380,266</b>	<b>100.0%</b>	<b>404,580</b>
<b>Liabilities and shareholders' equity</b>						
Current debt	21	12,000		5,000		2,000
Current lease liabilities	18	4,635		4,469		4,126
Trade and other payables	22	36,609		34,919		42,545
Contract liabilities	3	28,273		19,992		29,171
Other financial liabilities	14	41		379		2
Tax payables		2,480		869		3,131
Accrued expenses	23	18,470		20,407		25,758
Current provisions	24	9,346		12,080		10,140
<b>Total current liabilities</b>		<b>111,853</b>	<b>28.6%</b>	<b>98,115</b>	<b>25.8%</b>	<b>116,873</b>
Non-current debt	21	59,893		62,812		65,733
Non-current lease liabilities	18	8,754		9,694		12,645
Non-current provisions	24	11		47		54
Employee benefit plan liabilities	25	15,250		11,307		8,438
Deferred tax liabilities	11	-		-		1,137
<b>Total non-current liabilities</b>		<b>83,909</b>	<b>21.4%</b>	<b>83,859</b>	<b>22.1%</b>	<b>88,007</b>
<b>Total liabilities</b>		<b>195,762</b>	<b>50.0%</b>	<b>181,974</b>	<b>47.9%</b>	<b>204,880</b>
Capital stock	26	7,764		7,760		7,754
Additional paid-in capital		11,184		18,496		29,303
Retained earnings		203,277		196,027		184,950
Foreign currency translation differences		(26,277)		(23,991)		(22,307)
<b>Total equity attributable to shareholders of Comet Holding AG</b>		<b>195,948</b>	<b>50.0%</b>	<b>198,292</b>	<b>52.1%</b>	<b>199,700</b>
<b>Total liabilities and shareholders' equity</b>		<b>391,710</b>	<b>100.0%</b>	<b>380,266</b>	<b>100.0%</b>	<b>404,580</b>

<sup>1</sup> Restated for IFRS 16 (see note 2.2).

## Consolidated statement of cash flows

In thousands of CHF	Note	2019	2018 restated <sup>1</sup>
Net income		12,027	12,347
Income tax	11	3,336	2,905
Depreciation, amortization and impairment	9	20,035	24,195
Net interest expense	10	1,890	1,555
Share-based payments	30	301	340
Losses on disposal of property, plant and equipment		94	172
Losses on disposal of intangible assets		-	10
Loss on disposal of businesses	8	-	6,595
Other non-cash expense or (income)		1,044	3,126
Change in provisions	24	(2,563)	2,262
Change in other working capital		12,575	(19,936)
Taxes paid		(50)	(5,845)
<b>Net cash provided by operating activities</b>		<b>48,688</b>	<b>27,727</b>
Outflow from disposal of businesses		-	(293)
Purchases of property, plant and equipment	17	(16,419)	(26,020)
Purchases of intangible assets	19	(2,202)	(1,933)
Disposals of property, plant and equipment	17	99	242
Disposals of intangible assets	19	-	1,039
Purchase/disposals of other financial assets		(163)	35
<b>Net cash (used in) investing activities</b>		<b>(18,685)</b>	<b>(26,930)</b>
Proceeds from bank debt	21	5,000	-
Repayment of debt	21	(1,000)	-
Repayment of lease liabilities	18	(4,867)	(4,699)
Interest received		108	30
Interest paid		(1,901)	(1,505)
Distribution to shareholders of Comet Holding AG	33	(9,312)	(11,630)
<b>Net cash (used in) financing activities</b>		<b>(11,972)</b>	<b>(17,805)</b>
Net increase/(decrease) in cash and cash equivalents		18,031	(17,008)
Foreign currency translation differences on cash and cash equivalents		(784)	(404)
Net cash and cash equivalents at January 1		43,007	60,420
<b>Net cash and cash equivalents at December 31</b>		<b>60,255</b>	<b>43,007</b>

<sup>1</sup> Restated for IFRS 16 (see note 2.2).

## Consolidated statement of changes in equity

In thousands of CHF	Note	Equity attributable to shareholders of Comet Holding AG				
		Capital stock	Additional paid-in capital	Retained earnings	Foreign currency translation differences	Total shareholders' equity
<b>December 31, 2017</b>		<b>7,754</b>	<b>29,303</b>	<b>186,748</b>	<b>(22,257)</b>	<b>201,548</b>
Restatement <sup>1</sup>		–	–	(1,798)	(50)	(1,848)
<b>January 1, 2018 restated <sup>1</sup></b>		<b>7,754</b>	<b>29,303</b>	<b>184,950</b>	<b>(22,307)</b>	<b>199,700</b>
Net income				12,347		12,347
Other comprehensive income				(781)	(1,684)	(2,465)
<b>Total comprehensive income</b>				<b>11,566</b>	<b>(1,684)</b>	<b>9,881</b>
Distribution to shareholders of Comet Holding AG	33		(11,630)			(11,630)
Increase in capital (for stock compensation)	26	6	823	(909)		(80)
Share-based payments	30, 31			421		421
<b>December 31, 2018</b>		<b>7,760</b>	<b>18,496</b>	<b>196,027</b>	<b>(23,991)</b>	<b>198,292</b>
Net income				12,027		12,027
Other comprehensive income				(3,064)	(2,286)	(5,350)
<b>Total comprehensive income</b>				<b>8,963</b>	<b>(2,286)</b>	<b>6,677</b>
Distribution to shareholders of Comet Holding AG	33		(7,760)	(1,552)		(9,312)
Increase in capital (for stock compensation)	26	4	448	(503)		(51)
Share-based payments	30, 31			342		342
<b>December 31, 2019</b>		<b>7,764</b>	<b>11,184</b>	<b>203,277</b>	<b>(26,277)</b>	<b>195,948</b>

<sup>1</sup> Restated for IFRS 16 (see note 2.2).

# Agenda.

**01 Management report, annual and consolidated financial statements 2019 of Comet Holding AG and report of the statutory auditors**

The Board of Directors proposes that the management report, annual financial statements and consolidated financial statements for 2019 be approved, taking note of the auditors' report.

**02 Proposal for the appropriation of the balance sheet profit 2019**

Net profit 2019

In thousands of CHF	2019
Profit brought forward	104,955
Annual result	14,044
<b>Unappropriated profit available for the General Assembly</b>	<b>118,999</b>

Proposal for the appropriation of the balance sheet profit 2019

The Board of Directors proposes to the General Meeting of Shareholders that a distribution to shareholders be made from retained earnings as follows:

In thousands of CHF	2019
<b>Balance sheet profit as per 31.12.2019</b>	<b>118,999</b>
Payment of CHF 1 per share	-7,764
<b>Retained earnings after payment as proposed</b>	<b>111,235</b>

If the proposal is accepted, the distribution of CHF 1.00 per eligible share, less 35% withholding tax, will be paid out on 29 April 2020.

**03 Release of the members of the Board of Directors and the Executive Committee**

The Board of Directors proposes to release its members and the members of the Executive Committee for the 2019 financial year.

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**04 Elections to the Board of Directors**

The Board of Directors proposes to re-elect Gian-Luca Bona, Mariel Hoch, Rolf Huber, Patrick Jany and Heinz Kundert, each individually, for a term of office until the closing of the next Annual General Meeting. These current directors have agreed to accept re-election to the Board of Directors for the proposed tasks. Christoph Kutter and Franz Richter will not stand for re-election. The Board of Directors thanks Christoph Kutter and Franz Richter for their contribution to the further development of the company.

The Board of Directors also proposes to re-elect Heinz Kundert as Chairman of the Board.

- |      |   |   |
|------|---|---|
| 04.1 | Re-election of Heinz Kundert as member                | The Board of Directors proposes to re-elect Heinz Kundert as a member of the Board of Directors for a term of office until the closing of the next Annual General Meeting.            |
| 04.2 | Re-election of Prof. Dr. Gian-Luca Bona as member     | The Board of Directors proposes to re-elect Prof. Dr. Gian-Luca Bona as a member of the Board of Directors for a term of office until the closing of the next Annual General Meeting. |
| 04.3 | Re-election of Dr. iur. Mariel Hoch as member         | The Board of Directors proposes to re-elect Dr. iur. Mariel Hoch as a member of the Board of Directors for a term of office until the closing of the next Annual General Meeting.     |
| 04.4 | Re-election of Rolf Huber as member                   | The Board of Directors proposes to re-elect Rolf Huber as a member of the Board of Directors for a term of office until the closing of the next Annual General Meeting.               |
| 04.5 | Re-election of Patrick Jany as member                 | The Board of Directors proposes to re-elect Patrick Jany as a member of the Board of Directors for a term of office until the closing of the next Annual General Meeting.             |
| 04.6 | Re-election of Heinz Kundert as Chairman of the Board | The Board of Directors proposes to re-elect Heinz Kundert as Chairman of the Board of Directors for a term of office until the closing of the next Annual General Meeting.            |

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**05 Election of members  
of the Compensation Committee**

- 05.1 Re-election of Rolf Huber as member of the Compensation Committee The Board of Directors proposes to re-elect Rolf Huber as a member of the Compensation Committee of the Board of Directors for a term of office until the closing of the next Annual General Meeting.
- 05.2 Re-election of Dr. iur. Mariel Hoch as member of the Compensation Committee The Board of Directors proposes to re-elect Dr. iur. Mariel Hoch as member of the Compensation Committee of the Board of Directors for a term of office until the closing of the next Annual General Meeting.

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**06 Election of the  
independent proxy**

The Board of Directors proposes to re-elect Patrick Glauser, FIDURIA AG, as independent proxy until the closing of the next Annual General Meeting.

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**07 Election of the auditors**

The Board of Directors proposes to appoint Ernst & Young AG as auditors of Comet Holding AG for the financial year 2020.

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**08 Approval of the remuneration  
of the Board of Directors and  
Executive Committee**

The Board of Directors proposes the approval of the remuneration of the Board of Directors and Executive Committee.

- 08.1 Approval of the remuneration of the Board of Directors The Board of Directors proposes to approve a maximum total amount of CHF 700,000 for the remuneration of the Board of Directors for the coming term of office until the Annual General Meeting of Shareholders in 2021. The compensation amounts to CHF 99,000 per member of the Board of Directors and CHF 198,000 for the Chairman of the Board of Directors. This results in a total amount of CHF 594,000 (4x CHF 99,000 plus 1x CHF 198,000). In addition, social security contributions of around CHF 60,000 are due, resulting in a total amount of CHF 654,000. Adding to a small reserve of CHF 46,000, the Board of Directors therefore proposes a total amount for the remuneration of the Board of Directors of a maximum of CHF 700,000.
- 08.2 Approval of the fixed remuneration of the Executive Committee The Board of Directors proposes to approve a maximum total amount of CHF 3,300,000 for the fixed remuneration of the Executive Committee for the 2021 financial year. This amount includes the contributions for occupational benefits and AHV/ALV as well as for accident insurance.

- 08.3 Approval of the variable remuneration of the Executive Committee
- The Board of Directors proposes that the total amount of CHF 343,980 be approved for the variable compensation of the Executive Committee (including former members) for the 2019 financial year. This amount consists of the variable salary component of CHF 203,549 in cash, share-based payments of CHF 106,795 and pro rata social benefits of CHF 33,636 (see Compensation Report in the Annual Report 2019).
- 08.4 Consultative vote on the Remuneration Report 2019
- The purpose of the compensation report is to provide shareholders with accurate information on the compensation systems, policies and practices for the Board of Directors and members of the business performance. The Board of Directors will submit the Compensation Report 2019 to the shareholders for an advisory vote at this General Meeting.
- The Board of Directors proposes to approve the Compensation Report 2019 in an advisory vote.
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## 09 Changes to the Articles of Association

- 09.1 Authorized capital
- In accordance with the applicable Articles of Association, Comet Holding AG has, in addition to the ordinary share capital, an authorised share capital of 1,400,000 registered shares with a nominal value of CHF 1.00 each. This authorised capital expires by law after two years, i.e. it will expire on 26 April 2020. For the next two years, until 23 April 2022, the Board of Directors proposes to create an authorised share capital of 800,000 registered shares with a nominal value of CHF 1.00 under the same conditions as before. In this way, the Board of Directors wants to retain the flexibility to be able to quickly exploit strategic opportunities by partially using equity capital.
- The first sentence of Art. 3a para. 1 of the Articles of Incorporation shall read as follows, as proposed by the Board of Directors:
- "The Board of Directors is authorised to increase the share capital at any time until 23 April 2022 by a maximum amount of CHF 800,000 by issuing a maximum of 800,000 fully paid registered shares with a nominal value of CHF 1.00 each."
- 09.2 Lifting of the age limit
- According to the Articles of Association, the maximum age for members of the Board of Directors is 70 years. Accordingly, each member of the Board of Directors must resign on the day of the General Meeting of Shareholders of the year in which he or she reaches the age of seventy (Art. 15 para. 3 of the Articles of Association).
- The Board of Directors proposes to remove the age limit for members of the Board of Directors and to delete Art. 15 para. 3 of the Articles of Association without replacement.

Flamatt, 1 April 2020  
Comet Holding AG  
Heinz Kundert  
Chairman of the Board of Directors



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