

ARBONIA 

Invitation to the 31st Annual General Meeting

Dear Shareholders,

We would like to invite you to
our 31st Annual General Meeting.

Friday, 20th April 2018

12.30 pm	door opening
02.00 pm	General Meeting

OLMA Hall 2.1
Jägerstrasse
9000 St. Gallen

Agenda items and motions proposed by the Board of Directors

1. Approval of the management report of the Group, the financial statements and the consolidated financial statements for 2017

Proposal: The Board of Directors proposes that the management report of the Group, the annual financial statements and the consolidated financial statements for 2017 be approved.

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

Proposal: The Board of Directors proposes that its members and those of the Group Management be granted formal discharge for the financial year 2017.

3. Appropriation of Retained Earnings

Proposal: The Board of Directors proposes that the net profit as of 31.12.2017, namely:

Loss for the year 2017	CHF	-16 164 896
+ accumulated profit	CHF	174 279 134
retained earnings	CHF	158 114 238

be carried forward.

4. Elections

4.1 Election of the Chairman and members of the Board of Directors, as well as the members of the Compensation Committee

4.1.1 Proposal: The Board of Directors proposes the election of Alexander von Witzleben as a member of the Board of Directors and as its Chairman, as well as a member of the Compensation Committee.

4.1.2 Proposal: The Board of Directors proposes the election of Peter Barandun as a member of the Board of Directors and as a member of the Compensation Committee.

4.1.3 Proposal: The Board of Directors proposes the election of Peter E. Bodmer as a member of the Board of Directors.

4.1.4 Proposal: The Board of Directors proposes the election of Heinz Haller as a member of the Board of Directors and as a member of the Compensation Committee.

4.1.5 Proposal: The Board of Directors proposes the election of Markus Oppliger as a member of the Board of Directors.

4.1.6 Proposal: The Board of Directors proposes the election of Michael Pieper as a member of the Board of Directors.

4.1.7 Proposal: The Board of Directors proposes the election of Thomas Lozser as a member of the Board of Directors.

4.2 Election of the independent proxy

Proposal: The Board of Directors proposes the election of Dr. iur. Roland Keller, LL.M., attorney-at-law, of Raggenbass Rechtsanwälte, Amriswil, as an independent proxy until the conclusion of the next Annual General Meeting.

4.3 Election of auditors

Proposal: The Board of Directors proposes the election of KPMG AG, St. Gallen, as auditors for the financial year 2018 (to audit the annual financial statements, the consolidated financial statements and the compensation report).

5. Amendments to the Articles of Association

5.1 Increase in authorised capital

Proposal: The Board of Directors proposes to create authorised capital at a maximum amount of CHF 57 960 000, where it should be entitled to increase the share capital by issuing up to 13 800 000 fully paid-up registered shares with a nominal value of CHF 4.20 as far as the conditional capital requested under agenda item 5.2 was not used or reserved. Accordingly, the Board of Directors proposes to recast Art. 3a para. 1 of the Articles of Association as follows:

"The Board of Directors is authorised, at any time until the 20th April 2020, to increase the company's share capital by a maximum of CHF 57 960 000 by issuing a maximum of 13 800 000 fully paid-up registered shares of a par value of CHF 4.20 each (authorised capital increase). Increases in partial amounts are permitted. The exercise of contractually acquired subscription rights and the acquisition of new registered shares are subject to the restrictions on entry into the share register according to Art. 5 of the Articles of Association. The issue price, the date of the dividend entitlement and, where appropriate, the nature of the contribution in kind or acquisition of assets are determined by the Board of Directors."

5.2 Increase in conditional capital

Proposal: The Board of Directors proposes to increase the conditional capital at a maximum amount of CHF 57 960 000, where it should be entitled to increase the share capital by issuing up to 13 800 000 fully paid-up registered shares with a nominal value of CHF 4.20 as far as the authorised capital requested under agenda item 5.1 was not used. Accordingly, the Board of Directors proposes to recast Art. 3b para. 1 of the Articles of Association as follows:

"The company's share capital may be increased by a maximum amount of CHF 57 960 000 by issuing up to 13 800 000 fully paid-up registered shares with a nominal value of CHF 4.20 each (conditional capital). These registered shares are to be issued upon exercise of option rights granted in conjunction with convertible bonds, bonds with option rights or similar forms of financing of the company or one of its subsidiaries. The holders of conversion and option rights are authorised to acquire new shares. The Board of Directors stipulates the conditions for granting conversion and option rights. Shareholders' subscription rights are excluded."

5.3 Abolishment of the authorised capital pursuant to Art. 3c of the Articles of Association.

Proposal: The Board of Directors proposes to abolish Art. 3c of the Articles of Association without replacement. The authorised capital created pursuant to the Extraordinary Shareholders' Meeting on 1 November 2016 in Art. 3c of the Articles of Association was in connection with the acquisition of the Looser Group. Through the full acquisition of the Looser Group by the Arbonia AG in 2017 the authorised capital still present in Art. 3c has become obsolete and the corresponding provision of the Articles of Association is to be abolished.

6. Votes on compensation

6.1 Consultative voting on the compensation report for financial year 2017

Proposal: The Board of Directors proposes that the compensation report for financial year 2017 be approved by means of a non-binding consultative voting process.

6.2 Approval of the total compensation of the members of the Board of Directors for the year of office 2017/2018

Proposal: The Board of Directors proposes to approve the total sum of CHF 947 000 of the compensation for members of the Board of Directors for the year of office 2017/2018 retrospectively, i.e. from the Annual General Meeting in 2017 to the Annual General Meeting in 2018.

In 2017, the Arbonia changed to a **retrospective** voting system with regard to votes on compensation. At this year's Annual General Meeting, a decision shall be made retrospectively on the total compensation for the members of the Board of Directors for the year of office 2017/2018 (see agenda item 6.2). No voting regarding the total compensation of the members of the Group Management will be carried out yet at this year's Annual General Meeting, however, since their total compensation for the financial year 2017 was approved in 2016. At the Annual General Meeting 2019, the total compensation for the members of the Group Management for financial year 2018 will be proposed for approval retrospectively.

Yours sincerely,
Arbonia AG



Alexander von Witzleben
Chairman of the Board of Directors

Miscellaneous

Annual Report

The annual report (management report of the Group, financial statements and Group financial statements), the compensation report and the auditors' reports for 2017 have been available for viewing by shareholders at the company's headquarters since 27th February 2018, or can be downloaded at www.arbonia.com under "Investors". Each shareholder can also request delivery of the documents (tel.: +41 71 447 45 53; fax: +41 71 447 45 88; e-mail: media@arbonia.com).

Entry tickets

The shareholders with voting rights as recorded in the share register will receive a registration card along with the invitation to the Annual General Meeting. On returning the registration card to the company (Computershare Schweiz AG, Arbonia AG, P.O. Box, CH-4601 Olten) the shareholders will receive their entry tickets (dispatch of entry tickets starting from 11th April 2018). The prompt return of registration cards will facilitate preparatory work for the Annual General Meeting.

Shareholders who register in the share register after the sending of the invitation to the Annual General Meeting, but before the 10th April 2018, 5.00 pm will be sent the invitation to the Annual General Meeting and the registration card after 11th April 2018. They can obtain the voting materials by handing in their registration card at the shares office in the OLMA hall 2.1 on the day of the Annual General Meeting.

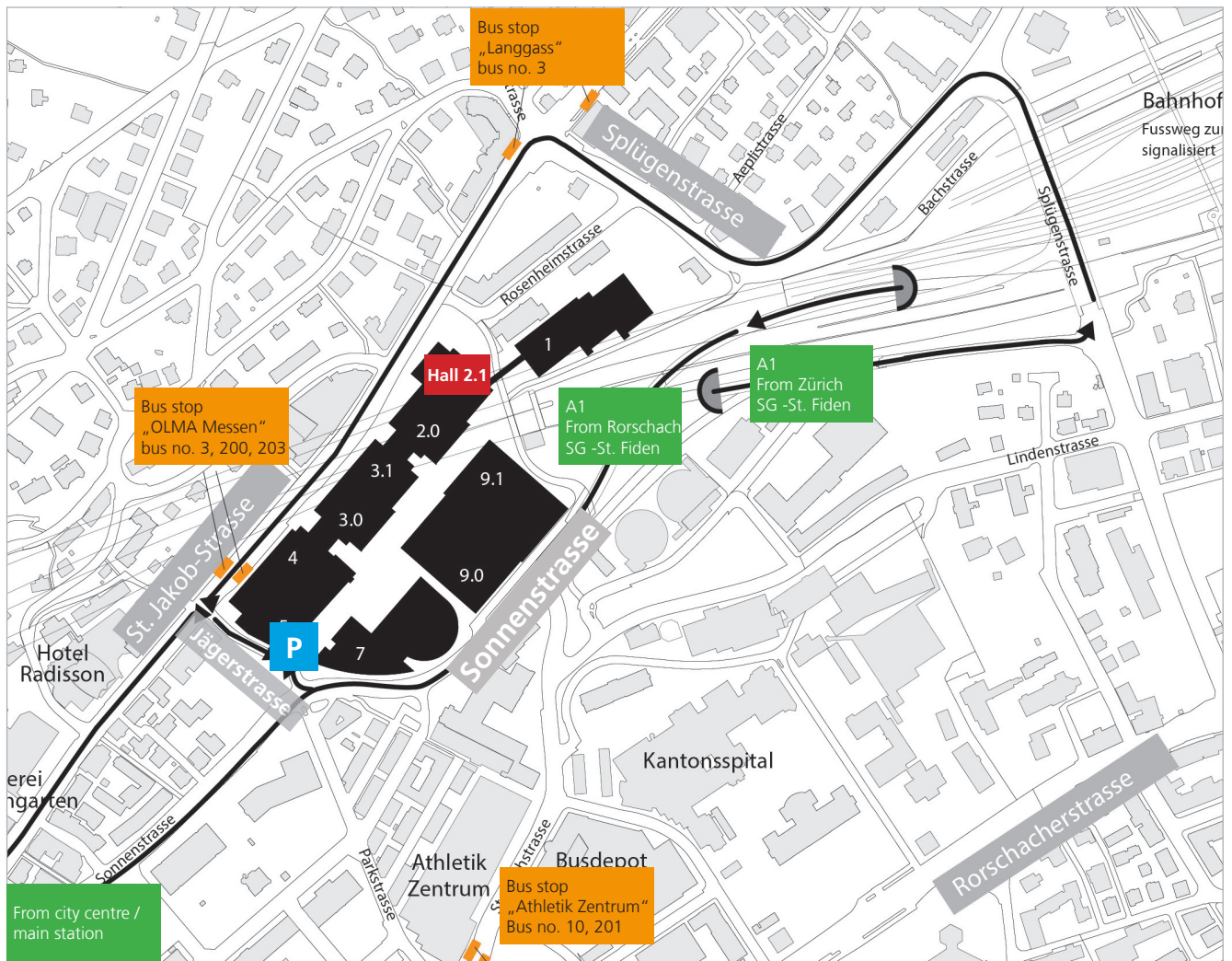
During the period from 10th April 2018, 5.00 pm up to and including the 20th April 2018 no entries in the share register shall be made. Shareholders who acquire their shares after the 10th April 2018, 5.00 pm are not entitled to vote with the shares they have acquired. Shareholders who dispose their shares before the Annual General Meeting are no longer entitled to vote with the shares that they have disposed.

Granting powers of proxy

Shareholders who cannot personally attend the Annual General Meeting have the opportunity to give instructions for voting through the independent proxy, Dr. iur. Roland Keller, attorney-at-law, of Raggenbass Rechtsanwälte, Bahnhofstrasse 9, 8580 Amriswil, or by another proxy to be nominated by them, and to issue voting instructions.

Electronic remote voting (e-voting)

Shareholders represented can issue their power of attorney and voting instructions to the independent proxy as well as power of attorney to a third party electronically from 27th March 2018, 07.00 am, under <https://www.arbonia.com/en/company/annual-general-meeting>. The access details required for that purpose will be delivered to the shareholders together with their invitations. Electronic participation is possible up to **18th April 2018, 11.59 pm** If voting is carried out using various methods (in person at the Annual General Meeting, by means of a written proxy or by e-voting), the shareholder's last declaration of intent shall apply.



Location


OLMA Hall 2.1
 Jägerstrasse
 9000 St. Gallen

Catering

Between 12.30 pm and 2.00 pm you will receive a OLMA-Bratwurst and potato salad. Following the ordinary meeting you can end the event with coffee and dessert.

Directions

by car

From motorway A1: Take the St. Gallen-St. Fiden exit and follow this sign  or the "OLMA Messen St. Gallen" sign. Arriving at entrance G on Jägerstrasse, parking attendants will direct you to a parking space.

Please note that there is only a limited amount of parking spaces available. However, with the entry tickets you can use public transport in St. Gallen for free.

by public transport

From St. Gallen Hauptbahnhof (main station), take bus no. 3 to "Heiligkreuz" or PostBus 203 to "Wittenbach" or PostBus 200 to "Arbon". Get off at the "OLMA Messen" stop.

Arbonia AG

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