
DDM Holding AG - Invitation to the 2018 AGM

It is our pleasure to invite all shareholders of DDM Holding AG, Baar (the **Company**), to the annual general shareholders' meeting (the **Annual General Shareholders' Meeting**) which will take place on Wednesday, 23 May 2018 at 9:00 am CET at the premises of Parkhotel Zug, Industriestrasse 14, 6300 Zug, Switzerland. The doors will open at 8:30 am CET.

A. Agenda and Proposals

1. Approval of the Annual Report, the Statutory Financial Statements and the Consolidated Financial Statements 2017

The Board of Directors proposes to approve the annual report, the statutory financial statements and the consolidated financial statements 2017.

2. Appropriation of Available Earnings 2017

	EUR	CHF
Net profit for the year	794'480	875'909
Retained profit / (loss) carried forward	(162'588)	(145'518)
Amount at the disposal of the shareholders	631'892	730'391
Proposal		
Allocation to statutory retained earnings	31'595	36'520
To be carried forward	600'297	693'871

The Board of Directors proposes to the Annual General Shareholders' Meeting to allocate 5% of the profit at the disposal of the shareholders to statutory retained earnings and to carry forward the remainder of the profit.

3. Discharge of the Members of the Board of Directors and of the Members of the Executive Management

The Board of Directors proposes to grant discharge to all members of the Board of Directors and the Company's executive management committee (the **Executive Management**) for the business year 2017.

4. Elections

4.1. Re-Elections of the current Board Members

The Board of Directors proposes to re-elect the following members of the Board of Directors, each for a term of one year ending after completion of the next annual general shareholders' meeting:

- Torgny Hellström
- Fredrik Waker
- Erik Fällström
- Mikael Nachemson

Explanation: All re-elections are held individually. The curricula vitae of the current members of the Board of Directors are available in the 2017 annual report and also on the Company's website under <http://ddm-group.ch/investors/corporate-governance>. The current board member, Manuel Vogel, has declined re-election as member of the Board of Directors.

4.2. Election of a new Board Member / Election of new Board Members

No new member of the Board of Directors will be elected at this point.

Explanation: In the light of the Company's ambition to go to the main list on OMX Nasdaq Stock Exchange, the Company is in a process to consider two additional board members with relevant experience. Additional board members will be press released when appointed.

4.3. Election of the Chairman

The Board of Directors proposes to elect Torgny Hellström as chairman of the Board of Directors for a term of one year ending after completion of the next annual general shareholders' meeting.

Explanation: The current chairman, Kent Hansson, has declined re-election as chairman of the Board of Directors.

4.4. Election of the Members of the Remuneration Committee

The Board of Directors proposes to elect Torgny Hellström and Erik Fällström as members of the remuneration committee for a term of one year ending after completion of the next annual general shareholders' meeting.

Explanation: Both elections are held individually.

4.5. Re-Election of the Independent Proxy

The Board of Directors proposes to re-elect Dr. Florian S. Jörg, attorney-at-law, c/o Bratschi AG, Zurich, Switzerland, as independent proxy for a term of one year ending after completion of the next annual general shareholders' meeting.

4.6. Re-Election of the Statutory Auditors

The Board of Directors proposes to re-elect PricewaterhouseCoopers AG (CHE-434.873.063), Luzern, as the statutory auditors for the business year 2018.

5. Consultative Vote on the Compensation Report 2017

The Board of Directors proposes to approve, on a consultative basis, the compensation report for the business year 2017. The compensation report provides details on the compensation paid for the business year 2017 and compares these figures with the compensation figures for the business year 2016.

Explanation: In line with Swiss best practice, the Board of Directors is seeking shareholders' approval on the compensation report 2017 on a consultative basis.

6. Votes on the Compensation of the Members of the Board of Directors and the Executive Management

6.1. Compensation for the Members of the Board of Directors for the period from the end of this Annual General Shareholders' Meeting until the end of the 2019 annual general shareholders' meeting

The Board of Directors proposes to approve the maximum aggregate amount of CHF 1'000'000 as fixed compensation for the members of the Board of Directors for the period until the end of the 2019 annual general shareholders' meeting.

Explanation: The above proposal is based on the remuneration of the members of the Board of Directors as well as remuneration for their services rendered in board committees and remuneration for potential consulting services provided. The actual compensation paid to each member of the Board of Directors during a business year is disclosed in the respective compensation report governing such business year and is made available (together with the accompanying audit report) to the shareholders in accordance with the applicable Swiss law.

6.2. Compensation of the Members of the Executive Management for the Business Year 2018

6.2.1. Approval of the Maximum Aggregate Amount of Variable Compensation

The Board of Directors proposes to approve the maximum aggregate amount of CHF 1'300'000 as variable compensation for the Executive Management regarding their performance during the business year 2018 (i.e. from 1 January 2018 until 31 December 2018).

Explanation:

- (a) The actual compensation earned by the members of the Executive Management during a business year will be disclosed in the respective compensation report governing such business year and will be made available (together with the accompanying audit report) to the shareholders in accordance with applicable Swiss law.
- (b) The variable compensation of members of the Executive Management consists of cash remuneration and share options granted under a share option plan implemented by the Board in accordance with article 3^{quater} of the Company's articles of association and is subject to the approval of the maximum aggregate amount of variable compensation by the Annual General Shareholders' Meeting and is determined taking into consideration the duties and responsibility of the recipients, performance of the Company and the individual member.
- (c) For further details on the Company's Board and Executive Remuneration, please refer to the compensation report, available in the DDM Holding AG annual report (pages 39 to 43) under <http://ddm-group.ch/investors>.

6.3. Maximum Aggregate Amount of Fixed Compensation of the Members of the Executive Management during the Business Year 2019

The Board of Directors proposes to approve the maximum aggregate amount of CHF 1'200'000 as fixed compensation for the members of the Executive Management for the business year 2019 (i.e. from 1 January 2019 until 31 December 2019).

7. Amendment to the Conditional Share Capital

The Board of Directors proposes to approve an amendment to the Conditional Share Capital (art. 3^{quater}) as follows:

“¹ The share capital of the Company shall be increased by a maximum aggregate amount of CHF 1'000'000.00 through the issuance of a maximum of 1'000'000 registered shares, which shall be fully paid-in, with a nominal value of CHF 1.00 per share by either the issuance of shares to employees or members of the Board of Directors of the Company or of group companies or the exercise of option rights which are granted to employees or members of the Board of Directors of the Company or of group companies, both according to one or more plan(s) to be drawn up by the board of directors, taking into account performance, functions, levels of responsibility and profitability criteria. Such shares or subscription rights may be issued at a price lower than that quoted on the stock exchange.

² The advance subscription right and the pre-emptive subscription rights of the shareholders are excluded. The acquisition of registered shares through the exercise of option rights and each subsequent transfer of the shares shall be subject to the provisions of Art. 5 of the Articles of Association.”

Explanation: The amendment to art. 3^{quater} of the Company's articles of association (Conditional Share Capital) serves the purpose of maintaining an adequate flexibility for the Board of Directors to resolve on capital increases if deemed to be in the best interest of the Company.

B. Documentation

The 2017 annual report, consisting of the full business review, the consolidated financial statements, the statutory financial statements, the compensation report and the respective reports of the statutory auditors, as well as the proposed new articles of association, are available for inspection by the shareholders at DDM Holding AG's headquarters (Schochenmühlestrasse 4, CH-6340 Baar) or on the Company's website under <http://ddm-group.ch/investors>. Printed copies will be distributed to shareholders of record upon request.

C. Participation and Voting Rights

Shareholders registered with voting rights in the share register as of the close of business on 11 May 2018, will be authorized to participate and to vote at the Annual General Shareholders' Meeting. From close of business on 11 May 2018 up to and including 23 May 2018, no entries will be made in the share register which would create a right to vote at the Annual General Shareholders' Meeting. Shareholders who sell part or all of their shares before the Annual General Shareholders' Meeting are no longer entitled to vote to that extent. Such shareholders are required to exchange their admission card and voting material to reflect the change in their shareholding.

Shareholders who wish to participate or be represented at the Annual General Shareholders' Meeting may either download the registration form via our website <http://ddm-group.ch/investors> or request a physical copy by e-mail to ddm@computershare.ch. The registration form should be completed and returned by mail or e-mail to the following address: Computershare Schweiz AG, General meetings, P.O. Box, 4601 Olten, Switzerland; e-mail: ddm@computershare.ch as soon as possible but in any case no later than 18 May 2018. Upon receipt of their registration form shareholders will be provided with an admission card and voting material (including proxy form) for the Annual General Shareholders' Meeting.

Shareholders (i) whose shares are registered in accordance with the Articles of Association of the Company in a securities register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479) or otherwise in accordance with Swedish law and (ii) who hold such shares through a nominee must, in order to be entitled to attend and vote (in person, representation by proxy or by the Independent Proxy) at the Annual General Shareholders' Meeting, temporarily register the shares in their own name. For the shares to be re-registered in time, such shareholders should instruct the nominee that manages the shares well in advance of 11 May 2018 for temporary re-registration, so called voting registration. After such shares have been registered in the shareholder's own name, the shareholder shall follow the instructions as set out above in this section.

D. Representation

Shareholders who do not intend to participate personally at the Annual General Shareholders' Meeting may participate and vote at the meeting through the representation of:

- the independent proxy, or
- a third person who need not be a shareholder;

Mr. Florian S. Jörg, attorney-at-law, c/o Bratschi AG, Zürich, Switzerland, was elected at the ordinary general shareholders' meeting held on 31 May 2017 as the independent proxy of the Company and will thus serve as independent proxy for the Annual General Shareholders' Meeting.

Shareholders opting to be represented by the independent proxy shall submit the original of the completed and signed power of attorney (incorporated in the voting material) with voting instructions to Computershare Schweiz AG, General meetings, P.O. Box, 4601 Olten, Switzerland, by no later than 18 May 2018. Shareholders may also vote by issuing electronic proxy and voting instructions to the independent proxy by voting through the online proxy voting platform <https://ip.computershare.ch/ddm> until 22 May 2018, 11:59 am CET. Further details can be found on the Company's website <http://ddm-group.ch/investors>.

To the extent that a shareholder opts to be represented by the independent proxy but does not give the independent proxy specific voting instructions, the independent proxy will vote as proposed by the Board of Directors.

If shareholders opt to be represented by a third person, their completed and signed original power of attorney (incorporated in the voting material) as well as their admission card and voting material should be sent directly to the address of their designated representative.

E. Shares and votes

As of the date hereof, the share capital of the Company amounts to CHF 13'560'447.00, divided into 13'560'447 fully paid-in registered shares with a nominal value of CHF 1.00 each and thus a total of CHF 13'560'447.00. As of the same date, the Company does not directly or indirectly hold treasury shares.

DDM Holding AG

26 April 2018

for the Board of Directors,
Kent Hansson
Chairman