

**INVITATION TO THE 2024 SHAREHOLDERS' GENERAL MEETING**

# Dear shareholders

Phoenix Mecano performed positively again in 2023 and is well on track to meet the medium-term targets set for 2026. Substantial improvements were achieved in return on capital, profitability and net indebtedness. By divesting the Rugged Computing business area, we freed up important resources to focus our company on future growth markets in line with the megatrends of decarbonisation, automation and demographic change. Despite considerable economic headwinds, we were able to achieve further organic growth in the Group's core business. Another highlight was the turnaround of the DewertOkin Technology (DOT) Group division in the second half of 2023. This part of the business had faced severe order fluctuations and extensive supply chain issues in connection with the COVID-19 pandemic. Thanks to the sharp rise in incoming orders in recent months, we can now assume that this division has returned to its long-term growth path. Profitability has also been moving in the right direction in recent months.

That said, we should not gloss over the fact that our Group is operating in an extremely challenging environment. Our most important industrial market, Germany, is in poor shape due to the sharp increase in energy prices and questionable political priorities. In particular, the



Dr Rochus Kobler, CEO (left), Benedikt A. Goldkamp, Executive Chairman of the Board of Directors

**SALES  
IN EUR MILLION**

**783.1**

**SALES DEVELOPMENT  
IN %**

**-1.2**

private sector's willingness to invest is at rock bottom, owing to a lack of confidence among companies. Our response to this is to focus on structural growth markets on the one hand and continued geographical diversification on the other. Asia and the Americas will continue to grow in importance for our Group in the coming years. The fact that we invested in these markets early on and have the necessary factories, products, skilled employees and sales capacities to continue our growth path as a Group, even in this challenging environment, is working in our favour today.

**THANK YOU TO OUR EMPLOYEES**

In 2023, our employees found many ways to create additional value, even if the environment was not really conducive to this. Our teams are coping admirably with the cultural change brought about by the increasing digitalisation of our business processes. International cooperation across linguistic and cultural boundaries, which seems to have gone out of fashion in global politics, continues to provide Phoenix Mecano with an almost inexhaustible resource for developing comparative competitive advantages. When change is the only constant, the demands on our employees increase inexorably. It is therefore all the more gratifying to observe

the can-do spirit of both our young and experienced colleagues in all our growth initiatives. For this they deserve the sincere thanks of the management and Board of Directors.

#### OUTLOOK AND DIVIDEND

Phoenix Mecano is entering 2024 in a context of declining demand for industrial products in Europe, particularly Germany. Fortunately, our Group still has a healthy backlog of orders to at least partially cushion these challenges. In addition, many of our Group's products and services are indispensable components for technical solutions of the future, enabling the reorganisation of the energy industry and the integration of robotics and automation technology and, increasingly, artificial intelligence into production processes. These developments are unstoppable and Phoenix Mecano will play its part in making them happen.

#### KEY FIGURES OF THE PHOENIX MECANO GROUP

		2023	2022	2021	2020	2019
	Units					
<b>KEY FINANCIAL FIGURES</b>						
Gross sales	EUR million	783.1	792.9	816.9	687.4	680.0
Change	%	-1.2	-2.9	18.8	1.1	4.5
Operating cash flow (EBITDA)	EUR million	85.3	78.0	66.6	48.2	48.8
Change	%	9.5	17.1	38.1	-1.3	-34.0
in % of sales	%	10.9	9.8	8.2	7.0	7.2
Operating result	EUR million	62.1	53.6	44.3	22.4	23.4
Change	%	15.8	21.0	97.5	-3.9	-54.5
in % of sales	%	7.9	6.8	5.4	3.3	3.4
in % of net operating assets	%	21.9	15.6	14.4	7.6	7.8
Result of the period	EUR million	45.5	39.0	30.3	8.9	13.9
Change	%	16.5	28.6	241.6	-36.2	-61.5
in % of sales	%	5.8	4.9	3.7	1.3	2.0
in % of equity	%	16.0	14.9	12.6	4.7	6.4
Total assets/capital	EUR million	601.4	587.5	610.6	545.0	488.1
Equity	EUR million	284.7	261.3	240.0	188.2	217.3
in % of total assets	%	47.3	44.5	39.3	34.5	44.5
Net indebtedness	EUR million	-3.3	84.0	80.6	115.4	88.1
in % of equity	%	-	32.1	33.6	61.3	40.5
Cash flow from operating activities	EUR million	90.0	55.9	54.8	27.8	43.6
Free cash flow	EUR million	57.6	11.9	26.9	10.4	18.0
Purchases of tangible and intangible assets	EUR million	40.4	47.2	29.6	27.8	26.1
<b>SHARE INDICATORS</b>						
Share capital (bearer shares with a par value of CHF 1.00)	CHF	960 500	960 500	960 500	960 500	960 500
Shares entitled to dividend <sup>1</sup>	Number	955 047	960 414	960 311	960 009	959 500
Operating result per share <sup>3</sup>	EUR	65.0	55.8	46.1	23.4	24.3
Result of the period per share <sup>3</sup>	EUR	47.6	40.6	31.6	9.2	14.5
Equity per share <sup>3</sup>	EUR	298.1	272.1	249.9	196.1	226.5
Free cash flow per share <sup>3</sup>	EUR	60.3	12.4	28.0	10.8	18.7
Dividend	CHF	30.00 <sup>2</sup>	16.50	15.00	8.00	10.00
Market price						
High	CHF	441	421.50	502	494.50	519
Low	CHF	328	294	396	312	374
Year-end price	CHF	434	329	405.50	464.50	478.50

<sup>1</sup> As at the balance sheet date, the company owned 5453 treasury shares, which are not entitled to dividend.

<sup>2</sup> Proposal to the Shareholders' General Meeting on 24 May 2024.

<sup>3</sup> Based on shares entitled to dividend as at 31 December 2024. Dividend of CHF 18.00 plus special dividend of CHF 12.00.

#### OPERATING RESULT PER SHARE IN EUR

# 65.0

#### PROPOSED DIVIDEND IN CHF

# 30.00

Our Group has an excellent balance sheet and, for the first time in over ten years, a net cash position. Our successful divisions are generating considerable free cash flows despite extensive investments in the future. The Board of Directors is therefore proposing to pay an ordinary dividend of CHF 18.00 (previous year: CHF 16.50) in line with the company's long-standing dividend policy. Furthermore, it proposes to award a special dividend of CHF 12.00, in view of the sufficient cash and cash equivalents available. The share buy-back programme that has been running since November 2023 with the aim of cancelling repurchased shares will be continued within the scope permitted by SIX Swiss Exchange.

The relevant economic research institutes expect a slight recovery in the economic environment in 2024 after a slow start. The upcoming presidential elections in the United States and the rounds of interest rate cuts by leading central banks expected in 2024 will provide a gentle boost to the economy. On the other hand, there are negative factors at work too. Ongoing geopolitical conflicts such as the war in Ukraine, the military conflict in Gaza with its impact on trade routes and waterways throughout the region and further simmering tensions between major powers the US and China will continue to have a dampening effect on the economy. Based on these assumptions, the Phoenix Mecano Group's Board of Directors and management expect 2024 to be a stable year overall, with the possibility of a slight increase in like-for-like sales and operating profit. The DOT Group division in particular has the potential to return to its long-term growth trajectory in 2024 and make its contribution to the Phoenix Mecano Group's long-term development.

The Board of Directors and management therefore look to the future with optimism. The entire Phoenix Mecano team will make every effort in 2024 to add another chapter to the positive growth story of recent years.

Benedikt A. Goldkamp  
Executive Chairman of the Board of Directors

Dr Rochus Kobler  
CEO

**FRIDAY, 24 MAY 2024,  
3.00 P.M., VIENNA HOUSE  
ZUR BLEICHE, BLEICHEPLATZ 1,  
CH-8200 SCHAFFHAUSEN**

# Invitation to the ordinary Shareholders' General Meeting

**AGENDA ITEMS, PROPOSALS  
AND EXPLANATIONS BY  
THE BOARD OF DIRECTORS:**

**1. Approval of the 2023 management report, financial statements and consolidated financial statements and acceptance of the auditors' reports**

The Board of Directors proposes that the management report, financial statements and consolidated financial statements for financial year 2023 be approved.

*Explanation* The Board of Directors is of the opinion that the management report, the financial statements and the consolidated financial statements have been prepared in accordance with the applicable accounting standards and the Swiss Code of Obligations. The financial statements and the consolidated financial statements were examined by the auditors and the audit reports were issued without qualification. The Board of Directors is also of the opinion that neither the management report nor the financial statements or consolidated financial statements contain any individual elements that require special emphasis or in-depth discussion with a view to the vote.

**2. Advisory vote on the 2023 sustainability report**

The Board of Directors proposes that the 2023 sustainability report be approved in a non-binding advisory vote.

*Explanation* In view of the increased importance of sustainability for investors, customers and employees, and taking into account the legal requirements regarding transparency and due diligence, the Phoenix Mecano Group has published an annual sustainability report since 2022. This year's sustainability report, which is based on the 2023 financial year, includes reporting for the first time in accordance with the provisions of the revised Swiss Code of Obligations regarding transparency on non-financial matters. The disclosures on non-financial matters required under Article 964b of the Swiss Code of Obligations are included and reported in the sustainability report. In addition, reporting is conducted with reference to the guidelines of the Global Reporting Initiative (GRI) and, for the first time in the area of climate reporting, based on the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD).

The Board of Directors is of the opinion that the sustainability report has been prepared in accordance with the applicable provisions of the Swiss Code of Obligations and the guidelines and directives set out in the report. The Board of Directors is also of the opinion that the sustainability report does not contain any individual elements that require special emphasis or in-depth discussion with a view to the vote.

**3. Discharge of the members of the Board of Directors and management**

The Board of Directors proposes that the members of the Board of Directors and management be discharged.

*Explanation* The Board of Directors has given a comprehensive account of the past financial year in the 2023 annual report and the auditors issued unqualified opinions on the 2023 financial statements, consolidated financial statements and remuneration report. Furthermore, the Board of Directors is not aware of any facts that would suggest that discharge should not be granted.

#### 4. Appropriation of retained earnings, payment of an ordinary dividend and payment of a special dividend

In view of the company's economic development in the past financial year as well as the currently anticipated medium- to long-term financial needs of the company, the Board of Directors considers it appropriate and expedient to use the retained earnings to pay an ordinary dividend of CHF 18.00 per share (agenda item 4.1) and a one-off special dividend of CHF 12.00 per share (agenda item 4.2) in accordance with the motions set out below. If both proposals are approved, this year's total payout will amount to CHF 30.00 per share. The retained earnings remaining after deduction of the total amount of the approved payouts is to be carried forward to the new account.

The resolutions on the two payouts will be passed in two separate proposals, with the proposal on the payout of a special dividend (agenda item 4.2) being subject to the approval of the Shareholders' General Meeting to agenda item 4.1. This procedure will allow the Shareholders' General Meeting to pass clear and unbiased resolutions on the two payouts.

##### 4.1 Appropriation of retained earnings and determination of the ordinary dividend

The Board of Directors proposes that an ordinary dividend of CHF 18.00 per share be paid out and that Phoenix Mecano AG's retained earnings for 2023 be appropriated as follows, subject to a further payout under agenda item 4.2:

	in EUR	in CHF
Net income for the year 2023	35 865 225	34 854 446
Retained earnings brought forward 2022	205 048 493	189 885 715
./. Dividend 2022	- 16 264 470	- 15 816 900
Currency translation differences		- 17 611 704
<b>Retained earnings</b>	<b>224 649 248</b>	<b>191 311 557</b>

The Board of Directors proposes to the Shareholders' General Meeting that retained earnings should be distributed as follows:

	in EUR	in CHF
Dividend of CHF 18.00 per share*	18 672 120	17 289 000
Carried forward to new account	205 977 128	174 022 557
<b>Total</b>	<b>224 649 248</b>	<b>191 311 557</b>

\* Total dividends are calculated based on the total stock of 960 500 registered shares. Dividends will not be paid on treasury shares held by the company at the time of the payout.

##### 4.2 Payout of a special dividend

The Board of Directors proposes that an additional special dividend of CHF 12.00 per share be paid out from Phoenix Mecano AG's 2023 retained earnings, with this proposal only being put to the vote if the proposal under agenda item 4.1 has been approved:

The amount of retained earnings for 2023 remaining after payout of the ordinary dividend and the special dividend is to be carried forward to the new account:

	in EUR	in CHF
Retained earnings carried forward (after agenda item 4.1)	205 977 128	174 022 557
Special dividend of CHF 12.00 per share*	12 448 080	11 526 000
<b>Carried forward to new account</b>	<b>193 529 048</b>	<b>162 496 557</b>

\* Total dividends are calculated based on the total stock of 960 500 registered shares. Dividends will not be paid on treasury shares held by the company at the time of the payout.

## 5. Elections

### 5.1 Election of the members and Chairman of the Board of Directors

The Board of Directors proposes that the following be re-elected as members of the Board of Directors and that Mr Benedikt Goldkamp be elected as member and Chairman of the Board of Directors (as hitherto) for a term of one year until the end of the next ordinary Shareholders' General Meeting (each individually):

#### 5.1.1 Re-election of Benedikt Goldkamp as member and Chairman

#### 5.1.2 Re-election of Dr Florian Ernst as member

#### 5.1.3 Re-election of Dr Martin Furrer as member

#### 5.1.4 Re-election of Claudine Hatebur de Calderón as member

#### 5.1.5 Re-election of Dr Anna Hocker as member

#### 5.1.6 Re-election of Beat Siegrist as member

*Explanation* With the exception of Ulrich Hocker, who announced last year that he would be stepping down from the Board of Directors in 2024, the current members of the Board of Directors have declared themselves available for re-election as members or as member and Chairman of the Board of Directors. The Board of Directors considers that the members standing for re-election have worked efficiently and well together and that continuity in the composition of the Board is in the best interests of the company. As part of succession planning, the Shareholders' General Meeting already elected Claudine Hatebur de Calderón and Dr Anna Hocker as additional members of the Board of Directors last year. It is therefore not necessary to fill Ulrich Hocker's position. The Board of Directors is satisfied that the Board in the composition proposed for election has an appropriate balance of expertise, experience and diversity to fulfil its duties and responsibilities effectively. In addition, the Board of Directors is of the opinion that the current Chairman of the Board of Directors is ideally suited to lead the Board and represent the Group externally.

## 5.2 Election of the members of the Compensation Committee

The Board of Directors proposes that the following be elected as members of the Compensation Committee for a term of one year until the end of the next ordinary Shareholders' General Meeting (each individually):

### 5.2.1 Re-election of Dr Martin Furrer as member

### 5.2.2 Re-election of Beat Siegrist as member

### 5.2.3 Election of Claudine Hatebur de Calderón as member

*Explanation* With the exception of Ulrich Hocker, the current members of the Compensation Committee have declared themselves available for re-election to the Compensation Committee. The Board of Directors is of the opinion that the Compensation Committee, in its current composition, has worked efficiently and effectively and has supported the Board of Directors as required. The Board of Directors proposes that the Shareholders' General Meeting elect Claudine Hatebur de Calderón as a member of the Compensation Committee to succeed Ulrich Hocker. The Board of Directors is satisfied that the composition of the committee in its proposed form is balanced in terms of the expertise and experience of its members and other aspects relevant to the Compensation Committee. In view of the above, the Board of Directors submits the aforementioned proposals.

## 5.3 Election of the independent proxy

The Board of Directors proposes that the lawyer Mr Hans Rudi Alder, Peyer Alder Keiser Lämmli Rechtsanwälte, Pestalozzistrasse 2, CH-8200 Schaffhausen, be re-elected as the company's independent proxy for a term of one year until the end of the next ordinary Shareholders' General Meeting.

*Explanation* The Board of Directors is of the opinion that the independent proxy has the necessary independence and is well acquainted with the duties of this office, thus ensuring the smooth running of the process. The Board of Directors has no reason to believe that the performance of the independent proxy's duties in the past year has been anything other than exemplary. It therefore proposes that the independent proxy be re-elected.

## 5.4 Election of the auditors

The Board of Directors proposes that BDO AG, Zurich, be re-elected as the company's auditors for financial year 2024 until the end of the next ordinary Shareholders' General Meeting.

*Explanation* The Board of Directors is of the opinion that the auditors are well acquainted with the tasks of an auditor as well as with the company's internal procedures, thus ensuring a smooth audit process. The Board of Directors has no reason to believe that the performance of the auditors' duties in the past year has been anything other than exemplary. It therefore proposes that the independent proxy be re-elected.

## 6. Remuneration

### 6.1 Advisory vote on the 2023 remuneration report

The Board of Directors proposes that the 2023 remuneration report be approved in a non-binding advisory vote.

*Explanation* The Board of Directors is of the opinion that the remuneration report has been prepared in accordance with the applicable provisions. The remuneration report was examined by the auditors and the audit report was issued without qualification. The Board of Directors is also of the opinion that the remuneration report does not contain any individual elements that require special emphasis or in-depth discussion with a view to the vote.

### 6.2 Approval of the maximum total amount for Board of Directors remuneration for financial year 2025

The Board of Directors proposes that a maximum total amount of CHF 3 000 000 be approved for the remuneration of all members of the Board of Directors for the coming financial year 2025.

*Explanation* By virtue of the law and the Articles of Incorporation, shareholders are entitled to approve the maximum total amount of remuneration for the members of the Board of Directors for the coming term of office annually by means of a binding resolution. The non-executive members of the Board of Directors receive a fixed cash remuneration for their work, including ordinary and any extraordinary meetings, committee activities and other extraordinary activities. The remuneration of the Executive Chairman of the Board of Directors is based on the same model as the remuneration of the CEO and CFO and consists of a fixed cash remuneration and a variable remuneration component (bonus). The Executive Chairman of the Board of Directors is also participating in a share-based, long-term incentive (LTI) programme for the first time in 2023 (see details in the remuneration report). The total remuneration of the members of the Board of Directors includes, in addition to the aforementioned remuneration, expenses as well as any contributions to social insurance and occupational pension schemes. The Board of Directors is of the opinion that the remuneration of the members of the Board of Directors is appropriate in view of their duties and responsibilities and is in line with the remuneration principles set out in the company's Articles of Incorporation.

### 6.3 Approval of a maximum total amount for management remuneration for financial year 2025

The Board of Directors proposes that a maximum total amount of CHF 6 000 000 be approved for the remuneration of all members of the management for the coming financial year 2025.

*Explanation* By virtue of the law and the Articles of Incorporation, shareholders are entitled to approve the maximum total amount of remuneration for the members of the management for the coming financial year annually by means of a binding resolution. The CEO and CFO hold responsible positions with an overall management role, while the CCO and COO perform management functions for the Industrial Components and Enclosure Systems divisions. Remuneration for management members therefore follows two different models, based in each case on a simple but effective formula. The remuneration of each member of the management consists of a fixed cash remuneration, determined according to prevailing mar-

ket conditions, taking into account their qualifications, experience and area of responsibility, as well as a variable remuneration component (bonus). The members of the management are also participating in a share-based, long-term incentive (LTI) programme for the first time in 2023 (see details in the remuneration report). The total remuneration of the members of the management includes, in addition to the aforementioned remuneration, expenses as well as any contributions to social insurance and occupational pension schemes. The Board of Directors is of the opinion that the remuneration of the members of the management is appropriate in view of their duties and responsibilities and is in line with the remuneration principles set out in the company's Articles of Incorporation.

## ORGANISATIONAL MATTERS

### Documents

The 2023 annual report, including the management report, financial statements and consolidated financial statements, the 2023 remuneration report and the auditors' reports, are available in electronic form on the company's website. The 2023 sustainability report, which contains the report on non-financial matters, is also available in electronic form on the company's website:

- [www.phoenix-mecano.com/en/annual-reports/2023](http://www.phoenix-mecano.com/en/annual-reports/2023)
- [www.phoenix-mecano.com/en/sustainability](http://www.phoenix-mecano.com/en/sustainability)

### Attendance in person and admission tickets

Shareholders who are entered in the share register on 23 April 2024 will receive a registration form for the Shareholders' General Meeting or for granting a proxy with their personal invitation.

If you would like to attend the Shareholders' General Meeting in person, you can request an admission ticket using the enclosed registration form or electronically at [www.sisvote.ch/phoenix-mecano](http://www.sisvote.ch/phoenix-mecano). Please send the completed and signed registration form to sharecomm ag by Tuesday, 21 May 2024 at the latest, using the enclosed stamped reply envelope.

Shareholders who sell all or some of their shares after the admission ticket has been issued but before the Shareholders' General Meeting are no longer entitled to vote for the shares concerned. In the event of a partial sale, the admission ticket provided must be exchanged at the entrance checkpoint on the day of the General Meeting.

### Guest tickets

No guest tickets will be issued. Only persons who are registered as shareholders will be admitted to the Shareholders' General Meeting.

### Appointing proxies

Shareholders who are unable to attend the Shareholders' General Meeting in person may be represented:

- by a person of their choice, who does not have to be a shareholder, by means of a written and signed proxy on the registration form or on the admission ticket; or
- by the independent proxy of Phoenix Mecano AG, the lawyer Mr Hans Rudi Alder, Peyer Alder Keiser Lämmlli Rechtsanwälte, Pestalozzistrasse 2, CH-8200 Schaffhausen. To authorise the independent proxy to act on their behalf, shareholders should simply complete and sign the instruction form and return it in the enclosed, stamped reply envelope to sharecomm ag by Tuesday, 21 May 2024. If the independent proxy is unable to attend, the Board of Directors will appoint a new independent proxy. The proxies and instructions issued to the independent proxy will be transferred to this new independent proxy appointed by the Board of Directors.

- Phoenix Mecano AG shareholders can also issue proxies and instructions to the independent proxy electronically. Shareholders will be sent the required login details by sharecomm ag, together with the personal invitation to the Shareholders' General Meeting. The deadline for issuing proxies and instructions electronically and making any changes to electronically issued instructions is Tuesday, 21 May 2024 at 11.59 p.m.

Any shareholder who issues an proxy and instruction is no longer entitled to attend the Shareholders' General Meeting in person or be otherwise represented.

### Closure of share register

Shareholders who are entered in the company's share register on 16 May 2024 (record date) are entitled to vote at the Shareholders' General Meeting. No changes will be made to the share register in the period from 17 May 2024 to 24 May 2024.

### Contact

Phoenix Mecano AG share register  
sharecomm ag  
Militärstrasse 3  
CH-6467 Schattdorf  
[info@sharecomm.ch](mailto:info@sharecomm.ch)  
Phone +41 (0)41 870 18 00

CH-8260 Stein am Rhein, 23 April 2024  
Phoenix Mecano AG

Benedikt Goldkamp  
Chairman of the Board of Directors