

Minutes¹ of the 2023 Annual General Meeting of the

VAT Group AG

with Headquarters in Sennwald

Address: Seelistrasse 1, CH-9469 Haag (Rhine Valley)

from Tuesday, **May 16, 2023**, at 15:00 hrs.

in **9008 St. Gallen**, Splügenstrasse 12

Olma Messen St. Gallen, Hall 2.1

I. Formalities

Martin Komischke, Chairman of the Board of Directors of VAT Group AG ("VAT"), welcomes the shareholders and the members of the Board of Directors, all of whom are present. He also welcomes the CEO Mike Allison, the CFO Fabian Chiozza and the Secretary of the Board of Directors Benno Lichtsteiner. Pursuant to Art. 10 para. 1 of the Articles of Association, Martin Komischke takes the chair (hereinafter the "Chairman").

The Chairman notes that the Annual General Meeting ("AGM") has been convened in due form and time by publication in the Swiss Official Gazette of Commerce under the notification number UP04-00005159 with publication date April 24, 2023. He points out that the shareholders were able to view the Annual Report 2022, the Financial Statements 2022, the Consolidated Financial Statements 2022 as well as the Auditors' Reports electronically via the link "Home - Investor Relations VAT (vatvalve.com)" in accordance with Art. 699a of the Swiss Code of Obligations.

The BoD appoints Benno Lichtsteiner to take the minutes of this AGM.

Roger Föhn, attorney-at-law, acts as independent proxy.

The auditors KPMG AG are represented by Mr. Simon Niklaus.

Based on Art. 10 para. 2 of the Articles of Association, Mr. Markus Steiger - St. Galler Kantonalbank (Chairman of the vote counters), Ms. Anja Brun - VAT, Mr. Reto Zimmermann - VAT, Ms. Anna Diews - VAT and Mr. Adrian Sonderer - VAT are appointed by the Chairman as vote counters. The independent proxy represents the shareholders as and to the extent authorized.

The Chairman informs the shareholders about the passing of the resolutions on the proposals of the Board of Directors. He points out that, in accordance with Art. 709 of the Swiss Code of Obligations and Art. 13 of the Articles of Association, a qualified majority of two thirds of the votes represented and a majority of the par value of the shares represented are required for the adoption of agenda items 7.1, 7.4 and 8. Abstentions are considered as "no" votes. The Chairman provides information on other administrative matters and declares that the AGM has been duly constituted and can therefore validly pass resolutions on all items on the agenda.

¹ An English translation of the protocol with the same content exists. In case of contradictions, the German version is authoritative.

II Presence (at 15:10 hrs.)

The Chairman establishes the presence.

The shareholders, the registered shares issued and the voting rights are represented as follows:

Shareholders attending	339	
	Total Votes	Total Capital
Shareholders	532'083	CHF 53'208.30
Independent Proxy	18'857'248	CHF 1'885'724.80
Total	19'389'331	64.63%

III. Speeches

The Chairman and the CEO each give a speech and provide an overview and outlook of VAT's activities and challenges.

IV. Votes and Elections

By way of introduction, the Chairman gives an overview of the agenda items and elections at this year's AGM. He informs the AGM that the independent proxy informed the BoD in good time in general terms of the instructions received. The Chairman then moves on to the votes and elections:

1. Approval of the Annual Report 2022

The Board of Directors proposes the approval of the Annual Report 2022, the Financial Statements of VAT Group AG and the Consolidated Financial Statements for the financial year 2022 as well as the acceptance of the auditor's report.

The Chairman opens the discussion on agenda item 1.

Rolf Lüthi from Meilen thanks the Chairman for the BoD's explanations in the summary report. He would like to know what the term "Specification Wins" used in the short report means. He would also like to know how VAT can benefit from the partial relocation of chip production back from Asia to Europe and the USA.

The Chairman states on the question of the meaning of "Specification Wins" that VAT understands this to mean specifications of VAT products in new customer projects. This means that VAT can successfully place its products in new customer developments. Each year VAT sets targets for the number of Specification Wins, which are bonus relevant for the VAT management team. Specification Wins are therefore an easy-to-understand performance indicator that shows VAT's success in technology and market development.

Regarding the second question, the Chairman explains that the additional capacities created due to the relocation of chip production back from Asia increase the demand for VAT products and thus boost VAT's sales.

Derek Oswald from Muri would like to know why there was a shift of CHF 200m from long-term to short-term financial liabilities in the balance sheet.

The Chairman refers to Fabian Chiozza, CFO, to answer the question. Fabian Chiozza mentions the VAT refinancing carried out in December 2022. This was done to replace the existing revolving credit facility.

In particular, the refinancing covers a financial liability that was reclassified as current due to its maturity date during the year.

There are no further requests to speak. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'849'191	99.88%
No	21'096	0.12%
Total	18'870'287	100%
Abstentions	528'785	

2. Appropriation of the balance sheet result

2.1. Appropriation of the Balance Sheet Result

The Board of Directors proposes to carry forward the accumulated profit of CHF 738,768,228 (consisting of the profit of the previous year of CHF 575,867,924 and the profit for the financial year 2022 of CHF 162,901,304).

The Chairman opens the discussion on agenda item 2.1. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'179'429	99.98%
No	3'779	0.02%
Total	19'183'208	100%
Abstentions	215'864	

2.2. Dividend

The Board of Directors proposes to the Annual General Meeting the distribution of a dividend of CHF 6.25 per registered share from the reserves of accumulated profits.

The Chairman opens the discussion on agenda item 2.2. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'180'607	99.98%
No	3'309	0.02%
Total	19'183'916	100%
Abstentions	215'156	

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

The Board of Directors proposes that discharge be granted to the members of the Board of Directors and the Executive Committee for their activities in financial year 2022 in a single vote for all members of the Board of Directors and the Executive Committee (GEC).

The Chairman points out that, pursuant to Art. 695 of the Swiss Code of Obligations, the members of the BoD and the Executive Committee concerned have no voting rights. He opens the discussion on agenda item 3. There are no requests to speak on this agenda item. The Chairman puts the BoD proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'761'199	99.76%
No	43'359	0.24%
Total	18'804'558	100%
Abstentions	582'247	

4. Elections

4.1. Re-election of the independent Chairman of the Board of Directors and other independent Members of the Board of Directors

4.1.1. Re-election of Martin Komischke as independent Member of the Board of Directors and independent Chairman of the Board of Directors

Urs Leinhäuser takes over as chairman for the election of Martin Komischke.

The Board of Directors proposes to re-elect Martin Komischke as independent member of the Board of Directors and as independent Chairman of the Board of Directors until the end of the next Annual General Meeting.

Urs Leinhäuser opens the discussion on agenda item 4.1.1. There are no requests to speak on this agenda item. Urs Leinhäuser puts the BoD proposal to the vote.

Urs Leinhäuser notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'569'678	96.88%
No	596'124	3.12%
Total	19'165'802	100%
Abstentions	233'270	

Martin Komischke accepts his election. He takes over the chairmanship of the AGM again.

4.1.2 - 4.1.8 Re-election of all existing members of the Board of Directors and election of Petra Denk as a member of the Board of Directors

The Chairman mentions the members of the Board of Directors proposed for re-election individually by name. He asked Petra Denk to introduce herself briefly to the AGM and gives her the floor.

The Chairman opens the discussion on agenda items 4.1.2 - 4.1.8. There are no requests to speak on these agenda items. The Chairman puts the BoD proposals to the vote.

4.1.2. Re-election of Urs Leinhäuser as independent Member of the Board of Directors

The Board of Directors proposes to re-elect Urs Leinhäuser as independent member of the Board of Directors until the end of the next Annual General Meeting.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'999'676	99.08%
No	174'667	0.92%
Total	19'174'343	100%
Abstentions	224'729	

Urs Leinhäuser accepts his election.

4.1.3. Re-election of Karl Schlegel as independent Member of the Board of Directors

The Board of Directors proposes that Karl Schlegel be re-elected as an independent member of the Board of Directors until the end of the next Annual General Meeting.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'110'255	99.79%
No	39'671	0.21%
Total	19'149'926	100%
Abstentions	249'146	

Karl Schlegel accepts his election.

4.1.4. Re-election of Hermann Gerlinger as independent Member of the Board of Directors

The Board of Directors proposes that Hermann Gerlinger be re-elected as an independent member of the Board of Directors until the end of the next Annual General Meeting.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'040'356	99.29%
No	135'111	0.71%
Total	19'175'467	100%
Abstentions	223'605	

Hermann Gerlinger accepts his election.

4.1.5. Re-election of Libo Zhang as independent Member of the Board of Directors

The Board of Directors proposes that Libo Zhang be re-elected as an independent member of the Board of Directors until the end of the next Annual General Meeting.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'500'853	96.49%
No	671'260	3.51%
Total	19'172'113	100%
Abstentions	226'959	

Libo Zhang accepts her election.

4.1.6. Re-election of Daniel Lippuner as independent Member of the Board of Directors

The Board of Directors proposes to re-elect Daniel Lippuner as independent member of the Board of Directors until the end of the next Annual General Meeting.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'119'976	99.72%
No	53'665	0.28%
Total	19'173'641	100%
Abstentions	225'431	

Daniel Lippuner accepts his election.

4.1.7. Re-election of Maria Heriz as independent Member of the Board of Directors

The Board of Directors proposes that Maria Heriz be re-elected as an independent member of the Board of Directors until the end of the next Annual General Meeting.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'138'435	99.80%
No	36'977	0.20%
Total	19'175'412	100%
Abstentions	223'660	

Maria Heriz accepts her election.

4.1.8. Election of Petra Denk as independent Member of the Board of Directors

The Board of Directors proposes that Petra Denk be elected as an independent member of the Board of Directors until the end of the next Annual General Meeting.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'147'818	99.86%
No	26'154	0.14%
Total	19'173'972	100%
Abstentions	225'100	

Petra Denk accepts her election.

4.2. Election of the Members of the Nomination and Compensation Committee

The Board of Directors proposes to individually elect the following persons as members of the Nomination and Compensation Committee until the end of the next Annual General Meeting: Urs Leinhäuser, Hermann Gerlinger and Libo Zhang.

The Chairman opens the discussion on agenda items 4.2.1 - 4.2.3. There are no requests to speak on these agenda items. The Chairman puts the BoD proposals to the vote.

4.2.1. Election of Urs Leinhäuser as Member of the Nomination and Compensation Committee

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'969'464	99.00%
No	190'453	1.00%
Total	19'159'917	100%
Abstentions	239'155	

4.2.2. Election of Hermann Gerlinger as Member of the Nomination and Compensation Committee

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'018'498	99.22%
No	148'319	0.78%
Total	19'166'817	100%
Abstentions	232'255	

4.2.3. Election of Libo Zhang as Member of the Nomination and Compensation Committee

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'151'279	94.71%
No	1'013'111	5.29%
Total	19'164'390	100%
Abstentions	234'682	

5. Re-election of the Independent Proxy

The Board of Directors proposes to re-elect Roger Föhn, Attorney at Law, Kalchbühlstrasse 4, 8038 Zurich, as Independent Proxy from May 16, 2023 until the end of the next Annual General Meeting.

The Chairman informs the AGM about Roger Föhn's independence from VAT. He opens the discussion on agenda item 5. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'969'889	98.90%
No	209'586	1.10%
Total	19'179'475	100%
Abstentions	219'597	

Roger Föhn accepts his election.

6. Re-election of the Statutory Auditors

The Board of Directors proposes that KPMG AG, St.Gallen, be re-elected as auditors for the financial year 2023.

The Chairman opens the discussion on agenda item 6. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'139'476	99.84%
No	29'664	0.16%
Total	19'169'140	100%
Abstentions	230'025	

KPMG AG, represented by Simon Niklaus, accepts its election.

7. Amendment of the Articles of Association of VAT Group AG

The Chairman explains that the BoD is proposing to the AGM that the Articles of Association of VAT Group AG be amended as a result of the revision of company law. The individual proposals to the AGM are set out in agenda items 7, 8 and 9.

7.1. Company Purpose

The BoD proposes to the AGM that the purpose of the company be amended in the Articles of Association. The Chairman informs the AGM that approval of this proposal requires a qualified majority of at least two-thirds of the votes represented and a majority of the par value of the shares represented.

The Chairman opens the discussion on agenda item 7.1. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'160'174	98.76%
No	14'318	0.07%
Abstentions	224'668	1.17%
Total		100%

7.2. Shares, Capital Structure and Opting-out

The Board of Directors proposes amendments to the Articles of Association in Articles 4 and 5 para. 1 as clarifications based on the current law and legal practice. The opting-out provision of Article 33 has expired and shall be deleted from the Articles of Association.

The Chairman opens the discussion on agenda item 7.2. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'155'991	99.91%
No	15'658	0.09%
Total	19'171'649	100%
Abstentions	227'511	

7.3. General Meeting and Auditors

The Board of Directors proposes amendments to Articles 6, 7, 8, 9, 10, 11, 20, 22, 30, and 31 of the Articles of Association as adjustments based on the current law. In addition, the introductory title to Art. 21 and Art. 22 shall be amended. Art. 21 itself remains unchanged.

The Chairman opens the discussion on agenda item 7.3. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'147'941	99.89%
No	20'878	0.11%
Total	19'168'819	100%
Abstentions	230'341	

7.4. Restriction on Transferability and Passing of Resolutions

The Board of Directors proposes amendments to the Articles of Association in Article 5 para. 2 and 3 as well as in Article 13. as a follow-up to the revised legal restrictions on transferability and as an adjustment to the current law. The Chairman informs the AGM that the adoption of this proposal requires a qualified majority of at least two thirds of the votes represented and a majority of the par value of the shares represented.

The Chairman opens the discussion on agenda item 7.4. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'148'551	98.70%
No	21'135	0.10%
Abstentions	229'474	1.20%
Total		100%

7.5. Virtual General Meeting

The Board of Directors proposes that Article 8 of the Articles of Association be amended to include the possibility of a virtual General Meeting of Shareholders as provided for under the revised Stock Corporation Act.

The Chairman opens the discussion on agenda item 7.5. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	16'284'349	85.20%
No	2'826'833	14.80%
Total	19'111'182	100%
Abstentions	286'603	

7.6. Board of Directors and Compensation

The Board of Directors proposes amendments to Articles 15, 16, 17, 18, 23, and 29 of the Articles of Association as a follow-up to the revised legal provisions and as an adjustment to the current legal wording of the revised Stock Corporation Act.

The Chairman opens the discussion on agenda item 7.6. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'101'890	99.75%
No	47'586	0.25%
Total	19'149'476	100%
Abstentions	248'309	

8. Capital Band

The Board of Directors proposes the introduction of a capital band of -5%/+10% of the issued share capital for a period of three years until the AGM 2026, based on and in accordance with the revised Stock Corporation Act. For this purpose, it proposes the amendment of the Articles of Association by means of a new Article 3b. The Chairman informed the AGM that the adoption of this proposal requires a qualified majority of at least two thirds of the votes represented and a majority of the par value of the shares represented.

The Chairman opens the discussion on agenda item 8. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'368'389	94.69%
No	793'740	4.09%
Abstentions	235'656	1.22%
Total		100%

9. Term of Office of the Board of Directors

The Board of Directors proposes the deletion of the term of office in Art. 15 of the Articles of Association. The term of office will be extended from 9 to 12 years and newly regulated in the Organizational Regulations.

The Chairman opens the discussion on agenda item 9. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	19'102'377	99.70%
No	56'969	0.30%
Total	19'159'346	100%
Abstentions	238'439	

10. Remuneration

The Chairman gives the AGM an overview of the remuneration system for the BoD and VAT's management. He explains the voting procedure for the BoD's proposals on remuneration (agenda items 10.1. to 10.5.).

10.1. Consultative Vote on the Compensation Report for Financial Year 2022

The Board of Directors recommends that the Compensation Report 2022 included in the Annual Report 2022 be approved (advisory vote).

The Chairman opens the discussion on agenda item 10.1. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	16'625'102	90.92%
No	1'659'860	9.08%
Total	18'284'962	100%
Abstentions	1'111'248	

10.2. Approval of the effective Short-term variable Remuneration (STI) of the Executive Board for the Financial Year 2022

The Board of Directors proposes to approve the effective amount of the short-term variable compensation (STI) of the Executive Board of CHF 869,093 for the financial year 2022.

The Chairman opens the discussion on agenda item 10.2. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'820'932	98.30%
No	324'053	1.70%
Total	19'144'985	100%
Abstentions	251'197	

10.3. Approval of the maximum total Amount of the fixed Compensation of the Executive Board for the Financial Year 2024

The Board of Directors proposes to approve the maximum total amount of the fixed compensation of the Executive Committee of CHF 2,700,000 for the financial year 2024.

The Chairman opens the discussion on agenda item 10.3. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'926'682	98.86%
No	217'930	1.14%
Total	19'144'612	100%
Abstentions	251'570	

10.4. Approval of the maximum total Amount of Long-term variable Compensation (LTI) of the Executive Board for the Financial Year 2024

The Board of Directors proposes to approve the maximum total amount of the long-term variable compensation (LTI) of the Executive Board of CHF 2,150,000 for the financial year 2024.

The Chairman opens the discussion on agenda item 10.4. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'828'413	98.34%
No	316'109	1.66%
Total	19'144'522	100%
Abstentions	251'660	

10.5. Approval of the maximum total Amount of Compensation of the Board of Directors from the Annual General Meeting 2023 to the Annual General Meeting 2024

The Board of Directors proposes to approve the maximum total amount of compensation of the Board of Directors of CHF 1,550,000 for the term of office from the Annual General Meeting 2023 until the Annual General Meeting 2024.

The Chairman opens the discussion on agenda item 10.5. There are no requests to speak on this agenda item. The Chairman puts the BoD's proposal to the vote.

The Chairman notes that the AGM has approved the BoD's proposal as follows:

	Votes	%
Yes	18'971'258	99.08%
No	174'262	0.92%
Total	19'145'520	100%
Abstentions	250'449	

V. Concluding Remarks

There are no further requests to speak. The Chairman points out the provisional date of May 14 for the AGM 2024 and closes the meeting at 16:52 hrs.

The Chairman

The Secretary

Dr. Martin Komischke

Benno Lichtsteiner