

# STABILUS

**STABILUS S.A.**  
Société anonyme

Siège social: 2, rue Albert Borschette L-1246 Luxembourg  
R.C.S. Luxembourg: B 151589  
**Notice to all Shareholders**

All shareholders of STABILUS S.A. (the “**Company**”) are hereby given notice by the management board of the Company (the “**Management Board**”) that the annual general meeting of shareholders shall be held as follows:

## **Annual General Meeting 2020** (the “**Meeting**”)

will be held on February 12, 2020, at 10:00 a.m. (Central European Time, “**CET**”) with the agenda below at Novotel Luxembourg Kirchberg, 6, rue du Fort Niedergrünewald, L-2226 Luxembourg

### **AGENDA AND PROPOSED RESOLUTIONS FOR THE MEETING**

1. Presentation of the management report regarding the annual accounts of the Company and the consolidated financial statements for the fiscal year ended September 30, 2019.

*No resolution required.*

2. Presentation of the report of the Supervisory Board of the Company regarding the annual accounts and the consolidated financial statements of the Company for the fiscal year ended September 30, 2019.

*No resolution required.*

3. Presentation of the reports of the independent auditor (*cabinet de révision agréé*) of the Company regarding the annual accounts and the consolidated financial statements of the Company for the fiscal year ended September 30, 2019.

*No resolution required.*

4. Approval of the annual accounts of the Company for the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the annual accounts of the Company for the fiscal year ended September 30, 2019.*

5. Acknowledgement of the loss of the Company made with respect to the fiscal year ended September 30, 2019 and resolution concerning the allocation of the results of the Company for the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting acknowledge that the Company made a loss with respect to the financial year ended on September 30, 2019 in an aggregate amount*

of EUR 1,076,726.10 (one million seventy-six thousand seven hundred twenty-six Euros and ten cents) (the Loss), and that the Meeting resolve to set-off the loss against a corresponding amount of profits carried forward from the previous financial year in an aggregate amount of EUR 150,661,499.24 (one hundred fifty million six hundred sixty-one thousand four hundred ninety-nine Euros and twenty-four cents).

The Management Board further proposes that the Meeting resolve to approve the distribution of a dividend in an amount of EUR 1.10 (one Euro and ten cents) per share resulting in an aggregate dividend distribution in an amount of EUR 27,170,000 (twenty-seven million one hundred seventy thousand Euros) out of the profits carried forward from the previous financial year which amounts to EUR 149,584,773.14 (one hundred forty-nine million five hundred eighty-four thousand seven hundred seventy-three Euros and fourteen cents) and to carry forward the resulting balance of profits in an aggregate amount of EUR 122,414,773.14 (one hundred twenty-two million four hundred fourteen thousand seven hundred seventy-three Euros and fourteen cents) to the next financial year. The dividend shall be payable within three days as of the Meeting.

6. Approval of the consolidated financial statements of the Company for the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the consolidated financial statements of the Company for the fiscal year ended September 30, 2019.*

7. Acknowledgment of the termination of the mandate of Dr. Stephan Kessel as member of the Management Board with effect as from July 31, 2019, and discharge (*quitus*) to Dr. Stephan Kessel, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting (i) acknowledge the termination of the mandate of Dr. Stephan Kessel as member of the Management Board with effect as from July 31, 2019 and (ii) approve the discharge to Dr. Stephan Kessel, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.*

8. Discharge (*quitus*) to Mr. Mark Wilhelms, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the discharge of Mr. Mark Wilhelms, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.*

9. Discharge (*quitus*) to Mr. Andreas Sievers, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the discharge of Mr. Andreas Sievers, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.*

10. Discharge (*quitus*) to Mr. Andreas Schröder, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the discharge of Mr. Andreas Schröder, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.*

11. Discharge (*quitus*) to Mr. Markus Schädlich, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the discharge of Mr. Markus Schädlich, as member of the Management Board, for the performance of his duties as member of the Management Board for and in connection with the fiscal year ended September 30, 2019.*

12. Acknowledgment of the resignation/termination of the mandate of Mr. Udo Stark as member of the Supervisory Board with effect as from July 31, 2019, and discharge to Mr. Stark for the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting (i) acknowledge the resignation/termination of the mandate of Mr. Udo Stark as member of the supervisory board of the Company (the “**Supervisory Board**”) with effect as from July 31, 2019, and (ii) approve the discharge to Mr. Udo Stark with respect to the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.*

13. Discharge (*quitus*) to Dr. Stephan Kessel, as member of the Supervisory Board, for the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the discharge of Dr. Stephan Kessel, as member of the Supervisory Board, for the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.*

14. Discharge (*quitus*) to Dr. Joachim Rauhut, as member of the Supervisory Board, for the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the discharge of Dr. Joachim Rauhut, as member of the Supervisory Board, for the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.*

15. Discharge (*quitus*) to Dr. Ralf-Michael Fuchs, as member of the Supervisory Board, for the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the discharge of Dr. Ralf-Michael Fuchs, as member of the Supervisory Board, for the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.*

16. Discharge (*quitus*) to Dr. Dirk Linzmeier, as member of the Supervisory Board, for the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.

*The Management Board proposes that the Meeting approve the discharge of Dr. Dirk Linzmeier, as member of the Supervisory Board, for the performance of his duties as member of the Supervisory Board for and in connection with the fiscal year ended September 30, 2019.*

17. Acknowledgment of the resumption of Dr. Stephan Kessel's mandate as member of the Supervisory Board with effect as from August 1, 2019 and until the annual general meeting of the Company to be held in the year 2023.

*No resolution required.*

Comment: Following the departure of the previous CEO of the Company, Dr. Stephan Kessel, then member of the Supervisory Board, was appointed member of the Management Board and interim CEO by the Supervisory Board, and his mandate as member of the Supervisory Board was consequently suspended. After twelve month in office, Dr. Stephan Kessel retired as interim CEO and the suspension was lifted, for him to resume his former function in the Supervisory Board.

18. Renewal of the mandate of the independent auditor (*cabinet de révision agréé*) of the Company, KPMG Luxembourg, represented by partner Mr. Thomas Feld, in relation to the annual accounts and the consolidated financial statements for the fiscal year ending on September 30, 2020.

*The Management Board proposes that the Meeting renew the mandate of KPMG Luxembourg, represented by partner Mr. Thomas Feld, as independent auditor (cabinet de révision agréé) of the Company in relation to the annual accounts and the consolidated financial statements, for a term which will expire at the end of the annual general meeting of the shareholders of the Company called to approve the annual accounts and the consolidated financial statements for the fiscal year ending on September 30, 2020.*

19. Presentation of and advisory vote on the remuneration policy for the members of the Management Board and the Supervisory Board.

*The Management Board proposes that the Meeting pass an advisory vote on the remuneration policy for the members of the Management Board and the Supervisory Board as set out in Annex 1 to the convening notice.*

Comment: The Supervisory Board and the Management Board presented a remuneration policy for members of the Management Board in the Annual General Meeting 2019 and for members of the Supervisory Board in the Annual General Meeting 2017, which were both approved in the respective annual general meetings. These policies remain unchanged and are still effective today.

As a result of the implementation of Directive (EU) 2017/828 of the European Parliament and of the Council of May 17, 2017 (the “**Shareholder Rights Directive II**”) amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement into Luxembourg law through the Luxembourg law of August 1, 2019, amending the Luxembourg law of May 24, 2011 on shareholders rights, and which became effective on August 24, 2019 (the “**Shareholders Rights Law**”), the Company has to draw up a remuneration policy for the Supervisory as well as Management Board in accordance with Article 7bis of the Shareholders Rights Law. The Supervisory Board has thus merged the pre-existing policies into one single remuneration policy for the remuneration of the Management Board and the Supervisory Board (as set out in Annex 1 to the convening notice) and submits it to the advisory vote of the Meeting as required by Article 7bis of the

Shareholders Rights Law. The remuneration policy will next be submitted to an advisory vote by the general meeting at the earlier of a material change or in four years' time.

20. Presentation of and advisory vote on the remuneration report for the members of the Management Board and the Supervisory Board in the fiscal year 2019.

*The Management Board proposes that the Meeting pass an advisory vote on the remuneration report for the members of the Management Board and the Supervisory Board as set out in Annex 2 to the convening notice.*

Comment: As a result of the implementation of the Shareholder Rights Directive II into Luxembourg law, the Company has to draw up a report on the remuneration of the members of the Management Board and the Supervisory Board in the fiscal year 2019, as set out in Annex 2 to the convening notice, and submit it to the advisory vote of the Meeting as required by Article 7ter of the Shareholders Rights Law.

21. Authorization to buy back shares of the Company.

*The Management Board proposes that the Meeting approve to give the Management Board a general authorization to repurchase shares, under the conditions that*

- i. the maximum number of shares to be acquired, in whole or in part from time to time, shall be 2 million shares (i.e. around 8% of the total number of shares outstanding);*
- ii. the purchase shall be effected either through the stock exchange or on the basis of a public purchase offer to all shareholders;*
- iii. the consideration payable per share shall not exceed by more than 10% and shall not undercut by more than 20% the arithmetic mean of the closing price in XETRA trading on the Frankfurt Stock Exchange on the last three days of trading prior to the decision to repurchase shares;*
- iv. the duration of the period for which the authorization is given shall be five years from the date of this resolution;*
- v. the repurchased shares may be used for any legally permissible purpose;*
- vi. such acquisitions must not result in the net assets of the Company falling below the aggregate amount of the subscribed capital and the reserves which may not be distributed under the Company Law or the articles of association. Only fully paid-up shares may be repurchased.*

Comment: The Company's capital allocation is generally aimed at investing into the growth of the Company, to repay external debt and to pay dividends to the Company's shareholders. At the same time the Company must maintain a reasonable level of liquidity. However, situations may arise where the most efficient way of using available funds would be the repurchase of own shares. To be able to do so, the Company requires the prior authorization of its shareholders. Consequently, the Company is seeking the approval of this possibility.

### **Quorum and majority requirements**

There is no quorum of presence requirement for the Meeting. No vote being necessary on agenda items 1 to 3 and 17, the remaining agenda items 4 through 16 and 18 through 21 are adopted by a simple majority of the voting rights duly present or represented.

### **Share capital and voting rights**

At the date of convening of the Meeting, the Company's subscribed share capital equals EUR 247,000 and it is divided into 24,700,000 shares having a par value of EUR 0.01 each, all of which are fully paid up.

### **Available information and documentation**

The following information is available on the Company's website under [www.ir.stabilus.com/agm](http://www.ir.stabilus.com/agm) starting on the day of publication of this convening notice and at the Company's registered office in Luxembourg:

- a) full text of any document to be made available by the Company at the Meeting including draft resolutions in relation to above agenda points to be adopted at the Meeting (i.e. *inter alia* the annual report containing the 2019 annual accounts, the management report and the supervisory board report and the auditor reports on the annual accounts and consolidated financial statements);
- b) this convening notice, including its Annexes 1 and 2;
- c) the total number of shares and attached voting rights issued by the Company as of the date of publication of this convening notice; and
- d) the Registration Notice, the Attestation and the Proxy or Voting Form as further mentioned below.

### **Attendance and registration procedures**

Shareholders shall, on or before the Record Date, as defined below, indicate to the Company their intention to participate at the Meeting, using the form of registration notice (the "**Registration Notice**"). The Registration Notice must be received by STABILUS S.A., c/o Link Market Services GmbH, Landshuter Allee 10, 80637 Munich, Germany, by fax (+49 (0) 89 210 27 - 289) or e-mail ([agm@linkmarketservices.de](mailto:agm@linkmarketservices.de)) by **11:59 p.m. CET on February 6, 2020** at the latest, followed by the original by regular mail.

Shareholders are also obliged to obtain an attestation from their depository bank ("**Attestation**") which is safe-keeping their shares in the Company stating the number of shares held by the shareholder 14 calendar days before the date of the Meeting ("**Record Date**"), i.e. on **January 29, 2020 at 12 p.m. midnight (CET)**. The Attestation must be received by STABILUS S.A., c/o Link Market Services GmbH, Landshuter Allee 10, 80637 Munich, Germany, by fax (+49 (0) 89 210 27 - 289) or e-mail ([agm@linkmarketservices.de](mailto:agm@linkmarketservices.de)) by **11:59 p.m. (CET) on February 6, 2020** – receipt by STABILUS S.A. – at the latest, followed by the original by regular mail.

The attestation must be made in text form in German or English.

The attendance and registrations procedure applies irrespectively whether the shareholders attend the Meeting in person, appoint a proxy of their choice, appoint a proxy representative nominated by the Company, or vote by correspondence.

### **Execution of voting rights by a third party, through proxy voting representatives or vote by correspondence**

Shareholders who do not wish to participate at the Meeting in person but want to exercise their rights to vote at the Meeting by proxy or by voting by correspondence, shall then use the form of proxy and vote by correspondence (the "**Proxy or Voting Form**"), by filling in the relevant sections of the Proxy or Voting Form and sending the duly completed and signed form to

#### **STABILUS S.A.**

c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich Germany

Fax: +49 (0) 89 210 27 - 289

E-Mail: [agm@linkmarketservices.de](mailto:agm@linkmarketservices.de)

so that it shall be received by the Company at the latest on **February 6, 2020 at 11:59 p.m.** (CET). Exercise of voting rights of shares in connection with late Registration Notices, Attestations, and/or Proxy or Voting Forms will not be possible at the Meeting, as applicable.

**Additional important information for shareholders**

Shareholders are hereby informed that exercise of voting rights is exclusively reserved to such persons who are shareholders on the Record Date (or their duly appointed proxyholders). Transfer of shares after the Record Date is possible subject to usual transfer limitations, as applicable. However, any transferee having become owner of the shares after the Record Date has no right to vote at the Meeting.

One or more shareholder(s) representing at least 5% of the Company's share capital may request the addition of items to the agenda of the Meeting or table draft resolutions for items included or to be included on the agenda of the Meeting by sending such requests at the latest on January 21, 2020 at 11:59 p.m. (CET) to the following e- mail address, fax number or mail address:

**STABILUS S.A.**

c/o Link Market Services GmbH

Landshuter Allee 10

80637 Munich Germany

Fax: +49 (0) 89 210 27 - 289

E-Mail: [agm@linkmarketservices.de](mailto:agm@linkmarketservices.de)

Such request will only be accepted by the Company provided it includes (i) the wording of the agenda point, (ii) the wording of a proposed resolution pertaining to such agenda point or a justification, and (iii) an e-mail address and a postal address to which the Company may correspond and confirm receipt of the request.

This convening notice was published in the RESA (*Recueil Electronique des Sociétés et Associations*), the Luxembourg newspaper *Tageblatt*, the German official gazette *Bundesanzeiger*, and other media (which may reasonably be expected to be relied upon for the effective dissemination of information to the public throughout the European Economic Area, and which are accessible rapidly and on a non-discriminatory basis) as well as separately dispatched by regular mail or, if agreed with the respective addressee, by email to (i) the members of the Management Board of the Company, (ii) the members of the Supervisory Board and (iii) the auditor of the Company.

Subject to compliance with the threshold notification obligations provided for by the Luxembourg law of January 11, 2008 on transparency requirements for issuers of securities, as amended, there is no limit to the maximum number of votes that may be exercised by the same person, whether in its own name or by proxy.

The results of the vote will be published on the Company's website within 15 days following the Meeting.

For further information you may contact the service provider, Link Market Services GmbH, by dialing +49 (0) 89 210 27 - 222 (Mon. - Fri. 9 a.m. to 5 p.m. (CET)).

Luxembourg, in January 2020

**STABILUS S.A.**

The Management Board