

Invitation

**to the Extraordinary General Meeting of DALI DISCOUNT AG
(the Company)**

March 14, 2022

(at 14.00 pm CET)

Poststrasse 9, 6300 Zug

Invitation

Dear shareholders

We are pleased to invite you to the Extraordinary General Meeting of the Company (the **EGM**). The EGM will be held on **March 14, 2022** at **14.00 pm** CET at the offices of DALI DISCOUNT AG at Poststrasse 9, 6300 Zug, Switzerland.

The meeting will be held without the physical presence of shareholders based on Article 27 of the Ordinance 3 issued by the Swiss Federal Council on measures to prevent coronavirus (COVID-19) of June 19, 2020 (as amended). The shareholders of DALI DISCOUNT AG may exercise their rights at the EGM exclusively in writing. Please refer for details to "Documentation and Attendance Procedures" below.

Agenda and Proposals of the Board of Directors

1. Election of the Chair of the Extraordinary General Meeting

The Board of Directors proposes that Andreas Höfner, or should Andreas Höfner not be available, Thomas Koch or, should Thomas Koch not be available Andreas Müller be elected as chair of the Extraordinary General Meeting.

Explanatory remark: Article 10 of the Bylaws of the Company provides that the Extraordinary General Meeting shall be chaired by the President of the Board or, in his absence, by another daily Chairman of the Meeting designated by the Meeting of Shareholders.

2. Ordinary Share Capital Increase

The Board of Directors proposes to increase the share capital of the Company from CHF 22,600,000 by up to CHF 4,676,634 to up to CHF 27,276,634 by issuing up to 4,676,634 fully paid-in registered shares with a par value of CHF 1.00 each and to determine the following: The Board of Directors shall be entitled to determine the issuing price. The new shares to be issued shall be entitled to dividends for the fiscal year 2022. They shall have no privileges and *rank pari passu* with all issued shares of the Company. The contributions for the new shares to be issued shall be effected in cash. The transferability of the new shares to be issued shall be limited in the same manner as applicable to the outstanding shares of the Company and in accordance with the provisions of the Bylaws of the Company. The shares to be issued are subject to the registration restrictions pursuant to Article 5 of the Bylaws. The pre-emptive rights of the existing shareholders shall be preserved. Any pre-emptive rights not exercised within the subscription period set by the Board of Directors can be allocated by the Board of Directors to third parties.

3. Increase of Authorized Share Capital (Amendment to the Bylaws)

The Board of Directors proposes to increase the authorized capital by an amount of CHF 4,000,000 to CHF 9,000,000 and to amend article 3a para. 1 of the Bylaws as follows (the proposed amendments are underlined):

Article 3a: Authorized share capital

The board of directors is authorized to, at any time until 14 March 2024, increase the share capital of the Company by a maximum amount of CHF 9'000'000.00 by issuing a maximum of 9'000'000 fully paid-in registered shares with a nominal value of CHF 1.00 each. Increases by partial amounts are authorized.

Artikel 3a: genehmigtes Aktienkapital

Der Verwaltungsrat ist ermächtigt, jederzeit bis zum 14. März 2024 das Aktienkapital der Gesellschaft im Maximalbetrag von CHF 9'000'000.00 durch Ausgabe von höchstens 9'000'000 voll zu liberierenden Namenaktien mit einem Nennwert von je CHF 1.00 zu erhöhen. Erhöhungen in Teilbeträgen sind gestattet.

4. Creation of Conditional Share Capital for Employee Participation (Amendment to the Bylaws)

The Board of Directors proposes to create conditional capital in an amount of CHF 3'000'000 to allow the Company to give the members of the board of directors, members of the executive management and employees of the Company or its subsidiaries a stake in the Company as part of their total compensation through equity compensation plans and to include the following article 3c in the Company's Bylaws:

Article 3c: Contingent share capital for employee participation

The share capital may be increased in an amount not to exceed CHF 3'000'000.00 through the issuance of up to 3'000'000 fully paid-in registered shares with a par value of CHF 1.00 per share through the direct or indirect issuance of shares, options or related subscription rights to members of the board of directors, members of the executive management and employees of the Company or its group companies.

The pre-emptive rights and advance subscription rights of the shareholders of the Company shall be excluded in connection with the issuance of any shares, options or subscription rights therefor. Shares, options or preemptive rights therefor shall be issued pursuant to one or more regulations to be issued by the Board of Directors.

The direct or indirect acquisition of the new shares by members of the board of directors, members of the executive management or employees of the Company or its group companies in connection with an employee participation program and any subsequent transfer of such shares shall be subject to the restrictions of Article 5 of these Bylaws.

Artikel 3c: Bedingtes Kapital für Mitarbeiterbeteiligung

Das Aktienkapital kann sich durch Ausgabe von höchstens 3'000'000 voll zu liberierenden Namenaktien im Nennwert von je CHF 1.00 um höchstens CHF 3'000'000.00 erhöhen durch direkte oder indirekte Ausgabe von Aktien, Optionen oder diesbezüglichen Bezugsrechten an Mitglieder des Verwaltungsrates, Mitglieder der Geschäftsleitung oder Arbeitnehmer der Gesellschaft und ihrer Konzerngesellschaften.

Bei der Ausgabe von Aktien, Optionen oder diesbezüglichen Bezugsrechten sind das Bezugsrecht wie auch das Vorwegzeichnungsrecht der Aktionäre der Gesellschaft ausgeschlossen. Die Ausgabe von Aktien, Optionen oder diesbezüglichen Bezugsrechten erfolgt gemäss einem oder mehreren vom Verwaltungsrat zu erlassenden Reglementen.

Der Erwerb der neuen Aktien, welche durch Mitglieder des Verwaltungsrates, Mitglieder der Geschäftsleitung oder Arbeitnehmer der Gesellschaft und ihrer Konzerngesellschaften im Rahmen eines Mitarbeiterbeteiligungsprogramms direkt oder indirekt erworben werden, sowie jede nachfolgende Übertragung der Aktien unterliegen den Beschränkungen von Artikel 5 dieser Statuten.

5. Election of Mr. Javier Infante to the Board of Directors

The Board of Directors proposes to elect Mr. Javier Infante as a new member of the Board of Directors for a term of office until the completion of the next Annual General Meeting, subject to the increase of the Company's share capital by the new shares subscribed by Navegar II (Singapore) Pte. Ltd.

Organizational Matters

Documentation

The invitation including the agenda and the proposals of the Board of Directors will be mailed to shareholders who are registered in the share register with the right to vote.

Registration and Participation at the EGM

Shareholders registered in the share register with the right to vote on February 24, 2022 are entitled to participate and vote in the EGM. Due to ongoing restrictive measures related to the COVID-19 pandemic, shareholders will not be able to personally participate at the EGM and will only be able to exercise their rights in writing.

Shareholders may send their written voting instructions by mail or e-mail to the address set out in the voting form prior to the EGM by completing and returning the voting form duly signed at their earliest convenience, but no later than **February 24, 2022** (meaning that the wet-ink signed voting form, or a PDF scan thereof, must be received by the Company by such date).

In addition to exercising their voting rights in writing as set out above, shareholders may attend the EGM remotely by video conference. An invitation will be sent to interested shareholders separately. However, please be aware that shareholders so attending by video conference may not cast any votes during the meeting itself; voting rights may be exercised exclusively in writing as set out above.

Language

The EGM will be held in German.

Zug, February 18, 2022

For the Board of Directors of
DALI DISCOUNT AG

Andreas Höfner
Chairman of the Board of Directors