

medartis

PRECISION IN FIXATION

Convocation of the Annual General Meeting of Medartis Holding AG

Friday, 23 April 2021, 10:00 a.m.

Medartis Holding AG
Hochbergerstrasse 60E
4057 Basel



TriLock Screw



To the shareholders of Medartis Holding AG

Basel, 29 March 2021

Dear Madam, Dear Sir,

With the present letter we convene the Annual General Meeting of Medartis Holding AG. Pursuant to the Ordinance 3 on Measures to Combat the Coronavirus (COVID-19) of the Swiss Federal Council ("COVID-19 Ordinance 3") updated on 15 March 2021, the Annual General Meeting will take place on 23 April 2021, 10:00 a.m., without an audience at the headquarters of Medartis Holding AG, Hochbergerstrasse 60E, 4057 Basel.

Please find enclosed the agenda, the reply form for granting authorization to the independent proxy and the 2020 Annual Report Highlights.

Pursuant to Art. 27 para. 1 lit. b COVID-19 Ordinance 3, voting will be exercised via the independent proxy, NEOVIUS AG.

You have the option to submit your voting instructions either by means of the enclosed reply form to our share registrar areg.ch ag, to be received by 20 April 2021 at the latest, or alternatively online by 20 April 2021, 11:59 a.m., via the website www.netvote.ch/medartis.

The present convocation of the Annual General Meeting is subject to the proviso that no further decrees or conditions are issued by the authorities which would render the planned execution impossible. Up-to-date information can be found on our website www.medartis.com.

We thank you for your understanding.

Yours sincerely,

Medartis Holding AG



Dr. h.c. Thomas Straumann
Chairman of the Board of Directors

Attachments:

- Reply form and envelope
- 2020 Annual Report Highlights

Agenda and proposals of the Board of Directors

1. **Approval of the Management Report, the Annual Financial Statements, the Consolidated Financial Statements and consultative vote on the Remuneration Report for the financial year 2020**

1.1. **Approval of the Management Report, the Annual Financial Statements and the Consolidated Financial Statements for the financial year 2020**

The Board of Directors proposes that the Management Report, the Annual Financial Statements and the Consolidated Financial Statements 2020 be approved.

1.2. **Consultative vote on the Remuneration Report for the financial year 2020**

In addition, the Board of Directors proposes that the 2020 Remuneration Report be approved in a consultative vote. The Remuneration Report sets out the relevant principles of Medartis' compensation system and contains information about the compensation paid to the Board of Directors and the Executive Management Board. The Remuneration Report is published online in English and is available in section "Investor & Media Relations" at www.medartis.com.

2. **Approval of the appropriation of available earnings and dividend payment for the financial year 2020**

The Board of Directors proposes to appropriate the 2020 earnings as follows:

Net profit for 2020	CHF	205'351
Loss carried forward from previous years	CHF	-28'819'283
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Balance carried forward	CHF	-28'613'933

No dividend will be distributed.

3. **Discharge of the Board of Directors**

The Board of Directors proposes that the members of the Board of Directors be granted discharge for their activities during the financial year 2020.

4. **Approval of the Compensation of the Board of Directors for the period from the 2021 Annual General Meeting until the 2022 Annual General Meeting**

The compensation paid to the Board of Directors consists of a fixed compensation, which in accordance with the Articles of Association is paid in cash and/or in the form of shares.

With the implementation of the "Restricted Share Plan for the Board" approved by the Board of Directors, the members of the Board of Directors have the option to receive all or part of their compensation in the form of Medartis shares subject to a blocking period of 2 years determined by the Board of Directors at a discount of 15 percent instead of cash.

The Board of Directors proposes for all Members of the Board collectively for the period from the 2021 Annual General Meeting until the 2022 Annual General Meeting, a fixed compensation in the maximum amount of CHF 1'802'050 (including related social security costs).

5. Approval of the Compensation of the Executive Management Board

The compensation paid to the Executive Management Board consists of a fixed basic compensation component, which is paid in cash and includes other benefits (e.g. company car or car allowance, additional family allowance, etc.) as well as a variable performance-related short-term compensation component and a variable performance-related long-term compensation component.

The Short-Term Incentive Plan ("STI") rewards the performance of the Executive Management Board if the overarching annual financial targets are achieved, measured on net sales, OPEX and EBITDA of the Medartis Group. Detailed information about the STI Plan is set out in the Remuneration Report which is available online in section "Investor & Media Relations" on www.medartis.com.

According to the Long-Term Incentive Plan for EMB ("LTI"), as approved by the Board of Directors, the Board of Directors determines at its discretion the amount of the LTI for the members of the Executive Management Board, which will be converted into a number of Medartis shares subject to a blocking period of 2 years for members residing in Switzerland, and a blocking and holding period of each 1 year for members residing outside of Switzerland respectively, determined by the Board of Directors with a discount of 25 percent.

5.1. Approval of the fixed compensation of the Executive Management Board for the financial year 2022

The Board of Directors proposes to approve a maximum total fixed compensation of CHF 4'298'705 (including related social security costs) for all members of the Executive Management Board collectively for the financial year 2022.

5.2. Approval of the variable compensation of the Executive Management Board for the current financial year

The Board of Directors proposes a total variable compensation in the maximum amount of CHF 4'480'540 (including related social security costs) for all members of the Executive Management Board collectively for the financial year 2021.

6. Election of the Board of Directors and its Chairman

The term of office of all members of the Board of Directors ends at the 2021 Annual General Meeting. All current members of the Board are standing for re-election for a further term of office.

Accordingly, the Board of Directors proposes the:

- 6.1. Re-election of Marco Gadola, as a member, and election as Chairman**
- 6.2. Re-election of Dr. h.c. Thomas Straumann, as a member**
- 6.3. Re-election of Dominik Ellenrieder, as a member**
- 6.4. Re-election of Dr. Jürg Greuter, as a member**
- 6.5. Re-election of Dr. med. Daniel Herren, as a member**
- 6.6. Re-election of Roland Hess, as a member**
- 6.7. Re-election of Willi Miesch, as a member**
- 6.8. Re-election of Damien Tappy, as a member**

each for a term of office of one year ending with the closing of the 2022 Annual General Meeting.

7. Election of the Members of the Compensation Committee

The Board of Directors proposes the:

- 7.1. Re-election of Dominik Ellenrieder, as a member**
- 7.2. Election of Dr. med. Daniel Herren, as a member**
- 7.3. Election of Damien Tappy, as a member**

each for a term of office of one year ending with the closing of the 2022 Annual General Meeting.

8. Election of the independent proxy

The Board of Directors proposes the re-election of NEOVIUS AG, Basel, as the independent proxy for a term of office of one year ending with the closing of the 2022 Annual General Meeting.

9. Election of the auditors

The Board of Directors proposes the re-election of Ernst & Young AG, Basel, as the auditor for the financial year 2021.

Organizational Details and Additional Information

A 2020 Annual Report (incl. Remuneration Report)

The 2020 Annual Report including the Remuneration Report and the corresponding reports of the statutory auditors are published online in English and have been made available since 10 March 2021 at:

<https://www.medartis.com/investor-media-relations>

The 2020 Annual Report Highlights are attached to this invitation.

B Registration

Pursuant to the Ordinance 3 on Measures to Combat the Coronavirus (COVID-19) of the Swiss Federal Council ("COVID-19 Ordinance 3") updated on 15 March 2021, the Annual General Meeting will take place without an audience. Shareholders registered in the share register of Medartis Holding AG with voting rights at 5:00 p.m. on 12 April 2021 are entitled to vote.

C Exercise of voting rights

Pursuant to Art. 27 para. 1 lit. b COVID-19 Ordinance 3, voting may be exercised via the independent proxy, NEOVIUS AG, Hirschgässlein 30, 4010 Basel. Shareholders are therefore kindly requested to specify their voting instructions on the reply form, sign by hand and send it to the share registrar areg.ch ag to be received no later than 20 April 2021.

D Electronic Communication

Shareholders may issue instructions to the independent proxy electronically via www.netvote.ch/medartis. The instructions must be submitted no later than 11:59 a.m. on 20 April 2021.

E Translation

This document is the English translation of the German original invitation. In case of any discrepancies between the English translation and the German original, the German original shall prevail.

