



medartis

PRECISION IN FIXATION

Convocation of the
Annual General Meeting
of Medartis Holding AG

Wednesday, 6 April 2022



APTUS Ankle Trauma System

To the shareholders of Medartis Holding AG

Basel, 15 March 2022

Dear shareholders

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 3 February 2022, the Annual General Meeting will take place on 6 April 2022, 9:00 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 2021 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 4 April 2022 at the latest, or alternatively online by 4 April 2022, 11:59 a.m., via the website medartis.netvote.ch.

Yours sincerely,

Medartis Holding AG



Marco Gadola
Chairman of the Board of Directors

Attachments:

- Reply form and envelope
- 2021 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 2021**

1.1. **Approval of the Management Report, the Annual Financial Statements and the Consolidated Financial Statements for the financial year 2021**

The Board of Directors proposes that the Management Report, the Annual Financial Statements and the Consolidated Financial Statements 2021 be approved.

1.2. **Consultative vote on the Remuneration Report for the financial year 2021**

In addition, the Board of Directors proposes that the 2021 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 "INVESTORS" on www.medartis.com.

2. **Approval of the appropriation of available earnings and dividend payment for the financial year 2021**

The Board of Directors proposes to appropriate the 2021 earnings as follows:

Net profit for 2021	CHF	845'619
Loss carried forward from previous years	CHF	-28'613'933
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Balance carried forward	CHF	-27'768'314

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 2021.

4. **Approval of the Compensation of the Board of Directors for the period from the 2022 Annual General Meeting until the 2023 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.

According to 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 instead of cash, subject to a blocking period of 2 years with a discount of 15%.

The Board of Directors determines the compensation payable to its members within the limits approved by the shareholders. The Board of Directors proposes for all Members of the Board collectively, for the period from the 2022 Annual General Meeting until the

2023 Annual General Meeting, a fixed compensation in the maximum amount of CHF 2'232'162 (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 in achieving the overall annual financial targets, measured on net sales, OPEX and EBITDA of the Medartis Group. Detailed information about the STI is set out in the Remuneration Report which is available online in section "INVESTORS" on www.medartis.com.

With the implementation of the new Employee Share Purchase Plan for STI ("ESPP-STI") the Board of Directors grants eligible employees the possibility to participate in the sustainable value creation in the Medartis Group and promotes the long-term perspective and alignment of interests between Medartis employees and shareholders. Under the ESPP-STI, each member of the Executive Management Board has the right to invest all or part of their last actual STI payout to purchase Medartis shares, subject to a blocking period of 2 years, with a discount of 25%.

According to the Long-Term Incentive Plan for EMB ("LTI"), 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 vesting and blocking of each 1 year for members residing outside of Switzerland respectively, determined by the Board of Directors with a discount of 25%.

5.1. Approval of the fixed compensation of the Executive Management Board for the financial year 2023

The Board of Directors to approve a maximum total fixed compensation of CHF 4'587'145 (including fringe benefits and related social security costs) for all members of the Executive Management Board collectively for the financial year 2023.

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 5'543'335 (including related social security costs) for all members of the Executive Management Board collectively for the financial year 2022.

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 2022 Annual General Meeting.

Accordingly, the Board of Directors proposes the:

- 6.1. **Re-election of Marco Gadola, as a member and 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. med. Daniel Herren, as a member**
- 6.5. **Re-election of Willi Miesch, as a member**
- 6.6. **Re-election of Damien Tappy, as a member**
as well as the
- 6.7. **Election of Nadia Tarolli Schmidt, as a member**
- 6.8. **Election of Ciro Roemer, as a member**

each for a term of office of one year ending with the closing of the 2023 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. **Re-election of Dr. med. Daniel Herren, as a member**
- 7.3. **Re-election of Damien Tappy, as a member**

each for a term of office of one year ending with the closing of the 2023 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 2023 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 2022.

10. Increase of authorized share capital

The Board of Directors proposes to increase the authorized share capital to CHF 1'181'436.80 for the issuance of up to 5'907'184 registered shares with a nominal value of CHF 0.20 each and to amend article 3a paragraph 1 of the Articles of Association as follows:

"Artikel 3a Genehmigtes Kapital

Der Verwaltungsrat ist ermächtigt, jederzeit bis zum 5. April 2024, das Aktienkapital im Maximalbetrag von CHF 1'181'436.80 durch Ausgabe von höchstens 5'907'184 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 0.20 zu erhöhen. Erhöhungen des Aktienkapitals (i) auf dem Wege der Festübernahme, (ii) durch eine Tochtergesellschaft im Hinblick und im Zusammenhang mit einer nachfolgend genannten Transaktion, bei welcher der Bezugsrechtsausschluss zulässig ist sowie (iii) in Teilbeträgen sind gestattet."

11. Increase in conditional share capital for Employee Participation Plans

The Board of Directors proposes to increase the conditional share capital for employee participation plans to CHF 124'479.60 for the issuance of up to 622'398 registered shares with a nominal value of CHF 0.20 each and to amend Article 3c para. 1 of the Articles of Association as follows:

"Artikel 3c Bedingtes Aktienkapital für Mitarbeiterbeteiligungspläne

Das Aktienkapital kann durch die Ausgabe von höchstens 622'398 voll zu liberierenden Namenaktien im Nennwert von je CHF 0.20 um höchstens CHF 124'479.60 durch Ausübung von Optionsrechten erhöht werden, welche Mitarbeitenden der Gesellschaft oder ihrer Tochtergesellschaften, Personen in vergleichbaren Positionen, Beratern, Verwaltungsratsmitgliedern oder anderen Personen, welche Dienstleistungen zu Gunsten der Gesellschaft erbringen, gewährt wurden."

Organizational Details and Additional Information

A 2021 Annual Report (incl. Remuneration Report)

The 2021 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 7 March 2022 at: <https://www.medartis.com/investors>

The 2021 Annual Report Highlights are attached to this invitation.

B Registration

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 28 March 2022 are entitled to vote.

C Exercise of voting rights

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 it by hand and send it to the share registrar areg.ch to be received no later than 4 April 2022.

D Electronic Communication

Alternatively, shareholders may issue their instructions to the independent proxy electronically medartis.netvote.ch. The instructions must be submitted no later than 11:59 a.m. on 4 April 2022.

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.



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