

HBM Healthcare Investments Ltd

Bundesplatz 1, 6300 Zug

Invitation to the 20th Ordinary Shareholders' Meeting

Friday, 18 June 2021, 4.45 pm

at the Company's registered office in Zug

In accordance with the Ordinance 3 on Measures to Combat the Coronavirus (COVID-19), issued by the Swiss Federal Council, this year's Ordinary Shareholders Meeting is not held in the usual form, i.e. the **shareholders are not permitted to participate in person**. The Board of Directors has resolved in accordance with Art. 27 of the said Ordinance, that the shareholders may **exercise their rights exclusively through the independent proxy** by way of written or electronic instruction and power of attorney.

The Board of Directors regrets the continuing extraordinary restrictions and looks forward to your participation in person in the 2022 Ordinary Shareholders' Meeting.

Agenda and motions of the Board of Directors:

1. Statutory financial statements and group financial statements 2020/2021; reports of the auditors

***Motion:** Approval of statutory financial statements and group financial statements for the 2020/2021 business year*

2. Discharge from liability of the members of the Board of Directors and Management

***Motion:** Discharge from liability of the members of the Board of Directors and of the Management for the 2020/2021 business year*

3. Appropriation of results

***Motion:** Appropriation of disposable profit of CHF 283'034'893 as follows:*

<i>in CHF</i>	<i>2020/2021</i>
<i>profit for the year</i>	<i>46'695'971</i>
<i>profit carry forward</i>	<i>236'338'922</i>
<i>disposable profit</i>	<i>283'034'893</i>
<i>– allocation to the general legal reserve</i>	<i>0</i>
<i>– carry forward to the new account</i>	<i>283'034'893</i>

Instead of a dividend, the Board of Directors proposes a partial payback of the nominal value of the shares according to agenda item 8.

4. Elections regarding the Board of Directors

4.1 Re-elections of the Chairman and of the members of the Board of Directors

Motions:

- a. *Re-election of Mr Hans Peter Hasler as Chairman of the Board of Directors to the close of the 2022 Ordinary Shareholders' Meeting*
- b. *Re-election of Mr Dr Rudolf Lanz as a member of the Board of Directors to the close of the 2022 Ordinary Shareholders' Meeting*
- c. *Re-election of Mr Mario Germano Giuliani as a member of the Board of Directors to the close of the 2022 Ordinary Shareholders' Meeting*
- d. *Re-election of Ms Dr Stella X. Xu as a member of the Board of Directors to the close of the 2022 Ordinary Shareholders' Meeting*

Mr Hans Peter Hasler has been a member of the Board of Directors since 2009, and its Chairman since 2011. Until 2018, he also was a member of the Compensation Committee. He knows the biotech business, having spent eight years in leading positions at Biogen Idec and, previously, Wyeth. Mr Hasler is Chairman of the Board of Directors of MIAC AG (Medical Imaging Analysis Center, a not-for-profit organisation of the University Hospital of Basel) and of Shield Therapeutics plc as well as a member of the Boards of Directors of Minerva Neurosciences as well as Gain Therapeutics Inc.

Mr Dr Rudolf Lanz has been a member of the Board of Directors since 2003. He is also a member of the Audit Committee and a member of the Nominating Committee. He has a master's degree in economics and a doctorate in law, and has longstanding professional experience in acquisitions, divestments, mergers and major financing transactions. For 20 years, Dr Lanz worked mainly in management positions at Ernst & Young, before founding "The Corporate Finance Group" with partners, and becoming the Chairman of its Board of Directors. Dr Lanz is Chairman of the Board of Directors of Pferdeklinik Interlakes AG as well as a member of the Board of Directors of MIAC AG (Medical Imaging Analysis Center, a not-for-profit organisation set up by the University Hospital of Basel).

Mr Mario Germano Giuliani has been a member of the Board of Directors since 2012. He is also a member of the Compensation Committee. He is an economist. In the course of 16 years at his family pharmaceutical company, Milan-based Giuliani SpA, he has held positions at all levels: member of the Board of Directors since 1999, Chairman of the Board of Directors from 2003-2014 and Chief Executive Officer from 2001-2014. Mr Giuliani is also a member of the Board of Directors of Royalty Pharma plc, of Mosaix Ventures LLP, of ElevateBio LLC, of NGR (Monaco) SAM as well as of other companies of the Nogra group.

Ms Dr Stella X. Xu has been a member of the Board of Directors since 2020. She has a doctor's degree in immunology of the Northwestern University in Illinois, USA, and a bachelor's degree in biophysics and physiology of the University of Peking. Since 2017, Ms Xu is managing director of Quan Capital Management, a venture capital company focusing on biosciences and having its registered office in China as well as affiliates in the USA. Before that, she worked with Roche in both USA and China in various functions for 15 years and with McKinsey & Company in the USA for four years. She is also a

member of the Boards of NextCure Inc., Centrexion Therapeutics Corp., Design Therapeutics Inc., Tempest Therapeutics Inc., Walking Fish Therapeutics Inc. and Zidan Medical.

4.2 Election of a member of the Board of Directors

Motion: *Election of Ms Dr Elaine V. Jones, US citizen, domiciled in Narberth (USA), as a member of the Board of Directors to the close of the 2022 Ordinary Shareholders' Meeting*

With the 2021 Ordinary Shareholders' Meeting the long-term memberships of Messrs Prof. Dr Heinz Riesenhuber, Dr Eduard Holdener and Robert Ingram come to an end; all three gentlemen do not stand for re-election because of their age. In view of this change, Ms Dr Stella X. Xu has been elected as a new member of the Board of Directors at the 2020 Ordinary Shareholders' Meeting. In addition to that, the Board of Directors proposes the election of Ms Dr Elaine Jones as a new member of the Board at this year's Ordinary Shareholders' Meeting. Dr Jones is a renowned executive with more than 20 years of investment experience for venture capital in life science.

From 2008 to 2019, Dr Jones has been Vice President of Pfizer Ventures, the venture capital arm of Pfizer. There she was responsible for the management of investments in healthcare and biotechnology. Before that, she was a general partner of Euclid SR Partners, a venture capital fund for life science and technology, including discovery and development of drugs. In 1999, Dr Jones began her career as an investor with S.R. One, the investment arm of GlaxoSmithKline. Previously, she served as director scientific licensing for SmithKlineBeecham and was a research scientist in research and development with SmithKlineBeecham Pharmaceuticals. Currently, she is a member of the Board of Directors of three listed companies, i.e. Gritstone Oncology Inc. (as Chair), CytomX Therapeutics Inc. and NextCure Inc., as well as of Mironid Ltd. (as Chair) and Novartis Venture Fund.

Ms Dr Jones has a doctor's degree in microbiology of the University of Pittsburgh, USA, and a bachelor's degree in biology of Juniata College, Pennsylvania, USA.

4.3 Election of the members of the Compensation Committee

Motions:

- a. *Re-election of Mr Mario Germano Giuliani as a member of the Compensation Committee to the close of the 2022 Ordinary Shareholders' Meeting*
- b. *Election of Ms Dr Stella X. Xu as a member of the Compensation Committee to the close of the 2022 Ordinary Shareholders' Meeting*
- c. *Election of Ms Dr Elaine V. Jones as a member of the Compensation Committee to the close of the 2022 Ordinary Shareholders' Meeting*

5. Compensation to the Board of Directors and to the Management

5.1 Fixed compensation to the Board of Directors

Motion: *Approval of the maximum fixed compensation to the Board of Directors of CHF 400'000 (including social security contributions) for the time between the Ordinary Shareholders' Meetings 2021 and 2022*

5.2 Variable compensation to the Board of Directors

Motion: *Approval of the variable compensation to the Board of Directors of CHF 8'154'300, plus pro rata social security contributions of CHF 277'000, for the 2020/2021 business year*

5.3 Fixed compensation to the Management

Motion: *Approval of the maximum fixed compensation to the Management of CHF 330'000 (including social security contributions) for the time between 1 July 2021 and 30 June 2022*

The amounts proposed are explained in detail in the Compensation Report.

The proposed lower total amount of the maximum fixed compensation to the Board of Directors is a consequence of the downsizing of the Board from 7 to 5 members.

Due to the fact that the High Water Mark has been exceeded, the Members of the Board of Directors are entitled to a variable compensation for the financial year 2020/2021, 50% of which they have to obtain in the form of HBMN-shares. There is currently no agreement for a variable compensation to the Management in place.

6. Appointment of auditors

Motion: *Re-appointment of Ernst & Young AG, Zurich, as auditors of the statutory financial statements and the group financial statements for the 2021/2022 business year*

7. Appointment of independent proxy-holder

Motion: *Appointment of KBT Treuhand AG, Zurich, as independent proxy-holder to the close of the 2022 Ordinary Shareholders' Meeting*

8. Reduction of share capital: partial payback of nominal value

Motion:

- (1) *Reduction of the share capital of CHF 290'928'000.– to CHF 203'928'000.– by reducing the nominal value of the 6'960'000 registered shares from CHF 41.80 to CHF 29.30 and payback of CHF 12.50 per share to the shareholders;*
- (2) *formal acknowledgement of the audit report of Ernst & Young AG, which states that creditor receivables are covered in full even after the share capital has been reduced;*
- (3) *amendment of Art. 3 of the Articles of Association, concerning the share capital, as follows (changes marked):*

"The share capital of the corporation is CHF 290'928'000.– 203'928'000.– and is divided in 6'960'000 registered shares with a nominal value of CHF 41.80 29.30 each. All shares are fully paid-in."

Considering the financial results, the Board of Directors proposes a distribution of CHF 12.50 (previous year: CHF 7.70) per share, namely by way of a partial nominal value payback. CHF 9.50 thereof are the ordinary payout and CHF 3.– are the extraordinary payout at the occasion of the 20 years anniversary of the Company. Should the motion be passed, the cash payment of CHF 12.50 per registered share will be made on 9 September 2021, and registered shares *entitled* to receive the distribution will be traded for the last time on 6 September 2021 (as of 7 September 2021 *without* the distribution entitlement, ex-date).

9. Miscellaneous

Documentation

The 2020/2021 annual report, including the statutory financial statements, the group financial statements, the compensation report, as well as the reports of the auditors, is sent out to all Shareholders entered in the shareholders' register unless they have requested not to receive a copy. It is also available for review at Bundesplatz 1, 6300 Zug, Monday to Friday from 9.00 am to 5.00 pm. It can be ordered from the same address. Please call +41 (0)41 710 75 77. The same applies to the Ernst & Young AG audit report with regard to agenda item 8. The annual report is also available on the www.hbmhealthcare.com website.

Voting materials

Shareholders who are entered in the Shareholders' Register with the right to vote as at 5.00 pm on 8 June 2021 (the qualifying date) will receive the invitation as well as the voting materials directly from the Company.

Shareholders according to the Shareholders' Register as of the qualifying date are entitled to vote. Each share carries one vote. Shareholders who have sold their shares before the Ordinary Shareholders' Meeting takes place are no longer entitled to vote.

Granting of powers of attorney

The participation in person is not permitted, as explained before.

All shareholders may only be represented by Mr Reto Leemann, chartered fiduciary agent, KBT Treuhand AG, Zimmergasse 16, 8032 Zurich, as independent proxy holder in the sense of Art. 689c of the Swiss Code of Obligations. Granting of powers of attorney to members of governing bodies or custody accounts is illegitimate.

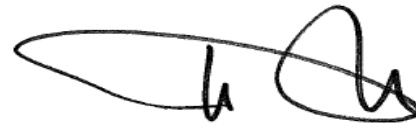
The *written power of attorney* must be filled in accordingly, signed and returned to the independent proxy holder, or to the Shareholders' Register at Computershare Switzerland Ltd., Baslerstrasse 90, CH-4600 Olten, by 14 June 2021 at the latest.

In the absence of any specific instructions, the independent proxyholder will be deemed to have been instructed to exercise the voting right in favour of the motions of the Board of Directors. This also applies to motions put forward in the Ordinary Shareholders' Meeting.

As an *alternative* to written power of attorneys, Shareholders have the opportunity to submit or amend, by 14 June 2021, 11:59 pm at the latest, power of attorneys and voting instructions to the independent proxyholder *electronically* via the platform www.gvote.ch of Computershare Switzerland Ltd. Shareholders who wish to make use of this may follow the enclosed instructions regarding the opening of a Shareholder account.

Zug, 27 May 2021

On behalf of the Board of Directors
The Chairman:

A handwritten signature in black ink, consisting of a large, sweeping horizontal stroke followed by a smaller, more intricate flourish.

Hans Peter Hasler