

HBM Healthcare Investments Ltd

Bundesplatz 1, 6300 Zug

Invitation to the 21st Ordinary Shareholders' Meeting

Friday, 10 June 2022, 2.00 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, the **shareholders are not permitted to participate in person** this year's Ordinary Shareholders Meeting. The Board of Directors has resolved in accordance with Art. 27 and Art. 29 para. 5 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.

Agenda and motions of the Board of Directors:

1. Statutory financial statements and group financial statements 2021/2022; reports of the auditors

Motion: *Approval of statutory financial statements and group financial statements for the 2021/2022 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 2021/2022 business year*

3. Appropriation of results

Motion: *Appropriation of disposable profit of CHF 327'937'326 as follows:*

<i>in CHF</i>	<i>2021/2022</i>
<i>profit for the year</i>	<i>44'902'433</i>
<i>profit carry forward</i>	<i>283'034'893</i>
<i>disposable profit</i>	<i>327'937'326</i>
<i>– allocation to the general legal reserve</i>	<i>0</i>
<i>– carry forward to the new account</i>	<i>327'937'326</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 2023 Ordinary Shareholders' Meeting*
- b. *Re-election of Mr Dr Rudolf Lanz as a member of the Board of Directors to the close of the 2023 Ordinary Shareholders' Meeting*
- c. *Re-election of Mr Mario Germano Giuliani as a member of the Board of Directors to the close of the 2023 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 2023 Ordinary Shareholders' Meeting*
- e. *Re-election of Ms Dr Elaine V. Jones as a member of the Board of Directors to the close of the 2023 Ordinary Shareholders' Meeting*

Mr **Hans Peter Hasler** has been a member of the Board of Directors since 2009, and its Chairman since 2011. Since 2021, he is also a member of the Audit 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. 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 and of the Nominating 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 is also a member of the Compensation Committee and of the Nominating Committee. 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 Design Therapeutics Inc., Walking Fish Therapeutics Inc., Therorna Inc. and Zidan Medical.

Ms **Dr Elaine V. Jones** has been a member of the Board of Directors since 2021. She is also a member of the Compensation Committee and of the Nominating Committee. She 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. From 2008 to 2019, she has been Vice President of Pfizer Ventures, the venture capital arm of Pfizer. Before that, she was a general partner of Euclid SR Partners, a venture capital fund for life science and technology. In 1999, Dr Jones began her career as an investor with S.R. One, the investment arm of GlaxoSmithKline. Currently, she is Chair of the Board of Directors of Gritstone bio and Mironid Ltd. and a member of the Board of Directors of NextCure Inc., CytomX Therapeutics Inc., Ibero Pharmaceuticals, Myeloid Therapeutics Inc. and Novartis Bioventures AG.

4.2 Re-elections 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 2023 Ordinary Shareholders' Meeting*
- b. *Re-election of Ms Dr Stella X. Xu as a member of the Compensation Committee to the close of the 2023 Ordinary Shareholders' Meeting*
- c. *Re-election of Ms Dr Elaine V. Jones as a member of the Compensation Committee to the close of the 2023 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 2022 and 2023*

5.2 Fixed compensation to the Management

Motion: *Approval of the maximum fixed compensation to the Management of CHF 350'000 (including social security contributions) for the time between 1 July 2022 and 30 June 2023*

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

Due to the fact that the High Water Mark has not been exceeded, the Members of the Board of Directors are not entitled to a variable compensation for the financial year 2021/2022. 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 2022/2023 business year*

7. Appointment of independent proxy-holder

Motion: *Appointment of KBT Treuhand AG, Zurich, as independent proxy-holder to the close of the 2023 Ordinary Shareholders' Meeting*

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

Motion:

- (1) *Reduction of the share capital of CHF 203'928'000.– to CHF 136'416'000.– by reducing the nominal value of the 6'960'000 registered shares from CHF 29.30 to CHF 19.60 and payback of CHF 9.70 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 203'928'000.– 136'416'000.– and is divided in 6'960'000 registered shares with a nominal value of CHF ~~29.30~~ 19.60 each. All shares are fully paid-in."

Considering the financial results, the Board of Directors proposes a distribution of CHF 9.70 per share, namely by way of a partial nominal value payback (previous year: CHF 12.50 whereof CHF 9.50 as ordinary payout and CHF 3.– as extraordinary payout at the occasion of the 20 years anniversary of the Company). Should the motion be passed, the cash payment of CHF 9.70 per registered share will be made on 1 September 2022, and registered shares *entitled* to receive the distribution will be traded for the last time on 29 August 2022 (as of 30 August 2022 *without* the distribution entitlement, ex-date).

9. Approval of a new share buy-back programme and capital reduction in principle

Motion: (1) **Authorisation for the Board of Directors to repurchase up to a maximum of 10% of the shares outstanding, under a new share buy-back programme over the next three years, in order to cancel those shares as part of a capital reduction;**

(2) *under the share buy-back programme, reduction of share capital by a maximum of 10% of share capital by means of the final and absolute cancellation of a maximum of 10% of share capital. The precise extent of the reduction is to be determined by the actual number of own shares repurchased under the buy-back programme;*

(3) *formal acknowledgement of the audit report from Ernst & Young AG, which states that creditor receivables as at 10 June 2022 would remain covered in full even after the share capital has been reduced by the full extent provided for in the previous paragraph.*

The share buy-back programme adopted on 24 June 2019 is to expire as at 24 June 2022. The Board of Directors would like to keep the option of repurchasing more of the Company's own shares in order to cancel them as part of a capital reduction. These buy-

backs would be effected in the future depending on how business, available liquidity, and the markets develop.

The shares to be repurchased under the new buy-back programme are definitely intended for cancellation by means of a capital reduction. At a forthcoming ordinary shareholders' meeting, the Board of Directors will propose that those shares repurchased under this buy-back programme be cancelled (resolution implementing the – possibly lower – amount of the capital reduction) as well as the corresponding reduction in capital (amendment to the articles of association).

10. Miscellaneous

Documentation

The 2021/2022 annual report, including the statutory financial statements, the group financial statements, the compensation report, as well as the reports of the auditors, is available on www.hbmhealthcare.com/en/investors/financial-reports. It is also available for review at Bundesplatz 1, 6300 Zug, Monday to Friday from 9.00 am to 5.00 pm. The same applies to the Ernst & Young AG audit reports with regard to agenda items 8 and 9.

Voting materials

Shareholders who are entered in the Shareholders' Register with the right to vote as at 5.00 pm on 31 May 2022 (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 6 June 2022 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 6 June 2022, 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, 18 May 2022

On behalf of the Board of Directors
The Chairman: Hans Peter Hasler