

HBM BioVentures Ltd

Bundesplatz 1, 6300 Zug

Invitation to the 10th Ordinary Shareholders' Meeting

Friday, 24 June 2011, 2.15 pm

**Radisson Blu Hotel
Inselquai 12
6005 Luzern**

The admission office opens at 1.45 pm

Agenda and Motions of the Board of Directors:

- 1. Annual report, statutory financial statements and consolidated financial statements 2010/2011; reports of the auditors**

***Motion:** The annual report, statutory financial statements and consolidated financial statements for the 2010/2011 business year shall be approved*

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

***Motion:** The members of the Board of Directors and of the Management are to be discharged from liability for the 2010/2011 business year*

- 3. Appropriation of results**

***Motion:** The accumulated loss of CHF 317'144'308 is to be carried forward as follows to the new accounts:*

<i>in CHF</i>	<i>2010/2011</i>
<i>Loss for the year</i>	<i>- 56'706'818</i>
<i>Loss carryforward</i>	<i>- 260'437'490</i>
<i>Accumulated loss</i>	<i>- 317'144'308</i>

- 4. Re-Elections to the Board of Directors**

***Motion: 4.a.** Re-election of Prof Dr Dr h.c. mult. Heinz Riesenhuber as a member of the Board for a term of 3 years*

***4.b.** Re-election of Dr Eduard Holdener as a member of the Board for a term of 3 years*

The terms of office of Prof Dr Heinz Riesenhuber and Dr Eduard Holdener end at the forthcoming Ordinary Shareholders' Meeting. Both stand for re-election.

Prof Dr Heinz Riesenhuber has been a member of the Board of Directors since 2001. After receiving a PhD in chemistry, Prof Riesenhuber worked as a scientist at the University of Frankfurt. He then worked for 17 years in the manufacturing industry, 15 of which as managing director of various subsidiaries of the Metallgesellschaft AG. Since 1976 Prof Riesenhuber has been a member of the German Federal Parliament. From 1982 until 1993 he was the German Federal Minister of Research & Technology. Since 1993 Prof Riesenhuber was on the Board of Directors of a number of companies, among them the DAX-companies Mannesmann AG, later Vodafone, ALTANA AG and Henkel KGaA, as well as Chairman of the Board of Directors of EVOTEC AG and Kabel Deutschland GmbH.

Dr Eduard Holdener has been a member of the Board of Directors since 2008. Dr Holdener is a trained oncohematologist with 14 years clinical experience in hospitals (Switzerland and USA) and 22 years with Roche in clinical research and development worldwide. During the last 8 years with Roche he was Chief Medical Officer and Global Head of Development, member of the Pharma Executive Committee as well as member of the Corporate Management. Since 2008 Dr Holdener is on the board of directors of a number of companies, and he is the Chairman of the Board of Directors of NovImmune S.A.

5. Election of the auditor

Motion: *Ernst & Young AG, Zurich, is to be re-elected as auditor of the statutory financial statements and the consolidated financial statements for the 2011/2012 business year*

6. Reduction of the share capital (cancellation of own shares)

Motion: (1) *The share capital of CHF 612'000'000.-- is to be reduced to at least CHF 582'000'000.-- by means of the cancellation of a maximum of 500'000 registered shares with a par value of CHF 60.-- each;*

(2) *The audit report of Ernst & Young AG, which states that creditor receivables are covered in full even after the share capital has been reduced, is to be formally acknowledged;*

(3) *Art. 3 of the articles of association, concerning share capital, is to be amended as follows (changes are marked):*

"The share capital of the company amounts to CHF ~~612'000'000.--~~ [582'000'000.- : to be determined finally on the day of the Shareholders' Meeting] and is divided into ~~10'200'000~~ [9'700'000 : to be determined finally on the day of the Shareholders' Meeting] registered shares with a par value of CHF 60.-- each. All shares are fully paid in."

As part of the 2009 share buy-back programme for up to 20% of issued shares, which runs until 31 August 2012, the Company had acquired a total of about 350,000 of its own shares via the second trading line on SIX Swiss Exchange Ltd as at the date this invitation was sent out. The shares correspond to 3.43% of the issued shares. The Board of Directors intends to propose the cancellation of the shares that have already been acquired, plus any further treasury shares that may be repurchased under this share buy-back programme up to 23 July 2011. However, the number of shares to be cancelled will be rounded down to the nearest hundred thousand, but will not exceed 500,000 registered shares.

The Board of Directors will announce the final number of registered shares that are proposed for cancellation (no more than 500,000), as well as the final number of remaining shares, at the Ordinary Shareholders' Meeting.

7. Miscellaneous

Documentation

The 2010/2011 business report, including the annual report, the statutory financial statements, the consolidated financial statements, as well as the reports of the auditors, is being sent out to all shareholders entered in the Share Register unless they had 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 and can be ordered from the same address (please call +41 (0)41 768 11 08). This also applies to the Ernst & Young AG audit report on agenda item 6. The business report can be accessed at www.hmbioventures.com.

Admission cards / voting materials

Shareholders who are entered in the Share Register with the right to vote as at 5.00 pm on 14 June 2011 (the qualifying date) will receive the invitation as well as, upon request, a personal admission card and the voting materials directly from the company.

Shareholders who are entitled to vote according to the Share Register as of the qualifying date may participate in the Shareholders' Meeting. Each share carries one vote. Shareholders who have sold their shares before the Shareholders' Meeting are no longer entitled to vote.

Granting of powers of attorney

Shareholders who do not participate in person in the Shareholders' Meeting may appoint as a representative a different shareholder, a third party, their bank, the company's agent, or Mr Walter Boss, 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.

The power of attorney on the registration form must be filled in accordingly, signed and returned to the company or the independent proxy holder by 21 June 2011 at the latest.

Without specific instructions to the contrary, the proxy will be exercised to vote in favour of the motions of the Board of Directors. Shareholders who sign their power of attorney and return it to the company without indicating a representative will be represented by the company's agent; their votes will be cast in favour of the motions of the Board of Directors. Powers of attorney containing instructions that differ from the motions submitted by the Board of Directors will be passed on to the independent proxy holder.

Proxy holder for shares held in custody accounts

Proxy holders representing shares held in custody accounts, as described in Art. 689d of the Swiss Code of Obligations, are kindly asked to inform the company of the number of shares they represent as soon as possible and no later than 2.00 pm on 24 June 2011.

Admissions office

The admissions office opens at 13.45 pm on the day of the Shareholders' Meeting. Shareholders are kindly asked to present their admission cards at the entrance.

Registration

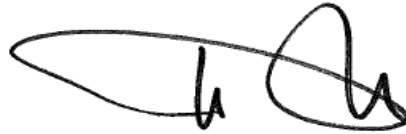
Please return the registration form by 21 June 2011 if you intend to participate in the Shareholders' Meeting.

Reception

The Board of Directors is pleased to invite you to a reception after the Shareholders' Meeting.

Zug, 1 June 2011

On behalf of the Board of Directors
The Chairman

A handwritten signature in black ink, consisting of a large, sweeping loop on the left and a smaller, more intricate flourish on the right.

Hans Peter Hasler