

To the Shareholders of Medacta Group SA

Invitation to the Annual General Meeting



TO THE SHAREHOLDERS
OF MEDACTA GROUP SA
Invitation to the Annual General Meeting

Castel San Pietro, April 22, 2022

The ordinary Annual General Meeting of Shareholders of Medacta Group SA, Castel San Pietro, Switzerland will take place on **Thursday, May 19, 2022 at 10.00 am, without physical attendance**, as in the previous year. The Board of Directors has taken the decision in due time to hold the Annual General Meeting without Shareholders being physically present after giving priority to well-being and safety of our Shareholders in relation to the Covid-19 situation.

Accordingly, **Shareholders cannot attend the Annual General Meeting in person**. Shareholders will be able to vote their shares by giving a **power of attorney and related voting instructions to the independent proxy**, either by returning the proxy form or by exercising their voting rights online as per the instructions outlined in the administrative information at the end of this invitation.

Shareholders will be given the opportunity to **submit questions** to the Board of Directors ahead of the Annual General Meeting on Agenda Items via email to investor.relations@medacta.ch.

The Board of Directors thanks the Shareholders for their understanding and is confident that next year the Annual General Meeting can be held under normal circumstances with physical presence.

Medacta Group SA

Alberto Siccardi
President of the Board of Directors



Francesco Siccardi
Group CEO



AGENDA AND PROPOSALS OF THE BOARD OF DIRECTORS

1. APPROVAL OF THE MANAGEMENT REPORT, THE ANNUAL STATUTORY 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 STATUTORY FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2021

Motion: The Board of Directors proposes that the Management Report for the financial year 2021, the Annual Statutory Financial Statements 2021 and the Consolidated Financial Statements 2021 be approved.

1.2 CONSULTATIVE VOTE ON THE REMUNERATION REPORT FOR THE FINANCIAL YEAR 2021

Motion: The Board of Directors proposes that the Remuneration Report 2021 be approved in a consultative vote.

The Remuneration Report describes the remuneration governance and principles and contains information about the compensation paid to the Board of Directors and the Group Executive Management of Medacta Group.

2. APPROVAL OF THE APPROPRIATION OF AVAILABLE EARNINGS AS OF DECEMBER 31, 2021 AND DISTRIBUTION OF ORDINARY DIVIDEND AND OF CAPITAL CONTRIBUTION RESERVES OF MEDACTA GROUP SA

The Board of Directors proposes to the Annual General Meeting a **total distribution of CHF 10'700'000 (CHF 0.535 per share)**, half of it to be distributed as dividend out of available earnings and half of it to be distributed out of accumulated reserves from capital contribution. Swiss Federal Tax Administration's position is that distributions out of capital contribution reserves, as to the extent proposed, may be paid without a Swiss withholding tax deduction. The own shares held by Medacta Group SA are not entitled to the distribution of dividend and to the distribution of the reserves from capital contribution. All the remaining retained earnings as well as the remaining accumulated reserves from capital contribution are proposed to be carried forward.

2.1 PROPOSED APPROPRIATION OF AVAILABLE RETAINED EARNINGS

As of December 31, 2021, the available retained earnings of Medacta Group SA are as follows:

Balance of retained earnings brought forward	CHF 27'915'426
Profit of the year of Medacta Group SA	CHF 15'745'903
Change in reserves for treasury shares	(CHF 1'342'660)
Available retained earnings	CHF 42'318'669

Motion: The Board of Directors proposes the following appropriation of the available retained earnings:

Dividend distribution out of retained earnings	(CHF 5'350'000)
Balance of retained earnings to be carried forward	CHF 36'968'669

2.2 PROPOSED APPROPRIATION OF RESERVES FROM CAPITAL CONTRIBUTION

As of December 31, 2021, the reserves from capital contribution of Medacta Group SA are as follows:

Balance of reserves from capital contribution brought forward	CHF 23'520'000
Total reserves from capital contribution	CHF 23'520'000

Motion: The Board of Directors proposes the following appropriation of reserves from capital contribution as per balance sheet:

Distribution of reserves from capital contribution	(CHF 5'350'000)
Balance of reserves from capital contribution to be carried forward	CHF 18'170'000

Provided that the proposed distributions of the dividend and of the reserves from capital contribution are approved, payments will be made on May 25, 2022 to holders of shares on the record date May 24, 2022. The shares will be traded ex-dividend as of May 23, 2022 and, accordingly, the last day on which the shares may be traded with entitlement to receive the dividend and the capital contribution reserves will be CUM-date May 20, 2022.

3. DISCHARGE TO THE BOARD OF DIRECTORS AND DISCHARGE TO THE EXECUTIVE MANAGEMENT

Motion: The Board of Directors proposes to grant discharge from liability to the members of the Board of Directors and the Executive Management for their services in the financial year 2021.

4. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND OF THE CHAIRMAN OF THE BOARD

The term of office of all members of the Board of Directors ends at the Annual General Meeting 2022. All current members stand for re-election. All elections will be carried out individually.

Motion: The Board of Directors proposes the re-election of:

- 4.1 Alberto Siccardi, as Member and Chairman of the Board
- 4.2 Maria Luisa Siccardi Tonolli, as Member
- 4.3 Victor Balli, as Member
- 4.4 Riccardo Braglia, as Member
- 4.5 Philippe Weber, as Member

each for a term of office of one year ending with the Annual General Meeting of Medacta Group SA for the financial year 2022.

5. ELECTION OF THE MEMBERS OF THE REMUNERATION COMMITTEE

The term of office of all members of the Remuneration Committee ends at the Annual General Meeting 2022.

Motion: The Board of Directors proposes the re-election of:

- 5.1 Philippe Weber, as Member (Chairman)
- 5.2 Riccardo Braglia, as Member

each for a term of office of one year ending with the Annual General Meeting of Medacta Group SA for the financial year 2022.

6. ELECTION OF THE INDEPENDENT PROXY HOLDER

Motion: The Board of Directors proposes the re-election of Fulvio Pelli, attorney at law, as the Independent Proxy Holder for a term of office of one year ending with the Annual General Meeting of Medacta Group SA for the financial year 2022.

7. ELECTION OF THE AUDITORS

Motion: The Board of Directors proposes the re-election of Deloitte SA as the Auditor of Medacta Group SA for a term of office of one year ending with the Annual General Meeting for the financial year 2022.

8. VOTES ON COMPENSATIONS FOR THE MEMBERS OF THE BOARD OF DIRECTORS AND THE MEMBERS OF THE EXECUTIVE MANAGEMENT

The Board of Directors proposes the approval of the maximum aggregate amounts of remuneration for the Members of the Board of Directors and of the Executive Management.

The aggregate compensation amounts for members of the Board of Directors as well as for Group Executive Management are deemed to be inclusive of all social security and pension contributions of the Members of the Board of Directors and the Executive Management respectively.

Further information on the remuneration system can be found in the Annual Report 2021 which includes the Remuneration Report.

8.1 APPROVAL OF REMUNERATIONS FOR THE MEMBERS OF THE BOARD OF DIRECTORS

a) Approval of the maximum aggregate amount of remuneration for the members of the Board of Directors (art. 12 (1) of the Articles of Association)

Motion: The Board of Directors proposes approval of the maximum aggregate amount of remuneration for the Board of Directors of CHF 1'100'000, covering the period from the Annual General Meeting presently called to the Annual General Meeting for the financial year 2022.

b) Approval of the overall remuneration for consulting services provided by the members of the Board of Directors (art. 25 (3) of the Articles of Association)

Motion: The Board of Directors proposes the approval of the overall amount of CHF 150'000 as remuneration for consulting services provided by members of the Board of Directors pursuant to art. 25 (3) of the Articles of Association covering the period from the Annual General Meeting presently called to the Annual General Meeting for the financial year 2022.

8.2 APPROVAL OF THE MAXIMUM AGGREGATE AMOUNT OF REMUNERATIONS FOR THE MEMBERS OF THE EXECUTIVE MANAGEMENT

In accordance with art. 12 of the Articles of Association, the Annual General Meeting will be asked to vote separately on the proposals by the Board of Directors regarding the following three components of remuneration for the Executive Management:

- the maximum overall fixed compensation of the Executive Management that may be paid in the subsequent business year (i.e. 2023);
- the maximum overall variable short-term compensation for the Executive Management for the most recently concluded financial year (i.e. 2021); and
- the maximum overall variable long-term compensation of the Executive Management that may be allocated in the subsequent business year (i.e. 2023).

a) Approval of the maximum overall fixed remuneration of the members of the Executive Management for the financial year 2023

Motion: The Board of Directors proposes to approve a maximum overall fixed remuneration of CHF 1'200'000 for all members of the Executive Management for the financial year 2023.

b) Approval of the maximum overall variable short-term remuneration of the Executive Management for the financial year 2021

Motion: The Board of Directors proposes to approve a maximum overall variable short-term remuneration, including social charges, of CHF 1'350'000 for all members of the Executive Management for the financial year 2021.

c) Approval of the maximum overall variable long-term remuneration of the Executive Management for the financial year 2023

Motion: The Board of Directors proposes to approve a maximum overall long-term remuneration of CHF 800'000 for all members of the Executive Management for the financial year 2023.

ADMINISTRATIVE INFORMATION

Due to the ongoing uncertainties regarding the Covid situation, the Annual General Meeting will be held in written form and Shareholders cannot attend the meeting in person. Shareholders will however be able to vote their shares by giving a power of attorney and related voting instructions to the independent proxy, either by returning the proxy form or by exercising their voting rights online.

DOCUMENTATION

The complete Annual Report 2021 including the Remuneration Report and the Auditors' Report is published online in English in section "Investors" at www.medacta.com and is available for examination at the registered office of Medacta Group SA. The Annual Report will be sent to the Shareholders upon request, available in printed form in English language.

RECORD DATE

Only Shareholders who are on record in the share register with voting rights on May 16, 2022 are entitled to exercise their voting rights. From May 17, 2022 to and including May 19, 2022, no entries will be made in the share register which would create a right to vote at the Annual General Meeting. Shareholders who sell part or all their shares before the Annual General Meeting are no longer entitled to vote to that extent.

REPLY FORM AND REGISTRATION

Enclosed to the invitation sent to Shareholders is the application and proxy form, which can only be used to grant a power of attorney to the independent proxy, Avv. Fulvio Pelli.

Shareholders who wish to grant a proxy are kindly asked to complete and sign the reply form and send it until May 18, 2022 at 11.59 am at the latest (date of receipt) to the following address: Medacta Group SA, c/o SisWare AG, Militärstrasse 3, CH-6467 Schattdorf. Alternatively, Shareholders may grant their power to the independent proxy by exercising their voting rights online using their personal voting code set out in the application and proxy form enclosed to the invitation sent to them. The online voting period ends on May 17, 2022 at 11.59 am. Shareholders who exercise their voting rights online are asked not to additionally return their application and proxy form by mail.

SHAREHOLDER QUESTIONS ON AGENDA ITEMS

Shareholders will be given the opportunity to submit questions to the Board of Directors on Agenda Items via email to investor.relations@medacta.ch, by May 13, 2022. The Board of Directors will respond at the General Meeting itself. Medacta reserves the right to answer questions in aggregated form or individually, possibly mentioning the name of the Shareholder who submitted the question.

Medacta Group SA, as Data Controller, will process all personal data concerning you pursuant to the applicable privacy laws and in accordance with the Medacta Privacy Policy, available at <https://www.medacta.com/EN/privacy-policy>.



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