

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 9, 2020

Tuesday, May 19, 2020, 11.00 (no public attendance allowed - see information below), at the headquarters of Medacta Group SA, Strada Regina 34, 6874 Castel San Pietro, Switzerland.

Important information concerning the Annual General Meeting pertaining to the coronavirus (COVID-19):

Medacta Group SA will hold its Annual General Meeting on May 19, 2020 in accordance with the provisions as stipulated in the Ordinance of the Federal Council of Switzerland on the policies for combatting the coronavirus (COVID-19-Ordinance 2).

Accordingly, **shareholders are not allowed to attend the Annual General Meeting in person**. Shareholders will only 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.

The present convening of the Annual General Meeting is subject to the proviso that no further decrees or conditions are issued by the authorities which would render the planned execution impossible. As the situation is constantly changing, we ask you to consult our website www.medacta.com for up-to-date information.

Medacta Group SA

Alberto Siccardi
President of the Board of Directors



Francesco Siccardi
Group CEO



Medacta Group SA

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 2019

1.1 APPROVAL OF THE MANAGEMENT REPORT, THE ANNUAL STATUTORY FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2019

Motion: The Board of Directors proposes that the Management Report for the financial year 2019, the Annual Statutory Financial Statements 2019 and the Consolidated Financial Statements 2019 be approved.

1.2 CONSULTATIVE VOTE ON THE REMUNERATION REPORT FOR THE FINANCIAL YEAR 2019

Motion: The Board of Directors proposes that the 2019 Remuneration Report 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. The Remuneration Report is published online in English and is available in section "Investor" at www.medacta.com.

2. APPROVAL OF THE APPROPRIATION OF AVAILABLE EARNINGS AS OF DECEMBER 31, 2019 OF MEDACTA GROUP SA FOR THE FINANCIAL YEAR 2019

As of December 31, 2019, the available retained earnings of Medacta Group SA are as follows:

Balance of retained earnings brought forward	CHF 25'120'332
Profit of the year of Medacta Group SA	CHF 2'482'458
Available retained earnings as per balance sheet	CHF 27'602'790

Motion: The Board of Directors proposes the following appropriation of the available retained earnings as per balance sheet:

Balance of retained earnings to be carried forward	CHF 27'602'790
Total available retained earnings	CHF 27'602'790

Medacta Group SA

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 2019.

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 2020. All current members stand for re-election, except for Mr. Marco Gadola. 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 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 2020.

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 2020.

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

5.1 Philippe Weber, as Member (Chairman)

5.2 Alberto Siccardi, as Member

5.3 Victor Balli, as new Member

each for a term of office of one year ending with the Annual General Meeting of Medacta Group SA for the financial year 2020.

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 2020.

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 2020.

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

The Board of Directors proposes 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 2019 Annual Report (including the Remuneration Report).

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

a) Approval of the maximum aggregate amounts 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 amounts of remuneration for the Board of Directors of CHF 750'000, covering the period from the Annual General Meeting presently called to the Annual General Meeting for the financial year 2020.

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

Motion: The Board of Directors proposes the approval of the amount of CHF 750'000 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 2020.

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. 2021);
- the maximum overall variable short-term compensation for the Executive Management for the most recently concluded financial year (i.e. 2019); and
- the maximum overall variable long-term compensation of the Executive Management that may be allocated in the subsequent business year (i.e. 2021).

a) Approval of the maximum overall fixed remuneration of the members of the Executive Management for the financial year 2021

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 2021.

b) Approval of the maximum overall variable short-term remuneration of the Executive Management for the financial year 2019

Motion: The Board of Directors proposes to approve a maximum variable short-term remuneration, including social charges, of CHF 1'100'000 for all members of the Executive Management for the financial year 2019.

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

Motion: The Board of Directors proposes to approve a maximum long-term remuneration of CHF 1'000'000 for all members of the Executive Management for the financial year 2021.

Medacta Group SA

ADMINISTRATIVE INFORMATION

Please note that, due to the spread of the coronavirus and in accordance with the provisions as stipulated in the Ordinance of the Federal Council of Switzerland on the policies for combatting the coronavirus (COVID-19-Ordinance 2), **shareholders are not allowed to attend the Annual General Meeting in person**. Shareholders will **only** be able to vote their shares by **giving a power of attorney and related instructions to the independent proxy**, either by returning the proxy form or by exercising their voting rights online.

ANNUAL REPORT

The complete Annual Report (including Remuneration Report), together with the Auditors' Report, is available for your examination at the registered office of Medacta and online at www.medacta.com or otherwise you can order a copy, that will be delivered to you. The Annual Report will be sent to shareholders at their request.

RECORD DATE

Only shareholders who are on record in the share register with voting rights on May 14, 2020 are entitled to exercise their voting rights. From May 14, 2020 to and including May 19, 2020, 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 with 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 17, 2020 at the latest (date of receipt) to the following address: Medacta Group SA, c/o SisWare AG, Miliärstrasse 3, 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 17 May 2020 at 5.00 pm. Shareholders who exercise their voting rights online are asked not to additionally return their application and proxy form by mail.

Medacta Group SA

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>

Medacta Group SA

Strada Regina, 34
CH - 6874 Castel San Pietro - Switzerland

Phone + 41 91 696 60 60
Fax + 41 91 696 60 66

info@medacta.ch
www.medacta.com



**REDEFINING BETTER
IN ORTHOPAEDICS
AND SPINE SURGERY**

[MEDACTA.COM](https://www.medacta.com)