

MEDIA RELEASE

Ad Hoc announcement pursuant to Art. 53 LR

25 April 2023

Invitation to the 35th Annual General Meeting of Valartis Group AG

The Board of Directors of Valartis Group AG invites the Shareholders to the Annual General Meeting 2023. The meeting will take place on Tuesday, 16 May 2023 at 10.00 a.m., at L'Aigle noir (www.aiglenoir.ch), Rue des Alpes 10, 1700 Fribourg (doors open at 9.30 a.m.).

Agenda Items and Proposals of the Board of Directors

1 Annual Report 2022

Proposal: Approval of the Group financial statements and the management report of Valartis Group and the financial statements of Valartis Group AG and acknowledgement of the reports of the auditors.

Explanation: Pursuant to Article 698 para. 2 item 3 and 4 CO and Article 9 of the Articles of Association, the General Meeting of Shareholders is competent to approve the management report, the consolidated financial statements and the annual financial statements. The management report, the consolidated financial statements and the annual financial statements for 2022 are available for inspection by the shareholders at the head office of the Company as well as online under <https://valartis-group.ch/en/#geschaeftsberichte>.

2 Allocation of available earnings of Valartis Group AG

Proposal:

Retained earnings carried forward from previous year	CHF	58,721,852
Net result for the year 2022	CHF	5,749,842
Earnings available for the general meeting of shareholders	CHF	64,471,694
Earnings to be carried forward	CHF	64,471,694

Dividend payments:

For the financial year 2022, the Board of Directors proposes to the Shareholders' Meeting 2023 to pay no dividend (previous year: CHF 0.00 per share).

Explanation: Pursuant to Article 698 para. 2 item 4 CO and Article 33 of the Articles of Association, the General Meeting of Shareholders is competent to resolve on the appropriation of earnings, in particular with regard to dividends.

3 Discharge of the members of the Board of Directors and Executive Management

Proposal: Discharge of the members of the Board of Directors and Executive Management for the financial year 2022.

Explanation: Pursuant to Article 698 para. 2 item 7 CO and Article 9 of the Articles of Association, the General Meeting of Shareholders is competent to grant discharge to the members of the Board of Directors and the persons entrusted with management.

4 Consultative vote on the Compensation Report 2022

Proposal: Approval of the Compensation Report 2022 (advisory vote).

Explanation: The Compensation Report 2022 presents the remuneration policy and the remuneration processes of Valartis Group and shows the link between performance components and remuneration. The compensation report of Valartis Group describes the compensation committee, the compensation principles, and the determination of remuneration as well as the overview of remuneration and loans, share and option holdings of the members of the Board of Directors and Executive Management as of the end of 2022. Shareholders can download the Compensation Report 2022 as part of the Annual Report from the Valartis website under Investor Relations: www.valartisgroup.ch/en/#geschaeftsberichte

5 Approval of the remuneration of the members of the Board of Directors and Executive Management

The Board of Directors **proposes** to vote separately on the remuneration of the Board of Directors and Executive Management at the General Meeting.

5.1 Compensation of the Board of Directors (excluding the bonuses to be paid to the members of the Board of Directors) from the 2023 Annual General Meeting to the 2024 Annual General Meeting

Proposal: Approval of the total compensation of the Board of Directors for the period from the Annual General Meeting 2023 to the Annual General Meeting 2024 in the amount up to CHF 700,000 (fixed compensation). This total amount includes the fixed compensation of the Board Members and their activities and additional tasks as members of the Board of Directors of Valartis Group as well as in the various committees such as the Business Development Committee or the Compensation Committee.

5.2 Grant of "Award Shares" and sale of "Purchase Shares" paid to the members of the Board of Directors from the 2022 Annual General Meeting to the 2023 Annual General Meeting

Proposal: Approval of the grant of 17,250 shares ("Award Shares") and the sale of 18,750 shares ("Purchase Shares") restricted for period of 3 years, being the equivalent of CHF 247,000 (excluding legally required employer's contributions to AHV/IV/ALV), to the members of the Board of Directors for the period from the Annual General Meeting 2022 to the Annual General Meeting 2023.

5.3 Total variable cash bonus of Executive Management for the financial year 2022

Proposal: Approval of the total amount of cash bonus Executive Management compensation amounting to CHF 28,000 paid during the financial year 2022 (excluding legally required employer's contributions to AHV/IV/ALV).

5.4 Total compensation of Executive Management (excluding the bonuses to be paid to members of Executive Management) for the financial year 2024

Proposal: Approval of the total amount of Executive Management compensation to be allocated for the financial year ending 31 December 2024, i.e. up to CHF 700,000 (fixed compensation). This total amount includes the fixed compensation of the Delegate of the Board of Directors.

Explanation: Pursuant to Article 698 para. 3 item 4 CO and Article 30 of the Articles of Association, the General Meeting of Shareholders shall approve the maximum aggregate amount of compensation of the Board of Directors for the next term of office and the maximum aggregate amount of compensation of the Executive Management for the following financial year.

6 Re-elections to the Board of Directors

Proposal: Re-election of Mr Gustav Stenbolt as Chairman of the Board of Directors for a term of office until the conclusion of the next Annual General Meeting and re-election of Mr Philipp LeibundGut and Mr Olivier Brunisholz as members of the Board of Directors for a term of office until the conclusion of the next Annual General Meeting.

6.1 Re-election of Gustav Stenbolt as Chairman of the Board of Directors

6.2 Re-election of Philipp LeibundGut as a member of the Board of Directors

6.3 Re-election of Olivier Brunisholz as a member of the Board of Directors

Explanation: Pursuant to Article 698 para. 2 item 2 and para. 3 item 1 CO and Article 15 of the Articles of Association, the General Meeting of Shareholders elects individually each member of the Board of Directors and the Chairman of the Board of Directors. Information on the members of the Board of Directors can be found in the Annual Report under Corporate Governance, Board of Directors or at <https://valartisgroup.ch/en/#verwaltungsrat>.

7 New election to the Board of Directors

Proposal: Election of Mrs Diana Stenbolt as a member of the Board of Directors for a term of office until the conclusion of the next Annual General Meeting.

Diana Stenbolt is the Co-Founder and CEO of The Skindays Ltd, London, a personalised skincare marketplace launched in May 2022 following a pre-seed funding and participation in the Techstars 2021 accelerator program in London. Her well-rounded tech and strategy expertise has initiated her passion for identifying customer demands, market opportunities, and translating them into successful business models. From 2019 to 2021, she served as a Senior Strategy and Investment Manager in Farfetch Ltd, an online luxury fashion retail platform, involved in leading high-impact strategic initiatives to identify growth opportunities and develop the company's strategy.

Between 2015 and 2018, she also held various business analyst and management positions at Amazon, LVMH, and Ernst & Young. Diana Stenbolt holds an MSc in Management from the London School of Economics and a BA (Hons) in Economics from the University of Kent.

Explanation: Pursuant to Article 698 para. 2 item 2 and para. 3 item 1 CO and Article 15 of the Articles of Association, the General Meeting of Shareholders elects individually each member of the Board of Directors and the Chairman of the Board of Directors.

8 Elections to the Compensation Committee

Proposal: Election of Philipp LeibundGut, Gustav Stenbolt, Olivier Brunisholz and Diana Stenbolt as members of the Compensation Committee of the Board of Directors, each for a term of office until the conclusion of the next Annual General Meeting.

8.1 Election of Philipp LeibundGut as a member of the Compensation Committee

8.2 Election of Gustav Stenbolt as a member of the Compensation Committee

8.3 Election of Olivier Brunisholz as a member of the Compensation Committee

8.4 Election of Diana Stenbolt as a member of the Compensation Committee

Explanation: Pursuant to Article 698 para. 3 item 2 CO and Article 24 of the Articles of Association, each year the General Meeting of Shareholders elects individually each member of the Compensation Committee.

9 Re-election of the Auditors

Proposal: Re-election of BDO SA, in 1215 Genève 15, Switzerland, as auditors for one year.

Explanation: Pursuant to Article 698 para. 2 item 2 CO and Article 9 of the Articles of Association, the General Meeting of Shareholders elects the auditors. Further information on the Auditors can be found in the Corporate Governance Chapter of the Annual Report 2022.

10 Election of the Independent Proxy

Proposal: Election of Martin Rechtsanwälte GmbH – Attorneys at Law, Steinberggasse 23, 8400 Winterthur, as independent proxy of Valartis Group AG until the conclusion of the next Annual General Meeting.

Explanation: Pursuant to Article 698 para. 3 item 3 CO and Article 9 of the Articles of Association, the General Meeting of Shareholders elects the independent proxy until the end of the next Annual General Meeting. The Board of Directors confirms that the proposed candidate is independent.

11 Approval of the buy-back of 1,173,000 Valartis Group AG shares for cancellation purposes and ordinary reduction of share capital

11.1 Approval of the buy-back of 1,173,000 shares of Valartis Group AG

Proposal: Authorisation to repurchase 1,173,000 shares of Valartis Group AG against Athris AG shares currently held by Valartis Group AG pursuant the terms of the agreement dated 5 April 2023 between Valartis Group AG and Avalon Park Group Holding AG and for purposes of subsequent cancellation of the bought-back 1,173,000 shares with a par value of CHF 1.00 each.

Explanation: On 5 April 2023, Valartis Group AG and Avalon Park Group Holding AG entered into an agreement, under which Valartis agrees to acquire 1,173,000 Valartis shares held by Avalon. As a consideration for the Valartis shares, Valartis will be delivering a significant portion of its Athris AG shares to Avalon Park Group Holding AG. The closing of this Transaction is currently expect to occur 23 May 2023, provided that the annual general meeting approves the share-buy-back pursuant this agenda item 11.1 and the related capital reduction under agenda item 11.2.

11.2 Approval of an ordinary capital reduction through the cancellation of 1,173,000 registered shares with a par value CHF 1.00

Proposal: Provided the annual general meeting has approved the share buy-back under agenda item 11.1, the Board of Directors proposes:

- the reduction of the share capital of currently CHF 4,229,295 by CHF 1,173,000 to a new share capital of CHF 3,126,295, by cancelling 1,173,000 registered shares with a par value of CHF 1.00 each, which are expected to be purchased effective of 23 May 2023 against Athris AG shares currently held by Valartis Group AG and pursuant the terms of the agreement dated 5 April 2023 between Valartis Group AG and Avalon Park Holding AG; and
- the use of the reduction amount as follows: Offsetting of own shares in the amount of CHF 20,679,990 against the nominal share capital of CHF 1,173,000 and the free reserves in the amount of CHF 19,506,990.

Explanation: In connection with the above-described agreement with Avalon Park Group Holding AG regarding the repurchase of Valartis shares against Athris AG shares, the Board of Directors proposes an ordinary capital reduction for the purpose of cancelling the 1,173,000 Valartis shares to be acquired from Avalon Park Group AG. According to Art. 653j of the Swiss Code of Obligations, the annual general meeting is responsible for passing a resolution on an ordinary capital reduction. The Board of Directors prepares and implements such capital reduction. In preparation of the capital reduction, the Board of Directors published on 17 April 2023, a notice within the meaning of art. 653k CO to the creditors of Valartis Group AG in the Swiss Official Gazette of Commerce. Based on, inter alia, the results of this creditor call, BDO Ltd, as statutory auditors, will prepare a special audit report to confirm that all claims of creditors of Valartis Group AG are covered after the capital reduction, which will be completed prior to its filing with the commercial register. Provided that the annual general meeting approves the share buy-back pursuant to agenda item 11.1 and the capital reduction pursuant this agenda item 11.2, the Board of Directors will subsequently carry out the capital reduction and submit it to the Commercial Register. The implementation of the capital reduction is expected to take place still in the first half year of 2023.

12 Approval of a 3rd Share Buy-back Programme for cancellation purposes (for the period 2023-2026)

Proposal: Authorisation to repurchase up to a maximum of 120,000 shares of the Company's own shares prior to the 2026 Annual General Meeting either by way of a buyback offer on a second trading line on SIX Swiss Exchange or in any other way. The Board of Directors may determine the details of the public share buy-back programme. Any shares repurchased under the public share buy-back programme are to be cancelled annually and, therefore, will not fall within the scope of the 10 per cent limit on a company's own shares pursuant to Art. 659 of the Swiss Code of Obligations. The reduction of share capital in respect of the actual number of shares repurchased annually will

Valartis Group AG
rue de Romont 29/31
CH-1700 Fribourg FR
Switzerland

Phone +41 58 501 62 20
Fax +41 58 501 62 22

be submitted for approval to the Annual General Meetings of 2024, 2025 and 2026, respectively. This share buyback program will end in April 2026 at the latest.

Explanation: The proposed public share buy-back programme (the «Programme») is a market-tested and efficient platform for excess capital distribution that can be used flexibly over time. The new Programme and its repurchasing methods will commence at the discretion of the Board of Directors after the approval of the Annual General Meeting and subject to the necessary regulatory approvals being obtained. The repurchase will be carried out either by buying back via a second trading line (i.e. buying back at market price) or by other means (e.g. buying back at a fixed price). The advantage of this Programme is that immediately upon repurchase, the relevant shares will not fall under the legal restriction prohibiting corporations from holding more than 10 per cent of their own shares. This will provide Valartis Group with greater flexibility which is in the interest of the Company's capital management approach.

Fribourg, 24. April 2023

For the Board of Directors
The Chairman
Gustav Stenbolt

ORGANISATIONAL MATTERS

Annual report and audit reports

The Annual Report 2022 (including Compensation Report and Reports of the Auditors) was published on Tuesday, 4 April 2023. It is available at the Valartis Group AG's office (29/31 Rue de Romont, 1700 Fribourg) or can be downloaded from the Valartis Group website: www.valartisgroup.ch/en/#geschaeftsberichte.

Personal attendance at the Annual General Meeting

Invitation and voting materials will be sent from 25 April to 1 May 2023 to shareholders registered in the share register. They will be offered the possibility to order an Admission Card by returning the form "Participation in the 35th Annual General Meeting of Valartis Group AG" to Martin Rechtsanwälte GmbH – Attorneys at Law, Steinberggasse 23, 8400 Winterthur using the envelope provided. Between the 10 May 2023 and 12 May 2023, Admission Cards will be sent out to shareholders who register to attend the Annual General Meeting. Voting slips will be provided directly at the Annual General Meeting.

Language

Please note that the Annual General Meeting will be held in English only. Simultaneous translation services to German will not be available.

Representation and return of the voting form

Shareholders who will not attend the Annual General Meeting in person are encouraged to appoint a proxy. A shareholder of Valartis Group AG may only be represented at the General Meeting by his legal representative, another shareholder with voting rights or the independent proxy. Martin Rechtsanwälte GmbH – Attorneys at Law, Steinberggasse 23, 8400 Winterthur, was elected as independent proxy. By signing the voting form, you are authorising the Independent Proxy to vote in favour of the proposals of the Board of Directors unless written instructions to the contrary are given. If you wish to authorise Martin Rechtsanwälte GmbH, please send the voting form including your power of attorney and written voting instructions to the independent proxy, Martin Rechtsanwälte GmbH, no later than by Tuesday, 9 May 2023 (receipt).

Online platform – electronic remote voting via proxies and instructions to the Independent Proxy

Shareholders may vote and participate in elections by means of instructing the Independent Proxy, Martin Rechtsanwälte GmbH, via the investor web service at valartis.vote.ch. The required personal login data are enclosed to the invitation. The Independent Proxy may be instructed via the online platform until Tuesday, 9 May 2023, 23:59 CEST on.

Voting entitlement

Those shareholders entered in the Share Register until Thursday, 27 April 2023 (included) are entitled to vote.

Close of share register

The Share register will be closed for changes from 28 April to 16 May 2023 (included). Any change in shareholdings during this period will be recorded again from the 17 May 2023.