

INVITATION TO THE ORDINARY SHAREHOLDERS' MEETING
of
MBAER MERCHANT BANK AG

Zurich, 07.04.2021

Dear Shareholders

The Board of Directors of MBaer Merchant Bank AG (MBaer Bank) is pleased to invite you to the Annual General Meeting, to be held on: **April 29, 2021 at 14:00** at the offices of Meyerlustenberger Lachenal, Grabenstrasse 25, 6340 Baar.

Due to the current COVID-19 situation, MBaer Merchant Bank AG has decided to hold the Annual General Meeting without the physical attendance of shareholders. Shareholders are asked to exercise their rights at this Annual General Meeting via the Independent Voting Rights Representative.

MBaer Merchant Bank AG is committed to protecting the health of its shareholders, employees and clients to the best of its ability.

The Board of Directors has elected Etienne Gard and, if he is unable to attend, Leonardo Gelli, c/o Bratschi AG, Bahnhofstrasse 70, 8001 Zurich as independent proxy. Each shareholder may exercise his/her/its voting rights by giving a power of attorney to the independent proxy.

Exercise of voting rights via independent proxy

Shareholders should send the power of attorney to Etienne Gard (Bratschi AG, Bahnhofstrasse 70, 8001 Zurich) by 26th April 2020 by 18:00 at the latest. By signing the power of attorney, the independent proxy is authorized, in the absence of written instructions to the contrary, to approve the proposals of the Board of Directors. This also applies in the event that a vote is taken at the AGM on motions that are not listed in the invitation.

Please note that you are not allowed to physically be present at the AGM. The majority of the Board of Directors, the independent proxy, the auditor and the public notary will be present only.

The annual report of the Company for the financial year 2020 and the minutes of the last AGM (concerning financial year 2019) are part of this mailing and are also available at the headquarters of the Company.

Agenda

1. Approval of the Minutes of the AGM concerning the financial year 2019 and the supplement

The Board of Directors proposes that the minutes of the AGM 2020 (concerning the financial year 2019) of the Company and the supplement be approved.

Explanation:

The Minutes of the last AGM and the supplement are attached to the invitation mailing and are also available at the headquarters of the Bank.

2. Approval of the 2020 Annual Report and Financial Statements

The Board of Directors proposes that the Annual Report 2020 of the Company be approved.

Explanation:

The Annual Report is attached to the invitation mailing and is available at the headquarters of the Bank.

3. Coverage of losses of MBaer Merchant Bank AG

The Board of Directors proposes the coverage of losses for the period 01.01.2020. - 31.12.2020 (TCHF):

Loss incurred in financial year 2020	CHF	-6'664
Loss carried forward	CHF	<u>-7'981</u>
Accumulated loss	CHF	-14'645
Coverage of losses		
Transfers from statutory retained earnings reserve	CHF	0
Transfers from voluntary retained earnings reserve	CHF	<u>0</u>
Loss carried forward	CHF	-14'645

Explanation:

The loss incurred during the financial year 2020 reflects the delay in revenue due to slower client onboarding and the challenges of the Covid pandemic, and is carried forward into the new business year.

4. Discharge of the members of the Board of Directors and the Executive Board

The Board of Directors proposes that discharge be granted to all members of the Board of Directors (Marcel Aellen, Rajesh Bothra, Fabian Tschan and Siri Evjemo Nysveen) and the Executive Board (Michael Baer, Niklaus Hasler, Mélanie Chopard, Frank Grundler, Stephan Häberle and Paul-Michel von Merety).

5. Re-election of the members of the Board of Directors

The Board of Directors proposes to re-elect Mr. Marcel Aellen, Mrs. Siri Evjemo-Nysveen and Mr. Fabian Tschan as members of the Board of Directors.

Explanation:

In accordance with Art. 20 para. 1 of the articles of association of MBaer Merchant Bank AG, the term of office for re-elected members of the Board of Directors is the period from one Ordinary Shareholders' Meeting to the next Ordinary Shareholders' Meeting.
They are eligible for re-election.

6. Re-election of the statutory auditor

The Board of Directors proposes to re-elect the statutory auditor – BDO AG, in Zurich – for one further year of service.

7. Change of Art. 3a para. 1 of the articles of association

When the bank was founded on December 7, 2018, Conditional Capital with a nominal value of CHF 4'500'000 was created to allow employees to participate in the success of the bank. The bank would like to make as many of its employees "owners" of the bank as possible. The current wording is not as precise as we would like it to be. The current Article 3a para 1 is rather long and not as transparent as it should be. Therefore the BoD suggests to shorten it and clearly define that the staff are eligible as recipients. This is clearly to the advantage of all shareholders.

In the current articles of association, the Bank has the right to offer the management 4,5 Mio. shares at a price of CHF 1:

Art. 3a para. 1: "The share capital pursuant to article 3 may be increased by the issuance of up to a maximum of 4,500,000 fully paid-in registered shares with a nominal value of CHF 1 each, i.e. with a total nominal value of up to CHF 4,500,000.--, through the exercise of rights granted to a specific number of persons of the management team of the Company under a special arrangement. The subscription right of the shareholders regarding these shares is excluded. Each of said specific persons is granted the right to subscribe to new shares pursuant to the conditions set forth in an instrument issued by the board of directors. The issuance of the registered shares takes place by full payment in cash of the exercise price. The exercise price for the new registered shares equal the nominal value of CHF 1 per registered share."

Art. 3a Abs. 1: "Das Aktienkapital gemäss Artikel 3 wird durch Ausgabe von höchstens 4'500'000 voll zu liberierenden Namenaktien im Nennwert von je CHF 1 um den Maximalbetrag von CHF 4'500'000.-- erhöht durch Ausübung von Optionsrechten, die dem Managementteam der Gesellschaft gemäss separater Vereinbarung eingeräumt worden sind. Das Bezugsrecht der Aktionäre hinsichtlich dieser Aktien ist ausgeschlossen. Jede dieser Personen wird das Recht eingeräumt, neue Aktien gemäss den vom Verwaltungsrat schriftlich festgelegten Bedingungen zu beziehen. Die Ausgabe der Aktien erfolgt durch vollständige Barzahlung des Ausübungspreises. Der Ausübungspreis für die neuen Namenaktien entspricht dem Nennwert von CHF 1 je Namenaktie."

The BoD recommends that shareholders amend this article so that all employees and new partners (not only management) should also be able to purchase these shares. To this end, it proposes the following reformulation:

New Art. 3a para. 1: "The share capital pursuant to article 3 may be increased by the issuance of up to a maximum of 4,500,000 fully paid-in registered shares with a nominal value of CHF 1 each, i.e. with a total nominal value of up to CHF 4,500,000.--, through the exercise of rights granted to employees of the Company in accordance with a plan approved by the Board of Directors. The subscription right of the shareholders regarding these shares is excluded."

Neuer Art. 3a Abs. 1: "Das Aktienkapital gemäss Artikel 3 wird durch Ausgabe von höchstens 4'500'000 voll zu liberierenden Namenaktien im Nennwert von je CHF 1 um den Maximalbetrag von CHF 4'500'000.-- erhöht durch Ausübung von Optionsrechten, die den Mitarbeitern der Gesellschaft gemäss einem vom Verwaltungsrat genehmigten Plan eingeräumt werden. Das Bezugsrecht der Aktionäre hinsichtlich dieser Aktien ist ausgeschlossen."

The BoD recommends that shareholders agree to the amendment of this article so that all employees and new partners should also be able to purchase these shares.

8. Miscellaneous

Once the situation has returned to normal we will invite all shareholders to an information event – as already announced last year but unfortunately not carried out due to the pandemic –, where you will be provided with a timely update. The timeframe for this event will take into account safeguarding the health of our employees and our shareholders. You will receive this invitation in due time and we look forward seeing you all in the hopefully not too distant future.

Until then we ask you all to stay safe.

On behalf of the Board of Directors:



Zurich, 7th April 2021
Marcel Aellen,
Chairman



Fabian Tschan
Vice Chairman

Attachments:

1. Power of Attorney to the independent proxy

Annex 1

Power of Attorney to the Independent Proxy

The undersigned

Owner of registered shares in

MBaer Merchant Bank AG (Company)

hereby confers Power of Attorney upon

Etienne Gard, and if he is unable to attend **Leonardo Gelli (Independent Proxy)**, c/o Bratschi AG, Bahnhofstrasse 70, 8001 Zurich, Switzerland, in order to represent the undersigned at the annual general meeting of the Company to be held on 29th April 2021 and to exercise his or her voting right and to resolve on the following agenda items as follows:

Agenda	Topic	Accepted	Declined	Abstention
1	Approval of the Minutes of the AGM 2019 and the supplement			
2	Approval of the Annual Reports: Financial Statements and Annual Report of the MBaer Merchant Bank AG for the financial year 2020; acknowledgement of the Auditors' Reports			
3	Coverage of losses of MBaer Merchant Bank AG			
4	Discharge of the members of the Board of Directors and the Executive Board			
5	Re-election of the members of the Board of Directors and the Executive Board			
6	Re-election of the statutory auditor			
7	Change of Art. 3a para. 1 of the articles of association			

In the absence of instructions, the votes of the shareholder shall be exercised by the Independent Proxy as approvals of the proposals of the Board of Directors.

Place, Date: _____

Signature: _____

Please send the duly signed Power of Attorney no later than 26th April 2021, 18:00, to the following address:

Bratschi AG, Etienne Gard, Attorney at Law, Bahnhofstrasse 70, 8001 Zurich.