

**Invitation to the 7th ordinary shareholders' meeting
of THERAMetrics holding AG**

Wednesday, 18 June 2014, 11.00 a.m.
(doors open at 10.00 a.m.)
at the company's headquarter
Mürgstrasse 18
CH – 6370 Stans

Agenda and Proposals of the Board of Directors

1. Annual report, consolidated and statutory financial statements for the year 2013

The Board of Directors proposes the approval of the annual report and the consolidated and statutory financial statements for the year 2013.

2. Carrying forward of loss

The consolidated loss for the business year 2013 amounts to CHF 12'222'360, whereas the loss of the Company for the same period, on a standalone basis, amounts to CHF 5'327'833. Consequently, the Board of Directors proposes to carry forward the accumulated loss on a standalone basis of THERAMetrics holding AG stand alone as per 31 December 2013 in the amount of CHF 35'806'969.

3. Discharge of the members of the Board of Directors and of the Executive Committee

The Board of Directors proposes to approve the discharge of the members of the Board of Directors and of the Executive Committee for their activities in the business year 2013.

4. Ordinary Capital Increase

The Board of Directors proposes the following ordinary share capital increase:

- The share capital of the Company shall be increased by a maximum amount of CHF 4'000'000 through the issuance of up to 400'000'000 fully paid in registered shares with a par value of CHF 0.01 each;
- The subscription price shall be determined by the Board of Directors and shall be fully paid in by way of contribution in cash and/or set-off with shareholder loans towards the Company.
- The subscription rights of the existing shareholders shall not be restricted nor abolished. The Board of Directors shall determine the allocation of not exercised subscription rights as follows:

- First, not exercised subscription rights will be allocated to Fin Posillipo S.p.A. who may subscribe for additional shares by way of contribution in cash;
 - subscription rights which have not been exercised in course of the above mentioned allocation to the shareholder Fin Posillipo S.p.A. will be allocated to the shareholders Fin Posillipo S.p.A. and/or Pierrel S.p.A. which may subscribe for additional shares by way of set-off with loans towards the Company.
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- The new shares shall be entitled to dividends for the business year 2014;
 - The new shares shall be subject to the registration requirements as set out in article 5 of the Company's articles of association;
 - The share capital increase shall be implemented within three months.

5. Cancellation of the existing and Creation of a new Authorized Share Capital

The Company's existing authorized share capital of up to CHF 1'200'000 under article 3c of the current articles of association expires on the 19 June 2015. To ensure the Company's best possible access to the capital market for meeting its capital requirements, an extended authorized capital in time and amount shall allow the Company to respond quickly to strategic business opportunities.

Accordingly, the Board of Directors proposes the creation of a new authorized share capital and the simultaneous cancellation of the existing authorized share capital as per the current articles of association.

Therefore, the Board of Directors proposes

- (i) the cancellation of the existing authorized share capital and the respective deletion of the existing article 3c of the articles of association;
- (ii) the simultaneous creation of a new authorized share capital to a maximum amount of CHF 1'980'000 by issuing up to 198'000'000 registered shares to be fully paid up with a par value of CHF 0.01 each and to entitle the Board of Directors to execute the capital increase until 18 June 2016; and
- (iii) the respective implementation of a new article 3c in the articles of association which constitutes the authorization of the Board of Directors to execute the capital increase as follows:

Existing article 3c to be deleted	Future article 3c
<p>Authorized share capital</p> <p>1 The Board of Directors is authorized, at any time until 19 June 2015, to increase the share capital by a maximum amount of CHF 1'200'000 by issuing up to 120'000'000 registered shares to be fully paid up with a par value of CHF 0.01 each. An increase in partial amounts is permitted. Furthermore, within the limits of Article 659 and ss. of the Swiss Code of Obligations, an increase by original subscription of shares by the Company for the purpose of subsequent offers to shareholders or third parties or distribution among them is permitted. The new registered shares, after their acquisition, will be subject to restrictions on entry into the share register as set out in Article 5 of the articles of association. The Board of Directors will determine the appropriate issue price, the date of dividend entitlement and the type of investment.</p> <p>The Board of Directors may issue new shares by means of underwriting or in any other manner by one or more banks and subsequent offer to shareholders or third parties. The Board may forfeit unexercised subscription rights, or it can distribute these and shares for which subscription rights have been granted but not exercised under market conditions or otherwise use them for the benefit of the company.</p> <p>2 The Board of Directors is entitled to restrict or cancel the subscription rights of shareholders and third parties, or the Company, in the event of the use of shares: (1) for the acquisition of businesses or company divisions or holdings or for new investment projects or in the event of share placement for the financing or refinancing of</p>	<p>Authorized share capital</p> <p>1 The Board of Directors is authorized, at any time until 18 June 2016, to increase the share capital by a maximum amount of CHF 1'980'000 by issuing up to 198'000'000 registered shares to be fully paid up with a par value of CHF 0.01 each. An increase in partial amounts is permitted. Furthermore, within the limits of Article 659 and ss. of the Swiss Code of Obligations, an increase by original subscription of shares by the Company for the purpose of subsequent offers to shareholders or third parties or distribution among them is permitted. The new registered shares, after their acquisition, will be subject to restrictions on entry into the share register as set out in Article 5 of the articles of association. The Board of Directors will determine the appropriate issue price, the date of dividend entitlement and the type of investment.</p> <p>The Board of Directors may issue new shares by means of underwriting or in any other manner by one or more banks and subsequent offer to shareholders or third parties. The Board may forfeit unexercised subscription rights, or it can distribute these and shares for which subscription rights have been granted but not exercised under market conditions or otherwise use them for the benefit of the company.</p> <p>2 The Board of Directors is entitled to restrict or cancel the subscription rights of shareholders and third parties, or the Company, in the event of the use of shares: (1) for the acquisition of businesses or company divisions or holdings or for new investment projects or in the event of share placement for the financing or refinancing of such transactions, (2) for the purpose of</p>

<p>such transactions, (2) for the purpose of expanding the shareholder base by individuals or legal entities having a direct or indirect association with the diseases (especially as patients or as relatives and friends of patients) or who are professionally involved either directly or indirectly with the disease (in particular producers of drugs, scientists, research institutions, universities, patient and donation organizations or hospitals), for which the Company or any of its subsidiaries invents, researches, develops, offers or sells new approaches or treatment solutions; (3) for purposes of the participation of strategic partners, or for purposes of expanding the shareholder base in certain investor markets or in the context of the listing, trade licensing or registration of the shares on domestic or foreign stock exchanges, (4) for the participation of employees, members of the Board of Directors and consultants of the Company or its subsidiaries in accordance with one or more regulations adopted by the Board, (5) in connection with an offering of securities in order to cover the green shoe option (surplus allocation option) granted to one or more banks, (6) for raising capital in a fast and flexible manner, which would hardly be achieved without the exclusion of the statutory subscription rights of the existing shareholders, or (7) for other valid grounds in the sense of Article 652b para. 2 Swiss Code of Obligations.</p>	<p>expanding the shareholder base by individuals or legal entities having a direct or indirect association with the diseases (especially as patients or as relatives and friends of patients) or who are professionally involved either directly or indirectly with the disease (in particular producers of drugs, scientists, research institutions, universities, patient and donation organizations or hospitals), for which the Company or any of its subsidiaries invents, researches, develops, offers or sells new approaches or treatment solutions; (3) for purposes of the participation of strategic partners, or for purposes of expanding the shareholder base in certain investor markets or in the context of the listing, trade licensing or registration of the shares on domestic or foreign stock exchanges, (4) for the participation of employees, members of the Board of Directors and consultants of the Company or its subsidiaries in accordance with one or more regulations adopted by the Board, (5) in connection with an offering of securities in order to cover the green shoe option (surplus allocation option) granted to one or more banks, (6) for raising capital in a fast and flexible manner, which would hardly be achieved without the exclusion of the statutory subscription rights of the existing shareholders, or (7) for other valid grounds in the sense of Article 652b para. 2 Swiss Code of Obligations.</p>
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6. Creation of a new conditional share capital

The Company shall have the opportunity to reward its members of the Board of Directors and the Management of the Company and of its subsidiaries/group companies by awarding option rights to them. For this reason and in order to strengthen the relation between the Company, respectively the Group, and its Directors and Managers, the Board of Directors intends to implement a new Equity Awards Program (with regard to the principles for the allocation of options rights see agenda item 7).

In connection with the intended award of option rights described above, the Board of Directors proposes the creation of a new conditional share capital in the amount up to CHF 250'000 by issuing up to 25'000'000 registered shares to be fully paid up with a par value of CHF 0.01 each and to entitle the Board of Directors to execute this capital increase at its own discretion and to implement a new article 3d in the articles of association which reads as follows:

New article 3d

Conditional Capital II

Article 3d

The share capital of the Company may be increased by the issuance of up to 25'000'000 registered shares to be fully paid up, each with a par value of CHF 0.01 to the nominal value of CHF 250'000 through the exercising of options granted to members of the Board of Directors and the Management of the Company and its subsidiaries and/or Group companies. Rights of pre-emption and subscription rights of shareholders are ruled out. Option rights for members of the Board of Directors and the Management are issued by the Company. The Company shall issue the option rights to the Board of Directors and the Management. The terms and conditions of the options, such as the issue price of the shares, date of dividend entitlement and type of contribution shall be set out the regulations and or stock option plans. The acquisition of registered shares through the exercising of option rights and the subsequent transfer of registered shares will be subject to the registration restrictions of Article 5 of the articles of association.

7. Introduction of principles for the award of option rights to Board and Management

Pursuant to the Ordinance against Excessive Compensation with respect to Listed Stock Corporations ("OaEC"), which has come into force on 1 January 2014, the basic principles concerning the award of equity securities, conversion and option rights to members of the Board of Directors, the executive management and the advisory board must be addressed in the articles of association in order to be effective.

Therefore, the Board of Directors proposes to introduce a new article 19a in the articles of association which reads as follows:

New article 19a

Basic Principles regarding the award of option rights

Article 19a

1 The Board of Directors or the Compensation Committee is free to determine at its own discretion to award option rights to the members of the Board of Directors or the Management of the Company and of its subsidiaries/Group companies. Thereby the Board of Directors shall establish respective procedures, or awards programs respectively, in accordance with the rules set out paragraph 2 of this Article.

2 The award of option rights by the Board of Directors or the Compensation Committee shall be made pursuant to the following principles which shall be set out in the corresponding procedures or awards programs: (1) Option rights shall only be awarded to members of the Board of Directors and the Management who are still in charge or employed respectively; (2) Option rights shall be allocated on an individual basis; (3) The option price or the principles for the determination of the option price shall be set out, whereby options may be granted free of charge; (4) The exercise price or the principles for the determination of the exercise price shall be set out, whereby the exercise price shall at least be equal to the nominal value of the shares; (5) Exercise shall be subject to a vesting period of at least six months; (6) Vested option rights shall be exercised within 3 years of the grant date. Unexercised option rights shall lapse without compensation; (7) The Board of Directors or the Compensation Committee shall determine more detailed terms and requirements, including any acceleration, curtailing or waiving of the vesting period in specific circumstances such as a change of control, as well as any clawback mechanisms.

8. Elections

8.1 Board of Directors

- a) The Board of Directors proposes to re-elect Raffaele Petrone to the Board of Directors of the Company for a term of office until the end of the next annual general meeting;
- b) The Board of Directors proposes to re-elect Michael Keller to the Board of Directors of the Company for a term of office until the end of the next annual general meeting;
- c) The Board of Directors proposes to re-elect Robert Edward Patterson to the Board of Directors of the Company for a term of office until the end of the next annual general meeting;

- d) The Board of Directors proposes to elect Gabriele Albera to the Board of Directors of the Company for a term of office until the end of the next annual general meeting;
- e) The Board of Directors proposes to elect Claudio Palladini to the Board of Directors of the Company for a term of office until the end of the next annual general meeting.

8.2 Chairman of the Board of Directors

The Board of Directors proposes to re-elect Raffaele Petrone as Chairman of the Board of Directors of the Company for a term of office until the end of the next annual general meeting.

8.3 Compensation Committee

- a) The Board of Directors proposes to elect Robert Edward Patterson to the Compensation Committee of the Company for a term of office until the end of the next annual general meeting;
- b) The Board of Directors proposes to elect Claudio Palladini to the Compensation Committee of the Company for a term of office until the end of the next annual general meeting;

8.4 Independent Proxy Holder

The Board of Directors proposes to elect Gilles Benedick as independent proxy holder of the Company for a term of office until the end of the next annual general meeting.

8.5 Auditors

The Board of Directors proposes to re-elect Ernst & Young AG, Basel, as auditors of the Company for a term of office until the end of the next annual general meeting.

Organisational matters

The annual report 2013 including the consolidated and statutory financial statements for the year 2013 as well as the auditors' reports (each of them in English language only) are available as of now for inspection at the headquarter of the Company. A copy of the annual report will be mailed to any shareholder upon request. The enclosed registration form may be used for ordering. A PDF-copy of the annual report for 2013 is also available on the website of the Company under <http://www.THERAMetrics.com/investor/investors/key-information>.

Admission cards

Upon return of the registration form/proxy to the share register of THERAMetrics holding AG, c/o SIX SAG AG, Baslerstrasse 90, P.O. Box, CH-4601 Olten, in the enclosed envelope, you will receive the admission card and the voting slip. Shareholders may be represented at the shareholders' meeting according to the provisions of article 13 of the articles of association (see below).

Entitlement to vote

Those shareholders who were registered in the share register on 6 June, 2014, 5.30 p.m., are entitled to vote. No registrations in the share register will be made from 9 June through 18 June 2014. Shareholders who sell their shares prior to the shareholders' meeting are no longer entitled to vote. If some of the shares have been sold, the admission card received must be exchanged on the day of the shareholders' meeting.

Representation and proxy

Shareholders who do not personally attend the shareholders' meeting can be represented according to the provisions of article 13 of the articles of association as follows:

- by any legal representative, who does not need to be a shareholder;
- by any other shareholder entitled to vote; and
- by the independent proxy holder, Gilles Benedick. The appropriately completed registration form and the completed instruction form grant proxy (the admission card is not required).

This invitation is an informal translation of the German original. Should there be a discrepancy between this translation and the German original, the latter shall prevail.

Stans, 26 May 2014

THERAMetrics holding AG

On behalf of the Board of Directors

Raffaele Petrone, Chairman

Annexes:

Registration Form/Proxy

Instruction Form