
ORDINARY ANNUAL GENERAL MEETING

FINANCIAL YEAR 2015/16

on Thursday, 9 March 2017 in Zwingenberg (Bergstraße)



B·R·A·I·N

Invitation to the Ordinary Annual General Meeting

We hereby invite the shareholders to the Ordinary Annual General Meeting to be held

**on Thursday, 9 March 2017, at 11:00 a.m.
in the Melibokushalle, Melibokusstrasse 10,
64673 Zwingenberg, Germany.**

A.

Agenda

- 1. Submission of the adopted separate annual financial statements and approved consolidated financial statements of B.R.A.I.N. Biotechnology Research and Information Network AG for the financial year ending 30 September 2016, the separate management report and Group management report for the financial year from 1 October 2015 until 30 September 2016 with the explanatory reports relating to disclosures pursuant to Section 289 (4) and Section 315 (4), of the German Commercial Code (HGB), as well as the report by the Supervisory Board for the financial year from 1 October 2015 to 30 September 2016**

The aforementioned documents can be viewed and downloaded from the company's website at <https://www.brain-biotech.de/investorrelations/hauptversammlungen>. They will also be accessible and explained during the AGM. These documents serve to inform the AGM about the past financial year as well as about the position of the company and the Group. Statutory legislation does not require a resolution on this agenda item as the Supervisory Board has approved the separate annual financial statements, which have already been adopted as a consequence.

- 2. Resolution concerning discharging the Management Board for the financial year from 1 October 2015 to 30 September 2016**

The Managing and Supervisory boards propose that the Management Board members be discharged for the financial year from 1 October 2015 to 30 September 2016.

- 3. Resolution concerning discharging the Supervisory Board for the financial year from 1 October 2015 to 30 September 2016**

The Managing and Supervisory boards propose that the Supervisory Board members be discharged for the financial year from 1 October 2015 to 30 September 2016.

4. Election of the auditor of the separate financial statements and the auditor of the consolidated financial statements for the financial year from 1 October 2016 to 30 September 2017

Pursuant to the recommendation of its Audit Committee, the Supervisory Board proposes electing Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, to be the auditor of the separate and consolidated financial statements for the financial year from 1 October 2016 to 30 September 2017.

For the aforementioned audit services, the Audit Committee has recommended to the Supervisory Board pursuant to Article 16 (2) of EU Directive Number 537/2014 of the European Parliament and of the Council dated 16 April 2014 concerning specific requirements made of the auditing of financial statements of public interest entities, and replacing resolution 2005/909/EC of the Commission

- Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart,
and
- Ebner Stoltz GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft, Frankfurt am Main,

and with it a preference for Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart.

5. Elections to the Supervisory Board

The period of office of Supervisory Board members Dr Holger Zinke and Prof Dr Klaus-Peter Koller ends with the conclusion of the AGM on 9 March 2017. Supervisory Board members Dr Matthias Kromayer and Siegfried Drueler have relinquished their mandates with effect as of the same time. The following four Supervisory Board members are to be elected by the AGM as a consequence.

Pursuant to Section 96 (1) of the German Stock Corporation Act (AktG), the company's Supervisory Board consists of the shareholders' Supervisory Board members, and pursuant to Section 95 AktG and Section 9 (1) of the company's bylaws, it consists of six members

elected by the AGM. The AGM is not tied to election proposals.

The Supervisory Board proposes electing the following individuals to be Supervisory Board members in each case with effect from the conclusion of the AGM on 9 March 2017:

- a) Dr Anna Carina Eichhorn, Frankfurt am Main, Management Board member of Humatrix Aktiengesellschaft, for a period of office until the conclusion of the AGM that passes a resolution concerning the discharge of the Supervisory Board for the financial year from 1 October 2019 to 30 September 2020;
- b) Dr Martin Jager, Enkenbach-Alsenborn, Managing Director of Döhler Group SE, for a period of office until the conclusion of the AGM that passes a resolution concerning the discharge of the Supervisory Board for the financial year from 1 October 2019 to 30 September 2020;
- c) Prof Dr Klaus-Peter Koller, Bad Soden, independent management consultant, for a period of office until the conclusion of the AGM that passes a resolution concerning the discharge of the Supervisory Board for the financial year from 1 October 2016 to 30 September 2017;
- d) Dr Georg Kellinghusen, Munich, member of the Management Board of B.R.A.I.N. Biotechnology Research and Information Network AG (until the time of the conclusion of the AGM on 9 March 2017), for a period of office until the conclusion of the AGM that passes a resolution concerning the discharge of the Supervisory Board for the financial year from 1 October 2018 to 30 September 2019.

Pursuant to Section 9 (4) of the bylaws, the election of a successor of a Supervisory Board member stepping down before the end of the period of office shall be implemented for the remainder of the period of office of the Supervisory Board member stepping down, unless the AGM determines another period of office for the successor. As Supervisory Board members Dr Matthias Kromayer and Siegfried Drueler are stepping down before the end of their period of office, the period of office of candidates Prof Dr Klaus-Peter Koller and Dr Georg Kellinghusen shall be determined according to the aforementioned election proposals relating to lit. c) and lit. d) as follows:

- For age reasons and due to his already having been a Supervisory Board member for many years, the election of Prof Dr Klaus-Peter Koller shall differ from that of the remaining period of office of the member stepping down, Dr Matthias Kromayer, and to be implemented for a period of office only until the AGM the passes a resolution concerning the discharge of the Supervisory Board for the financial year from 1 October 2016 to 30 September 2017.
- The election of Dr Georg Kellinghusen shall occur for the remaining period of office of the member stepping down, Siegfried Drueler.

It is intended to implement the Supervisory Board elections as individual elections.

The aforementioned election proposals take into account the objectives approved by the Supervisory Board for its composition, especially also relating to the target for the proportion of women on the Supervisory Board. The Supervisory Board has focused in this context particularly on continuity, experience and requisite expertise, and especially also relating to the candidates' indispensable sector, technical and corporate knowledge. In the opinion of the Supervisory Board, all of the candidates are familiar to a great extent with the sector in which the company operates.

The proposal to elect Dr Georg Kellinghusen to be a Supervisory Board member is based on the proposal of shareholder MP Beteiligungs-GmbH, Kaiserslautern, which holds more than 25 percent of the voting rights in the company (please also refer to the information on page 88 of the 2015/2016 Annual Report). The Supervisory Board adopted this proposal by MP Beteiligungs-GmbH. Dr Georg Kellinghusen possesses, to a particularly great extent, technical knowledge in the areas of financial accounting and auditing of financial statements, and meets the requirements made of a financial expert in the meaning of Section 100 (5) AktG.

Supplementary disclosures and information about the proposed candidates, especially information pursuant to Section 125 (1) Clause 5 AktG as well as further information relating to the recommendations of the German Corporate Governance Code are reproduced in Section C Sub-section 6 of this invitation and can be viewed on the company's website at

<https://www.brain-biotech.de/investor-relations/hauptversammlungen>

6. Resolution concerning cancellation of Authorised Capital 2015 / I, the creation of a new Authorised Capital 2017 / I against cash and/or non-cash capital contributions with the authorisation to exclude subscription rights as well as the related requisite bylaw amendment

The company has partially utilised in an amount of EUR 3,500,000.00 the authorisation contained in Section 5 (2) of the bylaws to increase the share capital (Authorised Capital 2015 / I) as part of the IPO. For this reason, the Authorised Capital is now available in an amount of only EUR 2,862,909.00. To enable the company to continue to cover its financing requirements in the future through drawing down authorised share capital quickly and flexibly, the existing Authorised Capital 2015 / I shall be cancelled, and a new Authorised Capital 2017 / I shall be created equivalent to half of the current share capital with a term until 8 March 2022, which otherwise largely corresponds in terms of content to the Authorised Capital 2015 / I.

The Management and Supervisory boards propose passing the following resolution:

a) Pursuant to Section 5 (2) of the bylaws, Authorised Capital 2015 / I, to the extent that it has not yet been utilised, shall be cancelled with effect of the date of the entry of the following re-regulated Authorised Capital 2017 / I and corresponding bylaw amendment in the company's commercial register.

b) The Management Board shall be authorised, with Supervisory Board assent, to increase the company's share capital once or on several occasions until 8 March 2022, albeit by up to a maximum of nominal EUR 8,207,174.00 through issuing up to 8,207,174 new ordinary registered shares against cash and/or non-cash capital contributions (Authorised Capital 2017 / I). The Management Board shall be authorised, with Supervisory Board assent, to determine the further content of the share rights and further details of the implementation of the capital increase from authorised capital.

Subscription rights shall be granted to the shareholders in this context as a matter of principle. For this purpose, the new shares can

also be transferred to banks or companies in the meaning of Section 186 (5) Clause 1 AktG with the obligation to offer them to shareholders for subscription (indirect subscription right). The Management Board shall be authorised, however, with Supervisory Board assent, to partially or wholly exclude shareholders' statutory subscription rights

(i) if the capital increase occurs against non-cash capital contributions, especially as part of business combinations or for the purpose of acquiring companies, parts of companies, interests in companies or other assets, or entitlements to acquire other assets, including receivables due from the company;

(ii) to the extent required to exclude fractional amounts from shareholders' subscription rights arising on the basis of the subscription ratio;

(iii) to the extent required to grant subscription rights to the holders of conversion or warrant rights to the company's shares or to the creditors of corresponding conversion obligations to offset dilutions in the scope to which they would be entitled after exercising such rights or satisfying such obligations;

(iv) if the new shares are issued against cash capital contributions, and the issue price of the new shares is not significantly less than the stock market price of the already listed shares of the company on the date when the issue price is finally determined; the number of shares issued in this manner under exclusion of subscription rights may in total not be less than 10 percent of the share capital, neither at the time when this authorisation becomes effective nor at the time when this authorisation is exercised; to this maximum limit of 10 percent of the share capital are other shares to be attributed that are issued or sold during the duration of this authorisation under exclusion of subscription rights in direct or corresponding application of Section 186 (3) Clause 4 AktG, as well as shares that are to be issued to service warrant or conversion rights or warrant or conversion obligations from convertible bonds and/or bonds with warrants and/or participation rights, if such bonds or participation rights are issued during the duration of this authorisation under exclusion of subscription rights in corresponding application of Section 186 (3) Clause 4 AktG.

c) Section 5 (2) of the bylaws shall be reformulated as follows:

„The Management Board shall be authorised, with Supervisory Board assent, to increase the company's share capital once or on several occasions until 8 March 2022, albeit by up to a maximum of nominal EUR 8,207,174.00 through issuing up to 8,207,174 new ordinary registered shares against cash and/or non-cash capital contributions (Authorised Capital 2017 / I). The Management Board shall be authorised, with Supervisory Board assent, to determine the further content of the share rights and further details of the implementation of the capital increase from authorised capital.

Subscription rights are to be granted to the shareholders in this context as a matter of principle. For this purpose, the new shares can also be transferred to the banks or companies in the meaning of Section 186 (5) Clause 1 AktG with the obligation to offer them to shareholders for subscription (indirect subscription right). The Management Board shall be authorised, however, with Supervisory Board assent, to partially or wholly exclude shareholders' statutory subscription rights

(i) if the capital increase occurs against non-cash capital contributions, especially as part of business combinations or for the purpose of acquiring companies, parts of companies, interests in companies or other assets, or entitlements to acquire other assets, including receivables due from the company;

(ii) to the extent required to exclude fractional amounts from shareholders' subscription rights arising on the basis of the subscription ratio;

(iii) to the extent required to grant subscription rights to the holders of conversion or option rights to the company's shares or to the creditors of corresponding conversion obligations to offset dilutions in the scope to which they would be entitled after exercising such rights or satisfying such obligations;

(iv) if the new shares are issued against cash capital contributions, and the issue price of the new shares is not significantly less than the stock market price of the already listed shares of the company on the

date when the issue price is finally determined; the number of shares issued in this manner under exclusion of subscription rights may not be less in total than 10 percent of the share capital, neither at the time when this authorisation becomes effective nor at the time when this authorisation is exercised; to this maximum limit of 10 percent of the share capital shall other shares be attributed that are issued or sold during the duration of this authorisation under exclusion of subscription rights in direct or corresponding application of Section 186 (3) Clause 4 AktG, as well as shares that are to be issued to service warrant or conversion rights or warrant or conversion obligations from convertible bonds and/or bonds with warrants and/or participation rights, if such bonds or participation rights are issued during the duration of this authorisation under exclusion of subscription rights in corresponding application of Section 186 (3) Clause 4 AktG.”

B.

Written report by the Management Board pursuant to Sections 203 (2) Clause 2, 186 (4) Clause 2 AktG relating to item 6 on the agenda concerning the reasons to authorise the Management Board to exclude shareholders' subscription rights when utilising Authorised Capital 2017 / I

Agenda item 6 includes the management's proposal to cancel Authorised Capital 2015 / I and create a new Authorised Capital 2017 / I, which is to comprise an authorisation of the Management Board to exclude shareholders' subscription rights.

The company's AGM approved Authorised Capital 2015 / I on 8 July 2015 in an amount of originally EUR 6,362,909.00. As part of the IPO of the company's shares, pursuant to a Management Board resolution dated 3 February 2016, and with Supervisory Board approval, partial utilisation was made on the same date in an amount of EUR 3,500,000.00 under exclusion of statutory subscription rights. The capital increase from authorised capital was entered in the commercial register on 4 February 2016. Accordingly, Authorised Capital 2015 / I is currently now available pursuant to Section 5 (2) of the bylaws only in amount of EUR 2,862,909.00, which corresponds to an amount equivalent to 17.44 % of the company's current share capital; it can only be utilised in this amount until 7 July 2020.

The Management and Supervisory boards agree that the company must be able at all times to react quickly and flexibly on national and international markets in the interests of its shareholders and cover any financing requirements, potentially also without ordinary capital increases, including the expense and time loss connected with subscription rights processes. A sufficient level of authorised capital forms an important foundation for this. For this reason, the management proposes to the shareholders to cancel the existing Authorised Capital 2015 / I to the extent that it was not utilised, and create a new Authorised Capital 2017 / I whose level shall be adjusted as part of statutory regulations to the company's increased share capital since the IPO, and which can be utilised until 8 March 2022, albeit otherwise largely corresponding in content to the currently still existing Authorised Capital 2015 / I. The Management Board shall consequently be authorised, with Supervisory Board assent, to increase the

company's share capital once or on several occasions until 8 March 2022, albeit by up to a maximum of nominal EUR 8,207,174.00 through issuing up to 8,207,174 new ordinary registered shares against cash and/or non-cash capital contributions (Authorised Capital 2017 / I). For reasons of flexibility, it shall be possible to utilise Authorised Capital 2017 / I for both cash and non-cash capital increases.

In principle, a subscription right pursuant to statutory regulations should be granted to all shareholders in capital increases from Authorised Capital 2017 / I. In the cases listed in the proposed resolution, however, the company's Management Board is to be granted the possibility, with Supervisory Board assent, to wholly or partially exclude shareholders' statutory subscription rights in order to respond to short-term financing requirements in the well-understood interests of the company, on the one hand, and to rapidly implement strategic decisions, on the other. Pursuant to the proposed resolution, excluding subscription rights should be permitted only

- if the capital increase occurs against non-cash capital contributions, especially as part of business combinations or for the purpose of acquiring companies, parts of companies, interests in companies or other assets, or entitlements to acquire other assets, including receivables due from the company;
- to the extent required to exclude fractional amounts from shareholders' subscription rights arising on the basis of the subscription ratio;
- to the extent required to grant subscription rights to the holders of conversion or option rights to the company's shares or to the creditors of corresponding conversion obligations to offset dilutions in the scope to which they would be entitled after exercising such rights or satisfying such obligations;
- if the new shares are issued against cash capital contributions, and the issue price of the new shares is not significantly less than the stock market price of the already listed shares of the company on the date when the issue price is finally determined; the number of shares issued in this manner under exclusion of subscription rights may in total not be less than 10 percent of the share capital, neither at the

time when this authorisation becomes effective nor at the time when this authorisation is exercised; to this maximum limit of 10 percent of the share capital shall other shares be attributed that are issued or sold during the duration of this authorisation under exclusion of subscription rights in direct or corresponding application of Section 186 (3) Clause 4 AktG, as well as shares that are to be issued to service warrant or conversion rights or warrant or conversion obligations from convertible bonds and/or bonds with warrants and/or participation rights, if such bonds or participation rights are issued during the duration of this authorisation under exclusion of subscription rights in corresponding application of Section 186 (3) Clause 4 AktG."

The Management Board wishes to explain the authorisation to exclude subscription rights for the aforementioned cases as follows:

a) Excluding subscription rights pursuant to the proposed resolution should be possible if the capital increase occurs against non-cash capital contributions, especially as part of business combinations or for the purpose of acquiring companies, parts of companies, interests in companies or other assets, or entitlements to acquire other assets, including receivables due from the company.

The company faces global competition and must always be intent on improving its competitive position and strengthening its profitability. To this end, it can make sense to acquire other companies, interests in companies or attractive assets, such as assets connected with acquisition projects. If such an opportunity arises, the company must be able to realise such an acquisition quickly, flexibly and in a manner that spares liquidity, including in the interests of its shareholders. It should be noted in this context that very high considerations must be rendered in most such transactions, which are not always to be fulfilled in cash, or which cannot always be fulfilled in cash. Moreover, the owners of companies or acquisition assets that are for sale occasionally take the initiative in demanding voting shares in the acquirer as consideration. So that the company can acquire attractive entities or acquisition assets in such cases too, it must be possible for it to offer shares as consideration. This requires the creation of authorised capital, in utilising which the Management Board, with Supervisory Board assent, can exclude shareholders' subscription rights. The possibility to exclude subscription rights thereby opens up for the company the requisite scope for manoeuvre to acquire companies, parts

of companies, interests in companies or other assets connected with an acquisition.

Although excluding subscription rights when utilising authorised capital results in a reduction of shareholders' relative shareholding interests and relative voting rights interests, the acquisition of companies, parts of companies, interest in companies or other assets connected with an acquisition would frequently be impossible for the aforementioned reasons if statutory subscription rights were granted. The benefits connected with the acquisition for the company and its shareholders would be unachievable as a consequence. If subscription rights are excluded, the Management Board will nevertheless ensure when setting the valuation ratios that shareholders' interests are appropriately protected; it will also take the stock market price of the company's share into consideration in this context, although a schematic connection to the stock market price is not planned.

The Management Board will only utilise this authorisation if the exclusion of subscription rights lies in the well-understood interest of the company and its shareholders in the specific case. Specific acquisition plans in the sense presented, which require utilisation of authorised capital and the exclusion of subscription rights, do not exist at present.

b) Subscription rights are also to be excluded for fractional amounts. This authorisation should enable a subscription ratio that can be implemented in technical terms. Without excluding subscription rights in relation to the fractional amount, the technical implementation of the capital increase would be significantly more difficult especially for a capital increase with round sums. The new shares excluded as fractional amounts from shareholders' subscription rights are to be realised as best as possible by the company either through sale through the stock market or in another manner. A potential dilution effect is only very minor due to the restriction to fractional amounts.

c) Subscription rights are also to be excluded to the extent required to grant subscription rights to the holders of conversion or option rights to the company's shares or to the creditors of corresponding conversion obligations – hereinafter referred to together as „bonds“ – to offset dilutions in the scope to which they would be entitled after exercising such rights or satisfying such obligations.

The terms and conditions of the bonds generally include dilution protection in order to make it easier to place the bonds on the capital market. One possibility to ensure protection against dilution is to grant holders or creditors of bonds a subscription right to new shares in subsequent share issues, as shareholders are entitled to. To furnish bonds with such dilution protection, shareholders' subscription rights to the new shares must be excluded. Alternatively, solely the warrant or conversion price could be reduced for the purpose of dilution protection, to the extent the terms and conditions of the bonds permit. This would be much more laborious for the company to process and in any case connected with higher costs, however. It would also diminish the capital inflow from exercising warrant or conversion rights, or from satisfying warrant or conversion obligations. Issuing bonds without dilution protection would be significantly less attractive for the market and would consequently not serve shareholders' interests in appropriate and coherent financial backing for the company.

d) Finally, exclusion of subscription rights should be possible if the new shares pursuant to Sections 203 (1), 186 (3) Clause 4 AktG are issued against cash capital contributions at an amount that is not significantly less than the stock market price, and if the total proportional amount of the share capital attributable to the issued shares does not exceed 10 percent of the share capital, either of the time when the authorisation becomes effective or at a time when the authorisation is exercised. The company can procure additional equity capital for any financing requirements short-term on this basis, and also quickly and flexibly exploit market opportunities to optimally strengthen its equity base in the interests of the company and its shareholders, without having to implement a subscription rights process entailing high expense. Excluding subscription rights also serves the company's interest in achieving the highest possible issue price, as a placing of new shares is enabled close to the stock market price without the discount that is usual for subscription issues. New shareholder groups domestically and abroad can also be acquired.

When utilising the authorisation, the Management Board, with Supervisory Board assent, will keep any discount to the stock market price as small as possible according to the market conditions prevailing at the time when the issue price is finally determined. As price fluctuations within very short periods cannot be excluded due to

market volatility, it should be determined in advance whether for this purpose an average price calculated on the basis of a period of just a few days preceding the resolution on the authorised capital utilisation is taken as the basis, or the current price on the resolution date. In no instance shall a discount to the stock market price amount to more than five percent of the stock market price, however. The Management and Supervisory boards will carefully examine the setting of the issue price on an individual case basis, taking the respective current circumstances into account. The Management Board will endeavour to achieve the highest possible selling price in this context, and to minimise a discount to the price at which existing shareholders can buy additional shares through the stock market.

The scope of the cash capital increase under exclusion of subscription rights pursuant to Section 186 (3) Clause 4 AktG shall also be limited to 10 percent of the share capital when the authorisation becomes effective, if this amount is lower, when exercising the authorisation to exclude subscription rights. To this 10 percent limit shall be attributed those shares issued or sold during the duration of this authorisation under exclusion of subscription rights in direct or corresponding application of Section 186 (3) Clause 4 AktG, as well as shares that are to be issued to service warrant or conversion rights, or warrant or conversion obligations, arising from convertible bonds or bonds with warrants and/or participation rights, if such bonds or participation rights are issued during the duration of this authorisation under exclusion of subscription rights in corresponding application of Section 186 (3) Clause 4 AktG.

Shareholders are appropriately protected from value dilution of their shares through limiting the number of shares to be issued and the obligation to set the issue price of the new shares close to the stock market price. The reduction in the relative shareholding ratio and relative voting rights interest that is necessarily connected with the exclusion of subscription rights can otherwise be offset by shareholders that wish to maintain their shareholding ratio and voting rights interest through purchasing new shares through the stock market on approximately equivalent terms.

Taking into account all the aforementioned circumstances, the company's Management and Supervisory boards regard the exclusion of shareholders' statutory subscription rights in the aforementioned in-

stances as objectively justified and appropriate for shareholders for the reasons set out in each case. In each individual case, the Management and Supervisory boards will examine carefully whether use can be made of the authorisation to increase capital from authorised capital under exclusion of subscription rights. Such a possibility will only be utilised if the Management and Supervisory boards are of the opinion that it lies in the well-understood interest of the company and consequently its shareholders.

The Management Board will inform the next ordinary AGM concerning utilisation of the above authorisations to exclude subscription rights.

C.

Further information about the convening of the AGM

1. Preconditions for AGM participation and exercising voting rights

Those shareholders are entitled to participate in the AGM and exercise their voting rights that are registered in the share register and have registered on time for the AGM. Pursuant to Section 18 (2) of the company's bylaws, such registration must be formulated in textual form in either German or English, and be submitted to the company at least six days before the AGM, whereby the day of the AGM and the day of receipt are not to be included in the calculation, **in other words, by the latest on**

Thursday, 2 March 2017, until 24:00 hours

at the following address:

B.R.A.I.N. Biotechnology Research and Information Network AG
 c/o Better Orange IR & HV AG
 Haidelweg 48
 81241 Munich
 Fax: +49 (89) 889 690 633
 Email: BRAIN@better-orange.de

or electronically using the password-protected shareholder portal on the company's website at

<https://www.brain-biotech.de/investor-relations/hauptversammlungen>

Shareholders wishing to use the option of registering through the shareholder portal require personal access data. These access data can be found in the documents posted to shareholders together with the invitation. Shareholders registering for electronic correspondence will receive access data by email. The registration form can be downloaded from the company's website at <https://www.brain-biotech.de/investor-relations/hauptversammlungen>, and can also be requested

from the registration address above by post, fax or email.

As far as the company is concerned, pursuant to Section 67 (2) Clause 1 of the German Stock Corporation Act (AktG), only those parties shall be deemed to be shareholders that are registered as shareholders in the share register. The status of the share register on the AGM date is consequently the determining factor for the right to participate as well as for the number voting rights attributable to parties entitled to participate in the AGM. Please note that, pursuant to Section 18 (4) of the bylaws, no reregistrations can be made in the share register from the end of the last registration day (Thursday, 2 March 2017; so-called Technical Record Date) until the end of the AGM (so-called reregistration stop). The status of the share register on the AGM date consequently corresponds to its status on Thursday, 2 March 2017, 24:00 hours.

Shareholders can dispose of their shares despite the reregistration stop. Buyers of shares whose reregistration applications do not reach the company until after 2 March 2017, however, can only exercise participation rights and voting rights deriving from such shares if the shareholder that is still entered in the share register and properly registered for the AGM authorises them, or they themselves have authorised the exercise of rights. All buyers of the company's shares that are not yet entered in the share register are consequently requested to submit reregistration applications as quickly as possible.

2. Proxy voting procedure

Shareholders not wishing to participate in the AGM themselves can have their votes be exercised at the AGM by a proxy, for example a bank, shareholder association or another person of their choice. In this case, too, entry in the share register and timely registration for the AGM according to the provisions above are required.

Issuing proxy authorisations that are not issued to a bank, shareholder association or other persons equivalent to those as set out in Section 135 of the German Stock Corporation Act (AktG), their revocation, and the proof of authorisation to the company shall require textual form as the form prescribed by law for listed companies. The statement issuing the authorisation can be made to the proxy or the

company. The proof of an authorisation issued to the proxy can be made to the company insofar as the proxy shows the authorisation to the registration desk on the AGM day or sends the proof to the company. The regulations contained in Section 135 of the German Stock Corporation Act (AktG) are hereby unaffected.

The company provides the following address for the statement of issuing authorisation to the company, the revocation of an authorisation already issued, and the conveying of the proof of the authorisation by post, fax or email:

B.R.A.I.N. Biotechnology Research and Information Network AG
 c/o Better Orange IR & HV AG
 Haidelweg 48
 81241 Munich
 Fax: +49 (89) 889 690 633
 Email: BRAIN@better-orange.de

Likewise, the password-protected shareholder portal on the company's website at <https://www.brain-biotech.de/investor-relations/hauptversammlungen> is available for this purpose. If the authorisation is issued by a statement to the company, separate proof of issuing the authorisation is dispensed with.

A form that can be used to issue an authorisation will be sent to shareholders receiving the invitation by post along with the postal invitation. In addition, the form is reproduced on the entrance ticket and can also be downloaded from the company's website at <https://www.brain-biotech.de/investor-relations/hauptversammlungen>. If a shareholder authorises more than one individual, the company is entitled to reject one or several such individuals.

Particularities can apply for the authorisation of banks, shareholder associations and other persons and institutions deemed equivalent in Section 135 (8) and (10) in combination with Section 125 (5) of the German Stock Corporation Act (AktG), as well as for the revocation and proof of such authorisation; shareholders can be requested in such cases to coordinate with the person or institution to be authorised concerning the form and procedure relating to the issuing of authorisation. A bank can only exercise the voting rights from registered shares that do not belong to it, but for which

it is entered in the share register as owner, only on the basis of an authorisation.

3. Procedure for voting by company proxy

The company offers its shareholders the opportunity to authorise the company proxy to exercise their votes already before the AGM. Shareholders that wish to authorise the company proxy must be entered in the share register and register on time for the AGM. If authorised, company proxies exercise voting rights exclusively on the basis of instructions issued to them. Without instructions from the shareholder, company proxies are not authorised to exercise voting rights. A form for issuing authorisations and instructions to the company proxy will be sent to shareholders that receive invitations by post along with the postal limitation. In addition, the form is reproduced on the entrance ticket and can also be downloaded from the company's website at

<https://www.brain-biotech.de/investor-relations/hauptversammlungen>

or can be filled out and submitted electronically through the password-protected shareholder portal. Authorisations and instructions for the company proxy must be submitted to the company in textual form if the submission is not made through the password-protected shareholder portal.

For organisational reasons, shareholders wishing to authorise the company proxy before the AGM are requested to submit authorisations along with instructions, irrespective of timely registration according to the aforementioned provisions, at the latest by **Wednesday, 8 March 2017, 18:00 hours (receipt)**, by post, fax or email to the following address

B.R.A.I.N. Biotechnology Research and Information Network AG
 c/o Better Orange IR & HV AG
 Haidelweg 48
 81241 Munich
 Fax: +49 (89) 889 690 633
 Email: BRAIN@better-orange.de

or electronically using the password-protected shareholder portal on the company's website at

<https://www.brain-biotech.de/investor-relations/hauptversammlungen>.

Authorisation of company proxies does not exclude personal participation at the AGM. If shareholders wish to exercise their voting rights personally or by another proxy after having already authorised the company proxy, personal participation or participation by another proxy shall be regarded as revocation of the authorisation of the company proxy. Forms provided for authorisation include corresponding statements. We also offer the opportunity to shareholders that are entered in the share register according to the aforementioned provisions, that have registered on time for the AGM and are also present at the AGM to also authorise, by the start of the AGM, the company proxy to exercise their voting rights.

More details about AGM participation and proxy voting will be sent to shareholders together with the invitation. Corresponding information is also available on the company's website at

<https://www.brain-biotech.de/investor-relations/hauptversammlungen>

4. Postal voting procedure

Section 19 (3) of the bylaws enable shareholders to vote by post without participating at the AGM in the manner described below. In this case, too, entry in the share register and timely registration for the AGM according to the provisions above are required. Postal votes that cannot be allocated to a proper registration shall be void. Please note that issuing votes by way of postal voting shall be restricted to voting on the resolutions announced in the convening document as proposed by the Management Board and/or Supervisory Board as well as any resolutions proposed by shareholders that are announced as part of any supplements to the agenda pursuant to Section 122 (2) of the German Stock Corporation Act (AktG).

Voting by way of postal voting shall occur in writing or by means of electronic communication and, irrespective of timely registration according to the aforementioned provisions, must be submitted to the

company at the latest by **Wednesday, 8 March 2017, 18:00 hours (receipt)**. Shareholders wishing to vote by postal voting are requested to use either the form sent by post with the invitation, the form on the entrance ticket or the form that can be downloaded from the company's website at

<https://www.brain-biotech.de/investor-relations/hauptversammlungen>

to fill it out completely, and submit it by post or email to the following address

B.R.A.I.N. Biotechnology Research and Information Network AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Fax: +49 (89) 889 690 633
Email: BRAIN@better-orange.de

or must submit their postal vote electronically using the password-protected shareholder portal on the company's website at

<https://www.brain-biotech.de/investor-relations/hauptversammlungen>

The aforementioned deadline for receipt shall be valid in all instances. The modification or revocation of already issued postal votes shall be possible in the same manner until the aforementioned date. Further details about postal voting can be found in the form sent by post with the invitation. The information can also be downloaded from the company's website at <https://www.brain-biotech.de/investor-relations/hauptversammlungen>.

Postal voting shall not exclude participation at the AGM. If shareholders wish to exercise their voting rights personally or by a proxy having already voted by post, personal participation or participation by a proxy shall be regarded as revocation of the postal vote. Forms to be used for postal voting include corresponding statements. Authorised banks, shareholder associations and persons and institutions deemed equivalent to these pursuant to Section 135 (8) and (10) in combination with Section 125 (5) AktG can use postal voting.

5. Shareholders' rights

Motions to supplement the agenda pursuant to Section 122 (2) of the German Stock Corporation Act (AktG)

Pursuant to Section 122 (2) of the German Stock Corporation Act (AktG), shareholders whose shares together reach the twentieth part of the share capital or the proportional amount of EUR 500,000.00 can request that items be placed on the agenda and announced. A reason or proposed resolution must be included with each new item. The request is to be directed in writing to the Management Board and must be submitted to the company at least 30 days before the AGM, whereby the AGM date and receipt date shall not be included in the calculation, **in other words, by the latest on**

Monday, 6 February 2017, until 24:00 hours

at the following address:

B.R.A.I.N. Biotechnology Research and Information Network AG
 The Management Board
 Darmstädter Strasse 34-36
 64673 Zwingenberg

Countermotions and election proposals by shareholders pursuant to Sections 126 (1), 127 of the German Stock Corporation Act (AktG)

Shareholders can submit to the company countermotions against a proposal by the Management Board and/or Supervisory Board on a particular agenda item as well as proposals relating to the election of Supervisory Board members and auditors. Pursuant to Section 126 (1) of the German Stock Corporation Act (AktG), the company shall make countermotions including the name of the shareholder, the justification and any opinion of the management accessible on the company's website at <https://www.brain-biotech.de/investor-relations/hauptversammlungen>, if countermotions are submitted to it with a justification of these 14 days before the AGM, whereby the AGM date and the date of receipt shall not be included in the calculation, in other words, at the latest on

Wednesday, 22 February 2017, until 24:00 hours

at the following address:

B.R.A.I.N. Biotechnology Research and Information Network AG
 c/o Better Orange IR & HV AG
 Haidelweg 48
 81241 Munich
 Fax: +49 (89) 889 690 633
 Email: BRAIN@better-orange.de

Motions submitted to other addresses shall not be included. For shareholder proposals relating to the election of Supervisory Board members and auditors, the aforementioned regulations pursuant to Section 127 of the German Stock Corporation Act (AktG) shall apply correspondingly. Shareholders' election proposals do not require justifications, however. The company can refrain from publishing a countermotion under the preconditions specified in Section 126 (2) of the German Stock Corporation Act (AktG), because, for example, the countermotion would lead to an AGM resolution in contradiction with the law or the company's bylaws. The justification for a countermotion (or of an election proposal if it includes a justification) does not need to be published by the company if it comprises a total of more than 5,000 characters. Except in the instances specified in Section 126 (2) of the German Stock Corporation Act (AktG), publication of shareholders' election proposals can also be waived if the proposal does not include the name, profession exercised and residence of the proposed candidate, and the information listed in Section 125 (1) Clause 5 AktG.

Attention is drawn expressly to the fact that countermotions and election proposals can only be taken into consideration at the AGM if they are submitted or conveyed verbally there, including if they have been submitted on time in advance to the company. The right of each shareholder during the AGM to submit countermotions to a particular agenda item or election proposals, including without previous submission to the company, shall be hereby unaffected.

Right to information pursuant to Section 131 (1) of the German Stock Corporation Act (AktG)

Pursuant to Section 131 (1) of the German Stock Corporation Act (AktG), in response to a verbal request at the AGM, the Management Board must provide all shareholders with information about company matters, if such information is required to objectively assess an agenda item. This obligation to provide information shall also extend to the company's legal and business relationships to an associated company, as well as to the situation of the Group and the companies included in the consolidated financial statements, as the consolidated financial statements and Group management report are also submitted to the AGM in relation to agenda item 1. For the reasons specified in Section 131 (3) AktG, the Management Board can refrain from answering specific questions, because, for instance, reasonable commercial prudence would suggest that issuing such information might cause considerable disbenefit to the company or an associated company. Pursuant to Section 20 (2) of the bylaws, the AGM Chair can place a suitable time restriction on shareholders' rights to pose questions and speak, and appropriately determine the AGM timeframe, speeches on individual agenda items as well as individual question and speaking contributions.

Notes and information on the company website

Pursuant to Section 124a of the German Stock Corporation Act (AktG), information about the AGM is available for shareholders on the company's website at

<https://www.brain-biotech.de/investor-relations/hauptversammlungen>.

6. Supplementary disclosures and information about agenda item 5 (Supervisory Board elections)

Disclosures pursuant to Section 125 (1) Clause 5 AktG on memberships in other statutory supervisory boards and comparable domestic and foreign controlling bodies of business enterprises

a) Dr Anna Carina Eichhorn is not a member of other statutory supervisory boards. She is a member of the following comparable domestic and foreign controlling bodies of business enterprises:

- Frankfurt Innovation Centre (FIZ), Frankfurt am Main, Supervisory Board member

b) Dr Martin B. Jager is not a member of other statutory supervisory boards. He is a member of the following comparable domestic and foreign controlling bodies of business enterprises:

- Frankfurt Innovation Centre (FIZ), Frankfurt am Main, Supervisory Board member

c) Prof Dr Klaus-Peter Koller as neither a member of other statutory supervisory boards nor a member in other comparable domestic and foreign controlling bodies of business enterprises.

d) Dr Georg Kellinghusen is a member of the following other statutory supervisory boards:

- WIV Wein International Aktiengesellschaft, Burg Layen, Supervisory Board member (Audit Committee Chairman)

He is a member of the following comparable domestic and foreign controlling bodies of business enterprises:

- NWB Verlag GmbH & Co. KG, Herne, Advisory Board member

Disclosures of personal or business relationships of the proposed candidates pursuant to Section 5.4.1 (4) to (7) of the German Corporate Governance Code

Election candidate Dr Georg Kellinghusen was Managing Director of shareholder MP Beteiligungs-GmbH, Kaiserslautern, between 2013 and the end of 2015. Dr Georg Kellinghusen was a member of the Supervisory Board of B.R.A.I.N. Biotechnology Research and Information Network AG between 17 March 2015 and 31 December 2015. With effect from 1 January 2016, he was appointed to be a member of the Management Board (CFO) of B.R.A.I.N. Biotechnology Research and Information Network AG. As planned, Dr Georg Kellinghusen will step down from the company's Management Board at the end of the AGM on 9 March 2017.

Election candidate Prof Dr Klaus-Peter Koller has been a member of the company's Supervisory Board since 21 May 2001.

Above and beyond this, according to the assessment and knowledge of the Supervisory Board, the proposed election candidates are not in personal or business relationships with the company or Group companies, the company's boards, or a shareholder holding a significant interest in the company, which would require notification pursuant to Section 5.4.1 (4) and (5) of the German Corporate Governance Code.

Further information about the proposed election candidates, including their CVs, can be viewed on the company's website at

<https://www.brain-biotech.de/investor-relations/hauptversammlungen>.

7. Total number of shares and voting rights on the AGM convening date

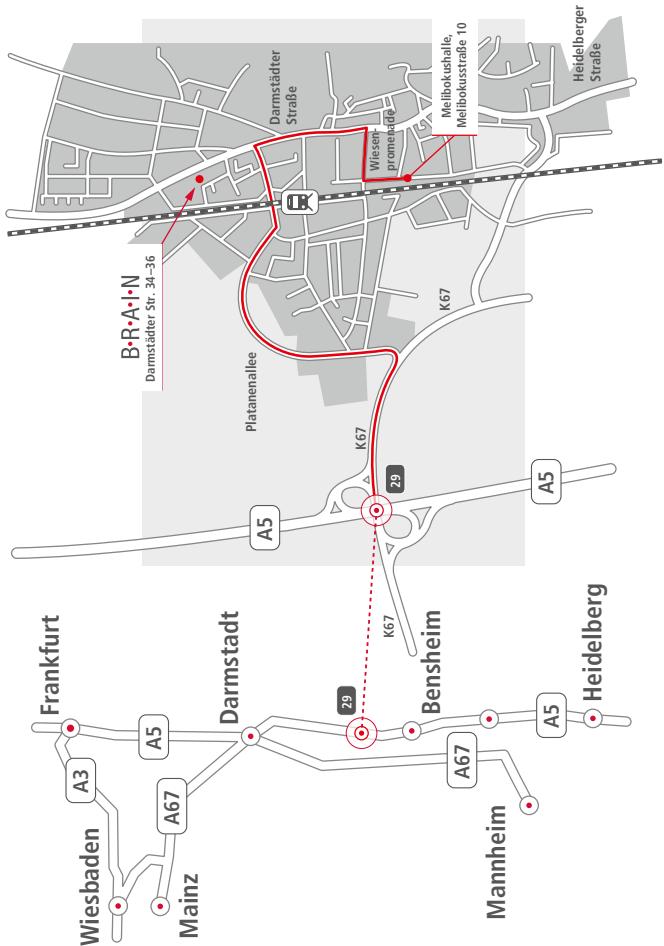
The company's share capital amounts to EUR 16,414,348.00 on the convening date and is divided into 16,414,348 shares which are equally voting-entitled and grant one vote each. The company holds no treasury stock on the AGM convening date. The total number of shares and voting rights on the AGM convening date consequently amounts to 16,414,348.

Zwingenberg, January 2017

B.R.A.I.N. Biotechnology Research and Information Network AG

The Management Board

How to reach us:





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Darmstädter Str. 34–36
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