ORDINARY ANNUAL GENERAL MEETING
FINANCIAL YEAR 2016/17

held on 8 March 2018
in the Melibokushalle, Zwingenberg (Bergstraße), Germany

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

8 March 2018, at 10:30 a.m.
in the Melibokushalle,
Melibokusstraße 10,
64673 Zwingenberg (Bergstraße),
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 2017, the separate management report and Group management report for the financial year from 1 October 2016 until 30 September 2017 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 2016 to 30 September 2017

The aforementioned documents can be viewed and downloaded from the company's website at https://www.brain-biotech.de/en/investor-relations/annual-general-meetings. 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 2016 to 30 September 2017

The Management and Supervisory boards propose that the Management Board members in the financial year from 1 October 2016 to 30 September 2017 be discharged for this period.

3. Resolution concerning discharging the Supervisory Board for the financial year from 1 October 2016 to 30 September 2017

The Management and Supervisory boards propose that the Supervisory Board members in the financial year from 1 October 2016 to 30 September 2017 be discharged for this period.

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 2017 to 30 September 2018

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 2017 to 30 September 2018.

For the aforementioned audit services, the Audit Committee, pursuant to Article 16 (2) of EU Directive No. 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, has recommended to the Supervisory Board to renew the audit mandate of Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart.

5. Election to the Supervisory Board

The period of office of Supervisory Board member Dr Klaus-Peter Koller ends with the conclusion of the AGM on 8 March 2018. The following Supervisory Board member is 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.

Pursuant to the recommendation of its Nomination Committee, the Supervisory Board proposes electing

Dr Rainer Marquart, Bensheim,
employed as adviser to the Daniel Hopp family office

as a Supervisory Board member with effect from the end of the AGM on 8 March 2018 for a period of office until the end of the AGM that decides on the discharge of the Supervisory Board for the financial year from 1 October 2020 until 30 September 2021.

The election proposal takes into consideration the targets the Supervisory Board has approved for its composition and aims to satisfy the competency profile developed for the plenary board. The targets and competency profile are published in the corporate governance report for the 2016/17 financial year, which are included in the 2016/17 annual report and form part of the documents submitted in relation to agenda item 1.

In selecting the candidate, the Supervisory Board has paid special attention to ensuring that he has the experience and expertise required to fulfil the Supervisory Board mandate, as well as the necessary sector, specialist and corporate knowledge. Furthermore, the Supervisory Board has ensured that the candidate can afford the time required for the role. In the Supervisory Board's assessment, the candidate proposed for election is very familiar with the business area in which the company is active, and with the capital market environment. The Supervisory Board notes that Dr Marquart is active as an adviser to the Daniel Hopp family office.

Supplementary disclosures and information about the proposed candidates, especially information pursuant to Section 125 (1) Clause 5 AktG, a curriculum vitae of the candidate 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/en/investor-relations/annual-general-meetings

6. Resolution concerning cancellation of Authorised Capital 2017/I, the creation of a new Authorised Capital 2018/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 1,641,434.00 the authorisation contained in Section 5 (2) of the bylaws to increase the share capital (Authorised Capital 2017/I) by Management Board resolution of 7 September 2017, with Supervisory Board assent. For this reason, the Authorised Capital is now available in an amount of only EUR 6,565,740.00. 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 2017/I is to be cancelled, and a new Authorised Capital 2018/I is to be created equivalent to half of the current share capital with a term until 7 March 2023, which otherwise as far as possible corresponds in terms of content to the Authorised Capital 2017/I.

The Management and Supervisory boards propose passing the following resolution:

a) Pursuant to Section 5 (2) of the bylaws, Authorised Capital 2017/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 2018/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 7 March 2023, albeit by up to a maximum of nominal EUR 9,027,891.00 through issuing up to 9,027,891 new ordinary registered shares against cash and/or non-cash capital contributions (Authorised Capital 2018/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 on 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 7 March 2023, albeit by up to a maximum of nominal EUR 9,027,891.00 through issuing up to 9,027,891 new ordinary registered shares against cash and/or non-cash capital contributions (Authorised Capital 2018/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 based on 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 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."

7. Resolution to approve the amendment to the investment agreement dated 28 May 2014 between the company and Hessen Kapital I GmbH and concerning concluding an addendum to the investment agreement

An investment agreement between the company and Hessen Kapital I GmbH, Wiesbaden, entered in the commercial register of the Wiesbaden District Court under commercial register sheet number HR B 29157, has existed with effect since 17 June 2014. As a fund, Hessen Kapital I GmbH supports medium-sized companies in Hesse with mezzanine capital from the funds of the Land of Hesse and funds from the European Regional Development Fund (ERDF). The investment agreement was concluded by consent of the company's AGM on 28 May 2014 and entered in the commercial register on 17 June 2014.

Pursuant to the provisions of the investment agreement, Hessen Kapital I GmbH has rendered a cash contribution of EUR 1,500,000.00 as a silent partner into the company's assets. This capital invested is to be used exclusively for the co-financing of investments and expenses. The company renders a results-based payment of 9 % annually to the capital invested as an investment fee. An annual profit participation by Hessen Kapital I GmbH in accordance with the notional share of the rendered capital invested in the company's equity (equity pursuant to Section 266 (3) lit. A. of the German Commercial Code [HGB] plus other silent partnerships and mezzanine financing facilities), albeit to a maximum of 2.50 % of the capital invested rendered and not more than 50 % of the annual profit as calculated pursuant to the contractual terms, has also been agreed. The silent partnership shall end on 30 June 2024.

As a partial profit transfer agreement, the investment agreement forms an agreement between business enterprises in the meaning of Section 292 (1) No. 2 of the German Stock Corporation Act (AktG). The company and Hessen Kapital I GmbH intend to amend the investment agreement through an addendum for which AGM approval is required pursuant to Sections 295 (1), 293 (1) of the German Stock Corporation Act (AktG).

The addendum to the investment agreement shall include the following significant content:

a) Amendment to the investment fee

The annual results-based compensation to be rendered by the company is to be reduced from 9 % to 7 % of the capital invested.

b) Amendment of the contractual information and reporting obligations

The company's obligations relating to the imparting of information and concerning reporting to Hessen Kapital I GmbH are to be reduced. In particular, the company shall in future no longer submit any corporate planning to Hessen Kapital I GmbH before the start of a financial year. Furthermore, Hessen Kapital I GmbH shall in future no longer enjoy the contractually regulated reporting, information, access and control rights, if the company were to infringe contractual or statutory confidentiality obligations in satisfying them, or if the company may refuse to provide information based on statutory provisions.

c) Amendment of contractual termination rights and reservations of consent

The contractual termination rights of Hessen Kapital I GmbH shall be restricted. In particular, termination rights shall lapse in the future

- due to extraordinary expansion of the scope of business or the acquisition of another company or an investment in an interest in another company;
- based on contractually determined special business transactions and other measures if they are not implemented without the prior

approval of Hessen Kapital I GmbH, especially in relation to measures for corporate financing, the acquisition of companies and interests in companies, as well as the realisation and utilisation of patents and other industrial property rights.

As a consequence of the planned new regulations, corresponding reservations of consent of Hessen Kapital I GmbH shall also lapse in the case of the respective measures. Furthermore, the reservation of consent for distributions of profits (dividend payments) shall only then be valid if the obligation to pay the results-based compensation was not satisfied in full as of the date of the profit distribution.

d) Effectiveness of the amendments

The addendum to the investment contract shall become effective when it has been entered in the commercial register.

The company's Supervisory Board approved the arranging of the addendum to the investment contract on 15 January 2018. As the relevant body, the Advisory Board of Hessen Kapital I GmbH has also granted its approval.

On the company's website at

https://www.brain-biotech.de/en/investor-relations/annual-general-meetings

the following related documents can be viewed:

- the complete wording of the existing investment contract,
- the complete wording of the addendum to the investment contract,
- the company's separate annual financial statements and management reports for the last three financial years,
- the separate annual financial statements and management reports of Hessen Kapital I GmbH for the last three financial years,
- the written report of the company's Management Board concerning the addendum to the investment agreement pursuant to Section 293 a of the German Stock Corporation Act (AktG),

- the written report of the contractual auditor concerning the contractual audit pursuant to Section 293 e AktG.

The Management and Supervisory boards propose approving the amendment to the investment agreement concluded on 28 May 2014 between the company and Hessen Kapital I GmbH and entered in the commercial register on 17 June 2014 pursuant to the provisions to the addendum to the investment agreement as well as the conclusion of the addendum to the investment agreement.

8. Resolution to approve concluding an investment agreement between the company and Hessen Kapital II GmbH

The company and Hessen Kapital II GmbH, Wiesbaden, entered in the commercial register of the Wiesbaden District Court on the commercial register sheet number HR B 29290, intend to conclude an investment agreement. As a fund, Hessen Kapital II GmbH supports medium-sized companies in Hesse with mezzanine capital. It refinances itself through the Wirtschafts- und Infrastrukturbank Hessen as well as from the budgetary funds of the Land of Hesse. It is planned that Hessen Kapital II GmbH shall render a cash contribution of EUR 3,000,000.00 as a typical silent partner in the company's assets. The invested capital is to be utilised exclusively for the co-financing of research expenses. An annual results-based payment and an annual profit participation are planned as investment fees.

As a partial profit transfer agreement, the investment agreement forms an agreement between business enterprises in the meaning of Section 292 (1) No. 2 of the German Stock Corporation Act (AktG). AGM approval is required to conclude the agreement pursuant to Section 293 (1) AktG

The investment agreement shall include the following significant contents:

a) Cash capital invested by Hessen Kapital II GmbH as a typical silent partner

Hessen Kapital II GmbH will render a cash contribution of EUR 3,000,000.00 as a typical silent partner in the company's assets. The capital invested may only be utilised to co-finance research and development expenses. The invested capital shall be payable on demand until 30 June 2018 at the latest after submission of the notarised approval resolution of the AGM and after the silent partnership has been entered in the commercial register.

Hessen Kapital II GmbH shall not hold an interest in the company's assets. With its capital invested, it shall not participate in the company's current losses. Hessen Kapital II GmbH shall not be obligated to provide extra funds. Hessen Kapital II GmbH shall not be entitled to any business management and representation powers.

b) Investment fees

Hessen Kapital II GmbH shall receive an annual results-based payment equivalent to 6 % of the capital invested.

Hessen Kapital II GmbH shall also be entitled to a profit participation to be calculated as follows:

- The profit for the year in the meaning of the contractual provisions shall form the basis for the calculation. Accordingly, the profit for the year shall be the profit for the year reported by the separate annual financial statements as prepared under German Commercial Code (HGB) financial accounting standards pursuant to Section 275 (2) No. 17 HGB before taking into consideration the profit share attributable to Hessen Kapital II GmbH, plus the income taxes pursuant to Section 275 (2) No. 14 HGB. For purposes of calculating the profit for the year, the following items are to be attributed to the profit for the year calculated on this basis: depreciation and amortisation above and beyond Section 253 HGB; additions to pension provisions for shareholder Management Board members and other payments to shareholders, Management Board members and their dependants in the meaning of Section 15 (1) of the German Fiscal Code (AO) of shareholders and Management Board members for which the company has not received any standard market consideration; interest payments for shareholder loans and all payments for silent partnerships, to the extent that they are not held by Hessen Kapital II GmbH.

- Hessen Kapital II GmbH shall receive a share of the profit for the year calculated on this basis corresponding to the proportion of the interest of Hessen Kapital II GmbH in the equity. Pursuant to the con-

tractual provisions, equity shall comprise equity in the meaning of Section 266 (3) lit. A HGB, plus all silent partnerships of Hessen Kapital II GmbH, all silent partnerships of third parties and other mezzanine financing products.

- The annual profit participation shall not about more than 1.5 % of the capital invested and not more than 50 % of the profit for the year.

If no profit for the year is reported from the second financial year after the start of the silent partnership in two consecutive sets of annual financial statements prepared according to German Commercial Code (HGB) financial accounting standards, Hessen Kapital II GmbH may increase the annual results-based payment by two percentage points to reflect a risk premium. The increase shall occur from the start of the financial year following the financial year to which the second set of annual financial statements refers. The increase shall be valid inclusive of the financial year in which the company reports a profit for the year.

c) Contractual reporting, information, access and control rights

Hessen Kapital II GmbH shall be granted various reporting, information, access and control rights. In particular, the company shall be obligated to report on all events of relevance for the investment relationship, to submit business operating appraisals, to permit the viewing of business documents and tax files, and to enable Hessen Kapital II GmbH as well as the Land of Hesse, the Wirtschafts- und Strukturbank Hessen, the Hessischer Rechnungshof and its authorised individuals to control and audit the application of funds.

Hessen Kapital II GmbH shall not be entitled to the contractual reporting, information, access and control rights if the company were to infringe contractual or statutory confidentiality obligations in fulfilling them, or if the company may refuse to provide information based on statutory provisions.

d) Contractual termination rights and corresponding reservations of consent

Hessen Kapital II GmbH shall be entitled to a right of termination in the case of legal transactions and legal actions extending beyond the framework of standard business operations and which can entail significant deteriorations of the net assets and results of operations, especially in the case of the discontinuation, relocation or disposal of operations or significant parts of operations, or in the case of an extraordinary restriction of the scope of business.

Hessen Kapital II GmbH can also declare a termination if the following measures are implemented, unless Hessen Kapital II GmbH has previously issued its written consent to the measure:

- Concluding and amending significant agreements with dependants of Management Board Members (in the meaning of Section 15 (1) of the German Fiscal Code [AO]);

- Purchase, disposal and encumbrance of land and rights equivalent to land;

- Disposal or transfer of interests in other companies;

- Implementing capital reductions or profit distributions, whereby the requirement to approve the profit distribution shall be valid only if the obligation to pay the results-based compensation were not met in full as of the date of the profit distribution;

- Regular termination of shareholder loans by the company.

This generates corresponding reservations of consent for Hessen Kapital II GmbH for the aforementioned cases.

The company shall be entitled to make whole or partial early termination in compliance with the termination period of twelve months. Early termination is only permitted in relation to a date at least five years after the start of the silent partnership. Repayment or partial repayment of the capital invested and by the investee shall be equivalent to a termination.

Hessen Kapital II GmbH shall not be entitled to any regular right of termination. It can only terminate the company early and without notice on an important ground.

e) Duration of the silent partnership

The silent partnership and the investment agreement shall end on 31 March 2028.

f) Reimbursement of the capital invested

The capital invested is to be repaid as follows:

- 20 % of the amount on 31 March 2026
- 20 % of the amount on 31 March 2027
- 60 % of the amount on 31 March 2028.

The company shall be obligated to pay a premium in the case of early termination by the company or in the case of termination by Hessen Kapital II GmbH on an important ground for which the company bears responsibility. This shall amount to

- to 16 % given a termination in the first four years of the investment,
- to 12 % given a termination in the fifth year of the existence of the investment,
- to 8 % given a termination in the sixth year of the existence of the investment,
- to 4 % given a termination in the seventh year of the existence of the investment,

of the capital investment to repaid based on the termination.

g) Subordination

If this is required to avert overindebtedness of the company before or after an insolvency, Hessen Kapital II GmbH shall rank with its entitlement to repayment of the capital invested, with its claims to payment of the results-based compensation and the profit participation, as well as the payment of a premium, after the present and future receivables of other creditors of the company so that the full or partial

repayment of the capital invested can be claimed only after all other creditors and only at the same time with capital reimbursement claims of the shareholders from a future unappropriated net profit, liquidity surplus or other free assets of the company.

h) Validity

The investment contract shall become effective if it has been entered in the commercial register.

The company's Supervisory Board approved the arranging of the investment contract on 15 January 2018. As the relevant body, the Advisory Board of Hessen Kapital I GmbH has also granted its approval.

On the company's website at

https://www.brain-biotech.de/en/investor-relations/annual-general-meetings

the following related documents can be viewed:

- the complete wording of the investment contract,
- the company's separate annual financial statements and management reports for the last three financial years,
- the separate annual financial statements and management reports of Hessen Kapital I GmbH for the last three financial years,
- the written report of the company's Management Board concerning the investment agreement pursuant to Section 293 a of the German Stock Corporation Act (AktG),
- the written report of the contractual auditor concerning the contractual audit pursuant to Section 293 e AktG.

The Management and Supervisory boards propose approving the conclusion of the investment agreement between the company and Hessen Kapital II GmbH.

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 2018/I

Agenda item 6 includes the management's proposal to cancel Authorised Capital 2017/I and create a new Authorised Capital 2018/I, which is to comprise an authorisation of the Management Board to exclude shareholders' subscription rights.

The company's AGM approved Authorised Capital 2017/I on 9 March 2017 in an amount of originally EUR 8,207,174.00. By resolution of 7 September 2017, with Supervisory Board approval of the same date, the Management Board partially utilised the Authorised Capital 2017/I of EUR 1,641,434.00. The capital increase from authorised capital was entered in the commercial register on 15 September 2017. Accordingly, Authorised Capital 2017/I is currently now available pursuant to Section 5 (2) of the bylaws only in amount of EUR 6,565,740.00; it can be utilised in this amount until 8 March 2022.

The Management and Supervisory boards agree that the company must be able at all times to react quickly and flexibly in 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 basis for this. For this reason, the management proposes to the shareholders to cancel the existing Authorised Capital 2017/I to the extent that it was not utilised, and create a new Authorised Capital 2018/I whose level shall be adjusted as part of statutory regulations to the company's increased share capital, and which can be utilised until 7 March 2023, albeit otherwise largely corresponding in content to the currently still existing Authorised Capital 2017/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 7 March 2023, albeit by up to a maximum of nominal EUR 9,027,891.00 through issuing up to 9,027,891 new ordinary registered shares. For reasons of flexibility, it shall be possible to utilise Authorised Capital 2018/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 2018/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 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 based on the subscription ratio;

- 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;

- 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 to acquire 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, interests 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 interests 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 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 permitted by the bonds' terms and conditions. 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 when the authorisation becomes effective or when the authorisation is exercised. The company can procure additional equity capital for any financing requirements short-term on this basis, and 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 by purchasing new shares through the stock market on approximately equivalent terms.

Considering all the aforementioned circumstances, the company's Management and Supervisory boards regard the exclusion of shareholders' statutory subscription rights in the aforementioned instances as objectively justified and appropriate for shareholders for the reasons set out in each case. The Management and Supervisory boards have also refrained from including in the proposed resolution a general percentage limit to an exclusion of subscription rights based on the level of share capital – for instance to 20 % of the share capital. Given the comparatively low level of share capital, such a limit would

limit in advance the company's options, especially to acquire other companies or interests in companies against non-cash capital contributions. At the same time, this would deprive the company of opportunities to expand the company's operating activities through an attractive acquisition and to sustainably enhance the company's value, including in the shareholders' interests. For this reason, the Management Board is not to be deprived of the opportunity, through an additional wide-ranging restriction of the exclusion of subscription rights extending beyond strategy requirements, to utilise authorised capital, including under exclusion of subscription rights, in the legally envisaged framework and pursuant to the considerations presented here.

In each case, the Management and Supervisory boards shall examine carefully whether and to what extent 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 believe that it lies in the well-understood interests of the company and consequently of 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**

1 March 2018, 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/en/investor-relations/annual-general-meetings

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/en/investor-relations/annual-general-meetings, 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 shall consequently comprise the determining factor for the right to participate as well as to establish 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 (1 March 2018; 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 1 March 2018, 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 1 March 2018, 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) shall be 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/en/investor-relations/annual-general-meetings is available for this purpose. If the authorisation is issued by a statement to the company, separate proof of issuing the authorisation shall be 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/en/investor-relations/annual-general-meetings. 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 based on 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/en/investor-relations/annual-general-meetings

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 7 March 2018, 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/en/investor-relations/annual-general-meetings

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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/en/investor-relations/annual-general-meetings

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4. Postal voting procedure

Section 19 (3) of the bylaws enables 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 **7 March 2018, 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/en/investor-relations/annual-general-meetings

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/en/investor-relations/annual-general-meetings

. 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/en/investor-relations/annual-general-meetings.

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 be 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

5 February 2018, 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 specific 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/en/investor-relations/annual-general-meetings, 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

21 February 2018, 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 specific 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 with 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/en/investor-relations/annual-general-meetings

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

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

Dr Rainer Marquart 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:

- Leverton GmbH, Berlin, Advisory Board member
- FLYTXT B.V., Nieuwegein / Netherlands, member of the Board of Directors
- Onefootball GmbH, Berlin, Advisory Board member
- The Ark Pte. Ltd., Singapore, member of the Board of Directors

The proposed candidate's curriculum vitae

Dr Rainer Marquart was born in 1955 in Heppenheim, Germany. After studying for a degree in chemistry at the Technical University of Darmstadt, he stayed on to study for a PhD in chemistry too. Dr Marquart started his career as a project manager at Unilever GmbH in Hamburg. He was then manager at the Boston Consulting Group in Düsseldorf for several years, before becoming managing director at GCI GmbH in Munich. Dr Marquart then became a member of the Management Board of Escom AG. Dr Marquart has worked as an independent management consultant since 1996. Since 2003, he has been an adviser to Mr Daniel Hopp's family office. In 2015, he also assumed managing director responsibility at Hamersbach GmbH, Mannheim.

Disclosures of the proposed candidates' personal or business relationships pursuant to Section 5.4.1 of the German Corporate Governance Code

A consulting agreement without financial payment and limited until 11 May 2018 exists between the company and Dr Rainer Marquart, which is to be ended if he is elected to the Supervisory Board.

Above and beyond this, in the assessment and knowledge of the Supervisory Board, the proposed election candidate is not engaged 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 of the German Corporate Governance Code.

The above conveyed information about the candidate proposed for election can also be viewed on the company's website at

https://www.brain-biotech.de/en/investor-relations/annual-general-meetings

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

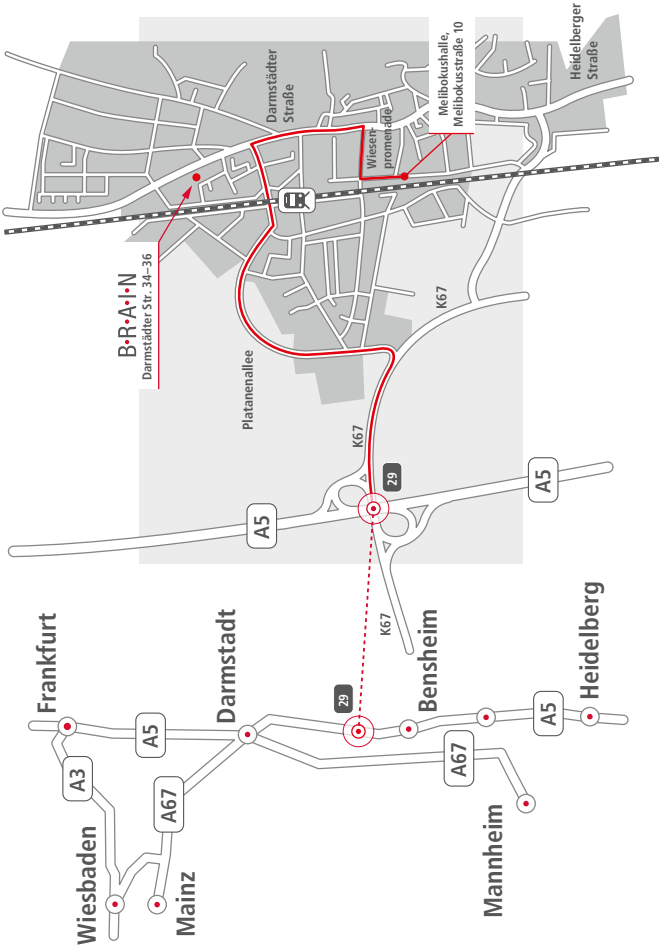
The company's share capital amounts to EUR 18,055,782.00 on the convening date and is divided into 18,055,782 shares which are equally voting-entitled and grant one vote each. The company holds no treasury stock on the AGM convening date. The total number of shares and voting rights on the AGM convening date consequently amounts to 18,055,782.

Zwingenberg, January 2018

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

The Management Board

So erreichen Sie uns:



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