

**BRAIN Biotech AG****Zwingenberg**

WKN 520394

ISIN DE0005203947

**Invitation to the Ordinary Annual General Meeting**

We hereby invite the shareholders to the Ordinary Annual General Meeting (AGM) to be held on Wednesday, 9 March 2022, at 10:00 hours.

This year's AGM will be held as a virtual meeting without the physical attendance by its shareholders and proxies.

The meeting venue in the meaning of the German Stock Corporation Act and the Company's bylaws is: KNOLLE® SOCIETÄT Rechtsanwälte PartGmbH, Berliner Strasse 40, 63065 Offenbach am Main, Germany.

**A.****Agenda**

- 1. Submission of the adopted separate annual financial statements and approved consolidated financial statements of BRAIN Biotech AG for the fiscal year ending 30 September 2021, the separate management report and Group management report for the fiscal year from 1 October 2020 until 30 September 2021 with the explanatory reports relating to disclosures pursuant to Sections 289a and 315a of the German Commercial Code (HGB), as well as the report by the Supervisory Board for the fiscal year from 1 October 2020 to 30 September 2021**

The aforementioned documents can be viewed and downloaded from the Company's website at <https://www.brain-biotech.com/investors/annual-general-meetings>. They will also be available and explained during the AGM. These documents serve to inform the AGM about the past fiscal year as well as about the position of the Company and the Group. 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 fiscal year from 1 October 2020 to 30 September 2021**

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The Management and Supervisory boards propose that the Management Board members in the fiscal year from 1 October 2020 to 30 September 2021 be discharged for this period.

**3. Resolution concerning discharging the Supervisory Board for the fiscal year from 1 October 2020 to 30 September 2021**

The Management and Supervisory boards propose that the Supervisory Board members in the fiscal year from 1 October 2020 to 30 September 2021 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 fiscal year from 1 October 2021 to 30 September 2022**

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

Baker Tilly Holding GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft,  
Frankfurt am Main,

to be the auditor of the separate and consolidated financial statements for the fiscal year from 1 October 2021 to 30 September 2022.

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 that the Supervisory Board renew the audit mandate of

- Baker Tilly Holding GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Frankfurt am Main,
- and
- Ebner Stolz GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart,

and in doing so communicated and justified a preference for Baker Tilly Holding GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Frankfurt am Main. The Audit Committee has stated that its recommendation is free from undue influence by third parties and that no restrictive clause in the meaning of Article 16(6) of the aforementioned Regulation (EU) No 537/2014 of 16 April 2014 has been imposed upon it.

**5. Resolution concerning cancellation of Authorized Capital 2021 / I, the creation of a new Authorized Capital 2022 / I against cash and/or non-cash capital contributions with the authorization to exclude subscription rights as well as the related requisite bylaw amendment**

The Company has partially utilized in an amount of EUR 1,986,135.00 the authorization contained in Section 5 (2) of the bylaws to increase the share capital (Authorized Capital 2021 / I) by Management Board resolution of 15 September 2021, with Supervisory Board assent. For this reason, the Authorized Capital remains available in an amount of EUR 3,972,273.00. To enable the Company to continue to cover its financing requirements in the future through drawing down authorized share capital quickly and flexibly, the existing Authorized Capital 2021 / I is to be cancelled, and a new Authorized Capital 2022 / I is to be created equivalent to 20 percent of the current share capital with a term until 8 March 2027, which otherwise as far as possible corresponds in terms of content to the Authorized Capital 2021 / I.

The Management and Supervisory boards propose passing the following resolution:

a) Pursuant to Section 5 (2) of the bylaws, Authorized Capital 2021 / I, to the extent that it has not yet been utilized, shall be cancelled with effect of the date of the entry of the following re-regulated Authorized Capital 2022 / I and corresponding bylaw amendment in the Company's commercial register.

b) The Management Board shall be authorized, with Supervisory Board assent, to increase the Company's share capital once or on several occasions until 8 March 2027, albeit by up to a maximum of nominal EUR 4,369,499.00 through issuing up to 4,369,499 new ordinary registered shares against cash and/or non-cash capital contributions (Authorized Capital 2022 / I). The Management Board shall be authorized, with Supervisory Board assent, to determine the further content of the share rights and further details of the implementation of the capital increase from authorized capital.

As a matter of principle, subscription rights shall be granted to the shareholders in this context. 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). However, the Management Board shall be authorized to partially or wholly exclude shareholders' statutory subscription rights with Supervisory Board assent,

(i) if the capital increase is implemented 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, whereby the number of shares issued for this purpose with the exclusion of subscription rights may not exceed a total of 10 percent of the share capital existing at the time the authorization becomes effective and at the time the authorization is exercised;

(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 authorization becomes effective nor at the time when this authorization 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 authorization 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 authorization under exclusion of subscription rights in corresponding application of Section 186 (3) Clause 4 AktG.

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

*“The Management Board shall be authorized, with Supervisory Board assent, to increase the Company’s share capital once or on several occasions until 8 March 2027, albeit by up to a maximum of nominal EUR 4,369,499.00 through issuing up to 4,369,499 new ordinary registered shares against cash and/or non-cash capital contributions (Authorized Capital 2022 / I). The Management Board shall be authorized, with Supervisory Board assent, to determine the further content of the share rights and further details of the implementation of the capital increase from authorized capital.*

*As a matter of principle, subscription rights shall be granted to the shareholders in this context. 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). However, the Management Board shall be authorized to partially or wholly exclude shareholders’ statutory subscription rights with Supervisory Board assent,*

*(i) if the capital increase is implemented 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, whereby the number of shares issued for this purpose with the exclusion of subscription rights may not exceed a total of 10 percent of the share capital existing at the time the authorization becomes effective and at the time the authorization is exercised;*

*(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 authorization becomes effective nor at the time when this authorization 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 authorization 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 authorization under exclusion of subscription rights in corresponding application of Section 186 (3) Clause 4 AktG.”*

On the basis of the resolution proposed here, the Management Board has submitted a written report on the reasons why it should be authorized to exclude shareholders' subscription rights in certain cases. The report is included in Section B of this invitation and is also available on the Company's website at

<https://www.brain-biotech.com/investors/annual-general-meetings>

Upon request, each shareholder will be provided without delay with a free copy of the report.

## B.

### **Written report by the Management Board pursuant to Sections 203 (2) Clause 2, 186 (4) Clause 2 AktG relating to item 5 on the agenda concerning the reasons to authorize the Management Board to exclude shareholders' subscription rights when utilizing Authorized Capital 2022 / I**

Agenda item 5 includes the management's proposal to cancel Authorized Capital 2021 / I and create a new Authorized Capital 2022 / I, which is to comprise an authorization of the Management Board to exclude shareholders' subscription rights.

The Company's AGM on 10 March 2021 approved Authorized Capital 2021 / I in an amount of originally EUR 5,958,408.00. By resolution of 15 September 2021, the Management Board, with Supervisory Board approval, partially utilized the Authorized Capital 2021 / I in an amount of EUR 1,986,135.00. The capital increase from authorized capital was entered in the commercial register on 16 September 2021. Accordingly, Authorized Capital 2021 / I is currently now available pursuant to Section 5 (2) of the bylaws in amount of EUR 3,972,273.00; it can be utilized in this amount until 9 March 2026.

The Management and Supervisory boards are in agreement that the Company must be able at all times to respond rapidly 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 authorized capital forms an important foundation for this. For this reason, the management proposes to the shareholders to cancel the existing Authorized Capital 2021 / I to the extent that it was not utilized,

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and create a new Authorized Capital 2022 / I whose level is to be adjusted to the Company's increased share capital, and which can be utilized until 8 March 2027, albeit otherwise largely corresponding in content, apart from the maximum scope, to the currently still existing Authorized Capital 2021 / I. As a consequence, the Management Board is to be authorized, with Supervisory Board assent, to increase the Company's share capital once or on several occasions until 8 March 2027, albeit by up to a maximum of nominal EUR 4,369,499.00 through issuing up to 4,369,499 new ordinary registered shares. For reasons of flexibility, it is to be possible to utilize Authorized Capital 2022 / I for both cash and non-cash capital increases.

In principle, a subscription right pursuant to statutory regulations is to be granted to all shareholders in capital increases from Authorized Capital 2022 / 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 Company's well-understood interests, on the one hand, and to rapidly implement strategic decisions, on the other. Pursuant to the proposed resolution, excluding subscription rights is to be permitted only

- if the capital increase is implemented 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, whereby the number of shares issued for this purpose with the exclusion of subscription rights may not exceed a total of 10 percent of the share capital existing at the time the authorization becomes effective and at the time the authorization is exercised;
- 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 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 authorization becomes effective nor at the time when this authorization 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 authorization 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 authorization under exclusion of subscription rights in corresponding application of Section 186 (3) Clause 4 AktG.

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

a) Pursuant to the proposed resolution, an exclusion of subscription rights is to 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, if the capital increase is implemented 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, whereby the number of shares issued for this purpose with the exclusion of subscription rights may not exceed a total of 10 percent of the share capital existing at the time the authorization becomes effective and at the time the authorization is exercised.

The Company faces global competition and must always be intent on improving its competitive position and on 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 realize such an acquisition rapidly, 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 authorized capital, in the utilization of 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 maneuver to acquire companies, parts of companies, interests in companies or other assets connected with an acquisition.

The scope of a cash capital increase against non-cash capital contributions under exclusion of subscription rights is also to be limited to 10 percent of the share capital when the authorization becomes effective, if this amount is lower, when exercising the authorization to exclude subscription rights. This limit is intended to provide shareholders with adequate protection against dilution of their shareholding. In determining this limit, the Management and Supervisory boards also took into consideration the scope of the authorizations to exclude subscription rights already granted by the Shareholders' General Meeting at earlier dates in connection with the currently existing conditional capitals.

Although excluding subscription rights when utilizing authorized 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.

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The Management Board will only utilize this authorization 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 utilization of authorized capital and the exclusion of subscription rights, do not exist at present.

b) Furthermore, provision is to be made to implement exclusions for fractional amounts. This authorization 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 realized 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 is to 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 authorization becomes effective or at a time when the authorization 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 utilizing the authorization, 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 is to be determined in advance whether for this purpose



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an average price calculated on the basis of a period of just a few days preceding the resolution on the authorized capital utilization 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 endeavor to achieve the highest possible selling price in this context, and to minimize 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 is also to be limited to 10 percent of the share capital when the authorization becomes effective, if this amount is lower, when exercising the authorization to exclude subscription rights. To this 10 percent limit are to be attributed those shares issued or sold during the duration of this authorization 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 authorization under exclusion of subscription rights in corresponding application of Section 186 (3) Clause 4 AktG.

Shareholders are to be 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.

In addition, the proposed maximum scope of a capital increase from Authorized Capital 2022 / I is to be limited to an amount equivalent to 20 percent of the currently existing share capital. The Management and Supervisory boards wish to adequately safeguard the shareholders' interests in connection with an increase in the share capital and reconcile them with the Company's aforementioned interests in a capital increase to be carried out at short notice, if necessary, in the cases explained above. For this reason, the Management and Supervisory boards have also refrained from proposing to the Annual General Meeting an authorized capital in the maximum scope permitted by law of 50 percent of the share capital. In addition to limiting the exclusion of subscription rights to 10 percent of the existing share capital in the cases mentioned and explained above, this is also intended to appropriately limit the management's scope for action in connection with a capital increase in order to protect the shareholders' participation interests.

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.

In each case, the Management and Supervisory boards are to examine carefully whether and to what extent use can be made of the authorization to increase the share capital from conditional capital under exclusion of subscription rights. Such a possibility is to be utilized only if the Management and

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Supervisory boards believe that it lies in the well-understood interest of the Company and consequently of its shareholders.

The Management Board will inform the next Ordinary AGM concerning utilization of the above authorizations 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 date of the AGM and the date of receipt are not to be included in the calculation, **in other words, at the latest by**

**Wednesday, 2 March 2022, by 24:00 hours**

at the following address:

BRAIN Biotech AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich, Germany  
Fax: +49 (89) 889 690 633  
Email: BRAIN@better-orange.de

or electronically using the password-protected Internet service on the Company's website at

<https://www.brain-biotech.com/investors/annual-general-meetings>

Shareholders wishing to utilize the option of registering through this Internet service require personal access data. These access data can be found in the documents posted to shareholders. Shareholders registering for electronic correspondence will receive access data by email. Shareholders that wish to register via the Internet require for this purpose their shareholder number and the corresponding access password. Those shareholders who have already registered their personally selected password in the Internet service must use their personally selected access password. All other shareholders entered in the share register will receive their shareholder number and an access password with the convening letter to the AGM.

As far as the Company is concerned, pursuant to Section 67 (2) Clause 1 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

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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 (Wednesday, 2 March 2022; 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 Wednesday, 2 March 2022, 24:00 hours.

Shareholders can dispose of their shares despite the reregistration stop. Purchasers of shares whose reregistration applications do not reach the Company until after 2 March 2022, 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 authorizes them, or they themselves have authorized the exercise of rights. All purchasers 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.

### **Special features of the virtual Annual General Meeting**

The Annual General Meeting is to be held as a virtual General Meeting without the physical presence of the shareholders or their proxies on the basis of a decision taken by the Management Board with the consent of the Supervisory Board pursuant to Section 1 (2) Clause 1 and (6) Clause 1 of the Act on Measures in Company, Cooperative, Association, Foundation and Residential Property Law to Combat the Effects of the COVID-19 Pandemic (GesRuaCOVBekG [BGBl. I 2020, 569 et seq.]) as amended on 22 December 2020 (BGBl. I 2020, 3328 et seq.) and on 10 September 2021 (BGBl. I 2021, 4147 et seq.) as well as in accordance with Section 18 (5) of the Company's bylaws. Shareholders and their proxies (with the exception of the proxies appointed by the Company) have no right or opportunity to be present at the venue of the Annual General Meeting.

Provided that the requirements described under "Preconditions for AGM participation and exercising voting rights" are met, shareholders may

- follow the entire meeting in person or by proxy by way of video and audio transmission via the password-protected Internet service set up specially for the AGM at the Internet address <https://www.brain-biotech.com/investors/annual-general-meetings>;
- exercise their voting rights themselves or through a proxy by postal vote. Votes may also be cast by postal vote using the password-protected Internet service at the Internet address <https://www.brain-biotech.com/investors/annual-general-meetings> in accordance with the procedure provided for this purpose, including on the day of the Annual General Meeting until immediately before voting begins;
- exercise their voting rights in accordance with their instructions through the Company proxies. The issuing of authorizations with instructions can also be realized using the password-protected Internet service at the Internet address <https://www.brain-biotech.com/investors/annual-general-meetings> in accordance with the procedure provided for this purpose, including on the day of the Annual General Meeting until immediately before voting begins;
- submit questions themselves or through an authorized representative.

Questions must be submitted no later than 24:00 hours on 7 March 2022, using the password-protected Internet service at the Internet address <https://www.brain-biotech.com/investors/annual-general-meetings> in accordance with the procedure provided for that purpose.

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If they have exercised their voting rights themselves or through a proxy, shareholders may announce an objection to an AGM resolution by way of divergence from Section 245 No. 1 AktG, waiving the requirement to be present at the AGM.

The objection can be announced using the password-protected Internet service at the Internet address <https://www.brain-biotech.com/investors/annual-general-meetings> in accordance with the procedure provided for this purpose until the end of the AGM

## **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 authorizations that are not issued to a bank, shareholder association, nor other intermediaries in the meaning of Section 135 AktG or other persons equivalent to those as set out in Section 135 AktG, their revocation, and the proof of authorization to the Company shall require textual form as the form prescribed by law for listed companies. The statement issuing the authorization can be made to the proxy or the Company. Proof of a power of attorney granted to the proxy may be furnished to the Company by sending the proof to the Company. The revocation of a proxy already granted may also be declared directly to the Company by the aforementioned means of transmission. The regulations contained in Section 135 AktG shall be hereby unaffected.

The Company provides the following address for the statement of issuing authorization to the Company, the revocation of an authorization already issued, and the conveying of the proof of the authorization by post, fax or email, with receipt at the latest by Tuesday, 8 March 2022, by 18:00 hours:

BRAIN Biotech AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich, Germany  
Fax: +49 (89) 889 690 633  
Email: [BRAIN@better-orange.de](mailto:BRAIN@better-orange.de)

Similarly, the password-protected Internet service on the Company's website at <https://www.brain-biotech.com/investors/annual-general-meetings> is available for this purpose until voting begins during the AGM. If the authorization is issued by a statement to the Company, separate proof of issuing the authorization is dispensed with.

The use of the password-protected Internet service by the proxy requires that the proxy receives the corresponding access data. Once the proxy has been designated, the Company will send the proxies their own access data either by mail or by email. For the purpose of transmission, if a proxy authorization is granted by declaration to the Company using the form provided by the Company, a postal address of the proxy may be provided and, if the password-protected Internet

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service for granting proxy is used, either a postal address of the proxy or an email address of the proxy may be provided. If no postal address or email address of the proxy is provided by the party issuing the proxy authorization, the proxy's access data will be sent by mail to the address of the party issuing the proxy authorization. If you provide a postal address, please take into consideration the usual processing and mailing times for the forwarding of access data.

A form that can be utilized to issue an authorization will be sent to shareholders receiving the invitation letter by post together with the invitation letter. In addition, the form is reproduced on the AGM ticket and can also be downloaded from the Company's website at <https://www.brain-biotech.com/investors/annual-general-meetings>. If a shareholder authorizes more than one individual, the Company is entitled to reject one or several such individuals.

Special rules may apply to the authorization of banks, shareholders' associations, other intermediaries in the meaning of Section 135 AktG and other persons and institutions deemed equivalent in Section 135 AktG, as well as to the revocation and proof of such authorization. In such a case, shareholders are requested to consult with the person or institution to be authorized in good time about the form and procedure for granting power of attorney. Banks, shareholders' associations as well as other intermediaries in the meaning of Section 135 AktG and other persons deemed equivalent in Section 135 AktG are not entitled to cast votes for shares not owned by them, but recorded under their names in the Company's share register, unless they have the shareholder's authority.

### 3. Procedure for voting by Company proxy

The Company offers its shareholders the opportunity to authorize the Company proxy to exercise their votes already before the AGM. Shareholders that wish to authorize the Company proxy must be entered in the share register, and register on time for the AGM. If authorized, Company proxies exercise voting rights exclusively on the basis of instructions issued to them. Without instructions from the shareholder, Company proxies are not authorized to exercise voting rights. A form for issuing authorizations and instructions to the Company proxy will be posted together with the invitation letter to shareholders that also receive invitation letters by post. In addition, the form is reproduced on the AGM ticket and can also be downloaded from the Company's website at

<https://www.brain-biotech.com/investors/annual-general-meetings>

or can be filled out and submitted electronically through the password-protected Internet service. Authorizations 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 Internet service.

Shareholders wishing to authorize the Company proxy before the AGM are requested to submit authorizations along with instructions, irrespective of timely registration according to the aforementioned provisions, at the latest by **Tuesday, 8 March 2022, by 18:00 hours (receipt)**, by post, fax or email to the following address

This translation is intended for convenience purposes only and it is not legally binding

BRAIN Biotech AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich, Germany  
Fax: +49 (89) 889 690 633  
Email: BRAIN@better-orange.de

or electronically using the password-protected Internet service until the start of voting during the AGM on the Company's website at:

<https://www.brain-biotech.com/investors/annual-general-meetings>

The same applies to the amendment and revocation of granted powers of attorney and instructions to be given by these means.

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.com/investors/annual-general-meetings>

#### 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) 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 **Tuesday, 8 March 2022, by 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.com/investors/annual-general-meetings>

to complete it and send it by post to the following address

BRAIN Biotech AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich, Germany

or must submit their postal vote electronically using the password-protected Internet service on the Company's website at

<https://www.brain-biotech.com/investors/annual-general-meetings>

by the start of voting during the AGM. 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.com/investors/annual-general-meetings>.

Authorized banks, shareholder associations, other intermediaries in the meaning of Section 135 AktG and persons and institutions deemed equivalent to these pursuant to Section 135 AktG can utilize postal voting.

## 5. Shareholders' rights

### Motions to supplement the agenda pursuant to Section 122 (2) AktG

Pursuant to Section 122 (2) 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. The applicants must prove that they have held their shares for at least 90 days prior to the date on which the supplementary motion is received by the Company, and that they will hold the shares until the Management Board has reached a decision concerning the motion; the date on which the Company receives the supplementary motion shall not be included in the calculation of the aforementioned 90-day period. 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, at the latest by**

**Sunday, 6 February 2022, by 24:00 hours**

at the following address:

BRAIN Biotech AG  
The Management Board  
Darmstädter Strasse 34-36  
64673 Zwingenberg, Germany

**Counter motions and election proposals by shareholders pursuant to Sections 126 (1), 127 AktG**

Shareholders can submit to the Company counter motions 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 the auditors. Pursuant to Section 126 (1) AktG, the Company will make counter motions including the name of the shareholder, the related explanation and any opinion of the management accessible on the Company's website at <https://www.brain-biotech.com/investors/annual-general-meetings>, if counter motions 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 by**

**Tuesday, 22 February 2022, by 24:00 hours**

at the following address:

BRAIN Biotech AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich, Germany  
Fax: +49 (89) 889 690 633  
Email: BRAIN@better-orange.de

Motions submitted to other addresses shall not be considered. For shareholder proposals relating to the election of the auditors, the aforementioned regulations pursuant to Section 127 AktG will apply correspondingly. Shareholders' election proposals do not require explanations, however. The Company can refrain from publishing a counter motion under the preconditions specified in Section 126 (2) AktG, because, for example, the counter motion would lead to an AGM resolution in breach of the law or the Company's bylaws. The explanation for a counter motion (or of an election proposal if it includes an explanation) 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) AktG, publication of shareholders' election proposals can also be waived if the proposal does not include the name, profession exercised, and place of residence of the proposed candidate, and the information listed in Section 125 (1) Clause 5 AktG.

Motions or nominations by shareholders that are to be made available pursuant to Section 126 or Section 127 AktG shall be deemed to have been made at the meeting if the shareholder making the motion or nominating the nomination is duly authorized and has registered for the AGM.

**Right to information pursuant to Section 131 (1) AktG**

Pursuant to Section 131 (1) AktG, in response to a 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 to speak, and appropriately determine the AGM timeframe, speeches on individual agenda items as well as individual question-based and verbal contributions.

As the AGM on 9 March 2022 will be held as a virtual Annual General Meeting and the physical attendance of the shareholders is not permitted, shareholders will not be able to request information at the AGM venue. For this reason, the special provision of Section 1 (2) Clause 1 No. 3 and Clause 2 of the Act on Measures in the Law on Companies, Cooperatives, Associations, Foundations and Condominiums to Combat the Effects of the COVID-19 Pandemic (GesRuaCOVBekG), as amended since 10 September 2021, shall apply to the present virtual AGM. Pursuant to Section 1 (2) Clause 1 No. 3 GesRuaCOVBekG, shareholders are to be granted the right to submit questions by electronic communication, which are to be answered by the Management Board. Pursuant to Section 1 (2) Clause 2 GesRuaCOVBekG, the Management Board shall apply its due discretion in deciding how to respond to questions; it may also stipulate that questions be submitted by electronic communication no later than one day before the AGM. Provided that the conditions for participation and the exercise of voting rights described under "Preconditions for AGM participation and exercising voting rights" are met, shareholders may submit questions themselves or through a proxy.

#### **Notes and information on the corporate website**

Pursuant to Section 124a AktG, information about the AGM is available for shareholders on the Company's website at

<https://www.brain-biotech.com/investors/annual-general-meetings>

#### **6. Total number of shares and voting rights on the AGM convening date**

The Company's share capital amounts to EUR 21,847,495.00 on the convening date and is divided into 21,847,495 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 21,847,495.

#### **7. Information about data protection for shareholders pursuant to the EU GDPR**

Who is responsible for data processing?

BRAIN Biotech AG (the "Company")

Darmstädter Strasse 34–36, 64673 Zwingenberg, Germany

You can reach the Company's data protection officer at

[privacy@brain-biotech.com](mailto:privacy@brain-biotech.com) or our postal address, marked for the attention of the "Data Protection Officer"

The company HV AG, Ursensollen, has been commissioned to maintain the share register of BRAIN AG.

For what purposes and on what legal basis will your data be processed? From where does the Company obtain your data?

The Company processes your personal data in compliance with the EU General Data Protection Regulation (GDPR), the German Federal Data Protection Act (BDSG), the German Stock Corporation Act (AktG) and all other relevant legal provisions.

The Company's shares are no-par-value registered shares. In the case of such registered shares, Section 67 of the German Stock Corporation Act (AktG) stipulates that these shares be entered in the Company's share register, stating the name, date of birth and address of the shareholder as well as the number of shares. The shareholder is obligated, as a matter of principle, to provide the Company with this information. The banks involved in the purchase, custody or sale of your BRAIN Biotech AG shares regularly forward to the share register this and other information relevant to maintaining the share register (e.g. nationality, gender and submitting bank). This occurs through Clearstream Banking Frankfurt, which acts as the central depository for the technical settlement of securities transactions and the custody of shares for banks.

The Company utilizes your personal data for the purposes specified in the German Stock Corporation Act (AktG). These include, in particular, the maintenance of the share register and processing of shareholders' general meetings. In addition, your data can be utilized to generate statistics, e.g. for the analysis of trends. The German Stock Corporation Act (AktG) in combination with Article 6 (1c) and (4) EU General Data Protection Regulation (GDPR) forms the legal basis for processing your personal data.

In addition, your personal data might also be processed to fulfill other legal obligations, such as regulatory requirements and obligations under stock corporation law, commercial law and legislation relating to the maintenance of records for tax purposes. For example, when authorizing a Company proxy for the shareholders' general meeting, it is mandatory that the data utilized to prove the authorization be verifiably recorded and stored for three years with access protection (Section 134 (3) Clause 5 AktG). The respective statutory provisions in combination with Article 6 (1c) EU General Data Protection Regulation (GDPR) form the legal basis for processing in this case. In individual cases, the Company will also process your data to safeguard legitimate interests in accordance with Article 6 (1f) GDPR. This is the case if, for example, in the case of capital increases, individual shareholders must be excluded from information on subscription offers due to their nationality or place of residence in order to comply with securities regulations in the countries concerned.

Should the intention exist to process your personal data for another purpose, you will be informed in advance within the scope of the statutory provisions.

To which categories of recipients might your data be transmitted?

External service providers: The Company utilizes external service providers to maintain the share register and for the technical processing of the shareholders' general meeting.

Further recipients: In addition, it may be necessary to transfer your personal data to further recipients, insofar as this is necessary to comply with legal obligations. If you participate in the shareholders' general meeting, other shareholders may view the personal data recorded in the

list of participants required under stock corporation law pursuant to Section 129 of the German Stock Corporation Act (AktG).

For how long is your data stored?

For the data collected in connection with shareholders' general meetings, the retention period is regularly up to three years. The data stored in the share register are regularly archived for a period of ten years following the sale of the shares. Moreover, the Company stores personal data only if this is necessary in connection with claims asserted against the Company (statutory limitation period of up to 30 years). In principle, your personal data will be deleted or rendered anonymous as soon as they are no longer required for the aforementioned purposes, and legislation relating to the maintenance of evidence and archiving does not require us to continue to store them.

What are your rights?

You can request information about all data archived about your person at the aforementioned address for the Data Protection Officer. Furthermore, under certain circumstances you may request the deletion of your data or a restriction of their processing.

Right to object:

If your data are processed to protect legitimate interests, you can object to such processing at any time at the aforementioned address of the Data Protection Officer, provided that your particular situation gives rise to reasons that conflict with such data processing. Data processing will then be terminated unless the Company can provide evidence of compelling protection-based grounds for processing which outweigh the interests, rights and freedoms of the person concerned, or if the processing serves the assertion, exercise or defense of legal claims.

You also have the option of contacting the aforementioned Data Protection Officer or a data protection regulator with comments or complaints. The data protection regulator responsible for the Company is:

The Hessian Commissioner for Data Protection and Freedom of Information  
Postfach 3163  
65021 Wiesbaden, Germany  
<https://datenschutz.hessen.de/über-uns/kontakt>

This information is also available at:

<https://www.brain-biotech.com/investors/annual-general-meetings>

Zwingenberg, January 2022

BRAIN Biotech AG

The Management Board