

medigene

Medigene AG

Planegg/Martinsried

SIN: A1X3W0

ISIN: DE000A1X3W00

We hereby invite our shareholders to the

Annual General Meeting,

which will be held at Haus der Bayerischen Wirtschaft (HBW),
Europasaal, Max-Joseph-Strasse 5, 80333 Munich, Germany

at 11:00 a.m. (CEST) on Tuesday, May 15, 2018.

Agenda

- 1. Presentation of the adopted annual financial statements as of December 31, 2017, the approved consolidated financial statements as of December 31, 2017, the management report for the financial year 2017, the Group management report for the financial year 2017, the report of the Supervisory Board for the financial year 2017 and the explanatory report of the Executive Management Board on the statements pursuant to Section 289a (1) and Section 315a (1) of the German Commercial Code (HGB)**

On March 20, 2018, the Supervisory Board approved the annual financial statements prepared by the Executive Management Board and the consolidated financial statements prepared by the Executive Management Board. The annual financial statements have therefore been adopted pursuant to Section 172 Sentence 1 of the German Stock Corporation Act (AktG). The Annual General Meeting must have access to the annual financial statements, the management report, the consolidated financial statements, the Group management report, the report of the Supervisory Board and the report of the Executive Management Board on the statements pursuant to Sections 289a (1) and 315a (1) of the German Commercial Code (HGB). No resolution will be passed on this item of the Agenda.

- 2. Discharge of the Executive Management Board members from their responsibilities for financial year 2017**

The Executive Management Board and Supervisory Board propose to discharge all members of the Executive Management Board for the financial year 2017.

3. Discharge of the Supervisory Board members from their responsibilities for financial year 2017

The Executive Management Board and Supervisory Board propose to discharge all members of the Supervisory Board for the financial year 2017.

4. Election of Company auditors for the annual financial statements and annual consolidated financial statements for financial year 2018

On the recommendation of the Audit Committee, the Supervisory Board proposes that Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Munich, Germany, shall be appointed as auditors of the Company for the annual financial statements and consolidated financial statements for the financial year 2018.

5. Resolution to revoke Contingent Capital XVI and Contingent Capital XXII; amendment of the Articles of Association

The Company has a Contingent Capital XVI. The Contingent Capital XVI is specified in Section 5 (18) of the Company's Articles of Association and the amount remaining is € 58,530.00. The period of validity of the authorization from the Annual General Meeting of June 2, 2006 to grant options (Item 8 b) of the Agenda), which forms the basis for the Contingent Capital XVI, has expired. Any options issued under the authorization may no longer be exercised. The Contingent Capital XVI is therefore no longer required and can be revoked.

Moreover, the Company has a Contingent Capital XXII. The Contingent Capital XXII is specified in Section 5 (24) of the Company's Articles of Association and the amount remaining is € 45.00. The period of validity of the authorization from the Annual General Meeting of July 10, 2012 to grant convertible bonds and options (Item 6 b) of the Agenda), which forms the basis for the Contingent Capital XXII, has expired. Any convertible bonds or bonds with warrants issued under the authorization may no longer be exercised. The Contingent Capital XXII is therefore no longer required and can be revoked.

Finally, the numbering in Section 5 of the Articles of Association shall be amended to structure the Articles of Association more clearly.

The Executive Management Board and Supervisory Board therefore propose to resolve as follows:

- a) The Contingent Capital XVI specified in Section 5 (18) of the Company's Articles of Association shall be revoked in full. Section 5 (18) of the Company's Articles of Association shall be deleted without replacement.
- b) The Contingent Capital XXII specified in Section 5 (24) of the Company's Articles of Association shall be revoked in full. Section 5 (24) of the Company's Articles of Association shall be deleted without replacement.

- c) Section 5 (20) of the Company's Articles of Association shall become Section 5 (7).
- d) Section 5 (25) of the Company's Articles of Association shall become Section 5 (8).
- e) The numbering in Section 5 of the Articles of Association shall end with Section 5 (8).

6. Resolution to revoke Authorized Capital 2015/I and create new Authorized Capital 2018/I with the option to exclude subscription rights; amendment of the Articles of Association

In view of the utilization so far of the Authorized Capital 2015/I (Section 5 (4) of the Articles of Association), the Company has at its disposal reduced authorized capital of only € 7,283,187.00. Moreover, the Company has also already largely exhausted the option of carrying out cash capital increases excluding subscription rights of existing shareholders for a maximum of 10% of the share capital (Section 5 (4) dd) of the Company's Articles of Association). In order to continue to respond with as much flexibility as possible in future to any opportunities which may arise, authorized capital is to be restructured, creating the extensive scope for authorized capital through new Authorized Capital 2018/I amounting to around 40% as per the present Item 6 of the Agenda and new Authorized Capital 2018/II of around 10% as per Item 7 of the Agenda of the share capital registered in the Commercial Register at the time of publication of this invitation to the Annual General Meeting.

The present Item 6 of the Agenda relates to the revocation of the Authorized Capital 2015/I as well as the creation of new Authorized Capital 2018/I of around 40%. Item 7 of the Agenda relates to the creation of new Authorized Capital 2018/II.

The revocation of the Authorized Capital 2015/I shall only become effective once it is effectively replaced by the Authorized Capital 2018/I.

The Executive Management Board and Supervisory Board therefore propose to resolve as follows:

a) Revocation of Authorized Capital 2015/I; amendment of the Articles of Association

The Authorized Capital 2015/I pursuant to Section 5 (4) of the Company's Articles of Association, insofar as this authorization has not yet been used by the time the Authorized Capital 2018/I resolved as in b) is entered in the Commercial Register of the District Court of Munich, is revoked as of when the Authorized Capital 2018/I resolved under b) is entered in the Commercial Register of the District Court of Munich.

b) Creating new Authorized Capital 2018/I with the option to exclude subscription rights; amendment of the Articles of Association

With effect from the date of registration in the Commercial Register of the District Court of Munich of the amendment to the Articles of Association hereby resolved,

new authorized capital shall be created by rewording Section 5 (4) of the Articles of Association as follows:

“(4) The Executive Management Board is hereby authorized, subject to the Supervisory Board’s consent, to increase the share capital for the period until May 14, 2023 through one or several partial issues of up to 8,920,000 new, registered ordinary shares (no-par shares) against contributions in cash or kind to up to € 8,920,000.00 (Authorized Capital 2018/I).

The authorization may be exercised in several partial amounts. The Executive Management Board is authorized, subject to the Supervisory Board’s consent, to determine the further terms of the share rights and the issue terms.

The Executive Management Board is hereby authorized, subject to the Supervisory Board’s consent, to exclude the subscription rights of existing shareholders when carrying out capital increases for contributions in kind.

In the case of capital increases against cash, the existing shareholders shall be granted subscription rights to the new shares in principle. In that event, the new shares shall then be taken up by one or more financial institutions or one or more companies trading under Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the German Banking Act (KWG), binding them to offer them to the shareholders.

However, the Executive Management Board is authorized, subject to the Supervisory Board’s consent, to exclude the subscription rights of existing shareholders in respect of capital increases for contributions in cash,

- aa) to avoid fractional shares
- bb) insofar as it is necessary to protect against dilution, to grant holders of conversion or option rights which are or were issued by Medigene AG or by companies in which Medigene AG holds a majority, either directly or indirectly, subscription rights to new shares to the extent that would be due to them having exercised conversion or option rights or fulfilled conversion obligations
- cc) with a view to admitting the Company’s new shares on a stock exchange abroad where the shares were not previously admitted for trading and also to cover an additional holding option granted to any of the issue banks in that case; the authorization applies accordingly for the stock market listing of custody rights or certificates which represent shares.

The total shares issued under the above authorizations, excluding subscription rights in the case of capital increases for contributions in cash and/or kind, must not exceed 20% of the share capital, including the items listed below which count towards the percentage – calculated on the date of these authorizations becoming effective or the exercise of these

authorizations, depending on which amount is smaller. The following count towards the above-mentioned 20% limit: (i) shares issued on the basis of other authorized capital items, which are resolved at the same Annual General Meeting that resolved these authorizations, excluding subscription rights, during the period of validity of these authorizations and (ii) shares that are to be issued during the period of validity of these authorizations to service convertible and/or cum-warrant bonds, the authorization basis of which is in place on the date on which these authorizations become effective or which are resolved at the same Annual General Meeting that resolved these authorizations, insofar as the convertible and/or cum-warrant bonds were issued under exclusion of shareholders' subscription rights.”

7. Resolution to create new Authorized Capital 2018/II with the option to exclude subscription rights; amendment of the Articles of Association

As referred to in the above Item 6 of the Agenda, in view of the utilization so far of the Authorized Capital 2015/I (Section 5 (4) of the Company's Articles of Association), the Company has at its disposal reduced authorized capital of only € 7,283,187.00. In line with the explanations provided in Item 6 of the Agenda, authorized capital is to be restructured and new Authorized Capital 2018/I created, under Item 6 of the Agenda, amounting to around 40% and new Authorized Capital 2018/II amounting to around 10%, under the present Item 7 of the Agenda, of the share capital registered in the Commercial Register at the time of publication of this invitation to the Annual General Meeting.

The present Item 7 of the Agenda relates to creating the new Authorized Capital 2018/II amounting to around 10%. Item 6 of the Agenda relates to the revocation of the Authorized Capital 2015/I and creation of the new Authorized Capital 2018/I.

The Executive Management Board and Supervisory Board therefore propose to resolve as follows:

With effect from the date of registration in the Commercial Register of the District Court of Munich of the amendment to the Articles of Association hereby resolved, new authorized capital shall be created by rewording Section 5 (9) of the Articles of Association as follows:

- “(9) The Executive Management Board is hereby authorized, subject to the Supervisory Board's consent, to increase the share capital for the period until May 14, 2023 through one or several partial issues of up to 2,230,000 new, registered ordinary shares (no-par shares) against contributions in cash to up to € 2,230,000.00 (Authorized Capital 2018/II).

The authorization may be exercised in several partial amounts. The Executive Management Board is authorized, subject to the Supervisory Board's consent, to determine the further terms of the share rights and the issue terms.

The existing shareholders shall be granted subscription rights to the new shares in principle. The new shares shall then be taken up by one or more financial institutions or one or more companies trading under Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the German Banking Act (KWG), binding them to offer them to the shareholders.

However, the Executive Management Board is authorized, subject to the Supervisory Board's consent, to exclude the subscription rights of existing shareholders

- aa) to avoid fractional shares, or
- bb) if the amount of the new shares issued is not materially lower than the stock market price of shares with the same features and the shares issued during the period of validity of this authorization in accordance with or in appropriate application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG) against contributions in cash, excluding subscription rights, do not exceed 10% of the share capital in total, neither on the date of this authorization coming into effect nor on the date on which it is exercised. Shares that are or are to be issued to service convertible and/or cum-warrant bonds count towards this limit of 10% of the share capital, insofar as and to extent that the bonds are issued during the period of validity of this authorization, in appropriate application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG), under exclusion of subscription rights.

The total shares issued under the above authorizations, excluding subscription rights, must not exceed 20% of the share capital, including the items listed below which count towards the percentage – calculated on the date of these authorizations becoming effective or the exercise of these authorizations, depending on which amount is smaller. The following count towards the above-mentioned 20% limit: (i) shares issued, excluding subscription rights, during the period of validity of these authorizations on the basis of other authorized capital items, which are in place on the date on which these authorizations become effective or are resolved at the same Annual General Meeting that resolved these authorizations and (ii) shares that are to be issued during the period of validity of these authorizations to service convertible and/or cum-warrant bonds, the authorization basis of which is in place on the date on which these authorizations become effective or which are resolved at the same Annual General Meeting that resolved these authorizations, insofar as the convertible and/or cum-warrant bonds were issued under exclusion of shareholders' subscription rights.”

8. Resolution on the revocation of the resolution passed by the Company's Annual General Meeting on August 11, 2016 (Item 10 b) of the Agenda) on the authorization

to issue options (2016 stock option program) and the reduction of Contingent Capital 2016/II; resolution on the authorization to issue options (2018 stock option program) and the creation of new Contingent Capital 2018/I; amendment of the Articles of Association

By resolution of the Annual General Meeting of August 11, 2016, under Item 10 b) of the Agenda, the Executive Management Board, or the Supervisory Board in place of the Executive Management Board where options are granted to members of the Executive Management Board, was authorized for a period up to August 10, 2021, on one or more occasions or – if the options granted have expired pursuant to termination or other reasons – repeatedly, to issue options to subscribe to a total of up to 1,500,000 registered ordinary shares (no-par shares) in the Company to members of the Company's Executive Management Board, to members of the management of associated companies in Germany and abroad and to employees of the Company and associated companies in Germany and abroad. For the purposes of granting the new shares to holders of options, the Company's share capital was conditionally increased by up to € 1,500,000.00 (Contingent Capital 2016/II). This authorization has been partly exhausted by the issue of 347,414 stock options which entitle holders to subscribe to 347,414 shares.

The Executive Management Board shall also be given the possibility in future to use this instrument as an incentive for employees and to bind them to the Company for the long term. In future, the Supervisory Board shall also be given the possibility of granting stock options to the Executive Management Board as a potential component of the variable remuneration of its members. As the current authorization granted by the Annual General Meeting shall no longer be used in future, the intention is to revoke it (insofar as it has not yet been exhausted) and to reduce the Contingent Capital 2016/II to € 347,414.00. A new 2018 stock option program shall be created to replace the 2016 stock option program.

The revocation of the existing authorization and reduction of the Contingent Capital 2016/II shall only become effective if the new authorization to grant stock options effectively comes in to replace the existing authorization and the new Contingent Capital 2018/I is created.

The Executive Management Board and the Supervisory Board therefore propose to resolve as follows:

a) Revocation of the current authorization to issue stock options of August 11, 2016 and partial revocation of Contingent Capital 2016/II; amendment of the Articles of Association

The authorization granted by the Annual General Meeting of August 11, 2016 under Item 10 b) of the Agenda to issue options shall be revoked insofar as it has not yet been exhausted. The associated Contingent Capital 2016/II shall be reduced to € 347,414.00 (in words: three hundred and forty seven thousand four hundred and fourteen euro). Section 5 (6) Sentence 1 of the Articles of Association shall be amended as follows:

“(6) The Company’s share capital shall be conditionally increased (Contingent Capital 2016/II) by up to € 347,414.00 (in words: three hundred and forty seven thousand four hundred and fourteen euro) by means of the issue of up to 347,414 (in words: three hundred and forty seven thousand four hundred and fourteen) new registered ordinary shares (no-par shares).”

b) Authorization to grant options

With the consent of the Supervisory Board, the Executive Management Board is authorized for a period up to May 14, 2023, on one or more to occasions to grant options to subscribe to a total of up to 1,475,000 (in words: one million four hundred and seventy five thousand) new registered ordinary shares (no-par shares) in the Company at the terms and conditions indicated below (2018 stock option program). This authorization shall apply solely to the Supervisory Board insofar as stock options are issued to members of the Executive Management Board. Shareholders shall not be entitled to subscribe.

aa) Groups entitled to subscribe

Options may be issued to members of the Company’s Executive Management Board, to members of the management of associated companies in Germany and abroad and to employees of the Company and associated companies in Germany and abroad, who have an active employment or service contract with the Company or an associated company at the time the options are granted. The precise groups of entitled persons along with the number of options that are to be granted to each person shall be determined by the Company’s Executive Management Board with the agreement of the Supervisory Board. Insofar as members of the Company’s Executive Management Board shall receive options, it shall be exclusively for the Company’s Supervisory Board to determine the above and to decide whether to issue the options, taking into account what is deemed reasonable under Section 87 of the German Stock Corporation Act (AktG).

The total options under the 2018 stock option program shall be split as follows:

- Members of the Company’s Executive Management Board (Group A) shall receive a maximum of up to 550,000 (in words: five hundred and fifty thousand) options in total;
- Members of the management of associated companies in Germany and abroad (Group B) shall receive a maximum of up to 75,000 (in words: seventy five thousand) options in total;
- Employees of the Company (Group C) shall receive a maximum of up to 425,000 (in words: four hundred and twenty five thousand) options in total;

- Employees of associated companies of Medigene AG in Germany and abroad (Group D) shall receive up to 425,000 (in words: four hundred and twenty five thousand) options in total.

The entitlement of one group of persons to receive subscription rights shall preclude entitlement in any other group of persons.

To the extent that options granted no longer confer a subscription right as a result of entitled persons from the Company or one of its associated companies leaving said company, a corresponding number of options may be issued to other persons entitled to subscribe during the authorization period.

bb) Issue of stock options and subscription periods

Options may be issued in several tranches up to May 14, 2023, however, at the earliest, after entry of the Contingent Capital 2018/I in the Commercial Register. The issue of options can take place annually in one or several tranches. In order to simplify calculations and administration of the stock options, the Executive Management Board, with the consent of the Supervisory Board, or – if members of the Executive Management Board are entitled persons – the Supervisory Board may set out in the terms and conditions of the 2018 stock option program one day of a subscription period respectively as the issue day (“the issue day”).

Options may be issued to entitled persons at any time other than during the following periods:

- From January 15 until the date of publication of the Company’s annual results;
- From April 15 until the date of publication of the Company’s first quarterly report;
- From July 15 until the date of publication of the Company’s half-year results;
- From October 15 until the date of publication of the Company’s second quarterly report.

Subscription periods in accordance with Section 193 (2) No. 4 of the German Stock Corporation Act (AktG) are the periods of time from the end of one “closed” period to the start of the next “closed” period.

cc) Maturity, qualifying period, exercise periods, vesting periods

All options have a maximum maturity of 7 years from the date of issue of the respective option. The options expire worthless on their maturity date.

Persons entitled to receive options can exercise their options at the earliest after a qualifying period of four years starting from the date of issue, whereby the legal provisions of Section 193 (2) No. 4 of the German Stock Corporation Act (AktG) must be taken into account.

Exercising the options after the end of the qualifying period is possible at any time other than during the following periods:

- From January 15 until the date of publication of the Company's annual results;
- From April 15 until the date of publication of the Company's first quarterly report;
- From July 15 until the date of publication of the Company's half-year results;
- From October 15 until the date of publication of the Company's second quarterly report;
- In the two weeks before the end of any Company financial year; and
- From the date on which the Company publishes an offer to its shareholders in the Bundesanzeiger (German federal gazette) concerning the subscription to new shares or bonds with conversion or option rights, until the date on which the Company's shares are first listed on the Frankfurt Stock Exchange or another stock exchange on an "ex entitlement" basis.

Exercise periods in accordance with Section 193 (2) No. 4 of the German Stock Corporation Act (AktG) are the periods of time from the end of one "closed" period to the start of the next "closed" period.

dd) Exercise price, success target

Each option confers on the holder an entitlement to subscribe to one ordinary registered bearer share (no-par share) in the Company, in accordance with the terms and conditions governing options to be specified. When options to subscribe to shares are exercised, the price payable shall correspond to the unweighted average of the closing prices of the Company's shares on the 30 (thirty) trading days prior to the date of issue of the option concerned.

However, in each case, at least the lowest issuing price in the context of Section 9 (1) of the German Stock Corporation Act (AktG) shall be payable as the price for exercising options.

The precondition for exercising an option is that the unweighted average of the closing prices of the share on the 30 (thirty) successive

trading days (test period) amounts to at least 120% of the exercise price (success target). The only relevant test periods are those which end on the last day of the qualifying period or later. If this precondition has been fulfilled after the end of the qualifying period, then the option may be exercised during the term of the option, irrespective of the further share price development.

Trading days as defined by the 2018 stock option program are days on which shares in the Company can be traded on the Frankfurt Stock Exchange.

The closing price of the Company's share as defined by the 2018 stock option program is the price of the Medigene AG share in the final trading auction on the XETRA platform of Deutsche Börse AG in Frankfurt am Main.

ee) Other arrangements

The Executive Management Board is authorized to determine the further details relating to the terms and conditions governing options and the issue of shares for subscription. However, where members of the Company's Executive Management Board are concerned, the details on the terms and conditions governing options and the issue of shares for subscription shall be determined by the Supervisory Board. In the context of the above, further details relate, in particular, to:

- Implementation of the program and terms and conditions regarding the granting and exercising of the options, including which party bears the cost;
- Arrangements in the event of termination of contracts of employment or service contracts;
- Issue of subscription shares in compliance with the statutory provisions;
- Regulations on the transfer of options and treatment of options in exceptional cases, such as a third party taking over the Company, paternity or maternity leave or the death of the party entitled to the subscription;
- Specifying a different but comparable stock exchange if the Company's shares are no longer traded on the Frankfurt Stock Exchange or specifying a comparable successor system if the Company's shares are no longer traded on the XETRA platform, if no closing price is determined on the XETRA platform or trading on the XETRA platform is discontinued.

- Any amendments to the program which may become necessary due to changing framework conditions, in particular any change in the equity position.

Furthermore, the restrictions arising from general legal provisions (e.g. Market Abuse Regulation (EU) No. 596/2014) which could prevent the issue and/or exercise of options in certain cases. They include, in particular, the “closed” periods for Medigene AG’s board members.

c) Contingent Capital 2018/I

The Company’s share capital shall conditionally be increased (Contingent Capital 2018/I) by up to € 1,475,000 (in words: one million four hundred and seventy five thousand euro) by the issue of up to 1,475,000 (in words: one million four hundred and seventy five thousand) new, registered ordinary shares (no-par shares). The Contingent Capital 2018/I shall serve solely for the purposes of granting new shares to holders of options to be issued by the Company pursuant to the authorizing resolution passed by the Annual General Meeting on May 15, 2018 under Item 8 b) of the Agenda. The share issue shall take place in line with the above indicated resolution at an exercise price to be determined in each case. The contingent capital increase shall only be carried out if the holders of the options make use of their right to exercise the options. Shares shall carry an entitlement to a share of the profits from the beginning of the financial year for which no resolution has yet been passed by the Annual General Meeting regarding the use of the profits at the time of the exercising of the option.”

d) Amendment of the Articles of Association

Section 5 (10) of the Articles of Association shall be added as follows:

“(10) The Company’s share capital shall conditionally be increased (Contingent Capital 2018/I) by up to € 1,475,000 (in words: one million four hundred and seventy five thousand euro) by the issue of up to 1,475,000 (in words: one million four hundred and seventy five thousand) new, registered ordinary shares (no-par shares). The Contingent Capital 2018/I shall serve solely for the purposes of granting new shares to holders of options to be issued by the Company pursuant to the authorizing resolution passed by the Annual General Meeting on May 15, 2018 under Item 8 b) of the Agenda. The share issue shall take place in line with the above indicated resolution at an exercise price to be determined in each case. The contingent capital increase shall only be carried out if the holders of the options make use of their right to exercise the options. Shares shall carry an entitlement to a share of the profits from the beginning of the financial year for which no resolution has yet been passed by the Annual General Meeting regarding the use of the profits at the time of the exercising of the option.”

9. Resolution on the revocation of the resolution passed by the Annual General Meeting of August 11, 2016 (Item 9 b) of the Agenda) on the authorization to issue 2016 convertible bonds or bonds with warrants and the revocation of Contingent Capital 2016/I; resolution on the authorization of the Executive Management Board to issue 2018 convertible bonds or bonds with warrants and the creation of new Contingent Capital 2018/II; amendment of the Articles of Association

By resolution of the Annual General Meeting of August 11, 2016 under Item 9 b) of the Agenda, with the consent of the Supervisory Board, the Executive Management Board was authorized to issue convertible bonds or bonds with warrants for a period up to August 10, 2021, of a total nominal amount of up to € 32,000,000.00 for a limited or unlimited term (2016 authorization) and to grant convertible bond holders or options holders convertible bonds or bonds with warrants to subscribe to a total of up to 8,000,000 new registered ordinary bearer shares (no-par shares) in the Company relating to a proportional amount of the registered share capital up to a total maximum value of € 8,000,000.00 in accordance with the finer details governing convertible bonds or bonds with warrants. The Company's share capital was conditionally increased by up to € 8,000,000.00 (Contingent Capital 2016/I) for the purposes of servicing the convertible bonds and options resulting from this action.

To date, the Company has not issued convertible bonds on the basis of this authorization.

Meanwhile, economic conditions have changed as a result of the strong performance of the Company's shares. In order to continue to give the Executive Management Board full freedom of action, the current and as yet unused authorization is to be revoked and the relevant Contingent Capital 2016/I revoked and a new authorization shall be granted to issue future convertible bonds or bonds with warrants and the corresponding new Contingent Capital 2018/II created for the purposes of servicing the resulting new convertible bonds and options.

The revocation of the 2016 authorization and revocation of the Contingent Capital 2016/I shall only become effective if the authorization according to this Item 9 b) of the Agenda (2018 authorization) effectively comes in to replace the 2016 authorization and the new Contingent Capital 2018/II is created.

The Executive Management Board and Supervisory Board therefore propose to resolve as follows:

a) Revocation of the 2016 authorization to issue convertible bonds or bonds with warrants

The authorization granted by the Annual General Meeting of August 11, 2016 under Item 9 b) of the Agenda for the issue of convertible bonds or bonds with warrants shall be revoked.

b) 2018 authorization to issue convertible bonds or bonds with warrants

aa) Term of the authorization, nominal amount, term, number of shares

The Executive Management Board shall be authorized, with the consent of the Supervisory Board, for a period up to May 14, 2023, by one or several issues, to issue convertible bonds or bonds with warrants (collectively designated as “CBW bonds”) for a total nominal amount of up to € 150,000,000.00 (in words: one hundred and fifty million euro) for a limited or unlimited term, and to grant holders of CBW bonds conversion or option rights to subscribe to a total of up to 8,920,000 (in words: eight million nine hundred and twenty thousand) new registered ordinary shares (no-par shares) in the Company with a proportionate share in the Company’s share capital of up to € 8,920,000.00 (in words: eight million nine hundred and twenty thousand; “new shares”), in accordance with the finer details governing convertible bonds or bonds with warrants. The authorization may be used in partial amounts.

The bonds shall be issued against cash contributions and apart from being issued in euro, can also be issued in the legal currency of an OECD state – up to a limit equivalent to the corresponding euro amount of a maximum of € 150,000,000.00. This figure does not comprise top-up payments in cash payable upon conversion.

CBW bonds may also be issued by companies in which Medigene AG holds a direct or indirect majority share. In such cases, the Executive Management Board shall be authorized, with the consent of the Supervisory Board, to take over a payment guarantee for CBW bonds on behalf of Medigene AG and to grant qualifying CBW bond holders convertible bonds or options to subscribe to new shares.

bb) Subscription right, subscription exclusion

When issuing CBW bonds, in principle, existing shareholders must be granted a subscription right to the new CBW bonds. The CBW bonds issued shall then be taken over by one or more financial institutions or one or more companies trading under Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the German Banking Act (KWG) with the obligation of offering them to the shareholders for subscription. If the CBW bonds are issued by a company in which Medigene AG holds a majority, either directly or indirectly, Medigene AG must ensure the granting of subscription rights to existing Medigene AG shareholders in line with the above clauses.

However, the Executive Management Board shall be authorized, with the Supervisory Board’s consent, to exclude the subscription rights of existing shareholders when issuing CBW bonds,

- (1) to avoid fractional shares, which might arise as a result of the subscription ratio, from shareholders’ subscription rights,
- (2) to the extent that this is necessary to protect against dilution and grant holders of conversion or option rights which are or were

issued by Medigene AG or by companies in which Medigene AG holds a majority, either directly or indirectly, subscription rights to new CBW bonds to the extent that would be due to them having exercised conversion or options rights or fulfilled conversion obligations; or

(3) to the extent that the new shares to be issued on the basis of the conversion and option rights do not exceed 10% of the share capital in total, neither on the date of this authorization coming into effect nor on the date on which it is exercised. The following count towards the limit of 10% of the share capital:

- shares issued, excluding subscription rights of existing shareholders, during the period of validity of this authorization in accordance with or in appropriate application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG), and
- shares issued or to be issued pursuant to other authorizations during the period of validity of this authorization to service convertible and option rights, insofar as and to the extent that such bonds are issued in appropriate application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG), under exclusion of shareholders' subscription rights.

Moreover, the exclusion of shareholders' subscription rights under the terms of the present section (3) hereof shall be admissible only if the issuing price of the CBW bonds is not significantly below the theoretical market value calculated according to actuarial methods.

The Executive Management Board of Medigene AG shall not make use of the Contingent Capital 2018/II or of the 2018 authorization to the extent that the total shares issued pursuant to the 2018 authorization – assuming that the convertible bonds or bonds with warrants are issued excluding shareholders' subscription rights – do not exceed 20% of the share capital, calculated from the time of the 2018 authorization becoming effective or from the exercise of the 2018 authorization, depending on which amount is smaller. The aforementioned 20% limit shall factor in shares issued pursuant to the authorized capital items in place at the time when these authorizations come into effect or that are resolved by the same Annual General Meeting which resolved this authorization, during the period of validity of these authorizations, under exclusion of shareholders' subscription rights.

cc) Conversion rights, conversion obligation

In the event that convertible bonds are issued, their holders shall be granted entitlement to convert their bonds into new shares, in accordance with the provisions stipulated by the Executive Management Board in line with the conditions imposed by the Annual General Meeting, with particular reference to the price of conversion, and at the conditions for conversion agreed with the consent of the Supervisory Board. The proportionate amount of share capital of the new shares to be issued upon conversion may not exceed the nominal amount of the convertible bonds.

The conversion ratio is derived by dividing the nominal amount of a convertible bond by the conversion price for a new share. The conversion ratio may also be derived by dividing the issuing amount of a convertible bond that is below the nominal amount by the fixed price of conversion for a new share. This may involve rounding up or down to the nearest whole number. When calculating the conversion ratio, a top-up payment in cash payable on conversion may be added to the nominal amount or issuing amount.

The terms and conditions governing convertible bonds may include a mandatory conversion.

dd) Options

In the case of the issue of bonds with warrants, one or more warrants are attached to each bond, which entitle the holder to purchase new shares in accordance with the finer details stipulated by the Executive Management Board and in line with the conditions imposed by the Annual General Meeting, with particular reference to the option premium, and at the option conditions to be agreed with the consent of the Supervisory Board. The proportionate amount of the share capital of the new shares to be issued upon exercising such options may not exceed the nominal amount of the bonds with warrants.

ee) Conversion price, option premium, protection against dilution

The conversion price or option premium to be determined in each case for a new share and its proportionate share of the share capital amounting to € 1.00 shall comprise at least 80% of the reference share price.

“Reference share price” is defined as,

- when a book-building process takes place, the volume-weighted average of the Company's share price as traded on the Xetra platform (or comparable successor) of the Frankfurt Stock Exchange during the period of the book-building process carried out by the financial institutions handling the

issue, during which investors may submit subscription applications for CBW bonds, or

- if there is no book-building:
 - where CBW bonds are offered to shareholders, the higher of the two following: unweighted average of the closing prices during the subscription period, with the exception of the final four full days of the subscription period and the closing price on the fifth last full day of the subscription period, or
 - where CBW bonds are not offered to shareholders, the unweighted average of the closing prices on the ten trading days prior to the day of the Executive Management Board resolution concerning the issuing volume of the CBW bonds.

“Closing price” is determined as the final price in the final trading auction on each trading day on the Frankfurt Stock Exchange Xetra platform (or comparable successor), or, if no closing price is determined on the trading day in question, the last price for which the Company’s shares were traded in continuous trading on the Frankfurt Stock Exchange Xetra platform (or comparable successor).

However, in each case, at least the lowest issuing price in the context of Section 9 (1) of the German Stock Corporation Act (AktG) is payable as the price for conversion or option premium, including any top-up payment in cash to be made.

Irrespective of Section 9 (1) of the German Stock Corporation Act (AktG), pursuant to a dilution of ownership prevention clause, and on determining of the finer details of the conditions governing convertible bonds and bonds with warrants, to preserve the ownership value, the price payable may be reduced if, during the conversion or option period, the Company increases its share capital or issues or guarantees additional CBW bonds on which it grants its existing shareholders exclusive subscription rights, but does not grant holders of existing convertible bonds or options the subscription rights to which they would have been entitled on exercising their conversion or option rights or fulfilling their conversion obligation.

The terms and conditions governing the convertible bonds and bonds with warrants may also provide for an adjustment of the warrant and conversion obligations and or rights in the event of a reduction in capital or other exceptional measures or events (e.g. unusually high dividends, takeover by a third party).

A reduction of the conversion or option premium may also be effected by a cash payment by the Company, or an increase in the number of new shares to be granted in the event of conversion or the exercising of an option.

Section 9 (1) and Section 199 of the German Stock Corporation Act (AktG) are unaffected.

ff) Other potential options

The terms and conditions governing convertible bonds or bonds with warrants may stipulate that, instead of granting shares to holders of convertible bonds or bonds with warrants, the Company may pay them the equivalent monetary value.

In the event of subscription rights to fractions of new shares, there may be a provision that, depending on the conditions governing convertible bonds and bonds with warrants, such fractions may be added to the purchase of newly created shares. Moreover, a top-up payment in cash payable or settlement for fractions not suitable for conversion may be determined.

gg) Individual details

The Executive Management Board shall be authorized, with the consent of the Supervisory Board, to determine the finer details of the conditions governing convertible bonds or bonds with warrants, in particular, the rate of interest, the issuing price of CBW bonds, the price of conversion and option premium, a specified top-up payment in cash payable, their term and unit composition and the conversion and option period.

c) Revocation of Contingent Capital 2016/I

The Contingent Capital 2016/I created by the Annual General Meeting of August 11, 2016 under Item 9 c) of the Agenda shall hereby be revoked.

d) Creation of new Contingent Capital 2018/II

The Company's share capital shall be conditionally increased (Contingent Capital 2018/II) by up to € 8,920,000.00 (in words: eight million nine hundred and twenty thousand euro) through the issue of up to 8,920,000 (in words: eight million nine hundred and twenty thousand) new registered ordinary shares (no-par shares). The Contingent Capital 2018/II shall serve exclusively for the purposes of granting holders of convertible bonds or bonds with warrants new shares, which are issued by Medigene AG or companies in which Medigene AG holds a direct or indirect majority stake in line with the authorization resolution to be passed by the Annual General Meeting on May 15, 2018 under Item 9 b) of the Agenda.

The share issue shall be carried out at the conversion price or option premium to be determined in accordance with the above resolution in each case. The contingent capital increase shall only be carried out if the holders of convertible bonds or options make use of their rights or fulfill their conversion obligations linked to such bonds. The shares in question shall be eligible for participation in profit-sharing from the start of the financial year for which, at the time of exercise of the subscription right or fulfilling conversion obligations, no resolution has been passed yet by the Annual General Meeting regarding the utilization of the profit.

e) Amendment of the Articles of Association

Section 5 (5) of the Articles of Association shall be amended as follows:

“(5) The share capital of the Company shall be conditionally increased (Contingent Capital 2018/II) by up to € 8,920,000.00 (in words: eight million nine hundred and twenty thousand euro) by means of the issue of up to 8,920,000 (in words: eight million nine hundred and twenty thousand) new registered ordinary shares (no-par shares). Contingent Capital 2018/II shall serve exclusively for the purposes of granting holders of convertible bonds or options new shares, which, in line with the authorization resolution to be passed by the Annual General Meeting on May 15, 2018 under Item 9 b) of the Agenda, shall be issued by Medigene AG or by companies in which Medigene AG has a direct or indirect majority stake. The share issue shall be carried out at the conversion price or option premium to be determined in accordance with the above resolution in each case. The contingent capital increase shall only be carried out if the holders of the convertible bonds or options make use of their rights or fulfill their conversion obligations linked to such bonds. The shares in question shall be eligible for participation in profit-sharing from the start of the financial year for which, at the time of exercise of the subscription right or fulfillment of conversion obligations, no resolution has been passed yet by the Annual General Meeting regarding the utilization of the profit.”

10. Increase in the number of Supervisory Board members; amendment of the Articles of Association

With regard to Section 95 Sentence 3 of the German Stock Corporation Act (AktG), the Annual General Meeting of the Company may elect a Supervisory Board which comprises at least three persons, but does not necessarily have to be divisible by three. Currently, the Articles of Association of the Company stipulate in Section 10 (1) of the Articles of Association that the Supervisory Board comprises six members. This is to be amended and the number of Supervisory Board members increased to seven.

Subject to the foregoing, the Executive Management Board and Supervisory Board propose to resolve as follows:

Section 10 (1) Sentence 1 of the Articles of Association shall be reworded as follows:

“The Supervisory Board comprises seven members.”

11. Supplemental election to the Supervisory Board

The Supervisory Board is constituted pursuant to Section 95 and Section 96 (1) of the German Stock Corporation Act (AktG) and Section 10 of the Articles of Association of Medigene AG and currently consists of six members. The Company is not subject to the right of co-determination. Consequently, the Supervisory Board consists solely of shareholders' representatives. Unless resolved otherwise by the Annual General Meeting, the members of the Supervisory Board are elected for the period up to the end of the Annual General Meeting which decides the discharge of the Supervisory Board members for the first financial year after the start of their term of office, in line with Section 10 (2) of the Articles of Association. The financial year in which the term of office begins is always included.

The three members of the Supervisory Board elected by the Annual General Meeting on August 11, 2016 under item 6 of the Agenda were appointed on the same proviso for the period until the end of the Annual General Meeting which will decide the discharge for the third financial year after the start of their term of office. Furthermore, the three additional members of the Supervisory Board elected by the Annual General Meeting on May 24, 2017 under item 6 of the Agenda were appointed on the same proviso for the period until the end of the Annual General Meeting which will decide the discharge for the second financial year after the start of their term of office. The term of office of all existing Supervisory Board members is thus expected to run up until the end of the Annual General Meeting in 2019.

With regard to item 10 of the Agenda of this Annual General Meeting, which provides for an extension of the Supervisory Board to seven members, one new member of the Supervisory Board shall be elected. His/her term of office shall be the same as that of the existing Supervisory Board members, so that his/her term of office also is expected to run until the end of the Annual General Meeting in 2019. The new member of the Supervisory Board shall be elected for the period up to the end of the Annual General Meeting which will decide the discharge for the first financial year after the start of his/her

term of office. The Annual General Meeting is not bound by the nominations put forward when electing the Supervisory Board member. The new member of the Supervisory Board shall effectively be elected with effect from the date of entry of the amendment of the Articles of Association to be resolved under item 10 of the Agenda. The nomination put forward is in line with Section 95 Sentence 3 of the German Stock Corporation Act (AktG).

Based on the proposal by its Compensation and Nomination Committee, the Supervisory Board now proposes to elect as Supervisory Board member Dr. Frank Mathias, CEO of Rentschler SE, with registered office in Laupheim, resident in Munich, Germany, with effect from the date of entry of the amendment of the Articles of Association resolved by the Annual General Meeting on May 15, 2018 under item 10 of the Agenda in the commercial register. The appointment of Dr. Mathias shall be effective for the period up to the end of the Annual General Meeting, which will decide the discharge for the first financial year after the start of his term of office (i.e. probably the Annual General Meeting in 2019). The financial year in which his term of office begins shall be included.

Dr. Mathias is a member of a supervisory board which must be formed in accordance with statutory requirements in one of the companies listed below under (i) or a member of a similar German or foreign supervisory body of a commercial enterprise as listed under (ii).

- (i) Mediatum AG, with registered office in Heidelberg, Germany (unlisted), Chairman of the Supervisory Board

Leukocare AG, with registered office in Martinsried, Germany (unlisted), member of the Supervisory Board
- (ii) August Faller GmbH & Co. KG, with registered office in Waldkirch, Germany (unlisted), Chairman of the Advisory Board

leon-Nanodrug GmbH, with registered office in Munich, Germany (unlisted), member of the Advisory Board

More detailed information about the proposed candidate can be viewed online at <http://www.medigene.com/investors-media/annual-general-meeting/2018>.

In accordance with Section 5.4.1 of the German Corporate Governance Code, the Supervisory Board has satisfied itself that the candidate proposed can devote the expected amount of time to his duties.

Based on the Supervisory Board's assessment, the candidate proposed has no personal or business relationship with Medigene AG or its Group companies, executive bodies of Medigene AG or with any major shareholder of Medigene AG which should be disclosed pursuant to Section 5.4.1 of the German Corporate Governance Code.

The nomination takes into account statutory requirements as well as the objectives resolved by the Supervisory Board with regard to its composition in accordance with 5.4.1 of the German Corporate Governance Code and aims to fulfill the profile of expertise developed by the Supervisory Board for the Supervisory Board as a whole. In

particular, the Supervisory Board, which will comprise seven members in future, will continue to meet the quorum of 50% independent members.

The candidate proposed is familiar with the sector in which the Company operates.

Reports to the Annual General Meeting:

Pursuant to Section 203 (2) Sentence 2 and Section 186 (4) Sentence 2 of the German Stock Corporation Act (AktG), the Executive Management Board hereby reports to the Annual General Meeting on Item 6 of the Agenda as follows:

1. Report on the use of Authorized Capital 2015/I

Up to the time of the announcement of this year's Annual General Meeting in the Federal Gazette, the Company had made use of the authorization granted to the Executive Management Board by the Annual General Meeting of August 13, 2015 under Item 5 of the Agenda to issue, with the consent of the Supervisory Board, one or more times up to 9,822,996 new shares with the option of excluding subscription rights (Authorized Capital 2015/I) with the issue of a total of 2,539,809 new shares as follows:

On April 1, 2016, the Company reported on the achievement of the second milestone from the contribution agreement dated January 27, 2014 with the former shareholders of Medigene Immunotherapies GmbH (formerly Trianta Immunotherapies GmbH). For the resulting payment in the form of shares in the Company, the Executive Management Board resolved on May 10, 2016, with the consent of the Supervisory Board, to carry out a capital increase against contributions in kind from Authorized Capital 2015/I, involving the issue of 392,875 new shares to the former shareholders of Medigene Immunotherapies GmbH on May 20, 2016, excluding subscription rights, against transfer of a claim for € 3,175,000.00 at an issuing price of € 1.00 per share when entering the surplus amounts into the Company's capital reserves. This equated to around 2.00% of the share capital of € 19,688,960.00 registered by that date.

As part of a private placement announced on May 5, 2017, the Executive Management Board resolved, with the consent of the Supervisory Board, to carry out a cash capital increase from Authorized Capital 2015/I, involving the issue of 1,964,599 new shares on May 8, 2017, excluding subscription rights, at a placement price of € 10.55 per share. This equated to around 9.76% of the share capital of € 20,136,887.00 registered by that date. As a result of this capital increase, the option of carrying out cash capital increases excluding shareholders' subscription rights amounting to a total of 10% of the share capital (Section 5 (4) dd) of the Company's Articles of Association) has largely been utilized.

On July 10, 2017, the Company reported on the achievement of the third and final milestone from the contribution agreement dated January 27, 2014 with the former shareholders of Medigene Immunotherapies GmbH. For the resulting payment in the form of shares in the Company, the Executive Management Board resolved on September 7, 2017, with the consent of the Supervisory Board, to carry out a capital increase against contributions in kind from Authorized Capital 2015/I, involving the issue of 182,335 new shares to the former shareholders of Medigene Immunotherapies GmbH on September 18, 2017, excluding subscription rights, against transfer of a claim for € 2,000,000.00 at an issuing price of € 1.00

per share when entering the surplus amounts into the Company's capital reserves. This equated to around 0.82% of the share capital of € 22,118,329.00 registered by that date.

2. Proposal to revoke Authorized Capital 2015/I and create new Authorized Capital 2018/I

In order to continue to respond with as much flexibility as possible in future to any opportunities which may arise, the intention is first to revoke the Authorized Capital 2015/I (Section 5 (4) of the Company's Articles of Association) remaining after partial utilization – insofar as it has not yet been utilized by the date of the Annual General Meeting. Moreover, authorized capital is to be restructured, creating the extensive scope for authorized capital through new Authorized Capital 2018/I amounting to around 40% as well as through new Authorized Capital 2018/II of around 10% of the share capital registered in the Commercial Register at the time of publication of this invitation to the Annual General Meeting.

3. New Authorized Capital 2018/I, advantages to the Company related thereto as well as exclusion of subscription rights

In view of the utilization of the Authorized Capital 2015/I so far, the Company has a reduced authorized capital of only € 7,283,187.00 at its disposal. However, the Company shall be granted the extensive leeway in terms of the authorized capital up to a maximum of 50% (including the new Authorized Capital 2018/II that is also to be created, see Item 7 of this Notice of the Annual General Meeting) of the share capital registered in the Commercial Register at the time of the convening of this Annual General Meeting. The intention is that the Company shall continue to be able to raise new equity capital for the Company at any time and acquire companies, parts of companies, holdings in companies, new technologies and other products or product candidates in return for granting shares.

The Company's shareholders, in principle, have subscription rights to any new shares to be issued: that is to say, each shareholder has a subscription right to subscribe to new shares in numbers in proportion to their existing holding in the Company's share capital.

The authorization stipulates that the new shares to be issued in the case of a capital increase for cash shall then be taken up by one or more domestic financial institutions or a foreign company trading under Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the German Banking Act (KWG), binding them to offer them to shareholders of the Company for subscription. This is not a restriction of subscription rights, as the existing shareholders are, indirectly, granted the same subscription rights as if they were direct subscription rights. For reasons of technical processing, one or more domestic financial institutions or a foreign company trading under Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the German Banking Act (KWG) must be interpolated, which receives the subscription requests from shareholders and which delivers the shares to the shareholders who are entitled to subscribe to them against payment of the purchase price once the capital increase has been completed.

The resolution as proposed provides the authorization to exclude the shareholders' subscription rights that exist in principle, when using Authorized Capital 2018/I for certain purposes, which the resolution as proposed lists individually, in accordance with the relevant legal provisions. The Executive Management Board and the Supervisory Board believe that

this authorization to exclude shareholders' subscription rights is objectively justified and reasonable as far as the shareholders are concerned, weighing up and taking into account all the circumstances, for the reasons below.

- a) Excluding subscription rights in the case of capital increases for investment in kind is intended above all to make it possible to acquire companies, parts of companies, holdings in companies, new technologies and other products or product candidates in return for granting shares. It is often the case with such transactions that the vendors require consideration by way of shares in the Company. The Company's particular interests may also dictate that the vendors in each case be offered new Medigene shares as consideration for a company, part of a company, a holding in a company, a new technology, another product or product candidate to protect its liquidity. It is precisely at times when liquid funds are in short supply and borrowing terms are generally critical in the biotech industry that shares in authorized capital may represent an appropriate consideration.

Using the authorized capital will enable the Company to respond quickly and flexibly to acquire companies, parts of companies, holdings in companies, new technologies and other products or product candidates in suitable cases against issuing new shares. The authorization as proposed will enable the Company to make acquisitions by issuing Medigene shares while at the same time strengthening its equity base.

The Executive Management Board and the Supervisory Board will only use the option to carry out a capital increase for contributions in kind, excluding subscription rights, out of the authorized capital if the value of the new shares and the value of the consideration (e.g. companies, parts of companies or holdings in companies) are reasonably proportionate to one another. This avoids shareholders whose subscription rights are excluded suffering financial losses. These shareholders can then maintain their relative holdings by buying up more shares on the stock market at essentially the same prices.

- b) The authorization to exclude subscription rights for utilization of share fractions is necessary to be able to present a practicable subscription ratio in the event of a capital increase in any case, and hence merely serves to use the authorized capital in round figures. Fractions arise if holding ratios or the value of capital increases mean that the new shares cannot all be distributed equally amongst the shareholders. Without this authorization, it would be technically more difficult to implement a capital increase for a round figure. The costs of trading subscription rights for fractional shares bear no proportion to the benefits to the shareholders. The new subscription-right free shares created in lieu of fractional shares by excluding the subscription rights of existing shareholders will be realized either by selling them on the stock market (if possible) or otherwise as is best for the Company. Any potential dilution effects are minor, given that these are limited to share fractions.
- c) The authorization to exclude subscription rights in favor of holders of conversion or option rights is intended to avoid having to reduce the option premium or conversion price in accordance with the usual anti-dilution clauses in the option or conversion terms or to make cash top-up payments to those holding such rights. Anti-dilution clauses are

required to help place shares on the capital market, and they protect the holders and/or creditors of bonds against being diluted by subsequent stock issues. Instead of compensating them by reducing the option premium or conversion price or making top-up payments in cash, it shall also be possible to grant subscription rights to holders and/or creditors of bonds with option or conversion rights to protect their holdings against dilution in the scope to which they would be entitled on exercising their option or conversion rights or after fulfillment of a conversion obligation.

- d) Finally, the proposal to authorize the exclusion of subscription rights is made for the event that the new shares are to be used to float shares in the Company on a foreign stock exchange where the shares were not previously admitted for trading. This also comprises the servicing of the additional allocation option granted to the consortium banks involved and shall also apply accordingly to the stock market listing of custody rights or certificates which represent shares. The Company endeavors to expand its shareholder base continually, including abroad. This is in line with Medigene AG's global approach. The flotation of shares on a foreign stock exchange, i.e. the option of a dual listing, may support the aim of broadening the shareholder base. Many investors are more willing to invest if the shares are admitted for trading on a stock exchange in their country. Medigene AG therefore wants to reserve the option of introducing its shares for stock exchange trading on selected stock markets abroad. No concrete plans are currently in place to float the Company's shares on a foreign stock exchange. The start of stock exchange trading on a foreign stock exchange requires, as a rule, that the issuer make available shares to achieve admission of the shares (or custody rights or share certificates) or support trading following admission. This is only possible if Medigene AG is not under an obligation to offer the new shares to existing shareholders for buying. Based on the objective to be achieved, it shall be possible to issue the new shares so that they are broadly spread among a large number of investors. Taking into account the resultant more international funding base, the Company may be better protected against capital market fluctuations and would be in the best possible position to neutralize local changes in the cost of capital. Such an international shareholder structure would generate higher market liquidity, reduce the Company's dependency on individual investors and make it more difficult for any hostile takeover bids to be made. In the international biotechnology environment, a stock exchange listing on a foreign stock exchange would additionally facilitate the acquisition of holdings in companies by means of a share swap. This is mainly true of the U.S. market, which is particularly important for the Company. The Company shall consider the market situation at the relevant foreign stock exchange when structuring the selling price. If the shares offered to ensure ordinary stock exchange trading can only be issued at a discount compared with the stock market price in Germany, the Executive Management Board shall make every effort to keep the discount to a minimum. The introductory price of the shares shall not be more than 8% to a maximum of 10% (excluding incidental costs) lower than the closing price of the shares of the Company with the same features already listed for trading on the XETRA platform (or a comparable successor) of the stock exchange in Frankfurt am Main on the last trading day before the date of the flotation on another stock market. The same shall apply if trading is to be started in the form of custody rights or share certificates.

The total shares issued under the above authorizations, excluding subscription rights in the case of capital increases for contributions in cash and/or kind, must not exceed 20% of the share capital – calculated on the date of these authorizations becoming effective or the exercise of these authorizations, depending on which amount is smaller. Shares that are sold or issued or are to be issued under other authorizations, which are explicitly mentioned, excluding subscription rights, count towards this 20% limit. The following count towards the above-mentioned 20% limit: (i) shares issued on the basis of other authorized capital items, which are resolved at the same Annual General Meeting that resolved these authorizations, excluding subscription rights, during the period of validity of these authorizations and (ii) shares that are to be issued during the period of validity of these authorizations to service convertible and/or cum-warrant bonds, the authorization basis of which is in place on the date on which these authorizations become effective or are resolved at the same Annual General Meeting that resolved these authorizations, to the extent that the convertible and/or cum-warrant bonds were issued under exclusion of shareholders' subscription rights.

This upper capital limit restricts the total volume of a share issue excluding subscription rights from authorized and contingent capital. Shareholders are therefore additionally protected against dilution of their stake. However, shares that are used to service entitlements of Executive Management Board members and/or employees under stock option programs and are issued ex rights, are not included in the above percentage, since the dilution effect is minor and shareholders would not have subscription rights in this context.

The maximum exclusion of subscription rights on the basis of the Authorized Capital 2018/I comprises 20% of the Company's share capital.

The Executive Management Board shall report on the utilization of the Authorized Capital 2018/I at the Annual General Meeting.

Pursuant to Section 203 (2) Sentence 2 and Section 186 (4) Sentence 2 of the German Stock Corporation Act (AktG), the Executive Management Board hereby reports to the Annual General Meeting on Item 7 of the Agenda as follows:

1. Proposal to create new Authorized Capital 2018/II

In order to continue to respond with as much flexibility as possible in future to any opportunities which may arise, the intention is first to revoke the existing Authorized Capital 2015/I (Section 5 (4) of the Company's Articles of Association) remaining after partial utilization – insofar as it has not yet been utilized by the date of the Annual General Meeting. Moreover, authorized capital is to be restructured, creating the extensive scope for authorized capital through new Authorized Capital 2018/I amounting to around 40% as well as through new Authorized Capital 2018/II of around 10% of the share capital registered in the Commercial Register at the time of publication of this invitation to the Annual General Meeting. The latter must be seen in the context of the option of carrying out cash capital increases of a total of 10% of the share capital, excluding subscription rights, (Section 5 (4) dd) of the Company's Articles of Association on Authorized Capital 2015/I), has already largely been exhausted.

2. New Authorized Capital 2018/II, advantages to the Company related thereto as well as exclusion of subscription rights

In view of the utilization of the Authorized Capital 2015/I so far, the Company has a reduced authorized capital of only € 7,283,187.00 at its disposal. However, the Company shall be granted the extensive leeway in terms of the authorized capital up to a maximum of 50% (including the new Authorized Capital 2018/I that is also to be created, see Item 6 of this Notice of the Annual General Meeting) of the share capital registered in the Commercial Register at the time of the convening of this Annual General Meeting. The intention is that the Company shall continue to be able to raise new equity capital for the Company at any time and acquire companies, parts of companies, holdings in companies, new technologies and other products or product candidates in return for granting shares.

The Company's shareholders, in principle, have subscription rights to any new shares to be issued: that is to say, each shareholder has a subscription right to subscribe to new shares in numbers in proportion to their existing holding in the Company's share capital.

The authorization stipulates that the new shares to be issued in the case of a capital increase for cash shall then be taken up by one or more domestic financial institutions or a foreign company trading under Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the German Banking Act (KWG), binding them to offer them to shareholders of the Company for subscription. This is not a restriction of subscription rights, as the existing shareholders are, indirectly, granted the same subscription rights as if they were direct subscription rights. For reasons of technical processing, one or more domestic financial institutions or a foreign company trading under Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the German Banking Act (KWG) must be interpolated, which receives the subscription requests from shareholders and which delivers the shares to the shareholders who are entitled to subscribe to them against payment of the purchase price once the capital increase has been completed.

The resolution as proposed provides the authorization to exclude the shareholders' subscription rights that exist in principle, when using Authorized Capital 2018/II for certain purposes, which the resolution as proposed lists individually, in accordance with the relevant legal provisions. The Executive Management Board and the Supervisory Board believe that this authorization to exclude shareholders' subscription rights is objectively justified and reasonable as far as the shareholders are concerned, weighing up and taking into account all the circumstances, for the reasons below.

- a) The authorization to exclude subscription rights for utilization of share fractions is necessary to be able to present a practicable subscription ratio in the event of a capital increase in any case, and hence merely serves to use the authorized capital in round figures. Fractions arise if holding ratios or the value of capital increases mean that the new shares cannot all be distributed equally amongst the shareholders. Without this authorization, it would be technically more difficult to implement a capital increase for a round figure. The costs of trading subscription rights for fractional shares bear no proportion to the benefits to the shareholders. The new subscription-right free shares created for fractional shares by excluding the subscription rights for existing shareholders will be realized either by selling them on the stock market (if possible) or otherwise as is best for the Company. Any potential dilution effects are minor, given that these are limited to share fractions.

- b) Furthermore, the Company shall be authorized when making cash capital increases up to a maximum total of 10% of the Company's share capital to exclude subscription rights, whereby the issuing price of the new shares must not be significantly less than that of the Company's listed shares. This 10% limit is calculated based on the share capital both on the date that this authorization comes into effect and the date on which this authorization is exercised; neither of these limits may be exceeded. The Company shall count towards the limit of 10% of the share capital those shares which are or are to be issued, excluding subscription rights, to service conversion or option rights, insofar as and to the extent that the convertible bonds and bonds cum warrants which give rise to those rights are issued during the period of validity of the authorization in appropriate application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG). This authorization shall enable the Company to exploit transient favorable stock market situations and strengthen its equity base.

The interests of existing shareholders of the Company will not be affected unreasonably by setting an issuing price which is not significantly different from the stock market price: they can still maintain their respective holdings by buying more shares on the stock market on essentially the same terms should they so wish.

The total shares issued under the above authorizations, excluding subscription rights in the case of capital increases for contributions in cash, must not exceed 20% of the share capital including the items listed below that count towards this limit – calculated on the date of these authorizations becoming effective or the exercise of these authorizations, depending on which amount is smaller. Shares that are sold or issued or are to be issued under other authorizations, which are explicitly mentioned, excluding subscription rights, count towards this 20% limit. The following count towards the above-mentioned 20% limit: (i) shares issued on the basis of other authorized capital items, which are in place on the date when these authorizations become effective or are resolved at the same Annual General Meeting that resolved these authorizations, excluding subscription rights, during the period of validity of these authorizations and (ii) shares that are to be issued during the period of validity of these authorizations to service convertible and/or cum-warrant bonds, the authorization basis of which is in place on the date on which these authorizations become effective or are resolved at the same Annual General Meeting that resolved these authorizations, to the extent that the convertible and/or cum-warrant bonds were issued under exclusion of shareholders' subscription rights.

This upper capital limit restricts the total volume of a share issue excluding subscription rights from authorized and contingent capital. Shareholders are therefore additionally protected against dilution of their stake. However, shares that are used to service entitlements of Executive Management Board members and/or employees under stock option programs and are issued ex rights, are not included in the above percentage, since the dilution effect is minor and shareholders would not have subscription rights in this context.

The maximum exclusion of subscription rights on the basis of the Authorized Capital 2018/II comprises 10% of the Company's share capital.

The Executive Management Board shall report on the utilization of the Authorized Capital 2018/II at the Annual General Meeting.

In accordance with Section 186 (4) Sentence 2, and Section 221 (4) of the German Stock Corporation Act (AktG), we report to the Annual General Meeting on Item 9 of the Agenda as follows:

With the authorization proposed under Item 9 of the Agenda, the Executive Management Board and Supervisory Board would like to make use of the legal possibility of creating equity by means of issuing bonds linked with conversion or option rights on shares of Medigene AG (CBW bonds). An adequate equity position is an important foundation for the Company's future development. By issuing CBW bonds, the Company will obtain a flow of external capital at what is currently a favorable rate of interest. The existing 2016 authorization resolved by the Annual General Meeting of August 11, 2016 under Item 9 b) of the Agenda has not been used to date. However, it only amounts to € 32,000,000.00 and no longer provides the Executive Management Board with comprehensive scope for action in view of the higher share price of the Company's shares. This applies, in particular, since the Contingent Capital 2016/I of up to € 8,000,000.00 which relates to the 2016 authorization means that the 2016 authorization is based on a theoretical share price of € 4.00. In actual fact, the share price of the Company's shares has been higher for some time.

In principle, the Company's shareholders have subscription rights to new CBW bonds to be issued, in numbers in proportion to their existing holding in the Company's share capital.

In principle, the CBW bonds shall be taken up by one or more financial institutions or one or more companies trading under Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the German Banking Act (KWG) with the obligation of offering them to the shareholders for subscription. This facilitates processing and does not constitute an exclusion of subscription rights, as shareholders are thereby granted an indirect subscription right to the bonds.

The resolution as proposed provides the authorization to exclude the shareholders' subscription rights that exist in principle when issuing CBW bonds for certain purposes, which the resolution as proposed lists individually, in accordance with the relevant legal provisions. The Executive Management Board and the Supervisory Board believe that this authorization to exclude shareholders' subscription rights is objectively justified and reasonable as far as the shareholders are concerned, weighing up all the circumstances, for the reasons below.

The proposed authorization to exclude subscription rights for utilization of share fractions facilitates the presentation of a practicable subscription ratio. Without this authorization, it would be more difficult to implement a capital measure, in particular, when issuing CBW bonds for a round figure. Fractions arise if holding ratios or the amount of an issue mean that not all of the new CBW bonds can be distributed equally amongst the shareholders. The costs of trading subscription rights for fractional amounts bear no proportion to the benefits to the shareholders. The new subscription-right free CBW bonds created for fractional amounts will be realized either by selling them on the stock market (if possible) or otherwise as is best for the Company. Any potential dilution effect is minor, given that this is limited to fractional amounts.

The authorization to exclude subscription rights in favor of holders of conversion or option rights is intended to avoid having to reduce the option premium or conversion price or to make cash top-up payments for the option and conversion rights already issued. Instead, it shall be

possible to grant to holders of such rights subscription rights to the new bonds in the scope to which they would be entitled on exercising their rights in order to guarantee their protection against dilution.

Furthermore, the Executive Management Board and Supervisory Board shall be authorized to issue CBW bonds excluding the subscription rights of shareholders to the extent that the new shares to be issued on the basis of the conversion or option rights do not exceed a total of 10% of the Company's share capital, neither on the date of this authorization coming into effect nor on the date on which it is exercised. This enables the Company to exploit transient favorable stock market situations and achieve the best possible terms for the bond features by specifying market related terms.

This is not possible where subscription rights are granted, since the length of the period during which purchases can be made limits the possibility of reacting swiftly to market conditions. The uncertainty concerning the exercise of subscription rights may also have a negative effect on the success of placement of CBW bonds with third parties. In addition, the exclusion of subscription rights affords the Company the opportunity of further extending its shareholder base to include international investors.

The statutory basis for excluding subscription rights is enshrined in Section 221 (4) Sentence 2 and Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG). The purpose of these standard provisions is to afford the shareholder protection from dilution of ownership in terms of shares held. Whether or not such a dilution effect arises can be calculated. Based on the Black/Scholes model or other suitable actuarial methods, the hypothetical stock exchange price for the bond can be calculated and any dilution effects derived by comparing this with the issuing price. In accordance with the authorization, the issuing price may not be significantly below the theoretical market value ascertained by recognized actuarial methods. Nothing else therefore applies as far as a capital increase under exclusion of subscription rights in line with Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG) is concerned.

In every case, the Executive Management Board and Supervisory Board shall verify whether shareholders are protected from the effects of dilution. An investment bank or auditor may be instructed to provide a report on this aspect.

The Executive Management Board and Supervisory Board shall add the shares below to the limit of 10% of the registered share capital provided for by the authorization:

- Shares that, during the term of this authorization in line with or in appropriate application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG), are issued under exclusion of shareholders' subscription rights, and
- Shares that are or are to be issued for the purposes of servicing bonds with conversion or option rights pursuant to other authorizations, providing and to the extent that such bonds are issued during the term of these authorizations in appropriate application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG) under exclusion of shareholders' subscription rights.

The contingent capital is required to service the conversion and option rights linked to the CBW bonds.

The conversion price or option premium for a new share shall be determined by the Executive Management Board, with the consent of the Supervisory Board, taking into account the prevailing market conditions at the time of issue of the CBW bonds. This price shall not be below 80% of the reference price defined in the authorization (see above, Item 9 b) ee) of the Agenda).

Finally, the Executive Management Board of Medigene AG shall not make use of the Contingent Capital 2018/II or of the authorization pursuant to Item 9 b) of the Agenda (2018 authorization) to the extent that the total shares issued pursuant to the 2018 authorization – assuming the convertible bonds/options are issued excluding shareholders' subscription rights – do not exceed 20% of the share capital, calculated from the time of the 2018 authorization becoming effective or from the exercise of the 2018 authorization, depending on which amount is smaller. The aforementioned 20% limit shall factor in shares issued pursuant to the authorized capital items in place at the time when these authorizations come into effect or that are resolved by the same Annual General Meeting which resolved this authorization, during the period of validity of these authorizations, under exclusion of shareholders' subscription rights. This restriction is aimed at limiting potential dilution for shareholders resulting from the exclusion of subscription rights.

Total number of shares and voting rights at the time of convening the Annual General Meeting

At the time of convening the Annual General Meeting, the Company's share capital is divided into 22,310,815 (in words: twenty two million three hundred and ten thousand eight hundred and fifteen) registered ordinary shares (no-par shares), which grant one vote each. The Company holds no treasury shares at the time of convening the meeting.

Conditions for attendance of the Annual General Meeting and exercising voting rights

Shareholders who are registered in the stock ledger and whose registration for attendance has been received by the Company by May 8, 2018, 24:00 (CEST), may attend the Annual General Meeting and exercise their voting right – in person or by proxy.

In relation to the Company, only shareholders registered as such in the stock ledger are deemed to be shareholders pursuant to Section 67 (2) Sentence 1 of the German Stock Corporation Act (AktG). With regard to exercising participation and voting rights, the registration status of the stock ledger on May 8, 2018, 24:00 (CEST) is decisive (technical record date), since for reasons of technical processing, no registration of changes is possible in the stock ledger from May 9, 2018, 00:00 (CEST) up to the date of the Annual General Meeting, which is May 15, 2018, 24:00 (CEST).

Shares are not blocked as a result of registration for the Annual General Meeting. Shareholders may therefore also continue to dispose freely of their shares after registering for the Annual General Meeting. However, it should be noted that, pursuant to Section 405 (3) No. 1 of the German Stock Corporation Act (AktG), an administrative offence is committed by any person

who uses the shares of another party whom they are not authorized to represent without their consent to exercise rights at the Annual General Meeting. Since only shareholders who are registered in the stock ledger as such on May 8, 2018, 24:00 (CEST) are deemed to be shareholders in relation to the Company for the purpose of the Annual General Meeting on May 15, 2018, the sale of shares may impact on participation and voting rights.

Financial institutions and associations of shareholders as well as other institutions and persons of equal rank in accordance with the provisions of the German Stock Corporation Act (AktG) may only exercise voting rights for shares which they do not hold but in respect of which they are registered as owners in the stock ledger on the basis of the relevant authorization. Further details regarding this are set out in Section 135 of the German Stock Corporation Act (AktG).

The shareholder's registration must be sent to the address, fax number or email address below as a minimum in text form, as defined in Section 126b of the German Civil Code (BGB):

Medigene AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany
Fax: +49 (0)89 889690633
Email: medigene@better-orange.de

Better Orange IR & HV AG is the authorized receiving agent of the Company for registrations.

A form for registration and booking admission cards will be sent by post to shareholders who are registered in the Company's stock ledger with their address on May 1, 2018, 00:00 (CEST), together with the invitation to the Annual General Meeting. It can also be requested at no cost from the Company.

Alternatively, registration and ordering admission cards is also possible online using the password-protected online service for shareholders in line with the procedure set out by the Company via the following web address:

https://aktionaersservice.de/medigene_en

Individual access data for using the password-protected online service for shareholders will be sent by post to shareholders who are duly registered in the Company's stock ledger on May 1, 2018, 00:00 (CEST), together with the invitation to the Annual General Meeting and the form for registration and booking admission cards.

Following due and timely registration, admission cards for the Annual General Meeting will be sent out or deposited at the venue for the meeting.

New shareholders who are registered in the stock ledger of the Company after May 1, 2018, 00:00 (CEST), and who are therefore not sent a form for registration and booking admission cards, may still register as a minimum in text form, as defined in Section 126b of the German Civil Code (BGB), to the above-mentioned address, fax number or email address. If registration is not on the form sent out by the Company, unambiguous details must ensure identification of

the shareholder who is registering beyond doubt, for example by indicating the full name and/or full company name of the shareholder, the address and shareholder's number.

Please register as early as possible if you intend to attend the Annual General Meeting, as this will facilitate organizing the Annual General Meeting.

Procedure for proxy voting

Shareholders who have a right to participate may be represented at the Annual General Meeting by a proxy in accordance with Article 16 (3) of the Articles of Association. However, the shareholder's due and timely registration for the Annual General Meeting is also required in this case.

Proxy may be granted both prior to and during the Annual General Meeting. For this purpose, notification to the proxy or to the Company is possible.

If a party other than a financial institution, shareholders' association or person or institution equivalent to these in accordance with the provisions of the German Stock Corporation Act (AktG) is authorized, the granting and revocation of proxy and proof of these vis-à-vis the Company require text form, as defined in Section 126b of the German Civil Code (BGB).

If proxy is granted or revoked by means of notification to the Company, this notification may be sent to the following address, fax number or email address:

Medigene AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany
Fax: +49 (0)89 889690633
Email: medigene@better-orange.de

Better Orange IR & HV AG is the authorized receiving agent of the Company for notifications regarding the granting or revoking of proxy.

Revocation of proxy may also be in the form of attendance of the Annual General Meeting by the shareholder in person or by authorizing another proxy.

Alternatively, granting proxy by means of notification to the Company is possible electronically using the password-protected online service for shareholders at the following web address:

https://aktionaersservice.de/medigene_en

If proxy is granted by means of notification to the Company, no additional proof of authorization is required. If proxy is granted by means of notification to the proxy, proof of the authorization must be provided to the Company, unless specified otherwise in Section 135 of the German Stock Corporation Act (AktG).

Proof of authorization may be sent to the address, fax number or email address indicated above in relation to the granting of proxy. To ensure that proof of the authorization can accurately be matched up, please indicate the full name and/or company name, place of

residence and/or business address and shareholders' number of the shareholder. Please also indicate the name and address of the proxy to ensure that they are sent the admission card.

Proof may also be provided by the proxy showing the authorization at the entry check on the day of the Annual General Meeting.

For authorizing a financial institution, shareholders' association or person or institution equivalent to these in accordance with the provisions of the German Stock Corporation Act (AktG), no requirement for text form exists by law or the Articles of Association. The general text form requirement in accordance with Section 134 (3) Sentence 3 of the German Stock Corporation Act (AktG) is not applied to these recipients of proxy, according to general opinion. However, the parties to be authorized may request a specific form of proxy in these cases, since they must record it in verifiable form in accordance with Section 135 (1) Sentence 2 of the German Stock Corporation Act (AktG), (if applicable, in conjunction with Section 135 (8) or Sections 135 (10) and 125 (5) of the German Stock Corporation Act (AktG)). Please ask the person/institution to be authorized in each case whether any specific requirements need to be met.

If a shareholder wishes to authorize a financial institution, shareholders' association or person or institution equivalent to these in accordance with the provisions of the German Stock Corporation Act (AktG), they should additionally enquire in advance with the financial institution, shareholders' association or other institution or person whether it or they will be represented or present at the Annual General Meeting of Medigene AG. In this case, the authorization must be directly granted to the financial institution, shareholders' association or other institution or person in a timely manner, so as to enable the financial institution, shareholders' association or other institution or person to register the shareholder for the Annual General Meeting by the deadline of May 8, 2018, 24:00 (CEST).

The granting of proxy by shareholders and shareholder representatives who are present at the Annual General Meeting to others present is also possible. However, financial institutions, shareholders' associations or other equivalent institutions or persons in accordance with the provisions of the German Stock Corporation Act (AktG) may only grant substitute powers of attorney to persons who are not employees of their organization if this is permitted by the authorization; please see Section 135 (5) Sentence 1 of the German Stock Corporation Act (AktG), (if applicable in conjunction with Section 135 (8) or Sections 135 (10) and 125 (5) of the German Stock Corporation Act (AktG)).

A form for booking an admission card for a proxy and individual access data for use of the password-protected online service for shareholders will be sent by post to shareholders registered in the stock ledger with their addresses on May 1, 2018, 00:00 (CEST), together with the notice of the Annual General Meeting. It may also be requested free of charge from the Company. In addition, a form of proxy for authorization during the Annual General Meeting is available on the voting sheet which will be handed out on entering the Annual General Meeting. The admission cards issued by the Company also include a form of proxy on the reverse. Furthermore, the relevant form is available to download online at

www.medigene.com/investors-media/annual-general-meeting/2018

If a shareholder authorizes more than one person, the Company may reject one or more proxies.

Exercising voting rights via a Company-nominated proxy

Shareholders also have the option of having their voting rights exercised at the Annual General Meeting in line with their instructions by Medigene AG employees Julia Hofmann and Christian Schmid, who have been nominated as proxies by the Company. Shareholders taking advantage of this option must also register for the Annual General Meeting adhering to the due process and in a timely manner.

If a shareholder wishes to authorize Julia Hofmann or Christian Schmid, they must issue directions to them as to how the voting right is to be exercised for each of the items of the Agenda on which there will be a vote. Julia Hofmann and Christian Schmid must undertake to vote in accordance with the instructions issued to them. Company-nominated proxies may not exercise voting rights for votes for which the subject was not known before the Annual General Meeting (for example, motions). In these cases, the proxies will abstain from voting or they will not participate in the voting. The same applies to voting for counter-motions where no express instructions had been issued. It is not possible to instruct the Company-nominated proxies to protest against resolutions, submit motions or ask questions.

The granting or revocation of proxy or issuing or modifying instructions to the Company-nominated proxies must be in text form, as defined in Section 126b of the German Civil Code (BGB) to the address, fax number or email address indicated above for notification to the Company of the granting of proxy.

Better Orange IR & HV AG is the authorized receiving agent of the Company-nominated proxies for notifications regarding the granting and revocation of proxy and issuing or modifying instructions to the Company-nominated proxies.

Alternatively, proxy may be granted or revoked and instructions to the Company-nominated proxies issued or modified electronically using the password-protected online service for shareholders at the following web address:

https://aktionaersservice.de/medigene_en

No additional proof of authorization of the proxies is required.

Individual access data for using the password-protected online service for shareholders, along with a form authorizing the Company-nominated proxies and for issuing instructions to them, will be sent by post to shareholders registered in the Company's share register with their address on May 1, 2018, 00:00 (CEST), together with the notice of the Annual General Meeting. This form may also be requested free of charge from the Company. Furthermore, the relevant form is available to download online at:

www.medigene.com/investors-media/annual-general-meeting/2018

Granting or revoking proxy and issuing or modifying instructions to the Company-nominated proxies is possible prior to the Annual General Meeting. For organizational reasons, this or

these must be received by the Company by May 14, 2018, 24:00 (CEST) at the above-mentioned address, fax number, email address or via the password-secured web service at:

https://aktionaersservice.de/medigene_en

Revocation of the authorization granted to the Company-nominated proxies may also be by means of the shareholder attending the Annual General Meeting in person or authorizing another proxy.

During the Annual General Meeting, authorization and instructions to the Company-nominated proxies may be issued using the relevant form on the voting card.

Shareholder rights

Supplement to the Agenda

Shareholders whose shares account for a twentieth of the share capital (this corresponds to 1,115,540 shares at the time of convening) or the proportional amount of € 500,000 (this equates to 500,000 shares) may request that items are included on the Agenda and announced accordingly. Every new item must be accompanied by an explanation or proposed resolution.

Any requests for supplements to the Agenda must be received by the Company at least 30 days prior to the meeting, i.e. by April 14, 2018, 24:00 (CEST). The request must be made in writing (Section 126 of the German Civil Code (BGB)) to the Company's Executive Management Board. The address is as follows:

Medigene AG
Executive Management Board
Lochhamer Straße 11
82152 Planegg/Martinsried
Germany

Anyone making such a request must provide proof that they have held a sufficient number of shares for the duration of the statutory minimum holding period of at least 90 days prior to the day before receipt of the request and that they will hold the shares until the Executive Management Board has taken a decision regarding the request; Section 70 of the German Stock Corporation Act (AktG) shall apply for the calculation of the time of share ownership. The date of receipt of the request will not be counted. Postponement from a Sunday, Saturday or public holiday to an earlier or later working day shall not be taken into consideration. Sections 187 through 193 of the German Civil Code (BGB) shall not apply accordingly.

Counter-motions and nominations

In addition, every shareholder has the right to put forward motions at the Annual General Meeting regarding the items of the Agenda and Articles of Association and make nominations without this requiring notification, publication or other specific action prior to the Annual General Meeting.

The Company will make requests and nominations of shareholders, including the name of the shareholder, reason and any statements by the administration available at

www.medigene.com/investors-media/annual-general-meeting/2018

provided that they have been received by the Company at least 14 days prior to the meeting, i.e. by April 30, 2018, 24:00 (CEST) at the address, fax number or email address indicated below:

Medigene AG
Investor Relations
Frau Julia Hofmann
Lochhamer Straße 11
82152 Planegg/Martinsried
Germany
Fax: +49 (0)89 2000332920
Email: gegenantraege.hv2018@medigene.com

The Company may refrain from publishing a counter-motion and the explanation for it if one of the reasons specified in Section 126 (2) Nos. 1 to 7 of the German Stock Corporation Act (AktG) applies. The explanation for a counter-motion does not need to be made accessible if it exceeds more than 5,000 characters in total.

In addition to the cases specified in Section 126 (2) of the German Stock Corporation Act (AktG), the Executive Management Board does not need to make nominations by shareholders accessible if the name, occupation and place of residence of the Supervisory Board members or auditors nominated are not provided, or the details regarding membership of the Supervisory Board members nominated on other statutory supervisory boards in accordance with Section 125 (1) Sentence 5 of the German Stock Corporation Act (AktG) are missing.

Shareholders' right to information

In accordance with Section 131 (1) of the German Stock Corporation Act (AktG), the Executive Management Board must provide every shareholder, on request, with information during the Annual General Meeting about Company matters where this is necessary for forming an appropriate opinion on the relevant item of the Agenda. Shareholders' right to information also encompasses the Company's legal and business relations with affiliated companies.

The Executive Management Board may refrain from answering specific questions for the reasons mentioned in Section 131 (3) of the German Stock Corporation Act (AktG).

Moreover, Article 17 (3) of the Articles of Association states that the person chairing the meeting is authorized to appropriately restrict the time shareholders are permitted to speak and ask questions from the start of the Annual General Meeting and thereafter, in particular for the purpose of appropriately limiting the time frame of the course of the meeting, discussion on items of the Agenda and specific contributions in the form of comments and/or questions.

Information on the Company's website

The convening of the Annual General Meeting, the documents and information to be made available in accordance with Section 124 a of the German Stock Corporation Act (AktG), applications of shareholders as well as additional information and further explanations on shareholder rights in accordance with Section 122 (2), Section 126 (1), Section 127 and Section 131 (1) of the German Stock Corporation Act (AktG) can also be found on the Company's website at www.medigene.com/investors-media/annual-general-meeting/2018 and downloaded as required. The voting results will be published on the same page after the Annual General Meeting.

All documents to be made available to the Annual General Meeting will be available for inspection by shareholders at the premises of Medigene AG, Lochhamer Straße 11, 82152 Planegg/Martinsried, Germany, from the date of convening the Annual General Meeting onwards and at the Annual General Meeting. On request, a copy of the above documents will be provided to every shareholder free of charge.

Planegg/Martinsried, March 2018

The Executive Management Board