

STATEMENT ON CORPORATE GOVERNANCE IN ACCORDANCE WITH SECTION 289a OF THE GERMAN COMMERCIAL CODE (HGB)

The statement on governance in accordance with section 289a of the German Commercial Code (HGB) comprises the declaration of conformity pursuant to section 161 of the German Stock Corporation Act (AktG), relevant information on corporate governance practices, and a description of the procedures of the Management Board and the Supervisory Board along with the composition and procedures of their committees.

Pursuant to section 161 AktG, any non-compliance with the recommendations of the German Corporate Governance Code must be described and justified in the declaration of conformity. Medigene reports on non-compliance with certain recommendations of the German Corporate Governance Code as described in the following statement on corporate governance.

I. Declaration of conformity by the Executive Management Board and Supervisory Board of Medigene AG pursuant to Section 161 AktG

Section 161 (I) (1) of the German Stock Corporation Act (AktG) requires the Executive and the Supervisory Boards of a listed stock corporation to declare annually that the recommendations of the "Government Commission on the German Corporate Governance Code" published by the Federal Ministry of Justice in the official section of the electronic Federal Gazette have been and are complied with, and which recommendations have not been or are not being applied, and for what reason.

In addition to the presentation of the applicable German Stock Corporation Act, the German Corporate Governance Code ("Code") also includes recommendations from which a company may deviate. However, any deviation has to be disclosed and accounted for annually.

Since issuing the last Declaration of Conformity on 16 December 2013, Medigene AG has complied with the recommendations of the Code in its old version dated 13 May 2013 and published in the electronic Federal Gazette on 9 June 2013, except with the declarations made in the Declaration of Conformity of 16 December 2013.

For the period starting 1 October 2014 the Executive and Supervisory Boards declare conformity with the Code in its version dated 24 June 2014, with the following exceptions, and declare their intention to comply in the future as follows:

1. Deductible in the case of D&O insurances

The D&O insurance (so-called directors' and officers' liability insurance) taken out by Medigene AG for its Supervisory Board members does not provide for any deductible (compare point 3.8 (III) of the Code).

Medigene AG does not intend to agree a general deductible for its Supervisory Board members with its D&O insurance carrier. The legal obligation to adapt D&O insurance contracts pursuant to section 93 (II) (3) of the German Stock Corporation Act (AktG) in conjunction with section 23 (I) (1) of the Introductory Act to the German Stock Corporation Act (EAGAktG) is applicable only to Executive Management Board members. In section 116 (I) of the German Stock Corporation Act, the legislator did not require any deductible for Supervisory Board members, but expressly excluded the Supervisory Board instead. The Executive Management and Supervisory Board of Medigene AG believe that the nature of the position as a Supervisory Board member,

which is also emphasized by the different remuneration, calls for a distinction between D&O insurances for Executive Management and Supervisory Board members. Both the Executive Management and Supervisory Boards also believe that the motivation and sense of responsibility applied by the members of the Supervisory Board of Medigene AG in the fulfilment of their duties are fully guaranteed without any general deductible as recommended under the Code.

2. Establishment of a targeted pension level

The Code recommends in point 4.2.3 paragraph 3, that the Supervisory Board shall, for pension schemes, establish the targeted pension level aimed for in each case and take into account the resulting annual and long-term expense for the company. For the members of the Executive Management Board of Medigene AG, there is a defined contribution plan that does not aim to achieve a specific level of pensions. The Supervisory Board therefore does not establish, with regard to pension benefits, the targeted level of the pensions and considers the existing pension system as appropriate and well balanced.

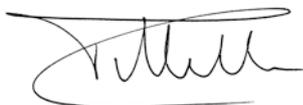
3. Consideration of committee work in the compensation of Supervisory Board members

The German Corporate Governance Code recommends in point 5.4.6 (I) that chairmanship and membership in Supervisory Board committees be taken into consideration in the remuneration of Supervisory Board members. While chairmanship and membership in committees of the Supervisory Board is taken into account when fixing the remuneration of Medigene's Supervisory Board members, there is no differentiation between a chairman and a regular member of a committee.

Both the Executive Management and Supervisory Boards believe that the Supervisory Board members show a high degree of commitment in their committee work without any such arrangement.

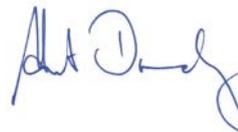
Martinsried, 3 December 2014

For the Executive Management Board



Dr. Frank Mathias

For the Supervisory Board



Prof. Dr. Horst Domdey

The declarations of conformity of Medigene AG are available for a minimum of five years in each case on the Company's website (<http://www.medigene.com/media-investors/corporate-governance/declaration-on-corporate-governance>).

II. Function of the Executive Management Board and Supervisory Board

Function of the Executive Management Board

The Executive Management Board of Medigene AG in its entirety and each individual Board member engage in the business of the company with the due care and diligence of proper and conscientious management in accordance with the law, the Articles of Association and the Executive Management Board rules of procedure. The Executive Management Board assumes responsibility for the management of the company. In doing so, it is obliged to act in the company's best interest and is committed to sustainably enhancing enterprise value. In managing the company, the Executive Management Board considers the interests of the company's shareholders, employees and other stakeholders. Currently, Medigene AG's Executive Management Board is composed of three members. They cooperate closely and keep each other informed about important measures taken and processes in their areas of responsibility. The Executive Management Board passes resolutions during meetings which take place at regular intervals, at least once a month. If required, the Executive Management Board also takes decisions outside its regular meetings.

The Executive Management Board's rules of procedure describe the processes and approaches that form the basis of the Executive Management Board's work. The rules of procedure also include regulations for business transactions which require the Supervisory Board's consent, the company's organisational chart and basic behaviour policy guidelines.

The Executive Management Board works closely with the Supervisory Board. It keeps the Supervisory Board informed regularly, promptly and comprehensively on all issues relevant to the company.

Function of the Supervisory Board

It is the duty of Medigene AG's Supervisory Board to appoint the Executive Management Board members, to advise them regularly and to control and support the management and the achievement of Medigene AG's long-term goals. The Supervisory Board of Medigene AG is composed of three members, pursuant to section 10 (I) (1) of the Articles of Association and to Sections 95, 96 (I) and 101 (I) of the German Stock Corporation Act (AktG). The term of office of the Supervisory Board expires at the end of the Annual General Meeting in 2016, which resolves on the Supervisory Board's discharge for the 2015 fiscal year.

The Supervisory Board regularly conducts an efficiency review every two years in accordance with Section 5.6 of the German Corporate Governance Code. The last review took place in March 2015. All reviews carried out to date ascertained that the Supervisory Board's organisation is efficient and confirmed optimum cooperation between Executive Management Board and Supervisory Board.

The Supervisory Board has set up two committees for the fulfilment of its duties:

Compensation & Nomination Committee

The tasks of the Compensation and Nomination Committee include human resource issues regarding the Executive Management Board members. The focus is on preparing the employment contracts for Executive Management Board members and submitting proposals for their remuneration. The decision about these aspects is taken by the full Supervisory Board. The Compensation and Nomination Committee comprises Prof. Horst Domdey (Chairman), Dave Lemus and Dr. Yita Lee.

Audit Committee

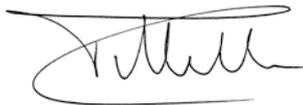
The members of the Audit Committee deal with issues relating to accounting and risk management, the required independence of the auditor, issuing the audit assignment to the auditor, determining audit priorities and agreeing the audit fee with the auditors. The Audit Committee comprises Dave Lemus (Chairman), Prof. Horst Domdey and Dr. Yita Lee.

III. Key corporate governance practices

Medigene attaches major importance to compliance with legislation and in-house guidelines. For this purpose, a Compliance Officer has been appointed to concentrate on a number of central points, such as securities law and the statutory prohibition of insider trading. Medigene has developed its own insider policy to complement the latter. Furthermore, Medigene has committed to the Code of Conduct of the German Association for the Voluntary Self-Regulation of the Pharmaceutical Industry (Verband Freiwillige Selbstkontrolle für die Arzneimittelindustrie e.V. – <http://www.fs-arzneimittelindustrie.de/en/verhaltenskodex/>). The association monitors appropriate cooperation of pharmaceutical companies with physicians, pharmacists and other healthcare professionals as well as patient self-help organisations, and imposes sanctions in the event of a breach of rules. In combination with the above-mentioned principles, this forms the basis of corporate actions at Medigene AG.

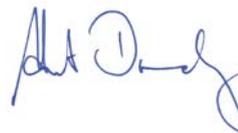
Planegg/Martinsried, March 2015

For the Executive Management Board



Dr. Frank Mathias

For the Supervisory Board



Prof. Horst Domdey