



Probiodrug AG

Halle /Saale

ISIN DE0007921835 / PBD

Invitation to the Ordinary General Meeting of Shareholders

We invite our shareholders to the

ordinary general meeting of shareholders

taking place

on Tuesday, June 13, 2017, at 11:00 a.m. (CEST),

at the Mercure Hotel MOA Berlin,
Stephanstraße 41, 10559 Berlin, Germany.

I.

Agenda

- 1. Presentation of the Approved Annual Financial Statements as well as the Management Report of Probiodrug AG for the Financial Year 2016, including the Explanatory Report of the Management Board as to the Information pursuant to sec. 289 para. 4 of the German Commercial Code and the Report of the Supervisory Board for the Financial Year 2016.**

The documents mentioned under this item of the agenda are available for inspection on the website of the company at <http://www.probiodrug.de/investors/annual-shareholders-meeting-2017/> as of the date of the invitation to the general meeting. Moreover, they are displayed for inspection by the shareholders as of the invitation date in the offices of the company at Weinbergweg 22, 06120 Halle/Saale, Germany, during the usual business hours of the company from Monday through Friday from 09:00 a.m. until 04:00 p.m. Furthermore, the documents will be available at the general meeting as well. In conformity with the legal regulations, no resolution is provided for this item of the agenda, as the supervisory board has given its consent to the annual financial statements already and thus the annual financial statements are approved.

2. Adoption of a Resolution on the Approval of the Actions of the Management Board Members for the Financial Year 2016

The management board and the supervisory board propose to grant the approval to the members of the management board holding office in the financial year 2016 for their actions during that period.

3. Adoption of a Resolution on the Approval of the Actions of the Supervisory Board Members for the Financial Year 2016

The management board and the supervisory board propose to grant the approval to the members of the supervisory board holding office in the financial year 2016 for their actions during that period.

4. Election of the Financial Statements Auditor for the Financial Year 2017

The supervisory board proposes to elect KPMG AG Wirtschaftsprüfungsgesellschaft, Münzgasse 2, 04107 Leipzig, as financial statements auditor and as auditor for the auditing review of interim financial reports, if any, for the financial year 2017.

The proposal of the supervisory board as to this item 4 of the agenda is based on a corresponding recommendation of the audit committee of the supervisory board.

5. Elections to the Supervisory Board

Upon the end of the general meeting on June 13, 2017, the term of office of the supervisory board members Dr. von der Osten, Dr. Platzer and Dr. Neermann will expire.

Pursuant to sec. 95, sec. 96 para. 1, sec. 101 para. 1 AktG (German Stock Corporations Act) as well as pursuant to sec. 8 para. 1 of the present articles of association of the company, the supervisory board of the company is composed of six members elected by the general meeting.

The supervisory board proposes to re-elect the following persons to the supervisory board:

- a) Dr. Jörg Neermann, investment manager with LSP Life Sciences Partners, resident in Munich, Germany
- b) Dr. Dinnies Johannes von der Osten, managing director of GoodVent Beteiligungsmanagement Verwaltungs-GmbH, resident in Berlin, Germany
- c) Dr. Erich Platzer, managing director of Platzer Consult GmbH, resident in Basel, Switzerland

The election is made pursuant to sec. 8 para. 2 of the company's articles of association in combination with sec. 102 para. 1 AktG for the period until the end of the general meeting resolving on the approval of actions in the financial year 2017.

It is intended to have the general meeting decide on the new elections to the supervisory board by way of individual voting.

The proposed candidates hold the following memberships in other supervisory boards to be formed by virtue of law and in comparable domestic and foreign control bodies of business enterprises (sec. 125 para. 1 sentence 5 AktG):

Dr. Jörg Neermann

Memberships in other supervisory boards to be formed by virtue of law and in comparable domestic and foreign control committees of business enterprises

- Member of the supervisory board, Ventaleon GmbH, Gauting
- Member of the board of administration, EyeSense AG, Basel, Switzerland
- Member of the board of administration, Kuros Biosciences AG, Schlieren, Switzerland
- Member of the board of administration, ViCentra B.V., Utrecht, the Netherlands
- Chairman of the supervisory board of Immunic AG, Martinsried

Dr. Dinnies von der Osten

Memberships in other supervisory boards to be formed by virtue of law and in comparable domestic and foreign control committees of business enterprises

- Member of the supervisory board Market Logic Software AG, Berlin, Germany
- Member of the supervisory board Alea Energy Solutions AG, Berlin
- Managing director, GoodVent Beteiligungsmanagement Verwaltungs-GmbH, Magdeburg, Germany

Dr. Erich Platzer

Memberships in other supervisory boards to be formed by virtue of law and in comparable domestic and foreign control committees of business enterprises

- Member of the board of directors, Aptose Biosciences Inc., Toronto, Canada
- President of the board of administration Advanced Osteotomy Tools - AOT AG, Basel, Switzerland
- Member of the board of administration BC-Platforms AG, Basel, Switzerland
- President of the board of administration credentis AG, Windisch, Switzerland
- President of the board of administration, Léman Micro Devices SA, Lausanne, Switzerland
- Member of the board of administration, MTIP Medtech Innovation Partners AG, Basel, Switzerland
- Managing director PlatzerConsult GmbH, Basel, Switzerland
- Member of the board of administration PlatzerInvest AG, Basel, Switzerland

- Member of the board of administration Viroblock SA, in liquidation, Plans-les-Ouates (Geneva), Switzerland

For the persons it proposed, the supervisory board took into consideration the objectives set in accordance with the recommendations of the German Corporate Governance Code for the composition of the supervisory board with the exceptions declared in the compliance statement of the company as well as the targets defined by the supervisory board on September 25, 2015 for its composition.

The proposed candidates Dr. Dinnies von der Osten and Dr. Jörg Neermann qualify based on their many years of professional experience as independent finance experts as defined in sec. 100 para. 5 AktG.

According to the vote of the supervisory board as composed until now, it is planned to elect Dr. Erich Platzer as chairman of the supervisory board.

The proposal of the supervisory board as to this item 5 of the agenda is based on a corresponding recommendation of the nomination committee of the supervisory board.

6. Resolution on the Creation of the Authorized Capital 2017 Concurrently Cancelling the Authorized Capital 2014 as well as the Corresponding Amendments to the Articles of Association

The management board and the supervisory board propose to adopt the following resolution:

- a) The management board is given the authorization to increase the company's share capital subject to the consent of the supervisory board until June 12, 2022 in one or several steps for cash contributions or contributions in kind by up to Euro 4,093,367.00 by issuing a total of 4,093,367 new no-par value common bearer shares (Authorized Capital 2017). The subscription right is excluded. Moreover, the management board is given the authorization subject to the consent of the supervisory board to define the further details of the capital increase, its implementation and the terms and conditions for the issue of the shares out of the Authorized Capital 2017.
- b) Subject to the condition precedent of the registration of the Authorized Capital 2017, the Authorized Capital 2014 is cancelled.
- c) Art. 5 para. 9 of the articles of association is adjusted accordingly and from now on it reads as follows:

“The management board has the authorization to increase the company's share capital subject to the consent of the supervisory board until June 12, 2022 in one or several steps for cash contributions or contributions in kind by up to Euro 4,093,367.00 by issuing a total of 4,093,367 new no-par value common bearer shares (Authorized Capital 2017). The subscription right is excluded. Moreover, the management board has the authorization subject to the consent of the supervisory board to define the further details of the capital increase, its implementation and the terms and conditions for the issue of the shares out of the Authorized Capital 2017.”

7. Resolution on the Specification of the Number of the Supervisory Board Members as well as the Corresponding Amendment to the Articles of Association

After the re-election of the supervisory board members pursuant to agenda item 5 the supervisory board will consist of five officiating members of the supervisory board. The articles of association shall be adjusted to this number of supervisory board members. Thus, the management board and the supervisory board propose to adopt the following resolution:

- a) The number of the supervisory board members is reduced to five from currently six.
- b) Sec. 8 para. 1 of the articles of association is adjusted accordingly and therefore it now reads as follows:

„The supervisory board consists of five members elected by the shareholders pursuant to the Stock Corporations Act.“

II. Report of the Management Board on Item 6 of the Agenda

As of the date of the invitation to the general meeting, the following report of the management board will be available to the shareholders on the company's website at <http://www.probiodrug.de/investors/annual-shareholders-meeting-2017/>. On request, the company will send a copy of this report to each shareholder immediately and free of costs. This report will also be available at the general meeting.

Report of the Management Board as to Item 6 of the Agenda on the Creation of the Authorized Capital 2017 Concurrently Cancelling the Authorized Capital 2014 as well as the Corresponding Amendments to the Articles of Association

Report of the Management Board on the Exclusion of the Subscription Right pursuant to Sec. 203 Para. 2 Sentence 2, Sec. 186 Para. 4 Sentence 2 AktG

In replacement of the Authorized Capital 2014, the Authorized Capital 2017 is to be resolved, the respective subscription right being entirely excluded. This is to provide the company with flexibility needed for the successful financing of the further corporate development.

As the decisions on covering capital requirements and/or on the use of a strategic option and/ or on making use of favorable market conditions usually have to be taken in the short term, it is of essential importance that the company is able to act without loss of time. By way of the instrument of the authorized capital, the legislator made allowance for this requirement. It is in the interest of the company and its shareholders, that it has sufficient flexibility for its corporate financing to be executed in a timely manner and with a manageable complexity. For reasons of flexibility, the Authorized Capital 2017 should be utilizable for both cash contributions and contributions in kind in one or several steps.

In the context of the capital increase from authorized capital, the company's shareholders have a subscription right in principle. Such subscription right is to be excluded in the process. This is done particularly with a view on the competitive situation of Probiodrug vis a vis its peer group. The company is listed at a foreign stock exchange (Euronext) with the majority of shareholders from foreign jurisdictions with different legal systems. It is hereby fiercely competing with companies, where the principle of subscription rights is much more flexible than under the German Stock Corporations Act, and which therefore can act more quickly and with a much lower legal complexity. This ability provides them with the further advantage that international institutional investors strongly prefer transactions with lower legal complexities. It is therefore of prime importance for Probiodrug to reduce this significant competitive disadvantage to the possible extent. The exclusion of subscription rights is serving that purpose, as an issue of subscription rights is too complex in view of the mandatory two-week subscription period.

Adequate equity resources are the economic basis of the business development of Probiodrug and, consequently, significantly influence its perspectives as well as the implementation of its business strategy. Since the domestic (German) market was and is not capable of assuming new shares to a sufficient extent, a situation which was already the reason for the IPO at Euronext Amsterdam and the two capital increases placed there, the government bodies consider to utilize capital markets abroad including the optionality of one or more offerings excluding the subscription right to international investors via the Euronext Amsterdam and/or a second listing in addition to the existing listing on Euronext Amsterdam.

For this reason, the government bodies of Probiodrug intend to create an option to place new shares outside of Germany. This may include one or more share issues excluding the subscription right to international investors, particularly to investors specializing in biotech, via the Euronext Amsterdam and/or an additional listing of securities of Probiodrug on a foreign stock exchange with an offering to international investors, e.g. on the stock exchanges in London, Paris,

Brussels or in the United States of America, as another offering at Euronext Amsterdam and/or a second listing may significantly increase the marketability of the respective shares. In this context, a minimum number of shares needs to be provided to guarantee their liquid tradability. An insufficient number of new shares may endanger a successful placement and may lead to an artificial price level as well as to overreactions of the share price and may, therefore, result in unfavorable consequences for the demand for shares of the company and its reputation, also to the detriment of the shareholders.

Besides the financial aspects, the publicity of the company on an international level would be further increased and its image would be promoted. A listing in one or more foreign markets may also, particularly among qualified foreign workers, increase the attractiveness of commencing a job with the respective issuer. Consequently, the opportunity of an offering excluding the subscription right in one or more foreign markets is in the objective interest of the company with regard to the successful implementation of its business strategy.

The required number of shares can only be provided with sufficient certainty if the subscription rights are excluded. The exclusion of subscription rights is adequate as it represents the appropriate and most suitable means for the execution of the aforementioned strategy in the best interest of the company and its shareholders. An exclusion of subscription rights allows achieving the objectives described above. The strategic economic concept of expanding and diversifying the group of shareholders and another listing abroad, as the case may be, requires the creation and the issuance of new shares to investors not being shareholders of Probiodrug and/or not domiciled in Germany. The implementation of this strategy and raising new equity would be significantly endangered or even made impossible by the granting of the subscription right.

A capital increase excluding the subscription right would ramp up the liquidity for the Probiodrug share. Typically, a higher liquidity entails less volatility for the shares, which is an advantage for the shareholders. Moreover, it would make the Probiodrug share more appealing to research analysts.

An issue price has not been determined as the management and supervisory board of Probiodrug shall be put in a position to be able to flexibly react to the market conditions prevailing at the time of a placement of new shares created by utilization of the Authorized Capital 2017. With regard to the determination of the issue price, the management and supervisory board will take into account the prevailing market conditions as well as the current market price of the shares and will consider the best interest of the company.

The management board presents this report to inform about this resolution to exclude the subscription right based on sec. 203 para. 2 sentence 2, sec. 186 para. 4 sentence 2 AktG.

The management board shall report to the next general meeting of shareholders as applicable from time to time about each utilization of the Authorized Capital 2017.

III. Other Details of the Convocation

1. Information and Documents

As of the time of convening the general meeting, the documents pursuant to sec. 124a AktG will be available for viewing and downloading on the company's website at <http://www.probiodrug.de/investors/annual-shareholders-meeting-2017/>.

2. Conditions for the Participation in the General Meeting and Exercising the Voting Right

Pursuant to Art. 17 of the company's articles of association, those shareholders shall be entitled to take part in the general meeting and to exercise their voting right who register in text form (sec. 126 b BGB) in the German or English language at the address, telefax number or email address as shown below and prove their entitlement to participate in the general meeting by submitting evidence of their shareholding:

Probiodrug AG
c/o Computershare Operations Center
80249 Munich

Fax: +49 89 30903-74675

Email: anmeldestelle@computershare.de

The evidence of the shareholding can be provided by a custodian institution in text form (sec. 126b BGB) in the German or English language and shall relate to the beginning of the 21st day prior to the general meeting, i.e. to **May 23, 2017, 00:00 hours (CEST)** ("Evidence Qualifying Date").

The registration for the participation in the general meeting and the evidence of the shareholding must be received by the company at the above address, telefax number or email address not later than six days prior to the general meeting, i.e. until the lapse of **June 6, 2017, 24:00 hours (CEST)**.

In the relationship to the company, only he shall be deemed a shareholder entitled to take part in the general meeting and exercise the voting right who provided the evidence of the shareholding on the Evidence Qualifying Date. Changes of the share portfolio after the Evidence Qualifying Date shall not have any relevance in this respect. The Evidence Qualifying Date shall not be associated with any blocking of the entitlement to sell the shareholding. Accordingly, once the registration has been made, the shareholders may still dispose of their shares freely. Persons not holding any shares by the Evidence Qualifying Date yet shall not be entitled to take part or vote, unless they have obtained a relevant proxy or are authorized to do so.

After the due registration and the company's receipt of the evidence of the shareholding, admission tickets for the general meeting will be sent to the shareholders or deposited for them at the convention site. To ensure the timely receipt of the admission tickets, we ask the shareholders to register and send the evidence of their shareholding to the company in good time.

3. Procedure for Granting Proxies

Shareholders who do not wish to take part in the general meeting in person may have their voting right exercised by a proxy holder, e.g. a credit institution, an association of shareholders, by third parties or the proxy recipients appointed by the company subject to the granting of a relevant proxy document. Also in the event of granting a proxy, the timely registration of the shareholder and the evidence of the shareholding as set forth above shall be required.

Shareholders who registered in due time will receive a proxy form together with the admission ticket to the general meeting. In addition, soon after the convocation, a form for granting a proxy will be available on the company's website at <http://www.probiodrug.de/investors/annual-shareholders-meeting-2017/>. Shareholders wishing to authorize a proxy holder are asked to use preferably the proxy forms received together with the admission.

If neither any credit institution, nor any association of shareholders, nor any other person or institution equivalent to the foregoing pursuant to sec. 135 para. 8 and para. 10 AktG are given any proxy, then the proxy shall be conferred in text form (sec. 126b BGB) to the company or directly to the proxy holder. The same applies to the cancellation of the proxy.

For the granting of a proxy to credit institutions, institutions equivalent to the foregoing (sec. 135 para. 10, sec. 125 para. 1 AktG), as well as associations of shareholders or persons as defined in sec. 135 para. 8 semi-clause 1 AktG, as well as for the evidence and cancellation of such a proxy, the legal regulations, in particular sec. 135 AktG shall apply, which require, *inter alia*, that the proxy shall be documented in a verifiable manner by the proxy holder. Consequently, in case of granting a proxy to a credit institution, an association of shareholders or a person equivalent to the foregoing pursuant to sec. 135 AktG, the shareholders are asked to consult the said proxy recipients in a timely manner for a possibly required form of the proxy.

If the proxy is granted to the company, it should be received for organizational reasons until June 12, 2017, 06:00 p.m. (CEST) at the following address, telefax number or email address:

Probiodrug AG
c/o Computershare Operations Center
80249 Munich

Fax: +49 89 30903-74675

Email: anmeldestelle@computershare.de

If the proxy is granted to the proxy holder, evidence of such granting of the proxy is required to be provided to the company in text form (sec. 126b BGB). Such evidence may be provided on the day of the general meeting at the access and exit checkpoint. The evidence of the proxy may also be sent to the above address, telefax number or email address.

If the shareholder authorizes more than one person, the company may reject any or several of them.

We offer our shareholders to authorize proxy recipients appointed by the company and bound to follow instructions already prior to the general meeting. The proxy documents for the proxy recipients appointed by the company are required to be in

text form (sec. 126b BGB) and shall include instructions for the exercise of the voting right. In the absence of such instructions, the proxy shall be invalid. The proxy recipients are obligated to vote according to the instructions; they cannot exercise the voting rights at their discretion.

Shareholders intending to make use hereof may use the proxy and instruction forms received together with the admission tickets and send them by mail, telefax or email to the following address, telefax number or email address:

Probiodrug AG
c/o Computershare Operations Center
80249 Munich

Fax: +49 89 30903-74675

Email: anmeldestelle@computershare.de

The forms must be received on or before June 12, 2017, 06:00 p.m. (CEST) at the above address, telefax number or email address. Until that date, changes as well as the cancellation of proxies and instructions issued prior to the general meeting are possible as well. Moreover, on the day of the general meeting, present shareholders and shareholder proxy holders may grant proxies and give instructions to the proxy recipients appointed by the company and change or cancel such proxies and instructions.

More details on the participation in the general meeting as well as the granting of proxies and giving of instructions shall be sent to the shareholders together with the admission ticket. They may as well be viewed on the company's website at <http://www.probiodrug.de/investors/annual-shareholders-meeting-2017/>.

4. Applications for Amendments, Applications and Election Proposals of Shareholders, Right to Obtain Information, Additional Information

Application for amendments to the agenda on the request of a minority (sec. 122 para. 2 AktG)

Shareholders the shares of which jointly accumulate to the twentieth part of the registered share capital (this is equivalent to a rounded number of 409,337 shares) or the proportional amount of EUR 500,000.00 (equivalent to 500,000 shares) may request that items be placed on the agenda and announced. Each new item shall be accompanied with a substantiation or draft resolution. The request shall be addressed to the company's management board and shall be received by the company not later than until 30 days prior to the meeting, i.e. on or before the lapse of May 13, 2017, 24:00 hours (CEST) at the following address:

Management Board of
Probiodrug AG
Weinbergweg 22
06120 Halle /Saale
Germany

As regards the minimum holding period, reference is made to the provisions of sec. 122 para. 1 sentence 3 and para. 2 AktG. The respective shareholders shall prove pursuant to sec. 122 para. 2, para. 1 sentence 3 AktG that they have been holders of the required number of shares since a minimum of 90 days prior to the date of receipt of the request and that they hold the respective shares until the decision of the management board regarding the request.

Applications and election proposals of shareholders (sec. 126 para. 1 and sec. 127 AktG)

Pursuant to sec. 126 para. 1 AktG, each shareholder has the right to present applications opposed to the resolution proposals of the management board and the supervisory board relating to items of the agenda without requiring any announcement, publication or other special action prior to the general meeting. The same applies to counter-proposals to election proposals for supervisory board members and auditors (sec. 127 AktG).

Notwithstanding, shareholders may as well send applications opposing a proposal of the management board and/or the supervisory board for items of the agenda as well as election proposals already prior to the general meeting. Such applications shall be addressed to the following address, telefax number or email address only:

Probiodrug AG
c/o Computershare Operations Center
Elsenheimerstraße 61
80687 Munich

Fax: +49 89 30903-333

Email: gegenantraege@computershare.de

Subject to sec. 126 para. 2 and 3, sec. 127 AktG, the company shall make available to the other shareholders without undue delay on the company's website at <http://www.probiodrug.de/investors/annual-shareholders-meeting-2017/> opposing applications and election proposals of shareholders received until not later than 14 days prior to the general meeting, i.e. until not later than by the lapse of May 29, 2017, 24:00 hours (CEST) addressed to the above address, telefax number or email address. Statements of the administration, if any, shall also be published on the mentioned website subsequently.

Please note that opposing applications and election proposals sent to the company in due time in advance shall only be taken into consideration in the general meeting if they are presented orally during the general meeting.

The shareholder's right to obtain information (sec. 131 para. 1 AktG)

On request, in the general meeting the management board shall provide information to each shareholder on the affairs of the company, including the legal and business relations to affiliated undertakings as well as the situation of the group and of the companies included in the consolidated annual financial statements to the extent as required for the proper assessment of the item of the agenda. As a rule, requests for information shall be presented orally in the course of the debate. The management board may deny the provision of information for the reasons specified in sec. 131 para. 3 AktG.

Additional information

Additional information relating to the rights of the shareholders pursuant to sec. 122 para. 2, sec. 126 para. 1, sec. 127, sec. 131 para. 1 AktG can be found on the company's website at <http://www.probiodrug.de/investors/annual-shareholders-meeting-2017/>.

5. Number of Issued Shares and Voting Rights

At the time of convening the general meeting, the company's registered share capital amounts to EUR 8,186,735.00 and is divided in 8,186,735 no-par value bearer shares. Each no-par value share confers one vote. Accordingly, at the date of convening the general meeting, the total number of voting rights in the company is 8,186,735. The company does not hold any own shares; there are no shares of different classes.

Halle/Saale, in May 2017

Probiodrug AG
The Management Board