



**Probiodrug AG**

Halle (Saale)

**ISIN DE0007921835 / PBD  
(until the admission to trade: ISIN DE00A2TSH69)**

**Invitation to the Ordinary General Meeting of Shareholders**

We invite our shareholders to the

**ordinary general meeting of shareholders**

taking place

**on Wednesday, May 29, 2019, at 10:00 a.m. (CEST),**

at the registered office of Probiodrug AG, Weinbergweg 22, 06120 Halle (Saale), Germany.

**I.**

**Agenda**

- 1. Presentation of the Approved Annual Financial Statements as well as the Management Report of Probiodrug AG for the Financial Year 2018, including the Explanatory Report of the Management Board as to the Information pursuant to sec. 289a para. 41 of the German Commercial Code ("HGB") and the Report of the Supervisory Board for the Financial Year 2018.**

The documents mentioned under this item of the agenda are available for inspection on the website of the company at [www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/](http://www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/) 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 2018**

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 2018 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 2018**

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 2018 for their actions during that period.

**4. Election of the Financial Statements Auditor for the Financial Year 2019**

The supervisory board proposes to elect KPMG AG Wirtschaftsprüfungsgesellschaft, Münzgasse 2, 04107 Leipzig, Germany as financial statements auditor and as auditor for the auditing review of interim financial reports, if any, for the financial year 2019.

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. Resolution on the Change of the Name of the Company and the Corresponding Amendment to the Articles of Association**

The management board and the supervisory board propose to resolve the following amendment to the articles of association:

5.1 The name of the company is changed to **Vivoryon Therapeutics AG**.

5.2 Art. 1 para. 1 of the articles of association is revised as follows:

*“The name of the company is*

***Vivoryon Therapeutics AG”.***

**6. Resolutions on the Increase of the Share Capital of the Company for Cash Contributions**

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

6.1 The share capital of the company of currently Euro 12,301,376.00 divided into 12,301,376 no-par value common bearer shares is increased for contributions in cash by up to Euro 36,904,128.00 to up to Euro 49,205,504.00 by issuing up to 36,904,128 new no-par value common bearer shares with entitlement to participate in the profits as of January 1, 2019 at an issue price of Euro 1.00 per share to be issued. The pro-rated amount of the share capital allocable to each new share is Euro 1.00.

6.2 The new shares shall first be offered for subscription to the shareholders of the company at a ratio of 1:3. The shares may also be acquired by one or several credit institution(s) or by a company or several companies acting on the basis of sec. 53 para. 1 sentence 1 or sec. 53b para. 1 sentence 1 or para. 7 of the German Banking Act (Gesetz über das Kreditwesen) subject to the commitment to offer them for subscription to the shareholders of the company (indirect subscription right). The subscription period is two weeks as of the notification of the subscription offer.

6.3 The management board is given the authorization – subject to the consent of the supervisory board – to determine the other details of the capital increase, its implementation and the terms and conditions for the issue of the shares, particularly the subscription price. This also includes the determination of the terms and conditions on the basis of which shareholders may subscribe to shares beyond their

subscription right in case that there are non-subscribed shares after the lapse of the subscription period applicable to all shareholders.

- 6.4 The resolution on the increase of the share capital must be implemented until the lapse of November 29, 2019.
- 6.5 The supervisory board is given the authorization to adjust the wording of Art. 5 of the Articles of Association in accordance with the implementation of the capital increase. The company shall bear the costs of the capital increase and its implementation.

**7. Adoption of a Resolution on the Creation of the Authorized Capital 2019 as well as the Corresponding Amendments to the Articles of Association**

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

- 7.1 The management board is given the authorization to increase the share capital of the company – subject to the consent of the supervisory board – until May 28, 2024 in one or several step(s) for contributions in cash or in kind by up to Euro 6,150,688.00 by issuing a total of 6,150,688 new no-par value common bearer shares (Authorized Capital 2019). The subscription right is excluded. Furthermore, the management board is given the authorization – subject to the consent of the supervisory board – to determine 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 2019.

- 7.2 A new paragraph 9 is added to Art. 5 of the Articles of Association that reads as follows:

“The management board is authorized – subject to the consent of the supervisory board – to increase the share capital of the company within the period until May 28, 2024 in one or several step(s) for contributions in cash or in kind by up to Euro 6,150,688.00 by issuing a total of up to 6,150,688 new no-par value common bearer shares (Authorized Capital 2019). The subscription right is excluded. The management board has the right – subject to the consent of the supervisory board – to determine the other details of the capital increase, its implementation and the terms and conditions for the issue of the shares out of the Authorized Capital 2019.”

- 7.3 The previous Art. 5 para. 9 becomes Art. 5 para. 10 of the Articles of Association.

**II.**

**Report of the Management Board on Item 7 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 [www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/](http://www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/). On request, the company will send a copy to each shareholder immediately and free of costs. That report will also be available at the general meeting.

**Report of the management board as to item 7 of the agenda on the creation of an Authorized Capital 2019 cancelling the Authorized Capital 2017 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**

Replacing the Authorized Capital 2017, the Authorized Capital 2019 is to be resolved completely excluding the subscription right. This is to achieve the required flexibility for a successful financing of the further development of the company's business.

As the decisions on covering capital requirements and/or on the use of a strategic option and/or the 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. With the instrument of the authorized capital, the legislator took account of this requirement. It is in the interest of the company and its shareholders that it has sufficient flexibility to be able to implement its corporate financing in due time and with a manageable complexity. For reasons of flexibility, the option is to be provided to use the Authorized Capital 2019 both for contributions in cash and in kind in one or several step(s).

In connection with 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 to the competition situation of Probiodrug with comparable companies of its sector. The company is listed at a foreign stock exchange (Euronext), while its shareholders are mainly from foreign jurisdictions with different legal systems. There, Probiodrug is in stiff competition with companies where the principle of the subscription right has a more flexible structure than it is the case under the German Stock Corporations Act, and which can act quicker and with a clearly lower legal complexity for this reason. This ability provides them with the additional advantage that international institutional investors prefer transactions with a low legal complexity. For Probiodrug it is therefore of outstanding importance to reduce this significant disadvantage as much as possible. The exclusion of the subscription right serves this purpose, as a rights issue is too complex due to the mandatory two-week subscription period.

Reasonable equity capital constitutes the economic basis for the business development of Probiodrug and is therefore of considerable significance for its prospects in the future as well as the implementation of its business strategy. Since the domestic (German) market was and is unable to absorb a sufficient volume of new shares (a situation that has already been the reason for the going public at the Euronext Amsterdam and the two capital increases placed there), the controlling bodies contemplate the use of foreign capital markets, including the option of one or more issue offer(s) excluding the subscription right to international investors via the Euronext Amsterdam or a second quotation in addition to the existing quotation at the Euronext Amsterdam.

For this reason, the controlling bodies of Probiodrug consider an option for the placement of new shares outside Germany. This may include, without limitation, one or several share issue(s) excluding the subscription right to international investors, particularly to specialized biotech investors, via Euronext Amsterdam or an additional quotation of securities of Probiodrug at a foreign stock exchange e.g., in London, Paris, Brussels or in the United States of America. This is due to the fact that another issue offer at the Euronext Amsterdam or a second quotation increases the tradability of the respective shares considerably. In this connection, a minimum number of shares will be required to guarantee their liquid tradability. An insufficient number of new shares may endanger a successful placement and may entail an artificial price level as well as overreactions of the share price, which in turn may entail unfavorable consequences for the demand for shares in the company and its reputation, not least to the disadvantage of the shareholders, too.

Irrespective of the financial aspects, the international public awareness of the company would be further increased and its reputation would be advanced. A quotation at one or several market(s)

may also increase the attractiveness of an employment with the respective issuer, particularly among qualified foreign labor force. Accordingly, the option of an issue offer excluding the subscription right on one or several foreign market(s) 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 certainty if the subscription rights are excluded. The exclusion of the subscription right is adequate, as it represents the reasonable and best-suited means to implement the aforesaid strategy in the best interest of the company and its shareholders. An exclusion of the subscription right allows for the achievement of the goals described above. The strategic economic concept of expansion and diversification of the group of shareholders and another quotation abroad, if applicable, requires the creation of new shares and its issue to investors who are not shareholders of Probiodrug and/or who are not resident in Germany. The implementation of this strategy and the raising of new equity would be significantly endangered or even rendered impossible by the granting of the subscription right.

A capital increase with the exclusion of the subscription right would increase the liquidity of the Probiodrug share. Typically, a higher liquidity contributes to a lower volatility of the shares, which is favorable for the shareholders. Moreover, the Probiodrug share would thus become more attractive for research analysts.

No issue price has been determined, since the management board and the supervisory board of Probiodrug should be put in the position to respond flexibly to the market conditions prevailing at the time of the placement of new shares created by using the Authorized Capital 2019. As to the determination of the issue price, the management board and the supervisory board will take into account the prevailing market conditions as well as the current price of the shares and take into consideration the best interests 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 will report to the next general meeting as applicable from time to time about each use of the Authorized Capital 2019.

### **III. Other Details of the Invitation**

#### **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 [www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/](http://www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/).

#### **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. 126b German Civil Code – “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](mailto: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 21<sup>st</sup> day prior to the general meeting, i.e. to **May 8, 2019, 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 **May 22, 2019, 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 by 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 Voting 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 [www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/](http://www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/).

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 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 May 28, 2019, 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](mailto: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 without any particular cause.

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](mailto:anmeldestelle@computershare.de)

Proxies and instructions to the proxy recipients appointed by the company must be received on or before **May 28, 2019, 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 [www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/](http://www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/).

#### **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 615,069 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 **April 28, 2019, 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. 2 sentence 1 in combination with para. 1 sentence 3 AktG. The respective shareholders shall prove pursuant to sec. 122 para. 2 sentence 1 in combination with 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  
Weinbergweg 22  
06120 Halle (Saale)

Fax: +49 345 555 99 01

Email: [investor@probiodrug.com](mailto:investor@probiodrug.com)

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 [www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/](http://www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/) 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 **May 14, 2019, 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 [www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/](http://www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/).

### **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 12,301,376.00 and is divided in 12,301,376 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 12,301,376. The company does not hold any own shares; there are no shares of different classes.

### **6. Data Protection Information**

Since May 25, 2018, new data protection regulations have been applying throughout Europe based on the coming into force of the European General Data Protection Regulation. The protection of your data and their processing in conformity with the law are very important to us. In our Data Protection Information, we summarized all the information on the processing of personal data of our shareholders in a clear and consolidated form. The Data Protection Information is available on the company's website at [www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/](http://www.probiodrug.de/investors/ordinary-general-meeting-of-shareholders-2019/) for inspection and downloading.

Halle (Saale), in April 2019

Probiodrug AG

The Management Board