



INVITATION TO THE

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# Annual General Shareholders' Meeting 2005

Dear Shareholder,

we invite you to attend the Annual General Shareholders' Meeting of Epigenomics AG to be held on Tuesday, June 28, 2005 at 10.30 a.m., on the premises of Deutsche Bank, Unter den Linden 13-15 (entrance Charlottenstraße), 10117 Berlin, Germany.

# Agenda

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- 1. Presentation of the formally approved annual financial statements and the approved consolidated financial statements for fiscal 2004 as well as the combined management report of Epigenomics AG and group management report for fiscal year ended December 31, 2004, together with the report of the Supervisory Board for fiscal 2004.**

The aforementioned documents can be inspected in the internet at [http://www.epigenomics.de/de/investorrelations/Financial\\_Information/](http://www.epigenomics.de/de/investorrelations/Financial_Information/) and in the offices of Epigenomics AG, Kleine Präsidentenstr. 1, 10178 Berlin. Upon request, every shareholder will promptly receive a copy of these documents free of charge.

- 2. Ratification of the actions of the Executive Board for fiscal 2004.**

The Executive Board and the Supervisory Board propose that the actions of the Executive Board in fiscal 2004 be ratified.

- 3. Ratification of the actions of the Supervisory Board for fiscal 2004.**

The Executive Board and the Supervisory Board propose that the actions of the Supervisory Board in fiscal 2004 be ratified.

- 4. Resolution regarding the abolishment of the Conditional Capital II according to § 5 (4a) of the Articles of Association and the corresponding amendment.**

The Annual General Shareholders' Meeting as of August 3, 2000, (with amendments as of April 27, 2001) resolved to authorize the Executive Board to issue (with the approval of the Supervisory Board) convertible bonds/warrant-linked bonds and to

create a conditional capital to a maximum of EUR 68,000 as far as conversion rights in the context of issued convertible bonds/warrant-linked bonds must be observed as well as the corresponding amendments to the Articles of Association (Conditional Capital II, § 5 (4a) of the Articles). All convertible bonds/warrant-linked bonds issued by the company on the basis of this authorization have in the meantime been returned to the company by the previous owners. The authorization to issue the bonds was abolished by resolution of the Annual General Shareholders' Meeting as of June 22, 2004. Therefore, the conditional capital is no longer operable.

Therefore, Executive Board and Supervisory Board propose to resolve:

„The resolution by the Annual General Shareholders' Meeting as of August 3, 2000 regarding the creation of a conditional capital in a maximum amount of EUR 68,000 (Conditional Capital II) is abolished. § 5 (4a) of the Articles of Association is abolished.“

**5. Resolution regarding the abolishment of the Authorized Capital I according to § 5 (6) of the Articles of Association and the corresponding amendment.**

The Annual General Shareholders' Meeting as of June 22, 2004 resolved to authorize the Executive Board to increase (with the approval of the Supervisory Board) the share capital of the company by up to EUR 1,021,761 against cash contribution until thirty days after the beginning of the listing as well as the corresponding amendments to the Articles of Association (Authorized Capital I, § 5 (6) of the Articles). The authorized capital was intended to be used in order to fulfill the over-allotment option granted to the lead underwriter of the IPO. The authorization was limited until December 31, 2004. Therefore, § 5 (6) of the Articles shall now be abolished.

Therefore, Executive Board and Supervisory Board propose to resolve:

„The Authorized Capital I of up to EUR 1,021,761 resolved by the Annual General Shareholders' Meeting as of June 22, 2004, is

abolished, insofar as a capital increase has not been carried out so far. § 5 (6) of the Articles is abolished. As a consequence, the following paragraph shifts. The previous § 5 (7) of the Articles becomes § 5 (6). The cross reference to “the wording of § 5 (1), (2) and (7)” in § 5 (7) (previous numbering) is amended to read “the wording of § 5 (1), (2) and (6)”.

**6. Resolution regarding the abolishment of the Authorized Capital II according to § 5 (8) of the Articles of Association and the corresponding amendment.**

The Annual General Shareholders’ Meeting as of June 22, 2004, resolved to authorize the Executive Board to increase (with the approval of the Supervisory Board) the share capital of the company by up to EUR 500,000 against contribution in kind as well as the corresponding amendments to the Articles of Association (Authorized Capital II, § 5 (8) of the Articles). The authorization is limited until December 31, 2006. In the context of the IPO, the authorization was used in an amount of EUR 359,477. It shall now be abolished with respect to the remaining amount.

Therefore, Executive Board and Supervisory Board propose to resolve:

„The resolution by the Annual General Shareholders’ Meeting as of June 22, 2004, authorizing the Executive Board according to § 5 (8) of the Articles to increase the share capital until December 31, 2006, with the approval of the Supervisory Board by up to EUR 500,000 (Authorized Capital II) is abolished, insofar as a capital increase has not been carried out so far. § 5 (8) of the Articles is abolished. As a consequence, the following paragraph shifts. The previous § 5 (9) of the Articles becomes § 5 (7). The cross reference to “the wording of § 5 (1), (2) and (8)” in § 5 (9) (previous numbering) is amended to read “the wording of § 5 (1), (2) and (7)”.

**7. Resolution regarding the remuneration of the members of the Supervisory Board.**

According to § 12 (1) and (2) of the Articles of Association, the members of the Supervisory Board receive for each full fiscal

year of service a fixed remuneration in the amount of EUR 10,000 (the chairperson receives three times this amount, the deputy chairperson twice this amount).

According to § 12 (3) of the Articles of Association, the Annual General Shareholders' Meeting decides on further remuneration for the members of the Supervisory Board.

Therefore, Executive Board and Supervisory Board propose to resolve:

„For each Supervisory Board meeting that is held after the 2005 Annual General Shareholders' Meeting and that is attended by the respective member of the Supervisory Board, an additional remuneration of EUR 1,000 shall be payable to the chairperson and an additional remuneration of EUR 2,000 shall be payable to all other members of the Supervisory Board. Members of the Supervisory Board that act as a chairman in one of the Supervisory Board committees, shall receive an additional one-off payment of EUR 5,000 for the time period between two Annual General Shareholder Meetings. In case a chairman of a Supervisory Board committee drops out of the Supervisory Board prematurely, he shall receive such additional payment on a pro-rata-basis with respect to the time that he actually acted as committee chairman.“

## **8. Elections to the Supervisory Board.**

According to §§ 95, 96 (1) of the German Stock Corporation Act („AktG“) and § 10 (1) of the Articles of Association, the Supervisory Board consists of six members that are elected by the Annual General Shareholders' Meeting.

Dr. Klaus Stöckemann has resigned from the Supervisory Board with effect as of January 17, 2005. On May 2, 2005, the Municipal Court of Berlin-Charlottenburg has appointed Prof. Dr. Dr. Uwe Bicker to replace Dr. Stöckemann as member of the Supervisory Board according to § 104 (2) AktG. The appointment of Prof. Dr. Dr. Bicker by the Court shall be confirmed by an election by the Annual General Shareholders' Meeting.

The members of the Supervisory Board Dr. Jörg Neermann and Dr. Michael Steinmetz have resigned from the Supervisory Board with effect as of April 9, 2005.

The member of the Supervisory Board John Berriman has resigned from the Supervisory Board with effect as of the end of the first Annual General Shareholders' Meeting of the company after the IPO, i.e. the Annual General Shareholders' meeting as of June 28, 2005. However, he shall remain a member of the Supervisory Board for the remaining term of the other members of the Supervisory Board.

8.1 Therefore, the Supervisory Board proposes that,

Prof. Dr. Dr. Uwe Bicker,  
extraordinary professor at the Ruprecht-Karls-Universität  
Heidelberg, Faculty of clinical medicine in Mannheim, with  
residence in Bensheim-Auerbach, Germany

shall be elected as member of the Supervisory Board for the remaining term of the other members of the Supervisory Board, that expires with the end of the Annual General Shareholders' Meeting which adopts ratification for fiscal 2005.

Prof. Dr. Dr. Bicker is a member of the following Supervisory Boards that have to be created by virtue of law or other comparable boards with supervisory function of business companies in Germany or abroad:

- Dade Behring Marburg GmbH, Marburg (chairman of the Supervisory Board),
- Future Capital AG, Frankfurt am Main
- Cambridge Antibody Technologies Ltd., Cambridge, Great Britain, (non-executive director of the board)
- Aventis Foundation (foundation for public utility), Frankfurt am Main (member of the foundation board of the board of trustees)
- Definiens AG, Munich

8.2 Therefore, the Supervisory Board further proposes that,

Dr. Ann Clare Kessler,  
Consultant of companies active in the biotechnological sector,

member of the board of management of Spectrum Pharmaceuticals Inc., Irvine, California, U.S., former head of Global Project Management and head of U.S. Exploratory Research, Hoffmann-La Roche Ltd., with residence in Basel, Switzerland and Prof. Dr. Günther Reiter, Professor at the European School of Business in Reutlingen, with residence in Reutlingen, Germany

shall be elected as members of the Supervisory Board with effect as of the end of the Annual General Shareholders' Meeting 2005 and for the remaining term of the other members of the Supervisory Board, that expires with the end of the Annual General Shareholders' Meeting which adopts ratification for fiscal 2005.

Dr. Kessler and Prof. Dr. Reiter are members of the following Supervisory Boards that have to be created by virtue of law or other comparable boards with supervisory function of business companies in Germany or abroad:

Dr. Kessler:

- Gen-Probe Inc., San Diego, California, U.S.  
(member of the science advisory board)
- Maxim Pharmaceuticals Inc., San Diego, California, U.S.  
(chairman of the science and development advisory board)

Prof. Dr. Reiter:

- Actium Beteiligungs AG, Düsseldorf, Germany

8.3 Therefore, the Supervisory Board further proposes that,

Mr. John Berriman, Consultant of companies active in the sector of biotechnology in Europe and the U.S. (former Director at Abingworth Management Ltd., London, UK, and former member of the board of management of Celltech plc., Berkshire, U.K.) with residence in Reading, U.K.,

shall be elected as member of the Supervisory Board with effect as of the end of the Annual General Shareholders' Meeting 2005 and for the remaining term of the other members of the Super-

visory Board, that expires with the end of the Annual General Shareholders' Meeting which adopts ratification for fiscal 2005.

Mr. Berriman is a member of the following Supervisory Boards that have to be created by virtue of law or other comparable boards with supervisory function of business companies in Germany or abroad:

- Ablynx NV, Gent, Belgium,
- Alnylam Pharmaceuticals Inc., Cambridge, Massachusetts, U.S.
- Micromet AG, Munich, Germany
- Algeta ASA, Oslo, Norway (chairman of the Supervisory Board)

The Annual General Shareholders' Meeting is not bound by the proposals.

#### **9. Election of the auditors for fiscal 2005.**

The Supervisory Board proposes the election of the auditing company UHY Deutschland AG Wirtschaftsprüfungsgesellschaft, Berlin, to serve as the auditor for the annual financial statements and the consolidated financial statements for fiscal 2005.

## Conditions for Attending the Annual General Shareholders' Meeting

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To attend the Annual General Shareholders' Meeting, shareholders are required to have deposited their shares with the company, a German notary, a central depository for securities entitled to take such shares in escrow or with DZ Bank as escrow agent as of Tuesday, June 21, 2005, at the latest and leave them there until termination of the Annual General Shareholders' Meeting. The deposit is also duly performed in case the shares are held locked by a different bank with the consent of the escrow agent until termination of the Annual General Shareholders' Meeting.

In case of a deposit with a German notary or a central depository for securities, the deposit certificate has to be handed over to the company at the latest one day after termination of the escrow period, i.e. June 22, 2005.

Shareholders can also exercise their voting right in the Annual General Shareholders' Meeting by proxy, e.g. the depository banks, a shareholders' association or any other person of their choice. In this case, shareholders are required to dispose of an entry card to the Annual General Shareholders' Meeting. Powers of attorney need to be in writing. Shareholders will receive the required documents and information together with their entry card.

As a special service, we offer our shareholders the possibility to grant a power of attorney in advance of the Annual General Shareholders' Meeting to a proxy nominated by the company. Shareholders wishing to grant a power of attorney to such proxy nominated by the company are likewise required to dispose of an entry card to the Annual General Shareholders' Meeting. Powers of attorney need to be in writing. In case a power of attorney is given to the representative of the company, the proxy has to receive specific instructions for exercising the voting rights. Without such instructions, the power of attorney is invalid. The company representative is obliged to exercise the voting right in accordance with the instructions. Shareholders will receive the required documents and information together with their entry card.

All enquiries and motions by shareholders concerning the Annual General Shareholders' Meeting need to be addressed exclusively to:

Epigenomics AG, Mr. Hong Thieu  
Kleine Präsidentenstrasse 1, 10178 Berlin, Germany,  
Fax: +49 - 30 - 2 43 45 - 555, E-Mail: hong.thieu@epigenomics.com

Motions by shareholders that are required to be published have to be received at the address indicated above at the latest on June 13, 2005. They will be published immediately after receipt at <http://www.epigenomics.com>.

Berlin, May 2005

Epigenomics AG

The Executive Board

THIS DOCUMENT CONSTITUTES A TRANSLATION  
OF THE AUTHENTIC GERMAN VERSION.

IN CASE OF ANY DISCREPANCIES  
THE GERMAN VERSION SHALL BE AUTHORITATIVE.

[www.epigenomics.com](http://www.epigenomics.com)

