

Epigenomics AG
Berlin

Berlin, January 2013

**Extraordinary General Shareholders' Meeting
of Epigenomics AG**

on Friday, March 8, 2013, at 11:00 a.m.,

in the premises of Epigenomics AG,

Kleine Präsidentenstraße 1,

10178 Berlin, Germany.

Explanation of Shareholders' rights (pursuant to Section 122 Paragraph 2, Section 126 Paragraph 1, Section 127, Section 131 Paragraph 1 of the German Stock Corporation Act)

1. Requisitioning items to be included on the agenda pursuant to Section 122 Paragraph 2 of the German Stock Corporation Act (AktG)

Shareholders whose shares amount in aggregate to no less than one-twentieth of the share capital or represent a proportional amount of no less than EUR 500,000 (this is equivalent to 500,000 shares) may request items to be included on the agenda and be published. Reasons or a proposal for a resolution must be attached to every new item. Any requisitions must be received in writing by the Company at least 30 days before the Annual General Shareholders' Meeting, whereas the day of receipt and the day of the Annual General Shareholders' Meeting shall not be included in this calculation. The deadline for receipt is therefore Tuesday, February 5, 2013, 12:00 p.m. (CEST).

The date of receipt by the company is decisive for the timeliness of the requisition. It must be addressed to the Executive Board in writing (Section 126 German Civil Code (BGB)). The address of the Executive Board is as follows:

Epigenomics AG
Executive Board (Vorstand)
to the attention of Ms. Antje Zeise
Kleine Präsidentenstrasse 1
10178 Berlin

The applicants must establish that they have held the shares for at least the three-months prior holding period pursuant to Section 122 Paragraph 2 Sentence 1 AktG in connection with Sections 122 Paragraph 1 Sentence 3 and 142 Paragraph 2 Sentence 2 AktG and that they hold the shares until the request is decided upon in the sense of the aforementioned provisions.

Additions to the agenda that are required to be published and unless they are announced with the notice to call the Annual General Shareholders' Meeting, will be published without undue delay upon receipt of the request in the German Federal Gazette (Bundesanzeiger) and will be submitted to those media for publication which may be expected to distribute the information throughout the European Union. In addition, such requests will be disclosed on the internet at www.epigenomics.com/en/news-investors/investors/annual-general-shareholder-meeting/egm-2013.html and communicated to the shareholders according to Section 125 Paragraph 1 Sentence 3 AktG.

The provisions of the German Stock Corporation Act providing for these shareholder rights are as follows:

Section 122 Paragraph 1 and 2 AktG

- (1) The shareholders' meeting shall be called if shareholders whose holding in the aggregate equals or exceeds one-twentieth of the share capital demand such meeting in writing, stating the purpose and the reasons of such meeting; such demand shall be addressed to the executive board. The articles may provide that the right to demand a shareholders' meeting shall require another form and the holding of a lower proportion of the share capital. Section 142 Paragraph 2 Sent. 2 shall apply accordingly.
- (2) In the same manner shareholders, whose shares amount in the aggregate to not less than one-twentieth of the share capital or represent an amount of the share capital corresponding to 500,000 Euros, may demand that items be put on the agenda and published. Each new item shall be accompanied by reasons or a proposed resolution. The demand according to sentence 1 shall be received not less than 24 days, in case of listed companies at least 30 days, prior to the date of the meeting; the date of receipt shall not be included in this calculation.

Section 142 Paragraph 2 AktG

- (2) If the shareholders' meeting shall reject a motion to appoint special auditors to audit any matter relating to the formation of the company or the management of the company's business which has occurred within five years, the court shall upon motion by shareholders whose aggregate holdings equal or exceed one-hundredth of the share capital or the pro rata amount of 100,000 Euros, appoint special auditors, provided that facts exist which give reason to suspect that improprieties or gross violations of the law or the articles have occurred in connection with such matter; the foregoing shall also apply to matters within the last ten years for companies that were listed on a stock exchange at the point in time the matter occurred. The petitioners must furnish evidence that they have been holding the shares for at least three months prior to the date of the shareholders' meeting and will continue to hold the shares until a decision on the petition is rendered. Section 149 shall apply accordingly to agreements that are concluded in order to avoid such special audit.

2. Counter-motions and election nominations by shareholders pursuant to Sections 126 Paragraph 1, and 127 AktG

No resolutions are foreseen concerning the item on the agenda of the extraordinary General Shareholders' Meeting on March 8, 2013 called for in this notice. Therefore, no counter-motions can be filed with respect to this item on the agenda. In addition, the invitation does neither envisage the election of supervisory board members nor of auditors. Additional information concerning counter-motions pursuant to Section 126 Paragraph 1 AktG and nominations for elections pursuant to Section 127 AktG is therefore not necessary.

3. Right to obtain information pursuant to Section 131 Paragraph 1 AktG

Every shareholder or shareholder representative present at the Annual General Shareholders' Meeting may request from the Executive Board information on matters concerning the Company to the extent that it is required to make an informed judgment on the agenda item under discussion. The duty to provide information includes the legal and business relationships between the Company and its subsidiaries, the situation of the Group and the Company's consolidated subsidiaries. The information provided shall conform to the principles of conscientious and accurate accounting. Information shall generally be given orally; insofar there are no rights for shareholders to receive information in written form.

The provisions of the German Stock Corporation Act providing for this shareholder right, and that also set out the conditions under which information need not be given, are as follows:

Section 131 AktG - Right of Shareholders to Information

- (1) Each shareholder shall upon request be provided with information at the shareholders' meeting by the executive board regarding the company's affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. The duty to provide information shall also extend to the company's legal and business relations with any affiliated enterprise. If a company makes use of the simplified procedure pursuant to Section 266 Paragraph 1 Sent. 3, Section 276 or Section 288 of the Commercial Code, each shareholder may request that the annual financial statements be presented to him at the shareholders' meeting on such annual financial statements in the form that would have been used if such provisions on simplified procedure were not applied. The duty to give information of the executive board of a parent enterprise (Section 290 Paragraph 1 and 2 of the Commercial Code) at a shareholders' meeting in which the annual consolidated financial statements and the group annual report are presented, extends on the group position and the companies included in the annual consolidated financial statements.
- (2) The information provided shall comply with the principles of conscientious and accurate accounting. The articles or the rules of procedure pursuant to Section 129 may authorise the chairperson of the meeting to limit the number of questions and speaking time of shareholders as appropriate and to make further determinations in this respect.
- (3) The executive board may refuse to provide information:
 1. to the extent that providing such information is, according to sound business judgment, likely to cause material damage to the company or an affiliated enterprise;
 2. to the extent that such information relates to tax valuations or the amount of certain taxes;
 3. with regard to the difference between the value at which items are shown in the annual balance sheet and the higher market value of such items, unless the shareholders' meeting is to approve the annual financial statements;
 4. with regard to the methods of classification and valuation, if disclosure of such methods in the notes suffices to provide a clear view of the actual condition of the company's assets, financial position and profitability within the meaning of Section 264 Paragraph 2 of the Commercial Code; the foregoing shall not apply if the shareholders' meeting is to approve the annual financial statements;
 5. if provision thereof would render the executive board criminally liable;

6. insofar as, in the case of credit institutions or financial services institutions, information need not be given on applied balance sheet and valuation methods and set-offs made in the annual financial statements, annual report, group financial statements or group annual report;
7. insofar as the information has been continuously available on the company's website for not less than seven days prior to the date of the shareholders' meeting and during the shareholders' meeting.

The provision of information may not be denied for other reasons.

- (4) If information has been provided outside a shareholders' meeting to a shareholder by reason of his status as a shareholder, such information shall upon request be provided to any other shareholder at the shareholders' meeting, even if such information is not necessary to permit a proper evaluation of an item on the agenda. The management board may not refuse to provide such information on the grounds of Paragraph 3 Sent. 1 nos. 1 to 4. Sentences 1 and 2 shall not apply if a subsidiary (Section 290 Paragraph 1, 2 of the Commercial Code), a joint venture (Section 310 Paragraph 1 of the Commercial Code) or an affiliate (Section 311 Paragraph 1 of the Commercial Code) provides the information to a parent company (Section 290 Paragraph 1, 2 of the Commercial Code) for the purpose of inclusion in the consolidated annual financial statements of the parent company and the information is required for this purpose.
- (5) A shareholder who has been denied information may request that its question and the reasons for which the information was denied be recorded in the minutes of the meeting.

In addition, the chairman of the extraordinary General Shareholders' Meeting is authorized to adopt various measures of control and order at the extraordinary General Shareholders' Meeting, among others also to limit the shareholders' right to put questions and to speak at an extraordinary General Shareholders' Meeting. The respective provisions of the Articles of Association of the Company, which are based on Section 131 Paragraph 2 Sentence 2 AktG, are as follows:

Section 17 of the Articles of Association „Chair of Shareholders' Meeting“ (extract)

- (1) The chairperson of the Supervisory Board or, if the chairperson of the Supervisory Board does not take the chair, another member of the Supervisory Board designated by the Supervisory Board, shall take the chair in the Shareholders' Meeting.
. In the event that no member of the Supervisory Board takes the chair, the person in charge of the meeting shall be elected by the Shareholders' Meeting, such election being presided over of the most senior member of the Executive Board. The chairperson may limit the shareholder's right to put questions and to speak in the temporal aspect according to the following:
 - a) As long as according to the agenda (including possible requests of a minority according to section 122 of the German Stock Corporation Act) there are only resolutions on the items of the appropriation of balance sheet profit, the discharge of the members of the Executive Board, the discharge of the members of the Supervisory Board, the appointment of the auditor for the fiscal year and acquisition of own shares or some of these items, the chairperson may limit the shareholders' right to put questions and to speak in

respect of the time frame in such a manner that the Shareholders' Meeting as a whole does not take longer than six hours. By calculating the term of the Shareholders' Meeting, all periods of time that fall upon interruptions of the Shareholders' Meeting and the address of the Executive Board as well as the specifications given by the chairperson before the general discussion shall not be taken into account.

- b) As long as according to the agenda (including possible requests of a minority according to section 122 of the German Stock Corporation Act) there are other resolutions as on the items mentioned under character a) the chairperson may limit the shareholders' right to put questions and to speak in respect of the time frame in such a manner that the Shareholders' Meeting as a whole does not take longer than ten hours. Character a) sent. 2 applies accordingly.
 - c) The chairperson may limit the shareholders' right to put questions and to speak to fifteen minutes for each request to speak and as long as there are three other speakers registered to speak at the moment, the right to speak is granted to the shareholder to ten minutes. The chairperson may limit the total time to put questions and to speak that is granted to a certain shareholder during the Shareholders' Meeting to forty-five minutes.
 - d) The limitations according to the characters a) – c) could be ordered by the chairperson at any time and even at the beginning of the Shareholders' Meeting.
 - e) Limitations provided by the preceding characters a) – d) are regarded as appropriate in terms of section 131 para. 2 sent. 2 of the German Stock Corporation Act.
- (2) The chairperson may order the end of the discussion at 10:30 p.m. of the day of the Shareholders' Meeting and may start with the resolutions in regard of the items of the agenda independently from his right to limit the shareholders' right to put questions and to speak according to para. 1. After ordering the end of the discussion, further questions are not admissible anymore in the cases of sent. 1
- (3) The right of the chairperson to limit the shareholders' right to put questions and to speak beyond the regulations set in paras. 1 and 2 according to legal requirements or according to other principals recognized by the legal practice shall not be affected by the regulations set in paras. 1 and 2.