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**STRATEC Biomedical AG  
Birkenfeld**

**ISIN DE000STRA555 – WKN STRA55**

**Invitation to the Annual General Meeting**

We hereby invite the shareholders of our Company to the Annual General Meeting taking place

**on Wednesday, 14 June 2017  
at 13:00 (Central European Time – CEST),**

in the CongressCentrum Pforzheim, Mittlerer Saal, Am Waisenhausplatz 1-3, 75172, Pforzheim, Germany.

**Agenda**

**1. Presentation of the adopted annual financial statements of STRATEC Biomedical AG and the approved consolidated financial statements as of 31 December 2016, the management report for STRATEC Biomedical AG and the Group, the explanatory report of the Management Board on the information required pursuant to section 289 paragraph 4 and section 315 paragraph 4 of the German Commercial Code (HGB – Handelsgesetzbuch) as well as the report by the Supervisory Board for the financial year 2016**

The aforementioned documents are available on the Company's website at [www.stratec.com/agm](http://www.stratec.com/agm). In accordance with the applicable statutory provisions, no resolution is proposed to be adopted by the Annual General Meeting, since the Supervisory Board has already approved the annual financial statements and the consolidated financial statements prepared by the Management Board.

**2. Resolution on the appropriation of balance sheet profit**

The Management Board and the Supervisory Board propose that the balance sheet profit reported in the adopted annual financial statements of STRATEC Biomedical AG as of 31 December 2016 amounting to € 45,645,534.04 be appropriated as follows:

Payment of a dividend of € 0.77 per no-par value share entitled to a dividend payable on 20 June 2017 corresponding to a total amount of € 9,127,814.85 as well as profit carried forward in the amount of € 36,517,719.19.

The proposal regarding the appropriation of profit takes into account the treasury shares held directly or indirectly by the Company at the time of the convocation, which are not entitled to a dividend

payment pursuant to section 71(b) of the German Stock Corporation Act (AktG – Aktiengesetz). The number of shares entitled to a dividend may change prior to the Annual General Meeting. In such instance, an amended resolution proposal on the appropriation of profit will be submitted to the Annual General Meeting without changing the proposed payment of € 0.77 per no-par value share entitled to a dividend.

### **3. Resolution on the ratification of the actions of the members of the Management Board**

The Management Board and the Supervisory Board propose that the members of the Management Board officiating during the financial year 2016 be ratified for the financial year 2016.

### **4. Resolution on the ratification of the actions of the members of the Supervisory Board**

The Management Board and the Supervisory Board propose that the members of the Supervisory Board officiating during the financial year 2016 be ratified for the financial year 2016.

### **5. Resolution on the appointment of the auditors for the annual financial statements and the consolidated financial statements**

The Supervisory Board proposes that Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, Germany, be appointed as auditor and Group auditor of the financial statements for the financial year 2017. In addition, the auditor will carry out the audit or review of the interim financial report as of 30 June 2017, if any.

### **6. Resolution on the by-election of a Supervisory Board member**

The Supervisory Board member Wolfgang Wehmeyer has resigned from his office with effect from the end of the Annual General Meeting on 14 June 2017.

Pursuant to sections 95 and 96 of the German Stock Corporation Act (AktG – Aktiengesetz) in conjunction with section 8 item 8.1 of the Articles of Association, the Supervisory Board is composed of three members to be exclusively elected by the shareholders.

According to section 8 item 8.2 of the Articles of Association, the Supervisory Board proposes that the following person be elected to the Supervisory Board for the remainder of the term of office of the resigned member, i.e. expiring with the end of the Annual General Meeting which resolves on the ratification of the actions of the members of the Supervisory Board for the financial year 2018:

Mr. Rainer Baule, Managing Director of Baule GmbH, Entrepreneur, Überlingen, Germany

Membership in other national supervisory boards required to be formed under German law:

- Metechon AG, Munich, Germany (Chairman),
- DITABIS Digital Biomedical Imaging Systems AG, Pforzheim, Germany

Membership in comparable national and foreign company boards:

- Amann Girrbach AG, Koblach, Austria (Chairman),
- Vorwerk & Co. KG, Wuppertal, Germany (Chairman),
- Else-Kröner-Fresenius-Stiftung, Bad Homburg, Germany

The curricula vitae of Mr. Baule can be found on the Company's website at [www.stratec.com/agm](http://www.stratec.com/agm).

Regarding section 5.4.1. paragraphs 4 to 7 of the German Corporate Governance Code, the following is stated: The Supervisory Board has assured itself with respect to the proposed candidate that he is able to devote the expected amount of the time required to fulfil his duties as a member of the Supervisory Board. In the estimation of the Supervisory Board, Mr. Baule does not have any personal or business relations with STRATEC Biomedical AG, the executive bodies of STRATEC Biomedical AG or a shareholder holding a material interest in STRATEC Biomedical AG, recommended to be disclosed by the German Corporate Governance Code.

The Annual General Meeting is not bound by the nomination for election.

## **7. Resolution on the approval of a profit transfer agreement between STRATEC Biomedical AG and STRATEC PS Holding GmbH**

STRATEC Biomedical AG concluded a profit transfer agreement on 11 April 2017 with its fully-owned subsidiary STRATEC PS Holding GmbH with its registered office in Birkenfeld, Germany (hereinafter referred to as "Subsidiary").

The Management Board and the Supervisory Board propose that the profit transfer agreement between STRATEC Biomedical AG (in its capacity as parent company) and STRATEC PS Holding GmbH be approved.

The essential content of the profit transfer agreement is as follows:

The Subsidiary undertakes to transfer its entire profit consistent with the provisions of section 301 of the German Stock Corporation Act (AktG – Aktiengesetz), as amended, to STRATEC Biomedical AG.

With the approval of STRATEC Biomedical AG, the Subsidiary may allocate amounts from the net income to other revenue reserves pursuant to section 272 paragraph 3 of the German Commercial Code (HGB – Handelsgesetzbuch) to the extent that this is admissible under commercial law and economically substantiated on the basis of prudent commercial assessment. Upon the request of STRATEC Biomedical AG, any other revenue reserves formed in line with section 272 paragraph 3 of the German Commercial Code (HGB – Handelsgesetzbuch) during the duration of the agreement are to be reversed and either used to offset any net losses or to be transferred as profit.

Provided that the agreement does not expire prior to the end of the Subsidiary's financial year, the entitlement to the transfer of profits shall arise at the end of the Subsidiary's financial year. It shall fall due at that date for immediate value. The obligation to transfer profits shall apply retroactively from the beginning of the Subsidiary's financial year in which the agreement becomes effective due to its entry into the commercial register at the registered office of the Subsidiary.

STRATEC Biomedical AG is obligated to assume the losses of the Subsidiary pursuant to the provisions of section 302 of the German Stock Corporation Act (AktG – Aktiengesetz) as amended.

Provided that the agreement does not expire prior to the end of the Subsidiary's financial year, the entitlement to the assumption of losses shall arise at the end of the Subsidiary's financial year. It shall fall due at that date for immediate value. The obligation to assume losses shall apply retroactively from the beginning of the Subsidiary's financial year in which the agreement becomes effective due to its entry into the commercial register at the registered office of the Subsidiary.

The agreement shall become effective upon the entry into the commercial register at the registered office of the Subsidiary.

The agreement shall be concluded for an indefinite period of time. It may be terminated by giving three months' notice effective as to the end of a financial year of the Subsidiary, for the first time, however, at the end of the financial year of the Subsidiary which ends at least five calendar years after the beginning of the financial year of the Subsidiary in which the agreement has taken effect

The right to an extraordinary termination without notice in case of good cause shall remain unaffected. Such good cause shall exist, in particular, if STRATEC Biomedical AG does no longer hold the majority of capital stock in the Subsidiary, if STRATEC Biomedical AG sells or acquires shares in the Subsidiary, or if insolvency proceedings are initiated with respect to the assets of STRATEC Biomedical AG or the Subsidiary.

STRATEC Biomedical AG is the Subsidiary's sole shareholder.

Thus, it is not required to make any compensation or settlement payments pursuant to section 304 and section 305 of the German Stock Corporation Act (AktG – Aktiengesetz) to external shareholders.

The following documents relating to the present agenda item will be available on the Company's website at [www.stratec.com/agm](http://www.stratec.com/agm) as from the date on which the Annual General Meeting is convened:

- the profit transfer agreement between STRATEC Biomedical AG and STRATEC PS Holding GmbH,
- the adopted annual financial statements and management report as well as the approved consolidated financial statements and the consolidated management report for STRATEC Biomedical AG and the Group as of 31 December 2016,

- the adopted annual financial statements and management report as well as the approved consolidated financial statements and the consolidated management report for STRATEC Biomedical AG and the Group as of 31 December 2015,
- the adopted annual financial statements and management report as well as the approved consolidated financial statements and the consolidated management report for STRATEC Biomedical AG and the Group, as of 31 December 2014,
- the adopted annual financial statements for STRATEC PS Holding GmbH as of 31 December 2016 (short financial year),
- the joint report of the Management Board of STRATEC Biomedical AG and the management of STRATEC PS Holding GmbH compiled pursuant to section 293a of the German Stock Corporation Act (AktG – Aktiengesetz).

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## **Prerequisites for attending the Annual General Meeting and for exercising voting rights**

Only those shareholders of the Company who are entered in the Company's share register as shareholders of the Company and register with the Company prior to the Annual General Meeting are entitled to participate in the Annual General Meeting and to exercise their voting rights.

Such notification of registration must be received by the Company in text form by 7 June 2017 (24:00 CEST) at the following address, telefax number or e-mail address:

STRATEC Biomedical AG  
c/o Computershare Operations Centre  
80249 Munich  
Germany

Telefax: +49 89 30903-74675

E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

Credit institutions, shareholders' associations as well as persons, institutions or companies deemed as equivalent to such pursuant to section 135 paragraph 8 or section 135 paragraph 10 in conjunction with section 125 paragraph 5 of the German Stock Corporation Act (AktG – Aktiengesetz) may exercise voting rights respective to shares which do not belong to them, but for which they are registered as the holder in the share register, only by virtue of an authorisation issued by the person who owns the shares.

Following the receipt of the registration documentation by the company, shareholders will be sent admission tickets for the Annual General Meeting. To ensure the timely receipt of the admission tickets, we kindly request shareholders to provide for an early submission of their registration documentation to the Company.

Contrary to the registration to the Annual General Meeting, the admission ticket is not a prerequisite for attending the Annual General Meeting. It rather serves to facilitate access control to the Annual General Meeting.

## **Disposals of shares and transfers in the share register**

Registration for the Annual General Meeting will not result in shares being deactivated or blocked. Shareholders may, therefore, continue to freely dispose of their shares following their registration.

The share portfolio entered in the share register on the day of the Annual General Meeting is relevant for the exercise of the right to attend and vote. Such number will correspond to the portfolio resulting from the transfer applications received by the Company by 7 June 2017 (24:00 CEST). For technical reasons, transfer applications received by the Company from this time until the day of the Annual General Meeting (both dates inclusive) shall result in a stoppage of transfers, i.e. neither registrations nor de-registrations shall be carried out up to and including 14 June 2017.

## Voting procedures for authorised parties

Shareholders who are entered in the share register and have registered their attendance in the Annual General Meeting and do not wish to exercise their voting rights in person during the Annual General Meeting may authorise a credit institution, a shareholders' association or another person of their choice to exercise their voting rights. Also in the event of granting an authorisation to exercise voting rights, shareholders have to ensure that they comply with the prerequisites for attending the Annual General Meeting and for exercising the voting rights as specified in the section above. If a shareholder grants power of attorney to more than one person, then the Company may reject one or several of these persons.

**If neither a credit institution nor a shareholders' association** or any other persons, institutions or companies deemed as equivalent to such (section 135 paragraphs 8 and 10, section 125 paragraph 5 of the German Stock Corporation Act (AktG – Aktiengesetz)) are given authorisation, any issuance of a power of attorney, the revocation thereof and the proof of authorisation vis-à-vis the Company requires text form (section 126b of the German Civil Code (BGB – Bürgerliches Gesetzbuch)). Issuance/revocation or provision of proof may be effected by using the registration form or the admission ticket and sending it to the address stated therein/thereupon, or otherwise in text form by specifying the person making the declaration and sending it to the address, telefax number or e-mail address specified below:

STRATEC Biomedical AG  
c/o Computershare Operations Centre  
80249 Munich  
Germany

Telefax: +49 89 30903-74675

E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

An authorisation may also be evidenced by the authorised party showing the power of attorney at the access control on the day of the Annual General Meeting.

Section 135 of the German Stock Corporation Act (AktG - Aktiengesetz) shall apply to the issuance of a power of attorney to **credit institutions, shareholders' associations** and any other persons, institutions or companies deemed as equivalent to such pursuant to section 135 paragraph 8 or section 135 paragraph 10 and section 125 paragraph 5 of the German Stock Corporation Act (AktG - Aktiengesetz) with respect to the exercise of voting rights as well as to the revocation and the proof of such authorisation. Under this section, the authorised party is required to keep a verifiable record of such power of attorney. It must be complete and may contain only declarations relating to the exercise of voting rights. Furthermore, the respective authorised party may have stipulated special regulations for their own authorisation; this should be clarified with the respective authorised party in advance.

We offer our shareholders the option of authorising **a proxy appointed by the Company** to represent them during the vote in accordance with their instructions. For this purpose, proxies must be issued (a) power(s) of attorney and instructions for the exercise of voting rights. In this context, it is important to note that proxies may not accept instructions pertaining to procedural motions or proposals or candidate nominations submitted for the first time in the Annual General Meeting prior to or during the Annual General Meeting. Moreover, they may not lodge any motions or queries on behalf of the shareholder nor clarify contradictions. Further, they may exercise voting rights only on such agenda items on which they have received instructions from the shareholder.

Shareholders may issue (a) power(s) of attorney and instructions to proxies appointed by the Company on the registration form provided with the invitation by sending it to the address stated therein. In addition, it is possible to issue (a) power(s) of attorney and instructions by way of the admission ticket, sent to the shareholder upon request, by submitting it to the address stated thereupon. Furthermore, power(s) of attorney and instructions may be issued in text form by specifying the person making the declaration no later than 12 June 2017 (16:00 CEST) by sending them to the following address, telefax number or e-mail address:

STRATEC Biomedical AG  
c/o Computershare Operations Centre  
80249 Munich  
Germany

Telefax: +49 89 30903-74675

E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

Power(s) of attorney and instructions may also be revoked or amended in text form as indicated above prior to the Annual General Meeting and be received no later than 12 June 2017 (16:00 CEST).

Shareholders may exercise their rights in person even after granting a power of attorney. **Attendance in person** shall be deemed to constitute a revocation of any power of attorney previously granted.

## **Requests for items to be added to the agenda pursuant to section 122 paragraph 2 of the German Stock Corporation Act (AktG – Aktiengesetz)**

Shareholders whose aggregate shares make up one twentieth of the share capital or achieve the pro rata amount of € 500,000.00 (corresponding to 500,000 shares) may request that items be added to the agenda and published. Each new item must be accompanied by an explanation or a draft resolution. Such requests must be received by the Company's Management Board at latest by 14 May 2017 (24:00 CEST). Please direct such request in writing to the following address:

STRATEC Biomedical AG  
Vorstand  
Stichwort „Hauptversammlung“  
Gewerbestr. 37  
75217 Birkenfeld  
Germany

Unless made public together with the invitation, additions to the agenda which require disclosure are published immediately upon receipt of the request in the German Federal Gazette. Moreover, they are published on the Company's website at [www.stratec.com/agm](http://www.stratec.com/agm) and communicated to the shareholders in accordance with statutory provisions.

## **Motions and candidate nominations submitted by shareholders pursuant to section 126 paragraph 1 and section 127 of the German Stock Corporation Act (AktG – Aktiengesetz)**

Even prior to the Annual General Meeting, every shareholder has the right to submit countermotions to the resolutions proposed by the Management Board and/or Supervisory Board on specific agenda items as well as to submit nominations. Such countermotions and nominations including the name of the shareholder are to be made available by the Company pursuant to section 126 paragraph 1 and section 127 of the German Stock Corporation Act (AktG – Aktiengesetz), if they are received by the Company at following address, telefax number or e-mail address:

STRATEC Biomedical AG  
Stichwort „Hauptversammlung“  
Gewerbestr. 37  
75217 Birkenfeld  
Germany  
Telefax: +49 7082 7916-999  
E-mail: [hauptversammlung@stratec.com](mailto:hauptversammlung@stratec.com)

by 30 May 2017 (24:00 CEST) and are in accordance with the statutory requirements. This includes, in particular, the requirement to substantiate countermotions (but not nominations). Section 126 paragraph 2 and section 127 sentences 1 and 3 of the German Stock Corporation Act (AktG – Aktiengesetz) govern the preconditions which, if met, preclude countermotions and nominations from being made mandatorily available. In accordance with statutory regulations, access is provided on the Company's website at [www.stratec.com/agm](http://www.stratec.com/agm). Comments or statements by the Management Board and/or Supervisory Board with regard to countermotions and nominations, if any, will also be published there.

In order to be considered at the Annual General Meeting, countermotions and nominations must be submitted at the Annual General Meeting, even if they have been sent to the Company and made accessible by it pursuant to section 126 paragraph 1 and section 127 of the German Stock Corporation Act (AktG – Aktiengesetz).



## **Right to information pursuant to section 131 paragraph 1 of the German Stock Corporation Act (AktG – Aktiengesetz)**

At the Annual General Meeting, each shareholder or shareholder representative may request the Management Board to provide information about the Company's affairs to the extent that such information is necessary for the proper evaluation of an item on the agenda. The duty to provide information also extends to the legal and business relations of the Company with an affiliated company as well as the position of the Group and of the companies included in the consolidated financial statements. The information shall comply with the principles of conscientious and faithful accounting. As a rule, information is to be supplied verbally; in this respect, shareholders shall not be entitled to receive information in writing. The Management Board may refrain from responding to individual questions for the reasons set forth in section 131 paragraph 3 of the German Stock Corporation Act (AktG – Aktiengesetz), for instance, if the information based on prudent commercial assessment is likely to cause a substantial disadvantage to the Company or any of its affiliated companies (e.g. no disclosure of business secrets).

## **Further explanations as to shareholders' rights**

Further explanations of shareholders' rights pursuant to section 122 paragraph 2, section 126 paragraph 1, section 127 and section 131 of the German Stock Corporation Act (AktG – Aktiengesetz) can be found on the Company's website at [www.stratec.com/agm](http://www.stratec.com/agm).

## **Total number of shares and voting rights**

At the time of the convocation of the Annual General Meeting, the share capital of the Company amounts to € 11,860,995.00 and is divided into 11,860,995 no-par value registered shares. Each share grants one vote. The total number of shares and voting rights therefore amounts to 11,860,995 at the time the meeting is convened. Such total also includes 6,690 treasury shares held at that time which do not confer any rights on the Company.

## **Annual General Meeting documents; publication on the Company's website**

Following the convocation of the Annual General Meeting, the present invitation to the Annual General Meeting, the documents which are to be made available to the Annual General Meeting, in particular such documents pertaining to agenda items 1, 6 and 7, as well as further information relating to the Annual General Meeting are available on the Company's website at [www.stratec.com/agm](http://www.stratec.com/agm).

The documents to be made available to the Annual General Meeting will also be available at the Annual General Meeting on 14 June 2017.

## **Company information**

Extensive information about STRATEC is provided on the Company's website at [www.stratec.com](http://www.stratec.com).

Birkenfeld, May 2017

STRATEC Biomedical AG

The Management Board