

SHORT VERSION OF THE INVITATION TO THE ANNUAL GENERAL MEETING*

Merck Kommanditgesellschaft auf Aktien

Darmstadt

Germany

- ISIN DE 000 659 990 5 -

- Securities Identification No. 659 990 -

The shareholders of our company are hereby invited to attend the

Annual General Meeting

on Friday, April 27, 2018 at 10:00 a.m. CEST

held at the

**Jahrhunderthalle Frankfurt, Pfaffenwiese 301, 65929 Frankfurt am Main,
Germany.**

*This short version of the invitation to the Annual General Meeting, which is provided to the shareholders as an additional document, does not contain the content of the voluminous contracts relating to agenda item 9 and the summary of the respective annexes (sections B. to D. of the invitation). Legally relevant is the German version of the invitation to the Annual General Meeting which was published in the German Federal Gazette (*Bundesanzeiger*) on March 14, 2018, an English convenience translation of which is available on the homepage of the company.



Section A.

Agenda

1. Presentation of the annual financial statements approved by the Supervisory Board, as well as the consolidated financial statements approved by the Supervisory Board and the combined management report (including the explanatory report on the information in accordance with Section 289a (1), Section 315a (1) HGB) for fiscal 2017 and the Report of the Supervisory Board

The Supervisory Board has approved the annual financial statements and the consolidated financial statements which were prepared by the Executive Board in accordance with Section 171 of the German Stock Corporation Act, hereinafter "AktG". In accordance with Section 286 (1) AktG, Article 29 (3) of the Articles of Association, the annual financial statements are to be adopted by the General Meeting (Item 2 of the Agenda). The aforementioned documents will be available on the company's website as of the date on which the Annual General Meeting is convened. In addition, they will be available for inspection by the limited shareholders (also referred to hereinafter as "shareholders") at the business offices of the company once the Annual General Meeting has been convened (for more information see the section titled "Information and Documents for the Annual General Meeting; company website"). No resolution is required for Item 1 of the Agenda.

2. Resolution on the adoption of the annual financial statements for fiscal 2017

The Executive Board and the Supervisory Board propose that the presented annual financial statements of the company for the year ended December 31, 2017 be approved.

3. Resolution authorizing the appropriation of the net retained profit for fiscal 2017

The Executive Board and the Supervisory Board propose that the share of the net retained profit of the company attributable to the shareholders amounting to € 187,045,271.48 be appropriated as follows:

- a) Payment of a dividend of € 1.25 per no par value share of the dividend-bearing share capital as of the date of this Annual General Meeting, being € 161,552,815.00 in total.

- b) Carryforward of the remaining amount of € 25,492,456.48 to new account.

Dividends are payable on the third business day after the General Meeting passing the resolution on the dividend, i.e. on [May 3, 2018].

4. Resolution on the approval of the actions of the Executive Board for fiscal 2017

The Executive Board and the Supervisory Board propose that the actions of the members of the Executive Board in office in fiscal 2017 be approved for their activities in fiscal 2017.

5. Resolution on the approval of the actions of the Supervisory Board for fiscal 2017

The Executive Board and the Supervisory Board propose that the actions of the members of the Executive Board in office in fiscal 2017 be approved for their activities in fiscal 2017.

6. Resolution on the election of the auditors of the annual financial statements and the consolidated financial statements for fiscal 2018 as well as the auditors for the audit review of the interim financial statements and management report of the Group as of June 30, 2018

The Supervisory Board proposes the election of

KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin,

as auditors of the annual financial statements and the consolidated financial statements for fiscal 2018 as well as for the audit review of the interim financial statements and management report of the Group as of June 30, 2018.

7. Resolution on the approval of the compensation system for the Executive Board

With regard to stock corporations, according to Section 120 (4) AktG the General Meeting can decide on the approval of the compensation system for the members of the management board of the company. Many of the rules applicable to German stock corporations do not apply to Merck KGaA, Darmstadt, Germany, which is a corporation with general partners. This also includes Section 120 (4) AktG, since at Merck KGaA, Darmstadt, Germany – in contrast to stock corporations – it is not the Supervisory

Board that decides on the compensation of the members of the Executive Board. Instead, this personnel responsibility for the Executive Board of Merck KGaA, Darmstadt, Germany, belongs to the Personnel Committee of the Board of Partners of E. Merck KG, Darmstadt, Germany, upon which the General Meeting of Merck KGaA, Darmstadt, Germany, has no influence.

Although there is no legal obligation to do so, Merck KGaA, Darmstadt, Germany, has, most recently in the General Meeting of April 28, 2017, given its shareholders the possibility to express their opinion on the then applicable compensation system of the Executive Board. The system for the compensation of the Executive Board members was reviewed through regular exchanges with our investors (and their voting advisors) and with the help of an independent compensation consultant and consequently adapted with effect of January 1, 2018 and shall be submitted to the General Meeting again this year for approval.

Both the previous and the amended compensation systems for the members of the Executive Board are presented in the compensation report, which was published as part of the Statement on Corporate Governance in the Corporate Governance Report of the Annual Report for 2017.

The Executive Board and the Supervisory Board propose that the compensation system for the members of the Executive Board in the version applicable as of January 1, 2018, be approved.

8. Revocation of an existing authorization and creation of a new authorization to issue warrant and/or convertible bonds, participation rights or participation bonds, or a combination of these instruments, and authorization to exclude the subscription right of these warrant and/or convertible bonds, participation rights or participation bonds, or a combination of these instruments together with simultaneous creation of contingent capital and corresponding amendment of the Articles of Association.

The authorization granted by the General Meeting on May 9, 2014 to issue warrant and/or convertible bonds, participation rights or participation bonds or a combination of these instruments shall be renewed. The hitherto unused authorization expires on May 8, 2019. Since the Annual General Meeting may possibly only take place after this date and the subsequently necessary entry of new contingent capital in the commercial register would occur even later, the existing authorization and Contingent Capital II shall be revoked now and replaced by a new authorization and a new Contingent Capital II. This ensures that the company will continue to be able to access the warrant bond and convertible bond financial instruments at any time in the years to come.

The Executive Board and the Supervisory Board propose the adoption of the following resolution:

a) Revocation of the authorization of May 9, 2014 and revocation of the Contingent Capital II

The authorization granted to the Executive Board by the General Meeting of May 9, 2014, with the consent of E. Merck KG, Darmstadt, Germany, to issue warrant bonds and convertible bonds totaling up to € 2,000,000,000.00 up until May 8, 2019, and the contingent capital created for this purpose in Section 5 (5) of the Articles of Association, shall be revoked upon entry in the commercial register of the amendment to the Articles of Association proposed in Item 8 d) of this Agenda, below.

b) Authorization to issue warrant and/or convertible bonds, participation rights or participation bonds, or a combination of these instruments, and authorization to exclude the subscription right of these warrant and/or convertible bonds, participation rights or participation bonds, or a combination of these instruments.

aa) General

The Executive Board shall be authorized, with the approval of E. Merck KG, Darmstadt, Germany, to issue bearer or registered warrant and/or convertible bonds, participation rights or participation bonds, or a combination of these instruments (together "bonds") on one occasion or in instalments over several occasions up to April 26, 2023 for the total nominal amount of up to € 2,000,000,000.00 with or without restrictions on term, and to grant or impose option rights or option obligations on the bearers or creditors of warrant bonds or option participation certificates or option participation bonds (together "warrant bonds"), or to grant or impose conversion rights or obligations for up to 12,924,224 no-par value bearer shares of the company with a total pro rata amount of the share capital of up to € 16,801,491.20, pursuant to the conditions of the bonds, on the bearers or creditors of convertible bonds or convertible participation certificates or convertible participation bonds (together "convertible bonds"). The bonds can be issued in return for a cash payment, but also against contributions in kind, in particular participation in other undertakings.

The bonds can also be issued via a subordinate Group company. In this case, the Executive Board shall be authorized to assume the guarantee for the bonds on behalf of the company and to grant or impose option rights or option obligations or conversion rights or conversion obligations for company no-par value bearer shares on the bearers or creditors of these bonds. Other than in euros, the bonds may also be issued in the legal currency of an OECD country, as long as the amount corresponds to the equivalent in euros.

bb) Option and conversion rights

The bonds are divided into notes.

If warrant bonds are issued, one or more warrants will be attached to each note, which entitle the bearer to subscribe to no-par value bearer shares of the company at option conditions to be defined by the Executive Board. The option conditions may stipulate that the option price is fulfilled by transfer of notes and if applicable, a cash payment. In the event of share fractions, in line with the option or bond conditions, it can be stipulated that such fractions can be added together for the purposes of acquiring complete shares, if applicable, against a cash payment.

If convertible bonds are issued, bearers of bearer notes, or otherwise creditors of notes, receive the right to convert their notes into no-par value bearer shares in the company, pursuant to the convertible bond conditions defined by the Executive Board. The conversion ratio is determined by dividing the nominal amount or the issue amount of a note issued below the nominal amount by the conversion price stipulated for one bearer share in the company and can be rounded up or down to a full number. An additional cash payment, or combined amounts or compensation for fractions which are not convertible, can also be stipulated. The bond conditions may stipulate a variable conversion ratio and determination of the conversion price (subject to the minimum price determined below) within a given range, depending on the development of the company's share price during the term of the bond.

Under no circumstances may the pro-rata amount of the share capital per bond of the shares to be issued in the event of an option being exercised, or of conversion, exceed the nominal amount and the issue amount of the convertible or warrant bonds.

cc) Option obligation and conversion obligation

The bond conditions may also provide for an option obligation or a conversion obligation up until the end of the term (or until an earlier time or a certain event). The pro-rata amount of the share capital of the shares in the company to be issued in the event of an option being exercised, or of a conversion, may not exceed the nominal amount of the bonds. The company may be entitled in the conditions of the bonds to wholly or partially compensate in cash a potential difference between the nominal amount or a potentially lower issue amount of the bond and the product of the option or conversion price and the exchange ratio. Section 9 (1) AktG and Section 199 AktG remain unaffected.

dd) Substitution authorization

If options are converted or exercised, the bond conditions may stipulate the right of the company not to grant new shares but to pay a sum of money corresponding to the volume-weighted average value of the stock exchange prices of the company's no-par value shares in Xetra trading (or a

comparable successor system on the Frankfurt Stock Exchange) during a period specified in the bond conditions. The bond conditions may also stipulate that bonds, which are attached with option rights or obligations or conversion rights or obligations, are converted into existing shares in the company instead of new shares from contingent capital, or that the option rights can be fulfilled by delivering such shares or, in the event of an option obligation, can be serviced by delivery of such shares or using other forms of fulfillment. The bond conditions may also stipulate a combination of these forms of fulfillment.

On final maturity of the bond – which is attached with option rights or option obligations or conversion rights or conversion obligations – the bond conditions may also stipulate the right of the company to grant, in whole or in part, shares in the company instead of paying the sum of money due, or to use other forms of fulfillment.

ee) Option and conversion price

With the exception of cases where a substitution authorization or an option obligation or a conversion obligation is stipulated, the option or conversion price for a company no-par value share, which is to be stipulated, must be at least 80% of the volume-weighted average value of the stock exchange prices of the company's no-par value in Xetra trading (or a comparable successor system on the Frankfurt Stock Exchange) on the last ten trading days before the day of the resolution on the issue of bonds by the Executive Board, which are endowed with option rights or option obligations or conversion rights or conversion obligations, or – if subscription rights are granted – at least 80% of the volume-weighted average value of the stock exchange prices of the company's shares in Xetra trading (or a comparable successor system on the Frankfurt Stock Exchange) during the subscription period (with the exception of the days of the subscription period, which are required so that the conversion price can be announced in a timely manner), in accordance with Section 186 (2) sentence 2 AktG. Sections 9 (1) and 199 AktG remain unaffected.

In the cases of the substitution authorization and the option obligation or conversion obligation, the option or conversion price pursuant to the bond conditions must be at least the minimum price stated above, or correspond to the volume-weighted average stock exchange prices of the company's no-par value shares in Xetra trading (or a comparable successor system on the Frankfurt Stock Exchange) on the last ten trading days before the day of final maturity or the other defined point, even if this average price is under the minimum price stated above (80%). Sections 9 (1) and 199 AktG remain unaffected.

ff) Dilution protection

The authorisation also covers the option in certain cases in accordance with the details of the relevant provisions to grant bond holders dilution protection or to make adjustments. In particular, provision may be made for dilution protection or adjustments if there are capital changes at the company during the term of the bonds (such as a capital increase or a capital decrease or a share split), but also in connection with dividend payments, the issuance of additional convertible bonds or warrant bonds, conversion measures as well as in the case of other events affecting the value of the conversion rights or option rights which occur during the term of the bonds (such as acquisition of control by a third party). In particular, provision may be made for dilution protection or adjustments by granting subscription rights, by changing the conversion/warrant price and by changing or granting cash components. Section 9 (1) AktG and Section 199 AktG remain unaffected.

gg) Subscription right and authorization to exclude the subscription right

In the event that shareholders are not permitted to acquire the bonds directly, then the shareholders shall be granted the statutory subscription right in such a way that the bonds are assumed by a bank or a consortium of banks, on condition that they are offered for sale to shareholders. If bonds are issued by a subordinate Group company, the company must ensure that the company's shareholders are granted their statutory subscription rights in line with the above sentence.

However, the Executive Board is authorized to exclude the subscription right of the shareholders, with the approval of the Supervisory Board, in the following cases:

- (i) for bonds issued against cash, if the Executive Board, after due examination, is of the opinion that the issue price for the bonds is not significantly lower than the theoretical market price of the bonds as calculated using recognized mathematical methods. However, this authorization to exclude subscription rights only applies to bonds issued with option rights or option obligations or conversion rights or conversion obligations, with an option right or option obligation or conversion right or conversion obligation to shares with a pro rata amount of the share capital not exceeding 10% in total, namely either at the time the authorization becomes effective or – if this amount is lower – at the time when the authorization is exercised. Shares shall be calculated against the aforementioned 10% limit which in direct or analogous application of Section 186 (3) sentence 4 AktG are issued or sold during the term of this authorization until the time of their use. Furthermore, shares shall be calculated against this amount which are to be issued or granted due to a conversion or warrant bond issued

during the term of this authorization with the exclusion of the subscription rights pursuant to Section 186 (3) sentence 4 AktG.

- (ii) if required, to grant a subscription right to bearers of option rights or conversion rights or option obligations or conversion obligations previously issued by the company or its Group companies, to the extent that they would be entitled after exercising the option right or conversion right or upon fulfillment of a conversion obligation or option obligation as shareholder;
- (iii) to exclude subscription rights to any fractional amounts; and
- (iv) if bonds are issued against contributions in kind, in particular in the context of mergers or in relation to the acquisition (including indirect acquisitions) of undertakings, parts of undertakings, participations in undertakings, receivables or other economic goods.

If participation rights or participation bonds without conversion rights/obligations or option rights/obligations are issued, the Executive Board shall be authorized to exclude in full the subscription rights of the shareholders with the approval of the Supervisory Board, if these participation rights or participation bonds are designed as obligations, i.e. they do not substantiate membership rights in the company, do not grant an interest in liquidation proceeds and the amount of interest is not calculated on the basis of the amount of the net income for the year, the net retained profit or the dividend. In addition, in such cases the interest and the issue amount of the participation rights or participation bonds must be in line with current market conditions at the time of issue.

hh) Limiting the total volume of the subscription right exclusion

The total bonds issued under the existing authorizations with the exclusion of subscription rights are limited to that number of bonds with an option right or conversion right, or an option obligation or conversion obligation to shares, with a pro rata value of the share capital that may not exceed 20% of the share capital in total, namely either at the time the present authorization becomes effective or – if this amount is lower – at the time the present authorization is exercised. Own shares shall be calculated against the aforementioned 20% limit which were issued during the term of this authorization on the basis of other capital measures with the exclusion of the shareholder subscription rights. In particular, this includes shares which are to be issued or granted from authorized capital or due to a bond issued during the term of this authorization on the basis of the use of a different authorization with the exclusion of the subscription rights.

ii) Implementation of the authorization

The Executive Board shall be authorized to determine the further details of the issue and features of the bonds, including in particular the interest rate, issue price, term and denomination, dilution protection provisions, option or conversion period and the conversion or option price, or to determine such details in consultation with the boards of the Group company issuing the warrant or convertible bond.

c) Creation of contingent capital

The share capital shall be contingently increased by up to € 16,801,491.20 (in words: sixteen million, eight hundred and one thousand, four hundred and ninety-one euros and twenty cents), composed of up to 12,924,224 new, no-par value bearer shares (Contingent Capital II)." The increase in contingent capital serves to grant the no-par value bearer shares when exercising the option or conversion rights (or when fulfilling the corresponding option obligations or conversion obligations) or when exercising an option of the company option, of granting in whole or in part no-par value shares in the company instead of paying the sum of money due to the bearer or creditor as the case may be of warrant bonds, option participation certificates, option participation bonds, convertible bonds, convertible participation certificates or convertible participation bonds (or combinations of these instruments) that are issued by the company or a subordinate Group company against contributions on the basis of the authorization resolution of the Annual General Meeting of April 27, 2018 to April 26, 2023. Each issue of new shares shall take place at the determined option or conversion price, pursuant to the authorization resolution mentioned above.

The increase in contingent capital is to be implemented only in the case of an issue of bonds that are endowed with option rights or option obligations or conversion rights or conversion obligations, pursuant to the authorization resolution of the Annual General Meeting of April 27, 2018, and only insofar as option rights or conversion rights are utilized, or bearers or creditors of bonds with a conversion obligation or option obligation are obliged to fulfill their conversion obligation or option obligation, or insofar as the company exercises an option, wholly or in part, of granting shares in the company instead of paying the sum of money due and to that extent, a cash settlement is not granted, or own shares or other forms of fulfillment are used. The new shares issued participate in the profit from the beginning of the fiscal year in which they are created; insofar as this is legally permissible, the Executive Board may, with the approval of the Supervisory Board, stipulate that the new shares also participate in the profit for this and, in deviation from Section 60 (2) AktG, also for a past fiscal year.

The Executive Board shall be authorized, with the approval of the Supervisory Board and of E. Merck KG, Darmstadt, Germany, to stipulate the further details of the implementation of the increase in contingent capital.

d) Amendment of the Articles of Association

In Article 5 of the Articles of Association, the following new paragraph 5 shall be inserted, taking into consideration the entry of the revocation of the current Article 5 (5) in the commercial register:

"[5] ¹The share capital is contingently increased by up to € 16,801,491.20 (in words: sixteen million, eight hundred and one thousand, four hundred and ninety-one euros and twenty cents), composed of up to 12,924,224 new, no-par value bearer shares (Contingent Capital II). ²The increase in contingent capital is only to be implemented insofar as the bearers or creditors of option or conversion rights or the conversion or option obligations on warrant bonds, option participation certificates, option participation bonds, convertible bonds, convertible participation certificates or convertible participation bonds issued against contributions that are issued or guaranteed by the company or a subordinate Group company on the basis of the authorization resolution of the Annual General Meeting of April 27, 2018 to April 26, 2023 utilize their option or conversion rights or, to fulfill their conversion or option obligation insofar as they are obliged to fulfill their conversion or option obligation, or insofar as the company exercises an option, wholly or in part, of granting shares in the company instead of paying the sum of money due and to the extent, that in each case a cash settlement is not granted, or own shares or other forms of fulfillment are used. ³Each issue of new shares shall take place at the determined option or conversion price, pursuant to the aforementioned authorization resolution. ⁴The new shares participate in the profit from the beginning of the fiscal year in which they are created; insofar as this is legally permissible, the Executive Board may, with the approval of the Supervisory Board stipulate that the new shares also participate in the profit for this and, in deviation from Section 60 (2) AktG, also for a past fiscal year. ⁵The Executive Board is authorized, with the approval of the Supervisory Board and of E. Merck KG, Darmstadt, Germany, to stipulate the further details of the implementation of the increase in contingent capital."

e) Authorization to amend the Articles of Association

The Supervisory Board is authorized to amend Article 5 (1) (2) and (5) of the Articles of Association according to each issue of subscription shares and to perform all other amendments to the Articles of Association in relation to this that concern only the amendment. This applies accordingly in the case where the authorization to bonds is not utilized by the end of the period of authorization, and in the case where the contingent capital is not utilized by the end of the period for issuing options or conversion rights or for fulfilling conversion or option obligations.

f) Instruction for registering the amendment of the Articles of Association

Revocation of the existing authorization and of the corresponding existing Contingent Capital II and the creation of the new authorization and of the corresponding new Contingent Capital II pursuant to above numbers 1 to 5 constitute a uniform resolution; without the new Contingent Capital II being entered in the commercial register, the revocation of the authorization agreed by the General Meeting on May 9, 2014 in Agenda Item 10 to issue conversion/warrant bonds and the corresponding Contingent Capital II in the amount of € 2,000,000,000.00 shall not come into effect. Accordingly, the Executive Board is instructed to register the revocation of the current Contingent Capital II and the resolution on the creation of the new Contingent Capital II with the commercial register with the proviso that entry of the revocation of the existing Contingent Capital II only occurs once it is certain that the resolution on Article 5 (5) of the Articles of Association will be entered directly afterwards.

Report of the Executive Board to the Annual General Meeting on agenda item 8 in accordance with Section 278 (3) and Section 221 (4) sentence 2 AktG in conjunction with Section 186 (4) sentence 2 AktG

The Executive Board was authorized by resolution of the Annual General Meeting on May 9, 2014 under agenda item 10, to issue warrant and/or convertible bonds, participation rights or participation bonds, or a combination of these instruments to a total nominal amount of up to € 2,000,000,000.00. A Contingent Capital II amounting to € 16,801,491.20 was created to service the authorization in 2014 (Article 5 (5) of the Articles of Association), and has continued up to the date of publication of the invitation to this Annual General Meeting in its original amount.

The Executive Board and the Supervisory Board inter alia consider it expedient to increase flexibility to revoke the existing authorization from 2014 as well as the existing Contingent Capital II and to replace it with a new authorization and a new contingent capital (Contingent Capital II). The proposed authorization to issue warrant and/or convertible bonds, participation rights or participation bonds or a combination of these instruments ("bonds") for the total nominal amount of up to € 2,000,000,000.00 and to create associated contingent capital of up to € 16,801,491.20 should expand the options of the company for financing its activities described in more detail below and allow the Executive Board access to flexible and timely financing in the interests of the company, especially if there are favorable market conditions. The authorization is to be issued for a five-year term until April 26, 2023.

Benefits of the financing instrument

Adequate capital resources are an essential foundation for business development and a successful market presence of the company. By issuing convertible and/or warrant bonds ("bonds"), the company can, depending on the current market conditions, use attractive financing options and terms raise capital for the ccompany at low interest

rates. Conversion and/or warrant premiums achieved benefit the company. In addition, the issuance of bonds, possibly in conjunction with other instruments such as a capital increase, may open up new investor groups. The possibility provided of also establishing conversion right and/or option rights in addition to granting conversion obligations and/or option obligations broadens the scope of this financing instrument. The proposed authorization provides the company with the flexibility to issue the bonds itself or through a subsidiary of the company. Bonds can also be issued in other legal currencies of OECD countries other than euros. In addition, the fulfillment of the bonds should be possible by a delivery of shares of the company or payment of an equivalent value in cashCompany.

Issue price

With the exception of cases where a substitution authorization or an option obligation or conversion obligation is stipulated, the issue price for the new shares must correspond to at least 80% of the market price of the company's no-par-value shares immediately prior to the issue of the bonds that are attached with the option rights or conversion rights. By allowing a surcharge (which may be increased depending on the term of the warrant or convertible bond), the condition for this is created, so that the conditions of the convertible or warrant bonds may take the respective changes in market circumstances at the time that they are issued into consideration.

In the cases of a substitution authorization or a option/conversion obligation, the issue price of the new shares pursuant to the bond conditions can be at least either the minimum price stated above, or correspond to the volume-weighted average exchange price of the company's no-par-value shares in Xetra trading (or a comparable successor system on the Frankfurt Stock Exchange) on the last ten trading days before the day of final maturity or the other defined point, even if this average price is under the minimum price stated above (80%).

Without prejudice to Section 9 (1) and Section 199 (2) AktG, the conversion/option price may be adjusted as a result of a dilution protection clause or adjustment clause in accordance with the further provisions of the conditions underlying the respective bond, if in particular the company changes its capital structure during the term of the bonds, e.g. through a capital increase, a capital decrease or a stock split. Moreover dilution protection and/or other adjustments may be provided for in connection with dividend payouts, the issue of additional convertible and/or warrant bonds, transformation measures, and in the case of other events affecting the value of the options or conversion rights that may occur during the term of the bonds (e.g. control gained by a third party). Dilution protection or other adjustments may be provided in particular by granting subscription rights, by changing the conversion or option price, and by amending or introducing cash components.

Subscription rights of shareholders

The shareholders are generally entitled to the statutory subscription right on the bonds (Sections 278 (3), 221 (4) in conjunction with Section 186 (1) AktG). To facilitate the handling, the option should also be utilized to issue the bonds to a bank or a consortium of banks on the condition that the bonds are offered to the shareholders, according to their subscription right (indirect subscription rights as defined by Section 186 (5) AktG).

Exclusion of subscription rights in the case of fractional amounts

The exclusion of subscription rights in the case of fractional amounts permits the utilization of the requested authorization with full amounts. This facilitates the handling of the shareholders' subscription right. This case of excluding subscription rights is thus in the interests of the company and the shareholders.

Exclusion of subscription rights for outstanding warrant and convertible bonds

The exclusion of subscription rights in favor of bearers, or creditors of the conversion rights/obligations and option rights/obligations already issued, has the advantage that the conversion or option price for the conversion rights or option rights or conversion rights or conversion obligations already issued does not need to be reduced, thus permitting a higher total inflow of funds. This case of excluding subscription rights as well is thus in the interests of the company and the shareholders.

Exclusion of subscription rights when issuing bonds for contributions in kind

The bonds can also be issued in exchange for contributions in kind, provided this is in the interest of the company. In this case, the Executive Board is authorized, with the approval of the Supervisory Board, to exclude the subscription rights of the shareholders, provided that the value of the contribution in kind is appropriate in relation to the theoretical fair market value of the bonds as calculated Debt Instruments in suitable individual cases as currency for acquisitions, for e.g., in connection with the acquisition of companies, participations (although these can also be achieved via merger or other legal transformation measures) or other assets.

The option of offering bonds as a consideration is essential, especially in the international competition for interesting acquisition targets, and creates the necessary scope to take advantage of opportunities arising to acquire companies, participations in companies or other assets while preserving liquidity. This can also be useful from the point of view of an optimal financing structure. In each individual case the Executive Board will carefully examine whether to use the authorization to issue bonds with conversion rights or conversion obligations and option rights or option obligations in exchange for contributions in kind, with the exclusion of subscription rights. The Executive Board will only do so when it is in the interests of the company and therefore its shareholders.

Exclusion of subscription rights in accordance with Sections 278 (3), 221 (4), 186 (3) sentence 4 AktG

Furthermore, the Executive Board shall be authorized, with the approval of the Supervisory Board, to fully exclude shareholders' subscription rights if the issue price of these bonds is not materially lower than the market price. As a result, the company obtains the option to exploit favorable market situations at very short notice and quickly, and to achieve better terms when defining interest rates, option or conversion prices and issue prices of warrant or convertible bonds by stipulating terms in line with the market. It would not be possible to stipulate terms in line with the market and to achieve uncomplicated placement of the shares if the subscription rights were preserved. Section 186 (2) AktG does permit publication of the subscription price (and thus the publication of the terms applicable to the bonds) up until three days before the end of the subscription period. However, given the frequently observed volatility on the stock markets, there is still a market risk lasting several days. This leads to precautionary discounts when setting the terms of the bond, thus creating terms that are not in line with the market. Also when subscription rights exist, successful placement with third parties is endangered or can involve additional expense due to the uncertainty about how they will be exercised (subscription behavior). Lastly, if subscription rights are granted, owing to the length of the subscription period the company cannot respond at short notice to favorable or unfavorable changes in market circumstances, but is exposed to declining share prices during the subscription period, which can result in an unfavorable procurement of capital for the company.

In this case of complete exclusion of subscription rights, in accordance with Sections 278 (3), 221 (4) sentence 2 AktG, the provisions of Section 186 (3) sentence 4 AktG apply *mutatis mutandis*. The limit for the exclusion of subscription rights, regulated therein, of 10% of the share capital is to be complied with, pursuant to the content of the resolution. The volume of maximum contingent capital, which in this case is to be made available to ensure the option rights or conversion rights and/or option obligations or conversion obligations, amounts to just under 10% of the company's current share capital. A corresponding provision in the authorization resolution likewise ensures that, even in the case of a capital reduction, the 10% limit is not exceeded, since pursuant to the authorization to exclude subscription rights, exceeding 10% of the share capital is expressly not permitted, neither at the time the authorization becomes effective nor – if this amount is lower – at the time that this authorization is exercised.

When determining this limit of 10% of the registered share capital, shares shall also be taken into account which, during the term of this authorization until its exercise, are issued or sold by direct or analogous application of § 186 (3) sentence 4 AktG. Furthermore, also shares to be issued or granted on the basis of a convertible bond or warrant bond issued during the term of this authorization with the exclusion of shareholders' subscription rights in accordance with § 186 (3) sentence 4 shall count towards this limit of 10% of the registered share capital. This way, it is ensured that

no bonds are issued with the exclusion of the shareholders' subscription rights if this would result in the exclusion of a subscription right of the shareholder for new or own shares of the Company within a scope of more than 10% of the currently outstanding shares, taking into consideration any capital increases or certain placements of own shares in direct, mutatis mutandis or analogous application of § 186 (3) sentence 4 AktG.

Section 186 (3) sentence 4 AktG also indicates that the issue price may not be materially lower than the market price. This aims to ensure that there is no notable economic dilution of the share value. Whether such a diluting effect occurs for the issue without subscription rights of warrant bonds, option participation certificates, option participation bonds, convertible bonds, convertible participation certificates or convertible participation bonds can be determined by calculating the hypothetical stock market price of the warrant bonds, option participation certificates, option participation bonds, convertible bonds, convertible participation certificates or convertible participation bonds on the basis of mathematical methods, and comparing it against the issue price. If, after due examination, this issue price is only insignificantly below the hypothetical price on the stock market at the time of issue of the bonds, then in line with the meaning and purpose of Section 186 (3) sentence 4 AktG, an exclusion of subscription rights is permitted due to the only insignificant discount. The resolution thus stipulates that after due examination and before the issue of bonds, the Executive Board must be of the opinion that the expected issue price will not lead to any notable dilution of the share value as the issue price of the bonds is not significantly lower than their hypothetical market value determined in accordance with recognized methods, in particular financial mathematical methods. The calculated market price of a subscription right would then sink to almost nil, so that the shareholders do not suffer any notable economic disadvantage as a result of the exclusion of subscription rights. This ensures that there is no notable dilution of the value of shares as a result of the exclusion of subscription rights.

In addition, by buying shares on the stock market the shareholders can retain their stake in the company's share capital at any time, even after exercising conversion or option rights. In contrast, the authorization to exclude subscription rights permits the company to stipulate terms in line with the market, the highest level of possible security in terms of placement with third parties and to take advantage of favorable market situations at short notice.

Exclusion of subscription rights for participation rights or participation bonds with no option right or conversion right or obligation

If participation rights or participation bonds are to be issued without option or conversion rights or obligations, the Executive Board shall be authorized, with the approval of the Supervisory Board, to exclude in full the subscription rights of the shareholders, if these participation rights or participation bonds have the features of obligations, i.e. they do not substantiate membership rights in the company, do not

grant an interest in liquidation proceeds or do not calculate the amount of interest on the basis of the amount of the net income for the year, the net retained profit or the dividend. A further requirement is that the interest and the issue amount of the participation rights or participation bonds must be in line with current market conditions at the time of issue. If the cited conditions are fulfilled, then the shareholders do not suffer any disadvantage as a result of the exclusion of subscription rights, since the participation rights or participation bonds do not substantiate membership rights, or grant any stake of liquidation proceeds or the profit of the company.

Limiting the total volume of capital increases with no subscription rights

Under this authorization, bonds may only be issued in exchange for cash and in-kind considerations with the exclusion of subscription rights if the total of the new shares of the company to be issued on the basis of such bonds does not exceed in aggregate a calculated portion of 20 percent of the share capital, either at the time when such authorization takes effect or – in the event this amount is lower – at the time this authorization is utilized. The company's shares that were issued during the term of this authorization based on other capital measures with the exclusion of shareholders' subscription rights should be credited against this maximum level of 20 percent. This includes in particular shares issued or granted from authorized capital or in connection with a bond issued during the term of this authorization on the basis of the utilization of another authorization with the exclusion of the subscription right. Applying these credits limits a possible dilution of voting rights for the shareholders excluded from subscription rights.

The Contingent Capital II is required in order to be able to settle the conversion and/or option rights and conversion and/or option obligations or tender rights with respect to shares of the company in connection with bonds, unless other types of fulfillment are used to ensure delivery.

There are currently no concrete plans to utilize the authorization to issue convertible bonds and/or warrant bonds. The Executive Board will carefully review in each case whether the use of the authorization is in the interests of the company and its shareholders. It will only exclude the subscription rights of the shareholders if this is in the well-understood interest of the company.

The Executive Board will inform the Annual General Meeting about each use of this authorization at the subsequent Annual General Meeting.

9. Resolution on the approval of a Hive-Down and Transfer Agreement regarding the transfer of the operational activities of the Company in the business sectors Healthcare, Life Science and Performance Materials to subsidiaries, of a Hive-Down and Transfer Agreement regarding the transfer of the shares (*Geschäftsanteile*) of the three acquiring subsidiaries to intermediate holding companies and on three Business Lease Agreements

The operational activities of the Healthcare, Life Science, and Performance Materials business sectors operated within Merck KGaA, Darmstadt, Germany, and the associated assets and liabilities (hereinafter referred to as the **Operating Unit KGaA Healthcare**, the **Operating Unit KGaA Life Science**, and the **Operating Unit KGaA Performance Materials**) are to be hived-down by Merck KGaA Darmstadt, Germany to the three subsidiaries specified below, pursuant to the provisions of the German Reorganization Act [*Umwandlungsgesetz*] (the **Operational Hive-Down**):

- The Operating Unit KGaA Healthcare to Merck Healthcare Germany GmbH, Darmstadt, Germany, an affiliated company of Merck KGaA, Darmstadt, Germany, registered in the Commercial Register of the Darmstadt Local Court under HRB 96240 (hereinafter also referred to as **HC OpCo**);
- the Operating Unit KGaA Life Science to Merck Life Science Germany GmbH, Darmstadt, Germany, an affiliated company of Merck KGaA, Darmstadt, Germany, registered in the Commercial Register of the Darmstadt Local Court under HRB 93771 (hereinafter also referred to as **LS OpCo**);
- the Operating Unit KGaA Performance Materials to Merck Performance Materials Germany GmbH, Darmstadt, Germany, an affiliated company of Merck KGaA, Darmstadt, Germany, registered in the Commercial Register of the Darmstadt Local Court under HRB 93768 (hereinafter also referred to as **PM OpCo**).

Domination and and profit and loss transfer agreements have been entered into between Merck KGaA, Darmstadt, Germany as the controlling company and each of the subsidiaries indicated.

The shares of HC OpCo, LS OpCo and PM OpCo are to be transferred immediately after the Operational Hive-Down becoming effective, also as indicated in the provisions of the German Reorganization Act, to the three intermediate holding companies specified below (the **Holding Hive-Down**):

- The company shares of HC OpCo to Merck Healthcare Holding GmbH, Darmstadt, Germany, an affiliated company of Merck KGaA, Darmstadt, Germany, registered in the Commercial Register of the Darmstadt Local Court under HRB 97141 (hereinafter also referred to as **HC HoldCo**);
- the company shares of LS OpCo to Merck Life Science Holding GmbH, Darmstadt, Germany, an affiliated company of Merck KGaA, Darmstadt, Germany, registered

in the Commercial Register of the Darmstadt Local Court under HRB 97051 (hereinafter also referred to as **LS HoldCo**);

- the company shares of PM OpCo to Merck Performance Materials Holding GmbH, Darmstadt, Germany, an affiliated company of Merck KGaA, Darmstadt, Germany, registered in the Commercial Register of the Darmstadt Local Court under HRB 97192 (hereinafter also referred to as **PM HoldCo**).

The global Healthcare, Life Science, and Performance Materials Business Sectors of Merck KGaA, Darmstadt, Germany (hereinafter also referred to as **KGaA**) act on different markets with distinct business models and products. These circumstances lead to business processes that differ significantly from each other and consequently also result in varying requirements regarding the IT systems in which these business processes are captured, planned, and controlled (so-called **Enterprise Resource Planning Systems** or **ERP systems**). The Executive Board of KGaA decided already in 2015 to meet these divergent requirements by implementing three global, business sector-specific ERP systems. The transfer of the Operating Units to three separate entities supports the introduction of these global, business sector-specific ERP systems for the German business. At the same time, the business activities of the Operating Units thus far operated within KGaA can be integrated more efficiently into the management of the global business sectors. In addition, the Operational Hive-Down, in conjunction with the subsequent Holding Hive-Down, serves to align the structure of the German business, which is currently managed within KGaA as "operational parent company" (*Stammhauskonzern*), with the globally applicable structural principles of the Group. This strengthens the Group's ability to respond more quickly and with flexibility to available strategic development options and, in addition, the adaptability of the Business Sectors to changes in the market environment. By aligning the legal entity structure of KGaA, the Group's global innovation and growth strategy is therefore more consequently reflected also in German legal entity structures.

Since the technical requirements for introducing the (businesssector-specific) ERP systems do currently not exist at HC OpCo, LS OpCo and PM OpCo the introduction is planned for the period from early 2019 to 2020, depending on the business sector -, it is intended that the business activities hived down to HC OpCo, LS OpCo and PM OpCo are, until the respective ERP introduction, temporarily leased back to KGaA on the basis of business lease agreements entered into with the relevant OpCos. Until the introduction of the respective ERP system, KGaA will therefore continue to manage the hived-down businesses in its own name and on its own account. The business leases on which this lease-back is based require, as "other enterprise agreements" within the meaning of Section 292 AktG, the approval of the shareholders' meetings of HC OpCo, LS OpCo and PM OpCo, as they each enter into the "typical" obligation (*vertragstypische Leistung*) as lessees. An approval of the Annual General Meeting of KGaA is, in principle, not required. However, as the business lease agreements have a direct economic and legal connection with the Operational Hive-Down, also the

business lease agreements shall be submitted to the Annual General Meeting of KGaA for approval.

To implement the Operational Hive-Down, the Holding Hive-Down and the respective Business Leases, which shall be implemented only together and shall be proposed to the shareholders meeting for approval as a joint transaction, the KGaA concluded on March 2, 2018 in notarial form two Hive-Down and Transfer Agreements and three Business Lease Agreements with the counterparts mentioned above, respectively (Deed No. 92/2018 of the Notary Public Dr. Andreas von Werder in Frankfurt am Main). The agreement on the Operational Hive-down is set-out or explained in Section B, the agreement on the Holding Hive-down in Section C, and the business lease agreements in Section D of this invitation. The management of KGaA and the management of HC OpCo, LS OpCo and PM OpCo as well as HC HoldCo, LS HoldCo and PM HoldCo have outlined and explained the Operational Hive-Down, the Holding Hive-Down and the Business Lease under legal and economic aspects, in a consolidated and joint report. This report is also deemed a hive-down report as defined in Sections 123 (3) number 1, 125 and 127 UmwG on the Operational Hive-Down and the Holding Hive-Down as well as a report on the conclusion for each of the Business Lease Agreements according to Section 293a (1) AktG. In addition, the Business Lease Agreements were reviewed, as a precautionary measure, by Warth & Klein Grant Thornton AG, Düsseldorf, as court appointed auditor within the meaning of Section 293b AktG. The auditor has rendered a written report on the result of its review.

The joint report and the reports prepared by the court appointed auditor will be accessible on the company's website together with other documents to be published and can also be inspected at the Company from the calling of the Annual General Meeting. Upon request, each shareholder will receive a copy of the abovementioned documents without undue delay and free of charge. The relevant details are set-out in the section "Information and documents on the Annual General Meeting; website".

The Executive Board and the Supervisory Board propose that the following resolution is passed:

The Hive-Down and Transfer Agreement dated March 2, 2018 between the Company as transferring entity and (i) Merck Healthcare Germany GmbH, Darmstadt, Germany, (ii) Merck Life Science Germany GmbH, Darmstadt, Germany, and (iii) Merck Performance Materials Germany GmbH, Darmstadt, Germany, each of which is an affiliate of Merck KGaA, Darmstadt, Germany, (in the following each an OpCo) as acquiring entities (Operational Hive-down Agreement), the Hive-Down and Transfer Agreement dated March 2, 2018 between the Company as the transferring entity and (i) Merck Healthcare Holding GmbH, Darmstadt, Germany, (ii) Merck Life Science Holding GmbH, Darmstadt, Germany, and (iii) Merck Performance Materials Holding GmbH, Darmstadt, Germany, each an affiliated company of Merck KGaA, Darmstadt, Germany, as the acquiring entities (Holding Hive-down Agreement) and the three Business

Lease Agreements dated March 2, 2018 between each of the OpCos as lessors and the Company as lessee (all of the aforementioned agreements notarized in the Deed-No. 92/2018 of the notary Dr. Andreas von Werder in Frankfurt am Main) are hereby approved.

**Requirements for participating
in the Annual General Meeting
and exercising voting rights**

1. Registration and evidence of share ownership

In accordance with Article 22 (1) and (2) of the Articles of Association of the company, to be eligible to participate in the Annual General Meeting and to exercise voting rights, shareholders must have registered with the company by no later than **April 20, 2018, 24:00 CEST** under the following address and submitted evidence of share ownership related to the beginning of **April 6, 2018** (0:00 CEST, "record date") and issued by the custodial bank or financial institute to the following address:

**Merck KGaA
Darmstadt, Germany
c/o Deutsche Bank AG
Securities Production
General Meetings
Postbox 20 01 07
60605 Frankfurt am Main
Germany
or telefax: +49 69 12012-86045
or email: wp.hv@db-is.com**

Registration and evidence of share ownership must be in text form (Section 126b German Civil Code - BGB) in either German or English.

Following receipt of registration and evidence of share ownership, the admission ticket to the Annual General Meeting will be sent to the shareholder entitled to participate in the Annual General Meeting or his/her authorized representative. In order to ensure the timely receipt of the admission tickets, we kindly request shareholders to be sure to send their registration and evidence of share ownership to the company in a timely manner. In contrast to registration, however, the admission ticket not required for participation, instead serving merely to simplify the process at admission control for entry to the General Meeting.

2. Meaning of the record date

The record date is the date that determines the extent and exercise of participation and voting rights at the Annual General Meeting. In relation to the company, individuals who wish to participate in the Annual General Meeting or to exercise voting rights must be deemed to be shareholders by having submitted evidence of share ownership by the record date. Eligibility to participate or the extent of voting rights is determined exclusively by share ownership on the record date. Changes in share ownership after the record date have no significance here. The record date does not involve a suspension of the ability to sell the shares held. Also in the event of the complete or partial sale of the shares owned after the record date, share ownership on the record date is exclusively definitive for participation and exercising voting rights. This means that the sale of shares after the record date has no impact on eligibility to participate or to exercise voting rights. This applies accordingly to the acquisition of additional shares after the record date. Persons who do not yet own shares as of the record date, and only become shareholders thereafter, are only entitled to participate or to vote for the shares they hold insofar as they are authorized by the previous shareholder to represent them or to exercise their rights on their behalf. The record date is of no relevance to a possible dividend entitlement.

3. Voting by proxy

Shareholders who do not wish to attend the Annual General Meeting personally may also have their voting rights exercised by an authorized representative, e.g. by a bank or shareholder association, or by a proxy appointed by the company who is bound to vote in accordance with the shareholder's instructions or by another third party. Pursuant to the aforementioned provisions, timely registration and evidence of share ownership are also required in the case of voting right proxies.

The authorization, its revocation and evidence thereof vis-à-vis the company must be given in text form or electronically via a Web-based authorization system on the company's website (www.merckkgaa-darmstadt-germany.com/agm) if neither a credit institution, an institution or an undertaking or equal status within the meaning of Sections 135 (10) and 125 (5) AktG nor a shareholder association or person within the meaning of Section 135 (8) AktG is authorized to exercise the voting rights.

Shareholders wishing to authorize a proxy are kindly requested to use the form provided by the company. It is sent to persons who register correctly together with the admission ticket.

Shareholders can use the Web-supported proxy authorization system for proxy authorization. In order to use the Web-supported authorization system, it is necessary to enter the admission ticket number as well as a special code that can also be found on the admission ticket.

The Web-supported authorization system simultaneously serves as an electronic means of transmitting evidence to the company of having appointed a proxy. For

organizational reasons, the use of the Web-supported authorization system on the day of the Annual General Meeting (April 27, 2018) can only be offered until the end of the speech by the Chairman of the Executive Board.

The authorization, its revocation and evidence of having authorized a proxy can also be transmitted to the company prior to the Annual General Meeting by surface mail, by fax or by e-mail to the following address:

Merck KGaA
Darmstadt, Germany
c/o Computershare Operations Center
80249 Munich
Germany
or telefax: +49 89 30903-74675
or email: MRK-hv2018@computershare.de

Providing evidence to the company of having authorized a proxy can also proceed on the day of the Annual General Meeting if the proxy presents the evidence (e.g. the original or a copy of the authorization) at the registration desk.

When authorizing credit institutions or institutes or companies of equal status pursuant to Section 135 (10) in conjunction with Section 125 (5) AktG as well as shareholder's associations or persons of equal status pursuant to Section 135 (8) AktG to exercise voting rights, the authorization must be recorded by the proxy holder in a verifiable manner. The authorization must be completed in full and may only contain statements related to the exercise of voting rights. Shareholders wishing to authorize credit institutions or institutes or companies of equal status pursuant to Section 135 (10) in conjunction with Section 125 (5) AktG as well as shareholder's associations or persons of equal status pursuant to Section 135 (8) AktG should come to an agreement with this party about the form of the authorization.

In addition, we continue to offer our shareholders the possibility to exercise their voting rights through a proxy appointed by our company. For this purpose, these proxies must be given the required authorization and instructions on how the votes are to be cast. The proxies are obliged to vote in line with the instructions given to them; without instructions from the shareholder, the proxies appointed by the company are not authorized to exercise the shareholder's voting rights. In case of absence of express and clear instructions, the proxy representative specified by the company shall abstain from voting on the relevant voting item. They will not accept any instructions relating to requests to speak, asking questions or bringing forward motions or nominations, or the filing of objections against resolutions by the General Meeting.

Prior to the Annual General Meeting, authorizations and instructions to the proxies appointed by the company can be granted electronically via the form entitled "Authorizations and Instructions for proxy voting by representatives appointed by the

company", which can be found on the admission ticket which is sent to shareholders after registration. Authorizations and instructions to the proxies appointed by the company that are submitted to the company by surface post, by fax or by e-mail must be received by the company no later than April 26, 2018 (15:00 CEST) at the following address:

Merck KGaA
Darmstadt, Germany
c/o Computershare Operations Center
80249 Munich
Germany
or telefax: +49 89 30903-74675
or email: MRK-hv2018@computershare.de

The same applies if shareholders wish to revoke the authorization granted to the proxy appointed by the company via the aforementioned procedure. Authorizations and instructions may also be granted, amended or revoked via the Web-based authorization system even during the Annual General Meeting (April 27, 2018) until the Chairman of the Executive Board has completed his speech.

Also in the event of the shareholder being represented by a third party or by the proxy appointed by the company, it is necessary to register and to submit evidence of share ownership before the specified deadlines as described in the foregoing.

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

Shareholders will receive further details on participating in the Annual General Meeting as well as on granting authorization and issuing voting instructions together with the admission ticket or by visiting the website of the company (www.merckkgaa-darmstadt-germany.com/agm).

**Disclosure of rights of shareholders in accordance with
Section 278 (3) in conjunction with Sections 122 (2), 126 (1),
127, 131 (1) AktG**

**1. Motions to add agenda items pursuant to Sections 278 (3) and
122 (2) AktG**

Pursuant to Sections 278 (3) and 122 (2) AktG, shareholders whose shares amount in aggregate to not less than a twentieth of the share capital or represent an amount of the share capital corresponding to €500,000.00, may demand that items are put on the agenda and published. Each new item shall be accompanied by an explanation or a draft proposal. Such requests are to be made in writing and must be received by the company at least 30 days before the General Meeting, i.e., at the latest by the end of March 27, 2018 (24:00 CEST) at the following address:

Merck KGaA
Darmstadt, Germany
- HV-Büro -
Frankfurter Strasse 250
64293 Darmstadt
Germany

Those submitting such requests must document that they have been the owners of the shares for the duration of at least 90 days prior to the day of the receipt of the request and hold the shares until such time as a decision of the Executive Board is rendered regarding their request (Section 278 (3), Section 122 (2), Section 122 (1) sentence 3 AktG and Section 70 AktG).

The announcement and provision of requests for supplements is carried out in the same way as convening notices.

2. Motions and nominations by shareholders pursuant to Sections 278 (3), 126 (1) and 127 AktG

Shareholders of the company may submit countermotions against proposals of the Executive Board and the Supervisory Board with respect to specific Agenda Items as well as nominations for the election of the auditor. If countermotions are meant to be made accessible, they must include an explanatory statement; nominations do not require an explanatory statement.

Any countermotions and nominations received by the company at the following address no later than 14 days before the day of the General Meeting, i.e. by April 12, 2018, 24:00 (CEST), will be published immediately after receipt on the internet at (www.merckkgaa-darmstadt-germany.com/agm) including the name of the shareholder and – in case of motions – including the explanatory statement under the further conditions of Sections 278 (3), 126 and 127 AktG. Possible statements by the administration will also be published at the same internet address.

Countermotions to the Agenda and nominations are to be directed exclusively to the following address of the company:

Merck KGaA
Darmstadt, Germany
- HV-Büro -
Frankfurter Strasse 250
64293 Darmstadt
Germany
or telefax: +49 6151 72-9877
or email: hauptversammlung@merckkgaa-darmstadt-germany.com

Any countermotions sent to any other addresses cannot be considered.

3. Shareholders' right to information in accordance with Section 131 (1) AktG

Upon request, every shareholder will be provided with information by the Executive Board at the Annual General Meeting regarding the company's affairs, to the extent that such information is necessary to permit a proper evaluation of an agenda item. The duty to provide information also extends to the company's legal and business relations with any affiliate as well as to the situation of the Group and the entities included in the consolidated financial statements.

4. Further details on the rights of shareholders

Further details on the rights of shareholders pursuant to Section 278 (3) AktG in conjunction with Sections 122 (2), 126 (2), 126 (1), 127, and 131 (1) AktG can be found on the website of the company (www.merckkgaa-darmstadt-germany.com/agm).

Information and Documents for the Annual General Meeting; company website

The information pursuant to Section 124a AktG and further information relating to the Annual General Meeting is available on the following website of the company once the Annual General Meeting has been convened:

www.merckkgaa-darmstadt-germany.com/agm

In particular, the documents mentioned or referred to in agenda items 1, 8 and 9 are available there.

These documents can also be inspected at the business offices of

**Merck KGaA
Darmstadt, Germany
Visitor Reception
Frankfurter Strasse 131
64293 Darmstadt
Germany**

Upon request, each shareholder will receive a copy of the abovementioned documents without undue delay and free of charge. The request is to be sent to the address referred to above in number 2 (Motions by shareholders pursuant to Section 126 (1) AktG).]

The documents that are required to be made available will also be accessible and available for inspection during the Annual General Meeting.

Any requests from shareholders for items to be included on the agenda, countermotions and nominations of candidates for election that require publication will also be made available on the aforementioned website.

**Total number of shares and voting rights
when the General Meeting is convened**

As of the date on which the General Meeting is convened, the subscribed capital of the company amounts to € 168,014,927.60 (in words: one hundred and sixty-eight million, fourteen thousand nine hundred twenty-seven euros and sixty cents), divided into 129,242,251 no par value bearer shares plus one registered share. Each of the total number of 129,242,252 shares grants the holder one vote, which means that as of the date on which the General Meeting is convened, 129,242,252 voting rights exist.

**Broadcasting of the Annual General Meeting
on the Web**

As authorized by the Chairman of the Meeting, all shareholders as well as interested members of the public can follow the Annual General Meeting live on the website of the company (www.merckkgaa-darmstadt-germany.com/agm) on April 27, 2018 from 10:00 a.m. CEST until the Chairman of the Executive Board completes his speech. The speech by the Chairman of the Executive Board as well as the voting results will likewise be published on the aforementioned website after the Annual General Meeting.

Darmstadt, Germany, March 2018

Merck Kommanditgesellschaft auf Aktien

The Executive Board

Notice: In the regular version of the invitation to the Annual General Meeting follow Sections B. to D. with the content of the voluminous wording of the contracts relating to agenda item 9 and a summary of the respective annexes, which are not contained in this short version.