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Vivoryon Therapeutics AG Launches Rights Offering to Fund its Phase 2b Clinical Development Program in Alzheimer’s Disease with Strong Commitments

HALLE (SAALE), Germany, 08 October 2019 – Vivoryon Therapeutics AG (Euronext Amsterdam: VVY, ISIN: DE0007921835, “Vivoryon” or the “Company”) today announced the launch of a public rights offering (the “Rights Offering”) of 36,904,128 new ordinary bearer shares with no-par value, each with a notional value of EUR 1.00 and full dividend rights from 1 January 2019 (the “Offer Shares”), with subscription rights and oversubscription rights for existing shareholders at a subscription price of EUR 5.61 per Offer Share (the “Subscription Price”), from a capital increase from EUR 12,301,376.00 by up to EUR 36,904,128.00 to up to EUR 49,205,504.00 as resolved by the shareholder meeting on May 29 2019. Details of the Rights Offering are contained in a prospectus and below in Offering Highlights.

The existing shareholders, Mr. Christiansen, Den Danske Forskningsfond and T&W Holding A/S have provided commitments to subscribe to Offer Shares in an aggregate amount of EUR 10m with an additional back-stop of up to EUR 5 million. MorphoSys AG has provided commitments to purchase Offer Shares in an investment amount of approximately EUR 15 million. In addition, certain board and management team members indicated to participate in the Offering. The total of EUR 30 million from pre-commitments cover the minimum gross proceeds of EUR 30 million the Company is aiming for with this Offering. This amount will be used and is expected to be sufficient to fully finance the European Phase 2b clinical study with the Company’s lead product PQ912 for Alzheimer’s Disease, in particular for manufacturing the molecule PQ912 and testing it in approximately 250 patients, and bringing it through to Phase 2b results in 2022. If the gross proceeds exceed EUR 30 million, the additional funds will be used to prepare and initiate the US Phase 2b clinical trial with PQ912. In case the Company can raise EUR 70 million from the Offering, the Company expects that it will also be able to fully fund the US clinical trial up until results expected in H1 2024. Remaining funds, if any, will be used to finance the exploitation of the therapeutic potential of Vivoryon’s QPCT and QPCTL inhibitors in other indications and for general corporate purposes.

“The Vivoryon team has been intensely focused on all preparations to move into the next stage of clinical development, and this capital raise will enable us to better define the novel impact our lead product, PQ912, could have in patients with Alzheimer’s disease and pave the way towards regulatory approval”, commented Dr. Ulrich Dauer, CEO of Vivoryon Therapeutics. “Based on the financial commitments already in place, we look forward to sharing more details about the clinical development plan with current and future investors and appreciate their support in this Offering.”

Offering Highlights

- Rights Offering to the shareholders of Vivoryon for subscription of 36,904,128 Offer Shares. Offer Shares from unexercised rights (the “Rump Shares”), if any, will be offered to European institutional investors (the “Rump Placement” and together with the Rights Offering, the “Offering”).
- The Subscription Price is EUR 5.61 per Offer Share, representing a discount of 5%, based on the 5 day volume weighted average price of the Company’s shares on Euronext Amsterdam on 7 October 2019.
- The Offer Shares are to be offered to the shareholders of the Company at a subscription ratio of 1:3 (the “Subscription Ratio”). Thus, each existing share of the Company grants a subscription right (the “Subscription Right”) to the subscription of three Offer Shares at the Subscription Price.
- Rump Shares will be offered for sale to eligible or qualified investors in all jurisdictions where such is possible without registration or filing, by way of an international private placement in accordance with Regulation S in the Rump Placement.
- For further information on the Offering, please consult the prospectus on the Company’s website, <https://www.vivoryon.com/investors-news/>.
- NIBC Bank N.V. and ODDO BHF Aktiengesellschaft are acting as Joint Global Coordinators and Joint Bookrunners for the Offering.
- ODDO BHF Aktiengesellschaft is acting as subscription agent.

Timetable

Below is an indicative timetable providing information with respect to the Offering. The timetable is subject to change, and dates and times may be extended, amended or terminated as described in the prospectus.

Date	Event
October 9, 2019	Publication of the subscription offer in relation to the Rights Offering in the Federal Gazette (<i>Bundesanzeiger</i>)
October 10, 2019	Start of the Subscription Period at 00:00 CEST
October 23, 2019	End of Subscription Period at 23:59 CEST; Commencement of Rump Placement
October 24, 2019	Allocation of the Rump Shares: publication of the results of the Offering
October 25, 2019	Registration of the implementation of the capital increase
October 29, 2019	Book-entry delivery of the Offer Shares; admission to and commencement of trading of the Offer Shares on the regulated market operated by Euronext Amsterdam N.V.

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For more information, please contact:

Vivoryon Therapeutics AG

Dr. Ulrich Dauer, CEO

Email: contact@vivoryon.com

Trophic Communications

Gretchen Schweitzer / Joanne Tudorica

Tel: +49 172 861 8540 / +49 176 2103 7191

Email: schweitzer@trophic.eu / tudorica@trophic.eu

MC Services AG

Anne Hennecke / Susanne Kutter

Tel: +49 (0) 211 529 252 27

Email: vivoryon@mc-services.eu

About Vivoryon Therapeutics AG

With 20+ years of unmatched understanding in identifying post-translational modifying enzymes that play critical roles in disease initiation and progression, Vivoryon's scientific expertise has facilitated the creation of a discovery and development engine for small molecule therapeutics. This platform has demonstrated success by developing a novel therapeutic in type 2 diabetes. In its current programs Vivoryon Therapeutics is advancing its lead product, PQ912, in Alzheimer's disease and its entire portfolio of QPCT and QPCTL inhibitors in oncology and other indications. (www.vivoryon.com)

Important Notice

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The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Any potential offer will be made exclusively through and on the basis of a published prospectus.

The prospectus for the Rights Offering will be made available on the Company's website (<https://www.vivoryon.com/investors-news/>) following approval of the prospectus by the German Federal Financial Supervisory Authority ("BaFin"). Copies of the prospectus will be available free of charge during normal business hours at the following address: Vivoryon Therapeutics AG, Weinbergweg 22, 06120 Halle (Saale). The approval of the prospectus by BaFin should not be



understood as an endorsement of the securities. It is recommended that potential investors read the prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the securities.

As far as this document contains forward-looking statements, these statements do not constitute facts and may be identified by words such as “will”, “expect”, “believe”, “estimate”, “intend”, “aim”, “assume” or similar expressions. Such statements express the intentions, opinions or current expectations and assumptions of the Company and persons acting in conjunction with the Company. Any forward-looking statements contained in this document are based on current plans, estimates and projections which the Company and persons acting in conjunction with the Company have made to the best of their knowledge, but which do not claim to be correct in the future. Forward-looking statements are subject to risks and uncertainties that are difficult to predict and usually cannot be influenced by the Company or persons acting in conjunction with the Company. It should be kept in mind that the actual events or consequences may differ materially from those contained in or expressed by such forward-looking statements.

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