CONVERSION REPORT

CONCERNING THE CONVERSION OF VIVORYON THERAPEUTICS AG INTO A PUBLIC COMPANY UNDER THE LAWS OF THE NETHERLANDS WITH THE NAME VIVORYON THERAPEUTICS N.V.

Preamble

It is envisaged to transfer the statutory seat of Vivoryon Therapeutics AG (hereinafter "**Vivoryon**" or "**Company**") from Halle (Saale), Germany, to Amsterdam, the Netherlands, concurrently changing the legal form and thus converting the Company into a public company under Dutch law ("*naamloze vennootschap"*; abbreviated "**N.V.**"). The headquarters of administration and business activities remain in Munich and Halle (Saale), Germany.

The conversion takes place while maintaining the identity of the legal entity, *i.e.* the conversion does not result in the dissolution of Vivoryon or the creation of a new legal entity. The participation of Vivoryon's shareholders therefore continues. The conversion requires a complete revision of the articles of association in accordance with the provisions of Dutch law.

In order for the effective transfer of the registered office, the conversion and the new version of the articles of association, Vivoryon's general meeting of shareholders must give its approval. Vivoryon's management board and supervisory board have resolved to submit the transfer of the registered office, the conversion and the associated amendment of the articles of association of the N.V. to the annual general meeting of shareholders of Vivoryon's shareholders on September 30, 2020 for resolution.

The management board has prepared this report in accordance with sec. 192 German Transformation Act (*Umwandlungsgesetz*, hereinafter "**UmwG**"). The report explains and justifies the legal and economic aspects of the conversion as well as the effects, which the transition from the German legal form of a public company to the legal form of a N.V. will have for the shareholders and employees.

With regard to the business activities of Vivoryon, the report is limited to a summary presentation, as these remain unaffected by the conversion due to the identity of the legal entity.

On this basis, the management board and the supervisory board present the following

Conversion Report:

1. Current Status of the Company

1.1 Legal Status, Registered Office, Head Office, Holdings and Financial Year

Vivoryon is a public company (*Aktiengesellschaft*, hereinafter "**AG**") incorporated under the laws of the Federal Republic of Germany, with official seat in Halle (Saale) and entered in the commercial register of the Stendal Local Court with the number HRB 213719. The share capital of EUR 19,975,482.00 is divided in 19,975,482 no-par value common bearer shares.

The administrative seat of the Company is in Munich and another branch establishment is located in Halle (Saale). Vivoryon holds a subsidiary, namely Vivoryon Pharmaceuticals Inc. in the USA as sole shareholder, which is currently not operative active.

The financial year corresponds to the calendar year.

1.2 Purpose of the Undertaking

The purpose of the undertaking is the research and development, the preclinical and clinical testing as well as the approval and the marketing of pharmaceuticals.

The Company is entitled to all actions and measures suggesting itself as expedient for the achievement of the purpose of the Company, directly or indirectly. The Company may establish, acquire or participate in other undertakings of an identical or similar nature, assume their management and combine them under a general management, as a whole or in part. In addition, their operation may be assigned wholly or in part to affiliated undertakings in which the Company holds interests, directly or indirectly. Branch establishments may be set up within the country and abroad. The Company may confine itself to the administration of the affiliated undertakings.

1.3 Business

The Company is a biopharmaceutical company that focuses on the research and development and the potential future commercialization of new therapeutic products for age-related diseases. The current drug development programs are focusing on novel and first-in-class therapeutics for the treatment of Alzheimer's disease (hereinafter "**AD**") and cancer indications. The Company's operations focus on the planning and management of research and development programs, whereas operational work is mainly outsourced to respective professional contract research organizations (hereinafter "**CROs**") or academic collaboration partners on a fee for service base. The Company strives to generate future

revenues from licensing its product candidates to biopharmaceutical companies or by commercializing products upon regulatory market approval by the respective Competent Authorities.

Scientific insight into AD has identified a major hallmark of its biology, Abeta peptides. These peptides were identified as being the main constituent of senile plaques, which were originally regarded as the toxic component that destroys brain cells. The prevailing scientific view today is that not the plaques but certain soluble forms of Abeta aggregates, which are called “Abeta oligomers”, cause the early pathological changes in AD. It has been shown that the formation of these toxic soluble Abeta oligomers is triggered by a specific form of Abeta, namely pyroglutamate-Abeta (hereinafter “**pGlu-Abeta**”). The Company’s scientists discovered in 2004 that Abeta peptides need a specific enzyme to be transformed into pGlu-Abeta, which is called Glutaminyl Cyclase (hereinafter “**QPCT**”). Based on the discovery of this key enzymatic function leading to pGlu-Abeta, the Company develops product candidates to specifically target this toxic pGlu-Abeta via two modes of action, i.e. by (i) inhibiting the production of pGlu-Abeta; and (ii) clearing existing pGlu-Abeta from the brain, which the Company believes is complementary. The Company's current development pipeline consists of the following product candidates:

- PQ912 is the lead product candidate of the Company, a specific inhibitor of QPCT, which has shown therapeutic benefit in Alzheimer animal models. PQ912 was shown to be safe and well tolerated and revealed a high level of QPCT-inhibition in a Phase 1 study with 200 healthy young and elderly volunteers. In a first in patient Phase 2a study which started in March 2015 and reported results in June 2017, PQ912 showed clinically meaningful efficacy signals on biomarkers, EEG measurements and cognitive assessments. In July 2020, VIVIAD initiated a randomized, multicenter phase 2b clinical trial in Europe to evaluate the safety and efficacy of PQ912 in the treatment of Alzheimer's disease.

- Small molecule inhibitors of QPCT and the Glutaminyl-peptide cyclotransferase-like (hereinafter “**QPCTL**”) enzyme including PQ1565 and PQ529 which have been preclinically characterized and are suited as follow up candidates for PQ912 in AD treatment as well as drug candidates in immune oncology and other indications, where QPCT and QPCTL inhibitors have disease modulating potential.

- For its preclinical stage antibody program PBD-C06, which specifically binds up to pGlu-Abeta with the goal of deactivating this toxic form of Abeta, the Company is considering its strategic options.

In April 2020, the Company acquired patents for meprin protease inhibitor and a test platform from the Fraunhofer-Insitut for Cell Therapy and Immunology (*Fraunhofer Institut für Zelltherapie und Immunologie,* "**IZI**"). Together with the IZI, Vivoryon will develop small molecule meprin inhibitors. The metal-dependent proteases Meprin Alpha and Meprin Beta are new therapeutic targets for the protection of the kidneys, as well as for fibrotic diseases, cancer and Alzheimer's disease. Increased expression of meprin and its incorrect localization has been associated with tissue damages and collagen deposition in fibrosis, which can lead to loss of organ function. Protease inhibitors targeting Meprin may therefore not only be targeted to treat the symptoms, but may also be causally involved in a number of diseases, including acute and chronic kidney disease and multiple organ fibrosis.

Vivoryon has an extensive patent portfolio which it believes sufficiently protects its product candidates and the QPCT target by composition of matter and medical use claims in AD, but also in inflammatory diseases and other neurological indications. The continuously expanding patent portfolio currently consisted of 40 patent families, which comprise approximately 565 issued national patents and about 100 pending national patent applications worldwide.

In 2012, the Company commenced the expansion from a research company to a research and product development company, thereby focusing on its advanced product candidates using skillsets needed for preclinical and clinical development and reducing internal resources for research. As of today, regarding its research and development activities in the field of AD, the Company has not entered into any partnering or licensing arrangements in respect of any of its product candidates.

Vivoryon's development program of cancer drugs is focusing on modulating immune checkpoints. Checkpoint inhibitor therapy is a novel kind of cancer immunotherapy. This therapy targets key regulators of the immune system that stimulate or inhibit its actions, which tumors commonly use to protect themselves from attacks by the immune system.

Research published in 2019 (Logtenberg *et al.*, Nature Medicine 2019, p. 612) and internal research have shown that QPCTL is a powerful therapeutic target to silence the "*do not eat me*" signal provided by the interaction of CD47 expressed on cancer cells, with the protein SIRPα expressed on macrophages and other myeloid cells. Tumor immunotherapy targeting the CD47/SIRPα axis is a current focus in cancer drug development. Combining a therapeutic anti-cancer antibody of choice with the inhibition of the CD47/SIRPα interaction is expected to lead to significant therapeutic improvements.

Vivoryon has received approval from the World Health Organization (WHO) for an *International Nonproprietary Name* (INN) for PQ912. In future, reference will be made to the non-proprietary and generic name of the compound - varoglutamstat.

Vivoryon's lead candidate varoglutamstat (PQ912) entered a randomized, multicenter clinical phase 2b trial (VIVIAD) in the second half of 2020. In January 2020, the Company already entered into a research and development collaboration with Nordic Bioscience, which acts as CRO for VIVIAD. The aim of this study is to investigate the safety and efficacy of varoglutamstat (PQ912) in the treatment of Alzheimer's disease. VIVIAD will enroll approximately 250 patients with mild cognitive impairment and early-stage Alzheimer's disease. To identify which patients can benefit most from treatment with varoglutamstat (PQ912), Vivoryon uses Nordic Bioscience's expertise in developing blood-based biomarkers. The first patient was enrolled in July 2020. The study will be conducted by internationally renowned experts at 10 clinical sites in Denmark, Germany and the Netherlands. The primary endpoints of the study are to evaluate the safety, tolerability and efficacy of varoglutamstat (PQ912) compared to placebo over a period of 48 to 96 weeks.

Throughout the study, a composite NTB score (Neuropsychological Test Battery) is established to evaluate cognitive effectiveness. In addition, there will be a series of exploratory evaluations, including cognitive tests, functional electroencephalograms (EEG), magnetic resonance imaging (MRI), and the analysis of novel molecular biomarkers from cerebrospinal fluid (CSF) to investigate the effect of the compound on disease pathology. Secondary endpoints are the long-term safety and tolerability of varoglutamstat (PQ912) and its efficacy on brain activity, perception and daily activities. First results from the VIVIAD study are expected in 2023.

With the approval as *Investigational New Drug* (IND) by the *US Food and Drug Administration* (FDA) in August 2020 for varoglutamstat (PQ912), Vivoryon can start its US phase 2 study programme for varoglutamstat (PQ912) in Alzheimer's disease as planned. All preparations at Vivoryon and its cooperation partner ADCS (*Alzheimer Disease Corporate Study Group*) at the *University of California* are in line with the project plan, which aims a study, start in mid-2021 and a final evaluation in 2023. The trial design will allow a seamless progression into Phase 2b. The Phase 2a clinical trial will include 180 patients with mild Alzheimer's disease who will receive either varoglutamstat (PQ912) or placebo orally over a period of six months. The data from this trial will complement the data from the already active Phase 2b EU study VIVIAD.

1.4 Shareholders

The following table shows the percentage of total share capital held by shareholders who hold more than 3% of the Company's share capital as of August 19, 2020 (date of receipt of the last notification of voting rights). This information on the percentage of total share capital held, in particular regarding aggregate shareholdings, is based on voting rights notifications by the respective shareholder to the Company.

MorphoSys AG	9.9%
Claus H. Christiansen	9.5%
Den Danske Forskningsfond	9.5%
T&W Holding A/S	9.5%
Lupus alpha Investment	6.9%
Mackenzie Investments Europe Limited	5.2%
IBG Risikokapitalfonds I+II GmbH & Co. KG	4.5%
LSP Management Group B.V.	3.2%
Free Float	**41.8%**

1.5 Constitution of the Company

(a) Overview

The corporate bodies of Vivoryon are the management board, the supervisory board and the general meeting of shareholders. The competences of these bodies are governed by the German Stock Corporation Act (*Aktiengesetz*, hereinafter "**AktG**"), and Vivoryon's articles of association, as well as by the rules of procedure for the management board and the supervisory board.

In accordance with the statutory provisions of the German AktG, Vivoryon has a two-tier board structure with the management board as the executive body and the supervisory board as the supervisory body. Vivoryon's management board and supervisory board work independently of one another. Moreover, a person cannot be a member of both bodies at the same time. Pursuant to the articles of

association, Vivoryon is represented by two management board members or a management board member collectively with an authorized signatory (*Prokurist*).

(b) Management Board

The management board manages Vivoryon in its own responsibility and represents the Company in and out of court.

In accordance with sec. 6 of the articles of association, the management board consists of one or more persons. The members of the management board are appointed by the supervisory board, which also determines the number of management board members.

Vivoryon is represented in accordance with sec. 7 of the articles of association by two members of the management board or by a member of the management board together with an authorized signatory (*Prokurist*); if there is only one member of the management board, this member represents Vivoryon alone. The supervisory board may grant the authorization of sole representation to specific management board members and may withdraw it again.

Members of the Vivoryon management board are currently:

- Dr. Ulrich Dauer (CEO)
- Dr. Michael Schaeffer (CBO)

The members of the management board can be contacted at the business address of Vivoryon, Weinbergweg 22, 06120 Halle (Saale), Germany.

(c) Supervisory Board

The supervisory board appoints the members of the management board and advises and monitors the management board in the management of the Company.

In accordance with sec. 8 para. 1 of the articles of association, the supervisory board of Vivoryon consists of four members who are all elected as shareholder representatives by the shareholders.

The current members of Vivoryon’s supervisory board are:

- Dr. Erich Platzer (Chairman)
- Dr. Dinnies Johannes von der Osten (Vice Chairman)
- Charlotte Lohmann
- Dr. Jörg Neermann

Pursuant to sec. 11 para. 1 of the articles of association the supervisory board may form committees. According to the rules of procedure of the supervisory board (sec. 8.1), the supervisory board shall have an audit committee. Additional committees can be formed as required.

Currently, the supervisory board has only established an audit committee. The audit committee deals in particular with the preparation of supervisory board resolutions on the approval of certain transactions requiring the approval of the supervisory board, risk management issues, in particular the supervision of accounting processes and the effectiveness of its internal controls and auditing, and the preparation of the supervisory board resolution on the approval of the annual financial statements.

The current members of the audit committee are Charlotte Lohmann, Dr. Jörg Neermann and Dr. Dinnies Johannes von der Osten as chairperson of the audit committee.

The members of the supervisory board can be contacted at the business address of Vivoryon, Weinbergweg 22, 06120 Halle (Saale), Germany.

(d) General Meeting of Shareholders

The shareholders of Vivoryon make their decisions at the general meeting of shareholders, which takes place at least once a year within the first eight months. Each no-par share grants one vote at the general meeting of shareholders.

Only those matters assigned by law to the general meeting of shareholders are subject to its resolution. These include, in particular, the use of the net profit, the formal approval of the actions of the management board and the supervisory board, the election of the members of the supervisory board, the election of the auditor as well as amendments to the articles of association and capital measures.

1.6 Corporate Governance

As a listed company under German law, Vivoryon is subject to the German Corporate Governance Code (*Deutsche Corporate Governance Kodex*, hereinafter "**DCGK**"). Pursuant to sec. 161 AktG Vivoryon is required to issue an annual declaration in which it discloses which recommendations of the DCGK it follows and to what extent it deviates from recommendations and for which reasons (declaration of compliance).

The management board and the supervisory board of Vivoryon most recently declared in their declaration of compliance dated December 20, 2019 that the recommendations of the DCGK were and are being complied with except for certain items, which are described in more detail and explained in the declaration of compliance. The current and previous versions of the declaration of compliance are available on Vivoryon's website under https://www.vivoryon.com/investors-news/corporate-governance/.

1.7 Employees and Co-determination

Currently the Company employs 18 experienced employees, mostly based on long-standing relationships.

In addition to the employees, the Company relies on highly experienced and specialized advisors and consultants involved on a regular basis or on a case by case basis.

The Company intends to retain its key advisors on the basis of a long term relationship and to develop its network of consultants and advisors according to the need and development stage of its programs.

Vivoryon Pharmaceuticals Inc. in the U.S.A. is not active operationally and does not have any employees.

Vivoryon has no works council and is not bound by collective agreements. There are no co-determination rights under the German Co-Determination Act (*Mitbestimmungsgesetz*, hereinafter "**MitbestG**") or the German One-Third Employee Participation Act (*Gesetz über die Drittelbeteiligung der Arbeitnehmer im Aufsichtsrat*, hereinafter "**DrittbG**").

1.8 Stock Exchange Listing

Since 2014, Vivoryon shares are admitted to trading on the regulated market of EURONEXT in Amsterdam (ISIN: DE0007921835). They are also included into trading in

the open market of various stock exchanges and can be traded via the XETRA electronic trading platform of Deutsche Börse.

2. Reasons for the Change of the Legal Form

2.1 Disadvantages of a Public Company under German law

In the view of the management board and the supervisory board, there are certain disadvantages for Vivoryon in connection with the legal form of a public company under German law both for the Company and for its shareholders. A major disadvantage as compared to international standards in relation to competitors of the Company is the subscription right applicable to public companies under German law, which is of a very inflexible nature delaying corporate actions to a considerable extent or even preventing it.

The mandatory subscription period of at least two weeks, but in particular the obligation to publish a prospectus for subscription offers (except for certain exemptions) represent a decisive disadvantage both in terms of the time component and in terms of transaction costs.

Appropriate provision of equity capital continues to constitute the economic basis for Vivoryon's business development and thus has a considerable influence on its future prospects and the implementation of its business strategy. Decisions regarding the fulfilment of capital requirements and/or the exercising of a strategic option and/or the exploitation of favorable market conditions are generally made at short notice, so that it is of crucial importance that the Company is able to act immediately. For this purpose, the Company must be able to exclude the subscription rights. However, according to the provisions of the AktG and the relevant jurisdiction, such an exclusion can only be implemented if high requirements are met. This applies in particular to the justification of the exclusion of subscription rights and to the pricing of the shares to be issued.

Finally, there are limits on the scope of capital measures. In order to be able to react flexibly in terms of time, the Company compulsorily depends on the instrument of authorized capital, which is, however, limited to 50% of the existing share capital under German law.

2.2 Advantages of a Company under the Laws of the Netherlands

To start with, in the view of the managing board and the supervisory board, the corporate structure of an N.V. is considered as more attractive by international investors, as they are better acquainted with these corporate structures in their legal systems compared to the

specific features of a German public company. Many competitors – also in the German market – are already organized in the legal form of an N.V., while the legal form of an AG is perceived as competitive disadvantage due to its reduced flexibility, particularly when it comes to further capital raising via the capital markets. A substantial advantage of the Dutch legal system is that the subscription right is structured more flexibly than in case of German stock corporations law. Upon issuing of shares (or options to subscribe for shares) in a Dutch N.V., each shareholder in principle has a subscription or pre-emptive right (*voorkeursrecht*) in proportion to the aggregate nominal value of his shares. However, prior to each single issuance of shares, the pre-emptive right may be limited or excluded by the general meeting of shareholders or – if it has been designated as the competent corporate body – the board of directors. A resolution of the general meeting of shareholders to limit or exclude the pre-emptive right or to designate the board of directors as the competent body to limit or exclude such pre-emptive right can only be adopted by a majority of at least two-thirds of the votes cast if less than one-half of the Company's issued capital is represented at the relevant meeting. For further details see below section 7.

For this reason, the competitors of Vivoryon not organized under the legal form of a German AG can act quicker and with a clearly lower legal complexity. This ability provides them with an advantage also over Vivoryon, as international institutional investors generally prefer transactions with a low legal complexity with the consequence that, according to the Company, they are able to attract international institutional investors more easily.

In the medium-term, the legal form of an N.V. would also facilitate a listing in the U.S., either in form of American Depository Receipts (or ADR) or by direct admission of the shares of the N.V. for trading at a U.S. stock exchange. Examples for this are *inter alia* the IPOs of InflaRx N.V. and Centogene N.V., and most currently CureVac N.V. These German biotechnology companies have chosen the legal form of the Dutch N.V. for their listing at the technology stock exchange Nasdaq in New York.

Also from the shareholders' perspective, the conversion of the Company into an N.V. would generate advantages, as due to the listing at EURONEXT Amsterdam and the official seat in Germany, Dutch as well as German law is applicable to certain circumstances under capital market and securities law aspects. This leads to legal uncertainty and a corresponding need for coordination with the two competent regulatory authorities BaFin and the *Autoriteit Financiële Markten* ("**AFM**"), and thus an additional complexity for shareholders and the Company, which is due to the fact that in part identical or similarly designed regulations under German law on the one hand and under Dutch law on the other hand are applicable, while other areas are subject exclusively to either German law or Dutch law. The main reason for this is the differing national implementation of the

harmonization requirements under EU law concerning the regulation areas as applicable from time to time. Due to the conversion and the transfer of the statutory seat of Vivoryon from Halle (Saale), Germany, to Amsterdam, Netherlands, Vivoryon is to become subject to the legal system of the Netherlands on a uniform basis.

The administrative seat and the entire business operation, in particular the research of Vivoryon, shall remain in Germany.

2.3 Alternatives to a cross-border form-changing Transformation

The management board and supervisory board have examined various alternatives to enable the Company to change its legal form into a Dutch N.V.

(a) Conversion into an SE (*societas europaea*)

Apart from further difficulties in implementing the conversion into an SE, the implementation of a Dutch corporate governance structure as an SE would have required that the Company's business activities would also be conducted from the Netherlands. This is not desired by the management board and supervisory board and could have had negative tax consequences for the Company.

(b) Takeover offer to the Shareholders of the Company by an existing N.V.

In this scenario, a separate company in the legal form of a Dutch N.V. established solely for this purpose would have made a voluntary takeover offer to the Company's shareholders. As consideration for the acquisition of the Company's shares, this special purpose entity in the form of a N.V. would have issued shares to the shareholders accepting the offer, who would thus have become shareholders of the N.V. The Company would remain a subsidiary of the N.V. This option was not taken into account, since an offer document and a security prospectus would have had to be prepared for the implementation of this structure. Furthermore, it cannot be guaranteed that all shareholders accept the offer, so that shareholders would remain in the German public company for the time being in any case. This would require to maintain the stock exchange listing for the Company and as well for the Dutch N.V., which would have led to increased costs.

(c) Merger with an existing N.V. under Dutch law

Finally, the management board and supervisory board examined the merger of the Company into an existing N.V. under Dutch law. However, this would have required, in addition to the necessary documentation for the merger, a complete listing procedure of the Dutch N.V. as the acquiring legal entity. Therefore, this option was not pursued further.

2.4 Estimated Costs of the Conversion

According to the current estimate of Vivoryon's management board, the total costs of the conversion will amount to approximately EUR 400,000.00 (net). This estimate includes in particular the costs for preparatory measures, the costs of the valuation report commissioned and the examination of the compensation offer by the court-appointed auditor pursuant to sec. 30 para. 2 UmwG, the costs of the notarization of the deed of conversion (*Umwandlungsplan*) and the costs of the Dutch notary public, the registration costs with the commercial register, the costs of the necessary publications and notices, the costs of the change of name to "Vivoryon Therapeutics N.V.", the costs of external consultants as well as the costs of the conversion of the stock exchange listing of shares in Vivoryon Therapeutics AG to shares in Vivoryon Therapeutics N.V. In addition, there are internal company costs.

Furthermore, an amount of up to EUR approximately EUR 3.6 million (assuming the adequacy of the severance cash compensation amount determined by the Company) is to be added, which may have to be paid to those shareholders of Vivoryon who object to the conversion as compensation against transfer of their shares in total (see section 19).

The costs of holding the annual general meeting of shareholders of Vivoryon have not been included in the estimate, as this meeting is to be held in any case, regardless of the change of legal form.

3. Description of the Change of the Legal Form

3.1 Legal Background for the Conversion

At present, the conversion of the AG into an N.V. while preserving the identity of the legal entity is only possible by transferring the seat of Vivoryon in the context of a cross-border change of the legal form with the concurrent transfer of the statutory seat of Vivoryon to the

Netherlands. Therefore, Vivoryon shall be converted into a Dutch N.V. by changing the legal form based on the transfer of the statutory seat to Amsterdam, the Netherlands.

Until now, there is no legal regulation for such cross-border conversion changing the legal form (hereinafter "**Change of the Legal Form**"). The Directive (EU) 2019/2121 of the European Parliament and of the Council of November 27, 2019 amending Directive (EU) 2017/1132 as regards cross-border conversions, mergers and divisions provides for such regulations, but they have not been implemented into national law yet. Considering the jurisdiction of the European Court of Justice (*Europäischer Gerichtshof*), the freedom of establishment is to be taken as a basis. The freedom of establishment obliges the member states that provide the option of conversion to domestic companies to offer the same option also to companies subject to the law of another member state desiring to convert into companies under the laws of the first-mentioned member state. Accordingly, the respective national conversion law also has to be applied to foreign companies and the regulations applicable in this context have to be interpreted in the light of the freedom of establishment.

Pursuant to Dutch law, a juridical person subject to Dutch law may convert its form into a public company established under Dutch law (*naamloze vennootschap*) without having to dissolve and/or liquidate the legal entity changing the legal form or having to form such a public company. Accordingly, and in line with the jurisdiction of the European Court of Justice (*Europäischer Gerichtshof*), the Netherlands have to grant these options to companies with their seat in another member state too.

From the German law perspective, it should be noted that there are no special regulations applicable to the cross-border conversion, while the conversion of a domestic company under German law into another legal form under German law is regulated in detail in sec. 190 et seq. German Conversion of Companies Act (*Umwandlungsgesetz*, hereinafter "**UmwG**"). As those regulations are aligned specifically to the interests associated with the conversion, they have to be applied in this case by analogy. The regulations on cross-border merger (sec. 122a et seq. UmwG) have to be observed additionally.

As a precaution, the regulations of the German Implementation Act for the Council Regulation on the Statute for a European Company are additionally applied in individual cases to the Change of the Legal Form by analogy. Moreover, the interpretation of the existing legal provisions may consider the regulations of the Conversion. During the transition phase, the courts will at least interpret the legal provisions of the Conversion Directive to such extent that no requirements opposed to the purpose of the Directive will be imposed on cross-border processes harmonized by the Directive. The Directive, which

is not yet translated into German law, has to be taken into account while interpreting German law by way of development of the law (*Rechtsfortbildung*).

3.2 Process of Conversion

The Change of the Legal Form is made by applying the following procedure:

According to the German UmwG, a conversion changing the legal form requires a notarized resolution of the general meeting of shareholders of Vivoryon. It is intended to submit the draft conversion resolution attached as **Annex** hereto to the general meeting convened for September 30, 2020. The resolution is adopted if at least three quarters of the votes cast approve the resolution proposal. However, the management board is instructed not to implement the resolution if shareholders collectively holding more than 2% of the voting rights in the Company voted against the transfer of the company seat and the associated conversion and have their objection recorded in the minutes of the meeting. If this is not the case and if the required majority votes for the resolution, the management board and the chairman of the supervisory board will file the resolved resolution for registration with the German commercial register. The German commercial register will then issue a certification unequivocally confirming that the required legal transactions and formalities under German law for the transfer of the company seat and the conversion have been implemented and/or met.

In connection with the conversion, a Dutch auditor will audit and confirm by issuing an auditors' statement on the basis of the Company's half-yearly financial statements as at June 30, 2020, that the equity capital of the Company corresponds to at least the issued and paid-in capital at the time of conversion. It is envisaged to appoint ENDYMION Amsterdam Coöperatieve U.A. as auditor. Subsequently, the deed of transfer of the official seat, conversion and amendment of the articles of association will be signed before a notary public in the Netherlands.

The transfer of the seat and the conversion of the Company will become effective as of the day after the issuance of the notarial deed on the transfer of the official seat, conversion and amendment of the articles of association – attached as a draft to this report as **Annex** – by a Dutch notary public. The Dutch Trade Register of Chamber of Commerce (*Kamer van Koophandel*) and the registration court in Stendal will then register and publish the Change of the Legal Form and the transfer of the seat to Amsterdam.

4. Impacts of the Change of the Legal Form on the Company

The conversion will not affect the legal and economic identity of Vivoryon. The conversion does not cause the dissolution of the Company or the formation of a new legal entity. Therefore, no transfer of assets takes place either. Only the legal form and the applicable legal regime will change: The German AG is replaced by the Dutch N.V. as the new legal form, which is expressed by adding the legal form abbreviation "N.V." instead of "AG" to the company name of Vivoryon.

The share capital of the AG will be replaced by the issued share capital (*geplaatst kapitaal*) of the N.V. in the same amount. The proportion of the capital interest of the shareholders remains unchanged. Third-party rights to shares in the AG, if any, in particular lien or usufruct, remain in place accordingly for the shares of the respective shareholder of the N.V. For further details on the description of the shares of the N.V. and the rights attached thereto, see the following sections 6 and 7.

Reference is also made to the following section 5 (Future Organizational Constitution) below concerning the impacts on the Company's organizational constitution and corporate governance.

Once the conversion and the transfer of the seat took effect, the German Corporate Governance Code will no longer apply to the Company. Instead, the Dutch Corporate Governance Code will apply to the Company.

5. Future Organizational Constitution

The organizational constitution of the N.V. is determined in the articles of association of Vivoryon Therapeutics N.V. The articles of association will be approved in the course of the transformation of the Company.

5.1 Board of Directors

In contrast to the current articles of association of Vivoryon and in accordance with the regulations of the laws of the Netherlands, the articles of association do not distinguish between management board and supervisory board anymore, but provide for a monistic board structure with a board of directors consisting of one or several executive director(s) as well as one or several non-executive director(s). The number of the non-executive directors must always exceed the number of the executive directors.

Directors are appointed by the general meeting either as executive directors or non-executive directors. Upon the conversion, the former members of the management board will become executive directors, and the former members of the supervisory board will become non-executive directors. The terms of office shall remain unchanged. The executive directors are appointed for a term of office not to exceed four (4) years and may be reappointed for another term of office of four (4) years each time. The non-executive directors are appointed for a term of office of four (4) years and may be reappointed for another term of office of four (4) years as well as subsequently for a term of office of two (2) years, such two-year period of office being extendable for a maximum of two (2) years. The board of directors appoints one of the executive directors as Chief Executive Officer (CEO) and one of the executive directors (including the CEO, who would then have two functions) as Chief Financial Officer (CFO). The board of directors appoints one of the non-executive directors as chairperson of the board of directors.

The company is represented by the members of the board of directors as follows: The CEO is authorized to represent the company alone. Otherwise, two executive directors are authorized to represent the company jointly. The non-executive directors are not authorized to represent the company.

5.2 Company Secretary

The board of directors may, but is not required to, appoint a company secretary to assist the board in administrative tasks (*e.g.* convening and taking minutes of meetings of the board of directors, preparing the management report and organizing general meetings of shareholders) and will in such case be authorized to replace the company secretary at any time. The company secretary will have the powers attributed to the company secretary pursuant to the articles of association or a resolution of the board of directors.

5.3 General Meeting of Shareholders

The annual general meeting of shareholders shall be held within six months after the end of the financial year. The agenda for this annual general meeting shall in any case contain the following business to be discussed:

- discussion of the management report;
- discussion and submission for advisory vote of the remuneration report;
- discussion and adoption of the annual accounts;

- discussion of the reservation and dividend policy;
- allocation of profits; and
- discharge of the directors' for performance of their duties.

Other business presented by the board of directors or the shareholders may be discussed.

The board of directors may convene other general meetings as often as the board of directors deems necessary. Shareholders and/or persons with rights to participate alone or jointly representing in the aggregate at least 10% of the company's issued capital may request the board of directors in writing to convene a general meeting, stating specifically the items to be discussed. If the board of directors has not given proper notice of a general meeting within two weeks following receipt of such request such that the meeting can be held within eight weeks after receipt of the request, the applicants can at their request be authorized by the preliminary relief judge of the district court to convene a meeting.

The general meeting shall be chaired by the chairperson of the board of directors or his/her deputy, respectively.

6. Impact on the Circle of Shareholders by the Change of the Legal Form

The shareholder group of Vivoryon Therapeutics AG will not be changed by the Change of the Legal Form in principle. The shareholders of the AG will hold the same number of shares as shareholders of the N.V. as they hold in Vivoryon on the date the Change of the Legal Form takes effect. There is no need for transferring any shares. The shareholders interests in the Company remain unchanged.

As of the date the Change of the Legal Form takes effect, the rights and duties of the shareholders associated with their position as shareholder of Vivoryon will be subject to the relevant provisions under Dutch law applicable to the Dutch N.V and the articles of association of Vivoryon as a Dutch N.V., pursuant to the notarial deed on the transfer of the official seat, conversion and amendment of the articles of association – attached as a draft to this conversion report as a part of the invitation to the general shareholders' meeting.

7. Description of the Shares of the N.V. and the Rights related thereto

The following is a description of the material characteristics of the shares of the future Dutch N.V.

7.1 Capital Increase of the N.V. under the Laws of the Netherlands

Under Dutch law, the authorized share capital (*maatschappelijk kapitaal*) is the maximum amount of capital for which shares in a public company under Dutch law (*naamloze vennootschap*) can be validly issued. A Dutch N.V. may only issue shares up to its fixed capital figures stipulated in its articles of association. The authorized share capital under Dutch law differs conceptually from the share capital (*Grundkapital*) of a German public company, which indicates the capital actually issued. Furthermore, the authorized capital of a Dutch N.V. is not to be confused with the authorized capital (*genehmigtes Kapital*) of a German AG and as such does not entail an authorization of the board of directors to issue new shares.

In general, the issue of new shares in a Dutch N.V. occurs by resolution of the general meeting of shareholders. However, under Dutch law the general meeting of shareholders may delegate the authority to resolve to issue new shares to the board of directors.

Dutch law provides that at all times at least 20% of the authorized share capital must be issued (*geplaatst*) and that the shares must be paid up (*worden volgestort*) immediately upon issuance. Any contemplated increase of the Dutch N.V.'s subscribed, *e.g.* issued share capital (*geplaatst kapitaal*) exceeding its authorized share capital, requires a prior increase of its statutory authorized share capital by way of an amendment of the articles of association resolved by the general meeting of shareholders. Such amendment of the articles of association is effected by the subsequent execution of a notarial deed of amendment before a Dutch civil law notary.

7.2 Authorized Capital and Issued Share Capital

According to the draft articles of association of the N.V., which will take effect at the time of the conversion, the Company will have an authorized share capital of EUR 60,000,000.00. The share capital actually issued (ge*plaatst kapitaal*) will correspond to the current share capital of Vivoryon Therapeutics AG and will therefore amount to EUR 19,975,482.00.

7.3 Issuance of Shares

Pursuant to article 6.1 of the draft articles of association, the shares of the N.V. may be issued on the basis of a resolution of the general meeting of shareholders or the board of directors, provided that the board of directors has been authorized by a resolution of the general meeting of shareholders for a fixed period, which does not exceed five years. In the context of this authorization, the number of shares to be issued shall be determined. The authorization may be renewed for periods at a maximum of five years. Unless otherwise provided for in the authorization, the authorization cannot be revoked. A resolution of the general meeting of shareholders to issue shares or to designate the board of directors as the competent body for the issuance of shares can only be passed following a respective proposal by the board of directors.

Pursuant to article 39 of the draft articles of association of the Dutch N.V., the board of directors is authorized for a period of five years after the effective date of the new articles of association, (i) to issue shares of the Dutch N.V. and to grant subscription rights for shares (including, but not limited to, options, warrants or convertible bonds or debentures, which entitle the respective holder the right to subscribe for shares) and (ii) to limit or exclude the pre-emptive right when issuing shares in accordance with the provisions of article 7 of the articles of association.

Generally, shares may not be issued below their nominal value.

7.4 Subscription or Pre-Emptive Rights (*voorkeursrecht*)

According to Dutch law and the draft articles of association of the Company, each shareholder shall have a pre-emptive right to subscribe on a pro rata basis for any issue of new shares or in case of an allocation of rights to subscribe for shares. Exemptions to this pre-emptive right include (i) the issue of shares against a non-cash contribution, (ii) the issue of shares to employees of the Company or of a group company as defined in sec. 2:24b of the Dutch Civil Code or, (iii) the issue of shares to persons who exercise a right to subscribe for shares previously granted.

A shareholder has the legal right to exercise the pre-emptive right for at least two weeks after the date of the announcement of the issue or grant.

However, under article 7.3 of the draft articles of association, the general meeting of shareholders or the board of directors, if so designated by the general meeting of shareholders, may limit or exclude the pre-emptive right prior to each single issuance of

shares. A resolution by the general meeting of shareholders to limit or exclude the pre-emptive right or to delegate to the board of directors the power to limit or exclude the pre-emptive right requires a majority of at least two-thirds of the votes cast at the general meeting of shareholders if less than half of the issued capital of the Company is present or represented at the relevant general meeting of shareholders. A simple majority is sufficient if more than half of the issued share capital is present or represented.

If not otherwise stated in the resolution to delegate such authority, the delegation is irrevocable. A resolution by the general meeting of shareholders to delegate the authority to limit or exclude the pre-emptive right can only be adopted upon a proposal from the board of directors, and if the board of directors is also authorized to issue shares. The period of the authorization may not exceed five years.

7.5 Reduction of Share Capital

The general meeting of shareholders may decide to reduce the issued capital of the Company. According to the draft articles of association, the corresponding decision to reduce the issued capital may only be taken following a proposal from the board of directors.

A resolution in respect of a capital reduction requires a majority of least two-thirds of the votes cast at the general meeting of shareholders if less than half the issued capital of the Company is present or represented at the relevant general meeting of shareholders. A simple majority is sufficient if more than half of the issued share capital is present or represented.

A reduction in the issued capital of the Company may be effected by (i) a cancellation of shares held by the Company or of the corresponding depositary receipts held by the Company, or (ii) a reduction in the nominal value of the shares, to be effected by an amendment of the articles of association.

The Company must deposit the resolution to reduce the issued capital with the Dutch Trade Register and must announce in a national newspaper that such deposit has been made, following which a two-months creditor opposition period will commence. The reduction of the Company's issued capital can only be effected if no opposition was made within such period or if any successful opposition by a creditor has been resolved.

7.6 Acquisition of Own Shares

Under article 9 of the draft articles of association the Company may, under certain conditions, acquire its own shares to the extent permitted under Dutch law.

Neither the Company nor the subsidiaries of the Company may exercise voting rights attached to shares (i) held by the Company and/or the subsidiaries of the Company; (ii) for which the Company or a subsidiary of the Company holds the depositary receipts; or (iii) in respect of which the Company and/or subsidiaries of the Company have a right of lien or a beneficial interest. Such shares may also not be counted for quorum purpose.

The resolution of the general meeting of shareholders to convert the Company into a Dutch N.V. will include a resolution of the general meeting of shareholders to authorize the management board (after the conversion the board of directors) for a period of 18 months from the date of the resolution to acquire up to 399,510 shares of the Dutch N.V. (representing 2% of the issued capital of the Company) from the shareholders who voted against the resolution regarding the conversion into a Dutch N.V. and have recorded their objection in the minutes of the meeting, against payment of the amount as stated in the compensation offer of EUR 9.00 per share (see below section 19).

7.7 General Meeting of Shareholders and Voting Rights

According to article 27.1 of the draft articles of association, the Company's annual general meeting of shareholders has to take place within six months after the end of each financial year. Other general meetings of shareholders may take place as often as is deemed necessary by the board of directors.

Shareholders and/or persons with meeting rights alone or jointly representing in the aggregate at least 10% of the company's issued capital may request the board of directors in writing to convene a general meeting, stating specifically the items to be discussed. If the board of directors has not given proper notice of a general meeting within two weeks following receipt of such request such that the meeting can be held within eight weeks after receipt of the request, the applicants can at their request be authorized by the preliminary relief judge of the district court to convene a meeting.

According to the draft articles of association, the board of directors may convene general meetings of shareholders by giving 42 days' notice. The notice convening the meeting of shareholders must specify the items to be discussed, the time and place of the general meeting of shareholders and the procedure for admission and participation. All invitations,

announcements, notices and communications addressed to shareholders are made in accordance with the relevant provisions of Dutch law.

General meetings of shareholders will be held at the Company's statutory seat (Amsterdam, Netherlands) or at Schiphol Airport (municipality of Haarlemmermeer, Netherlands). Each share confers the right to cast one vote. Except where the articles of association or Dutch law prescribe otherwise, all resolutions are passed by a simple majority of the votes cast, without a quorum being required.

7.8 Dividends

Under Dutch law, distributions on shares may be made only up to an amount which does not exceed the amount of the part of the Company's equity which exceeds the aggregate of the paid in and called up issued capital and the reserves which must be established pursuant to the laws of the Netherlands.

Any final distribution of profits may only be made after the adoption of the company's own individual financial statements (*i.e.* non-consolidated) of the respective preceding year, which will be used as the basis for determining whether the distribution of profits is legally permitted.

According to article 26.4 in connection with 26.7 of the draft articles of association, the board of directors may resolve to make interim distributions and/or to make distributions at the expense of any reserve of the Company if the requirement described in the first full sentence above is satisfied as evidenced by an interim balance sheet covering the assets and liabilities situation, at the earliest, on the first day of the third month preceding the month in which the decision to make the distribution is published.

According to article 26.8 of the draft articles of association, shareholders' claim for payment of distribution on shares will be time-barred after a period of five years, starting from the due date of the respective payment. Amounts which are not distributed due to the statute of limitations shall be transferred to the reserves of the Company without the need for a resolution to this effect.

The Company will pay dividends or other cash distributions through the normal procedures of the clearing systems. A paying agent in the Netherlands has not yet been determined at the time of publication of this conversion report.

7.9 Amendment of Articles of Association, Conversion, Dissolution and Liquidation

Resolutions of the general meeting of the Company concerning an amendment of its articles of association, a conversion of the Company into a different legal form, a statutory merger or demerger or the dissolution of the Company may only be adopted on the proposal of the board of directors.

7.10 Stock Exchange Trading; Securitization

Vivoryon's Change of Legal Form from a German AG to a Dutch N.V. has no effect on trading in the Company's shares. The admission of the shares for trading on EURONEXT in Amsterdam will remain in effect after the Change of Legal Form.

The global certificates issued to Vivoryon Therapeutics AG and deposited with Clearstream Banking AG, Frankfurt ("**Clearstream**"), will become incorrect when the Change of Legal Form takes effect. As a result of the Change of the Legal Form, the shares of the N.V. will therefore be securitized in a new global certificate, which will be deposited either with Clearstream or with *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* as central depository. In this context, the Company will receive a new ISIN with an "NL" identifier, into which the shareholders' shares will be automatically transferred. Shareholders do not need to take any action in this respect.

7.11 Disclosure of Information by the Company after the Conversion

As a Dutch company whose shares are listed on Euronext Amsterdam, the Company will, after the conversion, only be subject to disclosure obligations under Dutch law. The partial application of German law currently applicable regard to the publication of information on transactions by persons discharging managerial responsibilities (sec. 26 para. 2 of the German Securities Trading Act (*Wertpapierhandelsgesetz*, hereinafter "**WpHG**")), notifications of voting rights of shareholders and their publication (sec. 33 et seq. WpHG), notification obligation for holders of major shareholdings (sec. 43 WpHG), notifications of general meeting and financial matters (sec. 49 WpHG), notifications of other changes in rights associated with shares (sec. 50 para. 1 WpHG) and the disclosure of financial reports (sec. 114 et seq. WpHG) ends with the conversion into a Dutch N.V. Upon conversion the relevant provisions of Dutch law will apply.

The provisions of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse ("**Market Abuse Regulation**") remain unaffected by the conversion.

8. Comparison of the Shareholder Rights before and after the conversion

This section describes the most important differences between the rights of holders of shares in the company as a German public company before the conversion and as a Dutch public company after the conversion. The differences between the rights of these respective shareholders result from the differences among German and Dutch law, the company´s articles of association, the rules of procedure and other relevant documents of the company.

This section does not include a complete description of all differences among the rights of these respective shareholders, nor does it include a complete description of their specific rights. Furthermore, the identification of some of the differences of these rights as material is not intended to indicate that other differences that may be equally important do not exist.

References in this section to the Company's articles of association are references to the articles of association of Vivoryon Therapeutics N.V. as will be in effect following the completion of the transfer of the registered office and the conversion.

The draft of these articles of association can be found in the invitation for the general meeting of shareholders of the Company, which is expected to adopt a resolution on the transfer of the registered office, the conversion and the new version of the articles of association of the Company on September 30, 2020. The invitation is attached to this conversion report.

Vivoryon Therapeutics AG		**Vivoryon Therapeutics N.V.**
Amount and Classification of Share Capital		
Ordinary Shares. The share capital (*Grundkapital*) of the Company amounts to EUR 19,975,482.00 and consists of 19,975,482 bearer shares with no-par value. Subject to the corresponding resolution of the general meeting of shareholders, the management board will be authorized, with the approval of the supervisory board, to increase the share capital by up to EUR 9,987,741.00 by issuing new bearer shares against cash or non-cash contributions on one or more occasions.		*Shares*. The issued share capital (*geplaatst kapitaal*) of the Company will remain unchanged at EUR 19,975,482.00 after the conversion. According to the draft articles of association of Vivoryon Therapeutics N.V., the Company will have an authorized share capital of EUR 60,000,000.00 (*maatschappelijk kapitaal*). The Company is authorized to issue up to 60,000,000 shares with a nominal value of EUR 1.00 per share. Pursuant to article 39 of the draft articles of association, the board of directors is authorized up to the number of the

On this basis, up to 9,987,741 new bearer shares with no-par value may be issued in exchange for cash or payment in kind (Authorized Capital 2020). The subscription right of shareholders is excluded. At the time of the conversion report, an equally structured Authorized Capital 2019 exists in the amount of EUR 6,150,688.00.		authorized capital (*maatschappelijk kapitaal*) for a period of five years after the effective date of the new articles of association (i) to issue shares of the Dutch public company and to grant subscription rights for shares (including, but not limited to, options, warrants or convertible bonds or debentures, which entitle the respective holder the right to subscribe for shares); and (ii) to limit or exclude the pre-emptive right when issuing shares in accordance with the provisions of article 7 of the articles of association.
Conditional Capital: The Company's share capital is conditionally increased by a total of EUR 602,527.00 by issuing up to 602,527 new bearer shares to cover various stock option programs. The general meeting of shareholders scheduled for September 30, 2020 will decide on an additional conditional capital in the amount of EUR 615,000.00, which will cover the Stock Option Program 2020 to be resolved at the same general meeting of shareholders. Moreover, the share capital has been increased conditionally by issuing up to 3,400,000 new bearer shares with no-par value to cover conversion and option rights under conversion and option bonds (Conditional Capital 2018).		Dutch law does not provide for a conditional capital. Shares to cover the stock option programs or convertible bonds and bonds with warrants can be issued from the company's authorized capital (*maatschappelijk kapitaal*) pursuant to a resolution of the general meeting of shareholders or the board of directors, provided that the board of directors has been authorized by a resolution of the general meeting of shareholders for a fixed period, which does not exceed five years. In the context of this authorization, the number of shares to be issued shall be determined. The authorization may be renewed for periods at a maximum of five years. As set out above, pursuant to article 39 of the draft articles of association of the Dutch public company, the board of directors is authorized for a first period of five years after the effective date of the new articles of association to issue shares and to limit or exclude the pre-emptive right in relation thereto.
Distribution of dividends		
Dividends may only be paid out of the corporation´s distributable profits as determined by resolution of the shareholders at the general meeting of shareholders for the preceding financial year.		Under Dutch law, distributions on shares may only be made up to an amount which does not exceed the amount of the part of the Company's equity which exceeds the aggregate of the paid in and called up issued capital and the reserves which must be maintained pursuant to the laws of the Netherlands. According to articles 26.4 in connection with 26.7 of the draft articles of

		association, the board of directors of the company may resolve to make interim distributions and/or to make distributions at the expense of any reserve of the company to the extent permitted under the applicable provisions of the Dutch Civil Code and of the company's articles of association, and as evidenced by an interim statement of assets and liabilities. A claim of a shareholder for payment of a distribution will be time-barred after five years have elapsed from the date such payment became due.
General Meetings of Shareholders		
Under German law, an annual general meeting of shareholders is held to ratify the acts of the management board and the supervisory board. The annual general meeting also resolves upon the use of the corporation´s balance sheet profits and is competent to elect the members of the supervisory board to be elected by the shareholders upon expiration of their office. The meeting is convened by the management board.		The annual general meeting of shareholders shall be held within six months after the end of the financial year. The agenda for the annual meeting will contain the following business: • discussion of the management report; • discussion and submission for advisory vote of the remuneration report; • discussion and adoption of the annual accounts; • discussion of the reservation and dividend policy; • allocation of profits; and • discharge of the directors' for performance of their duties. The agenda shall furthermore contain other business presented for discussion by the board of directors or by shareholders and/or persons with meeting rights, taking into account the provisions of the company's articles of association and announced with due observance of such provisions. Other general meetings of shareholders will be held as often as the board of directors deems necessary. Shareholders and/or persons with meeting rights alone or jointly representing in the aggregate at least

		one-tenth of the company's issued capital may also request the board of directors in writing to convene a general meeting of shareholders, stating specifically the items to be discussed. If the board of directors has not given proper notice of a general meeting within two weeks following receipt of such request such that the meeting can be held within eight weeks after receipt of the request, the applicants can at their request be authorized by the preliminary relief judge of the district court to convene a meeting. Within three months of it becoming apparent to the company's board of directors that the equity of the company has decreased to an amount equal to or lower than one-half of the paid in and called up part of the capital, a general meeting will be held to discuss any requisite measures.
Voting Rights and Participation in the General Meeting of Shareholders		
The right to participate in and vote at the general meeting is extended to all shareholders having registered in due time. Each no-par value bearer share entitles the holder to cast one vote at a shareholders' meeting. Unless mandatory rules of the AktG provide to the contrary, resolutions of the general meeting will be adopted with a simple majority of the votes cast. Voting rights may be exercised by proxy. According to German law, certain resolutions of fundamental importance require a majority of at least 75% of the votes cast. Such resolutions include: • capital increases, including the exclusion of the shareholders´ subscription rights; • measures according to the German Act on Corporate Transformations (*UmwG*); • entering into a domination and/or profit and loss transfer agreement;		*Participation in the general meeting* All shareholders and other persons entitled to participate in the general meeting of shareholders *(i.e.* pledgees or usufructuaries with voting rights) are entitled to attend the general meeting of shareholders and, if the voting rights accrue to them, to exercise their voting rights at the general meeting of shareholders if they have registered to attend in due time. The right to participate in the general meeting of shareholders may be exercised by a proxy authorised in writing, provided that the power of attorney has been received by the board of directors not later than on the date specified in the notice of the meeting. The company's board of directors may determine that the rights in respect of attending general meetings of shareholders may be exercised by electronic means of communication, either in person or by a proxy authorised in writing. In order to do so, a person with meeting rights, or his proxy, must, through the electronic means of communication, be identifiable, be able

• approval of management measures to which the supervisory board denied its approval; • dissolution of the company; and • asset disposals, which may jeopardize the company´s business objectives (*Holzmüller-Resolution*).		to directly observe the proceedings at the meeting and, if the voting rights accrue to him, be able to exercise the voting rights. The company's board of directors may also determine that the electronic means of communication used must allow each person with meeting rights or his proxy to participate in the discussions. The board of directors of the company may make the use of electronic means of communication subject to conditions, which shall be announced when the general meeting is convened and published on the company's website. For the purpose of determining who will be entitled to participate in the general meeting of shareholders, those persons will be regarded as the persons to whom the voting rights on shares or the meeting rights accrue who, on the twenty-eighth day prior to the day of a general meeting of shareholders (the Record Date), have those rights and have been registered as such in a register designated for that purpose by the board of directors, regardless of who are entitled to the shares at the time of that general meeting of shareholders. *Voting rights* Each share confers the right to cast one vote. All voting will take place orally. The chairman is, however, entitled to decide that votes be cast by a secret ballot. Votes by secret ballot will be cast by means of unsigned ballot papers. Any vote on a person at a general meeting of shareholders can only be made if the name of that person has been placed on the agenda for that meeting at the time the notice for that meeting is given. The board of directors may determine that votes cast by electronic means of communication prior to the general meeting of shareholders shall be treated equally to votes cast during the meeting. These votes cannot be cast prior to the Record Date. To the extent that the laws of the Netherlands or the company's articles of association do not provide otherwise, all resolutions of the general meeting of shareholders will be adopted by a simple

		majority of the votes cast, without a quorum being required. Under Dutch law or the company's articles of association, the following measures, among others, require a majority of at least two-thirds of the votes cast at the relevant general meeting: • limiting or excluding the pre-emptive right upon issuance of shares or delegating to the board of directors the power to limit or exclude the pre-emptive right (but only in the event less than half of the issued share capital is represented at the meeting); • capital reduction (but only in the event less than half of the issued share capital is represented at the meeting); and • appointment, suspension and removal of directors (with certain exceptions, see “Nomination and Appointment of Directors” – “Dismissal of Directors”). In addition, under the articles of association certain types of corporate action, including the actions referred to above and amendment of the articles of association, conversion, statutory (de)merger and dissolution, can only be taken upon the initiative of the board of directors.
Approval of Extraordinary Transactions		
According to German law, the disposal of (almost) all of the Company's assets requires a resolution of the general meeting of shareholders with a majority of three-quarters of the votes cast. Apart from this, there are no management measures that are subject to the approval of the general meeting of shareholders. However, certain management measures of particular importance are subject to the approval of the supervisory board in accordance with the rules of procedure for the management board.		According to Dutch law, resolutions of the board of directors entailing a significant change in the identity or character of the company or its business are subject to the approval of the general meeting of shareholders, including in any case: • the transfer of all or nearly all of the business of the company to a third party; • entering into or termination of long-term co-operations of the company or a subsidiary with any other legal entity or company or as fully liable partner in a limited partnership or

		general partnership, if this co-operation or termination is of major significance for the company; and • acquiring or disposing by the company or a subsidiary of holdings in the capital of another company with a value equal to at least one-third of the sum of the assets of the company as shown in its balance sheet with explanatory notes or, if the company prepares a consolidated balance sheet, in the consolidated balance sheet with explanatory notes according to the last approved annual accounts of the company.
Transfer Restrictions		
The company's shares are not subject to any transfer restrictions.		The company has not imposed any transfer restrictions on its shares. The shares will be freely transferable and capable of being encumbered with a right of pledge or usufruct. The transfer of rights a shareholder holds with regard to the shares as included in the statutory giro system must take place in accordance with the provisions of the Dutch Securities Giro Act (*Wet giraal effectenverkeer*).
Shareholder Proposals		
One or more shareholders holding shares representing an aggregate of at least 5% of the issued share capital of the company are entitled to request a general shareholders' meeting be called. Shareholders holding ordinary shares representing an aggregate of at least 5% of the issued share capital or holding shares in an aggregate nominal amount of at least EUR 500,000 are entitled to require that a matter be placed on the agenda of the general shareholders' meeting for resolution. Additionally, each shareholder may submit, at or prior to the general meeting of shareholders, counter proposals to the proposals submitted by the company's management board and supervisory board. Under certain circumstances, such counter proposals		Items for which a written request has been filed to discuss them at the general meeting of shareholders will be included in the notice or announced in the same manner, provided that: • the company received the substantiated request or a proposal for a resolution no later than on the 60th day before the date of the general meeting; and • the shareholders and/or other persons with meeting rights making the request represent (alone or jointly) at least three-hundredth part of the company's issued share capital.

must be published in the German Federal Gazette (*Bundesanzeiger*) prior to such general meeting.		
Governance		
The company has a two-tier board system consisting of the management board and the supervisory board. The management board leads the company and manages its business. It currently consists of two members. Members of the management board are appointed by the supervisory board. The supervisory board supervises and advises the management board in the management of the company. The supervisory board currently consists of four members. The members of the supervisory board are elected by the general shareholder's meeting. For further details of the current management structure of the company, see section 1.5 "Constitution of the Company".		In contrast to Vivoryon's current articles of association and in accordance with the provisions of Dutch law, the articles of association no longer distinguish between the management board and the supervisory board, but instead provide for a monistic board structure with a board of directors consisting of one or more executive members of the board of directors and two or more non-executive members of the board of directors. The number of the non-executive directors must always exceed the number of the executive directors. Upon conversion, the current members of the management board will become executive members of the board of directors and the current members of the supervisory board will become non-executive members of the board of directors. The terms of office continue to apply unchanged. The company is represented by the members of the board of directors as follows: The CEO is entitled to represent the company individually. Otherwise, two executive members of the board of directors are jointly authorized to represent the company. The non-executive members of the board of directors are not authorized to represent the company. For further details of the new management structure, please refer to section 5. "Future Organizational Constitution".
Nomination and Appointment of Directors		
The supervisory board is responsible for the appointment and dismissal of members of the management board. The members of the supervisory board are elected by the general meeting of shareholders with simple majority.		The members of the board of directors are appointed by the general meeting of shareholders either as executive members of the board of directors or non-executive members of the board of directors.

		In the event that a member of the board of directors is to be appointed, the board of directors shall generally make a binding nomination. The general meeting of shareholders may reject such a binding nomination at any time by a resolution passed by a majority of at least two thirds of the votes cast representing more than one half of the issued capital of the company. If the general meeting of shareholders rejects a binding nomination, the board of directors shall a make a new binding nomination. A resolution of the general meeting of shareholders to appoint a director in accordance with a nomination can be adopted by a simple majority of the votes cast, without a quorum being required. If the board of directors has not made a nomination for the appointment of a director, this shall be stated in the notice of the general meeting of shareholders at which the appointment shall be considered. In this case, the general meeting of shareholders shall be free to appoint a director at its discretion, provided such resolution can then only be adopted by a majority of at least two-thirds of the votes cast, such majority representing more than one-half of the issued capital of the company.
Dismissal of Directors		
The supervisory board is responsible for the appointment and dismissal of the members to the management board. Any member of the supervisory board may, for cause or otherwise, resign from office by giving one month´s written notice to the management board. A member of the supervisory board may be dismissed by a majority of three quarters of the general meetings' votes cast. At the request of the supervisory board, a member may also be dismissed by court order if there is good cause in that person.		A member of the board of directors may be suspended or dismissed by the general meeting of shareholders at any time by a resolution passed with a majority of at least two-thirds of the votes cast, such majority representing more than one-half of the issued capital of the company. If the board of directors proposes the dismissal or suspension of its member, a simple majority of the votes cast shall suffice without a quorum being required. The board of directors of the company may also decide to suspend an executive member of the board of directors. Such suspension may at any time be discontinued by the general meeting of shareholders.

		Any suspension may not last longer than three months in the aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on removal, the suspension will end.
Amendments to Certificate of Incorporation and Articles of Association		
Amendments to the company´s articles of association may only be made at a general meeting of shareholders. Resolutions passed in this respect by the company´s shareholders require only a simple majority of the votes cast, unless a higher majority is required by law or the articles of association.		The general meeting of shareholders may resolve to amend the company´s articles of association, provided that such resolution can only be adopted at the proposal of the company's board of directors.
Subscription or Pre-emptive Rights		
Under the AktG, an existing shareholder in a public company has a preferential right to subscribe for issues of new shares in proportion to the number of shares such shareholder holds in the corporation`s existing share capital (*Bezugsrechte*). According to AktG, subscription rights may only be excluded in limited cases and only in the resolution of the general meeting of shareholders to increase the share capital or issue shares. The resolution to exclude subscription rights requires a majority of at least three-quarters of the share capital represented at the general meeting. Prior to approval by the shareholders, exclusion of subscription rights requires the management board to report on the reasons for the exclusion to the shareholders in writing. Pursuant to the current articles of association of the Company, the subscription right is excluded when using the authorized capital.		According to Dutch law and the draft articles of association of the Company, each shareholder shall have a pre-emptive right to subscribe on a pro rata basis for any issue of new shares or in case of an allocation of rights to subscribe for shares. Exemptions to this pre-emptive right include (i) the issue of shares against a non-cash contribution, (ii) the issue of shares to employees of the Company or of a group company as defined in sec. 2:24b of the Dutch Civil Code, (iii) the issue of shares to persons who exercise a right to subscribe for shares previously granted. However, the general meeting of shareholders or the board of directors, if so authorized by the general meeting of shareholders for a period not exceeding five years, may limit or exclude the pre-emptive right prior to each single issuance of shares. A resolution by the general meeting of shareholders to limit or exclude the pre-emptive right or to delegate to the board of directors the power to limit or exclude the pre-emptive right requires a majority of at least two-thirds of the votes cast at the general meeting of shareholders if less than half of the issued capital of the Company is present or represented at the relevant general meeting of shareholders. A simple majority is sufficient if more than half of the issued share capital is present or represented.

		According to the draft articles of association the board of directors of the company has been designated as the competent body for the limitation or exclusion of the pre-emptive right when issuing shares for a period of five years from the effective date of the articles of association.
Shareholder Suits		
Each shareholder who was present at the general meeting of the shareholders and has objected to individual resolutions or all of the resolutions and recorded the objections in the minutes may, within one month after adoption of the resolutions by the shareholders' meeting, take action against the company to contest such resolutions (*Anfechtungsklage*).		Under Dutch law, a decision of a body of the company (*e.g.* the board of directors) may be subject to nullification in the event that the decision (i) was contrary to any statutory provision or any provision in the articles of association of the company that determines the formal requirements of the decision making process; and/or (ii) was contrary to the standards of reasonableness and fairness; and/or (iii) was contrary to any board or committee rules of the company. Such nullification can only be requested in proceedings before the Dutch court by a party that has a "reasonable interest" in the due performance of the relevant obligation that has not been performed.
Limitation of Executive Bodies' Liability/Indemnification of Leaders and Executive Bodies		
Under the German Stock Corporation Act, a public company like Vivoryon AG is not allowed to limit or eliminate the personal liability of the members of either the management board or the supervisory board for damages due to breach of duty in their official capacity. The company may, however, waive its claims for damages due to a breach of duty or reach a settlement with regard to such claims if more than three years have passed after such claims have arisen, but only with the approval of the general meeting of the shareholders, provided that such waiver may not be granted and such settlement may not be reached if shareholders holding, in the aggregate, at least 10% of the issued shares file an objection to the minutes of the shareholders' meeting.		Pursuant to Dutch law, members of the board of directors may be liable to the company for damages in the event of improper or negligent performance of their duties. They may also be liable for damages toward third parties in the event of bankruptcy or default on tax and social security payments as a consequence of improper performance of duties, or tort. In certain circumstances, members of the board of directors may also incur criminal liabilities. Under the draft articles of association of the Company, each current and former director shall be indemnified, held harmless and reimbursed by the company for all reasonable costs and expenses incurred and all damages or fines based on acts or failures to act in

Under German law, the company may indemnify its officers (*Leitende Angestellte*) from liability or, under certain conditions must grant such indemnification under German labor law. However, the company may not, as a general matter, indemnify members of the management board or the supervisory board where such members are liable towards the company based on a breach of their fiduciary duties or other obligations towards the company. A German public company may contract a directors and officers insurance (*Directors & Officers-Versicherung, Haftpflichtversicherung für Vermögensschaden,* "D&O"). If such an insurance is concluded for members of the management board, it is subject to mandatory restrictions imposed by German law, including a deductible of at least 10% of the damages to be borne by the respective member of the management board capped at a maximum of one and a half times the respective board member´s fixed annual salary.		the exercise of his or her duties or any other duties currently or previously performed by him or her at the company's request. The Company's articles of association limit the right to indemnification to the effect that there will be no entitlement to indemnity thereunder if and to the extent (1) the laws of the Netherlands would not permit such indemnification or (2) a competent court or arbitrator has established in a final and conclusive decision that the act or failure to act of the (former) director may be characterized as wilful (*opzettelijk*), intentionally reckless (*bewust roekeloos*) or seriously culpable (*ernstig verwijtbaar*) unless the laws of the Netherlands provide otherwise or this would, in view of the circumstances of the case, be unacceptable according to standards of reasonableness and fairness. Indemnification also does not apply if and to the extent the costs, damages or fines are covered by any liability insurance and the insurer has paid out the costs, damages or fines. The company may take out liability insurance for the benefit of the indemnified persons.
Takeover Law		
The German Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz,* hereinafter "**WpÜG***"*), as amended, regulates all public offers to acquire certain market traded equity securities of German-based public companies, whose shares are admitted to trading on a regulated market in Germany or anywhere within the European Economic Area, irrespective of whether consideration is offered in the form of shares and/or cash and irrespective of the scope or purpose of the acquisition. The WpÜG addresses public offers (*öffentliche Angebote*), which are defined as publicly announced offers to acquire a target company's shares (or equity-backed securities, *i.e*. securities convertible into shares) through		*Dutch Financial Supervision Act* Following the completion of the conversion of the company into an N.V. under Dutch law, the Dutch regulations on public offers in the Dutch Financial Supervision Act (*Wet op het Financieel Toezicht*, hereinafter the "**Wft**") and the related decree on public offers (*Besluit openbare biedingen Wft*) will fully apply to takeover and acquisition offers for shares in the Company. Pursuant to chapter 5.5 part 5.5.1 of the Wft, a shareholder who, directly or indirectly, has obtained at least 30% of the voting rights attached to the shares of the company will be obliged to launch a public offer for all of the company's remaining shares. Shareholders acting in concert, who, directly or indirectly,

purchase or exchange from individual shareholders. Since the shares of the company are admitted to trading exclusively on the regulated market of another state of the European Economic Area, only those provisions of the WpÜG are applicable which govern the control, the obligation to submit an offer and any regulations deviating therefrom, the information of the employees of the target company or of the offerer, acts of the management board of the target company which could prevent the success of an offer, or other issues under company law. The other provisions regarding the offer process are currently governed by Dutch takeover law.		have obtained a combined interest of at least 30% of a company's voting rights, are also obliged to make a public offer. The same applies when one or more shareholders have agreed with the target company to prevent a public offer. *Competition Act* Takeover bids resulting in concentrations exceeding certain turnover thresholds must be notified to the competent Dutch or European anti-trust authorities. *Dutch Civil Code: corporate law; squeeze out rules* Dutch corporate law contains general rules of conduct that are to be observed by the company in respect of its (minority) shareholders and by its shareholders amongst themselves. These rules also apply to a public offer situation. For further details, please refer to "Exclusion of Minority Shareholders (*Squeeze-Out*)" below. *Market Abuse Regulation* The provisions of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse apply in a Dutch public offer.
Exclusion of Minority Shareholders (Squeeze-Out)		
Under the German Stock Corporation Law, the shareholders of a public company may, at the request of a person or a legal entity that holds directly or indirectly, at least 95% of the share capital of the public company (majority shareholder), resolve to transfer the shares of the remaining shareholders (minority shareholders) to the majority shareholder in return for cash contribution (squeeze-out). Upon entry of such a squeeze-out-resolution in the commercial register, the shares of the minority shareholders are transferred to the majority shareholder. The majority shareholder determines the amount of the cash compensation to be paid to the minority shareholders. However, if such amount is not adequate, an appropriate cash contribution will be determined by the		Pursuant to sec. 2:92a of the Dutch Civil Code, a person or company, alone or together with group companies, holding at least 95% of the issued share capital of a public company (*naamloze vennootschap*) such as Vivoryon Therapeutics after conversion may institute proceedings against that company's other shareholders (*gezamelijke andere aandeelhouders*) for the transfer of their shares to the claimant. The proceedings are held before the commercial chamber of the Amsterdam Court of Appeal (*Ondernemingskamer van het Gerechtshof te Amsterdam*) and must be instituted by means of a writ of summons served upon the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*).

competent court at the request of any minority shareholder. If a shareholder owns more than 95% of the share capital immediately following a takeover offer, a court will, upon the request of a shareholder filing within three months after the expiration of the offer period, decide to squeeze-out the remaining minority shareholders for a cash contribution. In such a case, only if the majority shareholder received at least 90% of the share capital through the takeover offer itself, the offer price is considered adequate compensation for the squeezed-out minority shareholders. Furthermore, a squeeze-out under conversion law provisions is possible if the majority shareholder is organized in the legal form of a German public company or an SE or a partnership limited by shares (*Kommanditgesellschaft auf Aktien;* "KGaA") and holds 90% of the share capital of the target company (*verschmelzungsrechtlicher Squeeze-out*). The procedure is modelled on the squeeze-out under stock corporation law. If the merger-related squeeze-out is carried out, the minority shareholders must leave the company against payment of a cash compensation.		The commercial chamber may only grant the claim for a squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will give an opinion to the commercial chamber on the value to be paid for the shares of the minority shareholders. Once the commercial chamber's order to transfer the shares has become binding, the purchaser must notify the holders of the shares to be acquired of the date and place of payment and the price to be paid by means of a written notice sent to the addresses known to him. If the purchaser does not have the addresses of all shareholders, the purchaser must also publish this information in a daily newspaper with nationwide circulation. Pursuant to sec. 2:359c of the Dutch Civil Code, the offeror under a public offer is also entitled to start a squeeze-out procedure if such person or company, alone or together with group companies holds 95% of the issued share capital and represents at least 95% of the voting rights. If a mandatory offer has been made, the price in the public offer, in principle, also has to be accepted by minority shareholders in a squeeze-out. The price offered in the public offer will in principle be deemed a reasonable price for squeeze-out purposes if the offer was a mandatory offer or if at least 90% of the shares were received by way of a voluntary offer. Nevertheless, the commercial chamber may appoint one or three experts who will give an opinion to the commercial chamber on the value to be paid for the shares of minority shareholders. The claim of a squeeze-out needs to be filed with the commercial chamber within three months after the end of the acceptance period for of the public offer. Conversely, in such a case, pursuant to sec. 2:359d of the Dutch Civil Code each minority shareholder has the right to require the holder of at least 95% of the outstanding shares and voting rights to purchase its shares. The minority shareholders must file such claim with the commercial chamber within three

		months after the end of the acceptance period of the public offer. A person or company holding less than 95% of the shares in the issued capital of the company but who has de facto control of the general meeting of shareholders of the company could attempt to acquire full ownership of the business of that company by a statutory merger of the company with another company controlled by such person or company, by the person or company subscribing for additional shares in the first company (for example, in exchange for a contribution of part of its own business), or by another form of restructuring aimed at increasing its shareholding to 95%, or by other means.
Disclosure of Significant Ownership of Shares		
Due to the sole admission of the shares to trading on the regulated market of Euronext Amsterdam, the German Securities Trading Act (*Wertpapierhandelsgesetz*, hereinafter "**WpHG**") only applies to the company to a limited extent. The provisions of Dutch law take precedence; the provisions of the WpHG only apply to the company where certain obligations are linked to the country of origin, i.e. Germany, or where Dutch law does not provide for a corresponding regulation for issuers outside the Netherlands. With regard to notifications of voting rights, shareholders are currently required to notify substantial holdings of voting rights held directly or indirectly by them or otherwise attributed to them under both Dutch and German regulations. If shareholders reach, exceed or fall below the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% or 75% applicable in Germany, they must give written notification to the issuer, the AFM and to BaFin in writing without undue delay, but in any event within four trading days. If thresholds are reached that apply exclusively under Dutch law (40%, 60%, 95%), this notification must be addressed exclusively to the AFM.		Following the completion of the conversion into a public company under Dutch law, only Dutch law will apply to the disclosure of major holdings. Under the Wft, the shareholder whose percentage of capital or voting rights reaches, exceeds or falls below, through purchase, sale or any other manner 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% or 95% has to notify the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*, "**AFM**") thereof without undue delay. For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, inter alia, be taken into account: (i) shares and/or voting rights directly held (or acquired or disposed of) by any person; (ii) shares and/or voting rights held (or acquired or disposed of) by such person's controlled entities (including subsidiaries) or by a third party for such person's account; (iii) voting rights held (or acquired or disposed of) by a third party with whom such person has concluded an oral or written voting agreement (*acting in concert*); (iv) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights in consideration for a payment; (v) shares which such person (directly or indirectly), or any

The notifications must also comply with the relevant legal system in terms of form and content. The German Securities Trading Act also contains several provisions designed to ensure that shareholdings in listed companies are attributed to those persons who in fact control the voting rights associated with such shares. Simultaneously to these attribution provisions in the WpHG, shareholders must comply with the relevant provisions of Dutch law.		controlled entity or third party referred to above, may acquire pursuant to any option or other right to acquire shares; (vi) shares which determine the value of certain cash settled financial instruments such as contracts for difference and total return swaps; (vii) shares that must be acquired upon exercise of a put option by a counterparty; and (viii) shares which are the subject of another contract creating an economic position similar to a direct or indirect holding in those shares. Controlled entities ("*gecontroleerde ondernemingen*") within the meaning of the Wft do not themselves have notification obligations under the NFSA as their direct and indirect interests are attributed to their (ultimate) parent (see (ii) above). Any person may qualify as a parent for purposes of the NFSA, including an individual. If a person who has a 3% or larger interest in the company's share capital or voting rights ceases to be a controlled entity it must immediately notify the AFM and all notification obligations under the NFSA will become applicable to such former controlled entity. Special attribution rules apply to the attribution of shares and/or voting rights which are part of the property of a partnership or other form of joint ownership. A holder of a pledge or right of usufruct in respect of shares can also be subject to notification obligations, if such person has, or can acquire, the right to vote on the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger notification obligations as if the pledgee or beneficial owner were the legal holder of the shares and/or voting rights. Every holder of 3% or more of the company's capital or voting rights whose interest changes in respect of the previous notification to the AFM by reaching or crossing any of the abovementioned thresholds as a consequence of a different composition by means of an exchange or conversion into shares or the exercise of rights pursuant to an agreement to acquire voting rights, shall notify the AFM without

		undue delay after the date on which the holder knows or should have known that his interest reaches, exceeds or falls below a threshold. There is also an obligation to notify the AFM without undue delay in the event of reaching, exceeding or falling below one of the above thresholds as a result of a change in the issued share capital or the total number of voting rights. Each person holding a gross short position in relation to the issued share capital of the Company that reaches, exceeds or falls below one of the thresholds mentioned above must notify the AFM thereof without undue delay. If a person's gross short position reaches, exceeds or falls below one of the above-mentioned thresholds as a result of a change in the company's issued share capital, such person is required to make a notification not later than on the fourth trading day after the AFM has published the company's notification in the public register of the AFM. These notification obligation relating to gross short position are separate and should not be confused with the notification obligations relating to net short positions pursuant to the EU Short Selling Regulation (Regulation (EU) No. 236/2012).

9. Liability Situation

The N.V. shall be liable for its liabilities with its company assets.

The shareholders of the N.V. will not be liable to any larger extent than the shareholders of the AG in principle.

10. Impacts on Affiliated Companies by the Change of the Legal Form

The Change of the Legal Form does not have any impacts on affiliated companies.

11. Impacts on Employees and Co-Determination by the Change of the Legal Form

The employment contracts of the employees of Vivoryon are not affected by the conversion and will be continued unchanged. No employment can be terminated for reason of the conversion.

Vivoryon does not have any works council and is not subject to any collective agreement. There are no co-determination rights pursuant to the German Co-Determination Act (MitbestG) or the German One-Third Participation Act (DrittelbG).

Vivoryon Pharmaceuticals Inc. in the U.S.A. does not have any employees.

12. Operative Impacts

The Change of the Legal Form does not have any impacts on the business of Vivoryon. Vivoryon will continue its business activities unchanged as conducted before also after the Change of the Legal Form and the transfer of the company seat to Amsterdam. The Change of the Legal Form does not have any impacts on agreements of Vivoryon, which continue in effect unchanged due to the fact that the Change of the Legal Form is made in a manner preserving the identity, *i.e.* the legal entity is not changed. Entries in public registers, including the registration of the patents and trademarks, will become incorrect with regard to the changed name on the date the Change of Legal Form takes effect and will therefore be corrected by Vivoryon, unless the correction is made *ex officio*.

13. Claims of the Creditors

Within two months of the date on which the conversion plan has been disclosed, the creditors of Vivoryon may assert claims, if any, on the merits and as to the amount in writing and request the provision of security to the extent in which they cannot claim satisfaction. However, the creditors are entitled to this right only if they can substantiate that the fulfillment of their claims is jeopardized by the transfer of the seat and the conversion of the Company.

According to the Company's half-year financial statements pursuant to the German Commercial Code (*Handelsgesetzbuch*, hereinafter "**HGB**") as of June 30, 2020, the Company established reserves in the amount of approximately EUR 1.8 million, mainly for pension obligations, as well as short-term trade payables in particular from its ongoing business activities in the amount of approximately EUR 322 k, which will be paid by the

Company immediately after maturity. In this respect, the Company assumes that creditors will not demand the provision of collateral.

14. Impacts on the Balance Sheet

The Change of the Legal Form does not have any impacts on the balance sheet other than the costs incurred for the Change of the Legal Form proper. The equity shall remain unchanged. There is no need for any closing or opening balance sheet, as no transfer of assets takes place in connection with the Change of the Legal Form.

15. Explanation of the Conversion Plan

On August 26, 2020, Vivoryon's management board drew up a conversion plan concerning the Change of Legal Form of Vivoryon Therapeutics AG, with its registered office in Halle (Saale), into the legal form of a Dutch N.V. (document no. P 2262/2020 of the notary Dr. Pfisterer, Munich). In the conversion plan, the management board explained the procedure and timetable for the planned conversion, in particular with regard to the future company name, the registered office, the share capital, the articles of association, the effects of the conversion on the bodies of the Company, the consequences of the conversion for the employees and their representatives, the creditors' rights, the future auditors of the Company, further rights and special benefits and claims for assistance. The conversion plan were filed with the commercial register of the Stendal Local Court on August 28, 2020. The court is expected to publish a notice on August 28, 2020 stating that the conversion plan had been filed with the commercial register, the legal form, the name and registered office of Vivoryon, the registers in which the cross-border conversion will be registered and a reference to the arrangements for the exercise of creditors' and minority shareholders' rights and the address at which full information on these arrangements can be obtained free of charge.

16. Tax Impacts of the Conversion on the Company

16.1 Income Tax

As regards income tax, in case of the conversion of the legal form from a public company into a public company under another legal system, no transfer of assets takes place. The Change of the Legal Form does not imply any sale process. In addition, the Change of the Legal Form preserves identity, as neither the company nor the business owner changes (only change of legal form). For these reasons, the loss carryforwards existing in the

company should not be affected by the transfer of the registered office and the transformation (no forfeiture of losses).

Business activities (*i.e.* in particular assets and functions) of Vivoryon will not be transferred to the Netherlands (no allocation to a Dutch permanent establishment). Thus, the transfer of Vivoryon's registered office has no tax consequences for Vivoryon, including in terms of a taxable disjunction of assets ("*Entstrickungsbesteuerung*").

16.2 Transaction Taxes

As no transfer of assets takes place, there is no transaction subject to value added tax either. The Change of the Legal Form is not subject to value added tax.

As Vivoryon does not own any real estate, no real estate transfer tax will arise.

17. Tax Effects of the Conversion on the Shareholders

The following explanations contain a brief summary of some important German taxation principles, which may be relevant to the shareholders with unlimited tax liability in Germany in connection with the conversion and transfer of the Company's registered office.

Tax effects for shareholders with limited tax liability in Germany are not explained below. In addition to the special provisions of German tax law, these depend on the tax law of the country in which the respective shareholder is resident, as well as on the provisions of any agreement on the avoidance of double taxation that may exist between Germany and the shareholder's country of residence.

This summary is not an exhaustive presentation of all tax aspects that could be relevant to the shareholders. The summary generally only refers to income or corporation tax, withholding tax on income from capital (hereinafter "**Withholding Tax**") and trade tax, as well as the solidarity surcharge, incurred in Germany when taxing the capital gains of shareholders and deals only with some selected aspects of these types of taxes.

This summary is based on German tax law in force at the time this report was signed. This may change possibly even retroactively.

No responsibility is taken for the completeness or correctness of this summary. The tax explanations in this report do not replace personal tax advice. Each shareholder is therefore advised to consult a tax advisor on the individual tax consequences for him potentially

arising from the possible transfer of the shares. Only such tax advisor is in a position to adequately assess the special tax circumstances of the respective shareholder.

17.1 Effects on Shareholders who do not accept the Cash Compensation Offer

For the German shareholders who do not accept the offer for cash compensation (see section 19 below), the Change of the Legal Form in itself is – from an abstract viewpoint – of no significance for income tax purposes. In particular, the Change of the Legal Form is not a sale transaction.

A cash compensation in accordance with sec. 207 UmwG generally represents a buyback of own shares at company level. For German income tax purposes, this is to be classified as a capital reduction and treated in accordance with the provisions of sec. 27, 28 of the German Corporation Tax Act (*Körperschaftsteuergesetz*, hereinafter "**KStG**").

17.2 Effects on Shareholders who accept the Cash Compensation Offer

For shareholders who accept the cash compensation offer (see section 19 below), the transfer of shares against cash compensation in accordance with sec. 207 UmwG constitutes a sale of the shares for tax purposes.

A capital gain is realized if the determined cash compensation minus any related disposal costs exceeds the taxable acquisition costs or the taxable book value of the respective shareholder for the shares concerned. If the cash compensation minus any costs of disposal is less than the acquisition cost or the carrying amount of the shares of the shareholder, a disposal loss will incur.

The tax recognition of a capital gain and the tax assertion of a capital loss depends on whether the shares are attributable to the private or business assets of the respective shareholder prior to their transfer to the Company.

(a) Shares as Private Assets

If the shareholder is an individual person with an unlimited tax liability in Germany, *i.e.* in particular he has his domicile or habitual residence in Germany, the taxation of a gain from the transfer of the shares depends on whether or not the shareholder acquired the shares before January 1, 2009.

(i) Shares as Private Assets acquired before January 31, 2009

In the case of shares acquired prior to January 1, 2009, a gain from the transfer of shares is only subject to income tax if the shareholder directly or indirectly held an interest of at least 1% in the capital of the Company at any time during the five years preceding the transfer (hereinafter "**Material Interest**"), whereby in case of an acquisition by the shareholder free of charge, the period of ownership and the percentage of ownership of his legal predecessor is taken into account or – in the case of several successive transfers free of charge – of the shareholders' legal predecessors are taken into account. In this case, 60% of gains from the sale of a Material Interest are taxable (partial income method, sec. 3 no. 40 lit. c) in conjunction with sec. 17 para 1 and para 2 of the German Income Tax Law (*Einkommensteuergesetz*, hereinafter "**EStG**").

In this case, 60% of the eligible losses on disposal and expenses economically related to the transfer can generally be claimed for tax purposes (sec. 3c para 2 sentence 1 EStG). If the shareholder and, in the case of acquiring free of charge his legal predecessor, did not directly or indirectly hold at least 1% of the Company's capital at any time during the five years prior to the transfer, any capital gain or loss on the sale of shares acquired prior to January 1, 2009 is irrelevant for tax purposes (sec. 20 para 2 sentence 1 no. 1 in conjunction with sec. 52 para 28 sentence 11 EStG).

(ii) Shares as Private Assets acquired after December 31, 2008

The profit from the sale of a Material Interest is subject to the partial income method (sec. 17 para 1 sentence 1 in conjunction with sec. 3 no. 40 lit. c EStG, sec. 3c para 2 sentence 1 EStG). The provisions on the withholding tax also apply in principle to the sales of major shareholdings (sec. 43 para 1 sentence 1 no. 9 in conjunction with sec. 20 para 2 sentence 2 no. 1, sec. 20 para 8 EStG in conjunction with sec. 43 para 4 EStG). Any Withholding Tax and the solidarity surcharge levied on the capital gains do not have a compensatory effect (sec. 43 para 5 sentence 2 EStG, sec. 1 para 3 Solidarity Tax Contribution Act (*Solidaritätszuschlaggesetz*, hereinafter "**SolzG**") and will be credited against the shareholder's tax liability in his tax assessment (sec. 36 para 2 no. 2 lit. b EStG) or refunded in the amount of any excess amount (sec. 36 para 4 sentence 2 EStG). The saver's (tax-free) allowance (*Sparer-Pauschalbetrag*) is not granted (sec. 20 para 9

sentence 1 in conjunction with sec. 20 para 8 and sec. 17 EStG). Irrespective of whether a domestic, paying agent (credit institution, financial services institution, securities trading company or securities trading bank) carries out the sale, the tax withholding is generally to be made by this agent for the account of the shareholder (sec. 44 para 1 sentence 3 in conjunction with sentence 4 no. 1 EStG). The withholding tax rate is 25% plus 5.5% solidarity surcharge (a total of 26.375% of the relevant gross income).

Gains from the transfer of shares acquired after December 31, 2008 that do not represent a Material Interest are generally subject to the individual tax rate in accordance with sec. 32d para 1 in conjunction with sec. 20 para. 2 sentence 1 no. 1 EStG, regardless of the holding period. The tax is levied in accordance with sec. 43 para 1 sentence 1 no. 9 EStG by withholding from capital income (withholding tax).Depending on whether the tax is withheld by the domestic paying agent effecting the sale (credit institution, financial services institution, securities trading company or securities trading bank) for the account of the shareholder (sec. 44 para 1 sentence 3 in conjunction with sentence 4 no. 1 EStG).The settlement tax rate is 25% plus 5.5% solidarity surcharge *(i.e*. a total of 26.375% of the relevant gross income) (sec. 43a para 1 sentence 1 no. 1 EStG, sec. 1 para 3 in conjunction with sec. 4 sentence 1 SolZG).

The shareholder may deduct a saver's allowance of EUR 801.00 (or EUR 1,602.00 for jointly invested spouses) per calendar year from the capital income; the deduction of actual income-related expenses is excluded (sec. 20 para 9 sentence 1 EStG).

Capital losses of shares may only be offset against capital gains from shares, but not against other income from capital assets, such as dividends received, nor against income from other types of income (loss offsetting restriction), sec. 20 para 6 sentence 1 EStG). Capital losses on the disposal of shares that have not been offset may only be carried forward into future assessment periods, but not carried back (sec. 20 para 6 sentence 2 EStG; these amounts will be determined separately (sec. 20 para 6 sentence 3 in conjunction with sec. 10d para 4 EStG).

With the tax deduction, the income tax on the sale proceeds is settled (sec. 43 para 5 sentence 1 EStG). If no tax deduction has been made, the taxpayer must state the taxable income in his income tax return (sec. 32d

para 3 sentence 1 EStG, BMF v. 18.1.2016 - IV C 1 - S 2252/08/10004:017, Federal Tax Gazette I 2016, 85, para 183).

The shareholder may request that the profit from the transfer of the shares be assessed in accordance with the general rules for determining the personal progressive tax rate instead of the settlement tax if this results in a lower tax burden (reduced rate test, *Günstigerprüfung*, sec. 32d para 6 sentence 1 EStG).

(b) Shares as Business Assets

The taxation of shares held by the shareholder as business assets depends on whether the shareholder is a corporation, a natural person or a partnership engaged in business or trade (partnership under sec. 15 German Income Tax Law (*Einkommensteuergesetz*, "**EStG**"). This distinction is also relevant for the question whether the capital income is subject to withholding tax (see (iv) below).

(i) Shareholder is a Legal Entitiy

The profit from the transfer of the shares is generally 100% exempt from corporate tax and solidarity surcharge as well as trade tax (sec. 8b para. 2 sentence 1 KStG). 5% of the profit is considered a non-deductible business expense (sec. 8b para. 3 sentence 1 KStG) and is therefore subject to corporate tax at a rate of 15% plus 5.5% solidarity surcharge (total tax rate 15.825%) and, if the shares are attributable to a domestic corporation or a domestic permanent establishment of a foreign corporation, subject to trade tax (sec. 2 para. 1 in conjunction with sec. 7 GewStG).. There is no minimum participation limit or minimum holding period. Capital losses and other reductions in profits in connection with the shares sold may not be deducted as business expenses for tax purposes (sec. 8b para. 3 sentence 3 KStG).

(ii) Shareholder is an individual person

A gain from the transfer of shares held as business assets by a natural person (sole proprietor) is subject to income tax (plus solidarity surcharge) and trade tax in Germany if the shares are attributable to a domestic permanent establishment of a commercial enterprise (sec. 20 para. 2

sentence 1 Nr. 1 in conjunction with sec. 20 para. 8 and sec. 15 EStG, sec. 2 para. 1 in conjunction with sec. 7 GewStG).

The profit from the transfer of the shares is taxable at 60% (partial income method, sec. 3 no. 40 lit. d in conjunction with sentence 2 and sec. 20 para. 2 sentence. 1 no. 1 in conjunction with sec. 20 para. 8 and sec. 15 EStG).Expenses that are economically related to the profit can be deducted from taxes by 60% (sec. 3c para. 2 sentence 1 EStG). Taxation is based on the shareholder's personal progressive income tax rate.

Trade tax is generally credited in full or in part against the shareholder's personal income tax by means of a generalized accounting procedure (sec. 35 EStG).

(iii) Shareholder is a partnership

If the shareholder is a partnership, income or corporation tax is only levied at the level of the respective partner in the partnership. Taxation follows the principles described in section (i) and (ii) above, which would apply if the partner were a direct shareholder of the Company However, procedural specifics must be taken into account.

In addition, if the shares are allocated to a domestic permanent establishment of a business operation of the partnership, the profit from the transfer is subject to trade tax at the level of the partnership.

Insofar as natural persons hold shares in the partnership, the trade tax incurred at the level of the partnership is generally credited in full or in part against their personal income tax by means of a generalized accounting procedure (sec. 35 para. 2 EStG).

(iv) Withholding Tax

Capital gains from shares held by corporations with unlimited tax liability are not subject to Withholding Tax (sec. 43 para. 2 sentence 3 no. 1 EStG). The same applies to natural persons or partnerships if the proceeds of the sale belong to the operating income of a domestic establishment and the shareholder declares this to the paying agent in accordance with an officially prescribed form (sec. 43 para. 2 sentence 3 no. 2 EStG). In all

other cases, the domestic paying agent effecting the sale (credit institution, financial services institution, securities trading company or securities trading bank) must withhold 25% Withholding Tax plus 5.5% solidarity surcharge, (a total of 26.375% of the relevant gross income) when selling shares acquired after December 31, 2008. In the case of shares held as business assets, the withheld Withholding Tax and solidarity surcharge do not have a compensatory effect (sec. 43 para. 5 sentence 2 EStG, sec. 1 para. 3 SolzG), but are credited against the seller's tax liability (sec. 36 para. 2 no. 2 lit. b EStG) or refunded in the amount of any surplus (sec. 36 para. 4 sentence 2 EStG).

18. Right of Action against the Conversion

Any action against the validity of the conversion resolution must be filed with the court no later than within one month after the adoption of the resolution. The action cannot be based on any allegation according to which in the resolution interests in the N.V. allocated to a shareholder after the conversion would have been assessed too low for any shareholder or that the future shares in the N.V. would not constitute a sufficient equivalent for the former shares in the AG. Likewise, the action against the validity of the conversion resolution cannot be based on any allegation according to which the compensation offer (see section 19 below) would be calculated too low or that the compensation would not have been offered in the conversion resolution at all or in an undue manner. Accordingly, the shareholders entitled to cash compensation only have the right to have the reasonability of the cash compensation assessed by a court and have the cash compensation redetermined, if applicable.

19. Cash Compensation Offer

An offer pursuant to sec. 207 UmwG as shown in the **Annex** for the purchase of their shares will be made to shareholders for the purchase of their shares who vote against the conversion resolution and have their objection to the resolution recorded in the general meeting of shareholders. Based on this offer the Company will acquire after the conversion the newly generated shares in the N.V. of the dissenting shareholder as a result of the Change of the Legal Form for payment of a cash compensation of EUR 9,00 per share. If a shareholder applies to the court in accordance with sec. 212 UmwG to determine the cash compensation and the court determines a cash compensation, which differs from the above offer, the cash compensation is deemed to be offered.

The cash compensation offer will only be made in the event that the relocation of the registered office and the associated conversion and amendment of the articles of association are resolved by the general meeting of shareholders with the required majority of at least three quarters of the votes cast. The management board is also instructed not to implement the relocation of the registered office and the conversion, if shareholders who together hold more than 2% of the voting rights of the Company have voted against the relocation of the registered office and the associated conversion and amendment of the articles of association and have declared their objection for the record. The resolution on the transfer of the registered office and the conversion will therefore not be executed if shareholders holding in total more than 2% of the voting rights could demand a cash compensation. Also in this case, no offer will be made to the shareholders as the corresponding resolution will not be implemented.

Assuming the adequacy of the cash compensation offered by the Company, the total compensation claim is thus limited to EUR 3.6 million.

This is due to the Company's priority financing needs. The implementation of the planned cross-border Change of the Legal Form and any payments in connection with the related compensation offer should not lead to the European clinical 2b-trial no longer being fully funded. In this case, the Company would prefer not to implement the transfer of the registered office and the conversion into the legal form of a N.V. despite the advantages connected therewith for the Company and its shareholders. The management board and the supervisory board therefore recommend not to accept the cash compensation offer in order to ensure that the proposed measures can be implemented in the interest of the Company and its shareholders.

19.1 Settlement of the Offer

The cash compensation will be payable in exchange for the transfer of the shares of the objecting shareholder to the N.V. From the day the Change of the Legal Form becomes effective, the cash compensation will bear interest at a rate of five (5) percentage points above the base rate pursuant sec. 247 German Civil Code (*Bürgerliches Gesetzbuch*, "**BGB**") as applicable from time to time. The interest will be paid together with the cash compensation.

The aforementioned offer can be accepted within two (2) months after the effective date of the conversion. If a shareholder objecting pursuant to sec. 212 UmwG filed a petition for determination of the cash compensation by the court, then the offer can be accepted within

two (2) months after the date on which the decision of the court has been published in the German Federal Gazette (*Bundesanzeiger*).

The Company will assign a bank with the technical settlement of the compensation offer and the transfer of the shares to the Company. The settlement will be free of charge and expenses for the shareholders accepting the compensation offer. The cash compensation payable to the shareholders whose rights were previously certificated in global certificates held in collective safe custody will be paid simultaneously (*Zug-um-Zug*) with the transfer of the co-ownership share to which the respective shareholder is entitled in the global certificates held in the central depository, therefore against deregistration of the shares by the respective custodian institution.

Further details of the settlement will be announced separately to the shareholders immediately after the resolution on the transfer of the registered office is registered with the commercial register of the local court in Stendal.

19.2 Explanation and Justification of the Cash Conversions' Appropriateness

(a) Preliminary Remark

The shares of the shareholders accepting the compensation offer will be acquired in return for an adequate cash compensation. The cash compensation must take into account the circumstances of the Company at the time when the resolution is t to be adopted by the annual general meeting of the shareholders. The general meeting of the shareholders of the Company is expected to resolve on September 30, 2020 on the transfer of the registered office and the transformation of the Company into an N.V. under Dutch law.

To support the determination of the cash compensation pursuant to sec. 207 UmwG, the Company has commissioned Venture Valuation AG, Zurich, Switzerland, ("**Venture Valuation**") as a neutral expert to carry out a business valuation of the Company. Venture Valuation, an independent valuation company specializing in the biotech, pharmaceutical and medtech industries, submitted its expert opinion on August 26, 2020 for the valuation date September 30, 2020.

The main results of the measurement of the cash compensation are summarized below. For further explanation and justification of the appropriate cash compensation in accordance with sec. 207 UmwG, please refer to the expert opinion of Venture Valuation.

The Company fully adopts the content of the statements made in the expert opinion with the following considerations and limitations. The complete version of the expert opinion is attached to this conversion report as **Annex** and thus forms an integral part of this conversion report.

(b) Identification and Determination of the Cash Compensation pursuant to sec. 207 UmwG

Pursuant to sec. 207 UmwG the Company determined the adequate cash conversion to be EUR 9.00 per share of the Company.

In the opinion of the Company, the adequacy of the cash compensation determined by the Company is based on the following reasons:

The appropriate cash compensation fixed by the Company at EUR 9.00 slightly exceeds the enterprise value of the Company of approximately EUR 177.2 million determined by Venture Valuation in its expert opinion, which corresponds to a calculated value of approximately EUR 8.87 per share of the Company.

The management board of the Company was guided by the following considerations when determining the cash compensation.

(i) Valuation of the Assumptions made by Venture Valuation

The assumptions and estimates on which Venture Valuation has based the company valuation have been reviewed by the Company and found to be fully transparent and appropriate. In this respect, the Company fully endorses the corresponding statements in the expert opinion.

(ii) Valuation methods applied

Usually, company valuations in German valuation practice are carried out in particular in accordance with the standard "Principles for the Performance of Company Valuations" (*Grundsätze zur Durchführung von Unternehmensbewertungen*, "**IDW S 1**" as amended in 2008). According to the long-standing valuation practice and the case law in Germany, the value per share for the purpose of determining the cash compensation within the scope of a statutory valuation event must in principle be determined in accordance with IDW S 1.

Venture Valuation has valued the Company using a sum-of-the-parts approach based on the Risk-Adjusted Net-Present-Value ("**rNPV"**) method and the DCF-method. In the opinion of the Company, this approach is an internationally recognized method that is frequently used in the valuation of biotech companies, particularly in connection with transactions (financing rounds, licensing agreements). For this reason, Venture Valuation, as a valuation company specialized in this method and very experienced in the industry, was commissioned to prepare the expert opinion.

However, this approach does not fully comply with the aforementioned IdW S 1 standard, which in the Company's opinion could lead to minor deviations, if the valuation had been based solely on IdW S 1.

Venture Valuation did not address the existing stock option plans/ESOPs. The exercise of options under these plans results in a dilution of existing shareholders. However, the Company estimates this point to be rather insignificant anyway due to the relatively small number of outstanding options. Therefore, this point was not considered in favor of the shareholders to be compensated, if any, when determining the cash compensation.

The valuation result of EUR 177.2 million has been benchmarked by Venture Valuation using market comparables and transaction multiples of comparable companies and indications. However, the valuation ranges so determined are broad in a way that the Company believes that they have only limited autonomous significance. Since the valuation result of EUR 177.2 million lies clearly within all ranges, the Company believes that there is no reason to question the valuation result calculated by using the rNPV and DCF-methods based on the benchmarking results.

(c) Consideration of the Stock Exchange Price as Lower Limit

(i) Relevant Stock Exchange Price

In the case of structural measures under German company law, the stock exchange price must always be taken into account as the lower limit of a compensation payment pursuant to relevant case law. The volume-weighted average share price ("VWAP") over a period of three months prior

to the announcement of the measure is regularly used as the basis for this purpose.

The announcement of the measure was made in the evening of August 27, 2020 by means of the publication of insider information, so that August 26, 2020 is the relevant deadline for the end of the three-month period.

Accordingly, the three-months-VWAP for the period between May 27, 2020 to August 26, 2020 (each inclusive) for the trade at the Euronext Amsterdam is EUR 4.76 per share. Therefore, the cash compensation as determined by the Company significantly exceeds the stock exchange price thus determined.

(ii) No narrow Markets or Manipulation of the Stock Exchange Price

In the opinion of the Company, there are no serious concerns to taking the stock exchange price as the lower value limit for determining the appropriate cash compensation. According to jurisdiction, this is particularly the case if there has been practically no trading in the company's shares for a long period of time, if the individual shareholder is not in a position to sell his shares at the stock exchange price due to a narrow market, or if the stock exchange price has been manipulated.

In the opinion of the Company, however, there is no evidence of such exceptional situations in the relevant three-month period prior to August 27, 2020.

The valuation result of EUR 8.87 per share determined by Venture Valuation was rounded up to the full amount of EUR 9.00 for the purpose of determining the cash compensation, in order to avoid a semblance of precision in view of the valuation difficulties. In addition, the compensation amount thus includes a safety margin in order to also correspond to a compensation amount as may be determined as appropriate following IdW S 1.

As a result, the Company considers that the compensation offer with a cash compensation of EUR 9.00 per share of the Company is adequate.

20. Further Details

Further details are provided in the draft conversion resolution and the draft articles of association of the future N.V. attached as **Annex**, as well in the cash compensation offer that is also part of this Annex.

21. Recommendation for Resolution

The annual general meeting of Vivoryon scheduled on September 30, 2020 will decide on the Change of the Legal Form.

After a comprehensive assessment of the advantages and disadvantages as well as of the legal and economic impacts of the Change of the Legal Form, the management board and the supervisory board recommend that the Company's shareholders resolve the conversion resolution in accordance with their proposal.

Munich, August 28, 2020

[Signed]

Dr. Ulrich Dauer
CEO of the management board of
Vivoryon Therapeutics AG

[Signed]

Dr. Michael Schaeffer
Member of the management board of
Vivoryon Therapeutics AG

Annexes

1. **Invitation to the General Meeting of the Shareholders including Conversion Resolution and Articles of Association of the future N.V. and Compensation Offer pursuant to sec. 207 UmwG**

2. **Valuation Report of Venture Valuation**

Annex 1

Invitation to the General Meeting of the Shareholders including Conversion Resolution and Articles of Association of the future N.V. and Compensation Offer pursuant to sec. 207 UmwG

Vivoryon Therapeutics AG

Halle (Saale)

ISIN DE0007921835 / VVY

Invitation to the Ordinary General Meeting of Shareholders

We invite our shareholders to the

ordinary general meeting of shareholders

taking place

on Wednesday, September 30, 2020, at 11:00 a.m. (CEST),

at the registered office of Vivoryon Therapeutics AG, Weinbergweg 22, 06120 Halle (Saale), Germany.

I.
Agenda

1. Presentation of the Approved Annual Financial Statements as well as the Management Report of Vivoryon Therapeutics AG for the Financial Year 2019, including the Explanatory Report of the Management Board as to the Information pursuant to sec. 289a para. 1 of the German Commercial Code ("HGB") and the Report of the Supervisory Board for the Financial Year 2019.

The documents mentioned under this item of the agenda are available for inspection on the website of the company at https://www.vivoryon.com/investors-news/ordinary-general-meeting-of-shareholders-2020/ as of the date of the invitation to the general meeting. Moreover, they are displayed for inspection by the shareholders as of the invitation date in the offices of the company at Weinbergweg 22, 06120 Halle (Saale), Germany, during the

usual business hours of the company from Monday through Friday from 09:00 a.m. until 04:00 p.m. Furthermore, the documents will be available at the general meeting as well. In conformity with the legal regulations, no resolution is provided for this item of the agenda, as the supervisory board has given its consent to the annual financial statements already and thus the annual financial statements are approved.

2. Adoption of a Resolution on the Grant of Discharge of Performance to the Management Board Members for the Financial Year 2019

The management board and the supervisory board propose to grant discharge of performance to the members of the management board holding office in the financial year 2019 for their actions during that period.

3. Adoption of a Resolution on the Grant of Discharge of Performance to the Supervisory Board Members for the Financial Year 2019

The management board and the supervisory board propose to grant discharge of performance to the members of the supervisory board holding office in the financial year 2019 for their actions during that period.

4. Election of the Financial Statements Auditor for the Financial Year 2020

The supervisory board proposes:

(i) to elect KPMG AG Wirtschaftsprüfungsgesellschaft, Münzgasse 2, 04107 Leipzig, Germany as financial statements auditor and as auditor for the auditing review of interim financial reports, if any, for the financial year 2020; and

(ii) in case of conversion of the company into an N.V. under the laws of the Netherlands (please refer to item 9 of the Agenda), to appoint KPMG Accountants N.V., Zuiderzeelaan 33, 8017 JV Zwolle, the Netherlands, to audit the annual accounts of the company for the first financial year of the company as an N.V.

The proposal of the supervisory board as to this item 4 of the agenda is based on a corresponding recommendation of the audit committee of the supervisory board.

5. Elections to the Supervisory Board

Upon the end of the general meeting on September 30, 2020, the term of office of the supervisory board members Dr. Dinnies von der Osten, Dr. Erich Platzer, Dr. Jörg Neermann and Charlotte Lohmann will expire.

Pursuant to sec. 95, sec. 96 para. 1, sec. 101 para. 1 AktG (German Stock Corporations Act) as well as pursuant to sec. 8 para. 1 of the present articles of association of the company, the supervisory board of the company is composed of four members elected by the general meeting.

The supervisory board proposes to re-elect the following persons to the supervisory board:

a) Dr. Erich Platzer, managing director of PlatzerInvest AG, Basel, Switzerland, resident in Basel, Switzerland

b) Charlotte Lohmann, Senior Vice President, General Counsel of MorphoSys AG, Planegg, resident in Munich

c) Dr. Dinnies Johannes von der Osten, executive partner of GoodVent GmbH & Co. KG, resident in Berlin

d) Dr. Jörg Neermann, investment manager, resident in Munich

The election is made pursuant to sec. 8 para. 2 of the company's articles of association in combination with sec. 102 para. 1 AktG for the period until the end of the general meeting resolving on the approval of actions in the financial year 2021.

In case of transfer of the company seat to Amsterdam and conversion of the company into an N.V. under the laws of the Netherlands (please refer to item 9 of the Agenda), the appointment is deemed an appointment as non-executive directors of the N.V.

It is intended to have the general meeting decide on the new elections to the supervisory board by way of individual voting.

Dr. Erich Platzer

As a business angel, Dr. Erich Platzer provides advice to StartAngels and BioBAC, advising and investing in early-stage companies, in particular in biotech, medtech and high-tech businesses.

In 2001, he co-founded HBM Partners AG, a venture capital company, from which he retired in 2015. He has been chairman or board member of various publicly traded and privately held early-stage companies including Novuspharma, CTI, Micromet, Cylene, mtm laboratories and Nereus, as well as currently Aptose Biosciences, Credentis, Advanced Osteotomy Tools (AOT), Peripal and Léman Micro Devices (LMD).

Since 2015, Dr. Platzer has also been a supervisory board member of the venture capital company MTIP, MedTech Innovation Partners.

Until 1999, Dr. Platzer worked for close to 10 years in various functions in product development and marketing at F. Hoffmann La Roche, Basel, most recently as Business Director Oncology, supervising the therapeutic area of oncology and responsible for various strategic corporate partnerships. Dr. Platzer has worked as a physician and researcher for many years and was a member of the team that was the first to purify human natural G-CSF (from which Neupogen® was derived). Dr. Platzer graduated from the Medical School of the University of Erlangen, where he also received his MDPhD (Dr. med. habil.).

Charlotte Lohmann

Ms. Charlotte Lohmann has been Senior Vice President since January 2018 and General Counsel since 2012 at MorphoSys AG in Planegg.

Prior to this, she spent eleven years at Wilex AG in Munich, her last position as Senior Vice President Legal Affairs & Human Resources. Prior to her position at Wilex, she practiced as a lawyer at the law firm KPMG Treuhand & Goerdeler GmbH in Munich. She started her career in the tax and law department of the auditing company KPMG Deutsche Treuhand-Gesellschaft AG in the Munich office.

Ms. Lohmann received her degree in law from the Ludwig-Maximilians-University of Munich and is a licensed attorney.

Dr. Dinnies Johannes von der Osten

Dr. Dinnies Johannes von der Osten is CEO/Partner at GoodVent Beteiligungsmanagement and CEO of Cedrus Private Equity. He has spent over 20 years in the venture and private capital sector in various positions. Between 1998 and 2007, he was sole Managing Director of IBG Beteiligungsgesellschaft Sachsen-Anhalt mbH; Managing Director of VWM Waste und Beteiligungsgesellschaft mbH (1994-1997) and BDO of TechnoCommerz GmbH, a Treuhandanstalt owned company (1993-1994).

Dr. von der Osten holds a Ph.D. in Economics from Freie Universität Berlin, a diploma in Economics from Ludwig-Maximilians-University, Munich and a Bachelor of Business and Engineering from TU Karlsruhe.

Dr. Jörg Neermann

Dr. Joerg Neermann has been Partner at LSP (Life Sciences Partners) since 2007. He is responsible for sourcing, selecting and managing investments in privately held life science companies primarily in the German-speaking region, but also in other European regions.

He currently also serves on the supervisory boards of Immunic (Germany), Eyesense (Switzerland), Vicentra (Netherlands) and Ventaleon (Germany).

Dr. Neermann began his venture capital career in 1996 at Atlas Venture. In 1998, he joined DVC Deutsche Venture Capital, a subsidiary of Deutsche Bank AG, where he became Managing Partner in 2002. Dr. Neermann studied Biotechnology at TU Braunschweig and at the M.I.T. (Cambridge, USA) and holds a Master's degree in Biotechnology. He received his Ph.D. in 1996 from TU Braunschweig.

The proposed candidates hold the following memberships in other supervisory boards to be formed by virtue of law and in comparable domestic and foreign control bodies of business enterprises (sec. 125 para. 1 sentence 5 AktG):

Dr. Erich Platzer

Memberships in other supervisory boards to be formed by virtue of law and in comparable domestic and foreign control committees of business enterprises

- Aptose Biosciences Inc. (NASDAQ, TSE)
- Advanced Osteotomy Tools AOT, Basel, Switzerland
- Credentis AG, Windisch, Switzerland
- Léman Micro Devices S.A., Lausanne, Switzerland
- Peripal AG, Zurich, Switzerland
- MedTech Innovation Partners AG, Basel, Switzerland
- PlatzerInvest AG, Basel, Switzerland

Charlotte Lohmann

Memberships in other supervisory boards to be formed by virtue of law and in comparable domestic and foreign control committees of business enterprises

- none

Dr. Dinnies Johannes von der Osten

Memberships in other supervisory boards to be formed by virtue of law and in comparable domestic and foreign control committees of business enterprises

- Marketlogic Software AG, supervisory board member, Berlin
- Trust AG, supervisory board member, Berlin
- Elector GmbH, managing director, Berlin
- Acktar Ltd., Board Member, Kiryat Gat, Israel

Dr. Jörg Neermann

Memberships in other supervisory boards to be formed by virtue of law and in comparable domestic and foreign control committees of business enterprises

- Immunic AG, chairman of the Supervisory Board, Martinsried
- Immunic Inc., Board Member, New York, USA
- Eyesense AG, member of the administration board, Basel, Switzerland
- ViCentra B.V., Board Member, Utrecht, the Netherlands
- Ventaleon GmbH, member of the advisory board, Gemünden
- Imcyse S.A., Liege, Belgium

For the persons it proposed, the supervisory board took into consideration the objectives set in accordance with the recommendations of the German Corporate Governance Code for the composition of the supervisory board with the exceptions declared in the compliance statement of the company as well as the targets defined by the supervisory board on September 15, 2017 for its composition.

Of the proposed candidates, Charlotte Lohmann, Dr. Dinnies von der Osten and Dr. Jörg Neermann qualify based on their many years of professional experience as finance experts as defined in sec. 100 para. 5 AktG. Moreover, all the proposed candidates are acquainted with the industry sector in which the company works.

According to the view of the supervisory board, at least half the candidates are to be considered as independent within the meaning of the recommendation C.7 DCGK (German Corporate Governance Code).

According to the vote of the supervisory board as composed until now, it is planned to elect Dr. Erich Platzer as chairman of the supervisory board.

6. Adoption of a Resolution on the Remuneration of the Supervisory Board

The management board and the supervisory board propose to adopt the following resolution:

Effective as of the start of the financial year 2020, the regulation concerning the remuneration of the supervisory board members is revised completely as follows:

Each member of the supervisory board shall receive a fixed annual remuneration of Euro 40,000.00**.** The chairperson of the supervisory board shall receive 1.5 times the remuneration. For the membership in a committee, the supervisory board member shall receive an addition annual remuernation of Euro 5,000.00, while there will be no increase for chairing any committee.

Supervisory board members not belonging to the supervisory board for one full financial year shall receive remuneration on a pro rata temporis basis for each started calendar month of their activity.

The remuneration shall be due for payment within one (1) month upon the lapse of the respective financial year.

Moreover, the members of the supervisory board shall receive compensation of all expenses they incur in exercising their office as well as compensation of the value added tax to be paid for their remuneration and expenses, if any.

7. Adoption of a Resolution on the Creation of a Stock Option Program 2020, the Creation of a Conditional Capital 2020/I as well as the Corresponding Amendments to the Articles of Association

The management board and the supervisory board propose to adopt the following resolution:

7.1 Creation of a Stock Option Program 2020

A new Stock Option Program 2020 is created. The basics of the Stock Option Program 2020 are as follows:

1) Authorization

The management board is given the authorization to issue up to 615,000 options to current and future employees and members of the management board until December 31, 2023, in one or several step(s), the general method of distributing the options being subject to the consent by the supervisory board. To the extent in which subscription rights are issued to members of the company's management board, only the supervisory board will have the right to conduct such issue.

The options shall entitle the respective beneficiaries to acquire new common shares in the company in accordance with the option terms.

2) Circle of Persons Entitled to Subscribe

With an overall volume of the maximum available 615,000 options, the circle of persons entitled to subscribe is composed as follows:

a) Up to 473,550 options are allocable to present and future members of the company's management board. Options that are not made use of may be issued to the beneficiaries defined in sub-section b). The options shall be distributed in one transaction and in equal shares to the management board members acting for the company on the date the options are granted.

b) Up to 141,450 options are allocable to present and future employees of the company.

3) Term of the Stock Option Program 2020

The options issued under the Stock Option Program 2020 can only be exercised within eight years upon their issue.

4) Subscription Right

In exercising the options, no-par value common bearer shares can be subscribed to at a ratio of 1:1 for payment of the applicable strike price. After the conversion of the company's shares into registered shares, if applicable, registered common shares can be subscribed.

The management board is authorized subject to the consent by the supervisory board – the supervisory board decides alone in case of options of management board members – to adjust the subscription of shares in the event of corporate actions or a conversion of the company. In case that fractions of options or shares should accrue, they shall be rounded down.

The strike price for one option is equivalent to the simple average of the Relevant Stock Exchange Prices of the last twenty stock exchange trading days prior to the issue of the option.

The "Relevant Stock Exchange Price" is the closing quotation of the share determined on Euronext (Amsterdam) or a comparable succeeding system to Euronext (Amsterdam) or - if the share is listed abroad - the corresponding stock exchange price on such foreign stock exchange. If Vivoryon's share is listed on more than one stock exchange, the prices on the stock exchange with the highest trading volume in Vivoryon's share during the relevant period shall be decisive.

Subject to the consent by the supervisory board, the management board may opt for either making available the shares required to fulfil the exercised options from the Conditional Capital existing for this purpose, a conditional capital yet to be created or a program for the acquisition of own shares already existing or yet to be resolved by the general shareholders' meeting in the future. Alternatively, at the option of the management board requiring the consent by the supervisory board, the person entitled to subscribe may be granted compensation in cash. The cash compensation is calculated as the difference between the strike price and the simple average of the Relevant Stock Exchange Prices during the last ten stock exchange trading days prior to the day the option is exercised. To the extent as options of the management board members are concerned, the supervisory board shall decide alone.

5) Acquisition Periods

a) Options may be offered for acquisition to the persons entitled to subscribe in one or several tranches until December 31, 2023.

b) Options may be issued within the first twenty stock exchange trading days of the first quarter, the second quarter, the third quarter and the fourth quarter of a financial year.

6) Exercise Conditions (Vesting Period, Success Targets)

The persons entitled to subscribe may exercise the options

a) once at least four years have lapsed after their issue and – if relevant – the options have vested; and

b) if the simple average of the Relevant Stock Exchange Prices of the last twenty stock exchange trading days prior to exercising the option is not less

than 20% above the strike price (success target in the meaning of sec. 193 para. 2 no. 4 AktG).

7) Exercise Periods

In respect of sec. 193 para. 2 no. 4 AktG (exercise periods) and to avoid insider breaches pursuant to the German Securities Trading Act (*Wertpapierhandelsgesetz*) also after the lapse of the four-year minimum vesting period and the observance of the success target notwithstanding, the options may only be exercised five times a financial year within a four-week period. Such exercise periods start on the third banking day after the annual general meeting of shareholders and after the publication of each quarterly report. If the company does not publish any quarterly reports, the options may only be exercised once a year within a four-week period starting on the third banking day after the annual general meeting.

Moreover, the exercise of the options is excluded as of the date on which the company submits an offer to its shareholders for the subscription of new shares or debentures with conversion or subscription rights until the date when the shares eligible for subscription are quoted “ex subscription right” for the first time.

8) Disposal of Options

The options are not transferrable.

9) Taxation of the Options

The person entitled to subscribe shall bear all taxes possibly accruing in connection with the granting and exercise of the options, including church tax and solidarity surcharge, as well as social security insurance contributions.

10) Reporting Duty of the Management Board

The management board shall report about the use of the Stock Option Program 2020 for each financial year in the notes to the annual accounts (sec. 285 no. 9a HGB, sec. 160 para. 1 no. 5 AktG).

11) Further Configuration (Authorization)

Subject to the consent by the supervisory board, the management board is given the authorization – if the management board itself is affected, the supervisory board is authorized alone – to determine the further details for the configuration of the Stock Option Program 2020, including, but not limited to:

- the details of the implementation of the Program as well as the terms for the granting and the exercise and, moreover, the provision of the subscription shares in conformity with the stock exchange admission rules;

- the definition of vesting of the options and the more detailed configuration of such vesting;

- any amendments to the Stock Option Program 2020, including adjustment of the terms for subscription of shares, which are required or deemed conducive by the management board or the supervisory board, as the case may be, in connection with corporate actions and conversion of Vivoryon Therapeutics AG into an N.V. under the laws of the Netherlands (please refer to items 9 and 10 of the Agenda) ;

- changes of the Program, if any, which may become necessary due to a changed legal framework or jurisdiction.

12) Approval

In case that a corresponding option program has been resolved by the management board and supervisory board already and options have been issue already under that program, this is hereby approved.

7.2 Creation of a New Conditional Capital 2020/I

A new Conditional Capital 2020/I is created as follows:

The share capital of the company is conditionally increased by a nominal amount of up to Euro 615,000.00 by issuing up to 615,000 no-par value common bearer shares (Conditional Capital 2020/I). The conditional capital increase is designated for the fulfilment of stock options pursuant to sec. 192 para. 2 no. 3 AktG, which were issued under the Stock Option Program 2020. The conditional capital increase shall only be implemented to the extent in which the persons entitled to the stock options make use of their subscription right. The new shares emerging from the exercised stock options shall be entitled to receive profits as of the beginning of the financial year in which they are created by way of exercise of the subscription right.

7.3 Amendment to the Articles of Association

1) A new Art. 5 para. 9 is added to the Articles of Association as follows:

"(9). The share capital of the company is conditionally increased by a nominal amount of up to Euro 615,000.00 by issuing up to 615,000 no-par value common bearer shares (Conditional Capital 2020/I). The conditional capital increase is designated for the fulfilment of stock options pursuant to sec. 192 para. 2 no. 3 AktG, which were issued under the Stock Option Program 2020 (in the version of the resolutions of the annual general meeting of September 30, 2020). The conditional capital increase shall only be implemented to the extent in which the persons entitled to the stock options make use of their subscription right. The new shares emerging from the exercised stock options shall be entitled to receive profits as of the beginning of the financial year in which they are created by way of exercise of the subscription right."

2) The former Art. 5 para. 9 and para. 10 of the Articles of Association shall become Art. 5 para. 10 and para. 11 of the Articles of Association.

8. Adoption of a Resolution on the Creation of a Conditional Capital 2020 Cancelling the Conditional Capital 2019, as well as the Corresponding Amendment to the Articles of Association

The management board and the supervisory board propose to adopt the following resolution:

a) The management board is given the authorization to increase the share capital of the company – subject to the consent by the supervisory board – until September 29, 2025 in one or several step(s) for contributions in cash or in kind by up to Euro 9,987,741.00 by issuing a total of up to 9,987,741 new no-par value common bearer shares (Authorized Capital 2020). The subscription right is excluded. Furthermore, the management board is given the authorization – subject to the consent by the supervisory board – to determine the further details of the capital increase, its implementation and the terms and conditions for the issue of the shares out of the Authorized Capital 2020.

b) The Authorized Capital 2019 is cancelled subject to the condition precedent of the registration of the Authorized Capital 2020.

c) Art. 5 para. 10 (new) of the Articles of Association is adjusted accordingly and now it reads as follows:

> "The management board is given the authorization to increase the share capital of the company – subject to the consent by the supervisory board – until September 29, 2025 in one or several step(s) for contributions in cash or in kind by up to Euro 9,987,741.00 by issuing a total of up to 9,987,741 new no-par value common bearer shares (Authorized Capital 2020). The subscription right is excluded. The management board is given the authorization – subject to the consent by the supervisory board – to determine the further details of the capital increase, its implementation and the terms and conditions for the issue of the shares out of the Authorized Capital 2020."

9. Transfer of the Company's Official Seat to the Netherlands and Conversion into and Adoption of Articles of Association of a Public Company under the Laws of the Netherlands

The management board and the supervisory board propose to adopt the following resolutions:

9.1 The official seat (*Sitz*) of the company is transferred to Amsterdam, the Netherlands, and, in doing so, the company is converted into a public company under the laws of the Netherlands (naamloze vennootschap, "N.V."). In the view of the management board and the supervisory board, the transfer of the company's official seat and the conversion would have the following advantages:

According to the estimation of the management board and the supervisory board, the company-law structure of an N.V. is considered as more attractive for international investors, as they are better acquainted with these structures in their legal systems than with the specific features of a German public company (*Aktiengesellschaft*). In perspective, the legal form of an N.V. allows a quotation at a stock exchange in the U.S.A., either in form of American Depository Receipts ("ADR") or by direct admission of the shares of the N.V. for trading at a U.S. stock exchange.

Many competitors – also on the German marketplace – are organized in the legal form of an N.V. already, while the legal form of an AG is perceived as competitive disadvantage due to its reduced flexibility, particularly when it comes to further capital raising via the capital market. In particular, the subscription right principle is structured more flexibly in other legal systems than in case of the German Stock Corporations Act, and competitors can act quicker and with a clearly lower legal complexity for this reason. This ability provides them with a further advantage, as international institutional investors prefer transactions with a low legal complexity.

Finally, in the view of the shareholders, a transfer of the company's official seat and conversion of the company into an N.V. would also generate advantages, as due to the quotation at Euronext Amsterdam and the German official seat for the time being, both Dutch and German laws are applicable to certain circumstances leading to legal uncertainty and an additional complication for shareholders and the company.

For these reasons, it appears reasonable and expedient from the company's perspective to transfer the statutory seat of the company to Amsterdam and, in doing so, to convert the company into an N.V.

9.2 Conversion of the Company from a stock corporation under German law into a stock corporation under Dutch law (*naamloze vennootschap*) (the "**Conversion**") under the name Vivoryon Therapeutics N.V. and amendment of the Articles of Association of

the Company (the "**Amendment**") in accordance with the draft deed of transfer of the registered office, conversion of the Company and amendment of the Articles of Association of the Company (the "**Deed of Transfer, Conversion and Amendment**") as submitted by Orange Clover, lawyers in Amsterdam, the Netherlands ("**Orange Clover**").

The Deed of Transfer, Conversion and Amendment including the draft of the new Articles of Association (in Dutch and in English translation) reads as follows:

AKTE VAN ZETELVERPLAATSING, OMZETTING EN STATUTENWIJZIGING

(Vivoryon Therapeutics AG)
(nieuwe naam: Vivoryon Therapeutics N.V.)

Op ● tweeduizend twintig is voor mij, ●, notaris te Amsterdam, verschenen:
●.
De comparant heeft het volgende verklaard:

(A) op grond van de rechtspraak van het Hof van Justitie van de Europese Unie en meer in het bijzonder:
   (i) zijn vonnis van zestien december tweeduizend acht in dossier C-210/06 (Cartesio Oktató es Szolgáltató);
   (ii) zijn vonnis van twaalf juli tweeduizend twaalf in dossier C-378/10 (VALE Építési kft); en
   (iii) zijn vonnis van vijfentwintig oktober tweeduizend zeventien in dossier C-106/16 (*Polbud – Wykonawstwo sp. z o.o.*),
   kan een vennootschap die is opgericht naar het recht van een lidstaat van de Europese Unie haar statutaire zetel verplaatsen naar een andere lidstaat van de Europese Unie, met dien verstande dat:
   (i) een dergelijke verplaatsing van de statutaire zetel samen moet gaan met de wijziging van het toepasselijke nationale recht door middel van een omzetting in, en het aannemen van de juridische vorm van, een vennootschap naar het recht van de lidstaat waarnaar de statutaire zetel van die vennootschap wordt verplaatst; en
   (ii) het recht van de lidstaat waarnaar de statutaire zetel van die vennootschap wordt verplaatst de omzetting van een rechtspersoon naar zijn nationaal recht in een ander type rechtspersoon toestaat zonder dat enige ontbinding of liquidatie van de omzettende rechtspersoon en/of oprichting van een dergelijk ander type rechtspersoon vereist is;

(B) op grond van het Nederlands recht, mag een rechtspersoon naar Nederlands recht zich omzetten in een naamloze vennootschap naar Nederlands recht, zonder dat enige ontbinding of liquidatie van de omzettende rechtspersoon en/of oprichting van een dergelijke naamloze vennootschap vereist is;

(C) tijdens de algemene vergadering van **Vivoryon Therapeutics AG**, een naamloze vennootschap opgericht naar het recht van Duitsland (*Aktiengesellschaft*), met statutaire zetel (*Sitz)* te Halle (Saale), Duitsland, en kantoorhoudende te Weinbergweg 22, 06120 Halle/Saale, Duitsland, ingeschreven in het handelsregister van de locale rechtbank in Stendal, Duitsland, onder nummer HRB 213719 (de "**Vennootschap**"), gehouden op dertig september tweeduizend twintig, is besloten:
   (i) de statutaire zetel van de Vennootschap te verplaatsen van Halle (Saale), Duitsland, naar Amsterdam, Nederland (de "**Zetelverplaatsing**");
   (ii) de Vennootschap om te zetten in een naamloze vennootschap opgericht naar het recht van Nederland (de "**Omzetting**");
   (iii) de statuten van de Vennootschap te wijzigen en geheel opnieuw vast te stellen (de "**Statutenwijziging**"); en
   (iv) de comparant te machtigen deze akte te doen passeren;
   van deze besluitvorming blijkt uit een kopie van de notulen van de hiervoor bedoelde vergadering die aan deze akte is gehecht (Bijlage);

(D) de statuten van de Vennootschap zijn laatstelijk gewijzigd bij akte op vierentwintig oktober tweeduizend negentien, verleden voor Dr. Walz, notaris te München, Duitsland;

(E) de Vennootschap is niet onderworpen aan één of meer insolventie- en liquidatieprocedures opgenomen in Bijlage A van Verordening (EU) 2015/848 van het Europees Parlement en de Raad van twintig mei tweeduizend vijftien betreffende insolventieprocedures (herschikking), in enig rechtsgebied binnen de Europese Unie;

(F) op basis van Annex II van Verordening (EC) nr. 2157/2001 van de Raad van acht oktober tweeduizend één betreffende het statuut van de Europese vennootschap (SE), is een naamloze vennootschap opgericht naar het recht van Duitsland (*Aktiengesellschaft*) het equivalent van een naamloze vennootschap opgericht naar het recht van Nederland;

(G) op ● tweeduizend twintig heeft het registratiegerecht van de locale rechtbank in Stendal, Duitsland, een attest afgegeven, waarin hij verklaart dat hem afdoende is gebleken dat aan alle relevante voorwaarden is voldaan en dat alle procedures en formaliteiten die moeten worden nageleefd, respectievelijk vervuld volgens het recht van Duitsland en de statuten van de Vennootschap voorafgaand aan de Zetelverplaatsing en Omzetting zijn nageleefd respectievelijk correct zijn vervuld; een kopie van deze verklaring is aan deze akte gehecht (Bijlage);

(H) ter uitvoering van voormelde besluiten, wordt de statutaire zetel van de Vennootschap hierbij verplaatst van Halle (Saale), Duitsland, naar Amsterdam, Nederland, en wordt de Vennootschap hierbij omgezet in een naamloze vennootschap opgericht naar het recht van Nederland en worden de statuten van de Vennootschap hierbij gewijzigd en geheel opnieuw vastgesteld als volgt.

Statuten:

HOOFDSTUK I

1 Begripsbepalingen en interpretatie

1.1 In deze statuten hebben de volgende begrippen de daarachter vermelde betekenissen:

"**aandeel**" betekent een aandeel in het kapitaal van de vennootschap.

"**aandeelhouder**" betekent een houder van één of meer aandelen. Onder aandeelhouders worden in ieder geval geacht te zijn begrepen: (i) elke persoon die medegerechtigd is tot aandelen zoals opgenomen in het wettelijk giraal systeem, en (ii) elke persoon die aandeelhouder is op grond van enig toepasselijk recht volgens Boek 10, Titel 8 van het Burgerlijk Wetboek.

"**algemene vergadering**" betekent het vennootschapsorgaan dat wordt gevormd door de persoon of personen aan wie als aandeelhouder of anderszins het stemrecht op aandelen toekomt, dan wel een bijeenkomst van zodanige personen (of hun vertegenwoordigers) en andere personen met vergaderrechten.

"**bestuur**" betekent het bestuur van de vennootschap.

"**bestuurder**" betekent een lid van het bestuur. Tenzij het tegendeel blijkt, is hieronder begrepen zowel elke uitvoerende bestuurder als elke niet-uitvoerende bestuurder.

"**CEO**" heeft de betekenis die daaraan wordt toegekend in artikel 15.3.

"**CFO**" heeft de betekenis die daaraan wordt toegekend in artikel 15.3.

"**dochtermaatschappij**" betekent een dochtermaatschappij van de vennootschap als bedoeld in artikel 2:24a van het Burgerlijk Wetboek.

"**Euroclear Nederland**" betekent Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., handelend onder de naam Euroclear Nederland, zijnde het centraal instituut in de zin van de Wet giraal effectenverkeer.

"**groepsmaatschappij**" betekent een groepsmaatschappij van de vennootschap als bedoeld in artikel 2:24b van het Burgerlijk Wetboek.

"**niet-uitvoerende bestuurder**" betekent een niet-uitvoerende bestuurder.

"**registratiedatum**" betekent de achtentwintigste dag voor de dag van een algemene vergadering, of een andere wettelijk voorgeschreven dag.

"**schriftelijk**" betekent bij brief, telefax of e-mail, of enig ander elektronisch communicatiemiddel, mits het bericht leesbaar en reproduceerbaar is.

"**secretaris**" betekent de persoon die als zodanig benoemd is zoals bedoeld in artikel 22.

"**uitkeerbare eigen vermogen**" betekent het deel van het eigen vermogen van de vennootschap, dat het gestorte en opgevraagde deel van het geplaatste kapitaal vermeerderd met de reserves die krachtens de wet moeten worden aangehouden, te boven gaat.

"**uitvoerende bestuurder**" betekent een uitvoerende bestuurder.

"**vennootschap**" betekent de vennootschap waarvan de interne organisatie wordt beheerst door deze statuten.

"**vergaderrechten**" betekent het recht om, als aandeelhouder of als persoon aan wie deze rechten overeenkomstig artikel 13 zijn toegekend, uitgenodigd te worden voor algemene vergaderingen, deze in persoon of bij schriftelijk gevolmachtigde bij te wonen en daarin het woord te voeren, alsmede de overige rechten die de wet toekent aan houders van met medewerking van een vennootschap uitgegeven certificaten van aandelen in haar kapitaal.

"**wettelijk giraal systeem**" betekent het giraal systeem in de zin van de Wet giraal effectenverkeer.

1.2 Verwijzingen naar "artikelen" zijn verwijzingen naar artikelen van deze statuten tenzij uitdrukkelijk anders aangegeven.

1.3 Een verwijzing naar het ene geslacht houdt tevens een verwijzing in naar het andere geslacht en een verwijzing naar het enkelvoud houdt tevens een verwijzing in naar het meervoud en andersom.

HOOFDSTUK II
NAAM, ZETEL EN DOEL

2 Naam en zetel

2.1 De naam van de vennootschap is: **Vivoryon Therapeutics N.V.**

2.2 De vennootschap is gevestigd te Amsterdam.

3 Doel

De vennootschap heeft ten doel:

(a) het onderzoeken en ontwikkelen en het zowel preklinisch als klinisch testen van geneesmiddelen, als ook de exploitatie en handel daarin;

(b) het oprichten van, het op enigerlei wijze deelnemen in, het besturen van en het toezicht houden op ondernemingen en vennootschappen;

(c) het financieren van ondernemingen en vennootschappen;

(d) het lenen, uitlenen en aantrekken van gelden, daaronder begrepen het uitgeven van obligaties, schuldbrieven of andere waardepapieren, alsmede het aangaan van daarmee samenhangende overeenkomsten;

(e) het verstrekken van adviezen en het verlenen van diensten aan ondernemingen en vennootschappen waarmee de vennootschap in een groep is verbonden en aan derden;

(f) het verstrekken van garanties, het verbinden van de vennootschap en het bezwaren van activa van de vennootschap ten behoeve van ondernemingen en vennootschappen waarmee de vennootschap in een groep is verbonden en ten behoeve van derden;

(g) het verkrijgen, vervreemden, bezwaren, beheren en exploiteren van registergoederen en van vermogenswaarden in het algemeen;

(h) het verhandelen van valuta, effecten en vermogenswaarden in het algemeen;
(i) het exploiteren en verhandelen van octrooien, merkrechten, vergunningen, knowhow, auteursrechten, databanken en andere intellectuele eigendomsrechten;
(j) het verrichten van alle soorten industriële, financiële en commerciële activiteiten,

en al hetgeen met het voorgaande verband houdt of daartoe bevorderlijk kan zijn, alles in de ruimste zin van het woord.

HOOFDSTUK III

MAATSCHAPPELIJK KAPITAAL; REGISTER VAN AANDEELHOUDERS

4 Maatschappelijk kapitaal

4.1 Het maatschappelijk kapitaal van de vennootschap bedraagt zestig miljoen euro (EUR 60.000.000).

4.2 Het maatschappelijk kapitaal van de vennootschap is verdeeld in zestig miljoen (60.000.000) aandelen, met een nominaal bedrag van één euro (EUR 1) elk, genummerd 1 tot en met 60.000.000.

5 Aandelen aan toonder, verzamelbewijs

5.1 Alle aandelen luiden aan toonder.

5.2 Alle aandelen aan toonder zijn belichaamd in één (1) verzamelbewijs. Dit verzamelbewijs zal in bewaring worden gegeven aan Euroclear Nederland of een intermediair (een 'intermediair' zoals gedefinieerd in de Wet giraal effectenverkeer) of zodanige andere centrale effecten bewaarinstelling als het geval zal zijn. Euroclear Nederland of indien van toepassing de relevante intermediair of relevante andere centrale effecten bewaarinstelling (i) houdt het verzamelbewijs voor en namens de rechthebbenden in een verzameldepot, (ii) is onherroepelijk belast met de administratie van het verzamelbewijs, en (iii) is onherroepelijk bevoegd om, namens de vennootschap, - in geval van uitgifte van aandelen – aandelen bij te schrijven op en – ingeval van intrekking van aandelen – aandelen af te schrijven van het verzamelbewijs.

HOOFDSTUK IV

UITGIFTE VAN AANDELEN

6 Besluit tot uitgifte en notariële akte

6.1 Uitgifte van aandelen geschiedt ingevolge een besluit van de algemene vergadering of van het bestuur indien en voor zover het bestuur daartoe bij besluit van de algemene vergadering voor een bepaalde duur van ten hoogste vijf jaren is aangewezen. Bij de aanwijzing moet zijn bepaald hoeveel aandelen mogen worden uitgegeven. De aanwijzing kan telkens voor niet langer dan vijf jaren worden verlengd. Tenzij bij de aanwijzing anders is bepaald, kan zij niet worden ingetrokken. Een besluit van de algemene vergadering tot uitgifte van aandelen of tot aanwijzing van het bestuur als het tot uitgifte van aandelen bevoegde orgaan kan slechts worden genomen op voorstel van het bestuur.

6.2 Binnen acht dagen na een besluit van de algemene vergadering tot uitgifte van aandelen of tot aanwijzing van het bestuur als het tot uitgifte van aandelen bevoegde orgaan wordt de volledige tekst van het betreffende besluit neergelegd bij het handelsregister van de Kamer van Koophandel.

6.3 Binnen acht dagen na afloop van elk kalenderkwartaal wordt ten kantore van het handelsregister van de Kamer van Koophandel opgave gedaan van elke uitgifte van aandelen in het afgelopen kalenderkwartaal, met vermelding van het aantal uitgegeven aandelen.

6.4 Bij het besluit tot uitgifte van aandelen worden de uitgifteprijs en de verdere voorwaarden van uitgifte bepaald. De uitgifteprijs is nimmer beneden pari, onverminderd het bepaalde in artikel 2:80 lid 2 van het Burgerlijk Wetboek.

6.5 Het bepaalde in de artikelen 6.1 en 6.4 is van overeenkomstige toepassing op het verlenen van rechten tot het nemen van aandelen (inclusief maar niet beperkt tot opties, *warrants* of converteerbare leningen of obligaties die aan de houder daarvan het recht geven aandelen te nemen), maar is niet van toepassing op het uitgeven van aandelen aan iemand die een voordien reeds verkregen recht tot het nemen van aandelen uitoefent.

7 Voorkeursrecht

7.1 Iedere aandeelhouder heeft bij uitgifte van aandelen een voorkeursrecht naar evenredigheid van het gezamenlijke nominale bedrag van zijn aandelen, behoudens het bepaalde in de artikelen 7.2 en 7.3. De aandeelhouders hebben een gelijk voorkeursrecht bij het verlenen van rechten tot het nemen van aandelen.

7.2 Aandeelhouders hebben geen voorkeursrecht op aandelen die worden uitgegeven (i) tegen inbreng anders dan in geld; of (ii) aan werknemers van de vennootschap of van een groepsmaatschappij; of (iii) aan iemand die een voordien reeds verkregen recht tot het nemen van aandelen uitoefent.

7.3 Het voorkeursrecht kan, telkens voor een enkele uitgifte, worden beperkt of uitgesloten bij besluit van de algemene vergadering. Het voorkeursrecht kan ook worden beperkt of uitgesloten bij besluit van het bestuur indien het bestuur overeenkomstig artikel 6.1 is aangewezen als het tot uitgifte van aandelen bevoegde orgaan en bij besluit van de algemene vergadering voor een bepaalde duur van ten hoogste vijf jaren is aangewezen als bevoegd tot het beperken of uitsluiten van het voorkeursrecht. De aanwijzing kan telkens voor niet langer dan vijf jaren worden verlengd. Tenzij bij de aanwijzing anders is bepaald, kan zij niet worden ingetrokken. Voor een besluit van de algemene vergadering tot beperking of uitsluiting van het voorkeursrecht of tot aanwijzing van het bestuur als het tot beperking of uitsluiting van het voorkeursrecht bevoegde orgaan is een meerderheid van ten minste twee derden van de uitgebrachte stemmen vereist, indien minder dan de helft van het geplaatste kapitaal van de vennootschap in de vergadering is vertegenwoordigd. Een besluit van de algemene vergadering tot beperking of uitsluiting van het voorkeursrecht of tot aanwijzing van het bestuur als het tot beperking of uitsluiting van het voorkeursrecht bevoegde orgaan kan slechts worden genomen op voorstel van het bestuur.

7.4 Binnen acht dagen na een besluit van de algemene vergadering tot aanwijzing van het bestuur als het tot beperking of uitsluiting van het voorkeursrecht bevoegde orgaan wordt de volledige tekst van het betreffende besluit neergelegd bij het handelsregister van de Kamer van Koophandel.

7.5 De vennootschap kondigt de uitgifte met voorkeursrecht en het tijdvak waarin dat kan worden uitgeoefend aan op de wijze als voorgeschreven door het toepasselijke recht of beursregels die van toepassing zijn, inclusief maar niet beperkt tot een aankondiging openbaar gemaakt via een elektronisch communicatiemiddel.

8 Storting op aandelen

8.1 Bij het nemen van elk aandeel moet daarop het nominale bedrag worden gestort, alsmede, indien het aandeel voor een hoger bedrag wordt genomen, het verschil tussen die bedragen. Bedongen kan worden dat een deel, ten hoogste drie vierden, van het nominale bedrag eerst behoeft te worden gestort nadat de vennootschap het zal hebben opgevraagd.

8.2 Storting op een aandeel moet in geld geschieden voor zover niet een andere inbreng is overeengekomen. Storting in vreemd geld kan slechts geschieden met toestemming

van de vennootschap en met inachtneming van het bepaalde in de artikelen 2: 80a lid 3 en 2:93a van het Burgerlijk Wetboek.

8.3 Storting op aandelen door inbreng anders dan in geld geschiedt met inachtneming van het bepaalde in artikel 2:94b van het Burgerlijk Wetboek.

8.4 Het bestuur is bevoegd tot het aangaan van rechtshandelingen betreffende inbreng op aandelen anders dan in geld en van de andere rechtshandelingen genoemd in artikel 2:94 van het Burgerlijk Wetboek, zonder voorafgaande goedkeuring van de algemene vergadering.

HOOFDSTUK V
EIGEN AANDELEN; VERMINDERING VAN HET GEPLAATSTE KAPITAAL

9 Eigen aandelen

9.1 De vennootschap kan bij uitgifte van aandelen geen eigen aandelen nemen.

9.2 De vennootschap mag volgestorte eigen aandelen of certificaten daarvan verkrijgen, maar alleen om niet of indien:

(a) het uitkeerbare eigen vermogen ten minste gelijk is aan de verkrijgingsprijs; en

(b) het gezamenlijke nominale bedrag van de aandelen of certificaten daarvan die de vennootschap verkrijgt, houdt of in pand houdt of die worden gehouden door een dochtermaatschappij niet meer dan de helft van het geplaatste kapitaal van de vennootschap bedraagt; en

(c) de algemene vergadering het bestuur daartoe heeft gemachtigd. Deze machtiging geldt voor ten hoogste achttien maanden. De algemene vergadering bepaalt in de machtiging hoeveel aandelen mogen worden verkregen, hoe zij mogen worden verkregen en tussen welke grenzen de prijs moet liggen.

9.3 Voor de geldigheid van de verkrijging is bepalend de grootte van het eigen vermogen volgens de laatst vastgestelde balans, verminderd met de verkrijgingsprijs voor aandelen of certificaten daarvan, het bedrag van leningen als bedoeld in artikel 10.2 en uitkeringen uit winst of reserves aan anderen, die de vennootschap en haar dochtermaatschappijen na de balansdatum verschuldigd werden. Is een boekjaar meer dan zes (6) maanden verstreken zonder dat de jaarrekening is vastgesteld, dan is verkrijging overeenkomstig artikel 9.2 niet toegestaan.

9.4 De machtiging bedoeld in artikel 9.2(c) is niet vereist voor zover de vennootschap eigen aandelen of certificaten daarvan die zijn opgenomen in de prijscourant van een beurs verkrijgt om deze over te dragen aan werknemers van de vennootschap of van een groepsmaatschappij krachtens een voor die werknemers geldende regeling.

9.5 De voorgaande bepalingen van dit artikel 9 gelden niet voor aandelen of certificaten daarvan die de vennootschap onder algemene titel verkrijgt.

9.6 Op verkrijging van aandelen of certificaten daarvan door een dochtermaatschappij is het bepaalde in artikel 2:98d van het Burgerlijk Wetboek van toepassing.

9.7 Het bestuur is bevoegd door de vennootschap gehouden eigen aandelen of certificaten daarvan te vervreemden.

10 Financiële steunverlening

10.1 De vennootschap mag niet, met het oog op het nemen of verkrijgen door anderen van aandelen of certificaten daarvan, zekerheid stellen, een koersgarantie geven, zich op andere wijze sterk maken of zich hoofdelijk of anderszins naast of voor anderen verbinden. Dit verbod geldt ook voor dochtermaatschappijen.

10.2 De vennootschap en haar dochtermaatschappijen mogen niet, met het oog op het nemen of verkrijgen door anderen van aandelen of certificaten daarvan, leningen verstrekken, tenzij met inachtneming van het bepaalde in artikel 2:98c van het Burgerlijk Wetboek.

10.3 Het bepaalde in artikel 10.1 en artikel 10.2 geldt niet indien aandelen of certificaten daarvan worden genomen of verkregen door of voor werknemers van de vennootschap of van een groepsmaatschappij.

11 Vermindering van het geplaatste kapitaal

11.1 De algemene vergadering kan, maar slechts op voorstel van het bestuur, besluiten tot vermindering van het geplaatste kapitaal van de vennootschap. Voor een besluit van de algemene vergadering tot vermindering van het geplaatste kapitaal van de vennootschap is een meerderheid van ten minste twee derden van de uitgebrachte stemmen vereist, indien minder dan de helft van het geplaatste kapitaal van de vennootschap in de vergadering is vertegenwoordigd.

11.2 Een vermindering van het geplaatste kapitaal van de vennootschap kan geschieden:

(a) door intrekking van aandelen die de vennootschap zelf houdt of waarvan zij de certificaten houdt; of

(b) door het nominale bedrag van aandelen bij statutenwijziging te verminderen.

11.3 Vermindering van het nominale bedrag van aandelen zonder terugbetaling moet naar evenredigheid op alle aandelen geschieden. Van het vereiste van evenredigheid mag worden afgeweken met instemming van alle betrokken aandeelhouders.

11.4 De oproeping tot de algemene vergadering waarin een voorstel tot kapitaalvermindering wordt gedaan, vermeldt het doel van de kapitaalvermindering en de wijze van uitvoering. Hetgeen in deze statuten is bepaald terzake van een voorstel tot statutenwijziging is van overeenkomstige toepassing.

11.5 Op een vermindering van het geplaatste kapitaal van de vennootschap zijn voorts van toepassing de bepalingen van de artikelen 2:99 en 2:100 van het Burgerlijk Wetboek.

HOOFDSTUK VI
LEVERING VAN AANDELEN

12 Levering van aandelen

12.1 De levering van rechten die een aandeelhouder heeft met betrekking tot aandelen die zijn opgenomen in het wettelijk giraal systeem, geschiedt overeenkomstig het bepaalde in de Wet giraal effectenverkeer.

12.2 Voor een levering waarbij in het wettelijk giraal systeem opgenomen aandelen buiten dat systeem worden gebracht, gelden beperkingen op grond van de Wet giraal effectenverkeer en is tevens de goedkeuring van het bestuur vereist.

HOOFDSTUK VII
PANDRECHT EN VRUCHTGEBRUIK OP AANDELEN; CERTIFICATEN VAN AANDELEN

13 Pandrecht en vruchtgebruik op aandelen

13.1 Bij de vestiging van een pandrecht op een aandeel en bij de vestiging of levering van een vruchtgebruik op een aandeel kan het stemrecht aan de pandhouder of vruchtgebruiker worden toegekend, met inachtneming van hetgeen terzake in de wet is bepaald.

13.2 Zowel de aandeelhouder die geen stemrecht heeft als de pandhouder of de vruchtgebruiker die wel stemrecht heeft, heeft de vergaderrechten. Aan de pandhouder of de vruchtgebruiker die geen stemrecht heeft, komen de vergaderrechten niet toe.

14 Certificaten van aandelen

De vennootschap verleent geen medewerking aan de uitgifte van certificaten van aandelen. Aan houders van certificaten van aandelen komen derhalve geen vergaderrechten toe.

HOOFDSTUK VIII
HET BESTUUR

15 Bestuurders

15.1 Het bestuur bestaat uit één of meer uitvoerende bestuurders en één of meer niet-uitvoerende bestuurders. Het aantal niet-uitvoerende bestuurders moet het aantal uitvoerende bestuurders altijd overtreffen. Alleen natuurlijke personen kunnen bestuurder zijn.

15.2 Bestuurders worden benoemd door de algemene vergadering als uitvoerende bestuurder of niet-uitvoerende bestuurder. Met inachtneming van het bepaalde in artikel 15.1 wordt het aantal uitvoerende en niet-uitvoerende bestuurders door het bestuur vastgesteld.

15.3 Het bestuur kent aan één van de uitvoerende bestuurders de titel Chief Executive Officer (de "**CEO**") toe en kan aan één van de uitvoerende bestuurders (waaronder begrepen de CEO die alsdan twee titels zal hebben) de titel Chief Financial Officer (de "**CFO**") toekennen. Het bestuur zal één van de niet-uitvoerende bestuurders benoemen tot voorzitter van het bestuur.

15.4 Indien een bestuurder benoemd dient te worden, maakt het bestuur een bindende voordracht op. De algemene vergadering kan aan deze voordracht steeds het bindend karakter ontnemen bij een besluit dat wordt genomen met een meerderheid van ten minste twee derden van de uitgebrachte stemmen, welke meerderheid meer dan de helft van het geplaatste kapitaal van de vennootschap vertegenwoordigt. Een tweede algemene vergadering als bedoeld in artikel 2:120 lid 3 van het Burgerlijk Wetboek kan niet worden bijeengeroepen. Indien de algemene vergadering het bindend karakter aan een voordracht ontneemt, maakt het bestuur een nieuwe bindende voordracht op. De voordracht wordt opgenomen in de oproeping tot de algemene vergadering waarin de benoeming aan de orde wordt gesteld. De uitvoerende bestuurders zullen niet deelnemen aan de beraadslaging en besluitvorming door het bestuur omtrent voordrachten voor de benoeming van bestuurders.

15.5 Indien geen voordracht voor de benoeming van een bestuurder is opgemaakt, wordt daarvan in de oproeping voor de algemene vergadering waarin de benoeming aan de orde wordt gesteld mededeling gedaan en is de algemene vergadering vrij naar eigen inzicht een bestuurder te benoemen. Een besluit tot benoeming van een bestuurder die niet door het bestuur is voorgedragen kan slechts worden genomen met een meerderheid van ten minste twee derden van de uitgebrachte stemmen, welke meerderheid meer dan de helft van het geplaatste kapitaal van de vennootschap vertegenwoordigt. Een tweede algemene vergadering als bedoeld in artikel 2:120 lid 3 van het Burgerlijk Wetboek kan niet worden bijeengeroepen.

15.6 Uitvoerende bestuurders worden benoemd voor een periode van maximaal vier jaar en kunnen telkens worden herbenoemd voor een periode van maximaal vier jaar.

15.7 Niet-uitvoerende bestuurders worden benoemd voor een periode van vier jaar en kunnen daarna eenmalig worden herbenoemd voor een periode van vier jaar en vervolgens voor een periode van twee jaar, welke periode met maximaal twee jaar kan worden verlengd.

15.8 Iedere bestuurder kan te allen tijde door de algemene vergadering worden geschorst of ontslagen. Een besluit tot schorsing of ontslag van een bestuurder vereist een meerderheid van ten minste twee derden van de uitgebrachte stemmen, welke meerderheid meer dan de helft van het geplaatste kapitaal van de vennootschap vertegenwoordigt, tenzij het voorstel tot schorsing of ontslag van de betreffende bestuurder werd gedaan door het bestuur, in welk geval het besluit kan worden genomen met een volstrekte meerderheid van de uitgebrachte stemmen. Een tweede

algemene vergadering als bedoeld in artikel 2:120 lid 3 van het Burgerlijk Wetboek kan niet worden bijeengeroepen.

15.9 Een uitvoerende bestuurder kan ook door het bestuur worden geschorst. Een schorsing door het bestuur kan te allen tijde door de algemene vergadering worden opgeheven.

15.10 Een schorsing kan één of meer malen worden verlengd, maar kan in totaal niet langer duren dan drie maanden. Is na verloop van die tijd geen beslissing genomen omtrent de opheffing van de schorsing of ontslag, dan eindigt de schorsing.

16 Bezoldiging

16.1 De vennootschap heeft een beleid op het terrein van bezoldiging van het bestuur. Het beleid wordt vastgesteld door de algemene vergadering op voorstel van het bestuur. In het bezoldigingsbeleid komen ten minste de in artikel 2:135a lid 6 van het Burgerlijk Wetboek omschreven onderwerpen aan de orde. Een besluit van de algemene vergadering tot vaststelling van het bezoldigingsbeleid wordt genomen bij volstrekte meerderheid van de uitgebrachte stemmen, zonder dat een quorum is vereist.

16.2 Met inachtneming van het beleid bedoeld in artikel 16.1 komt de bevoegdheid tot vaststelling van een bezoldiging en verdere arbeidsvoorwaarden voor uitvoerende bestuurders toe aan het bestuur. De uitvoerende bestuurders nemen niet deel aan de beraadslaging en besluitvorming door het bestuur over het vaststellen van de bezoldiging en verdere arbeidsvoorwaarden van uitvoerende bestuurders.

16.3 Met inachtneming van het beleid bedoeld in artikel 16.1 komt de bevoegdheid tot vaststelling van een bezoldiging en verdere arbeidsvoorwaarden voor niet-uitvoerende bestuurders toe aan de algemene vergadering.

16.4 Het bestuur legt een voorstel ten aanzien van bezoldiging in de vorm van aandelen of rechten tot het nemen van aandelen ter goedkeuring voor aan de algemene vergadering. In het voorstel moet ten minste zijn bepaald hoeveel aandelen of rechten tot het nemen van aandelen aan het bestuur mogen worden toegekend en welke criteria gelden voor toekenning of wijziging.

17 Taak en werkwijze van het bestuur

17.1 Het bestuur is belast met het besturen van de vennootschap. Bij de vervulling van hun taak richten de bestuurders zich naar het belang van de vennootschap en de met haar verbonden onderneming.

17.2 Het bestuur kan regels vaststellen omtrent de werkwijze van en de besluitvorming door het bestuur. In dat kader kan het bestuur onder meer bepalen met welke taak een bestuurder meer in het bijzonder zal zijn belast, wat mede kan inhouden het delegeren van de bevoegdheid van het bestuur tot het nemen van besluiten, met dien verstande dat de uitvoerende bestuurders belast zijn met de dagelijkse leiding van de vennootschap en dat het toezicht houden op de dagelijkse leiding door de uitvoerende bestuurders niet kan worden ontnomen aan de niet-uitvoerende bestuurders. Deze regels en taakverdeling worden schriftelijk vastgelegd.

17.3 Het bestuur kan commissies benoemen die het noodzakelijk acht, welke commissies kunnen bestaan uit één of meer niet-uitvoerende bestuurders. Het bestuur benoemt de leden van elke commissie en bepaalt de taken van elke commissie. Het bestuur kan op elk moment de taken en de samenstelling van elke commissie veranderen. Het bestuur kan regels vaststellen omtrent de werkwijze van en de besluitvorming door elke commissie. Deze regels en taakverdeling worden schriftelijk vastgelegd.

18 Besluitvorming door het bestuur; tegenstrijdig belang

18.1 Het bestuur vergadert zo dikwijls een bestuurder of het bestuur dat nodig acht.

18.2 De vergaderingen van het bestuur worden geleid door zijn voorzitter of diens plaatsvervanger. De voorzitter van de vergadering wijst voor de vergadering een notulist aan.

18.3 Van het verhandelde in een vergadering van het bestuur worden notulen gehouden door de notulist van de vergadering. De notulen worden vastgesteld door het bestuur in dezelfde of in de eerstvolgende vergadering. Ten blijke van vaststelling worden de notulen ondertekend door de voorzitter en de notulist van de vergadering waarin zij worden vastgesteld.

18.4 Vergaderingen van het bestuur kunnen worden gehouden door het bijeenkomen van bestuurders of door middel van telefoongesprekken, “video conference” of via andere communicatiemiddelen, waarbij alle deelnemende bestuurders in staat zijn gelijktijdig met elkaar te kunnen communiceren. Deelname aan een op deze wijze gehouden vergadering geldt als het ter vergadering aanwezig zijn.

18.5 In het bestuur heeft iedere bestuurder één stem. Staken de stemmen, dan is het voorstel verworpen.

18.6 Besluiten van het bestuur worden genomen bij volstrekte meerderheid van de uitgebrachte stemmen. Het bestuur is echter bevoegd besluiten van het bestuur aan te wijzen die slechts genomen kunnen worden met instemming van ten minste een meerderheid van de niet-uitvoerende bestuurders. Deze besluiten dienen duidelijk te worden omschreven en op schrift te worden gesteld.

18.7 Het bestuur kan in een vergadering alleen geldige besluiten nemen, indien de meerderheid van de in functie zijnde bestuurders ter vergadering aanwezig of vertegenwoordigd is. Het bestuur is echter bevoegd besluiten van het bestuur aan te wijzen waarvoor een afwijkende regeling geldt. Deze besluiten en de aard van de afwijking dienen duidelijk te worden omschreven en op schrift te worden gesteld. Een bestuurder kan zich ter vergadering doen vertegenwoordigen door een schriftelijk gevolmachtigde andere bestuurder.

18.8 Besluiten van het bestuur kunnen te allen tijde schriftelijk worden genomen, mits het desbetreffende voorstel aan alle in functie zijnde bestuurders ten aanzien van wie geen tegenstrijdig belang als bedoeld in artikel 18.9 bestaat is voorgelegd en geen van hen zich tegen deze wijze van besluitvorming verzet, waarvan blijkt uit schriftelijke verklaringen van alle betreffende in functie zijnde bestuurders.

18.9 Een bestuurder neemt niet deel aan de beraadslaging en besluitvorming door het bestuur indien hij daarbij een direct of indirect persoonlijk belang heeft dat tegenstrijdig is met het belang van de vennootschap of de met haar verbonden onderneming. Het in de vorige volzin bepaalde blijft echter buiten toepassing wanneer daardoor geen besluit kan worden genomen.

18.10 Bij de vaststelling in hoeverre bestuurders stemmen, aanwezig of vertegenwoordigd zijn, wordt geen rekening gehouden met bestuurders waarvan de wet, deze statuten of schriftelijke regels als bedoeld in artikel 17.2 bepalen dat deze niet mogen deelnemen aan de beraadslaging en besluitvorming door het bestuur.

19 Vertegenwoordiging

19.1 Het bestuur is bevoegd de vennootschap te vertegenwoordigen. De bevoegdheid tot vertegenwoordiging komt mede toe aan de CEO afzonderlijk handelend en aan twee uitvoerende bestuurders gezamenlijk handelend.

19.2 Het bestuur kan functionarissen met algemene of beperkte vertegenwoordigingsbevoegdheid aanstellen. Ieder van hen vertegenwoordigt de vennootschap met inachtneming van de begrenzing aan zijn bevoegdheid gesteld. De titulatuur van deze functionarissen wordt door het bestuur bepaald.

20 Goedkeuring van bestuursbesluiten

20.1 Aan de goedkeuring van de algemene vergadering zijn onderworpen de besluiten van het bestuur omtrent een belangrijke verandering van de identiteit of het karakter van de vennootschap of de met haar verbonden onderneming, waaronder in ieder geval:

(a) overdracht van de onderneming of vrijwel de gehele onderneming aan een derde;

(b) het aangaan of verbreken van duurzame samenwerking van de vennootschap of een dochtermaatschappij met een andere rechtspersoon of vennootschap dan wel als volledig aansprakelijke vennote in een commanditaire vennootschap of vennootschap onder firma, indien deze samenwerking of verbreking van ingrijpende betekenis is voor de vennootschap;

(c) het door de vennootschap of een dochtermaatschappij nemen of afstoten van een deelneming in het kapitaal van een vennootschap ter waarde van ten minste één derde van het bedrag van de activa volgens de balans met toelichting of, indien de vennootschap een geconsolideerde balans opstelt, volgens de geconsolideerde balans met toelichting volgens de laatst vastgestelde jaarrekening van de vennootschap.

Besluiten van het bestuur met betrekking tot het aangaan of de beëindiging door de vennootschap of een dochtermaatschappij van een licentieovereenkomst ten aanzien van medicijnen die zijn ontwikkeld door de vennootschap of een dochtermaatschappij zullen echter niet (geacht worden te) zijn onderworpen aan de goedkeuring van de algemene vergadering op grond van het in 20.1(b) bepaalde, aangezien het aangaan of de beëindiging van een dergelijke licentieovereenkomst geen belangrijke verandering van de identiteit of het karakter van de vennootschap of de met haar verbonden onderneming met zich brengt.

20.2 Het ontbreken van goedkeuring van de algemene vergadering op een besluit als bedoeld in artikel 20.1 tast de vertegenwoordigingsbevoegdheid van het bestuur of de uitvoerende bestuurders niet aan.

21 Ontstentenis of belet

In geval van ontstentenis of belet van één of meer bestuurders zijn de overblijvende bestuurders of is de overblijvende bestuurder tijdelijk belast met het besturen van de vennootschap, onverminderd het recht van het bestuur om een persoon aan te wijzen om de betreffende bestuurder(s) tijdelijk te vervangen. In geval van ontstentenis of belet van alle bestuurders of van alle uitvoerende bestuurders of van alle niet-uitvoerende bestuurders is de persoon of zijn de personen die daartoe door de algemene vergadering wordt of worden aangewezen tijdelijk belast met het besturen van de vennootschap.

22 Secretaris

Het bestuur kan, maar is daartoe niet verplicht, een secretaris van de vennootschap benoemen en is in dat geval te allen tijde bevoegd deze te vervangen. De secretaris heeft de taken en bevoegdheden die bij deze statuten en bij besluit van het bestuur aan hem zijn opgedragen. Bij afwezigheid van de secretaris worden zijn taken en bevoegdheden waargenomen door een plaatsvervanger, aan te wijzen door het bestuur.

HOOFDSTUK IX
VRIJWARING

23 Vrijwaring van bestuurders en verzekering

23.1 Voor zover uit de wet niet anders voortvloeit, worden huidige en voormalige bestuurders schadeloos gesteld, gevrijwaard van en worden aan hen vergoed door de vennootschap:

(a) redelijke kosten van het voeren van verdediging tegen aanspraken (daaronder begrepen onderzoek naar mogelijke aanspraken) wegens een handelen of nalaten in de uitoefening van hun functie of van een andere functie die zij op verzoek van de vennootschap vervullen of hebben vervuld;

(b) eventuele kosten, financiële verliezen, schade, schadevergoedingen of boetes die zij verschuldigd zijn wegens een handelen of nalaten als bedoeld onder (a);
(c) eventuele bedragen die zij verschuldigd zijn door schikkingen die zij in redelijkheid zijn aangegaan in verband met een handelen of nalaten als bedoeld onder (a);
(d) de redelijke kosten van het optreden in andere rechtsgedingen of onderzoeken waarin zij als (voormalig) bestuurder zijn betrokken, met uitzondering van de gedingen waarin zij hoofdzakelijk een eigen vordering geldend maken; en
(e) belastingschade vanwege vergoedingen in overeenstemming met dit artikel 23.

23.2 Een gevrijwaarde persoon heeft geen aanspraak op de vrijwaring en vergoeding als bedoeld in artikel 23.1 indien en voor zover:
(a) door de Nederlandse rechter of, in het geval van arbitrage, door een arbiter, bij kracht van gewijsde is vastgesteld dat (i) het handelen of nalaten van de betreffende (voormalige) bestuurder kan worden gekenschetst als opzettelijk, bewust roekeloos of ernstig verwijtbaar, tenzij uit de wet anders voortvloeit of zulks in de gegeven omstandigheden naar maatstaven van redelijkheid en billijkheid onaanvaardbaar zou zijn; of
(b) de kosten, financiële verliezen, schade, schadevergoedingen of boetes verschuldigd door de gevrijwaarde persoon zijn gedekt door een verzekering en de verzekeraar deze kosten, financiële verliezen, schade, schadevergoedingen of boetes heeft uitbetaald.

Indien en voor zover door de Nederlandse rechter of, in het geval van arbitrage, door een arbiter, bij kracht van gewijsde is vastgesteld dat de betreffende (voormalige) bestuurder geen aanspraak heeft op de vergoeding als bedoeld in artikel 23.1, is hij gehouden de door de vennootschap vergoede bedragen terstond terug te betalen.

23.3 De vennootschap kan ten behoeve van de gevrijwaarde personen verzekeringen tegen aansprakelijkheid afsluiten.

HOOFDSTUK X
BOEKJAAR EN JAARREKENING; WINST EN UITKERINGEN

24 Boekjaar en jaarrekening

24.1 Het boekjaar van de vennootschap valt samen met het kalenderjaar.

24.2 Jaarlijks binnen vier maanden na afloop van het boekjaar, maakt het bestuur een jaarrekening op en legt deze voor de aandeelhouders en de personen met vergaderrechten ter inzage ten kantore van de vennootschap.

24.3 Binnen deze termijn legt het bestuur ook het bestuursverslag ter inzage voor de aandeelhouders en de personen met vergaderrechten.

24.4 De jaarrekening wordt ondertekend door de bestuurders. Ontbreekt de handtekening van één of meer van hen, dan wordt daarvan onder opgave van reden melding gemaakt.

24.5 De jaarrekening en het bestuursverslag zullen in het Engels worden opgemaakt.

24.6 De vennootschap zal aan een organisatie, waarin registeraccountants samenwerken als bedoeld in artikel 2:393 lid 1 van het Burgerlijk Wetboek, opdracht verlenen tot onderzoek van de jaarrekening. Tot het verlenen van de opdracht is de algemene vergadering bevoegd, op voorstel van het bestuur. Gaat de algemene vergadering daartoe niet over dan zal het bestuur de opdracht verlenen. De opdracht kan worden ingetrokken door de algemene vergadering alsmede door het bestuur als die de opdracht heeft verleend. De opdracht kan enkel worden ingetrokken om gegronde redenen; daartoe behoort niet een meningsverschil over methoden van verslaggeving of controlewerkzaamheden. De uitvoerende bestuurders zullen niet deelnemen aan de beraadslaging en besluitvorming door het bestuur over de verlening van de opdracht tot onderzoek van de jaarrekening aan een organisatie waarin

registeraccountants samenwerken als bedoeld in artikel 2:393 lid 1 van het Burgerlijk Wetboek indien de algemene vergadering niet tot opdrachtverlening is overgegaan.

24.7 De vennootschap zorgt dat de opgemaakte jaarrekening, het bestuursverslag en de krachtens de wet toe te voegen gegevens vanaf de oproeping tot de algemene vergadering waarin de jaarrekening en het bestuursverslag zullen worden besproken en waarin over vaststelling van de jaarrekening zal worden besloten te haren kantore aanwezig zijn. Aandeelhouders en personen met vergaderrechten kunnen de stukken aldaar inzien en er kosteloos een afschrift van verkrijgen.

24.8 Op de jaarrekening, het bestuursverslag, de krachtens de wet toe te voegen gegevens en de accountantscontrole, alsmede op nederlegging van stukken bij het handelsregister van de Kamer van Koophandel, zijn voorts van toepassing de bepalingen van Boek 2, Titel 9 van het Burgerlijk Wetboek.

25 Vaststelling van de jaarrekening en kwijting

25.1 De algemene vergadering stelt de jaarrekening vast.

25.2 In de algemene vergadering waarin tot vaststelling van de jaarrekening wordt besloten, wordt afzonderlijk aan de orde gesteld een voorstel tot het verlenen van kwijting aan de bestuurders voor de uitoefening van hun taak, voor zover van hun taakuitoefening blijkt uit de jaarrekening of uit informatie die anderszins voorafgaand aan de vaststelling van de jaarrekening aan de algemene vergadering is verstrekt.

26 Winst en uitkeringen

26.1 Het bestuur bepaalt welk gedeelte van de winst die in een boekjaar is behaald, zal worden gereserveerd.

26.2 De resterende winst staat ter beschikking van de algemene vergadering. Het bestuur doet daartoe een voorstel.

26.3 Uitkering van winst geschiedt na de vaststelling van de jaarrekening waaruit blijkt dat zij geoorloofd is.

26.4 Het bestuur kan besluiten tot het doen van tussentijdse uitkeringen en/of tot het doen van uitkeringen ten laste van een reserve van de vennootschap.

26.5 In geld betaalbaar gestelde uitkeringen op aandelen worden betaald in euro, tenzij het bestuur besluit dat betaling in vreemd geld geschiedt.

26.6 Het bestuur is bevoegd om te bepalen dat een uitkering op aandelen niet in geld, maar in de vorm van aandelen zal geschieden of te bepalen dat aan aandeelhouders de keuze wordt gelaten om de uitkering in geld en/of in de vorm van aandelen te nemen, een en ander uit de winst en/of uit een reserve en een en ander voor zover het bestuur door de algemene vergadering is aangewezen als het bevoegde vennootschapsorgaan om te besluiten tot uitgifte van aandelen en tot beperking of uitsluiting van het voorkeursrecht. Het bestuur stelt de voorwaarden vast waaronder een dergelijke keuze kan worden gedaan.

26.7 Uitkeringen op aandelen kunnen slechts plaats hebben tot ten hoogste het bedrag van het uitkeerbare eigen vermogen. Indien het een tussentijdse uitkering betreft moet aan dit vereiste zijn voldaan blijkens een tussentijdse vermogensopstelling als bedoeld in artikel 2:105 lid 4 van het Burgerlijk Wetboek. De vennootschap legt de vermogensopstelling ten kantore van het handelsregister van de Kamer van Koophandel neer binnen acht dagen na de dag waarop het besluit tot uitkering wordt bekend gemaakt.

26.8 De datum van betaalbaarstelling van een uitkering op aandelen wordt bepaald door het bestuur. De vordering van een aandeelhouder tot een uitkering op aandelen verjaart door een tijdsverloop van vijf jaren.

26.9 Terzake van uitkeringen op aandelen die zijn opgenomen in het wettelijk giraal systeem is de vennootschap tegenover de betrokken aandeelhouders gekweten door die uitkering ter beschikking te stellen aan, of overeenkomstig de toepasselijke

reglementen van, Euroclear Nederland of zodanige andere centrale effecten bewaarinstelling als het geval zal zijn.

26.10 Op aandelen die de vennootschap in haar kapitaal houdt vindt geen uitkering plaats, tenzij een pandrecht of vruchtgebruik op die aandelen is gevestigd en de bevoegdheid tot inning van een uitkering respectievelijk het recht op uitkering toekomt aan de pandhouder respectievelijk de vruchtgebruiker. Bij de berekening van uitkeringen tellen de aandelen waarop ingevolge dit artikel 26.10 geen uitkering plaatsvindt, niet mee.

HOOFDSTUK XI
DE ALGEMENE VERGADERING

27 Jaarvergadering

27.1 De jaarlijkse algemene vergadering wordt gehouden binnen zes maanden na afloop van het boekjaar.

27.2 De agenda van deze jaarvergadering vermeldt in elk geval de volgende onderwerpen:

(a) bespreking van het bestuursverslag;
(b) bespreking van en adviserende stem ten aanzien van het bezoldigingsverslag als bedoeld in artikel 2:135b van het Burgerlijk Wetboek;
(c) bespreking en vaststelling van de jaarrekening;
(d) bespreking van het reserverings- en dividendbeleid;
(e) bestemming van de winst; en
(f) het verlenen van kwijting aan bestuurders.

De agenda vermeldt voorts andere onderwerpen door het bestuur dan wel aandeelhouders en/of personen met vergaderrechten aan de orde gesteld met inachtneming van het in de statuten bepaalde en aangekondigd met inachtneming van het bepaalde in artikel 29.

28 Andere algemene vergaderingen

28.1 Andere algemene vergaderingen worden bijeengeroepen door het bestuur zo dikwijls het bestuur dat nodig acht.

28.2 Aandeelhouders en/of personen met vergaderrechten die alleen of gezamenlijk ten minste één tiende gedeelte van het geplaatste kapitaal van de vennootschap vertegenwoordigen, hebben het recht schriftelijk aan het bestuur te verzoeken een algemene vergadering bijeen te roepen, onder nauwkeurige opgave van de te behandelen onderwerpen. Indien het bestuur niet binnen twee weken tot oproeping is overgegaan, zodanig dat de vergadering binnen acht weken na ontvangst van het verzoek kan worden gehouden, kunnen de verzoekers op hun verzoek door de voorzieningenrechter van de rechtbank worden gemachtigd tot de bijeenroeping van de algemene vergadering.

28.3 Binnen drie maanden nadat het voor het bestuur aannemelijk is dat het eigen vermogen van de vennootschap is gedaald tot een bedrag gelijk aan of lager dan de helft van het gestorte en opgevraagde deel van het kapitaal, wordt een algemene vergadering gehouden ter bespreking van zo nodig te nemen maatregelen.

29 Oproeping, agenda en plaats van vergaderingen

29.1 De oproeping van algemene vergaderingen wordt gedaan door degene die ingevolge artikel 28 een algemene vergadering bijeenroept.

29.2 De oproeping geschiedt niet later dan op de tweeënveertigste dag voor die van de vergadering, of een andere wettelijk voorgeschreven dag.

29.3 Bij de oproeping zal in ieder geval worden vermeld:

(a) de te behandelen onderwerpen;
(b) de plaats, de datum en het tijdstip van de vergadering;
(c) de procedure voor deelname aan de algemene vergadering bij schriftelijk gevolmachtigde;

(d) de registratiedatum, alsmede de wijze waarop personen met vergaderrechten zich kunnen laten registreren en de wijze waarop zij hun rechten kunnen uitoefenen;
(e) de procedure voor deelname aan de algemene vergadering en het uitoefenen van het stemrecht door middel van een elektronisch communicatiemiddel, indien dit recht overeenkomstig artikel 30.5 kan worden uitgeoefend; en
(f) het adres van de website van de vennootschap,

alsmede overige door de wet voorgeschreven informatie.

29.4 Een onderwerp, waarvan de behandeling schriftelijk is verzocht door één of meer aandeelhouders en/of personen met vergaderrechten die alleen of gezamenlijk ten minste drie honderdste gedeelte van het geplaatste kapitaal van de vennootschap vertegenwoordigen, wordt opgenomen in de oproeping of op dezelfde wijze aangekondigd indien de vennootschap het met redenen omklede verzoek of een voorstel voor een besluit niet later dan op de zestigste dag voor die van de vergadering heeft ontvangen.

29.5 Een algemene vergadering zal worden opgeroepen door een langs elektronische weg openbaar gemaakte aankondiging welke rechtstreeks en permanent toegankelijk is tot aan de vergadering en voorts op de wijze als voorgeschreven ten einde te voldoen aan de regels gesteld door een beurs waar aandelen of certificaten van aandelen zijn genoteerd.

29.6 Algemene vergaderingen worden gehouden in de gemeente waar de vennootschap volgens deze statuten gevestigd is of te luchthaven Schiphol (gemeente Haarlemmermeer). Algemene vergaderingen kunnen ook elders worden gehouden, maar dan kunnen geldige besluiten van de algemene vergadering alleen worden genomen, indien het gehele geplaatste kapitaal van de vennootschap en alle personen met vergaderrechten aanwezig of vertegenwoordigd zijn.

30 Toegang en vergaderrechten

30.1 Iedere aandeelhouder en iedere persoon met vergaderrechten is bevoegd de algemene vergaderingen bij te wonen, daarin het woord te voeren en, voor zover hem het stemrecht toekomt, het stemrecht uit te oefenen, mits het bestuur schriftelijk in kennis is gesteld van het voornemen de vergadering bij te wonen. Deze kennisgeving moet uiterlijk op de bij de oproeping te vermelden dag door het bestuur zijn ontvangen.

30.2 De in artikel 30.1 bedoelde vergaderrechten kunnen bij schriftelijk gevolmachtigde worden uitgeoefend, mits de volmacht uiterlijk op de bij de oproeping te vermelden dag door het bestuur is ontvangen. Aan het vereiste dat de volmacht schriftelijk dient te zijn, is voldaan indien de volmacht langs elektronische weg is vastgelegd op de manier en wijze als door het bestuur bepaald. De volmacht kan aan het bestuur worden verstrekt door middel van een elektronisch communicatiemiddel.

30.3 Indien het stemrecht op een aandeel aan de vruchtgebruiker of de pandhouder toekomt in plaats van aan de aandeelhouder, is de aandeelhouder eveneens bevoegd de algemene vergadering bij te wonen en daarin het woord te voeren, mits het bestuur in kennis is gesteld van het voornemen de algemene vergadering bij te wonen met inachtneming van het bepaalde in artikel 30.1. Het bepaalde in artikel 30.2 is van overeenkomstige toepassing.

30.4 Voor de toepassing van de artikelen 30.1, 30.2, 30.3 en 30.5 hebben als personen aan wie het stemrecht op aandelen of de vergaderrechten toekomen te gelden zij die op de registratiedatum die rechten hebben en als zodanig zijn ingeschreven in een door het bestuur daartoe aangewezen register, ongeacht wie ten tijde van de algemene vergadering de rechthebbenden op de aandelen zijn.

30.5 Het bestuur kan bepalen dat de in artikel 30.1 bedoelde vergaderrechten, in persoon of bij schriftelijk gevolmachtigde, kunnen worden uitgeoefend door middel van een

elektronisch communicatiemiddel. Daartoe is vereist dat een persoon met vergaderrechten, of diens schriftelijk gevolmachtigde, via het elektronisch communicatiemiddel kan worden geïdentificeerd, rechtstreeks kan kennisnemen van de verhandelingen ter vergadering en, voor zover hem het stemrecht toekomt, het stemrecht kan uitoefenen. Het bestuur kan daarbij bepalen dat bovendien vereist is dat iedere persoon met vergaderrechten, of zijn schriftelijk gevolmachtigde, via het elektronisch communicatiemiddel kan deelnemen aan de beraadslaging. Het bestuur kan verdere voorwaarden stellen aan het gebruik van het elektronisch communicatiemiddel, mits deze voorwaarden redelijk en noodzakelijk zijn voor de identificatie van personen met vergaderrechten en de betrouwbaarheid en veiligheid van de communicatie. Deze voorwaarden worden bij de oproeping bekendgemaakt.

30.6 Iedere stemgerechtigde die ter vergadering aanwezig is of diens schriftelijk gevolmachtigde, moet de presentielijst tekenen. De voorzitter van de vergadering kan bepalen dat de presentielijst ook moet worden getekend door andere personen die ter vergadering aanwezig zijn. Aan de presentielijst worden toegevoegd de namen van de personen die ingevolge artikel 30.5, deelnemen aan de vergadering of hun stem hebben uitgebracht op de wijze zoals bedoeld in artikel 34.3.

30.7 De bestuurders hebben als zodanig in de algemene vergaderingen een raadgevende stem.

30.8 Omtrent toelating van andere personen tot de vergadering beslist de voorzitter van de vergadering.

31 Voorzitter en notulist van de vergadering

31.1 De algemene vergaderingen worden geleid door de voorzitter van het bestuur of diens plaatsvervanger. Bij hun afwezigheid wijzen de ter vergadering aanwezige niet-uitvoerende bestuurders uit hun midden een voorzitter voor de vergadering aan. Het bestuur kan voor een algemene vergadering een andere voorzitter aanwijzen.

31.2 Indien niet volgens artikel 31.1 in het voorzitterschap van een vergadering is voorzien, wordt de voorzitter van de vergadering aangewezen door de ter vergadering aanwezige of vertegenwoordigde stemgerechtigden, bij volstrekte meerderheid van de uitgebrachte stemmen. Tot het moment waarop dat is gebeurd, treedt een bestuurder als voorzitter op, dan wel, indien geen bestuurder ter vergadering aanwezig is, de in leeftijd oudste ter vergadering aanwezige persoon.

31.3 De voorzitter van de vergadering wijst voor de vergadering een notulist aan.

32 Vergaderorde; notulen; aantekening van aandeelhoudersbesluiten

32.1 De voorzitter van de vergadering stelt de vergaderorde vast met inachtneming van de agenda en is bevoegd de toegewezen spreektijd te beperken of andere maatregelen te nemen om een ordelijk verloop van de vergadering te waarborgen.

32.2 Alle kwesties welke verband houden met de gang van zaken tijdens de vergadering, worden beslist door de voorzitter.

32.3 Algemene vergaderingen worden in het Engels gehouden, tenzij de voorzitter van de vergadering anders beslist.

32.4 Van het verhandelde in een algemene vergadering worden notulen gehouden door de notulist van de vergadering. De notulen worden vastgesteld door de voorzitter en de notulist van de vergadering en ten blijke daarvan door hen ondertekend.

32.5 De voorzitter van de algemene vergadering kan bepalen dat van het verhandelde een notarieel proces-verbaal wordt opgemaakt. Het notarieel proces-verbaal wordt mede-ondertekend door de voorzitter van de vergadering.

32.6 Een certificaat, door de voorzitter en de secretaris van de vergadering getekend, inhoudende de bevestiging dat de algemene vergadering een bepaald besluit heeft genomen, geldt als bewijs van een dergelijk besluit tegenover derden.

33 Besluitvorming in vergadering

33.1 Elk aandeel geeft recht op één stem.

33.2 Voor aandelen die toebehoren aan de vennootschap of een dochtermaatschappij en voor aandelen waarvan de vennootschap of een dochtermaatschappij de certificaten houdt, kan in de algemene vergadering geen stem worden uitgebracht. Pandhouders en vruchtgebruikers van aandelen die aan de vennootschap of een dochtermaatschappij toebehoren, zijn evenwel niet van het stemrecht uitgesloten, indien het pandrecht of het vruchtgebruik was gevestigd voordat het aandeel aan de vennootschap of die dochtermaatschappij toebehoorde. De vennootschap of een dochtermaatschappij kan geen stem uitbrengen voor een aandeel waarop zij een pandrecht of een vruchtgebruik heeft.

33.3 Voor zover de wet of deze statuten niet anders bepalen, worden alle besluiten van de algemene vergadering genomen bij volstrekte meerderheid van de uitgebrachte stemmen, zonder dat een quorum is vereist.

33.4 Staken de stemmen, dan is het voorstel verworpen, onverminderd het bepaalde in artikel 34.5.

33.5 Indien de door de wet of deze statuten gegeven voorschriften voor het oproepen en houden van algemene vergaderingen niet in acht zijn genomen, kunnen ter vergadering alleen geldige besluiten van de algemene vergadering worden genomen, indien het gehele geplaatste kapitaal van de vennootschap en alle personen met vergaderrechten aanwezig of vertegenwoordigd zijn en met algemene stemmen.

33.6 Bij de vaststelling in hoeverre aandeelhouders stemmen, aanwezig of vertegenwoordigd zijn, of in hoeverre het geplaatste kapitaal van de vennootschap vertegenwoordigd is, wordt geen rekening gehouden met aandelen waarvan de wet of deze statuten bepalen dat daarvoor geen stem kan worden uitgebracht.

34 Stemmingen

34.1 Alle stemmingen geschieden mondeling. De voorzitter van de vergadering kan echter bepalen dat de stemmen schriftelijk worden uitgebracht. Schriftelijke stemming geschiedt bij gesloten, ongetekende stembriefjes.

34.2 In een algemene vergadering kan een stemming over een persoon slechts geschieden indien ten tijde van de oproeping voor de vergadering de naam van die persoon in de agenda voor die vergadering is opgenomen.

34.3 Het bestuur kan bepalen dat stemmen die voorafgaand aan de algemene vergadering via een elektronisch communicatiemiddel worden uitgebracht, gelijk worden gesteld met stemmen die ter vergadering worden uitgebracht. Deze stemmen kunnen echter niet eerder worden uitgebracht dan op de registratiedatum.

34.4 Blanco stemmen en ongeldige stemmen gelden als niet uitgebracht.

34.5 Indien bij een verkiezing van personen niemand de meerderheid van de uitgebrachte stemmen heeft verkregen, heeft een tweede vrije stemming plaats. Heeft alsdan weer niemand de meerderheid verkregen, dan vinden herstemmingen plaats, totdat hetzij één persoon de meerderheid van de uitgebrachte stemmen heeft verkregen, hetzij tussen twee personen is gestemd en de stemmen staken. Bij gemelde herstemmingen (waaronder niet begrepen de tweede vrije stemming) wordt telkens gestemd tussen de personen op wie bij de voorafgaande stemming is gestemd, uitgezonderd de persoon op wie bij de voorafgaande stemming het geringste aantal stemmen is uitgebracht. Is bij de voorafgaande stemming het geringste aantal stemmen op meer dan één persoon uitgebracht, dan wordt door loting uitgemaakt op wie van die personen bij de nieuwe stemming geen stemmen meer kunnen worden uitgebracht. Ingeval bij een stemming tussen twee personen de stemmen staken, beslist het lot wie van beiden is gekozen.

34.6 Besluiten kunnen bij acclamatie worden genomen, indien geen van de ter vergadering aanwezige of vertegenwoordigde stemgerechtigden zich daartegen verzet.

34.7 Het ter vergadering uitgesproken oordeel van de voorzitter van de vergadering omtrent de uitslag van een stemming is beslissend. Hetzelfde geldt voor de inhoud van een genomen besluit voor zover gestemd werd over een niet schriftelijk vastgelegd voorstel. Wordt echter onmiddellijk na het uitspreken van dat oordeel de juistheid daarvan betwist, dan vindt een nieuwe stemming plaats wanneer de meerderheid van de ter vergadering aanwezige of vertegenwoordigde stemgerechtigden of, indien de oorspronkelijke stemming niet hoofdelijk of schriftelijk geschiedde, een ter vergadering aanwezige of vertegenwoordigde stemgerechtigde dit verlangt. Door deze nieuwe stemming vervallen de rechtsgevolgen van de oorspronkelijke stemming.

HOOFDSTUK XII
STATUTENWIJZIGING; OMZETTING; JURIDISCHE FUSIE EN JURIDISCHE SPLITSING; ONTBINDING EN VEREFFENING

35 Statutenwijziging

De algemene vergadering is bevoegd deze statuten te wijzigen op voorstel van het bestuur. Wanneer aan de algemene vergadering een voorstel tot statutenwijziging zal worden gedaan, moet dat steeds bij de oproeping tot de algemene vergadering worden vermeld. Tegelijkertijd moet een afschrift van het voorstel, waarin de voorgedragen wijziging woordelijk is opgenomen, ten kantore van de vennootschap ter inzage worden gelegd voor de aandeelhouders en de personen met vergaderrechten tot de afloop van de vergadering. Vanaf de dag van de nederlegging tot de dag van de vergadering wordt aan een aandeelhouder of een persoon met vergaderrechten, op diens verzoek, kosteloos een afschrift van het voorstel verstrekt. Van een wijziging van deze statuten wordt een notariële akte opgemaakt.

36 Omzetting

De vennootschap kan zich, op voorstel van het bestuur, omzetten in een andere rechtsvorm. Voor omzetting is vereist een besluit tot omzetting, genomen door de algemene vergadering, alsmede een besluit tot statutenwijziging. Op een omzetting zijn voorts van toepassing de desbetreffende bepalingen van Boek 2 van het Burgerlijk Wetboek. Omzetting beëindigt het bestaan van de rechtspersoon niet.

37 Juridische fusie en juridische splitsing

37.1 De vennootschap kan een juridische fusie aangaan met één of meer andere rechtspersonen. Een besluit tot fusie kan slechts worden genomen op basis van een voorstel tot fusie, opgesteld door de besturen van de fuserende rechtspersonen. In de vennootschap wordt het besluit tot fusie genomen door de algemene vergadering. Echter, in de gevallen bedoeld in artikel 2:331 van het Burgerlijk Wetboek, kan het besluit tot fusie worden genomen door het bestuur.

37.2 De vennootschap kan partij zijn bij een juridische splitsing. Onder juridische splitsing wordt zowel verstaan zuivere splitsing als afsplitsing. Een besluit tot splitsing kan slechts worden genomen op basis van een voorstel tot splitsing, opgesteld door de besturen van de partijen bij de splitsing. In de vennootschap wordt het besluit tot splitsing genomen door de algemene vergadering. Echter, in de gevallen bedoeld in artikel 2:334ff van het Burgerlijk Wetboek kan het besluit tot splitsing worden genomen door het bestuur.

37.3 Op juridische fusies en juridische splitsingen zijn voorts van toepassing de desbetreffende bepalingen van Boek 2, Titel 7 van het Burgerlijk Wetboek.

38 Ontbinding en vereffening

38.1 De vennootschap kan worden ontbonden door een daartoe strekkend besluit van de algemene vergadering, op voorstel van het bestuur. Wanneer aan de algemene

vergadering een voorstel tot ontbinding van de vennootschap zal worden gedaan, moet dat bij de oproeping tot de algemene vergadering worden vermeld.

38.2 In geval van ontbinding van de vennootschap krachtens besluit van de algemene vergadering worden de bestuurders vereffenaars van het vermogen van de ontbonden vennootschap, tenzij de algemene vergadering besluit één of meer andere personen tot vereffenaar te benoemen.

38.3 Gedurende de vereffening blijven de bepalingen van deze statuten zo veel mogelijk van kracht.

38.4 Hetgeen na voldoening van de schulden van de ontbonden vennootschap is overgebleven, wordt overgedragen aan de aandeelhouders, naar evenredigheid van het gezamenlijke nominale bedrag van ieders aandelen.

38.5 Na afloop van de vereffening blijven de boeken, bescheiden en andere gegevensdragers van de ontbonden vennootschap gedurende de bij de wet voorgeschreven termijn berusten onder een daartoe door de algemene vergadering en bij gebreke daaraan door de vereffenaars aan te wijzen persoon.

38.6 Op de vereffening zijn voorts van toepassing de desbetreffende bepalingen van Boek 2, Titel 1 van het Burgerlijk Wetboek.

HOOFDSTUK XIII

39 Overgangsbepaling

39.1 In afwijking van het bepaalde in de artikelen 6 en 7, is het bestuur hierbij aangewezen als het orgaan van de vennootschap dat bevoegd is om (i) aandelen uit te geven en rechten te verlenen tot het nemen van aandelen (inclusief maar niet beperkt tot opties, *warrants* of converteerbare leningen of obligaties die aan de houder daarvan het recht geven aandelen in het kapitaal te nemen), in overeenstemming met het bepaalde in artikel 6, en (ii) het voorkeursrecht bij de uitgifte van aandelen te beperken of uit te sluiten, in overeenstemming met het bepaalde in artikel 7 en voorts met inachtneming van het volgende:

(a) de aanwijzing is geldig voor een periode van vijf jaar en zal eindigen op *[opnemen datum vijf jaar na de datum van statutenwijziging, invullen]*;

(b) de aanwijzing mag door de algemene vergadering worden verlengd, iedere keer voor een periode van ten hoogste vijf jaar; en

(c) de aanwijzing betreft honderd procent van de aandelen van het maatschappelijk kapitaal van de vennootschap, zoals dat van tijd tot tijd luidt.

39.2 Dit hoofdstuk XIII vervalt op *[opnemen datum vijf jaar na de datum van statutenwijziging, invullen]*.

Ten slotte heeft de comparant verklaard:

Ingangsdatum van de Zetelverplaatsing, Omzetting en Statutenwijziging

De Zetelverplaatsing, Omzetting en Statutenwijziging worden van kracht met ingang van de dag na die waarop deze akte is verleden, derhalve op ● tweeduizend twintig.

Bestaande rechten tot het nemen van aandelen

De Zetelverplaatsing, Omzetting en Statutenwijziging hebben geen invloed op de rechten tot het nemen van aandelen in het kapitaal van de Vennootschap (inclusief maar niet beperkt tot opties, *warrants* of converteerbare leningen of obligaties die aan de houder daarvan het recht geven aandelen in het kapitaal van de Vennootschap te nemen), die zijn toegekend door of namens de Vennootschap voorafgaand aan het van kracht worden van de Zetelverplaatsing, Omzetting en Statutenwijziging. Indien en voor zover noodzakelijk zal het bestuur van de Vennootschap als het bevoegde orgaan dat aangewezen is ingevolge artikel 39 van de statuten van de Vennootschap (zoals ze met het van kracht worden van de Zetelverplaatsing Omzetting en Statutenwijziging zullen luiden), op of rond de datum van het van kracht worden van de Zetelverplaatsing, de Omzetting en de Statutenwijziging dergelijke hiervoor

toegekende rechten tot het nemen van aandelen in het kapitaal van de Vennootschap bevestigen en, indien en voor zover noodzakelijk, bekrachtigen.

De periode waarvoor de leden van het bestuur van de Vennootschap zijn benoemd

Met het van kracht worden van de Zetelverplaatsing, Omzetting en Statutenwijziging, worden de zittende leden van het bestuur en de raad van commissarissen van de Vennootschap, leden van het bestuur van de Vennootschap in de hoedanigheid van uitvoerende bestuurder respectievelijk niet-uitvoerende bestuurder.
De Zetelverplaatsing, Omzetting en Statutenwijziging hebben geen invloed op de periode waarvoor de leden van het bestuur zijn benoemd en die periode zal van toepassing blijven. Om die reden zullen de volgende perioden waarvoor de hiernavolgende personen in hun hieronder genoemde hoedanigheid zijn benoemd van toepassing blijven:

1. de heer Ulrich Dauer, uitvoerende bestuurder: tot dertig april tweeduizend éénentwintig;
2. de heer Michael Schaeffer, uitvoerende bestuurder: tot dertig september tweeduizend éénentwintig;
3. mevrouw Charlotte Lohman, niet-uitvoerende bestuurder: tot het eind van de jaarlijkse algemene vergadering van de Vennootschap waarbij kwijting aan niet-uitvoerende bestuurders wordt verleend voor de uitvoering van hun taken over het boekjaar tweeduizend éénentwintig;
4. de heer Erich Platzer, niet-uitvoerende bestuurder: tot het eind van de jaarlijkse algemene vergadering van de Vennootschap waarbij kwijting aan niet-uitvoerende bestuurders wordt verleend voor de uitvoering van hun taken over het boekjaar tweeduizend éénentwintig;
5. de heer Dinnies Johannes von der Osten, niet-uitvoerende bestuurder: tot het eind van de jaarlijkse algemene vergadering van de Vennootschap waarbij kwijting aan niet-uitvoerende bestuurders wordt verleend voor de uitvoering van hun taken over het boekjaar tweeduizend éénentwintig;
6. de heer Jörg Neermann, niet-uitvoerende bestuurder: tot het eind van de jaarlijkse algemene vergadering van de Vennootschap waarbij kwijting aan niet-uitvoerende bestuurders wordt verleend voor de uitvoering van hun taken over het boekjaar tweeduizend éénentwintig.

Het beloningsbeleid

Het beleid van de Vennootschap ten aanzien van de beloning van het bestuur zal ter vaststelling door de algemene vergadering van de Vennootschap op voorstel van het bestuur worden geagendeerd in de eerste jaarlijkse algemene vergadering van de Vennootschap die na het van kracht worden van de Zetelverplaatsing, Omzetting en Statutenwijziging gehouden wordt.

Geplaatst kapitaal

Met het van kracht worden van de Zetelverplaatsing, Omzetting en Statutenwijziging bedraagt het geplaatste en volgestorte kapitaal van de Vennootschap [negentien miljoen negenhonderd vijfenzeventig duizend vierhonderd tweeëntachtig euro (EUR 19.975.482)], verdeeld in [negentien miljoen negenhonderd vijfenzeventig duizend vierhonderd tweeëntachtig (19.975.482)] aandelen op naam, met een nominaal bedrag van één euro (EUR 1) elk.

Accountantsverklaring

[Endymion Amsterdam Coöperatieve U.A.], accountants te Amsterdam, heeft terzake van het eigen vermogen van de Vennootschap de verklaring als bedoeld in artikel 2:72 lid 2 onder a van het Burgerlijk Wetboek afgegeven, welke verklaring aan deze akte is gehecht (Bijlage).

Slot

De comparant is mij, notaris, bekend.

Waarvan akte, verleden te Amsterdam op de datum in het hoofd van deze akte vermeld. Alvorens tot voorlezing is overgegaan is de inhoud van deze akte zakelijk aan de comparant opgegeven en toegelicht. De comparant heeft daarna verklaard van de inhoud van deze akte te hebben kennisgenomen, daarmee in te stemmen en op volledige voorlezing daarvan geen prijs te stellen. Onmiddellijk na beperkte voorlezing van deze akte is zij door de comparant en mij, notaris, ondertekend.

* * * * *

DEED OF TRANSFER OF OFFICIAL SEAT, CONVERSION AND AMENDMENT OF ARTICLES OF ASSOCIATION

(Vivoryon Therapeutics AG)
(new name: Vivoryon Therapeutics N.V.)

This ● day of ● two thousand and twenty, there appeared before me, ●, civil law notary in Amsterdam, the Netherlands:
●.
The person appearing declared the following:

(A) pursuant to case law of the European Court of Justice of the European Union and more in particular:
   (i) its ruling of the sixteenth day of December two thousand and eight in file C-210/06 (Cartesio Oktató es Szolgáltató);
   (ii) its ruling of the twelfth day of July two thousand and twelve in file C-378/10 (VALE Építési kft); and
   (iii) its ruling of the twenty-fifth day of October two thousand and seventeen in file C-106/16 (Polbud – Wykonawstwo sp. z o.o.),
   a company under the laws of a member state of the European Union may transfer its official seat to another member state of the European Union, provided that:
   (i) such transfer of official seat must be combined with a change of the applicable national law by a conversion into, and adoption of the legal form of, a company under the laws of the member state to which the official seat of that company is transferred; and
   (ii) the laws of the member state to which the official seat of that company is transferred, allow the conversion of a legal entity under its laws into another type of legal entity under its laws, without any dissolution or liquidation of the converting entity and/or incorporation of such other type of legal entity being required;

(B) pursuant to the laws of the Netherlands, a legal entity under the laws of the Netherlands may convert itself into a public company incorporated under the laws of the Netherlands (naamloze vennootschap), without any dissolution or liquidation of the converting legal entity and/or incorporation of such public company being required;

(C) at the ordinary general meeting of **Vivoryon Therapeutics AG**, a public company incorporated under the laws of Germany (*Aktiengesellschaft*), having its official seat (*Sitz)* in Halle (Saale), Germany, and its office at Weinbergweg 22, 06120 Halle/Saale, Germany, registered with the commercial register of the Local Court in Stendal, Germany under number HRB 213719 (the "**Company**"), held on the thirtieth day of September two thousand and twenty, it was *inter alia* resolved to:
   (i) transfer the official seat of the Company from Halle (Saale), Germany, to Amsterdam, the Netherlands (the "**Transfer of Seat**");
   (ii) convert the Company into a public company incorporated under the laws of the Netherlands (*naamloze vennootschap*) (the "**Conversion**");
   (iii) amend and completely readopt the articles of association of the Company (the "**Amendment**"); and
   (iv) authorise the person appearing to have this deed executed;
   the adoption of such resolutions is evidenced by a copy of the minutes of the aforementioned meeting attached to this deed (Annex);

(D) the articles of association of the Company were last amended by a deed, executed on the twenty-fourth day of October two thousand and nineteen before Dr. Walz, notary public in Munich, Germany;

(E) the Company has not been subjected to any or more of the insolvency and winding up proceedings in Annex A to Regulation (EU) 2015/848 of the European Parliament and of the Council of the twentieth day of May two thousand and fifteen on insolvency proceedings (recast), in any jurisdiction within the European Union;

(F) based on Annex II of the Council Regulation (EC) number 2157/2001 of the eighth day of October two thousand and one on the Statute for a European Company (SE), a public company incorporated under the laws of Germany (Aktiengesellschaft) is the German equivalent of a public company incorporated under the laws of the Netherlands (naamloze vennootschap);

(G) on the ● day of ● two thousand and twenty, the registration court of the Local Court in Stendal, Germany, issued a certificate, in which it states that it has been sufficiently shown that all relevant conditions and that all procedures and formalities which are required to be complied with or completed, respectively, under the laws of Germany and the articles of association of the Company prior to the Transfer of Seat and the Conversion have been complied with or properly completed, respectively, a copy of which statement is attached to this deed (Annex);

(H) in implementing the aforementioned resolutions, the official seat of the Company is hereby transferred from Halle (Saale), Germany, to Amsterdam, the Netherlands, the Company is hereby converted into a public company incorporated under the laws of the Netherlands (naamloze vennootschap) and the articles of association of the Company are hereby amended and completely readopted as follows.

Articles of association:

CHAPTER I

1 Definitions and interpretation

1.1 In these articles of association, the following terms shall have the following meanings:

"**Board**" means the board of directors of the Company.

"**CEO**" has the meaning attributed thereto in article 15.3.

"**CFO**" has the meaning attributed thereto in article 15.3.

"**Company**" means the company the internal organisation of which is governed by these articles of association.

"**Company Secretary**" means the person appointed to that position as referred to in article 22.

"**Director**" means a member of the Board. Unless the contrary is apparent, this shall include each Executive Director and each Non-Executive Director.

"**Distributable Equity**" means the part of the Company's equity which exceeds the aggregate of the paid in and called up issued capital and the reserves which must be maintained pursuant to the laws of the Netherlands.

"**Euroclear Netherlands**" means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., trading under the name Euroclear Nederland, being the central securities depositary as referred to in the Dutch Securities Giro Act (*Wet giraal effectenverkeer*).

"**Executive Director**" means an executive Director.

"**General Meeting**" means the body of the Company consisting of the person or persons to whom, as a Shareholder or otherwise, voting rights attached to Shares accrue, or (as the case may be) a meeting of such persons (or their representatives) and other persons with Meeting Rights.

"**Group Company**" means a group company of the Company as referred to in Section 2:24b of the Dutch Civil Code.

"**in writing**" means transmitted by letter, telecopier or e-mail, or any other electronic means of communication, provided the relevant message is legible and reproducible.
"**Meeting Rights**" means the right to, as a Shareholder or as a person to whom these rights have been attributed in accordance with article 13, be invited to and to attend General Meetings in person or by a proxy authorised in writing and to speak at such meetings and the other rights conferred by the laws of the Netherlands upon holders of depositary receipts issued with a company's cooperation for shares in its capital.
"**Non-Executive Director**" means a non-executive Director.
"**Record Date**" means the twenty-eighth day prior to the day of a General Meeting, or such other day as prescribed by the laws of the Netherlands.
"**Share**" means a share in the capital of the Company.
"**Shareholder**" means a holder of one or more Shares. Shareholders shall in any event be deemed to include (i) any person holding co-ownership rights with respect to Shares as included in the Statutory Giro System, and (ii) any person who is a shareholder under any applicable law pursuant to Book 10, Title 8, of the Dutch Civil Code.
"**Statutory Giro System**" means the giro system as referred to in the Dutch Securities Giro Act.
"**Subsidiary**" means a subsidiary of the Company as referred to in Section 2:24a of the Dutch Civil Code.

1.2 References to "articles" refer to articles that are part of these articles of association, except where expressly indicated otherwise.

1.3 References to one gender include all genders and references to the singular include the plural and vice versa.

CHAPTER II
NAME, OFFICIAL SEAT AND OBJECTS

2 Name and official seat

2.1 The Company's name is:
Vivoryon Therapeutics N.V.

2.2 The Company has its official seat in Amsterdam, the Netherlands.

3 Objects

The objects of the Company are:

(a) to research and develop and to test both pre-clinically and clinically, as well as to exploit and trade in, medical drugs;
(b) to incorporate, to participate in any way whatsoever in, to manage, to supervise businesses and companies;
(c) to finance businesses and companies;
(d) to borrow, to lend and to raise funds, including the issue of bonds, debt instruments or other securities or evidence of indebtedness as well as to enter into agreements in connection with aforementioned activities;
(e) to render advice and services to businesses and companies with which the Company forms a group and to third parties;
(f) to grant guarantees, to bind the Company and to pledge its assets for obligations of businesses and companies with which it forms a group and on behalf of third parties;
(g) to acquire, alienate, encumber, manage and exploit registered property and items of property in general;
(h) to trade in currencies, securities and items of property in general;
(i) to exploit and trade in patents, trade marks, licenses, knowhow, copyrights, data base rights and other intellectual property rights;
(j) to perform any and all activities of an industrial, financial or commercial nature,

and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

CHAPTER III

AUTHORISED CAPITAL; REGISTER OF SHAREHOLDERS

4 Authorised capital

4.1 The authorised capital (*maatschappelijk kapitaal*) of the Company is sixty million euro (EUR 60,000,000).

4.2 The authorised capital of the Company is divided into sixty million (60,000,000) Shares, with a nominal value of one euro (EUR 1) each, numbered 1 through 60,000,000.

5 Bearer Shares, global Share certificate

5.1 All Shares shall be bearer shares.

5.2 All bearer Shares are embodied in one (1) global Share certificate. This global Share certificate shall be given into the custody of Euroclear Netherlands or an intermediary (an *intermediair* as defined in the Dutch Securities Giro Act) or such other central securities depositary as may be the case. Euroclear Netherlands or the relevant intermediary or the relevant other central securities depositary, as applicable, shall (i) keep the global Share certificate for and on behalf of the title holders in a collective deposit, (ii) be irrevocably entrusted with the administration of the (global) Share certificate, and (iii) be irrevocably authorised to, on behalf of the Company, – in case of issuance of Shares - add any Shares to and – in case of cancellation of Shares - delete any Shares from the global Share certificate.

CHAPTER IV

ISSUANCE OF SHARES

6 Resolution to issue and notarial deed

6.1 Shares may be issued pursuant to a resolution of the General Meeting or of the Board if and insofar as the Board has been designated for that purpose pursuant to a resolution of the General Meeting for a fixed period, not exceeding five years. On such designation the number of Shares which may be issued must be specified. The designation may be extended, each time for a period not exceeding five years. Unless the designation provides otherwise, it may not be withdrawn. A resolution of the General Meeting to issue Shares or to designate the Board as the competent body to issue Shares can only be adopted at a proposal by the Board.

6.2 Within eight days after each resolution of the General Meeting to issue Shares or to designate the Board as the competent body to issue Shares, the full wording of the relevant resolution shall be deposited at the Dutch Trade Register of the Chamber of Commerce.

6.3 Within eight days after the end of each calendar quarter, each issuance of Shares in such calendar quarter shall be notified to the Dutch Trade Register of the Chamber of Commerce, stating the number of Shares issued.

6.4 A resolution to issue Shares shall stipulate the issue price and the other conditions of issue. The issue price shall not be less than par, without prejudice to the provisions laid down in Section 2:80, subsection 2, of the Dutch Civil Code.

6.5 The provisions of articles 6.1 and 6.4 shall apply by analogy to the granting of rights to subscribe for Shares (including but not limited to any options, warrants, or convertible loans or bonds entitling the holder thereof to subscribe for Shares) but do not apply to the issuance of Shares to a person exercising a right to subscribe for Shares previously granted.

7 Pre-emptive rights

7.1 Upon issuance of Shares, each Shareholder shall have a pre-emptive right in proportion to the aggregate nominal value of his Shares, subject to the provisions of

articles 7.2 and 7.3. Shareholders shall have a similar pre-emptive right if rights are granted to subscribe for Shares.

7.2 Shareholders shall have no pre-emptive right in respect of Shares which are issued (i) against non-cash contributions; or (ii) to employees of the Company or of a Group Company; or (iii) to a person exercising a right to subscribe for Shares previously granted.

7.3 Prior to each single issuance of Shares, the pre-emptive right may be limited or excluded pursuant to a resolution of the General Meeting. The pre-emptive right may also be limited or excluded pursuant to a resolution of the Board if the Board has been designated as the competent body to issue Shares pursuant to article 6.1 and if, pursuant to a resolution of the General Meeting, it was designated for a fixed period, not exceeding five years, as authorised to limit or exclude such pre-emptive right. The designation may be extended, each time for a period not exceeding five years. Unless the designation provides otherwise, it may not be withdrawn. A resolution of the General Meeting to limit or exclude the pre-emptive right or to designate the Board as the competent body to limit or exclude such pre-emptive right can only be adopted by a majority of at least two-thirds of the votes cast if less than one-half of the Company's issued capital is represented at the meeting. A resolution of the General Meeting to limit or exclude the pre-emptive right or to designate the Board as the competent body to limit or exclude such pre-emptive right can only be adopted at a proposal by the Board.

7.4 Within eight days after each resolution of the General Meeting to designate the Board as the competent body to limit or exclude the pre-emptive right, the full wording of the relevant resolution shall be deposited at the Dutch Trade Register of the Chamber of Commerce.

7.5 The Company shall announce any issuance of Shares with pre-emptive rights and the period of time within which such pre-emptive rights may be exercised in such manner as shall be prescribed by applicable law and applicable stock exchange regulations, including but not limited to an announcement published by electronic means.

8 Payment for Shares

8.1 The nominal value of each Share must be paid upon subscription and, in addition, if the Share is subscribed for at a higher amount, the difference between such amounts. It can be stipulated that part of the nominal value, not exceeding three-quarters thereof, will only have to be paid after the Company has requested that such payment be made.

8.2 Payment for a Share must be made in cash insofar as no non-cash contribution has been agreed upon. Payment in a currency other than euro may only be made with the consent of the Company and with due observance of the provisions of Sections 2:80a, subsection 3, and 2:93a of the Dutch Civil Code.

8.3 Non-cash contributions on Shares are subject to the provisions of Section 2:94b of the Dutch Civil Code.

8.4 The Board shall be authorised to perform legal acts relating to non-cash contributions on Shares and other legal acts as referred to in Section 2:94 of the Dutch Civil Code, without prior approval of the General Meeting.

CHAPTER V

OWN SHARES; REDUCTION OF THE ISSUED CAPITAL

9 Own Shares

9.1 When issuing Shares, the Company may not subscribe for its own Shares.

9.2 The Company may acquire fully paid up Shares or depositary receipts thereof, provided either no valuable consideration is given, or:

(a) the Distributable Equity is at least equal to the purchase price; and

(b) the nominal value of the Shares or depositary receipts thereof which the Company acquires, holds or keeps in pledge or which are held by a Subsidiary does not exceed one half of the Company's issued capital; and

(c) the Board has been authorised by the General Meeting thereto. Such authorisation shall be valid for not more than eighteen months. The General Meeting must specify in the authorisation the number of Shares which may be acquired, the manner in which they may be acquired and the limits within which the price must be set.

9.3 The validity of the acquisition shall be decided on the basis of the amount of equity appearing from the last adopted balance sheet, less the aggregate of the purchase price for Shares or depositary receipts thereof, the amount of loans as referred to in article 10.2 and any distribution of profits or at the expense of reserves to others which have become due by the Company and its Subsidiaries after the balance sheet date. An acquisition in accordance with article 9.2 shall not be permitted, if more than six (6) months have elapsed after the end of a financial year without the annual accounts having been adopted.

9.4 The authorisation as referred to in article 9.2(c) is not required to the extent the Company acquires Shares or depositary receipts thereof which are quoted in the listing of any stock exchange in order to transfer them to employees of the Company or of a Group Company pursuant to a scheme applicable to such employees.

9.5 The foregoing provisions of this article 9 shall not apply to Shares or depositary receipts thereof which the Company acquires by universal succession of title.

9.6 The acquisition of Shares or depositary receipts thereof by a Subsidiary shall be subject to the provisions of Section 2:98d of the Dutch Civil Code.

9.7 The Board is authorised to alienate Shares or depositary receipts thereof held by the Company.

10 Financial assistance

10.1 The Company may not give security, guarantee the price, in any other way warrant performance by third parties or bind itself, either severally or jointly, in addition to or on behalf of third parties, with a view to a subscription for or an acquisition of Shares or depositary receipts thereof by others. This prohibition also applies to Subsidiaries.

10.2 The Company and its Subsidiaries may not grant loans with a view to a subscription for or an acquisition of Shares or depositary receipts thereof by others, unless so in compliance with Section 2:98c of the Dutch Civil Code.

10.3 The provisions of article 10.1 and article 10.2 shall not apply to Shares or depositary receipts thereof subscribed or acquired by or for employees of the Company or of a Group Company.

11 Reduction of the issued capital

11.1 The General Meeting may, but only at the proposal of the Board, resolve to reduce the Company's issued capital. A resolution of the General Meeting to reduce the Company's issued capital can only be adopted by a majority of at least two-thirds of the votes cast, if less than half of the Company's issued capital is present or represented at the meeting.

11.2 A reduction of the Company's issued capital may be effected:

(a) by cancellation of Shares held by the Company or for which the Company holds the depositary receipts; or

(b) by reducing the nominal value of Shares, to be effected by an amendment of these articles of association.

11.3 A reduction of the nominal value of Shares without repayment must be effected in proportion to all Shares. This principle may be deviated from with the consent of all Shareholders concerned.

11.4 The notice convening a General Meeting at which a proposal to reduce the Company's issued capital will be made, shall state the purpose of the capital reduction and the manner in which it is to be achieved. The provisions in these articles of association relevant to a proposal to amend the articles of association shall apply by analogy.

11.5 A reduction of the Company's issued capital shall furthermore be subject to the provisions of Sections 2:99 and 2:100 of the Dutch Civil Code.

CHAPTER VI
TRANSFER OF SHARES

12 Transfer of Shares

12.1 The transfer of rights a Shareholder holds with regard to Shares included in the Statutory Giro System must take place in accordance with the provisions of the Dutch Securities Giro Act.

12.2 A transfer of Shares from the Statutory Giro System is subject to restrictions of the Dutch Securities Giro Act and is subject to approval of the Board.

CHAPTER VII
PLEDGING OF SHARES AND USUFRUCT ON SHARES; DEPOSITARY RECEIPTS FOR SHARES

13 Pledging of Shares and usufruct on Shares

13.1 Upon the creation of a right of pledge on a Share and upon the creation or transfer of a usufruct on a Share, the voting rights attached to such Share may be assigned to the pledgee or the usufructuary, with due observance of the relevant provisions of the laws of the Netherlands.

13.2 Both the Shareholder without voting rights and the pledgee or the usufructuary with voting rights shall have the Meeting Rights. The pledgee or the usufructuary without voting rights shall not have the Meeting Rights.

14 Depositary receipts for Shares

The Company shall not cooperate in the issuance of depositary receipts for Shares. Accordingly, holders of depositary receipts for Shares do not have the Meeting Rights.

CHAPTER VIII
THE BOARD

15 Directors

15.1 The Board shall consist of one or more Executive Directors and one or more Non-Executive Directors. The number of Non-Executive Directors must always exceed the number of Executive Directors. Only individuals can be Directors.

15.2 Directors are appointed by the General Meeting as an Executive Director or a Non-Executive Director. Subject to article 15.1 the number of Executive Directors and Non-Executive Directors is determined by the Board.

15.3 The Board shall grant one of the Executive Directors the title of Chief Executive Officer ("**CEO**") and may grant one of the Executive Directors (including the CEO who shall then have two titles) the title of Chief Financial Officer ("**CFO**"). The Board shall appoint one of the Non-Executive Directors as chairman of the Board.

15.4 If a Director is to be appointed, the Board shall make a binding nomination. The General Meeting may at all times set aside such binding nomination by a resolution adopted by a majority of at least two-thirds of the votes cast, such majority representing more than one-half of the issued capital of the Company. A second meeting as referred to in Section 2:120, subsection 3, of the Dutch Civil Code cannot be convened. If the General Meeting sets aside the binding nomination, the Board shall make a new binding nomination. The nomination shall be included in the notice of the General Meeting at which the appointment shall be considered. The Executive Directors shall not take part in the discussions and decision-making by the Board in relation to nominations for the appointment of Directors.

15.5 If no nomination has been made for the appointment of a Director, this shall be stated in the notice of the General Meeting at which the appointment shall be considered and the General Meeting shall then be free to appoint a Director at its discretion. A resolution to appoint a Director that was not nominated by the Board can only be adopted by a majority of at least two-thirds of the votes cast, such majority representing more than one-half of the issued capital of the Company. A second meeting as referred to in Section 2:120, subsection 3, of the Dutch Civil Code cannot be convened.

15.6 Executive Directors will be appointed for a maximum term of four years and can be re-appointed for a maximum term of four years each time.

15.7 Non-Executive Directors will be appointed for a term of four years and may be reappointed for one additional term of four years and subsequently for a term of two years, which term of two years may be extended by at most two years.

15.8 A Director may be suspended or removed by the General Meeting at any time. A resolution to suspend or remove a Director can only be adopted by a majority of at least two-thirds of the votes cast, such majority representing more than one-half of the issued capital of the Company, unless the proposal to suspend or remove the relevant Director was made by the Board, in which case the resolution can be adopted by a simple majority of the votes cast. A second meeting as referred to in Section 2:120, subsection 3, of the Dutch Civil Code cannot be convened.

15.9 An Executive Director may also be suspended by the Board. A suspension by the Board may at any time be discontinued by the General Meeting.

15.10 Any suspension may be extended one or more times, but may not last longer than three months in the aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on removal, the suspension shall end.

16 Remuneration

16.1 The Company has a policy on the remuneration of the Board. The policy shall be adopted by the General Meeting at the proposal of the Board. The policy on remuneration shall in any case include the subjects referred to in Section 2:135a, subsection 6, of the Dutch Civil Code. A resolution by the General Meeting to adopt the remuneration policy shall be adopted by a simple majority of the votes cast, without a quorum being required.

16.2 With due observance of the policy referred to in article 16.1 the authority to establish remuneration and other conditions of employment for Executive Directors is vested in the Board. The Executive Directors shall not take part in the discussions and decision-making by the Board in relation to the establishment of the remuneration and other conditions of employment of the Executive Directors.

16.3 With due observance of the policy referred to in article 16.1 the authority to establish remuneration and other conditions of employment for Non-Executive Directors is vested in the General Meeting.

16.4 A proposal concerning remuneration in the form of Share awards or Share options shall be submitted by the Board to the General Meeting for approval. Such proposal must, at a minimum, state the number of Shares or Share options that may be granted to the Board and the criteria that apply to the making or amending of such grant of Shares or Share options.

17 Duties and working methods of the Board

17.1 The Board shall be entrusted with the management of the Company. In performing their duties, the Directors shall act in accordance with the interests of the Company and the business connected with it.

17.2 The Board may establish rules regarding its working methods and decision-making process. In this context the Board may also determine the duties which a Director shall

be particularly responsible for, which may also include a delegation of resolution-making power of the Board, provided that the Executive Directors shall conduct the day-to-day business of the Company and that the supervision of conducting the day-to-day business by the Executive Directors may not be taken away from the Non-Executive Directors. Such rules and allocation of duties shall be put in writing.

17.3 The Board may establish such committees as it may deem necessary, which committees may consist of one or more Non-Executive Directors. The Board appoints the members of each committee and determines the tasks of each committee. The Board may, at any time, change the duties and the composition of each committee. The Board may establish rules regarding the working methods and decision-making process of each committee. Such rules and allocation of duties shall be put in writing.

18 Decision-making process of the Board; conflict of interest

18.1 Meetings of the Board shall be held as often as a Director or the Board deems necessary.

18.2 The meetings of the Board shall be presided over by its chairman or his deputy. The chairman of the meeting shall appoint a secretary for the meeting.

18.3 The secretary of a meeting of the Board shall keep minutes of the proceedings at the meeting. The minutes shall be adopted by the Board, in the same meeting or the next. Evidencing their adoption, the minutes shall be signed by the chairman and the secretary of the meeting in which the minutes are adopted.

18.4 Meetings of the Board may be held by means of an assembly of the Directors in person at a formal meeting or by conference call, video conference or by any other means of communication, provided that all Directors participating in such meeting are able to communicate with each other simultaneously. Participation in a meeting held in any of the above ways shall constitute presence at such meeting.

18.5 In the Board, each Director may cast one vote. If there is a tie in voting, the proposal shall be deemed to have been rejected.

18.6 All resolutions of the Board shall be adopted by a simple majority of the votes cast. However, the Board may determine that certain resolutions of the Board require the consenting vote of a majority of the Non-Executive Directors. Such resolutions must be clearly specified and laid down in writing.

18.7 The Board can only adopt valid resolutions in a meeting where the majority of the Directors then in office is present or represented. However, the Board may designate resolutions of the Board which are subject to a different requirement. Such resolutions and the nature of the difference must be clearly specified and laid down in writing. A Director may be represented in a meeting by another Director authorised in writing.

18.8 Board resolutions may at all times be adopted in writing, provided the proposal concerned is submitted to all Directors then in office in respect of whom no conflict of interest within the meaning of article 18.9 exists and none of them objects to this manner of adopting resolutions, evidenced by written statements from all relevant Directors then in office.

18.9 A Director shall not take part in the discussions and decision-making by the Board if he has a direct or indirect personal interest therein that conflicts with the interests of the Company or the business connected with it. The provision of the first full sentence shall not apply if as a result no resolution can be adopted.

18.10 When determining how many votes are cast by Directors or how many Directors are present or represented, no account shall be taken of Directors that are not allowed to take part in the discussions and decision-making by the Board pursuant to the laws of the Netherlands, these articles of association or written rules as referred to in article 17.2.

19 Representation

19.1 The Company shall be represented by the Board. The CEO acting individually, as well as any two Executive Directors acting jointly, shall also be authorised to represent the Company.

19.2 The Board may appoint officers with general or limited power to represent the Company. Each officer shall be competent to represent the Company, subject to the restrictions imposed on him. The Board shall determine each officer's title.

20 Approval of Board resolutions

20.1 Resolutions of the Board entailing a significant change in the identity or character of the Company or its business are subject to the approval of the General Meeting, including in any case:

(a) the transfer of (nearly) the entire business of the Company to a third party;

(b) entering into or terminating long-term co-operations of the Company or a Subsidiary with an other legal entity or company or as fully liable partner in a limited partnership or general partnership, if this co-operation or termination is of major significance for the Company;

(c) acquiring or disposing by the Company or a Subsidiary of participating interests in the capital of a company, with a value equal to at least one-third of the sum of the assets of the Company as shown on its balance sheet with explanatory notes or, if the Company prepares a consolidated balance sheet, its consolidated balance sheet with explanatory notes according to the last adopted annual accounts of the Company.

Resolutions of the Board regarding the entering into or termination by the Company or a Subsidiary of any license agreement in respect of any medicals drugs developed by the Company or a Subsidiary will however not (be deemed to) be subject to approval of the General Meeting pursuant to article 20.1(b), as the entering into or termination of such license agreement will not entail a significant change in the identity or character of the Company or its the business.

20.2 The absence of approval of the General Meeting of a resolution as referred to in article 20.1 shall not affect the authority of the Board or the Executive Directors to represent the Company.

21 Vacancy or inability to act

If a seat on the Board is vacant or one or more Directors are unable to perform their duties, the remaining Directors or Director shall be temporarily entrusted with the management of the Company, without prejudice to the right of the Board to appoint a person to temporarily replace the Director(s) concerned. If all seats on the Board are vacant or all Executive Directors or all Non-Executive Directors, as the case may be, are unable to perform their duties, one or more persons to be designated for that purpose by the General Meeting shall be temporarily entrusted with the exercise of the duties and authorities of the Board.

22 Company Secretary

The Board may, but is not required to, appoint a Company Secretary and will in such case be authorised to replace the Company Secretary at any time. The Company Secretary will have the powers afforded to the Company Secretary pursuant to these articles of association or a resolution of the Board. In the absence of the Company Secretary the duties and powers of the Company Secretary will be exercised by a deputy, to be designated by the Board.

CHAPTER IX
INDEMNITY

23 Indemnification of Directors and insurance

23.1 Unless otherwise provided by the laws of the Netherlands, current and former Directors are indemnified, held harmless and reimbursed by the Company for:

(a) reasonable costs of conducting a defence against claims (including investigations of potential claims) based on acts or failures to act in the exercise of their duties or any other duties currently or previously performed by them at the request of the Company;

(b) any costs, financial losses, damages, compensation or financial penalties payable by them as a result of an act or failure to act as referred to under (a);

(c) any amounts payable by them under settlements they have reasonably entered into in connection with an act or failure to act as referred to under (a);

(d) reasonable costs of appearing in other legal proceedings or investigations in which they are involved as current or former Directors, with the exception of proceedings primarily aimed at pursuing a claim on their own behalf; and

(e) tax damage due to reimbursements in accordance with this article 23.

23.2 An indemnified person is not entitled to the indemnification and reimbursement referred to in article 23.1 if and to the extent that:

(a) a Dutch court or, in the event of arbitration, an arbitrator has established in a final and conclusive decision that (i) the act or failure to act of the relevant current or former Director may be characterised as wilful (*opzettelijk*), intentionally reckless (*bewust roekeloos*) or seriously culpable (*ernstig verwijtbaar*) conduct, unless the laws of the Netherlands provide otherwise or this would, in view of the circumstances of the case, be unacceptable according to standards of reasonableness and fairness; or

(b) the costs, financial losses, damages, compensation or financial penalties payable by the indemnified person are covered by insurance and the insurer has paid out these costs, financial losses, damages, compensation or financial penalties.

If and to the extent that it has been established by a Dutch court or, in the event of arbitration, an arbitrator in a final and conclusive decision that the relevant current or former Director is not entitled to reimbursement as referred to under article 23.1, he shall immediately repay the amount reimbursed by the Company.

23.3 The Company may take out liability insurance for the benefit of the indemnified persons.

CHAPTER X
FINANCIAL YEAR AND ANNUAL ACCOUNTS; PROFITS AND DISTRIBUTIONS

24 Financial year and annual accounts

24.1 The Company's financial year shall be the calendar year.

24.2 Annually, not later than four months after the end of the financial year, the Board shall prepare annual accounts, and shall deposit the same for inspection by the Shareholders and the persons with Meeting Rights at the Company's office.

24.3 Within the same period, the Board shall also deposit the management report for inspection by the Shareholders and the persons with Meeting Rights.

24.4 The annual accounts shall be signed by the Directors. If the signature of one or more of them is missing, this shall be stated and reasons for this omission shall be given.

24.5 The annual accounts and the management report shall be prepared in the English language.

24.6 The Company shall appoint an organisation in which certified public accountants cooperate, as referred to in Section 2:393, subsection 1, of the Dutch Civil Code, to

audit the annual accounts. Such appointment shall be made by the General Meeting, at a proposal by the Board. If the General Meeting does not proceed thereto, then the Board shall make the appointment. The appointment may be revoked by the General Meeting as well as by the Board, if the Board made the appointment. The appointment may be revoked for sound reasons only; such reasons shall not include a difference in opinion with regard to reporting methods or audit activities. The Executive Directors shall not take part in the discussions and decision-making by the Board in relation to the appointment of an organisation in which certified public accountants cooperate, as referred to in Section 2:393, subsection 1, of the Dutch Civil Code, to audit the annual accounts, if the General Meeting has not proceeded thereto.

24.7 The Company shall ensure that the annual accounts, the management report and the information to be added by virtue of the laws of the Netherlands are kept at its office as from the day on which notice of the General Meeting is given in which the annual accounts and the management report shall be discussed and in which the adoption of the annual accounts shall be resolved upon. Shareholders and persons with Meeting Rights may inspect the documents at that place and obtain a copy free of charge.

24.8 The annual accounts, the management report, the information to be added by virtue of the laws of the Netherlands and the audit by an accountant, as well as deposit of documents at the Dutch Trade Register of the Chamber of Commerce, shall furthermore be subject to the provisions of Book 2, Title 9, of the Dutch Civil Code.

25 Adoption of the annual accounts and release from liability

25.1 The General Meeting shall adopt the annual accounts.

25.2 At the General Meeting at which it is resolved to adopt the annual accounts, a proposal concerning release of the Directors from liability for the exercise of their duties, insofar as the exercise of their duties is reflected in the annual accounts or otherwise disclosed to the General Meeting prior to the adoption of the annual accounts, shall be brought up for discussion separately.

26 Profits and distributions

26.1 The Board shall determine the amount of the profits accrued in a financial year that shall be added to the reserves of the Company.

26.2 The allocation of the remaining profits shall be determined by the General Meeting. The Board shall make a proposal for that purpose.

26.3 Distribution of profits shall be made after adoption of the annual accounts if permissible under the laws of the Netherlands given the contents of the annual accounts.

26.4 The Board may resolve to make interim distributions and/or to make distributions at the expense of any reserve of the Company.

26.5 Distributions on Shares payable in cash shall be paid in euro, unless the Board determines that payment shall be made in another currency.

26.6 The Board may decide that a distribution on Shares shall not take place as a payment in cash but in the form of Shares, or decide that the Shareholders shall have the option to receive a distribution as payment in cash and/or in the form of Shares, out of the profit and/or at the expense of reserves, provided that the Board has been designated by the General Meeting as the competent body to issue Shares and to limit or exclude the pre-emptive right. The Board shall determine the conditions applicable to the aforementioned choices.

26.7 Distributions on Shares may be made only up to an amount which does not exceed the amount of the Distributable Equity. If it concerns an interim distribution, the compliance with this requirement must be evidenced by an interim statement of assets and liabilities as referred to in Section 2:105, subsection 4, of the Dutch Civil Code. The Company shall deposit the statement of assets and liabilities at the Dutch Trade

Register of the Chamber of Commerce within eight days after the day on which the resolution to make the distribution is published.

26.8 The date of payment of a distribution on Shares shall be determined by the Board. A claim of a Shareholder for payment of a distribution on Shares shall be barred after five years have elapsed.

26.9 For all distributions in respect of Shares included in the Statutory Giro System, the Company will be discharged from all obligations towards the relevant Shareholders by placing those distributions at the disposal of, or in accordance with the applicable regulations of, Euroclear Netherlands or such other central securities depositary as may be the case.

26.10 No distributions shall be made on Shares held by the Company in its own capital, unless these Shares have been pledged or a usufruct has been created on these Shares and the authority to collect distributions or the right to receive distributions respectively accrues to the pledgee or the usufructuary respectively. For the computation of distributions, the Shares on which no distributions shall be made pursuant to this article 26.10, shall not be taken into account.

CHAPTER XI
THE GENERAL MEETING

27 Annual General Meeting

27.1 The annual General Meeting shall be held within six months after the end of the financial year.

27.2 The agenda for this annual General Meeting shall in any case contain the following business to be discussed:

(a) discussion of the management report;
(b) discussion and submission for advisory vote of the remuneration report as referred to in Section 2:135b of the Dutch Civil Code;
(c) discussion and adoption of the annual accounts;
(d) discussion of the reservation and dividend policy;
(e) allocation of profits; and
(f) release from liability of Directors.

The agenda shall furthermore contain other business presented for discussion by the Board or by Shareholders and/or persons with Meeting Rights taking into account the provisions of these articles of association and announced with due observance of the provisions of article 29.

28 Other General Meetings

28.1 Other General Meetings may be convened by the Board as often as the Board deems necessary.

28.2 Shareholders and/or persons with Meeting Rights alone or jointly representing in the aggregate at least one-tenth of the Company's issued capital may request the Board in writing to convene a General Meeting, stating specifically the business to be discussed. If the Board has not given proper notice of a General Meeting within two weeks following receipt of such request such that the meeting can be held within eight weeks after receipt of the request, the applicants can at their request be authorised by the preliminary relief judge of the district court to convene a meeting.

28.3 Within three months of it becoming apparent to the Board that the equity of the Company has decreased to an amount equal to or lower than one-half of the paid in and called up part of the capital, a General Meeting shall be held to discuss any requisite measures.

29 Notice, agenda and venue of meetings

29.1 Notice of General Meetings shall be given by those convening a General Meeting pursuant to article 28.

29.2 Notice of a General Meeting shall be given no later than on the forty-second day prior to the day of the meeting, or such other day as prescribed by the laws of the Netherlands.

29.3 The notice convening the meeting shall state at least:

(a) the business to be discussed;
(b) the place, date and time of the meeting;
(c) the procedure to attend the General Meeting by written proxy; and
(d) the Record Date and the manner in which persons with Meeting Rights can have themselves registered as well as the manner in which they can exercise their rights;
(e) the procedure for participation in the General Meeting and the exercise of voting rights by electronic means of communication, if such right can be exercised pursuant to article 30.5; and
(f) the Company's website;

and such other information as may be required by the laws of the Netherlands.

29.4 Items, for which a written request has been filed to discuss them, by one or more Shareholders and/or persons with Meeting Rights, alone or jointly representing at least three-hundredth of the Company's issued capital, shall be included in the notice or announced in the same manner, provided that the Company received the substantiated request or a proposal for a resolution no later than on the sixtieth day before the date of the meeting.

29.5 A General Meeting shall be convened by an announcement made public by electronic means of communication which is directly and permanently accessible until the meeting and furthermore in such manner as may be required to comply with any applicable rules of any stock exchange where Shares or depositary receipts for Shares are listed.

29.6 General Meetings are held in the municipality in which, according to these articles of association, the Company has its official seat or at Schiphol airport (municipality of Haarlemmermeer, the Netherlands). General Meetings may also be held elsewhere, in which case valid resolutions of the General Meeting may only be adopted if all of the Company's issued capital and all persons with Meeting Rights are present or represented.

30 Admittance to and rights at meetings

30.1 Each Shareholder and each person with Meeting Rights shall be entitled to attend the General Meetings, to address the meeting and, if the voting rights accrue to him, to exercise the voting rights, provided that the Board has been notified in writing of the intention to attend the meeting. Such notice must be received by the Board not later than on the date specified in the notice of the meeting.

30.2 The right to participate in the meeting in accordance with the provisions of article 30.1 may be exercised by a proxy authorised in writing, provided that the power of attorney has been received by the Board not later than on the date specified in the notice of the meeting. The requirement that the proxy must be in writing is complied with if the proxy is recorded electronically, in such manner and form as to be determined by the Board. The power of attorney may be provided to the Board by electronic means of communication.

30.3 If the voting right attributable to a Share accrues to the usufructuary or the pledgee of Shares, instead of to the Shareholder, the Shareholder shall likewise be authorised to attend the General Meeting and to address such meeting, provided that the Board has been notified of the intention to attend the meeting in accordance with the provisions of article 30.1. The provisions of article 30.2 shall apply correspondingly.

30.4 For the purpose of articles 30.1, 30.2, 30.3 and 30.5 those persons will be regarded as the persons to whom the voting rights on Shares or the Meeting Rights accrue who, on the Record Date, have those rights and have been registered as such in a register designated for that purpose by the Board, regardless of who are entitled to the Shares at the time of that General Meeting.

30.5 The Board may determine that the rights in respect of attending meetings referred to in article 30.1 may be exercised by electronic means of communication, either in person or by a proxy authorised in writing. In order to do so, a person with Meeting Rights, or his proxy authorised in writing, must, through the electronic means of communication, be identifiable, be able to directly observe the proceedings at the meeting and, if the voting rights accrue to him, be able to exercise the voting rights. The Board may also determine that the electronic means of communication used must allow each person with Meeting Rights or his proxy authorised in writing to participate in the discussions. The Board may attach further conditions to the use of the electronic means of communication, provided such conditions are reasonable and necessary for the identification of persons with Meeting Rights and the reliability and safety of the communication. Such conditions shall be announced with the notice of the meeting.

30.6 At a meeting, each person present with voting rights, or his proxy authorised in writing, must sign the attendance list. The chairman of the meeting may decide that the attendance list must also be signed by other persons present at the meeting. The names of the persons who participate in the meeting pursuant to article 30.5 or who have cast their votes in the manner as referred to in article 34.3 shall be added to the attendance list.

30.7 The Directors shall have the right to cast an advisory vote in the General Meetings.

30.8 The chairman of the meeting shall decide on the admittance of other persons to the meeting.

31 Chairman and secretary of the meeting

31.1 The General Meetings shall be presided over by the chairman of the Board or his deputy. In their absence, the Non-Executive Directors present at the meeting shall appoint a chairman of the meeting from among their midst. The Board may appoint a different chairman of a General Meeting.

31.2 If the chairmanship of a meeting is not provided in accordance with article 31.1, the chairman of the meeting shall be appointed by the persons with voting rights present or represented at the meeting, by a simple majority of the votes cast. Until such appointment is made, a Director shall act as chairman, or, if no Director is present at the meeting, the eldest person present at the meeting shall act as chairman.

31.3 The chairman of the meeting shall appoint a secretary for the meeting.

32 Order of the meeting; minutes; recording of Shareholders' resolutions

32.1 The chairman of the meeting shall determine the order of proceedings at a General Meeting with due observance of the agenda and he may restrict the speaking time or take other measures to ensure orderly progress of the meeting.

32.2 All issues concerning proceedings at the meeting shall be decided by the chairman of the meeting.

32.3 General Meetings shall be conducted in the English language, unless the chairman of the meeting resolves otherwise.

32.4 The secretary of the meeting shall keep minutes of the proceedings at the General Meeting. The minutes shall be adopted by the chairman and the secretary of the meeting and as evidence thereof shall be signed by them.

32.5 The chairman of the meeting may determine that a notarial record must be prepared of the proceedings at the General Meeting. The notarial record shall be co-signed by the chairman of the meeting.

32.6 A certificate signed by the chairman of the meeting and the secretary of the meeting confirming that the General Meeting has adopted a particular resolution shall constitute evidence of such resolution vis-à-vis third parties.

33 Adoption of resolutions in a meeting

33.1 Each Share confers the right to cast one vote.

33.2 In the General Meeting, no voting rights may be exercised for Shares held by the Company or a Subsidiary, nor for Shares for which the Company or a Subsidiary holds the depositary receipts. However, pledgees or usufructuaries of Shares owned by the Company or a Subsidiary are not excluded from exercising voting rights if the right of pledge or the usufruct was created before the Share was owned by the Company or such Subsidiary. The Company or a Subsidiary may not exercise voting rights for a Share in which it holds a right of pledge or a usufruct.

33.3 To the extent that the laws of the Netherlands or these articles of association do not provide otherwise, all resolutions of the General Meeting shall be adopted by a simple majority of the votes cast, without a quorum being required.

33.4 If there is a tie in voting, the proposal shall be deemed to have been rejected, without prejudice to the provisions of article 34.5.

33.5 If the formalities for convening and holding of General Meetings, as prescribed by the laws of the Netherlands or these articles of association, have not been complied with, valid resolutions of the General Meeting may only be adopted in a meeting, if in such meeting all of the Company's issued capital and all persons with Meeting Rights are present or represented and such resolutions are carried by unanimous vote.

33.6 When determining how many votes are cast by Shareholders, how many Shareholders are present or represented, or what portion of the Company's issued capital is represented, no account shall be taken of Shares for which no vote can be cast pursuant to the laws of the Netherlands or these articles of association.

34 Voting

34.1 All voting shall take place orally. The chairman is, however, entitled to decide that votes be cast by a secret ballot. Votes by secret ballot shall be cast by means of secret, unsigned ballot papers.

34.2 Any vote on a person at a General Meeting can only be made if the name of that person was placed on the agenda for that meeting at the time the notice for that meeting is given.

34.3 The Board may determine that votes cast by electronic means of communication prior to the General Meeting shall be treated equally to votes cast during the meeting. These votes cannot be cast prior to the Record Date.

34.4 Blank and invalid votes shall not be counted as votes.

34.5 If a majority of the votes cast is not obtained in an election of persons, a second free vote shall be taken. If a majority is not obtained again, further votes shall be taken until either one person obtains a majority of the votes cast or the election is between two persons only, both of whom receive an equal number of votes. In the event of such further elections (not including the second free vote), each election shall be between the candidates in the preceding election, with the exclusion of the person who received the smallest number of votes in such preceding election. If in the preceding election more than one person has received the smallest number of votes, it shall be decided which candidate should not participate in the new election by randomly choosing a name. If votes are equal in an election between two persons, it shall be decided who is elected by randomly choosing a name.

34.6 Resolutions may be adopted by acclamation if none of the persons with voting rights present or represented at the meeting objects.

34.7 The chairman's decision at the meeting on the result of a vote shall be final and conclusive. The same shall apply to the contents of an adopted resolution if a vote is taken on an unwritten proposal. However, if the correctness of such decision is challenged immediately after it is pronounced, a new vote shall be taken if either the majority of the persons with voting rights present or represented at the meeting or, where the original vote was not taken by roll call or in writing, any person with voting rights present or represented at the meeting, so demands. The legal consequences of the original vote shall be made null and void by the new vote.

CHAPTER XII
AMENDMENT OF THE ARTICLES OF ASSOCIATION; CHANGE OF CORPORATE FORM; STATUTORY MERGER AND STATUTORY DEMERGER; DISSOLUTION AND LIQUIDATION

35 Amendment of the articles of association

The General Meeting may resolve to amend these articles of association at the proposal of the Board. When a proposal to amend these articles of association is to be made to the General Meeting, the notice convening the General Meeting must state so and a copy of the proposal, including the verbatim text thereof, shall be deposited and kept available at the Company's office for inspection by the Shareholders and the persons with Meeting Rights, until the conclusion of the meeting. From the day of deposit until the day of the meeting, a Shareholder or a person with Meeting Rights shall, on application, be provided with a copy of the proposal free of charge. An amendment of these articles of association shall be laid down in a notarial deed.

36 Change of corporate form

The Company may change its corporate form into a different legal form at the proposal of the Board. A change of the corporate form shall require a resolution to change the corporate form adopted by the General Meeting, and a resolution to amend these articles of association. A change of the corporate form shall furthermore be subject to the relevant provisions of Book 2 of the Dutch Civil Code. A change of the corporate form shall not terminate the existence of the legal entity.

37 Statutory merger and statutory demerger

37.1 The Company may enter into a statutory merger with one or more other legal entities. A resolution to effect a merger may only be adopted on the basis of a merger proposal prepared by the management boards of the merging legal entities. Within the Company, the resolution to effect a merger shall be adopted by the General Meeting. However, in the cases referred to in Section 2:331 of the Dutch Civil Code, the resolution to effect a merger may be adopted by the Board.

37.2 The Company may be a party to a statutory demerger. The term "demerger" shall include both split-up and spin-off. A resolution to effect a demerger may only be adopted on the basis of a demerger proposal prepared by the management boards of the parties to the demerger. Within the Company, the resolution to effect a demerger shall be adopted by the General Meeting. However, in the cases referred to in Section 2:334ff of the Dutch Civil Code, the resolution to effect a demerger may be adopted by the Board.

37.3 Statutory mergers and statutory demergers shall furthermore be subject to the relevant provisions of Book 2, Title 7, of the Dutch Civil Code.

38 Dissolution and liquidation

38.1 The Company may be dissolved pursuant to a resolution to that effect by the General Meeting at the proposal of the Board. When a proposal to dissolve the Company is to be made to the General Meeting, this must be stated in the notice convening the General Meeting.

38.2 If the Company is dissolved pursuant to a resolution of the General Meeting, the Directors shall become liquidators of the dissolved Company's assets, unless the General Meeting resolves to appoint one or more other persons as liquidator.

38.3 During liquidation, the provisions of these articles of association shall remain in force to the extent possible.

38.4 The balance remaining after payment of the debts of the dissolved Company shall be transferred to the Shareholders in proportion to the aggregate nominal value of the Shares held by each.

38.5 After the end of the liquidation, the books, records and other data carriers of the dissolved Company shall remain in the custody of the person designated for that purpose by the General Meeting, and in the absence thereof the person designated for that purpose by the liquidators, for a period as prescribed by the laws of the Netherlands.

38.6 In addition, the liquidation shall be subject to the relevant provisions of Book 2, Title 1, of the Dutch Civil Code.

CHAPTER XIII

39 Transitory provision

39.1 In deviation from the provisions of articles 6 and 7, the Board is hereby designated as the body of the Company authorised to (i) issue Shares and grant rights to subscribe for Shares (including but not limited to any options, warrants, or convertible loans or bonds entitling the holder thereof to subscribe for Shares), in accordance with the provisions of article 6, and (ii) to limit or exclude pre-emptive rights upon issuance of Shares, in accordance with the provisions of article 7, and furthermore with due observance of the following:

(a) the designation will be valid for a period of five years and will end on *[insert date five years after date amendment articles of association]*;

(b) the designation may be extended by the General Meeting, each time for a period not exceeding five years; and

(c) the designation applies to one hundred percent of the Shares of the Company's authorised capital as this reads or will read from time to time.

39.2 This Chapter XIII will expire on *[insert date five years after date amendment articles of association]*.

Finally, the person appearing has declared:

Effective date of Transfer of Seat, Conversion and Amendment

The Transfer of Seat, the Conversion and the Amendment will take effect on the day after the day this deed has been executed, therefore on the ● day of ● two thousand and twenty.

Existing rights to subscribe for shares

The rights to subscribe for shares in the capital of the Company (including but not limited to any options, warrants, or convertible loans or bonds entitling the holder thereof to subscribe for shares in the capital of the Company) granted by or on behalf of the Company prior to the Transfer of Seat, the Conversion and the Amendment taking effect, will not be affected by the Transfer of Seat, the Conversion and the Amendment. If and to the extent required, the management board of the Company as designated authorised body of the Company pursuant to article 39 of the Company's articles of association (as they will read upon the Transfer of Seat, the Conversion and the Amendment taking effect), will on or about the date of the Transfer of Seat, the Conversion and the Amendment taking effect confirm and, if and to the extent required, ratify any such previously granted rights to subscribe for shares in the capital of the Company.

Term of office of members of the board of directors of the Company

Upon the Transfer of Seat, the Conversion and the Amendment taking effect, the members of the management board and of the supervisory board of the Company then in office will become members of the board of directors of the Company in the capacity of executive directors and non-executive directors, respectively.
The term of office for which the members of the board of directors of the Company have been appointed, will not be affected by the Transfer of Seat, the Conversion and the Amendment and will continue to apply. As such, the following terms of office will continue to apply to the following persons in their capacity as stated below:

1. Mr. Ulrich Dauer, executive director: until the thirtieth day of April two thousand and twenty-one;
2. Mr. Michael Schaeffer, executive director: until the thirtieth day of September two thousand and twenty-one;
3. Ms. Charlotte Lohman, non-executive director: until the end of the annual general meeting of the Company resolving on the discharge of the non-executive directors for the performance of their duties during the financial year two thousand and twenty-one;
4. Mr. Erich Platzer, non-executive director: until the end of the annual general meeting of the Company resolving on the discharge of the non-executive directors for the performance of their duties during the financial year two thousand and twenty-one;
5. Mr. Dinnies Johannes von der Osten, non-executive director: until the end of the annual general meeting of the Company resolving on the discharge of the non-executive directors for the performance of their duties during the financial year two thousand and twenty-one;
6. Mr. Jörg Neermann, non-executive director: until the end of the annual general meeting of the Company resolving on the discharge of the non-executive directors for the performance of their duties during the financial year two thousand and twenty-one.

Remuneration policy

The policy of the Company on the remuneration of its board of directors shall be tabled for adoption by the general meeting of the Company, at the proposal of the board of directors of the Company, in the first annual general meeting of the Company to be held after the Transfer of Seat, the Conversion and the Amendment taking effect.

Issued and paid in capital

Upon the Transfer of Seat, the Conversion and the Amendment taking effect, the issued and paid in capital of the Company amounts to [nineteen million nine hundred seventy-five thousand four hundred eighty-two euro (EUR 19,975,482.00)], divided into [nineteen million nine hundred seventy-five thousand four hundred eighty-two (19,975,482)] shares, with a nominal value of one euro (EUR 1) each.

Accountant's certificate

[Endymion Amsterdam Coöperatieve U.A.], accountants in Amsterdam, the Netherlands, have issued the certificate as referred to in Section 2:72, subsection 2 under a, of the Dutch Civil Code regarding the equity capital of the Company, which certificate has been attached to this deed (Annex).

Close

The person appearing is known to me, civil law notary.
This deed was executed in Amsterdam, the Netherlands, on the date first above written.
Before reading out, a concise summary and an explanation of the contents of this deed were given to the person appearing. The person appearing then declared that [he] / [she] had taken note of and agreed to the contents of this deed and did not want the complete deed to be read to [him] / [her]. Thereupon, after limited reading, this deed was signed by the person appearing and by me, civil law notary.

* * * * *

9.3 Following the conversion of the Company into a N.V., the share capital of the Company in the amount of Euro 19,975,482.00 will become the issued share capital of the Company as N.V. It is divided into 19,975,482 shares with a nominal value of Euro 1.00 each, which are distributed among the shareholders in accordance with their previous participation.

9.4 The following compensation offer in accordance with § 207 UmwG is submitted to the Shareholders of the Company:

Offer of Compensation pursuant to Sec. 207 UmwG

Vivoryon Therapeutics AG, Halle (Saale), in September 2020

To all the shareholders of the public company with the name Vivoryon Therapeutics AG

It is intended to transfer the company seat from Halle (Saale) in Germany to Amsterdam, the Netherlands, converting the legal form of the company into a public company under the laws of the Netherlands (N.V.). In this respect, we refer to the published conversion report. In our capacity as management board of the company, we hereby present the following offer to all shareholders declaring their objection against the resolution for the record in the general shareholders' meeting in which the conversion resolution is passed. This offer is an integral part of the conversion resolution:

1. The converted N.V. acquires the shares newly created as a result of the change of the legal form held by the objecting shareholder for payment of a cash compensation in the amount of EUR 9.00 per share in the N.V. If a shareholder files an application for determination of the cash compensation by the court pursuant to sec. 212 UmwG (German Conversion Act) and if the court determines a cash compensation deviating from the offer mentioned above, then the compensation determined by the court shall be deemed offered.

2. The cash compensation shall be payable in return for the assignment of the shares of the objecting shareholder to the N.V. As of the date on which the change of the legal form has taken effect, the cash compensation shall yield interest at a rate of five (5) percentage points above the base rate as applicable from time to time. The interest shall be paid together with the cash compensation.

3. The aforementioned offer can be accepted within two months as of the date on which the conversion has become effective. If an objecting shareholder applied for the determination of the cash compensation by the court pursuant to sec. 212 UmwG, the offer can be accepted within two (2) months as of the date on which the decision has been published in the German Federal Gazette (Bundesanzeiger).

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Consequences of the change of the legal form for the employees and their representatives: There is no works council at the company. There are no consequences of the change of the legal form for the employees and their representatives (in accordance with § 194 sub-section 1 no. 7 UmwG in corresponding application) as a result of the change of the legal form. There are also no consequences of a co-determination law or collective bargaining law nature. Section 613a BGB is not applicable to the change of the legal form of the company. After the change of the legal form, the executive powers of the employer will be exercised by the executive directors of the N.V.

Rights according to Sec. 194 para. 1 no. 5 UmwG (in corresponding application) are not granted in the new company.

The management board prepared the following Conversion Plan dated August 26, 2020:

Conversion Plan

Preamble

(1) Vivoryon Therapeutics AG (hereinafter referred to as "**Vivoryon**") is a public company under German law with official seat in Halle (Saale) entered in the commercial register of the Stendal local court with the number HRB 213719.

(2) The share capital of the AG is Euro 19,975,482.00 and is divided in 19,975,482 no-par value common bearer shares. The pro-rated amount allocable to each single share in the share capital of Vivoryon is Euro 1.00 per share. Since 2014, Vivoryon has been listed at the EURONEXT Amsterdam.

(3) According to the estimation of the managing board and the supervisory board, there are some disadvantages for the company and also for its shareholders in connection with the legal form of Vivoryon as a public company under German law. Therefore, the company plans a conversion into the legal form of an N.V. under the law of the Netherlands.

(4) First of all, according to the estimation of the managing board and the supervisory board, the company-law structure of an N.V. is considered as more attractive by international investors, as they are better acquainted with these structures in their own legal systems than with the specific features of a German public company. Many competitors – also on the German marketplace – are organized in the legal form of an N.V. already, while the legal form of an AG is perceived as competitive disadvantage due to its reduced flexibility, particularly when it comes to further capital raising via the capital market. Moreover, in perspective, the legal form of an N.V. also allows a quotation at a stock exchange in the U.S.A., either in form of *American Depository Receipts* ("ADR") or by direct admission of the shares of the N.V. for trading at a U.S. stock exchange. For the shareholders, a transfer of the company seat and conversion of the company into an N.V. would also generate advantages, as due to the quotation at the EURONEXT in Amsterdam on the one hand, and the German seat on the other hand, both Dutch and German laws are applicable to certain circumstances leading to legal uncertainty and an additional complication for shareholders and the company. For more information, please consult the Conversion Report to be issued by the management board of Vivoryon.

(5) At present, a conversion of an AG into an N.V. preserving the identity is possible only by a transfer of the official seat of Vivoryon to the Netherlands in the context of a cross-border change of the legal form with the concurrent transfer of the official seat. To this end, Vivoryon is to be converted changing the legal form into a Dutch N.V. by way of transfer of the official seat.

(6) The general meeting of shareholders required for the conversion will take place prospectively on September 30, 2020. It is planned to finalize the conversion still in the year 2020.

Therefore, the management board of the AG presents the following Conversion Plan:

1 - Conversion of the AG into an N.V.

(1) By analogy to sec. 190 et seq. UmwG (German Conversion of Companies Act), Vivoryon is converted into a Dutch N.V.

(2) The conversion of Vivoryon into a Dutch N.V. entails neither the dissolution of Vivoryon nor the formation of a new juridical person. The shareholding in Vivoryon of the shareholders existing so far continues based on the preservation of the identity of the form-changing legal entity.

2 - Effective Date of the Conversion, Time Schedule

(1) By virtue of the law of the Netherlands, the conversion shall become effective the day after the execution before a Dutch civil law notary of the Deed on the Transfer of Seat, Conversion and Amendment of the Articles of Association. By virtue of German law, the Transfer of Seat, Conversion and Amendment of the Articles of Association shall become effective no later than upon the entry in the commercial register in the Netherlands.

(2) The conversion is to be resolved in the general meeting on September 30, 2020. The managing board is to be instructed to implement the resolutions as promptly as possible. As part of this resolution, however, the managing board is further instructed not to implement the transfer of the seat and the conversion of the company if shareholders collectively holding more than 2% of the voting rights in the company voted against the transfer of the company seat and the associated conversion and declared their objection for the record. First, the conversion changing the legal form with concurrent transfer of the company seat to the Netherlands is filed for registration with the German commercial register. There, this transaction is registered and the confirmation for presentation in the Netherlands is issued according to which the requirements of German law concerning transfer of the company seat/conversion have been met. Immediately thereafter, the conversion can be resolved before the notary in the Netherlands.

Once the conversion has taken effect under the law of the Netherlands, the company will be cancelled in the German commercial register. The company presumes that this can take place within three (3) months after the first application for registration of the transfer of the company seat.

3 - Company Name, Official Seat, Share Capital and Articles of Association of the N.V.

(1) The name of the company is “Vivoryon Therapeutics N.V.”.

(2) The official seat of the N.V. is Amsterdam, the Netherlands. Its central administration remains in Halle (Saale) and Munich, Germany, as before. The company will continue conducting its business activities from Germany on an exclusive basis. In particular, the research of Vivoryon will remain in Halle (Saale).

(3) The share capital of the AG in the amount applicable on the date of entry of the conversion in the commercial register of (Euro 19,975,482.00) and divided in no-par value common bearer shares as applicable on such date (19,975,482 shares) becomes the share capital of the N.V. Irrespective thereof, the maximum possible Authorized Capital, i.e. the amount up to which the shares can be issued, shall be indicated in the Articles of Association. The exact amount of the share capital will then result from the entry in the Dutch register rather than from the Articles of Association. The persons and companies who are shareholders of the AG on the date of entry of the conversion in the commercial register will become the shareholders of the N.V. to the identical extent and with the identical number of common shares in the share capital of the N.V. as their shareholding in the share capital of the AG immediately prior to the conversion becoming effective. The accounting value of each common share in the share capital (Euro 1.00 per common share) is preserved as existing immediately prior to the conversion becoming effective.

(4) The N.V. is given the Articles of Association attached as **Annex 1** in the translated German version. They are an integral part of this Conversion Plan.

(5) Shareholders objecting to the transfer of the official seat and the conversion changing the legal form of the company and declaring their objection for the record in the general meeting will

receive the offer of cash compensation pursuant to sec. 207 UmwG, the draft of which is attached as **Annex 2**.

4 - Managing Board and Supervisory Board

The term of office for which the members of the managing board and the supervisory board of the company have been appointed will not be affected by the transfer of seat, conversion and amendment of the articles of association and will continue unchanged. The members of the managing board will become *executive directors* on the *board of directors* of the N.V. The members of the supervisory board will become *non-executive directors* on the *board of directors* of the N.V. Accordingly, the respective term of office applies unchanged as listed below for the identified persons in their capacity as stated for each of them:

Managing board, in the future *executive directors*:

- Dr. Ulrich Dauer, until April 30, 2021

- Dr. Michael Schaeffer, until September 30, 2021

Supervisory board, in the future *non-executive directors*:

Supervisory board members:

- Dr. Erich Platzer

- Charlotte Lohmann

- Dr. Dinnies Johannes von der Osten

- Dr. Jörg Neermann

The term of office of the supervisory board members will end upon the closing of the general meeting of shareholders resolving on the approval of the actions of the supervisory board members for the financial year 2019. In that general meeting, which is also supposed to resolve on the transfer of the seat and the conversion, the supervisory board members are to be elected for the time until the closing of the general meeting resolving on the approval of the actions of the supervisory board members for the financial year 2021.

5 - Consequences of the Conversion for the Employees and Their Representations

The change of the legal form does not entail any consequences for the employees and their representation (sec. 194 para. 1 no. 7 UmwG as applied accordingly) as a result of the change of the legal form. No employment can be terminated for reason of the conversion. Vivoryon does not have any works council, is not subject to any collective agreement and there are no co-determination rights of the employees. Therefore, there are no implications of a co-determination law and a collective bargaining law nature. Sec. 613a BGB (German Civil Code) shall not apply to the change of the legal form. After the change of the legal form, the employer's managerial authority will be exercised by the executive directors of the N.V.

6 - Creditors' Rights

Provided that they assert their claim on the merits and on the amount within two months after the date on which the conversion plan has been disclosed, the creditors of Vivoryon may demand the

provision of security for their claims, unless they can demand satisfaction. In doing so, the creditors must substantiate that the change of the legal form would jeopardize their claims (sec. 211j UmwG by analogy).

7 - Auditors

For the first financial year of the N.V., KPMG Accountants N.V., Zuiderzeelaan 33, 8017 JV Zwolle, Netherlands, is to be appointed as auditor.

8 - No Additional Rights or Special Privileges

(1) Persons as defined in sec. 194 para. 1 no. 5 UmwG will not be granted any rights in excess of the shares set forth in Sec. 3 para. 3 above and no special measures are envisaged for such persons; the rights of the shareholders result in detail from the Articles of Association of the N.V. attached as Annex.

(2) The auditor named in Sec. 7 above that is to be appointed will not be granted any special privileges in conducting the conversion.

9 - Funding, Subsidies

Within the last five (5) years, Vivoryon has not received any funding or subsidies in Germany.

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9.5 Authorization is conferred upon each member of the management board of the company and also Mr. Machiel Galjaart and Mr. Alex Gonzalez, partners of Orange Clover, each of them severally, to have the Deed of Transfer of Official Seat, Conversion and Amendment of Articles of Association executed before a Dutch civil law notary of their choice.

The Transfer of the Official Seat, the Conversion and the Amendment of the Articles of Association, including the change of the legal form, will become effective the day after execution before a Dutch civil law notary of the Deed of Transfer of Official Seat, Conversion and Amendment of Articles of Association. By virtue of German law, the Transfer of the Official Seat, the Conversion and the Amendment of the Articles of Association shall become effective no later than upon the entry in the commercial register in the Netherlands.

9.6 The resolution by the general meeting to convert the company into an N.V. under the laws of the Netherlands will also constitute a resolution by the general meeting to authorize the company's management board (after the conversion referred to as the company's board of directors) for a period of 18 months after the date of the ordinary general meeting to have the N.V. acquire up to 399,510 shares (i.e. 2% of the company's issued capital) by repurchase of such shares from the shareholders having voted against the conversion of the company into an N.V. under the laws of the Netherlands against payment of the amount of the cash compensation offer of EUR 9.00 per share.

9.7 The management board is instructed to implement the resolutions adopted under item 9 of the agenda of the annual general meeting as promptly as possible after the adoption of the resolutions. Moreover, the management board is instructed not to implement the resolution if shareholders who, according to the list of attendants, together holding more than 2% of the voting rights in the company voted against the Transfer of the Official Seat, the Conversion and the Amendment of the Articles of Association and declared their objection for the record.

II.
Reports of the Management Board on Items 7 and 8 of the Agenda

As of the date of the invitation to the general meeting, the following reports of the management board will be available to the shareholders on the company's website at https://www.vivoryon.com/investors-news/ordinary-general-meeting-of-shareholders-2020/. On request, the company will send a copy of such reports to each shareholder immediately and free of costs. Those reports will also be available at the general meeting.

Voluntary Report of the Management Board as to Item 7 of the Agenda for the Creation of a Stock Option Program 2020, the Creation of a Conditional Capital 2020/I, and Corresponding Amendments to the Articles of Association

1. Purpose of the Stock Option Program

Stock options are a common and – particularly for research companies in the biotech area – indispensable part of the remuneration of directors and executives. In this manner, the directors and executives participate in the company's success. They are also appropriate to compensate for the circumstance that compared with big corporations, the company as a small research organization is not in the position to pay adequate high salaries. Without the possibility of offering stock options to directors, executives and other key personnel, the company would be unable to offer attractive framework conditions and target-oriented motivation incentives comparable to those offered by competitors. In granting the stock options, a particular performance incentive is created for the directors, executives and other key personnel, the yardstick of which is determined by the corporate value reflected by price of the company's share, which is to be increased. This is for the benefit of both the shareholders and the company and contributes to ensuring the company's position.

The management board analyzed whether other remuneration models should be preferred. For the beneficiaries of the options, however, all these models are less attractive.

2. Key Points of the Stock Option Program

The key points of the Stock Option Program are as follows:

2.1 The options are designated for their issue to current and future employees and members of the management board of the company. A maximum of 473,550 options may be issued to members of the company's management board, and a maximum of 141,450 options may be granted to employees.

The management board decides on the issue of options. If members of the company's management board are designated to receive options, the determination and issuance is the sole responsibility of the supervisory board. The authorization for the issue of options is limited until December 31, 2023.

The issue of the options is made by entering into a corresponding agreement between the beneficiary and the company.

2.2 Each option confers the right to subscribe for one no-par value common bearer share in the company for payment of the strike price. The strike price for the options yet to be issued is equivalent to the simple average of the relevant stock exchange prices of the last twenty stock exchange trading days prior to the issue of the option. The relevant stock exchange price is the closing quotation of the share determined on Euronext (Amsterdam) or a comparable succeeding system to Euronext (Amsterdam)

or – if listed abroad – the corresponding stock exchange price on the foreign stock exchange.

2.3 To give the beneficiaries a longer-term incentive to increase the corporate value in the interest of all shareholders, the Stock Option Plan 2020 provides for vesting periods of four years for the initial exercise of the options.

2.4 The options can only be exercised if the simple average of the relevant stock exchange price of the last twenty stock exchange trading days prior to the exercise of the options exceeds the strike price by at least 20% (success target).

2.5 The exercise of the options is permitted for five times in a financial year within a four-week period. The exercise periods start on the 3rd banking day after the general meeting of shareholders and after the publication of each quarterly report. If the company does not publish any quarterly reports, the options may only be exercised once a year within a four-week period starting on the third banking day after the annual general meeting. Moreover, the execution of the options is excluded as of the date on which the company submits an offer to its shareholders for the subscription of new shares or debentures with conversion or subscription rights until the date when the shares eligible for subscription are quoted “ex subscription right” for the first time.

2.6 The options are not transferrable.

2.7 To secure the subscription rights under the Stock Option Program 2020, a Conditional Capital of Euro 615,000.00 is to be created. The management board subject to the consent of the supervisory board or – to the extent that rights are to be granted to members of the management board – the supervisory board is authorized to further determine the details of the option terms and the issue or structuring of the stock options.

2.8 The management board and the supervisory board agree in their conviction that the proposed Stock Option Program 2020 is appropriate to induce a sustainable performance incentive for the employees and members of the management board and thus to contribute to an enduring and sustainable growth of the corporate value in the interest of the company and its shareholders.

Report of the Management Board as to Item 8 of the Agenda on the Creation of an Authorized Capital 2020 Cancelling the Authorized Capital 2019 as well as the Corresponding Amendments to the Articles of Association

Report of the Management Board
on the Exclusion of the Subscription Right
pursuant to Sec. 203 Para. 2 Sentence 2, Sec. 186 Para. 4 Sentence 2 AktG

Replacing the Authorized Capital 2019, the Authorized Capital 2020 is to be resolved completely excluding the subscription right. This is to achieve the required flexibility for a successful financing of the further development of the company’s business.

As the decisions on covering capital requirements and/or on the use of a strategic option and/or the use of favorable market conditions usually have to be taken in the short term, it is of essential importance that the company be able to act without loss of time. With the instrument of the authorized capital, the legislator took account of this requirement. It is in the interest of the company and its shareholders that it has sufficient flexibility to be able to implement its corporate financing in due time and with a manageable complexity. For reasons of flexibility, the option is to be provided

to use the Authorized Capital 2020 both for contributions in cash and in kind in one or several step(s).

In connection with the capital increase from Authorized Capital, the company's shareholders have a subscription right in principle. Such subscription right is to be excluded in the process. This is done particularly with a view to the competition situation of the company with comparable companies of its sector. The company is listed at a foreign stock exchange (Euronext), while its shareholders are mainly from foreign jurisdictions with different legal systems. There, Vivoryon is in stiff competition with companies where the principle of the subscription right has a more flexible structure than it is the case under the German Stock Corporations Act, and which can act quicker and with a clearly lower legal complexity for this reason. This ability provides them with the additional advantage that international institutional investors prefer transactions with a lower legal complexity. This is also the background for the transfer of the company's official seat to Amsterdam and the conversion of the company into an N.V. under the laws of the Netherlands as set forth under item 9 of the Agenda. For Vivoryon it is therefore of outstanding importance to reduce this significant disadvantage as much as possible. The exclusion of the subscription right serves this purpose, as a rights issue is too complex due to the mandatory two-week subscription period.

Reasonable equity capital constitutes the economic basis for the business development of Vivoryon and is therefore of considerable significance for its prospects in the future as well as the implementation of its business strategy. Since the domestic (German) market was and is unable to absorb a sufficient volume of new shares (a situation that has already been the reason for the going public at the Euronext Amsterdam and the two capital increases placed there), the controlling bodies contemplate the use of foreign capital markets, including the option of one or more issue offer(s) excluding the subscription right to international investors via the Euronext Amsterdam or a second quotation in addition to the existing quotation at the Euronext Amsterdam.

For this reason, the controlling bodies of Vivoryon consider an option for the placement of new shares outside Germany also within the period until the transfer of the official seat, the conversion of the company and the amendment of the articles of association even in case that it should not be possible to implement the transfer of the seat, the conversion and the amendment of the articles of association under the laws of the Netherlands. This may include, without limitation, one or several share issue(s) excluding the subscription right to international investors, particularly to specialized biotech investors, via Euronext Amsterdam or an additional quotation of securities of Vivoryon at a foreign stock exchange e.g., in London, Paris, Brussels or in the United States of America. This is due to the fact that another issue offer at Euronext Amsterdam or a second quotation increases the tradability of the respective shares considerably. In this connection, a minimum number of shares will be required to guarantee their liquid tradability. An insufficient number of new shares may endanger a successful placement and may entail an artificial price level as well as overreactions of the share price, which in turn may entail unfavorable consequences for the demand for shares in the company and its reputation, not least to the disadvantage of the shareholders, too.

Irrespective of the financial aspects, the international public awareness of the company would be further increased and its reputation would be advanced. A quotation at one or several market(s) may also increase the attractiveness of an employment with the respective issuer, particularly among qualified foreign labor force. Accordingly, the option of an issue offer excluding the subscription right on one or several foreign market(s) is in the objective interest of the company with regard to the successful implementation of its business strategy.

The required number of shares can only be provided with sufficient certainty if the subscription rights are excluded. The exclusion of the subscription right is adequate, as it represents the reasonable and best-suited means to implement the aforesaid strategy in the best interest of the

company and its shareholders. An exclusion of the subscription right allows for the achievement of the goals described above. The strategic economic concept of expansion and diversification of the group of shareholders and another quotation abroad, if applicable, requires the creation of new shares and its issue to investors who are not shareholders of Vivoryon and/or who are not resident in Germany. The implementation of this strategy and the raising of new equity would be significantly endangered or even rendered impossible by the granting of the subscription right.

A capital increase with the exclusion of the subscription right would increase the liquidity of the Vivoryon share. Typically, a higher liquidity contributes to a lower volatility of the shares, which is favorable for the shareholders. Moreover, the Vivoryon share would thus become more attractive for research analysts.

No issue price has been determined, since the management board and the supervisory board of the company should be put in the position to respond flexibly to the market conditions prevailing at the time of the placement of new shares created by using the Authorized Capital 2020. As to the determination of the issue price, the management board and the supervisory board will take into account the prevailing market conditions as well as the current price of the shares and take into consideration the best interests of the company.

The management board presents this report to inform about this resolution to exclude the subscription right based on sec. 203 para. 2 sentence 2, sec. 186 para. 4 sentence 2 AktG.

The management board will report to the next general meeting as applicable from time to time about each use of the Authorized Capital 2020.

III.
Other Details of the Invitation

1. Information and Documents

As of the time of convening the general meeting, the documents pursuant to sec. 124a AktG will be available for viewing and downloading on the company's website at https://www.vivoryon.com/investors-news/ordinary-general-meeting-of-shareholders-2020/.

2. Conditions for the Participation in the General Meeting and Exercising the Voting Right

Pursuant to Art. 17 of the company's articles of association, those shareholders shall be entitled to take part in the general meeting and to exercise their voting right who register in text form (sec. 126b German Civil Code – "**BGB**") in the German or English language at the address, telefax number or email address as shown below and prove their entitlement to participate in the general meeting by submitting evidence of their shareholding:

Vivoryon Therapeutics AG
c/o Computershare Operations Center
80249 Munich

Fax: +49 89 30903-74675

Email: anmeldestelle@computershare.de

The evidence of the shareholding can be provided by a custodian institution in text form (sec. 126b BGB) in the German or English language and shall relate to the beginning of the twelfth day prior to the general meeting, i.e. to **September 18, 2020, 00:00 hours (CEST)** ("**Evidence Qualifying Date**").

The registration for the participation in the general meeting and the evidence of the shareholding must be received by the company at the above address, telefax number or email address not later than six days prior to the general meeting, i.e. until the lapse of **September 23, 2020, 24:00 hours (CEST)**.

In the relationship to the company, only he shall be deemed a shareholder entitled to take part in the general meeting and exercise the voting right who provided the evidence of the shareholding by the Evidence Qualifying Date. Changes of the share portfolio after the Evidence Qualifying Date shall not have any relevance in this respect. The Evidence Qualifying Date shall not be associated with any blocking of the entitlement to sell the shareholding. Accordingly, once the registration has been made, the shareholders may still dispose of their shares freely. Persons not holding any shares by the Evidence Qualifying Date yet shall not be entitled to take part or vote, unless they have obtained a relevant proxy or are authorized to do so.

After the due registration and the company's receipt of the evidence of the shareholding, admission tickets for the general meeting will be sent to the shareholders or deposited for them at the convention site. To ensure the timely receipt of the admission tickets, we ask the shareholders to register and send the evidence of their shareholding to the company in good time.

3. Procedure for Granting Voting Proxies

Shareholders who do not wish to take part in the general meeting in person may have their voting right exercised by a proxy holder, e.g. a credit institution, an association of shareholders, by third parties or the proxy recipients appointed by the company subject to the granting of a relevant proxy document. Also in the event of granting a proxy, the timely

registration of the shareholder and the evidence of the shareholding as set forth above shall be required.

Shareholders who registered in due time will receive a proxy form together with the admission ticket to the general meeting. In addition, soon after the convocation, a form for granting a proxy will be available on the company's website at https://www.vivoryon.com/investors-news/ordinary-general-meeting-of-shareholders-2020/. Shareholders wishing to authorize a proxy holder are asked to use preferably the proxy forms received together with the admission ticket.

If neither any credit institution, nor any association of shareholders, nor any other person or institution equivalent to the foregoing pursuant to sec. 135 para. 8 and para. 10 AktG are given any proxy, then the proxy shall be conferred in text form (sec. 126b BGB) to the company or directly to the proxy holder. The same applies to the cancellation of the proxy.

For the granting of a proxy to credit institutions, institutions equivalent to the foregoing (sec. 135 para. 10, sec. 125 para. 1 AktG), as well as associations of shareholders or persons as defined in sec. 135 para. 8 AktG, as well as for the evidence and cancellation of such a proxy, the legal regulations, in particular sec. 135 AktG shall apply, which require, *inter alia*, that the proxy shall be documented in a verifiable manner by the proxy holder. Consequently, in case of granting a proxy to a credit institution, an association of shareholders or a person equivalent to the foregoing pursuant to sec. 135 AktG, the shareholders are asked to consult the said proxy recipients in a timely manner for a possibly required form of the proxy.

If the proxy is granted to the company, it should be received for organizational reasons until September 29, 2020, 06:00 p.m. (CEST) at the following address, telefax number or email address:

Vivoryon Therapeutics AG
c/o Computershare Operations Center
80249 Munich

Fax: +49 89 30903-74675

Email: anmeldestelle@computershare.de

If the proxy is granted to the proxy holder, evidence of such granting of the proxy is required to be provided to the company in text form (sec. 126b BGB). Such evidence may be provided on the day of the general meeting at the access and exit checkpoint. The evidence of the proxy may also be sent to the above address, telefax number or email address.

If the shareholder authorizes more than one person, the company may reject any or several of them without any particular cause.

We offer our shareholders to authorize proxy recipients appointed by the company and bound to follow instructions already prior to the general meeting. The proxy documents for the proxy recipients appointed by the company are required to be in text form (sec. 126b BGB) and shall include instructions for the exercise of the voting right. In the absence of such instructions, the proxy shall be invalid. The proxy recipients are obligated to vote according to the instructions; they cannot exercise the voting rights at their discretion.

Shareholders intending to make use hereof may use the proxy and instruction forms received together with the admission ticket and send them by mail, telefax or email to the following address, telefax number or email address:

Vivoryon Therapeutics AG
c/o Computershare Operations Center
80249 Munich

Fax: +49 89 30903-74675

Email: anmeldestelle@computershare.de

Proxies and instructions to the proxy recipients appointed by the company must be received on or before **September 29, 2020, 06:00 p.m. (CEST)** at the above address, telefax number or email address. Until that date, changes as well as the cancellation of proxies and instructions issued prior to the general meeting are possible as well. Moreover, on the day of the general meeting, present shareholders and shareholder proxy holders may grant proxies and give instructions to the proxy recipients appointed by the company and change or cancel such proxies and instructions.

More details on the participation in the general meeting as well as the granting of proxies and giving of instructions shall be sent to the shareholders together with the admission ticket. They may as well be viewed on the company's website at https://www.vivoryon.com/investors-news/ordinary-general-meeting-of-shareholders-2020/.

4. Applications for Amendments, Applications and Election Proposals of Shareholders, Right to Obtain Information, Additional Information

Application for amendments to the agenda on the request of a minority (sec. 122 para. 2 AktG)

Shareholders the shares of which jointly accumulate to the twentieth part of the registered share capital (this is equivalent to a rounded number of 998.774 shares) or the proportional amount of EUR 500,000.00 (equivalent to 500,000 shares) may request that items be placed on the agenda and announced. Each new item shall be accompanied with a substantiation or draft resolution. The request shall be addressed to the company's management board and shall be received by the company not later than until 14 days prior to the meeting, i.e. on or before **September 15, 2020, 24:00 hours (CEST)** at the following address:

Vivoryon Therapeutics AG
Investor Relations
Weinbergweg 22
06120 Halle (Saale)
Germany

As regards the minimum holding period, reference is made to the provisions of sec. 122 para. 2 sentence 1 in combination with para. 1 sentence 3 AktG. The respective shareholders shall prove pursuant to sec. 122 para. 2 sentence 1 in combination with para. 1 sentence 3 AktG that they have been holders of the required number of shares since a minimum of 90 days prior to the date of receipt of the request and that they hold the respective shares until the decision of the management board regarding the request.

Applications and election proposals of shareholders (sec. 126 para. 1 and sec. 127 AktG)

Pursuant to sec. 126 para. 1 AktG, each shareholder has the right to present applications opposed to the resolution proposals of the management board and the supervisory board relating to items of the agenda without requiring any announcement, publication or other special action prior to the general meeting. The same applies to counter-proposals to election proposals for supervisory board members and auditors (sec. 127 AktG).

Notwithstanding, shareholders may as well send applications opposing a proposal of the management board and/or the supervisory board for items of the agenda as well as election proposals already prior to the general meeting. Such applications shall be addressed to the following address, telefax number or email address only:

Vivoryon Therapeutics AG
Weinbergweg 22
06120 Halle (Saale)

Fax: +49 345 555 99 01

Email: investor@vivoryon.com

Subject to sec. 126 para. 2 and 3, sec. 127 AktG, the company shall make available to the other shareholders without undue delay on the company's website at https://www.vivoryon.com/investors-news/ordinary-general-meeting-of-shareholders-2020/ opposing applications and election proposals of shareholders received until not later than 14 days prior to the general meeting, i.e. until not later than by **September 15, 2020, 24:00 hours (CEST)** addressed to the above address, telefax number or email address. Statements of the administration, if any, shall also be published at the mentioned URL subsequently.

Please note that opposing applications and election proposals sent to the company in due time in advance shall only be taken into consideration in the general meeting if they are presented orally during the general meeting.

The shareholder's right to obtain information (sec. 131 para. 1 AktG)

On request, in the general meeting the management board shall provide information to each shareholder on the affairs of the company, including the legal and business relations to affiliated undertakings as well as the situation of the group and of the companies included in the consolidated annual financial statements to the extent as required for the proper assessment of the item of the agenda. As a rule, requests for information shall be presented orally in the course of the debate in the general meeting. The management board may deny the provision of information for the reasons specified in sec. 131 para. 3 AktG.

Additional information

Additional information relating to the rights of the shareholders pursuant to sec. 122 para. 2, sec. 126 para. 1, sec. 127, sec. 131 para. 1 AktG can be found on the company's website at https://www.vivoryon.com/investors-news/ordinary-general-meeting-of-shareholders-2020.

5. Number of Issued Shares and Voting Rights

At the time of convening the general meeting, the company's registered share capital amounts to EUR 19,975,482.00 and is divided in 19,975,482 no-par value bearer shares. Each no-par value share confers one vote. Accordingly, at the date of convening the general meeting, the total number of voting rights in the company is 19,975,482. The company does not hold any own shares; there are no shares of different classes.

6. Data Protection Information

Since May 25, 2018, new data protection regulations have been applying throughout Europe based on the coming into force of the European General Data Protection Regulation. The protection of your data and their processing in conformity with the law are very important to us. In our Data Protection Information, we summarized all the information on the processing of personal data of our shareholders in a clear and consolidated form. The Data Protection Information is available on the company's website at

https://www.vivoryon.com/investors-news/ordinary-general-meeting-of-shareholders-2020/ for inspection and downloading.

Halle (Saale), in September 2020

Vivoryon Therapeutics AG

The Management Board

Annex 2

Valuation Report of Venture Valuation

VENTURE VALUATION

VALUATION REPORT

Vivoryon Therapeutics AG

Vivoryon Therapeutics AG
Weinbergweg 22
06120 Halle (Saale)
Germany

Phone: +49 345 555 99 00
Email: info@vivoryon.com
URL: www.vivoryon.com

August 2020

Version 3.59

EXECUTIVE SUMMARY

Introduction

Venture Valuation was commissioned by **Vivoryon Therapeutics AG** to establish a fair value of the company and its assets.

Venture Valuation has calculated the value of the company's product, namely **PQ912 (Varoglutamstat)** for use in **Alzheimer's disease** and **PQ1565** for the treatment of **hepatocellular carcinoma**, for the rNPV (risk adjusted Net Present Value) calculation, and have considered the value of follow on products and indications in the DCF (discounted cash flow) calculation.

Company Description

Vivoryon Therapeutics is a biopharmaceutical company, headquartered in Halle (Saale), Germany. Vivoryon was established in 2019 from Probiodrug, which was established in 2001 from ProBioTec that was originally founded in 1997. Vivoryon currently employs 16 full time equivalents (FTEs).

The company is focused primarily on the development and commercialisation of therapies targeting Alzheimer's disease. The company's most advance product, PQ912, has reached Phase II clinical trials for Alzheimer's disease.

The company will need approximately EUR 130m for the future development of its product PQ912 for use in Alzheimer's disease up to and including Phase IIb clinical trials as well as its product PQ1565 for the treatment of hepatocellular carcinoma before their out-licensing. The company intends to finance its future operations chiefly from (i) a bank loan, (ii) issue and sale of shares of stock and (iii) out-licensing of PQ912 and PQ1565.

Product – PQ912

PQ912 is a small molecular weight compound that inhibits the enzyme glutaminyl cyclase (QC), also known as glutaminyl-peptide cyclotransferase (QPCT). This drug inhibits QPCT-mediated formation of pyroglutamate-Aβ (pGlu-Aβ), a toxin that is associated with Alzheimer's disease. Given PQ912 has a novel mechanism of action and has reached Phase II clinical studies, it is regarded as cutting edge, safe and as having shown early signs of clinical efficacy.

PQ912 represents Vivoryon's major asset for treatment of Alzheimer's disease. The company aims to grow its pipeline based around PQ912 and related compounds by its clinical development and expansion into additional indications, for example the use of PQ1565 in hepatocellular cancer.

Indication – Alzheimer's disease

Vivoryon products are being developed for the treatment of a number of indications as listed below.

- PQ912 (QPCT inhibitor) - Alzheimer's disease
- PQ1565 (QPCT/L inhibitors) - Hepatocellular carcinoma
- VY cmpds (meprin inhibitors) - Fibrosis
- PQ cmpds (QPCT/L inhibitors) - Huntington's disease

The epidemiology, aetiology, pathophysiology and the estimated target patient population in major territories are detailed in the main body of this report

Market and Competition

Current practice in the area of Alzheimer's disease is limited to symptomatic treatments, primarily acetylcholinesterase inhibitors and NMDA receptor antagonists. A number of disease modifying therapeutic approaches have been attempted for development, although none have, as yet, reached the market.

Advantages offered by PQ912 include its oral route of administration, brain penetration, clinically demonstrated tolerable safety profile, as well as its novel mechanism of action targeting the enzyme QPCT. There are competing players in this area, with a number of large multinationals and biotech aiming to develop therapeutic strategies for Alzheimer's disease.

A detailed market analysis, as well as tables listing direct, indirect, and future competitors, is provided in the main body of this report.

Risk Profile

Included in the probability of success:

- Development & Technology Risk **HIGH**
- Regulatory/Approval Risk **MEDIUM**
- Manufacturing Risk **LOW-MEDIUM**

Included in the discount rate:

- Financing Risk **MEDIUM**
- Management Risk **LOW**
- IP Risk **MEDIUM-HIGH**
- Market Uptake & Competitive Risk **MEDIUM-HIGH**
- Pricing Risk **HIGH**

VALUATION

Methodology

To benchmark the Sum of Parts valuation of Vivoryon, we have used the market comparable method and the comparable transactions method. The Sum of Parts valuation is based on the risk-adjusted net present value (rNPV) method and the discounted cash flow (DCF) method. This approach allows inclusion of the value of two lead products, the pipeline and the general cost and expenses. It thus incorporates all aspects of the company.

Key Assumptions

The figures used for the calculation of the value range are based on information provided by the management of Vivoryon, adjusted by Venture Valuation.

For a full list of assumptions used please see Appendices I and II.

Value Range

Our calculations result is a Sum of Parts valuation of EUR 177.2m for Vivoryon as per 30.9.2020. As benchmarking values the market comparable method led to a value of EUR 204.3 and the Comparable Transaction method to a value of EUR 148.3.

Company Value (in EUR millions)

Discount Rate	12.6%
Sum of Parts Valuation	**177'167**
Market Comparables	204.3
Comp. Transactions	148.3

Dr. Patrik Frei, CEO

CONTENT

INTRODUCTION

Professional background

This report was prepared by Venture Valuation VV AG (Venture Valuation), a company which specializes in the independent assessment and valuation of Life Sciences (biotech, pharma, and medtech) companies and products. Additional information on the company is available at the back of this report.

Assignment

Venture Valuation was asked by **Vivoryon Therapeutics AG** to provide an independent, third party valuation of the company and its assets. For this valuation, we have considered the value of the lead product, namely **PQ912** for use in the treatment of **Alzheimer's disease** and **PQ1565** for the treatment of **hepatocellular carcinoma**, in the rNPV (risk adjusted Net Present Value) calculation. We have also considered the value of the company's pipeline of follow-on products and indications in the DCF (Discounted Cash Flow) calculation. We note that the present is a valuation of the company's current assets, and, as such, it represents a snapshot of the company's value as per the qualifying date of September 30th 2020. We have included all assets (tangible and intangible) of the company in this valuation.

Assumptions

All of the assumptions that were made are set out in the body of this report. If any of these assumptions change, the valuation represented herein may change accordingly.

Information

In certain instances, we have relied on information provided by Vivoryon Therapeutics AG, and have not been able to verify or audit the information received. Wherever possible, we have tried to base the opinion set out in the report on our own research and independent sources.

Statement of independence

This report is based on an independent opinion of Venture Valuation. Our fee in this case is not dependent on the outcome of the value.

COMPANY DESCRIPTION

Historical Perspective

Vivoryon Therapeutics is a biopharmaceutical company, headquartered in Halle (Saale), Germany. Vivoryon was established in 2019 from Probiodrug, which was established in 2001 from ProBioTec that was originally founded in 1997. Vivoryon currently employs 16 full time equivalents (FTEs).

Reason for the Valuation

A valuation of the company was conducted to obtain a fair company value, which can be used as a basis by the management board and the supervisory board of the company to determine a fair and adequate consideration in a compensation offer, which is to be submitted to the company's shareholders in connection with a proposed transfer of the statutory seat of the company to Amsterdam, the Netherlands, and the conversion into an N.V. under Dutch law connected therewith. As an independent party specializing in valuations of high growth companies, Venture Valuation's aim is to provide an objective analysis, based on figures and information presented by the company management.

The calculated figures should always be interpreted as the equity value of the company. The liabilities, if any, have already been considered; therefore, no deduction is necessary. The resulting company worth represents the equity value.

Strategy and Business Model

The company is focused primarily on the development and commercialisation of therapies targeting Alzheimer's disease. The company's most advance product, PQ912, has reached Phase II clinical trials for Alzheimer's disease.

CAPITAL STRUCTURE AND FINANCING STAGE

Revenue to date

Vivoryon sold its diabetes program (DP4 inhibitors) for EUR 28.7 million to (OSI) Pharmaceuticals who sold subsequently to Royalty Pharma, which generates revenue from the antidiabetic drugs Januvia and Janumet. Vivoryon distributed EUR 9.4 million to the shareholders through a share buyback in 2005 and 2006, with the remaining going to R&D in AD.

Financing to date

Since its IPO Vivoryon has raised approximately **EUR 103m** from investors and its management by issuing shares of the company. The company has also received non-dilutive grants of **USD 15m** from the NIH. Vivoryon has approximately **EUR 34m** remaining cash equivalent funds, as of the end of Q2 2020.

Future Financing

The company will need approximately **EUR 130m** for the future development of its product PQ912 for use in Alzheimer's disease as well as its product PQ1565 for the treatment of hepatocellular carcinoma, before their out-licensing. Vivoryon is looking to raise money principally for development of PQ912 up to and including Phase IIb clinical trials and to finance its future operation chiefly from (i) a bank loan, (ii) issue and sale of shares of stock and (iii) out-licensing of PQ912 and PQ1565.

Vivoryon works on a scenario where they envisage to raise up to EUR 70m in equity and possible loans from 2021. Depending on possible licensing deals, the company can generate additional income to further finance its future operation and investments.

Shareholder Capital

Investors and Shareholders of the company, inclusive of shareholdings by management, are indicated in the table below.

Shareholders' capitalization table

Name	% Share
MorphoSys	9.9%
Mr. Claus H. Christiansen	9.5%
Den Danske Forskningsfond, Denmark	9.5%
T&W Holding AS, Denmark	9.5%
Lupus Alpha Investments SA, Luxembourg	6.9%
Mackenzie Financial Corp, Canada	5.2%
IBG	4.5%
LSP Management Group BV, The Netherlands	3.2%
Free Float	41.8%

Capital Increases (2014-2019)

EUR	Date	Share Cap	Cap Reserve	Total
IPO 2014	10/2014	1'475'409	21'024'578	22'499'987
Greenshoe option	11/2014	48'796	695'343	744'139
Cash Cap Increase 2015	11/2015	676'589	12'855'191	13'531'780
Cash Cap Increase 2016	10/2016	744'248	14'140'712	14'884'960
Exercise Stock Option (R. Black)	09-12/2017	21'274	106'370	127'644
Cash Cap Increase 2019	04/2019	4'093'367	4'093'367	8'186'734
Cash Cap Increase 2019	10/2019	7'674'106	35'377'628	43'051'734
TOTAL		**19'975'482**	**88'293'189**	**103'026'978**

MANAGEMENT / ORGANISATION

Sites, Locations, Future Expansion and HR

Vivoryon currently employs 16 full time equivalents (FTEs). Vivoryon operates from two main locations, in Munich and Halle. The company also has a subsidiary in the US that is not operational.

The company will likely see some level of expansion in the number of employees as they appoint additional senior staff. We note Vivoryon's preference is to keep the team expansion limited and work in a virtual manner as far as possible.

Management & Directors Experience

The Management Team and Supervisory Board of the company have considerable seniority and expertise in the business, which is an asset to the company. A list of the management and relevant company boards is provided in the table(s) below.

Management Team

Name	Function	Background
Dr. Ulrich Dauer	CEO	• Joined Probiodrug as CEO in 2018. • Worked for 14 years as CEO of 4SC AG, closing multiple industry partnerships • Executed EUR 130 m trade sale of Activaero • Holds a PhD in Chemistry
Dr. Michael Schaeffer	Chief Business Officer	• Chief Business Officer since 2018 • Highly experienced serial entrepreneur • Founder, CEO and Managing Director of biotech companies, CRELUX GmbH and SiREEN AG. • Holds PhD in Molecular Biology

Supervisory Board

Name	Function	Background
Dr. Erich Platzer	Chairperson	• Joined 2007; Appointed Chairperson 2013 • Investment Advisor and industry partner at HBM Partners AG, Zug, Switzerland; Business Angel with StartAngels and BioBAC, Switzerland
Dr. Dinnies Johannes von der Osten	Vice chairperson	• Appointed Vice Chairperson 2007 • CEO/Partner at GoodVent Beteiligungsmanagement GmbH & Co KG, Magdeburg, Germany
Charlotte Lohmann	Member	• Appointed 2015 • Senior Vice President and General Counsel at MorphoSys AG in Planegg/Munich, Germany
Dr. Jörg Neermann	Member	• Appointed 2011 • Investment manager and partner at LSP Life Science Partners • CEO of LSP Service Deutschland GmbH

PQ912 FOR USE IN ALZHEIMER'S DISEASE

Product Overview

PQ912 is a small molecular weight compound that inhibits the enzyme glutaminyl cyclase (QC), also known as glutaminyl-peptide cyclotransferase (QPCT). This drug inhibits QPCT-mediated formation of pyroglutamate-Aβ (pGlu-Aβ), a toxin that is associated with Alzheimer's disease. Given PQ912 has a novel mechanism of action and has reached Phase II clinical studies, it is regarded as cutting edge, as safe and as having shown early signs of clinical efficacy.

With regard to a role in cancer therapy, glutaminyl-peptide cyclotransferase-like (QPCTL) enzyme also mediates pyroglutamate formation of the CD47 protein. This CD47 protein is expressed on cancer cells and binds to a SIRPα protein on immune cells (macrophages and NK cells). Pyroglutamate-CD47 is essential for the binding of SIRPα, which is an important "do not eat me" checkpoint signal. Thus, the inhibition of QPCTL prevents the CD47/SIRPα interaction and allows immune attack of CD47 expressing cancer cells. Clinical relevance has been shown by successful application of CD47 antibodies in cancer therapy.

PQ912 represents Vivoryon's major asset for treatment of Alzheimer's disease. The company aims to grow its pipeline based around PQ912 and related compounds by its clinical development and expansion into additional indications, for example the use of PQ1565 in hepatocellular cancer.

Product Pipeline

PQ912 is being developed for the treatment of Alzheimer's disease.

The extension of Vivoryon's products into the range of indications listed below will represent a significant upside for the company, provided that financial development costs can be supported, clinical studies prove efficacious, regulatory approvals are granted and such developments can precede patent expiry to allow sufficient remaining market time.

The indications to be developed are listed in the table and discussed in the sections below.

Product Pipeline

Indication	Notes	Expected Launch Dates
Alzheimer's disease	PQ912 (QPCT inhib.)	2029 (US,EU), 2030 (JP)
Hepatocellular carcinoma	PQ1565 (QPCT/L inhib.)	2027 (US, EU), 2028 (JP)
Fibrosis	VY cmpd (meprin inhib.)	n.d.
Huntington's disease	PQ cmpd (QPCT/L inhib.)	n.d.

n.d. not determined as yet, early development stages; included in the pipeline value

PRODUCT DEVELOPMENT

Preclinical Research and Development

We note PQ912 to have passed preclinical R&D stage. We consider pre-clinical verification and validation in cellular and animal model, including mechanistic studies, in vivo efficacy studies and toxicity, safety and ADME studies as complete and not on a critical path for product development. We note this product has entered clinical development.

Clinical Studies

The clinical development of PQ912 for Alzheimer's disease and PQ1565 for hepatocellular carcinoma, is outlined below and summarized in the table

Alzheimer's disease (PQ912)

- Vivoryon aims to develop PQ912 as an oral therapy for Alzheimer's disease (AD), with Ph I (NCT02190708) and Ph IIa (NCT02389413) clinical studies already completed. Vivoryon plan an EU-Ph IIb study (NCT03919162) and a US-Ph IIa study with a follow-up US-Ph IIb. Vivoryon plan to out-license before Ph III clinical studies. We assume a Ph III clinical trial, running as combined part of or just after the EU-Ph IIb study. A nominal 12 months is estimated for regulatory approval. Thus, we assume a market launch in the EU5 and US of **Q2 2029**. Regarding entry into Japan, we assume need for an ethno-bridging study, with a market launch in JP of **Q4 2030**. Patient numbers are EU-Ph IIb (n=250), US-Ph II (n=462), and we estimate for Ph III (n=1,000), in multiple sites. Expected clinical costs for EU-Ph IIb is **EUR 40m** (of which approximately EUR 6.5m already spent), US-Ph IIa is **EUR 15m** (of which USD 11m is funded by NIH) and US-Ph IIb **EUR 50m** (of which USD 4m is funded by NIH). For Ph III, we assume all-in costs of EUR 50'000 per patient, totaling **EUR 50m** for 1'000 patients. For the JP-bridging trial, we assume n=150 patients, of similar costs of EUR 50,000 per patient, totaling **EUR 7.5m**. We assume a nominal **EUR 2m** for each of the US, EU and JP regulatory activities (averaged). Thus, we estimate a total clinical development cost of **EUR 168.5m**, with **EUR 6.5m** already spent, up to **USD 15m** being funded by the NIH, and approximately **EUR 147m** remaining. We note the benchmark probability of success for each phase as follows: Ph II (29.7%), Ph III (57.4%) and approval (83.2%). Based primarily on the number of failures in the development of therapies for Alzheimer's disease, it should be noted that we reduce the probability of success for Ph III trial to 11.5% (i.e. 20% of the 57.4% benchmark) and we deem the cumulative success rate to be **2.8%**.

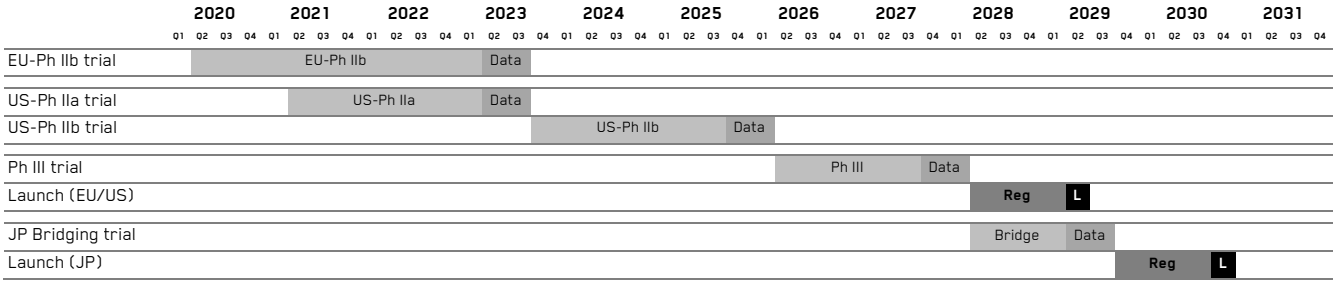
Hepatocellular Carcinoma (PQ1565)

- Vivoryon is also aiming to develop a follow-on compound, PQ1565, for hepatocellular carcinoma (HC). We note, this particular molecule would not require brain penetration. Vivoryon assumes a clinical development route starting with a Ph Ib/IIa clinical study and followed by a Ph IIb study. Similar to its Alzheimer's disease project, Vivoryon plans to out-license before Ph III clinical studies. We assume a Ph III clinical trial, running as combined part of or just after the Ph IIb study. A nominal 12 months is estimated for regulatory approval. Thus, we assume a market launch in the EU5 and US of **Q4 2027**. For Japan we assume an ethno-bridging study, with a market launch in JP of **Q2 2029**. Patient numbers are estimated to be Ph Ib/IIa (n=140) and Ph IIb (n=500). We estimate an additional Ph III or a combined Ph II/III (n=200). Expected clinical costs for Ph Ib/IIa is **EUR 7m** and Ph IIb is **EUR 25m**. For Ph III or Ph II/III, we assume costs **EUR 10m**. We assume a JP-bridging trial (n=150), totaling **EUR 7.5m**. We assume a nominal **EUR 2m** for each of the US, EU and JP regulatory activities (averaged). Thus, we estimate a total clinical development cost of **EUR 55.5m.** We apply the benchmark probabilities of success for each phase as follows: Ph Ib/IIa (57.5%), Ph IIb (26.1%), Ph III (43.3%) and approval (89.4%). Thus, we deem the cumulative success rate to be **5.8%**.

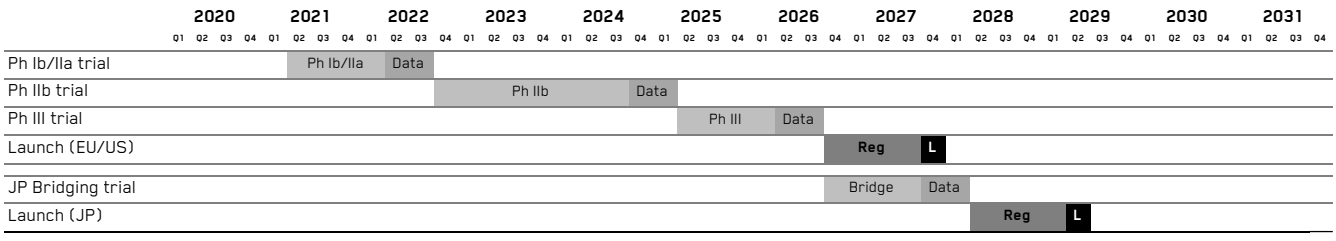
A summary of clinical development is provided in the tables below.

Product Development – Estimated Gantt Chart & Timelines

Alzheimer's disease (PQ912)



Hepatocellular Carcinoma (PQ1565)



Explanatory Note: Ph, Phase of clinical studies. **Data.** Data clean-up & finalization. **Reg**, Regulatory bodies submissions and approval e.g. FDA, EMA; **US**, Launch in US; **EU**, Launch in EU; **JP**. Launch in Japan.

REGULATORY AFFAIRS

Current Knowledge on Performance, Efficacy and Safety	We note the following matters related to performance, efficacy and safety: The development of PQ912 for treatment of Alzheimer's disease has reached Phase IIb clinical studies (NCT03919162). We note the Ph I (NCT02190708) and Ph IIa (NCT02389413) clinical studies are already completed. In particular, we note the Ph IIa (NCT02389413) clinical study to have been conducted in treatment naïve, mild cognitive impaired/dementia patients, with a total of 60 patients each in placebo and treatment arms. We note also, Vivoryon reporting mostly mild to moderate adverse events and an effect on working memory, suggesting preliminary data to show efficacy. The development of PQ1565 for treatment of hepatocellular carcinoma is due to enter Ph I studies in Q2 2021. At present, therefore, there is no clinical data available on clinical efficacy and safety.
Regulatory Classification and Ongoing Discussions with Regulators	We apply a standard regulatory approval route for both development of PQ912 in Alzheimer's disease and PQ1565 in hepatocellular carcinoma. At present we include a Ph III clinical study of PQ912 in Alzheimer's disease, however we note this remains to be clarified. Any reduction or fast-track scenario of this Ph III clinical study would provide a significant upside.
Reimbursement & Insurance considerations	The reimbursement and insurance considerations will likely be determined and depend on (i) current and upcoming competitor products, (ii) use of the product in differing indications and/or (iii) individual country regulations. Reimbursements may come from, for example, national health services and governmental support, health service providers, insurance companies, and/or employers. The case of reimbursement and insurance considerations remains to be determined.

MANUFACTURING

Costs of Goods Sold (COGS)	Vivoryon have indicated a cost of EUR 7m for 160 kg of PQ912 product. For the purpose of this valuation, we assume the COGs as being 15% of revenues in the Alzheimer's disease indication and 8% in the HCC indication.
Chemistry, Manufacturing and Controls (CMC)	We assume that Vivoryon has an established manufacturing process in place with well controlled manufacturing operations. We note that the pure chiral enantiomer (i.e. a specific form of PQ912) is isolated in the manufacturing process, of which Vivoryon is well aware. Given PQ912 is a small molecular weight compound we assume there to be little-to-no hurdles involved in chemistry, manufacturing and control procedures.
Status today & Scale Up Plan	At present, there is 30kg of PQ912 available for Ph IIb studies. The company is producing an additional 30kg expected to be available in Q3 2020 and has two parallel sources of product each of over 100kg expected for Q2 2021. We note from Phase IIb clinical studies (NCT03919162) the PQ912 tablets as being 150mg, and the clinical doses to be given as being 150mg, 300mg and 600mg bid (twice day). We estimate the total amount required for this clinical study to be approximately 150g per patient. Assuming the higher dose of 600mg bid, the amount required per patient equates to approximately 400g per annum.

	We assume, the partner manufacturers likely have sufficient capacity for scale up needs.
Shelf Life/Formulations	The product PQ912 is a small molecular weight compound and is expected to be stable. We assume little-to-no stability concerns.

INTELLECTUAL PROPERTY (IP)

Patent Overview	Vivoryon owns 40 patent families around small-molecule inhibitors of glutaminyl cyclase (GC) and derivatives. The company has indicated no constraints on their IP. Discussions with Vivoryon indicate that WuXi AppTec (Shanghai Yao Ming Kang De Xin Yao R&D) has been identified to be selling PQ529, infringing the PQ529 patent rights. We note the proceedings in this case are ongoing. Vivoryon expect to out-licence PQ912 on completion of their Alzheimer's disease Ph IIb clinical studies and PQ1565 at the end of their hepatocellular cancer Ph II clinical studies.
Company Knowhow & Barriers Placed	The company has significant knowhow in the field of QPCT enzyme biology, early drug development and clinical development which is a significant asset. Vivoryon enjoys unique knowhow in QPCT enzyme biology and drug development, which provides a certain competitive advantage. As indicated by Vivoryon, we note that the intellectual property held by the company have limitations and may not adequately protect the business or permit it to maintain a competitive advantage. Intellectual property rights could be infringed, which may divert time and resources. Thus, the company intellectual property rights and know-how may not necessarily address all potential threats to competitive advantage. We note, also, a number of companies in a similar space, which are likely to have significant knowhow for development of competing technologies and may represent a future threat. The company will likely be required to continually develop and improve on its existing product(s) and technology(s), or to develop novel solutions to maintain a competitive advantage. Overall, the company likely has a good capacity to maintain a certain barrier toward its competitors.
Patent Territories, Claims, and Expiration Dates	We note the expiration date for patents related to PQ912 as being 2030. We assume a nominal 5-year extension option to the current calculated expiration dates, and thus project an expiration date of 2035. Assuming an initial market launch of PQ912 in **2029**, this equates to 6 years of market exclusivity. For the HCC compound PQ1565 we assume initial filing in 2013, with a 20 year plus 5 year exclusivity expiring in **2038**. Depending on the future specifics of the actual development program in the cancer indication a longer period of exclusivity may be feasible. A list of patents is provided in the Appendix V.

MARKET OVERVIEW

Overview of Disease Area & Size of Target Market(s)

A brief outline of PQ912 and PQ1565 market size is provided below:

Alzheimer's disease (AD) (PQ912)

- Alzheimer's disease is associated with the abnormal accumulation of two proteins in the brain, called Aβ (plaques) and Tau (tangles). Globally, around 50m people have dementia, with nearly 10m new cases per year. AD accounts for up to 70% of dementia. We assume approximately 35m people worldwide have AD. An estimated 5.8m Americans aged 65 and older are living with AD in 2020. We assume approximately 54m living in the US aged 65 and older (equating to an age-related prevalence of 10.7%). The prevalence of AD in the US is expected to increase to around 8.4m by 2029. We assume a total US population of 363m in 2029 (equating to a total prevalence of **2.3%**). We assume similar prevalence for EU5 and JP. As the older population is growing over proportionally, we have calculated a growth rate of 2.25% for the US to reach the forecasted patient population of around 11.6m in the US in 2040. The same growth rate is assumed for the EU5 and JP. We assume the percentage of patients being compliant with chronic treatment can be as low as **50%**, with further reductions due to diagnosis and treatment equating the percentage of patients diagnosed, treated and being compliant with treatment as **40%**. We assume the appearance of additional compounds on the market upon or close to launch of PQ912 and thus assume a **15%** market share.

Hepatocellular Carcinoma (HCC) (PQ1565)

- Hepatocellular carcinoma is the most common type of primary liver cancer in adults. Cirrhosis due to chronic hepatitis B or hepatitis C is the leading risk factor for HCC. Risk factors also include obesity, diabetes and related non-alcoholic fatty liver disease. Based on approximately 32,000 new cases of HCC in the US and a population of about 337m in 2020 we assume a total incidence rate of **0.01%.** We assume similar incidence for EU5 and JP. We assume the percentage of patients diagnosed, treated and being compliant with treatment as **80%**. Given other existing treatment options for HCC we assume a **20%** market share.

The epidemiology, disease prevalence, and the estimated target patient population in major territories is listed in the table below, with an upside arising from distribution in other geographies and worldwide.

Market Entry, Share, Uptake & Distribution

PQ912 will be positioned for use in Alzheimer's disease with initial entry in EU5 and US. The clinical development timelines and assumed market launch is outlined above. Vivoryon expect to out-licence PQ912 on completion of their Ph IIb clinical studies. The market development of PQ912 will thus be managed by a partner company.

The details of market development, distribution, supply chain logistics, sales force, and marketing campaign are to be established. Marketing resources will be required to launch the product, although we note this to be comparable to the market launch of other new drug products. We deem market campaign and branding as important to successful market uptake, although we note market uptake will be heavily dependent on demonstrated clinical efficacy.

There are a number of current and upcoming therapeutic products in different stages of development for Alzheimer's disease. We assume, therefore, an increasing competition in the future, with new products coming to the market. This competitive activity has been taken into account in the market uptake curves and market share

We assume, PQ912 (being an oral drug) will be a prescription based medication not requiring specific clinical supervision for administration. We assume the oral availability of PQ912 to be an asset for distribution and market reach.

Target Population & Treated Population Calculation

Territory Population in 2029			
Country	**US**	**EU5**	**JP**
Total Population (A)	362.8m	330.9m	121.3m
Alzheimer's disease (PQ912)			
Prevalence (B)	2.3%	2.3%	2.3%
Total AD patients	8.4m	7.7m	2.8m
Diag./Treat./Comp. (C)	40.0%	40.0%	40.0%
Treated Population (A*B*C)	3.4m	3.1m	1.1m
Market Share (D)	15%	15%	15%
Hepatocellular Carcinoma (PQ1565)			
Prevalence (B)	0.010%	0.010%	0.010%
Diag./Treat./Comp. (C)	80.0%	80.0%	80.0%
Treated Population (A*B*C)	27'669	25'232	9'251
Market Share (D)	20.0%	20.0%	20.0%

Explanatory Note: The following assumptions apply. **Territory population:** The population as per 2029 is indicated. **Prevalence.** An estimated 5.8 million Americans age 65 and older are living with Alzheimer's dementia in 2020 (www.alz.org). We assume approx. 54m people in US age 65 and older (equating to an age-related prevalence of approx. 10.7%). The prevalence of Alzheimer's is expected to grow to around 8.4m in the US by 2029.We assume a total US population of 363m in 2029 (equating to a total prevalence of 2.3%). We assume similar prevalence for EU5 and JP. The age-adjusted incidence of hepatocellular carcinoma is approximately 6.6 per 100'000 (0.0066%) in North America and 5.3 per 100'000 (0.0053%) in Western Europe (www.medscape.com). Based on about 32'000 new cases of HCC in the US and a population of about 337m in 2020 we assume a total incidence rate of 0.010%. We assume similar incidence for EU5 and JP. **Diagnosed/Treatment/Compliance** (Diag/Treat/Comp): This element refers to the assumed % population diagnosed, treated and inclusive of compliance rate. The typical rates of 80% compliance is noted. For chronic diseases, of which Alzheimer's is considered one, the rates can drop to 50%. We assume a further loss of patient numbers due to diagnosis and treatments making a 40% diag/treat/comp rate in case of Alzheimer's disease and an 80% diag/treat/comp rate for hepatocellular carcinoma. **Market share:** We assume a market share dependent on level of competition, market knowhow and distribution networks. We assume typical market shares of three major players (rule of three) at 40%, 20% and 10% adjusted by the results of benchmarking and product specific considerations. The market share for Alzheimer's disease is taken as 15% with assumption that PQ912 will likely be 2nd or 3rd product to enter the market and might be predominantly used for early/mild Alzheimer's. A market share for PQ1565 in hepatocellular carcinoma is taken to be 20%. All numbers have been rounded and are for illustrative purposes.

COMPETITIVE LANDSCAPE

Competitor products on the market may compete directly or indirectly for market share. Competition may come from substitute products, as well as from mechanistically and therapeutically similar products and/or technologies. Companies with knowhow and expertise may also gain entry to the marketplace with alternative products. In this regard, we note, a number of large players in the field that may also seek to develop a competitive advantage or that may provide an opportunity for out-licensing and/or a collaborative agreement (co-development, distribution and/or marketing).

Competition may come from the following:

- therapies targeting the APP/Aβ protein pathway, including gamma-secretase (GACE) inhibitors, beta-secretase (BACE) inhibitors, Aβ monoclonal antibodies and Aβ modifiers
- therapies targeting the Tau protein pathway
- therapies targeting the inflammatory component of Alzheimer's disease
- novel methods attenuating neuronal damage

Given the market size, there are a number of upcoming products in different stages of development that may compete with the product herein. We assume increasing competition in the future, with new products coming to the market. In particular, there are two key drugs, namely Gantenerumab and Aducanumab, in development that may launch before PQ912 (Q2 2029) and thus achieve significant market share before PQ912 market entry. Gantenerumab is an antibody designed to bind Aβ fibrils and is expected to start a rollover study in Q3 2020 with an expected completion of 2024 (www.alzforum.org). Aducanumab is also an antibody designed to bind a conformational epitope on Aβ. In Q1 2020 a Phase IIIb open label study for Aducanumab was initiated that is expected to end Q3 2023 (www.alzforum.org). Taken together, we assume Gantenerumab and/or Aducanumab will arrive to the market before PQ912 and will have an established market share for which PQ912 will be required to compete. We also note additional products currently in Phase I or Phase II clinical studies that may enter the market at the same time, just before or just after PQ912, thus also taking market share.

We assume a market share dependent on level of competition, market knowhow and distribution networks. As a benchmark we assume typical market shares of three major players (rule of three) at 40%, 20% and 10%. We note the oral administration of PQ912 will likely assist in market capture. Taken together, with assumption that PQ912 will likely be 2nd or 3rd product to enter the market, that its oral administration is a competitive advantage and that it might be predominantly used for early/mild Alzheimer's disease the market share for this indication is taken as 15%.

A list of direct, indirect, and future competitors is provided in the tables below. The number of products in development as well as key marketed and upcoming competitors are also outlined below. These lists are for example purposes and not exhaustive. This level of competition has been taken into account in the market share.

CLINICAL DEVELOPMENT ACTIVITY

Stage	Phase I	Phase I/II	Phase II	Phase II/III	Phase III
ALZHEIMER'S DISEASE					
Biotechgate database[1]	73	3	58	3	30
Number of studies included[2]	15	12	34	8	22
Average study length (mth)[2]	20	44	39	48	62
Average patient numbers[2]	47	46	202	432	685
HEPATOCELLULAR CARCINOMA					
Biotechgate database[1]	35	2	32	0	18
Number of studies included[2]	19	22	43	1	23
Average study length (mth)[2]	50	40	58	46	65
Average patient numbers[2]	43	57	85	566	674

Explanatory Note: This table provides average study length and patient numbers, which may support the assumptions made for development timelines and costs. This table also provides an indication of the number of clinical studies ongoing and hence the competitive activity in the field. For example, averaging the data from both the databases (Clinical Trials and Biotechgate) the number of compounds in clinical trials for Phase I is estimated to be 44 products and those in Phase II as being 46 products. Applying the same Probability of Success (PoS) used for PQ912 in Alzheimer's disease, a calculated number of products currently in Phase I and currently in Phase II, we assume, reaching the market closely at the time or just after launch of PQ912 is approximately 2 products. [1]Source: www.biotechgate.com. Biotechgate, Search Filters: Assets, Therapeutics, Disease / indication: Alzheimer's disease (Total = 167 clinical studies); Hepatocellular carcinoma (Total = 87 clinical studies). (Search Date: July 2020). [2]Source: clinicaltrials.gov. The searched conditions were: Alzheimer's disease (Total = 91 clinical studies); Hepatocellular carcinoma (Total = 108 clinical studies). Search filters were: Type (Interventional), Sponsor (Industry), Status (Recruiting, Active not recruiting) (Search Date: July 2020). It should be noted that a qualitative inspection of the search hits was not conducted.

EXAMPLES OF PRODUCTS IN DEVELOPMENT

Product	Company	Mechanism of Action	Development Stage
ALZHEIMER'S DISEASE			
Gantenerumab (RO4909832)	Roche, Chugai Pharm	Aβ mAb (passive)	Ph III (NCT03444870)
Aducanumab (BIIB037)	Biogen, Neurimmune	Aβ mAb (passive)	Ph III (NCT02484547)
Crenezumab (MABT5102A)	Roche, Genentech, AC Immune	Aβ mAb (passive)	Terminated (NCT02670083)
Solanezumab (LY2062430)	Eli Lilly	Aβ mAb (passive)	Terminated (NCT02760602)
UB-311	United Neuroscience	Aβ vaccine (active)	Terminated (NCT03531710)
Umibecestat (CNP520)	Novartis, Amgen	BACE inhibitor	Terminated (NCT02565511)
Elenbecestat (E2609)	Biogen, Eisai	BACE inhibitor	Terminated (NCT03036280)
Lanabecestat (AZD3293)	AstraZeneca, Eli Lilly	BACE inhibitor	Terminated (NCT02783573)
Atabecestat (JNJ-54861911)	Janssen, Shionogi Pharma	BACE inhibitor	Terminated (NCT02569398)
Verubecestat (MK-8931)	Merck	BACE inhibitor	Terminated (NCT01953601)
ABBV-8E12	Abbvie	Tau mAb (passive)	Ph II (NCT02880956)
AADvac1	Axon Neurosci	Tau vaccine (active)	Ph II (NCT02579252)
ACI-35	AC Immune, Janssen	Tau vaccine (active)	Ph II (NCT04445831)
Donanemab (LY3002813)	Eli Lilly	Pyroglutamate Aβ antibody	Ph II (NCT04437511)
GRF6019	Grifols, Alkahest	Albumin/Plasma fractions	Ph III (NCT01561053)
DB105 (ORM-12741)	Denovo Biopharm, Orion	2c AR antagonist	Ph II (NCT02471196)
PTI-125	Cassava Sciences	Binds to filamin	Ph II (NCT04388254)
Neflamapimod (VX-745)	EIP Pharma	p38 MAPK alpha Inhibitor	Ph II (NCT03402659)
Blarcamesine (Anavex2-73)	Anavex Life Sci	Muscarinic receptor agonist	Ph II (NCT04314934)

HEPATOCELLULAR CARCINOMA			
Durvalumab (Imfinzi)	AstraZeneca	PD1 mAb	Ph III (NCT03298451)
Pembrolizumab (Keytruda)	Merck	PD1 mAb	Ph III (NCT03867084)
Atezolizumab (Tecentriq)	Roche	PD1 mAb, +Bevacizumab	Ph III (NCT03434379)
Lenvatinib (Lenvima)	Eisai	RTK inhibitor	Ph III (NCT01761266)
Cabozantinib (Cabometyx)	Exelixis	c-Met, VEGFR2 inhibitor	Ph III (NCT01908426)

EXAMPLES OF MARKETED PRODUCTS

Product	**Company**	**Mechanism of Action**	**Approved (Indication)**	**Annual Price**
ALZHEIMER'S DISEASE				
Aricept (Donepezil)	Various (Generic)	Cholinesterase inhibitors	1996	EUR 1'108
Exelon (Rivastigmine)	Various (Generic)	Cholinesterase inhibitor	2000	EUR 1'030
Razadyne (Galantamine)	Various (Generic)	Cholinesterase inhibitors	2004	EUR 1'043
Namenda (Memantine)	Various (Generic)	NMDA- receptor antagonist	2003	EUR 726
HEPATOCELLULAR CARCINOMA				
Sorafenib (Nexavar)	Bayer	Multi-kinase inhibitor	2007	EUR 46'203
Lenvatinib (Lenvima)	Merck	Multi-kinase inhibitor	2018	EUR 18'968
Regorafenib (Stivarga)	Bayer	Multi-kinase inhibitor	2017	EUR 49'420
Ramucirumab (Cyramza)	Eli Lilly	VEGFR2 inhibitor	2019	EUR 66'000
Nivolumab (Opdivo)	Bristol-Myers Squibb	PD1 mAb	2020	EUR 69'511

Explanatory Note: Aricept (10mg qd, 28 tablets of 10mg = GBP 84/mth); Exelon (24h patch, 30 patches = GBP 78/mth); Razadyne 12mg bid, 56 tablets of 12mg = GBP 79/mth); Namenda (20mg day, 50ml of 10mg/ml vial = GBP 55/mth); Nootropil (24g day, 600 tablets of 1.2g = GBP 109/mth); Sorafenib (400mg bid, 112 tablets of 200mg = GBP 3'576/mth); Lenvatinib (8-12mg qd, 30 tablets of 4-10mg = GBP 1'437/mth); Regorafenib (160mg qd for 21 day/mth, 84 tablets of 40mg = GBP 3'744/mth); Ramucirumab (8 mg/kg q2wk, 2x50ml of 10mg/ml vial = GBP 5'000/mth); Nivolumab (240 mg q2wk, 2x24ml of 10mg/ml vial = GBP 5'266.00). All monthly costs multiplied by 12 for annual totals. Exchange rates GBP 1 = EUR 1.1. (qd once day; bid, twice day; q2wk once every 2 wks). Sources: www.mims.co.uk; www.medscape.com; www.fda.gov.

PRODUCT PRICING

We note the current prices of marketed therapies for Alzheimer's disease are well below that expected to be gained for PQ912, primarily as these marketed products are symptomatic (i.e. not disease modifying) and have faced price erosion by generics. We consider the pricing of PQ912 to be akin to other disease modifying therapies in the area of neurodegenerative/neurological illnesses. For the purpose of this pricing strategy in the EU5 and JP we take two examples of disease modifying oral therapies used for multiple sclerosis, namely Fingolimod (Gilenya) (EUR 19'404 annual) and Siponimod (Mayzent) (EUR 21'687 annual). For the US we consider an increased pricing risk due to the very large budget impact that disease modifying Alzheimer's drugs will have. Health economic modeling indicates that disease modifying Alzheimer's drugs that focus on slowing down progression will increase the prevalence of Alzheimer's disease and cost efficiency boundaries will be significantly lower than current US prices of disease modifying therapies for multiple sclerosis. To reflect this we used a lower price boundary indicated by the EU5 price as well as cost efficiency estimates (EUR 21'000) and an upper price boundary set by Ocrelizumab (Ocrevus) at EUR 54'600. We consider Ocrevus to be the most relevant multiple sclerosis product for

this analysis as it has the largest target patient population and was priced below older and more narrowly focused products despite having shown superior efficacy.

For the pricing strategy of PQ1565, for use in hepatocellular carcinoma, we take an average of two examples of disease modifying oral therapies used in this disease, namely, Sorafenib (Nexavar) (EUR 46'203 annual) and Lenvatinib (Lenvima) (EUR 18'968 annual) in the EU5 and JP. For the US we take the revenue per patient as benchmark. This value was only available for Nexavar (EUR 76'249) and not for Lenvima.

Given that PQ912 is brain penetrant and PQ1565 is not, we consider this a sufficient differential to limit the off-label cross-over use between PQ912 and PQ1565, in the case of a pricing differential between these two products. For the purpose of this valuation, we calculate benchmark prices for PQ912 for use in Alzheimer's disease and PQ1565 for use in hepatocellular carcinoma.

We assume no positive inflation for prescription drug prices in the relevant indications. This is based on recent trends in the inflation data and long-term macroeconomic developments that place a high financial burden on the healthcare systems of developed nations. These financial burdens can be expected to lead to an increase in regulatory and political interventions with the goal of stabilizing or reducing drug prices.

A summary of the pricing strategy is provided in the table below.

Product/Service Summary and Pricing

Product	Indication	Country	Annual Treatment Price EUR
PQ912	Alzheimer's disease	EU, JP	20'545
		US	37'800
PQ1565	Hepatocellular Carcinoma	EU, JP	32'585
		US	76'249

Explanatory Note: PQ912 benchmarking EU/JP: Oral disease modifying therapies used for multiple sclerosis: Fingolimod (0.5mg qd, 28 tablets of 0.5mg = GBP 1'470.00/mth; EUR 19'404 annual). Siponimod (2mg qd, 28 tablets of 2mg = GBP 1'643/mth; EUR 21'687 annual). PQ1565 benchmarking EU/JP: Sorafenib (400mg bid, 112 tablets of 200mg = GBP 3'576/mth; EUR 46'203 annual); Lenvatinib (8-12mg qd, 30 tablets of 4-10mg = GBP 1'437/mth; EUR 18'968 annual). Exchange rates GBP 1 = EUR 1.1. (qd once day; bid, twice day; q2wk once every 2 wks). PQ912 benchmarking US: Ocrelizumab Federal Supply Schedule (FSS) annual price is used as upper boundary (USD 65'000/EUR 54'600); European price and health economics cost-efficiency estimate are used as lower boundary (USD 25'000/EUR 21'000) due to the substantive budget impact that can be expected from a disease modifying Alzheimer's drug. PQ1565 benchmarking US: Sorafenib (Nexavar) 2020 revenue per patient of USD 90'773. Exchange rates USD 1 = EUR 0.84. Sources: www.mims.co.uk; www.medscape.com; Evaluate database; health economic modeling (see references).

RISK ANALYSIS

Risk Factors

Below we summarize the risk factors as we see them associated with **Vivoryon** and with the company's lead products. Risks are presented as product-specific risks and non-product specific risks.

We note that product-specific risks are reflected in a direct risk adjustment as part of the rNPV method, whereas non-product specific risks are reflected in the overall discount rate.

The ratings used are designated as **low** (lower than average as compared to comparable companies/products), **medium** (average), and **high** (higher than average).

Product-Specific Risks

Development & Technology Risk

- While PQ912 targets the Aβ molecule/pathway via a novel mechanism, we note that other Aβ targeting strategies, to date, have proved unsuccessful. We also note the high number of failures in the development of therapies for Alzheimer's disease. Thus, we deem this risk to be **HIGH**.

Regulatory/Approval Risk

- PQ912 has been approved for clinical studies and we note Vivoryon has the ability to manage regulatory discussions. We note also that further regulatory affairs will be managed by the partner after Ph IIb studies, upon out-licensing. We assume a typical regulatory approval route for PQ912 and deem this risk to be **MEDIUM**.

Manufacturing Risk

- Given PQ912 is a small molecular weight compound we assume there to be little-to-no hurdles involved in chemistry, manufacturing and control procedures. We note quantities of the product for clinical studies are available or the manufacturing is in place. We deem this risk to be **LOW-MEDIUM**.

Non-Product Specific Risks

Financing Risk

- Since its IPO Vivoryon has raised approximately approximately **EUR 103m** to date. Depending on the strategy and out-licensing deals, the company will need to raise a further approx. **EUR 130m**, which will support clinical trials and R&D. While a substantial amount, based on the successful previous raise, we deem the risk in the company's ability to raise financing as **MEDIUM**.

Management Risk

- The management team are a key asset to the company and have extensive expertise to manage the business. We consider this underlying management risk to be **LOW**.

Intellectual Property (IP) Risk

- We note an expiration of patent for PQ912 in 2030, with possible extension to 2035. Assuming a launch date of 2029, this provides a 6 year exclusivity perioid. We note this as a concern in timeline and rate this risk as **MEDIUM-HIGH**

Market Uptake/Share & Competitive Risk

- We assume the market uptake/share to be dependent primarily on the existing and upcoming competition, as well as any superior efficacy and safety demonstrated by PQ912. Additionally, we see an uptake risk in the possibility that PQ912 could in clinical practice be limited to the treatment of early Alzheimer's, which would shrink the target patient population substantially. Given these factors, we deem the risk associated with the market uptake/share and competitive risk to be **MEDIUM-HIGH.**

Pricing Risk

- At present, it remains unknown how regulatory authorities will manage reimbursement and pricing strategy, where efficacy and clinical outcomes will have an impact. The pricing strategy and reimbursement may differ in various territories, bringing some degree of uncertainty. Due to the very large impact that disease modifying Alzheimer's drugs will have on healthcare budgets we see an increased risk of not achieving the price level that normally would be expected for such an innovative medicine, especially in the US. Therefore, we deem this risk as **HIGH**.

VALUATION

OVERVIEW

Company snapshot and future upside potential

We note that the present is a valuation of Vivoryon's current assets, and, as such it represents a snapshot of the company's value as of September 30th 2020.

We have considered the following value drivers for Vivoryon:

- PQ912 for Alzheimer's disease
- PQ1565 for hepatocellular carcinoma

Methods used

The key method used to value Vivoryon is the

- Sum of Parts, including:
  - the risk-adjusted net present value (rNPV) method;
  - the discounted cash flow (DCF) method;

To benchmark the resulting value, we have also used the

- market comparable method and the
- the comparable transactions method;

Sum of Parts

In the Sum of Parts, the value of the products determined with the rNPV method was summed to the net present value of potential licensing revenues associated with Vivoryon pipeline calculated with the DCF method to result in the final net present value of Vivoryon.

rNPV/Risk-Adjusted NPV

The most appropriate method to value pharmaceutical products in development is the risk-adjusted net present Value (rNPV). This method factors in the success rates of therapeutic products in pharmaceutical development and the probability of failure is then used to discount the yearly free cash flows over the entire life cycle of the product.

The rNPV calculation, as well as key assumptions for Vivoryon's lead product in development, are described in the sections below and in Appendices I and II. The analysis takes into account a likely licensing scenario and the generation of future cash flows from potential upfront, milestone and royalty payments as a result of a deal with a pharmaceutical or a specialty pharmaceutical company.

This method was used to value the lead development candidates, PQ912 for Alzheimer disease and PQ1565 for hepatocellular carcinoma.

Discounted Cash Flow (DCF)

The Discounted Cash Flow method uses Vivoryon's future positive and negative free cash flow projections discounted to the present value. The DCF valuation does not consider the lead programs that were valued separately using the rNPV method.

Market Comparables

The market comparable method utilizes data from public, peer-group companies to determine multiples which are used for calculating the value of Vivoryon. Multiples are determined for key variables such as the ratio of employees and money raised.

Comparable Transactions

In the comparable transactions method the value of peer-group companies (determined following an investment) is used to determine the value of Vivoryon. Due to a lack of available information regarding money raised and employees, no additional multiple were utilized.

DISCOUNT RATE

Risk-free rate, Beta and Market Risk Premium

To calculate the discount rate used in the DCF method, a risk-free rate of return of 0% was used as a basis. The systematic risk was then determined using a market risk premium of 7.0% and the beta, which measures the sensitivity of the company to the stock market.

Using the betas of the comparable companies also used in the market comparable method, an average peer group beta of 1.8 (unlevered and cash adjusted) is calculated for Vivoryon.

Applied discount rate of 12.6%

Based on these assumptions, we have calculated a discount rate of 12.6%, which is used in all in further calculations.

*Rounded number.

Discount rate

Risk free rate of return	0 %
Market Risk Premium	7.0%
Beta	1.8
Discount rate*	**12.6%**

*Rounded number.

rNPV/RISK-ADJUSTED NPV

Calculation based on business plan

The rNPV calculation is based on figures provided by the management of Vivoryon, adjusted by Venture Valuation. The calculated value of PQ912 considers a licensing scenario, where Vivoryon out-licenses the product to a licensee at end of Phase IIb in 2023.

A discount rate of 12.6% was used.

Deal Value Split

For PQ912 in Alzheimer disease, the method assumes that a license is granted to a partner who will take on manufacturing and development costs, and develop the product from the beginning of phase IIb.

For PQ1565 we have assumed that a large pharma partner will assume worldwide development and launch of hepatocellular carcinoma from the beginning of phase IIa onward.

The total value of a project in the event of an out license is shared between the licensor and the licensee. For the current valuation we have assumed a 40:60 deal split (i.e., 40% of the value assigned to Vivoryon), reflecting the development risk and the marketing effort that Vivoryon's development partner would need to assume.

PQ912 FOR THE TREATMENT OF ALZHEIMER

Probability of success

Taking into consideration the stage of development and the cumulative success rate of PQ912 for the treatment of Alzheimer's disease, the probability of product launch has been determined to be 2.8%.

Probability of Success

		Success rate		
	Phase I	Phase IIb EU Phase IIa USA	Phase IIb USA Phase III USA	Approval
Probability of Success	100.0%	29.7%	11.5%	83.2%
Cumulative POS		29.7%	3.4%	2.8%

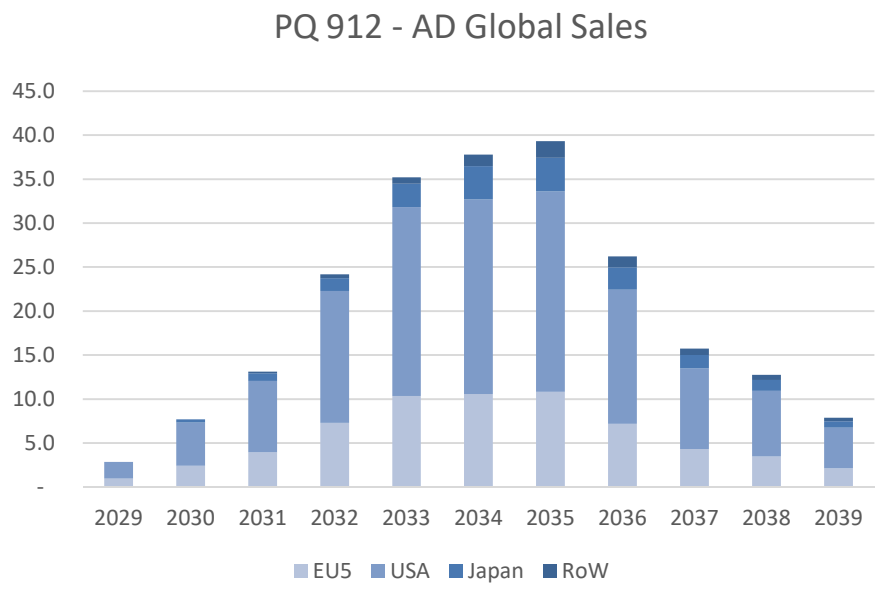
Sales forecast

The sales curve for PQ912, in the treatment of Alzheimer's disease, has been forecasted until 2039. Uptake curves were estimated using market knowledge, general benchmark data for the pharmaceutical industry and the analysis of comparable products.

The rest of the world (RoW) is forecasted as 5% of major market sales. For high-price innovative medicines the share of revenue coming from outside the leading markets is generally relatively low due to difficulties regarding market access, market exclusivity and realizing high prices in the secondary markets. The percentage was determined based on historical experience in similar indications and qualitative factors specific to Vivoryon's products.

Other key assumptions are described in Appendix I

Sales forecast for PQ912 in the treatment of Alzheimer's disease (in bn EUR)



Product valuation of EUR 333m

We determine the value of PQ912 in the treatment of Alzheimer's disease to EUR 332.6m, using a discount rate of 12.6%. We assume a licensor share value for Vivoryon of 40% resulting in a value of EUR 133.1m.

Product Valuation (in EUR 000's)

Discount rate	12.6%
rNPV Total product value	332'620
rNPV licensor value	**133'048**

PQ1565 FOR THE TREATMENT OF HEPATOCELLULAR CARCINOMA

Probability of success

Taking into consideration the stage of development and the cumulative success rate of PQ1565 for the treatment of hepatocellular carcinoma, the probability of product launch has been determined to be 5.8%.

Probability of Success

		Success rate			
	Preclinical	Phase I	Phase II	Phase III	Approval
Probability of Success	100.0%	57.5%	26.1%	43.3%	89.4%
Cumulative POS		57.5%	15.0%	6.5%	5.8%

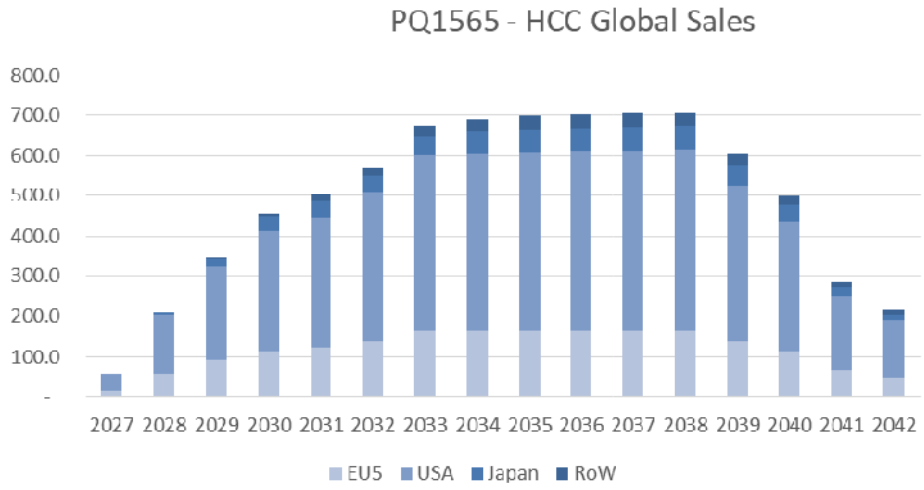
Sales forecast

The sales curve for PQ1565, has been forecasted until 2042, four years after expected loss of exclusivity. Uptake curves were estimated using market knowledge, general benchmark data for the pharmaceutical industry and the analysis of comparable products.

The rest of the world (RoW) is forecasted as 5% of major market sales. For high-price innovative medicines the share of revenue coming from outside the leading markets is generally relatively low due to difficulties regarding market access, market exclusivity and realizing high prices in the secondary markets. The percentage was determined based on historical experience in similar indications and qualitative factors specific to Vivoryon's products.

Other key assumptions are described in Appendix II

Sales forecast for PQ1565 in the treatment of Hepatocellular Carcinoma (in m EUR)



Product valuation of EUR 17.8m

We determine the value of PQ1565 in the treatment of hepatocellular carcinoma to be EUR 17.8m, using a discount rate of 12.6%. We assume a licensor share value for Vivoryon of 40% resulting in a value of EUR 7.1m.

Product Valuation (in EUR 000's)

Discount rate	12.6%
rNPV Total product value	17'761
rNPV licensor value	**7'104**

DISCOUNTED CASH FLOW

Calculation based on business plan

The DCF calculation is based on projected general costs (Personnel Expenses and Other Operating Expenses) as well as the pipeline/technology platform of the company. We assume net upfront payments of EUR 3.6m per year over a period of two years for the first pipeline product. For the second and future pipeline products we assume an increase of 5% each of the assumed upfront payment. The calculated free cash flows in the first ten years (2020-2029) excluding any cash flows associated with PQ912 and PQ1565 is shown in the DCF calculation below. (PQ912 for Alzheimer's disease and PQ1565 for hepatocellular carcinoma were valued separately in the product valuations).

In the years 2025 to 2027, we have included the tax savings available due to the losses carried forward (EUR 142.6m by 31.12.2019; adjusted with a PoS of 40% as the losses can only be used in case of a licensing deal). These savings can be realized as soon as the company achieves a major licensing deal and associated positive net profits. We assume such licensing deals in 2025 (HCC) and 2026 (AD). For details please refer to Appendix IV.

DCF Calculation

	Year									
in EUR 000's	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Scenario BP	-1'122	-4'478	-462	966	714	7'114	6'792	7'165	527	703

A continuing value is calculated

For the period after 2029, we use a growth rate of 0.5% and a normalize free cash flow of EUR 706'000 based on the FCF in 2029 and a growth rate of 0.5%, which leads to a continuing value of EUR 5.8m.

DCF

in EUR 000's	norm. FCF	g	continuing value
Scenario BP	706	0.5%	5'837

DCF-value

Next, these figures were discounted to the present value. The base discount rate of 12.6%, results in a value of EUR 8.3m.

DCF value (in EUR 000's)

Discount rate	12.6%
Scenario BP	**8'247**

SUM OF PARTS VALUATION

PQ912 targeting AD and PQ1565 targeting HCC, R&D pipeline and general costs

Vivoryon company value is determined by summing the value of PQ912 and PQ1565, the R&D pipeline and general costs. The sum of parts valuation of Vivoryon is approximately EUR 177.2m. Please note that the estimated net cash and cash equivalent of approx. EUR 28.8m as per 30.9.20 has been included.

Sum of parts as per 30.9.20
(in EUR 000's)

Discount rate	12.6%
Net Cash & equivalent*	28'777
PQ912	133'048
PQ1565	7'104
R&D Pipeline	8'247
Total value	**177'176**

* To estimate the net cash and equivalent per 30.9.20, we have used the cash (EUR 14.5m) and cash equivalent (EUR 19.9m) per 30.6.20 and deducted the estimated costs for personal expenses, operating expenses and R&D for PQ912 for Q3 2020 (EUR 4.0m) and deducted the pension fund obligations at book value per 31.12.19 (EUR 1.58m).

MARKET COMPARABLES

Quoted competitors used

To calculate a market comparable value for Vivoryon, the quoted comparable companies outlined in the following table were used. The selected companies are not necessarily direct competitors; however, they are viewed as peer group companies as some of their activities and operational variables match Vivoryon's business.

Market Comparables

in EUR '000s	Market Cap. (P)	Employees	R&D
AC Immune Ltd	441'222	115	46'539
Actinogen Medical Ltd.	15'937	8	4'918
Alector INC	1'622'290	126	98'612
Annovis Bio, Inc.	32'714	2	720
BioArctic AB	567'765	45	n/a
Cassava Sciences	69'131	9	1'324
Pharnext SA	58'803	44	15'178
AlzeCure Pharma AB	26'916	8	4'360
Oryzon Genomics S.A.	158'003	43	n/a

Source: Annual reports (2019), monthly average stock quotes (24.6.20 – 23.7.20); www.nasdaq.com, www.finance.yahoo.com and peer group companies' homepages. Monthly average exchange rate (interbank rate) www.oanda.com.

With this information available, comparable ratios were calculated, as shown in the following table.

Market Comparable Ratios

	P/employee	P/R&D
AC Immune Ltd	3'837	9.5
Actinogen Medical Limited	1'992	3.2
Alector INC	12'875	16.5
Annovis Bio, Inc.	16'357	45.4
BioArctic AB	12'617	n.a.
Cassava Sciences	7'681	52.2
Pharnext SA	1'336	3.9
AlzeCure Pharma AB	3'365	6.2
Oryzon Genomics S.A.	3'675	n.a.
Low[1]	**3'365**	**5.0**
Average	**7'082**	**19.5**
High[1]	**12'617**	**30.9**

[1]To determine the high and low value for the ratios, quartile 1 and 3 were used to eliminate outliers.

Using the above ratios, a value range of EUR 64.9m to EUR 334.6m can be estimated for Vivoryon. Calculated with the market comparable method the average value is around EUR 204.3m.

Market Comparable Valuation

	Vivoryon	Ratio			in EUR 000's		
		Low	**Ave.**	**High**	**Low**	**Ave.**	**High**
Employees	16	3'365	7'082	12'617	53'832	113'306	201'872
R&D	15'108	5.0	19.5	30.9	75'903	295'323	467'295
Average					**64'867**	**204'314**	**334'584**

COMPARABLE TRANSACTIONS

Investment and acquisition transactions used

To calculate a comparable transaction value for Vivoryon the investments outlined below were used. The selected transactions include companies that are not necessarily direct competitors, however, the companies are viewed as peer group companies as some of their activities, and operational variables match Vivoryon's activities.

Comparable Transactions

	Date	Index Acqui.[1]	Value (000 EUR)	Empl.	Raised (000 EUR)
Alzehon	Sep 2018	3'835	107'710	6	27'370
AZTherapies	Feb 2017	3'108	155'791	21	23'970
Enterin	Jan 2019	3'451	213'743	15	25'360
Neuraltus	Mai 2016	2'924	77'490	9	36'620
Proclara	Nov 2018	3'429	322'686	9	121'790
Pinteon	Aug 2017	3'491	12'273	n.a.	8'470
Low[2]			**85'045**		
Average			**148'282**		
High[2]			**199'255**		

[1]Change of NASDAQ Biotech Index between investment date and 1.7.2020, thus value is index corrected.

[2]To determine the high and low value for the ratios, quartile 1 and 3 were used.

Comparable transaction range from EUR 85m to EUR 199m

When the above companies as a basis, a value range for Vivoryon can be calculated with the comparable transaction method. The value ranges from approximately EUR 85.0m to EUR 199.3m, with an average of EUR 148.3m.

SUMMARY

The value of Vivoryon is based on the Sum of Parts valuation with a base discount rate of 12.6% leading to a value of EUR 177.2m. The market comparable results in an average value of EUR 204.3m and the comparable transactions in a value of EUR 148.3m.

Company Value (in EUR millions)

Discount rate	12.6%
Sum of Parts	**177'167**
Benchmarking	
Market Comp.	204'314
Comp. Trans.	148'282

REFERENCES

Meeting and Teleconference:

- Telephone / meeting discussions with the clients, 20 July 2020, 23 July 2020, 29 July 2020, 30 July 2020

Documents provided/considered:

- Business plan/Company presentation
- Patent information
- Market information
- R&D development plans
- Financials projection - outline

Databases, Reports:

- Internal Company, Product and Deal database: Biotechgate
- External proprietary database: Evaluate
- Annual reports for market comparable companies

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Valuation Process

- Frei, Assessment and Valuation of high growth companies (2006), Haupt Verlag
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Prevalence/Incidence

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Market share/Pricing:

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- https://www.lse.ac.uk/cpec/assets/documents/EconomicmodellingAD.pdf
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Clinical/Regulatory costs:

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- www.lexjansen.com/phuse/2005/rc/rc04.pdf
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General URLs:

- www.census.gov/data/data-tools.html
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- www.finance.yahoo.com
- www.patents.google.com
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- www.ncbi.nlm.nih.gov
- www.clinicaltrials.gov
- www.bestpractice.bmj.com
- www.drugs.com
- www.alzforum.org

APPENDIX I: PQ912 VALUATION ASSUMPTIONS

Criteria	Value	Reference
Patent expiration	2035	Vivoryon communication, VV assumption and patent information
Diagnose rate / Compliance	40%	This rate reflects patients that have undetected Alzheimer's disease, patients that have been diagnosed but not been forwarded to pharmaceutical treatment and non-perfect compliance of treated patients. It is based on a qualitative assessment by the Venture Valuation team and historical compliance rates. The following analysis has been performed to validate this assessment: (1) Based on sales data from the proprietary database Evaluate and annual cost of treatment estimates, the share of Alzheimer's patients currently treated with the available symptomatic medications has been estimated at around 32% of prevalent cases. (2) Available studies estimate the rate of undetected Alzheimer's as more than 50% of prevalence. The Evaluate database provides the compliance rate of comparable products from the multiple sclerosis space as around 70%. Combining these two rates again yields a diagnosis/treatment/compliance rate at 35% or lower. The rate of 40% used for the valuation reflects that disease modifying drugs and progress in diagnostics can be expected to increase the share of patients diagnosed and treated.
Prevalence rate	2.3%	The prevalence and growth rate are based on epidemiological studies in the Alzheimer's disease field. The prevalence of Alzheimer's disease is expected to grow in the major markets considered for the valuation. For details of the data used to model this growth please see Hebert et al. Alzheimer's disease in the United States (2010-2050) estimated using the 2010 census. Neurology. 2013;80:1778-1783.
Market share	15%	AD market share set at 15% with the assumption that PQ912 will likely be 2nd or 3rd to enter the market. Additionally, this market share reflects that PQ912's oral administration is a competitive advantage, but also the downside possibility that PQ912 will receive approval only for early/mild Alzheimer's or will predominantly be used for early/mild Alzheimer's. This assessment was benchmarked by comparing peak sales of PQ912 to the peak sales of selected MS drugs (scaled by the prevalence of the respective diseases) provided by the Evaluate database.

Price annual treatment	EU5, JP:	EUR 20'545	PQ912 benchmarking EU/JP: Oral disease modifying therapies used for multiple sclerosis: Fingolimod (0.5mg qd, 28 tablets of 0.5mg = GBP 1'470.00/mth; EUR 19'404 annual). Siponimod (2mg qd, 28 tablets of 2mg = GBP 1'643/mth; EUR 21'687 annual). PQ1565 benchmarking EU/JP: Sorafenib (400mg bid, 112 tablets of 200mg = GBP 3'576/mth; EUR 46'203 annual); Lenvatinib (8-12mg qd, 30 tablets of 4-10mg = GBP 1'437/mth; EUR 18'968 annual). Exchange rates GBP 1 = EUR 1.1. (qd once day; bid, twice day; q2wk once every 2 wks). PQ912 benchmarking US: Ocrelizumab Federal Supply Schedule (FSS) annual price (USD 65'000/EUR 54'600) is used as upper boundary; European price and health economics cost-efficiency estimate (USD 25'000/EUR 21'000) are used as lower boundary due to the substantive budget impact that can be expected from a disease modifying Alzheimer's drug. Sources: www.mims.co.uk; www.medscape.com; Evaluate database; health economic modelling (see references).
	US	EUR 37'800	
Deal value split	40% Vivoryon 60% Pharma partner		VV assumption based on typical deal value split taken for projects where licensing agreements are not in place
Peak sales (2035)	EUR 39.3bn		Model estimate
Total sales (2029-2039)	EUR 223bn		Model estimate

Key expenses for the product valuation

Expense	Value					Reference
Clinical trial timelines	EU-Ph IIb trial	3.25 years				Vivoryon communication and VV estimates
	US-Ph IIa trial	2.5 years				
	US-Ph IIb trial	2.5 years				
	Ph III trial	2 years				
	Launch (EU/US)	1 years				
	JP Bridging trial	1.5 years				
	Launch (JP)	1 years				
Clinical trial costs	in EUR m	Total costs	Spent / Grants (approx.)	Total cost (Vivoryon & Partner)	Vivoryon costs	Vivoryon communication and VV estimates
	EU-Ph IIb trial	40.0	6.5		33.5	
	US-Ph IIa trial	15.0	11.0		4.0	
	US-Ph IIb trial	50.0	4.0		46.0	
	Ph III trial	50.0				
	Launch (EU/US)	4.0				
	JP Bridging trial	7.5				
	Launch (JP)	2.0				
	Total	**168.5**	**21.5**	**147.0**	**83.5**	

Launch date	EU5: 2029 US: 2029 Japan: 2030 RoW: 2031	Model estimates
COGS (% of revenue)	15%	Venture Valuation estimate
Sales & Marketing (% of revenue)	25%	Venture Valuation estimate
G&A rate (% of revenue)	15%	Venture Valuation estimate
Tax rate	31.6%	Company corporate tax rate, Vivoryon

APPENDIX II: PQ1565 VALUATION ASSUMPTIONS

Criteria	Value		Reference
Patent expiration	2039		VV assumption
Diagnose rate / Compliance	80%		VV assumption
Prevalence rate	0.01%		VV assumption
Market share	20.0%		VV assumption
Price annual treatment	EU5, JP US	EUR 32'585 EUR 76'249	PQ1565 benchmarking US: Sorafenib (Nexavar) 2020 revenue per patient of USD 90'773. Sources: www.mims.co.uk; www.medscape.com; Evaluate database; health economic modelling (see references).
Deal value split	40% Vivoryon 60% Pharma partner		VV assumption based on typical deal value split taken for projects where licencing agreements are not in place
Peak sales (2038)	EUR 707m		Model estimate
Total sales (2027-2042)	EUR 7.9bn		Model estimate

Key expenses for the product valuation

Expense	Value		Reference
Clinical trial timelines	Ph Ib/IIa trial	1.5 year	Vivoryon communication and VV estimates
	Ph IIb trial	2.5 year	
	Ph III trial	1.5 year	
	Launch (EU/US)	1 year	
	JP Bridging trial	1.5 year	
	Launch (JP)	1 year	

Clinical trial costs	in EUR m	Total costs	Vivoryon costs	Vivoryon communication and VV estimates
	Ph Ib/IIa trial	7.0	7.0	
	Ph IIb trial	25.0	25.0	
	Ph III trial	10.0		
	Launch (EU/US)	4.0		
	JP Bridging trial	7.5		
	Launch (JP)	2.0		
	Total	55.5	32.0	
Launch date	EU5: 2027			Model estimates
	US: 2027			
	Japan: 2028			
	RoW: 2029			
COGS (% of revenue)	8%			Venture Valuation estimate
Sales & Marketing (% of revenue)	20%			Venture Valuation estimate
G&A rate (% of revenue)	15%			Venture Valuation estimate
Tax rate	31.6%			Company corporate tax rate, Vivoryon

APPENDIX III: PEER GROUP SELECTION CRITERIA

Description

Peer group companies were chosen based on the global business development database Biotechgate as well as based on the company presentation of Vivoryon. From the initial universe of Alzheimer's disease companies, we excluded companies based on a range of criteria that made them ineligible as reasonable comparators to Vivoryon. The criteria used for the exclusion are listed below (2.). Each company on the resulting target list was rated according to a selection of inclusion criteria (3.) to measure their similarity to Vivoryon in terms of risk-reward profile. This target list for private and public companies was then shared with the management of Vivoryon and adjustments were made based on Vivoryon's feedback.

1. Search criteria

Diseases: Alzheimer's disease | Asset category: Therapeutics | Main sector: Biotechnology - Therapeutics and Diagnostics | Therapeutic pipeline: Phase I | Therapeutic pipeline: Phase II | Therapeutic pipeline: Phase III | Ownership: Private / independent, Publicly listed on stock exchange | Available information: Financing rounds

2. Exclusion criteria

- Significant commercial exposure through products on the market
- Too large in terms of employees
- Active in many different indications and disease areas
- Too many products in the pipeline
- Not primarily targeting the major markets (EU, US ,Japan)
- Too platform focused
- Too early or too late in development

3. Rating

Criteria	**Inclusion criteria**
Unmet need	High unmet need
Patient pop	Large patient population
Disease duration	Progressive, long-term disease
Market products	Limited number of marketed products in target indication, especially disease modifying products
PoS risk	Very high development risk (i.e. very high attrition rate)
Stage	Early signs of efficacy but no confirmatory data yet (Phase 2a-Phase 2/3)
Pipeline	Relatively small pipeline with dominant lead product (preferably not a platform company)
Company size	Small company, especially in terms of employees

4. Cross-check management

Resulting list was shared with management of Vivoryon and based on feedback the following adjustments were made: Oryzon was added and Prothena was excluded (as fit was deemed too low).

APPENDIX IV: DISCOUNTED CASH FLOW FORECAST

In EUR 000 Year	**2020 (Q4)**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**
Licensing revenues pipeline	0	0	5'191	5'845	5'451	6'138	5'724	6'445	6'010	6'767
Total Revenues	0	0	5'191	5'845	5'451	6'138	5'724	6'445	6'010	6'767
Personnel expenses	493	2'224	2'336	2'451	2'532	2'652	2'782	2'903	3'048	3'201
Other operating expenses	629	2'254	2'280	2'298	2'284	2'284	2'281	2'281	2'318	2'318
Depreciation	28	24	1	1	1	1	1	1	1	1
Total Costs	1'149	4'502	4'616	4'750	4'817	4'937	5'064	5'185	5'368	5'520
EBIT	-1'149	-4'502	575	1'096	634	1'201	660	1'259	642	1'247
Accumulated loss till 2019 -142'575	-143'724	-148'226	-147'651	-146'555	-145'921	-144'720	-144'061	-142'801	0	0
Tax relevant profit (PoS: 40%)	0	0	0	0	0	-19'157	-19'157	-19'157	642	1'247
Taxes (31.6%)	0	0	0	0	0	-6'049	-6'049	-6'049	203	394
Change in WC (20% of change in revenues)	0	0	1'038	131	-79	137	-83	144	-87	151
FCF	**-1'122**	**-4'478**	**-462**	**966**	**714**	**7'114**	**6'792**	**7'165**	**527**	**703**

APPENDIX V: LIST OF PATENTS

Details of Patents

Patent No.	Filing Date	Territory
Category: Medical treatment methods		
WO 2004/098625	05.05.2004	2x AU, CA, CN, 2x EP, IL, JP, 4x US, ZA
WO 2005/039548	15.10.2004	CA, EP, JP, 2x KR, 2x US
WO 2005/049027	29.10.2004	AU, IL, NZ, ZA
WO 2008/034891	21.09.2007	CN, 2x EP, HK, 2x IL, IN, KR, 2x MX, 2x US
WO2008/104580	28.02.2008	AU, CA, IL, JP, MX, NZ, SG, US, ZA
WO 2010/026209	04.09.2009	EP, JP, US
Category: Small-molecule inhibitors of glutaminyl cyclase		
WO 2004/098591	05.05.2004	EP, 2x US
WO 2005/075436	04.02.2005	AU, CA, CN, EA, EP, HK, IL, IN, JP, KR, MX, NZ, 2x US, ZA
WO2008/065141	28.11.2007	EP, IN, JP, US
WO 2008/110523	10.03.2008	EP, JP, US
WO 2008/128981	18.04.2008	EP, JP, US
WO 2008/128982	19.04.2008	EP, JP, US
WO 2008/128983	20.04.2008	EP, JP, US
WO 2008/128984	21.04.2008	EP, JP, US
WO 2008/128985	22.04.2008	2x EP, 2x JP, 2x US
WO 2008/128986	23.04.2008	EP, JP, US
WO 2008/055945	08.11.2007	EP, IN, JP, US
WO 2008/055947	09.11.2007	EP, IN, JP, US
WO 2008/055950	10.11.2007	EP, IN, JP, US
WO 2008/128987	18.04.2008	EP, JP, US
WO 2011/131748	21.04.2011	EP, JP, US
WO 2010/026212	04.09.2009	AU,CA,CN,EA,EP,HK,IL,IN,JP,KR,MX,NZ,US,SG,ZA
WO 2011/029920	13.09.2010	AU,CA,CN,EA,EP,HK,IL,IN,JP,KR,MX,NZ,SG,US,ZA
WO 2011/107530	03.03.2011	EP, JP, US
WO 2011/110613	10.03.2011	AU, CN, EA, EP, HK, IL, IN, JP, KR, MX, NZ, SG, 2x US, ZA
WO 2012/059413	28.10.2011	JP, US
WO 2012/123563	16.03.2012	US
WO 2012/163773	24.05.2012	2x US
WO 2014/140279	14.03.2014	AU, CN, EA, JP, NZ, SG, US

Explanatory Note: Patents pending, countries pending, diagnostic assay patents, animal model patents are all not show.

VENTURE VALUATION

ABOUT VENTURE VALUATION

Mission statement	Venture Valuation specializes in independent assessment and valuation of technology-driven companies in the Life Sciences (biotech, pharma, medtech) and other high growth industries (ICT, high-tech, nanotech, renewable energy) Besides valuation services, Venture Valuation offers high quality, focused information services based on the company's unique positioning in the industry. Through focus and unique position, Venture Valuation strives to fulfil and surpass customers' needs and add value in the partnership. Clients include investors, companies and development agencies.
Services	With access to scientific, product development, regulatory affairs, patenting and financial expertise, Venture Valuation is able to provide insightful valuation reports to customers. Company experts perform comprehensive analyses of financial and technical value while accounting for soft factors such as management experience and track record, assessment of scientific and technological quality, intellectual property and market developments and trends. A valuation report from Venture Valuation helps to highlight critical success factors and strategic elements that will drive a company's value in the long-term. Venture Valuation also has developed a sophisticated system to follow a company's progress, and provides valuation updates based on balanced scorecard measurements. Using Venture Valuation's market expertise the company offers individual product valuations and tools for licensing deal negotiations. Venture Valuation also provides information services, including Biotechgate (www.biotechgate.com), a global database containing over 55'000 life science companies. As a supplier of unique data, venture valuation is able to fully complement its valuation services with in-depth market and industry knowledge in a growing international market.
Track Record	Since 1999, Venture Valuation has worked with over 700 high growth companies and several prominent venture funds, including Novartis Venture Fund and the European Investment Bank, providing evaluations of companies and products. The solidity of Venture Valuation's approach has been validated by a number of publications, including articles in high-profile journals such as Nature Biotechnology. Venture Valuation experts are invited on a regular basis to provide seminars and courses to top-ranking business schools such as IMD and EPFL and have contributed to several books on the valuation of high growth companies.
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