



Kiadis Pharma N.V.

(a public limited liability company incorporated under the laws of the Netherlands with its registered seat in Amsterdam, the Netherlands)

Summary and Securities Note

This summary and securities note (the "**Summary and Securities Note**") is published in connection with the admission to listing and trading of up to 5,333,067 new ordinary shares (the "**New Shares**") in the capital of Kiadis Pharma N.V. (the "**Company**", and together with its consolidated subsidiaries "**Kiadis**") under the symbol "KDS" on Euronext Amsterdam, a regulated market operated by Euronext Amsterdam N.V. ("**Euronext Amsterdam**"), and on Euronext Brussels, a regulated market operated by Euronext Brussels NV/SA ("**Euronext Brussels**", and together with Euronext Amsterdam, "**Euronext**") under ISIN Code NL0011323407.

3.684.200 of the New Shares (the "**Private Placement Shares**") are issued and admitted to trading on Euronext in connection with a private placement (the "**Private Placement**") of New Shares with institutional and other qualifying investors (the "**Participating Investors**") at a price per Private Placement Share of €7.50 that Kiadis announced on May 30, 2019, and between 1,466,167 and 1,648,867 of the New Shares (the "**Transaction Shares**") are issued and admitted to trading on Euronext in connection with the definitive agreement to acquire US-based CytoSen Therapeutics, Inc. ("**CytoSen**") which Kiadis on April 17, 2019 announced it has entered into, subject to approval by Kiadis' general meeting of shareholders and customary closing conditions (the "**Transaction**"), in relation to which acquisition the consideration payable by Kiadis consist of shares in the capital of the Company.

This document constitutes and encompasses a Summary (see Chapter 1) and a Securities Note (see Chapters 2 through 7) for the purpose of article 6 of EC Regulation 809/2004 and has been prepared pursuant to article 5:2 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the "**Financial Supervision Act**") and the rules promulgated thereunder. This Summary and Securities Note has been approved by, and filed, with the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, "**AFM**").

This Summary and Securities Note may only be used in connection with the admission to listing and trading of the New Shares and constitutes a prospectus in accordance with Directive 2003/71/EC, when supplemented by the registration document for the purpose of article 4 of EC Regulation 809/2004, dated May 31, 2019 (the "**Registration Document**", and together with this Summary and Securities Note, the "**Prospectus**") that has been approved on such date by the AFM. The Prospectus will be notified to the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers*, the "**FSMA**") for passporting in accordance with article 18 of the Prospectus Directive.

Capitalized terms used but not (otherwise) defined herein are used as defined in the Registration Document.

The date of this Summary and Securities Note is May 31, 2019 (the "**Summary and Securities Note Date**").

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1. SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A-E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.







Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A — Introduction and warnings		
A.1	Introductions and warnings	<p>This summary should be read as an introduction to the Prospectus.</p> <p>Any decision to invest in Shares or us should be based on consideration of the Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States of the Economic European Area, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled this summary, including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or if it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in Shares or us.</p>
A.2	Consent, indication, conditions and notice	<p>Not applicable. No consent has been granted by us for the use of the Prospectus for a subsequent resale or final placement of securities by financial intermediaries. The Prospectus does not constitute an offer to buy, subscribe or sell Shares.</p>
Section B — Issuer		
B.1	Legal and commercial name company	<p>The legal name of the Company is Kiadis Pharma N.V. Our commercial name is Kiadis Pharma.</p>
B.2	Domicile,	<p>The Company is a public limited liability company (<i>naamloze vennootschap</i>)</p>

	legal form, legislation and country of incorporation	incorporated under the laws of the Netherlands with its registered seat in Amsterdam, the Netherlands and its registered address at Paasheuvelweg 25A, 1105 BP Amsterdam, the Netherlands. The Company is registered with the Trade Register of the Chamber of Commerce of Amsterdam, the Netherlands, under number 63512653.
B.3	Current operations and principal activities	<p><i>Our Business</i></p> <p>We are building a fully integrated biopharmaceutical company to maximize the potential of ATIR, our proprietary cell-based immunotherapy platform. Our lead program, ATIR101, is focused on helping improve outcomes for patients with blood cancers who are in urgent need of stem cell transplants. ATIR101 is a patient-specific T-cell therapy designed to be delivered following a haploidentical hematopoietic stem cell transplant (HSCT), in order to support the patient's newly transplanted immune system before it becomes fully functional. We manufacture ATIR101 ex vivo from donor T-cells by selectively depleting harmful donor T-cells that can attack patient tissue and cause Graft versus Host Disease (GVHD), while retaining those T-cells that fight relapse and infections. We believe that ATIR can improve haploidentical HSCT outcomes and treatment options, thereby enabling the use of haploidentical HSCT in a broader range of patient groups and a broader range of diseases of the blood or immune system. We believe that as therapies, like ATIR101, are approved, the number of patients receiving haploidentical HSCTs will increase significantly, as physicians move away from matched unrelated donor transplants due to the time and consequences of waiting to find a donor. We estimate that, over time, a substantial target population could potentially benefit from ATIR as an adjunctive therapy to haploidentical HSCT. This reflects the continued growth of allogeneic transplantations from the current >30,000 a year in the EU and the US, and a continuation of the current rapid growth of haploidentical HSCTs, from the estimated 3,800 haploidentical HSCT performed in 2016.</p> <p>We are initially developing our lead product candidate, ATIR101, for use in conjunction with haploidentical HSCT for adult blood cancers to address key limitations of haploidentical HSCT, without prophylactic immunosuppression and its associated morbidity and mortality. Based on the positive results from our single dose Phase II CR-AIR-007 study, we submitted a Marketing Authorization Application (MAA), to the to the European Medicines Agency (EMA), in April 2017 for approval of ATIR101 as an adjunctive treatment in haploidentical HSCT for high risk adult hematological malignancies. We submitted responses to the EMA's Day 180 List of Issues in August 2018. In October 2018, we received a second Day 180 List of Issues, to which we responded on May 22, 2019. The second Day 180 List of Issues is a common step in the EMA review process. Addressing the second Day 180 List of Issues did not require new experimental or new clinical data to be generated, and was focused on one remaining major observation. We have thoroughly analyzed this observation and as part of our answers have created multiple analyses of existing clinical data to address this observation, including analyses of various (pooled) ATIR and historical control data. We aim to receive a CHMP opinion in 2019 – in June 2019 at the earliest - which, if positive, would enable us to receive a conditional marketing approval from the European Commission, followed by commercial use of ATIR101 in a first patient in a European country at the end of 2019. Conditional marketing approval is a regulatory pathway in the EU that permits commercialization subject to completing</p>

specified obligations, such as the performance of a confirmatory clinical trial and annual renewals

The status of ATIR101 for adult blood cancers is as set forth in the table below.

Region	Phase I	Phase II	Phase III	Filing	Catalysts	Commercial Rights	Comments
EU					<ul style="list-style-type: none"> EU Approval '19 EU Launch: one patient, late '19 		Received EMA Day 180 2 nd List of Issues (9/2018)
US					<ul style="list-style-type: none"> Phase 3 interim read out ('21; 105 events) 		RMAT 'breakthrough' designation (9/2017; FDA access, priority review, support)

**Filing completed in the European Union based on Phase II clinical data for conditional marketing approval.

In December 2017, we commenced an international, multicenter, randomized and controlled Phase III clinical trial of ATIR101 against the PTCy protocol (post-transplant cyclophosphamide (PTCy) or 'Baltimore' protocol), the main protocol used to perform a haploidentical HSCT. The trial will be performed in 250 patients with acute leukemia and myelodysplastic syndrome (MDS), at approximately 50 sites in the United States, Canada, Europe and certain additional countries. The trial's primary endpoint is GVHD-Free and Relapse-Free Survival (GRFS), which is defined as survival without acute GVHD grade III/IV, without chronic GVHD requiring systemic immunosuppression, and without relapse, and is a composite endpoint widely used in HSCT trials that captures survival, quality of life and future prognosis. The first patient was enrolled in December 2017. An interim analysis of the composite primary endpoint is planned when at least 105 events of either graft-versus-host disease, relapse or death, and Kiadis estimates this interim analysis to occur in 2021 after completion of enrollment in the study.

If successful, we intend to use data from this Phase III trial as a basis for the filing of a Biologics License Application (BLA) with the U.S. Food and Drug Administration (FDA). The FDA has informed us that because GRFS is a novel endpoint, it would review acceptability of GRFS in connection with our marketing application. We also plan to use data from the Phase III trial to support the conversion of the anticipated conditional marketing approval of ATIR101 in Europe into a standard marketing approval. ATIR101 received regenerative medicine advanced therapy (RMAT) designation from the FDA in September 2017, which provides benefits that are materially equivalent to a breakthrough designation from the FDA. In addition, ATIR101 has been granted multiple orphan drug designations both in the European Union and the United States.

HSCT Background

HSCT is an established treatment for blood cancers and inherited blood diseases in which the diseased bone marrow, the underlying root cause of the disease, is first ablated, or destroyed, with chemotherapy alone and, in some cases, radiation therapy with or without chemotherapy, and then replaced with a graft of donor hematopoietic stem cells, from which the new immune and blood system of the patient will be reconstituted, and mature donor leukocytes, or white blood cells. Approximately 84% of all HSCT is performed in adults. While approximately 55% and 52% of allogeneic HSCT is performed in patients with acute leukemia in Europe and the United States, respectively, and approximately 85% and 84% of

allogeneic HSCT is performed in patients with blood cancers and related conditions more broadly in Europe and the United States, respectively. Despite being potentially curative, use of HSCT is constrained by lack of donors, low effectiveness and the inherent risk of causing GVHD in patients. GVHD occurs when certain T-cells from the donor (i.e., the graft) recognize the patient's tissues as foreign and attack the patient (i.e., the host). GVHD can cause rash and severe skin disease, ulceration, severe GI tract disease, liver cirrhosis, immunodeficiency, infections, muscle constriction, lung disease, thyroid dysfunction and eye disease. In its acute form, GVHD can be life threatening, and as a chronic disease it can be severely debilitating.

In order to mitigate the risk of GVHD, HSCT has been historically preferentially performed with a graft from a genetically matched donor. According to an article published in the New England Journal of Medicine in 2014, however, depending on genetic background, between approximately 25% (e.g. White European) and 80% (e.g. African American) of patients who are eligible for HSCT will not find an adequately matched donor in time. In 2012, it was estimated that 13,500 eligible patients in the United States failed to receive a stem cell transplant. Use of genetically half-matched, or haploidentical, donors (such as parents, children and, in many cases, other relatives of the patient) can address donor availability limitations. However, mature donor T-cells of a half-matched donor in a haploidentical HSCT may carry the risk of severe and potentially lethal GVHD.

To mitigate risk of GVHD in haploidentical HSCT caused by mature T-cells, clinicians originally developed a protocol in which mature T-cells are removed ex vivo and only stem cells are infused (T-cell depleted haploidentical HSCT); however, while T-cell depleted haploidentical HSCT has resulted in significantly lower rates of GVHD, this approach was hampered by high infections and nonrelapse mortality (NRM).

In order to address these outcomes, the PTCy protocol, originating at Johns Hopkins University in Baltimore, MD, United States, and thus also commonly referred to as the Baltimore protocol, was developed for haploidentical HSCT. Under the PTCy protocol, a transplant is performed with a graft that includes both stem cells and mature T-cells being infused into the patient, causing patient-specific T-cells to become activated. Activated donor T-cells are then depleted with cyclophosphamide, a chemotherapy agent, immediately after the transplant in the patient and subsequently suppressed with prophylactic immunosuppression. A recent retrospective literature review published in Advances in Hematology shows that the PTCy protocol resulted in a lower rate of GVHD and a higher relapse rate than genetically matched unrelated donors (MUD) HSCT, with similar survival. Moreover, with haploidentical HSCT, patients do not have to wait for a matched donor, which many may not find at all. As a result of these benefits, the number of haploidentical transplants has grown threefold in four years.

Although the use of the PTCy protocol has expanded the use of HSCT, the PTCy protocol's use of cyclophosphamide and immunosuppression is associated with secondary malignancies, severe toxicities and compromises the Graft-versus-Leukemia ("GVL") effect of transplanted donor cells. At the one year follow-up point, we estimate, based on a review of available literature, that almost 30% of PTCy protocol patients relapse and approximately a quarter of patients suffer from chronic GVHD. High rates of relapse and GVHD are also reflected in the long term GRFS outcomes of approximately a third for PTCy patients, as reported in

publications by Solh 2016 (Northside, Atlanta) and McCurdy 2017 (Johns Hopkins, Baltimore). We believe new haploidentical HSCT approaches that provide clinically meaningful benefits over the PTCy protocol would further contribute to the growth of haploidentical HSCT procedures.

Our Solution

Our lead product candidate, ATIR101, is an adjunctive treatment to a haploidentical T-cell depleted HSCT. We are initially developing ATIR101 for use in conjunction with haploidentical HSCT for adult blood cancers to address key limitations of haploidentical HSCT. With ATIR101 as adjunctive treatment to a haploidentical T-cell depleted HSCT, we believe we can improve overall survival (OS) and non-relapse mortality (NRM) of a haploidentical T-cell depleted HSCT without ATIR101, while retaining lower relapse and GVHD rates, without prophylactic immunosuppression and its associated mortality or morbidity. Furthermore, we have commenced a Phase III trial that is designed to show superiority in GRFS of ATIR101 compared to the PTCy protocol.

In our international Phase II CR-AIR-007 trial, a single dose of ATIR101 given in 23 patients after a T-cell depleted haploidentical HSCT led to a reduction in the primary endpoint, transplant related mortality (TRM) (which is referred to interchangeably with NRM), at six months (reduced from 37% to 13%, modified intent to treat (MITT), the primary endpoint of the trial), and a clinically meaningful increase in overall survival ("OS"), at 12 months (increased from 20% to 61%, MITT) when compared with data from our non-interventional CR-AIR-006 trial, which observed a cohort of patients who received only a T-cell depleted haploidentical HSCT. These results, if observed in a randomized, controlled clinical trial, would represent a p-value of 0.0035. P-value is a conventional statistical method for measuring the statistical significance of clinical trial results. A p-value of less than 0.05 is generally considered to represent statistical significance, meaning that there is a less than five percent likelihood that the observed results occurred by chance. Even though patients did not receive prophylactic immunosuppressants, the single dose of ATIR101 in CR-AIR-007 did not cause severe acute GVHD, and only one patient developed chronic GVHD. In our subsequent CR-AIR-008 trial, a single dose of ATIR101 after a T-cell depleted haploidentical HSCT demonstrated higher survival than in CR-AIR-007, while only two patients developed acute GVHD grade III/IV after infusion of a single dose of ATIR101. GRFS at 12 months in CR-AIR-007 was 54%, and in CR-AIR-008 was 55% (ITT, single dose)

In response to 120 Day List of Questions from the EMA, we have also performed and submitted to the EMA additional analyses, pooling results from CR-AIR-007 with those from patients in CR-AIR-008 who received a single dose of ATIR101. We have compared these results to those for patients that received a T-cell depleted haploidentical HSCT without ATIR from CR-AIR-006 pooled with CR-AIR-004. We believe that pooling of the studies is appropriate because the design of the studies is aligned, with similar in/exclusion criteria and overlapping centers participating. Comparison of the demographics and baseline disease characteristics confirms that the patient populations of the studies were similar. In the pooled results from CR-AIR-007 trial with those from patients in CR-AIR-008 who received a single dose of ATIR101, a single dose of ATIR101 given in 37 patients after a T-cell depleted haploidentical HSCT led to a clinically meaningful reduction in the primary endpoint, TRM, at six months (reduced from 36% to 13%,

MITT), and a clinically meaningful increase in OS at 12 months (increased from 23% to 58%, ITT) when compared with pooled data from our non-interventional CR-AIR-006 trial and CR-AIR-004. These results, if observed in a randomized, controlled clinical trial, would represent a p-value of 0.005 (OS 0-12 months) and 0.02 (NRM 0-6 months). In the pooled results, the average rate of different grades of GVHD in the T-cell depleted haploidentical HSCT with ATIR101 and without ATIR101 were similar. The analyses demonstrate that adding ATIR101 to a T-cell depleted HSCT provides clinically meaningful benefits to OS and NRM, without increasing GVHD.

We are conducting an international, multi-center, randomized and controlled Phase III clinical trial with a head-to-head comparison of a haploidentical HSCT with ATIR101 against the PTCy protocol in 250 patients with acute leukemia and myelodysplastic syndrome, or MDS, at approximately 50 sites in the United States, Canada and Europe. Following our interactions with the FDA and regulators in the European Union, we designed this trial to support marketing approval of ATIR101 in the United States, as well as to support the conversion of the conditional marketing approval of ATIR101 in Europe into a standard marketing approval. The trial's primary endpoint is GRFS. The FDA has informed us that it considers GRFS to be a novel endpoint and it will review the acceptability of which in connection with our marketing application. The first patient for this study was enrolled in December 2017.

We have retained worldwide development and commercialization rights for ATIR101. If approved, we believe we are well positioned to and intend to independently commercialize ATIR101 in the European Union and North America through our own commercial organization and may seek partners in other regions such as in China. We believe we can market ATIR101 with a relatively small infrastructure, as the stem cell transplant community has a small number of key opinion leaders (KOLs) and is concentrated among relatively few stem cell transplant centers. For example, there are only approximately 63 stem cell transplant centers in France, Germany, Italy, and the United Kingdom. In 2016 in the United States, approximately 27 stem cell transplant centers performed 50% of the allogeneic HSCTs. In addition, the ongoing Phase III study is allowing us to continue to build strong relationships within the international stem cell transplant community. We have started building our own patient-specific cell therapy commercial, market access, medical affairs, manufacturing and supply chain infrastructure, including our own manufacturing facility in the Netherlands to support our early requirements in Europe. We believe our proprietary manufacturing platform has the potential for an attractive cost of goods profile and lower capital expenditures relative to other personalized cell or gene therapy approaches, such as chimeric antigen receptor T-cell therapy (CAR-T), which involves removing T-cells from patients, genetically modifying them and transplanting them back into the patient.

In the future, we intend to develop ATIR101 for pediatric blood cancer patients, and as an adjunctive therapy to haploidentical HSCT performed with other protocols, such as the PTCy protocol and α/β T-cell depleted HSCT. In addition, HSCT is at times currently performed to address inherited blood disorders (e.g., thalassemia or sickle cell anemia), inherited immune disorders (e.g., severe combined immunodeficiency) and autoimmune disease (e.g., multiple sclerosis or lupus), and we believe ATIR could be developed as an adjunctive therapy to haploidentical HSCT for these indications. Also, we aim to expand to other regions,

	<p>such as China, where haploidentical HSCT is often the only available treatment due to small family sizes and lack of donor registries.</p> <p><i>Our Strengths</i></p> <p>We believe we possess a combination of strengths that will allow us to successfully develop our cell-based immunotherapy business, including the following:</p> <ul style="list-style-type: none"> • We have strong clinical data for ATIR101 addressing an important unmet need. • Our near-term commercial opportunity for ATIR101 has a defined regulatory path to market. • We have retained worldwide commercial rights for ATIR101 allowing for independent commercialization. • There is a broad potential applicability of our ATIR platform across indications and haploidentical HSCT approaches. • We have an efficient manufacturing and supply chain infrastructure for patient-specific, cell-based product candidates. • We have seasoned leadership, with a track record at companies including Ablynx, Actelion, Amgen, AstraZeneca, Crucell, Johnson & Johnson, Medivation, Keryx and Novartis. <p><i>Our Strategy</i></p> <p>Our vision is to leverage the strengths of the human immune system to help patients with life-threatening diseases as we build a fully integrated biopharmaceutical company. We aim to maximize the value of our first potential therapy, ATIR101, our proprietary cell-based immunotherapy platform being developed to help improve outcomes for blood cancer patients undergoing a haploidentical HSCT. Over time, we plan to expand our pipeline with development of ATIR for additional indications and/or through the in-license or acquisition of other cell therapy and haploidentical HSCT products.</p> <p>Our strategy to achieve this vision and long-term value creation is as follows:</p> <ul style="list-style-type: none"> • Obtain (conditional) regulatory approval in the European Union for ATIR101 and launch at the end of 2019. • Continue to advance the Phase III development of ATIR101 as a basis for regulatory approval in the United States and other territories. • Commercialize ATIR101 through our own supply chain and commercial organization. • Expand the use of ATIR within blood cancers and in other diseases of the
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		<p>blood and immune system.</p> <ul style="list-style-type: none"> • Leverage our personalized cell-based immunotherapy platform to expand our suite of product candidates. <p>On April 17, 2019, we announced that Kiadis Pharma N.V., its wholly owned subsidiary CST Acquisition Corp. ("CST"), CytoSen and Philip R. McKee as representative of the CytoSen shareholders have entered into a binding agreement (the "CytoSen Acquisition Agreement") regarding the acquisition by us of the entire share capital of CytoSen, subject to the approval of Kiadis Pharma's general meeting of shareholders (the "General Meeting") and other customary closing conditions.</p> <p>We believe that the Transaction will enable us to create a leading cell-based cancer immunotherapy company by adding CytoSen's complementary natural killer (NK)-cell therapy platform to our T-cell therapy platform. We believe that this unique combination has the potential to revolutionize hematopoietic stem cell transplants (HSCT) and enables us to create a pipeline of innovative treatments for cancer patients. For more information on CytoSen and the Transaction, see paragraph 7.3 of the Registration Document.</p>
<p>B.4 a</p>	<p>Most significant recent trends affecting Kiadis and industries in which it operates</p>	<p><i>Market opportunity for ATIR101</i></p> <p>We believe that our target patient population consists of all patients eligible for an HSCT who cannot find a genetically matched related donor. This includes all patients who would currently receive haploidentical, cord blood or MUD HSCT, as well as patients that are currently unable to find a suitable donor at all. We estimate that, over time, a target population in excess of approximately 50,000 patients per year collectively in Europe and the United States could potentially benefit from ATIR as an adjunctive therapy to haploidentical HSCT. This reflects the continued growth of allogeneic transplantations from the current >30,000 a year in US and EU, and a continuation of the current rapid growth of haploidentical HSCTs, from the estimated 3,800 haploidentical HSCT performed in 2016.</p> <p>We believe the growth of haploidentical HSCT towards this target population will continue to accelerate, driven by further acceptance of the PTCy protocol and its benefits over the MUD HSCT, as well as a decline in the availability of matched donors due to increased genetic diversity in the population. An improved outcome with ATIR101 over the PTCy protocol will further support and drive such growth for haploidentical HSCT.</p> <p>Currently approximately 85% of current HSCT is performed in patients with blood cancers and related conditions, 85% and 84% of whom are in Europe and the United States, respectively. As a result, we believe our Phase II and Phase III data, if positive, will support adoption in the vast majority of this market. To further support adoption, we intend to initiate additional studies in pediatric patients and with ATIR101 as an adjunctive T-cell product after other haploidentical HSCT protocols, such as α/β T-cell depleted HSCT or the PTCy protocol.</p> <p>To assess the potential adoption of ATIR, we have performed market research. We surveyed 50 transplant specialists and KOLs at transplant institutions that</p>

performed approximately 43% of allogeneic HSCTs in malignant diseases in 2016 in the United States. Clinicians were asked to consider whether they would use ATIR if it would have a hypothetical OS benefit over PTCy and hypothetical GRFS benefit over PTCy. In the hypothetical scenario where ATIR had an 18% GRFS benefit but no OS benefit over PTCy, clinicians surveyed stated that they would recommend ATIR for use in 49-51% of their HSCT transplants, and in the hypothetical scenario where ATIR had a 23% GRFS benefit and a 5% OS benefit over PTCy, clinicians surveyed stated that they would recommend ATIR for use in 60-61% of their HSCT transplants. A European survey showed similar results.

We believe that our ATIR platform can potentially benefit a broader range of settings outside of blood cancers, including the use of haploidentical HSCT for inherited blood disorders (e.g., thalassemia or sickle cell anemia), inherited immune disorders (e.g., severe combined immunodeficiency) and auto-immune diseases (e.g., multiple sclerosis and lupus). Currently a haploidentical HSCT is only very rarely performed in those indications, among others, due to the inherent risk of replacing a chronic disease with GVHD. We believe the use of ATIR can potentially result in improved patient outcomes and transform haploidentical HSCT into a much more widely-used treatment option for these indications.

Finally, we also aim to expand to other regions in the future, such as China, where haploidentical HSCT may be the only available treatment due to small family sizes and limited donor registries.

Competition

The biotechnology industry is characterized by rapidly advancing technologies, intense competition and a strong emphasis on intellectual property. We face competition from different sources, including from academic centers, as well as from a number of large and specialty biotechnology and pharmaceutical companies. Many of our competitors and potential competitors have substantially greater scientific, research and product development capabilities as well as greater financial, manufacturing, marketing and human resources than we do. In addition, there is intense competition to contract clinical trial sites and register patients for clinical trials. Many specialized biotechnology firms have formed collaborations with large, established companies to support the research, development and commercialization of products that may be competitive with ours. And many other biotech and pharmaceutical companies are competing for the same potential staff. Accordingly, our competitors may be more successful than we may be in developing, manufacturing, commercializing and achieving widespread market acceptance.

With respect to competitors for our ATIR product candidate, there are a number of protocols and treatments that are in late stage development by biotechnology and pharmaceutical companies.

- MolMed and Bellicum: Like ATIR, MolMed SpA (MolMed) (Zalmoxis), and Bellicum Pharmaceuticals, Inc. (Bellicum) (BPX501), are pursuing infusion of mature immune cells to provide immediate protection after a T-cell depleted HSCT. To address the risk of GVHD when it occurs after a transplant, Molmed and Bellicum engineer these mature immune cells with a gene that can trigger "cell suicide", or apoptosis, of the immune cells in the patient upon dosing of a

		<p>suicide agent. In the case of MolMed the suicide agent is ganciclovir, which is also commonly used as an antiviral agent to treat CMV. In the case of Bellicum this agent is rimiducid. MolMed has obtained a conditional EMA approval for Zalmoxis as adjunctive to a haploidentical donor HSCT in August 2016 and is establishing pricing and reimbursement in Europe. Pricing of Zalmoxis has been established in Italy and Germany, while the French National Health Authority (HAS) has rejected the reimbursement of Zalmoxis pending more clinical data. Bellicum is conducting several Phase I/II studies with BPX-501 as adjunctive to a haploidentical HSCT in patients with blood cancers and inherited blood disorders, both pediatric and adult, and has communicated its intent to submit a MAA with the EMA in 2019.</p> <ul style="list-style-type: none"> • Miltenyi: Another approach to enable haploidentical transplantations relies on the depletion of CD3 and CD19 or of α/β T-cells from the donor graft while preserving other populations of T-cells. Miltenyi Biotech (Miltenyi), has developed its CliniMACS cell sorter equipment to perform such T-cell depletions, and is involved in various clinical trials. Miltenyi is marketing CliniMACS in the United States and Europe and CliniMACS is also used to perform the CD34+ cell selection in the ATIR clinical programs to date. • Gamida: Gamida Cell Ltd. (Gamida), has been working to address the limitations in number of umbilical cord stem cells available by developing methods to expand them in the laboratory to have sufficient numbers for efficient transplantation and engraftment. Gamida's lead product NiCord® is under development for patients that do not find a matching donor and as an alternative to haploidentical transplantation. Gamida has initiated a Phase III study with NiCord® in patients with hematological malignancies in November 2016, which is estimated to be completed in December 2019. <p>In addition to the above, many other physician supported transplant protocols, GVHD treatment options and blood cancer therapy approaches, such as the CAR-T, are being developed.</p>																								
B.5	Description of the Group and the Company's position therein	Kiadis Pharma N.V. is the holding company of the Kiadis corporate group and has no material direct business operations. Kiadis Pharma N.V.'s principal assets are the equity interests it holds in its operating subsidiaries.																								
B.6	Major Shareholders	<p>According to notifications made to the AFM as set out in the register on substantial holdings as at the day immediately preceding the Summary and Securities Note Date, the following parties held a substantial holding of at least 3% of our share capital and/or voting rights.</p> <table border="1"> <thead> <tr> <th>Name and date of notification</th> <th># of Shares</th> <th># of voting rights</th> <th>% of Shares⁽¹⁾</th> <th>% of voting rights⁽²⁾</th> <th>Capital interest</th> <th>Voting interest</th> <th>Holding</th> </tr> </thead> <tbody> <tr> <td>Esprit Nominees Limited October 23, 2018</td> <td>3,342,647</td> <td>3,342,647</td> <td>13.73</td> <td>13.73</td> <td>Actual</td> <td>Actual</td> <td>Direct</td> </tr> <tr> <td>Achmea Pensioen- en</td> <td>2,208,607</td> <td>2,208,607</td> <td>9.07</td> <td>9.07</td> <td>Actual</td> <td>Actual</td> <td>Indirect⁽³⁾</td> </tr> </tbody> </table>	Name and date of notification	# of Shares	# of voting rights	% of Shares ⁽¹⁾	% of voting rights ⁽²⁾	Capital interest	Voting interest	Holding	Esprit Nominees Limited October 23, 2018	3,342,647	3,342,647	13.73	13.73	Actual	Actual	Direct	Achmea Pensioen- en	2,208,607	2,208,607	9.07	9.07	Actual	Actual	Indirect ⁽³⁾
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		<p>Levensverzekeringen N.V. October 23, 2018</p> <table border="1"> <tr> <td>Life Sciences Partners II B.V.</td> <td>1,656,458</td> <td>1,656,458</td> <td>9.58</td> <td>9.58</td> <td>Actual</td> <td>Actual</td> <td>Direct</td> </tr> </table> <p>October 12, 2017</p> <table border="1"> <tr> <td>Lenildis Holding B.V.⁽⁴⁾</td> <td>1,214,027</td> <td>1,214,027</td> <td>4.99</td> <td>4.99</td> <td>Actual</td> <td>Actual</td> <td>Direct</td> </tr> </table> <p>October 23, 2018</p> <p>⁽¹⁾ Percentage regards the number of Shares notified on the date of notification, related to the total number of Shares outstanding on such date. ⁽²⁾ Percentage regards the number of voting rights notified on the date of notification, related to the total number of voting rights outstanding on such date. ⁽³⁾ Interest held indirectly via Life Sciences Partners B.V. Organizational chart available in the AFM register. ⁽⁴⁾ Lenildis Holding B.V. is a pooling entity that holds its interest in us on behalf of amongst others Pro-Ventures I B.V., a company of which Mr. Martijn Kleijwegt is the sole shareholder and managing director, and LSP Management Group B.V., a company of which (i) Mr. Mark Wegter is shareholder and (ii) Mr. Martijn Kleijwegt is shareholder and a managing director.</p> <p>The table above sets out the substantial holdings of each of the named parties as at dates on which its obligation to notify the same to the AFM arose. The number of Shares or voting rights as well as the percentage of Shares or voting rights held by these parties at the Summary and Securities Note Date may be different.</p> <p>Except as disclosed above, we are not aware of any other person or legal entity that, as of the Summary and Securities Note Date, has a direct or indirect capital or voting interest in us of 3% or more. None of the parties listed above has voting rights that differ from other holders of Shares. Each Share entitles the holder thereof to one vote at the General Meeting.</p> <p>We are not aware of any party, or parties acting in concert that, directly or indirectly, control the vote at any General Meeting, nor are we aware of any arrangement, the operation of which may result in a change of control in relation to us.</p>	Life Sciences Partners II B.V.	1,656,458	1,656,458	9.58	9.58	Actual	Actual	Direct	Lenildis Holding B.V. ⁽⁴⁾	1,214,027	1,214,027	4.99	4.99	Actual	Actual	Direct						
Life Sciences Partners II B.V.	1,656,458	1,656,458	9.58	9.58	Actual	Actual	Direct																	
Lenildis Holding B.V. ⁽⁴⁾	1,214,027	1,214,027	4.99	4.99	Actual	Actual	Direct																	
B.7	Selected key historical financial information	<p>You should read the following selected financial and operating data in conjunction with the consolidated financial statements and related notes included in the Registration Document and in Chapter 6 (Operating and Financial Review) of the Registration Document. Our historical results for any prior period are not necessarily indicative of results to be expected in any future period.</p> <p>The financial statements and interim financial statements from which the selected consolidated financial information set forth below has been derived, were prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.</p> <p>Selected consolidated income statement data</p> <table border="1"> <thead> <tr> <th rowspan="3"></th> <th colspan="3">For the year ended December 31</th> </tr> <tr> <th>2018</th> <th>2017</th> <th>2016</th> </tr> <tr> <th colspan="3">Audited</th> </tr> <tr> <th></th> <th colspan="3">(€ in thousands, except per share data)</th> </tr> </thead> <tbody> <tr> <td>Revenues</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Other income</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>		For the year ended December 31			2018	2017	2016	Audited				(€ in thousands, except per share data)			Revenues	-	-	-	Other income	-	-	-
	For the year ended December 31																							
	2018	2017		2016																				
	Audited																							
	(€ in thousands, except per share data)																							
Revenues	-	-	-																					
Other income	-	-	-																					

Research and development expenses	(17,468)	(11,215)	(8,206)
General and administrative expenses	(7,733)	(4,905)	(3,202)
Total operating expenses	(25,201)	(16,120)	(11,408)
Operating loss	(25,201)	(16,120)	(11,408)
Interest income	-	-	13
Interest expenses	(4,302)	(2,285)	(1,571)
Other net finance (expenses) income	(288)	1,372	(1,827)
Net finance (expenses)	(4,590)	(913)	(3,385)
Loss before tax	(29,791)	(17,033)	(14,793)
Income tax expenses	(10)	(5)	(1)
Loss for the period	(29,801)	(17,038)	(14,794)
Basic and diluted loss per share	(1.46)	(1.14)	(1.08)
Weighted average number of ordinary shares ¹	20,450,398	14,950,701	13,754,725

(1) The basic loss per share is based on the weighted average number of ordinary shares of the Company outstanding during the years presented. The calculation of diluted loss per share has been based on a weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. Both stock options and warrants were excluded from the diluted weighted-average of ordinary shares calculation because their effect would have been anti-dilutive. As a result, diluted loss per share equals basic loss per share.

Selected consolidated balance sheet statement data

	As of December 31		
	2018	2017	2016
	Audited		
	(€ in thousands)		
Assets			
Property, plant and equipment	7,720	602	536
Intangible assets	12,368	12,830	13,540
Total non-current assets	20,088	13,432	14,076
Trade and other receivables	729	582	230
Deferred expenses	1,413	767	351
Cash and cash equivalents	60,314	29,906	14,559
Total current assets	62,456	31,255	15,140
Total assets	82,544	44,687	29,216
Equity			
Share capital	2,434	1,729	1,397
Share premium	180,553	124,413	103,200
Translation reserve	298	295	307
Warrant reserve	392	1,275	-
Accumulated deficit	(139,533)	(111,853)	(95,463)
Equity attributable to equity holders	44,144	15,859	9,441
Liabilities			
Loans and borrowings	21,836	21,599	15,605
Lease liabilities	5,255	-	-
Derivatives	-	1,445	-
Employee benefits	-	540	-
Total noncurrent liabilities	27,091	23,584	15,605
Loans and borrowings	5,308	1,789	1,555
Lease liabilities	1,033	-	-
Trade and other payables	4,968	3,455	2,615
Total current liabilities	11,309	5,244	4,170
Total liabilities	38,400	28,828	19,775
Total equity and liabilities	82,544	44,687	29,216

B.8 Selected key pro forma financial
The following Unaudited Pro Forma Consolidated Financial Information has been prepared to illustrate the impact of the Transaction, as if it had occurred on January 1, 2018 for the purposes of the income statement and on December 31, 2018 for the purposes of the statement of financial position.

information

The Unaudited Pro Forma Consolidated Financial Information has been prepared in accordance with Commission Regulation (EC) No 809/2004. The Unaudited Pro Forma Financial Information have not been prepared in accordance with the rules or regulations of the United States Securities and Exchange Commission (SEC), and is not compliant therewith or any other comprehensive basis of preparation. Any use of this information should take this fully into consideration.

The Unaudited Pro Forma Consolidated Financial Information includes the historical results of Kiadis and CytoSen, each of which are presented in accordance with IFRS as adopted by the European Union, and adjusted as described below.

In the case of the US GAAP historical results of CytoSen, this information and other information in connection with the Transaction and CytoSen has been received from CytoSen. Under IFRS, as reflected in the Unaudited Pro Forma Consolidated Financial Information (see second column headed "CytoSen" of the unaudited pro forma consolidated income statement for the year ended December 31, 2018), each instalment of an option grant (or "share based payment award") is separately measured and attributed to expense over the related vesting period, which accelerates the expense recognition compared to US GAAP. We assume there are no other differences between US GAAP and IFRS that would have a material impact on the Unaudited Pro Forma Consolidated Financial Information.

The Unaudited Pro Forma Consolidated Financial Information has been prepared for illustrative purposes only, and because of its nature addresses a hypothetical situation and therefore does not represent the actual financial position or results of operations as of December 31, 2018. Accordingly, you should not place undue reliance on the Unaudited Pro Forma Consolidated Financial Information.

Unaudited pro forma consolidated income statement for the year ended December 31, 2018

(€ in thousands)

	Kiadis ⁽¹⁾	CytoSen ⁽²⁾	Pro forma Transaction adjustment	Pro forma combined group
	Audited	Unaudited	Unaudited	Unaudited
Revenues	-	-	-	-
Other income	-	-	-	-
Research and development expenses	(17,468)	(3,670)	-	(21,138)
General and administrative expenses	(7,733)	(1,554)	-	(9,287)
Total operating expenses	(25,201)	(5,224)	-	(30,425)
Operating loss	(25,201)	(5,224)	-	(30,425)
Interest income	-	74	-	74
Interest expenses	(4,302)	-	-	(4,302)
Other net finance (expenses) income	(288)	-	-	(288)
Net finance (expenses) income	(4,590)	74	-	(4,517)
Loss before tax	(29,791)	(5,150)	-	(34,941)
Income tax expenses	(10)	-	-	(10)
Loss for the period	(29,801)	(5,150)	-	(34,951)
Other comprehensive income	-	-	-	-
Foreign currency translation difference for foreign operations	3	(167)	-	(164)
Related tax	-	-	-	-
Other comprehensive income for the period, net of tax	3	(167)	-	(164)
Total comprehensive income for the period	(29,798)	(5,317)	-	(35,115)
Loss attributable to owners of the company	(29,801)	(5,150)	-	(34,951)
Total comprehensive income attributable to owners of the company	(29,798)	(5,317)	-	(35,115)

Unaudited pro forma consolidated balance sheet as at December 31, 2018

<i>(€ in thousands)</i>	Kiadis ⁽¹⁾	CytoSen ^{(2), (3)}	Pro forma Transaction adjustment ^{(3), (4)}	Pro forma combined group
	Audited	Unaudited	Unaudited	Unaudited
Assets				
Property, plant and equipment	7,720	83	-	7,803
Goodwill	-	-	6,322	6,322
Intangible assets (IPR&D)	12,368	-	30,106	42,474
Total non-current assets	20,088	83	36,428	56,599
Trade and other receivables	729	27	-	756
Deferred expenses	1,413	-	-	1,413
Cash and cash equivalents	60,314	8,697	-	69,011
Total current assets	62,456	8,724	-	71,180
Total assets	82,544	8,807	36,428	127,779
Equity				
Share capital	2,434	841	(669)	2,606
Share premium	180,553	13,553	3,345	197,451
Translation reserve	298	(167)	167	298
Warrant reserve	392	-	-	392
Accumulated deficit	(139,533)	(6,339)	6,339	(139,533)
Equity attributable to equity holders	44,144	7,888	9,182	61,214
Liabilities				
Loans and borrowings	21,836	-	-	21,836
Lease liabilities	5,255	-	-	5,255
Derivatives	-	-	-	-
Contingent Acquisition Consideration	-	-	20,924	20,924
Deferred Tax Liability	-	-	6,322	6,322
Total noncurrent liabilities	27,091	-	27,246	54,337
Loans and borrowings	5,308	-	-	5,308
Lease liabilities	1,033	-	-	1,033
Trade and other payables	4,968	919	-	5,887
Total current liabilities	11,309	919	-	12,228
Total liabilities	38,400	919	27,246	66,565
Total equity and liabilities	82,544	8,807	36,428	127,779

(1) Kiadis' financial information included in the Unaudited Pro Forma Consolidated Financial Information is based on Kiadis Pharma N.V.'s audited consolidated financial statements for the financial year ended December 31, 2018 as incorporated by reference in the Registration Document.

(2) The unaudited historical financial information of CytoSen is presented in accordance with IFRS and is based on management information in accordance with US GAAP received from CytoSen. Under IFRS, and as reflected in the Unaudited Pro Forma Consolidated Financial Information, each installment of an option grant is separately measured and attributed to expense over the related vesting period, which accelerates the expense recognition compared to US GAAP. The expenses for share based payments have a corresponding increase in equity resulting in a zero net equity impact. We assume there are no other differences between US GAAP and IFRS that would have a material impact on the Unaudited Pro Forma Consolidated Financial Information. Foreign currency differences are

		<p>recognized in Other Comprehensive Income (OCI) and accumulated in the translation reserve.</p> <p>The CytoSen balance sheet positions initially expressed in U.S. dollars have been translated into euro by using the closing EUR/USD exchange rate as at December 31, 2018 (1EUR = 1.1439USD); whereas the CytoSen Statement of Income positions initially expressed in U.S. dollars have been translated into euro by using the average EUR/USD exchange rate over the year 2018 (1EUR = 1.1810USD).</p> <p>(3) The estimated fair value of the Acquisition Consideration minus the asset value of CytoSen has been allocated to intangibles. In the column "Pro forma combined group", the equity accounts of CytoSen for the total amount of €7,888 thousand has been reversed against the net asset value of CytoSen as reflected in the column "Pro forma Transaction adjustment".</p> <p>(4) In the column "Pro forma Transaction adjustment", the movement in equity for the amount of €9,182 thousand is as follows:</p> <table border="1"> <thead> <tr> <th style="text-align: left;"><u>(€ in thousands)</u></th> <th style="text-align: right;"><u>Unaudited</u></th> </tr> </thead> <tbody> <tr> <td>Initial Acquisition Consideration</td> <td style="text-align: right;">17,070</td> </tr> <tr> <td>- Shares</td> <td style="text-align: right;">172</td> </tr> <tr> <td>- Share premium</td> <td style="text-align: right;">16,898</td> </tr> <tr> <td>Reversal equity accounts CytoSen</td> <td style="text-align: right;">(7,888)</td> </tr> </tbody> </table>	<u>(€ in thousands)</u>	<u>Unaudited</u>	Initial Acquisition Consideration	17,070	- Shares	172	- Share premium	16,898	Reversal equity accounts CytoSen	(7,888)
<u>(€ in thousands)</u>	<u>Unaudited</u>											
Initial Acquisition Consideration	17,070											
- Shares	172											
- Share premium	16,898											
Reversal equity accounts CytoSen	(7,888)											
B.9	Profit forecast	Not applicable. We have not issued a profit forecast.										
B.10	Historical audit report qualifications	Although the opinions of the independent auditor KPMG Accountants N.V. are not modified in relation to this matter, it is noted that the 2018 audit opinion issued on April 30, 2019 and the 2016 audit opinion issued on March 30, 2017 include an emphasis of matter paragraph which indicated that at the time of the opinions we had insufficient cash and cash equivalents to meet our working capital requirements through the subsequent twelve months. Bearing in mind the aforementioned, there are no qualifications in the auditor's report on the audited consolidated financial statements for the financial years ended December 31, 2018, 2017 and 2016.										
B.11	Working capital	<p>Our current resources do not provide us with sufficient working capital for the next twelve months following the Summary and Securities Note Date.</p> <p>At the Summary and Securities Note Date, we have cash and cash equivalents of approximately €42 million, and CytoSen has cash and cash equivalents of approximately €5 million. We expect that the level of our expenses, in particular our research and development expenses and sales and marketing expenses, will be higher in 2019 than in 2018 as we ramp up our Phase III clinical trial for ATIR101, progress development of CytoSen's lead programme CSTD002-NK in the event that the acquisition of CytoSen is completed, and build up our capabilities in advance of the anticipated regulatory approval and commercial launch of ATIR101. We believe that in the event that the Transaction completes and our operations will include those of CytoSen, or in the event that the Transaction does not complete, existing cash and cash equivalents will allow us to continue operating the business in either case into the first quarter of 2020. Based on our present requirements and those of CytoSen, we believe that the combined</p>										

		<p>Kiadis – CytoSen operations will require cash resources of approximately €72 million to provide us with sufficient working capital for the next twelve months following the Summary and Securities Note Date, and that the Kiadis operations will require cash resources of approximately €58 million to provide us with sufficient working capital for the next twelve months following the Summary and Securities Note Date. Accordingly, we believe that the current working capital shortfall amounts to approximately €25 million in the event that the Transaction completes and to approximately €16 million in the event that the Transaction does not complete.</p> <p>We have engaged in the Private Placement to address our working capital needs for our operations and those of CytoSen and the shortfall that would arise if the Transaction completes as set out above. Upon completion of the Private Placement, we shall receive net proceeds of approximately €25.4 million, which aligns with the working capital shortfall of approximately €25 million if the Transaction completes as referred to above.</p> <p>If the Transaction completes but the Private Placement is withdrawn or otherwise not completed, we would be required to seek alternative funds to cover the shortfall in our working capital for the next twelve months following the Summary and Securities Note Date. In that event, the most likely scenario is that we will seek to conduct an alternative equity raising by means of a private or public offering. We may also seek to enter into debt financing arrangements and/or delay, reduce the scope of, eliminate or divest clinical programs, partner with others or divest one or more of our activities, and consider other cost reduction initiatives, such as slowing down the planned organizational expansion, withholding expansion of additional clinical trials, slowing down the preparation and investments for the manufacturing facility and slowing down patient recruitment of clinical trials. At the Summary and Securities Note Date we have not explored any of these measures in sufficient detail and there can be no assurance that any of these measures can be implemented in time, or at all, to address the shortfall in our working capital for the next twelve months following the Summary and Securities Note Date that we would have if the Private Placement is withdrawn or otherwise not completed. In the event we are not be able to generate sufficient funds from these measures, we may be unable to continue as a going concern, our business, financial condition and/or results of operations could be materially and adversely affected and we may ultimately go into insolvency.</p> <p>It is noted that our existing capital resources and the net proceeds from the Private Placement may not be sufficient to enable us to fund us beyond the next twelve months following the Summary and Securities Note Date or to fund the completion of our clinical development programs, including ATIR101, and for the development of the CytoSen programs in the event that the Transaction completes, and that accordingly, we will need to raise additional funds through public or private equity offerings or by other means.</p>
Section C — Securities		
C.1	Type and	The Shares are ordinary shares in our issued and outstanding capital with a

	class Security identification number	<p>nominal value of €0.10 each.</p> <p>The Shares are listed and admitted to trading on Euronext Amsterdam and Euronext Brussels under ISIN Code NL0011323407 and under the symbol "KDS".</p>
C.2	Currency of the Offer Shares	The Shares are denominated in and trade in euro.
C.3	Number of shares issued, par value per share	<p>On the Summary and Securities Note Date, our issued capital amounts to €2,436,674.20 and is divided into 24,366,742 Shares, each with a nominal value of €0.10.</p> <p>Assuming no other issuance of Shares (through the execution of options, warrants or otherwise), our issued capital shall amount to €2,951,710.90 and be divided into 29,517,109 Shares, each with a nominal value of €0.10 in the event that the number of Transaction Shares is 1,466,167, and to €2,969,980.90 and be divided into 29,699,809 Shares, each with a nominal value of €0.10 in the event that the number of Transaction Shares is 1,648,867.</p>
C.4	Rights attached to the securities	<p>The Shares carry dividend rights. Each Share entitles its holder to cast one vote at the General Meeting. There are no restrictions on voting rights. Dutch law and the Articles of Association generally give Shareholders pre-emptive rights to subscribe on a pro rata basis for any issue of new Shares or, upon a grant of rights, to subscribe for Shares. Exceptions to these pre-emptive rights include the issue of Shares and the grant of rights to subscribe for Shares (i) to our employees or the employees of a group company as defined in section 2:24b of the Dutch Civil Code, (ii) in return for non-cash consideration, or (iii) the issue of Shares to persons exercising a previously granted right to subscribe for Shares.</p> <p>The Articles of Association provide that the General Meeting or the Articles of Association may designate the authority to issue Shares, or grant rights to subscribe for Shares, to the Management Board, subject to the approval by the Supervisory Board. On March 29, 2019 a General Meeting was held at which it was resolved authorize the Management Board, subject to the approval of the Supervisory Board, to issue shares and to grant rights to acquire shares for a period of 5 years from the date of the General Meeting (i.e. up to and including 29 March 2024), up to our authorized share capital included in the Articles of Association from time to time, and to exclude pre-emptive rights in relation thereto.</p>
C.5	Restrictions on free transferability of the securities	There are no restrictions on the transferability of the Shares in the Articles of Association.
C.6	Listing and admission to trading	<p>The Shares are admitted to listing and trading on Euronext Amsterdam and on Euronext Brussels under ISIN Code NL0011323407 and under the symbol "KDS".</p> <p>We have applied for the admission to listing and trading of the New Shares on</p>

		<p>Euronext Amsterdam and on Euronext Brussels under ISIN Code NL0011323407 and under the symbol "KDS" and expect that the Private Placement Shares will be admitted to listing and trading on the Private Placement Settlement Date (as defined below) and that the Transaction Shares will be admitted to listing and trading on the Transaction Closing Date.</p>
C.7	Dividend policy	<p>We expect to retain all earnings, if any, generated by our operations for the development and growth of our business and do not anticipate paying any dividends to our Shareholders in the near future.</p> <p>Also, pursuant to the facility agreements that we entered into with Kreos Capital on August 17, 2017 and on July 31, 2018, as long as any of the loans provided by Kreos Capital remains outstanding, we are not permitted to make any dividend payment or other distributions to Shareholders without the prior written consent of Kreos Capital.</p> <p>Our reserves and dividends policy will be reviewed from time to time and distribution of any dividends will be based upon a proposal thereto by the Management Board after taking into account our earnings, cash flow, financial condition, capital investment requirements and other factors considered important by the Management Board.</p>
Section D — Risks		
D.1	Key risks relating to Kiadis and its industry	<p>The following is a selection of key risks that relate to us and our industry. In making the selection, we have considered circumstances such as the probability of the risk materializing on the basis of the current state of affairs, the potential impact which the materialization of the risk could have on our business, financial condition and results of operations. Investors should read, understand and consider all risk factors that relate to us and our industry set out in Chapter 1 (Risk Factors) of the Registration Statement and all risk factors that relate to the Shares set out in Chapter 2 of this Summary and Securities Note before making an investment decision to invest in the Shares.</p> <ul style="list-style-type: none"> • We have a history of operating losses and anticipate that we will continue to incur operating losses for the foreseeable future. • We require substantial funding to continue our operations. • Our future commercial potential depends on our lead product candidate, ATIR101. If we are unable to commercialize ATIR101 or any of our other product candidates that we may pursue, or experience significant delays in doing so, our business, financial condition, results of operations and prospects would be materially adversely affected. • We may experience setbacks in our clinical trials, including delays in

		<p>commencing or completing, or inconclusive or negative results, all of which could harm our ability to market a product, generate revenues and could have a material adverse effect on our business, financial condition, results of operations and prospects.</p> <ul style="list-style-type: none"> • Our clinical trials for ATIR101 to date have not been conducted head to head with the PTCy protocol, and the comparison of our results to those published in literature about the PTCy protocol or to historical observational cohorts, and the conclusions we have drawn from such comparisons, may be inaccurate. • If we fail to enroll patients in our clinical trials or if patients discontinue their participation, the clinical trials could be delayed and their results compromised, and we may suffer a meaningful delay or incur significantly higher costs in developing our product candidates; • Our applications for regulatory approval could be delayed or denied. • Our product candidates are subject to extensive regulation, which can be costly and time-consuming to comply with, and we may not obtain approvals for performing clinical trials or for the commercialization of any of our product candidates. • Manufacturing ATIR101 is complex and subject to numerous risks, any of which may affect our ability to continue clinical development of and commercialize ATIR101. Manufacturing issues may also negatively impact the outcome of our clinical trials. • The Transaction subjects us and investors in our Shares to potential significant risks, including the following: <ul style="list-style-type: none"> ○ CytoSen is an early stage biotech company, and is subject to the various and substantial risks that such companies are exposed to. ○ Our due diligence reviews may have failed to identify risks or problems. ○ CytoSen is loss-making and does not generate any revenues, is not expected to generate revenues in the near to midterm future and may never do. ○ Our valuation of CytoSen and its business or assets may prove incorrect. ○ We may fail to realize some or all of the anticipated synergies, growth opportunities and other benefits of the Transaction. ○ We may fail to retain the services of CytoSen's management and key personnel, and to attract and retain skilled personnel. ○ Following the acquisition of CytoSen, our ongoing business may be disrupted and our management's attention may be diverted by transition
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		<p>or integration issues.</p> <ul style="list-style-type: none"> ○ We may have higher than anticipated costs in continuing research and development of acquired products. • We currently rely on a contract manufacturing organization to provide supplies of ATIR101 for clinical trials. We expect to increase manufacturing capacity by using CMOs and developing our own manufacturing facilities for clinical trials and commercial production of ATIR101. We have no experience operating a manufacturing facility, and we may not be successful in developing our own manufacturing facilities or capacity. If we cannot manufacture ATIR101 or any future product candidate in sufficient amounts at acceptable costs and on a timely basis, we may be unable to have the necessary materials for clinical trials or commercialization. • We rely on third parties who license intellectual property rights to us, including intellectual property relating to our proprietary photodynamic therapy device. If any such license is terminated, we may be unable to commercialize and market our product candidates, including the ATIR products. • Certain of our U.S. and non-U.S. patents related to ATIR 101 are projected to expire in 2020 and 2021. Although we rely on trade secrets and any regulatory exclusivity we may obtain to protect ATIR 101, such trade secrets and regulatory exclusivity may not be sufficient to prevent third parties from developing competing products, and such competition could have a material adverse effect on our business, financial condition, results of operations and prospects. • The terms of our secured debt facility place restrictions on our operating and financial flexibility.
D.3	Key risks relating to the securities	<p>The following is a selection of key risks that relate to the Shares. Investors should read, understand and consider all risk factors that relate to Kiadis and its industry set out in Chapter 1 (Risk Factors) of the Registration Statement and all risk factors that relate to the Shares set out in Chapter 2 of this Summary and Securities Note before making an investment decision to invest in the Shares.</p> <ul style="list-style-type: none"> • There may be limited liquidity of the Shares, which may cause Shares to trade at a discount and make it difficult for investors to sell Shares at or above the price paid for them or at all. • The price of the Shares may be volatile and affected by a number of factors, some of which are beyond our control • Ownership of our Shares is highly concentrated and the interests of our significant Shareholders may conflict with the interests of our other Shareholders. Our significant Shareholders may act jointly or independently in the future, and will continue to be able to exert significant influence over the outcome of matters requiring approval of our Shareholders or the Supervisory

		<p>Board.</p> <ul style="list-style-type: none"> • Future sales and issuances, or the possibility of future sales or issuances, of a substantial number of the Shares could significantly lower the price of the Shares and dilute the interests of Shareholders. • We do not currently intend to pay dividends on our securities and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of our Shares. In addition, any distribution of dividends must be in accordance with the rules and restrictions applying under Dutch law. • We may implement anti-take over protection that may prevent a change of control, and Dutch corporate law contains provisions that may delay or discourage a takeover attempt. • We may be a "passive foreign investment company" for U.S. federal income tax purposes in 2019 or in any future taxable year. A U.S. holder of our Shares may suffer adverse U.S. federal income tax consequences if we are a passive foreign investment company for any taxable year.
Section E —Offering		
<p>The Prospectus does not constitute an offer to buy, subscribe or sell Shares. The Prospectus serves as a prospectus for the purposes of Chapter 5.2 of the Financial Supervision Act only and no securities are being offered or sold pursuant to the Prospectus.</p>		
E.1	Net proceeds and estimated expenses	<p>The gross proceeds of the Private Placement shall amount to €27.6 million. After deduction of the total expenses of the Private Placement, which are expected to amount to approximately €2.2 million, the expected net proceeds of the Private Placement amount to €25.4 million.</p> <p>The Transaction Shares constitute consideration in relation to the acquisition of CytoSen pursuant to the Transaction. We shall not receive cash proceeds through the issuance of the Transaction Shares.</p>
E.2 a	Reasons for the Private Placement and use of proceeds	<p>The principal purpose of the Private Placement has been to obtain additional capital to support the execution of our strategy.</p> <p>We currently expect to utilize the net proceeds from the Private Placement to advance ATIR101, including the furtherance of Phase III development, regulatory, manufacturing and commercialization activities. We will also utilize the net proceeds to continue to build our corporate infrastructure, conduct additional research and development to expand our pipeline (including the assets acquired as part of the Transaction), and for general corporate purposes.</p>
E.3	Terms and conditions of	Not applicable, the Prospectus does not relate to an offer.

	the offer	<p>On May 30, 2019, we announced the launch of the Private Placement, a private placement of Shares to institutional and other qualifying investors outside the United States in reliance on the safe harbor from the registration requirements of the U.S. Securities Act under Regulation S and (b) in the United States in private placements pursuant to the exemption available from registration under Section 4(a)(2) of the U.S. Securities Act or pursuant to another available exemption from registration.</p> <p>The Private Placement has been structured as an accelerated bookbuilt offering. In relation to the Private Placement, Jefferies International Limited ("Jefferies") acted as Sole Global Coordinator (the "Sole Global Coordinator") and Joint Bookrunner, and Piper Jaffray & Co. ("Piper Jaffray") acted as Joint Bookrunner (Jefferies and Piper Jaffray collectively, the "Joint Bookrunners").</p> <p>On the basis of the accelerated bookbuilding process, 3,684,200 Private Placement Shares have been placed with the Participating Investors at an issue price of €7.50 per Private Placement Share.</p> <p>The Transaction Shares constitute consideration in relation to the acquisition of CytoSen pursuant to the Transaction and shall be issued to the CytoSen shareholders as upfront payment pursuant to the CytoSen Acquisition Agreement.</p> <p>Subject to the terms of the CytoSen Acquisition Agreement, between 258,732 Shares (in the event that the number of Transaction Shares is 1,466,167) and 290.978 Shares (in the event that the number of Transaction Shares will be 1,648,867 (the "Holdback Shares") will serve as a source for the satisfaction of indemnification and other claims that we may have. Subject to reduction in the event of settlement of indemnification and other claims, the Holdback Shares will be issued to the CytoSen shareholders eighteen months after the completion of the Transaction. Also, CytoSen's shareholders are eligible to potential future consideration of up to 5,174,670 additional Shares and its option holders for a potential future consideration of up to 644,790 Shares upon the achievement of six clinical development and regulatory milestones. See also paragraph 7.3 of the Registration Document.</p>
E.4	Interests material to the issuance of the New Shares (including conflicting interests)	<p>We are not aware of any interests that may significantly impact the issue of the New Shares.</p> <p>The Joint Bookrunners and/or their affiliates have rendered and/or may in the future render banking, financial, investment and other services to us, our Shareholders or corporate officers, for which they have received or may receive remuneration.</p>
E.5	Person or entity offering to sell the securities and lock-up	<p>In the placement agreement that we and the Joint Bookrunners signed on May 30, 2019 (the "Placement Agreement"), we undertake not to issue, offer, sell, contract to issue or sell, pledge, mortgage, charge, deposit, assign, lend, transfer, issue options or warrants in respect of, grant any option to purchase or otherwise dispose of, directly or indirectly, any Shares (or any other securities convertible into or exchangeable for Shares or which carry rights to purchase Shares) or enter into any transaction (including a derivative transaction) having an effect on the market in the Shares similar to that of an issue or a sale of Shares, or publicly to announce any intention to do any of such things, prior to the day falling 90 days after the</p>

	<p>Private Placement Settlement Date (as defined below) without the prior written consent of the Joint Bookrunners (not to be unreasonably withheld or delayed), except for (i) options granted or Shares to be delivered under existing share option programs for employees, in accordance with past practice; (ii) Shares issued upon exercise of warrants granted prior to the date of the Placement Agreement; (iii) the Private Placement Shares to be issued and sold as contemplated pursuant to the terms of the Placement Agreement and in connection with the Private Placement; and (iv) Shares to be issued and options to be granted pursuant to the CytoSen Acquisition Agreement.</p> <p>Also, as per the Placement Agreement, each member of the Management Board and the Supervisory Board as well as significant Shareholders Esprit Nominees Limited, Life Sciences Partners B.V., Life Sciences Partners II B.V., Pro-Ventures I B.V. and LSP Management Group B.V. (see Chapter 9 (Substantial Holdings) of the Registration Document) (each a "Locked Party") has undertaken not to offer, sell, contract to sell, pledge, mortgage, charge, deposit, assign, lend, transfer, issue options or warrants in respect of, grant any option to purchase or otherwise dispose of, directly or indirectly, any Shares (or any other securities convertible into or exchangeable for Shares or which carry rights to purchase Shares) or enter into any transaction (including a derivative transaction) having an effect on the market in the Shares similar to that of a sale of Shares, or publicly to announce any intention to do any of such things, prior to the day ending 90 days after the Private Placement Settlement Date without the prior written consent of the Joint Bookrunners, who may in their sole discretion and at any time waive these restrictions. This lock-up undertaking applies to all Shares owned by the relevant Locked Party or any of their respective related parties per the date of the Placement Agreement and per the Private Placement Settlement Date (if a higher number), including for the avoidance of doubt Shares issued to them pursuant to options granted to them at or prior to the Private Placement Settlement Date or any other securities so owned per the Private Placement Settlement Date, exchangeable for or convertible into, or substantially similar to, the Shares, and any rights or securities arising from any such Shares or attached to any such Shares. The lock-up obligation does not apply to (i) Shares purchased after the Private Placement Settlement Date; (ii) any transfers, sales, tenders or other dispositions of owned Shares pursuant to a bona fide third party tender offer, merger, amalgamation, consolidation or other similar transaction made to or involving all Shares pursuant to which a majority of total voting power of the Shares is transferred to such third party (including, without limitation, the entering into any lock-up, voting or similar agreement pursuant to which the Locked Party may agree to transfer, sell, tender or otherwise dispose of owned Shares in connection with such transaction, or vote any owned Shares in favor of any such transaction); provided that if such tender offer, merger, amalgamation, consolidation or other similar transaction is not completed, any owned Shares subject to the lock-up restrictions undertaken by the Locked Party as per the Placement Agreement shall remain subject to such restrictions) (iii) any corporate action in connection with a takeover offer, capital reorganization, legal merger, split-up or similar transaction or process, in each case to the extent involving the Company; or (iv) the transfer or distribution of owned Shares to members or shareholders of the Locked Party or to any corporation, partnership or other person or entity that is a current or former member, shareholder, limited partner, subsidiary or direct or indirect affiliate of the Locked Party or to any investment fund or other entity that controls or manages the Locked Party (including, for the avoidance of doubt, a fund managed by the same manager or general partner or</p>
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		<p>management company or by an entity controlling, controlled by or under common control with such manager or general partner or management company as the Locked Party, provided that the Locked Party notifies the Joint Bookrunners as soon as reasonably possible of a pending transfer or distribution and provided that in case of such transfer or distribution each transferee or distributee shall execute and deliver to the Joint Bookrunners an agreement in form and substance reasonably satisfactory to the Joint Bookrunners stating as the Locked Party), provided that such transferee or distributee is receiving and holding such owned Shares subject to the provisions of the lock-up undertaking.</p> <p>Pursuant to the CytoSen Acquisition Agreement, of the Transaction Shares to be issued to CytoSen's shareholders as upfront consideration on completion of the Transaction, the Transaction Shares issued to CytoSen's Executive Chairman, CEO and founders – being 846,856 Shares if they do not exercise their CytoSen options prior to completion of the Transaction and up to 968,567 Shares if they do exercise such options - shall be subject to lock-up restrictions during a two-year period starting on the completion date of the Transaction, and the other Transaction Shares shall be subject to lock-up restrictions during a 180-day period starting on the completion date of the Transaction.</p>
E.6	Dilution	<p>The dilution resulting from the issue of the Private Placement Shares amounts to 13.13% (relating to both capital interests and voting interests). The dilution resulting from the issue of the Transaction Shares amounts to 5.68% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares is 1,466,167 and to 6.34% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares will be 1,648,867.</p> <p>In total, the dilution resulting from the issue of the New Shares amounts to 17.45% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares is 1,466,167 and to 17.96% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares will be 1,648,867.</p> <p>In the event that, in addition to the New Shares, all the Holdback Shares would be issued, the dilution would amount to 18.17% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares is 1,466,167 and to 18.75% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares will be 1,648,867.</p> <p>In the event that, in addition to the New Shares and the Holdback Shares, all 5,819,460 additional Shares referred to in Element E.3 of this Summary would be issued, the dilution would amount to 31.55% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares is 1,466,167 and to 31.96% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares will be 1,648,867.</p> <p>For completeness sake it is noted that the above does not take into account the potential dilutive effect of the 2,486,357 options and 116,293 warrants that are currently outstanding (see paragraph 11.2 of the Registration Document).</p>
E.7	Estimated	Not applicable.

	expenses charged to the investors by the Company	
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2. RISK FACTORS

You should carefully consider the risks and uncertainties described below and the other information in the Prospectus before making an investment in the Shares. Our business, financial condition or results of operations could be materially and adversely affected if any of these risks occurs, and as a result, the market price of the Shares could decline and you could lose all or part of your investment. This Summary and Securities Note also contains forward-looking statements that involve risks and uncertainties. See paragraph 3.8. Our actual results could differ materially and adversely from those anticipated in these forward-looking statements as a result of certain factors.

While we believe that the risks and uncertainties described below – taken together with the risks and uncertainties set out in Chapter 1 (Risk Factors) of the Registration Document - are the material risks and uncertainties concerning our Shares or investing therein, they are not the only risks and uncertainties relating to our Shares or investing therein. Other risks, facts or circumstances not presently known to us, or that we currently deem to be immaterial could, individually or cumulatively, prove to be important and could have a material adverse effect on our business, results of operations, financial condition and prospects. The value of the Shares could decline as a result of the occurrence of any such risks, facts or circumstances or as a result of the events or circumstances described in these risk factors, and investors could lose part or all of their investment.

There may be limited liquidity of the Shares, which may cause Shares to trade at a discount and make it difficult for investors to sell Shares at or above the price paid for them or at all.

Historically, the volume of trading of our Shares on Euronext is relatively low. The average daily trading volume in the Shares on Euronext in the twelve-month period from May 1, 2018 up to and including April 30, 2019 was €1,899,849 and 194,080 Shares (source: Bloomberg data). There is no guarantee that there will be sufficient liquidity in the Shares to sell or buy any number of Shares at certain price levels. The price of the Shares will in addition be subject to volatility and investors may be unable to sell their Shares at or above the price paid for them or at all. Although we have retained a liquidity provider to support the trading of the Shares under certain conditions, this is no guarantee that there will be sufficient liquidity in the Shares to sell or buy any number of Shares at certain price levels.

The price of the Shares may be volatile and affected by a number of factors, some of which are beyond our control.

The stock markets in general, and the markets for pharmaceutical and biotechnology shares in particular, have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. Any one of the following factors, among others, may cause a substantial decline in the markets in which we operate:

- results and timing of clinical trials of our and our competitors' product candidates;
- failure of any of our product candidates, if approved, to achieve commercial success;

- competition from existing products or new products that may emerge;
- delays in entering into strategic relationships with respect to development and/or commercialization of our product candidates or entry into strategic relationships on terms that are not deemed to be favorable to us;
- commencement or termination of any licensing arrangement;
- issues in manufacturing our product candidates or future approved products;
- the passage of legislation or other regulatory developments affecting us or our industry;
- regulatory actions with respect to our products or our competitors' products;
- public concern relating to the commercial value or safety of any of our product candidates;
- changes to coverage policies or reimbursement levels by commercial third-party payers and government payers and any announcements relating to coverage policies or reimbursement levels;
- lawsuits threatened or filed against us;
- disputes or other developments related to proprietary rights, including patents, litigation matters, and our ability to obtain intellectual property protection for our technologies;
- failure to adequately protect our trade secrets;
- additions and departures of key personnel;
- announcement or expectation of additional financing efforts;
- our inability to raise additional capital or the terms on which we raise it;
- period-to-period fluctuations in our financial condition and results of operations, including the timing of receipt of any milestone or other payments under commercialization or licensing agreements;
- publication of research reports by securities analysts about us or our competitors or our industry;
- our failure or the failure of our competitors to meet projections of the investment community or guidance that we or our competitors may give to the market;
- fluctuations in the valuation of companies perceived by investors to be comparable to us;

- strategic decisions by us or our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- share price and volume fluctuations attributable to inconsistent trading volume levels of our Shares;
- speculation in the press or investment community;
- sales of our Shares by us, our insiders or our other holders of Shares;
- changes in accounting principles;
- terrorist acts, acts of war or periods of widespread civil unrest;
- natural disasters and other calamities;
- changes in market conditions for biopharmaceutical stocks;
- changes in general market and economic conditions; and
- other risk factors discussed in this section.

In addition, the stock market in general has experienced substantial price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of particular companies affected. These broad market and industry factors may materially harm the market price of the Shares, regardless of our operating performance. As we operate in a single industry, we are especially vulnerable to these factors to the extent that they affect our industry or our products, or to a lesser extent our markets. In the past, securities class action litigation has often been initiated against companies following periods of volatility in their stock price. This type of litigation could result in substantial costs and divert our management's attention and resources, and could also require us to make substantial payments to satisfy judgments or to settle litigation.

The ownership of our Shares is highly concentrated and your interests may conflict with the interests of our significant Shareholders.

We have a number of significant Shareholders that will beneficially own Shares representing approximately 29% of our outstanding Shares upon admission to listing and trading of the New Shares. Two of these Shareholders acting together have nominated two representatives to the Supervisory Board (namely Mr. Mark Wegter and Mr. Martijn Kleijwegt). Until recently, another of our significant Shareholders also had a representative nominated to the Supervisory Board, who resigned from the Supervisory Board in June 2018 (namely Mr. Stuart Chapman). For more information regarding our significant Shareholders, see Chapter 9 (Substantial Holdings) of the Registration Document.

These significant Shareholders have in the past often taken a similar position and exercised influence over matters requiring approval of our Shareholders or the Supervisory Board. They may act jointly or independently in the future, and will continue to be able to exert significant

influence over the outcome of matters requiring approval of our Shareholders or the Supervisory Board, including but not limited to appointments to the Management Board and the approval of significant transactions. Their interests may differ from the interests of other Shareholders. Among other consequences, this concentration of ownership may have the effect of delaying or preventing a change in control and might therefore negatively affect the market price of the Shares.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the price of our Shares and trading volume could decline.

The trading market for the Shares depends in part on the research and reports that securities or industry analysts publish about us or our business. If no or few securities or industry analysts cover us, the trading price for the Shares would likely be negatively impacted. If one or more of the analysts who covers us downgrades the Shares or publishes incorrect or unfavorable research about our business, the price of our Shares would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, or downgrades our Shares, demand for our Shares could decrease, which could cause the price of the Shares or trading volume to decline.

Future sales and issuances, or the possibility of future sales or issuances, of a substantial number of the Shares could significantly lower the price of the Shares and dilute the interests of Shareholders.

Future sales and issuances of a substantial number of Shares, or the perception that such sales or issuances will occur, could cause a decline in the market price of the Shares and, in the event of issuances, dilute the interest of holders of Shares. Future sales or issuances of Shares could be made by us, our existing Shareholders and entities affiliated with them, other Shareholders or through a capital increase undertaken by us for additional working capital, to fund an acquisition or for another purpose. Also, as per the CytoSen Acquisition Agreement, the holders of CytoSen shares and options are eligible to potential future consideration of up to 5,819,460 additional Shares upon the achievement of six clinical development and regulatory milestones. See also paragraph 7.3 of the Registration Document. A sale or issuance of a substantial number of the Shares, or the perception that such sales or issuance could occur, could materially and adversely affect the market price of the Shares, as well as impede our ability to raise capital through an issue of equity securities in the future. Until 90 days after the Private Placement Settlement Date and subject to certain exceptions, we may not issue, offer or otherwise enter into transactions relating to our securities (including the Shares) without the prior written consent of the Joint Bookrunners (not to be unreasonably withheld or delayed). During this 90-day period, the members of the Management Board and the Supervisory Board as well as significant Shareholders Esprit Nominees Limited, Life Sciences Partners B.V., Life Sciences Partners II B.V., Pro-Ventures I B.V. and LSP Management Group B.V. (see Chapter 9 (Substantial Holdings) of the Registration Document) are also subject to lock-up restrictions, which the Joint Bookrunners may waive in their sole discretion and at any time. See also paragraph 5.5.

We do not currently intend to pay dividends on our securities and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of

our Shares. In addition, any distribution of dividends must be in accordance with the rules and restrictions applying under Dutch law.

We have not declared or paid any cash dividends on our Shares since our incorporation and do not currently intend to pay cash dividends on our Shares in the foreseeable future, as we currently have significant cumulative losses and therefore do not have distributable reserves. Currently, we have not adopted a dividend policy. Also, pursuant to the Kreos Capital Facility Agreements that we entered into with Kreos Capital on August 17, 2017 and on July 31, 2018, as long as any of the loans provided by Kreos Capital remain outstanding, and without the prior written consent of Kreos Capital, we are not permitted to make any dividend payment or other distributions to Shareholders. We currently intend to retain all available funds and any future earnings to fund the development and expansion of our business. Therefore, you are not likely to receive any dividends on your Shares for the foreseeable future and the success of an investment in our Shares will depend upon any future appreciation in our value. Consequently, investors may need to sell all or part of their holdings of Shares after price appreciation, which may never occur, as the only way to realize any future gains on their investment. There is no guarantee that the Shares will appreciate in value or even maintain the price at which our holders of Shares have purchased the Shares. Investors seeking cash dividends should not purchase the Shares.

We have broad discretion in the use of the net proceeds from the Private Placement and may not use them effectively.

Our Management Board will have broad discretion in applying the net proceeds of the Private Placement and investors will be relying on our judgment regarding the application of the net proceeds of the Private Placement. See paragraph 5.2. In addition, we might decide to postpone or not pursue other clinical trials or other activities if the net proceeds from the Private Placement and our other sources of cash are less than expected. Pending their use, we may invest the net proceeds from the Private Placement in a manner that does not produce income or that loses value. These investments may not yield a favorable return to our investors.

Based on our planned use of the net proceeds of the Private Placement and our current cash, cash equivalents and current financial assets, we estimate that such funds will be sufficient to enable us to fund our operating expenses and capital expenditure requirements into late Q2 2020 if the Transaction closes and into Q3 2020 if the Transaction does not close. We have based this estimate on assumptions that may prove to be incorrect, and we could use our available capital resources sooner than we currently expect. The failure by our management to apply these funds effectively could harm our business and financial condition.

A significant portion of our Shares may be sold into the public market in the near future, which could cause the market price of the Shares to drop significantly, even if our business is doing well.

Future sales of Shares in the public market after the admission to listing and trading of the New Share and the availability of Shares for future sale could adversely affect the market price of the Shares prevailing from time to time. Pursuant to the lock-up restrictions set out in paragraph 5.5, certain of our Shares currently outstanding will not be available for sale shortly after the Private Placement. However, sales of substantial numbers of Shares, or the perception that these sales

could occur, could adversely affect prevailing market prices for the Shares and could impair our future ability to raise equity capital.

The Shares subject to our equity incentive plans and the Shares reserved for future delivery under such plans will become eligible for sale in the public market in the future, subject to certain legal and contractual limitations.

U.S. and other non-Dutch holders of the Shares may be unable to exercise pre-emptive rights.

In the event of an increase in our share capital, Shareholders are generally entitled to certain pre-emptive rights, unless these rights are excluded by a resolution of the General Meeting, or of the Management Board, if so designated by the General Meeting or pursuant to the Articles of Association.

However, certain Shareholders outside the Netherlands may not be able to exercise pre-emptive rights unless local securities laws have been complied with. In particular, U.S. holders of the Shares may not be able to exercise pre-emptive rights unless a registration statement under the U.S. Securities Act is declared effective with respect to the Shares issuable upon exercise of such rights or an exemption from the registration requirements is available. We intend to evaluate at the time of any rights issue the cost and potential liabilities associated with any such registration statement, as well as the indirect benefits and costs to us of enabling the exercise by U.S. holders of their pre-emptive rights for the Shares and any other factors considered appropriate at the time. We will then make a decision as to whether to file such a registration statement. No assurance can be given that any registration statement would be filed or that any exemption from registration would be available to enable the exercise of a U.S. holder's pre-emptive rights. Shareholders in jurisdictions outside the Netherlands who are not able or not permitted to exercise their pre-emptive rights in the event of a future pre-emptive rights offering may suffer dilution of their Shareholdings.

We may implement anti-take over protection that may prevent a change of control, and Dutch corporate law contains provisions that may delay or discourage a takeover attempt.

Many Dutch listed companies have anti-takeover protection in the form of a call option, which is not limited in time and that is granted to an independent foundation, the statutory goal of which is to protect the listed company's interests by, amongst others, protecting the company from influences that may threaten its continuity, independence and identity. Such a call option typically entitles the foundation to acquire a number of preference shares in the company, which have the same voting rights as ordinary shares, not exceeding the total issued number of ordinary shares, and on which upon exercise of the call option, 25% of the nominal value of such preference shares needs to be paid by the foundation. As per this structure, in the event of any circumstances where the company in question is subject to influences as described above, the board of the foundation may decide to exercise the call option, with a view to enable the company to determine its position in relation to the circumstances as referred to above, and seek alternatives.

We currently do not have anti-takeover protection as described above. However, the Management Board and the Supervisory Board are enabled to implement such anti-takeover

protection (without further shareholder approval being required) if and when they deem this appropriate, following the General Meeting having resolved on March 29, 2019 to approve and adopt an amendment to the Articles of Association (as defined below) which introduces preference shares such that our authorized share capital will be divided into ordinary shares and preference shares. This amendment of the Articles of Association is conditional in the sense that although the notarial deed to amend the Articles of Association was executed on April 9, 2019, the amendment will not become effective unless and until the Management Board at any future moment decides, after having obtained approval from the Supervisory Board, to have the amendment enter into force by depositing a copy thereof at the Trade Register of the Chamber of Commerce. If this occurs and the amendment of the Articles of Association comes into force, the authorization to issue shares or grant rights to subscribe for shares that was granted to them on March 29, 2019 by the General Meeting (see paragraph 11.2 – subparagraph "*Issuance of Shares*" of the Registration Document) shall enable the Management Board and the Supervisory Board to grant a call option that is not limited in time to subscribe for preference shares to an independent foundation then to be established, and which can be exercised in whole or in part, up to the authorized share capital of preference shares as per the articles of association at the time of exercise and at multiple times and occasions (including after the issuance and subsequent cancellation of preference shares). If we implement this means of anti-take over protection and preference shares would be issued it would cause substantial dilution to the voting power of any Shareholder, including a Shareholder attempting to gain control over us, and could therefore have the effect of preventing, discouraging or delaying a change of control that might otherwise be in the best interests of Shareholders, or have otherwise resulted in an opportunity for Shareholders to sell the Shares at a premium to the then prevailing market price. This means of anti-takeover protection and our ability to implement it may have an adverse effect on the market price of the Shares.

Furthermore, some provisions of Dutch law and the Dutch corporate governance system may discourage, delay, or prevent a change in control of our company, even if such a change in control is sought by our Shareholders. As a consequence of the duty of our Management Board and Supervisory Board to act in the interest of our company and the sustainable success of its business, our Management Board and Supervisory Board may decide to protect such interest by initiating certain actions which are generally available under Dutch law. Such actions may include (but are not limited to) not cooperating with a potential takeover offer, using the so-called response period (*responstijd*) of maximum 180 days or other grounds to postpone the adoption of resolutions that relate to the strategy of our company, or take other ad hoc actions or steps that can be implemented under our Articles of Association and general Dutch law to discourage, delay, or prevent a change in control of our company, our business or one or more of our subsidiaries or to prevent or deter shareholder activism or protect against another threat.

U.S. investors may have difficulty enforcing civil liabilities against our Company and members of our Management Board, Supervisory Board and Senior Management and the experts named in the Prospectus.

We are incorporated under the laws of the Netherlands. Some of our assets are located outside the United States and most members of the Management Board and Supervisory Board reside outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or to enforce against them or us the U.S. courts' judgments predicated upon the civil liability provisions of the federal securities laws of the United States. Foreign courts may refuse to hear a United States securities law claim

because foreign courts may not be the most appropriate forums in which to bring such a claim. Even if a foreign court agrees to hear a claim, it may determine that the law of the jurisdiction in which the foreign court resides, and not U.S. law, is applicable to the claim.

Further, if U.S. law is found to be applicable, the content of applicable U.S. law must be proved as a fact, which can be a time-consuming and costly process, and certain matters of procedure would still be governed by the law of the jurisdiction in which the foreign court resides.

The United States and the Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the party in whose favor a final and conclusive judgment of the U.S. court has been rendered will be required to file its claim with a court of competent jurisdiction in the Netherlands. Such party may submit to the Dutch court the final judgment rendered by the U.S. court. This court will have discretion to attach such weight to the judgment rendered by the relevant U.S. court as it deems appropriate. The Dutch courts can be expected to give conclusive effect to a final and enforceable judgment of such court in respect of the contractual obligations thereunder without re-examination or re-litigation of the substantive matters adjudicated upon, provided that: (i) the U.S. court involved accepted jurisdiction on the basis of internationally recognized grounds to accept jurisdiction, (ii) the proceedings before such court being in compliance with principles of proper procedure (*behoorlijke rechtspleging*), (iii) such judgment not being contrary to the public policy of the Netherlands and (iv) such judgment not being incompatible with a judgment given between the same parties by a Netherlands court or with a prior judgment given between the same parties by a foreign court in a dispute concerning the same subject matter and based on the same cause of action, provided such prior judgment fulfils the conditions necessary for it to be given binding effect in the Netherlands. Dutch courts may deny the recognition and enforcement of punitive damages or other awards. Moreover, a Dutch court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages. Enforcement and recognition of judgments of U.S. courts in the Netherlands are solely governed by the provisions of the Dutch Civil Procedure Code.

Dutch civil procedure differs substantially from U.S. civil procedure in a number of respects. Insofar as the production of evidence is concerned, U.S. law and the laws of several other jurisdictions based on common law provide for pre-trial discovery, a process by which parties to the proceedings may prior to trial compel the production of documents by adverse or third parties and the deposition of witnesses. Evidence obtained in this manner may be decisive in the outcome of any proceeding. No such pre-trial discovery process exists under Dutch law.

Subject to the foregoing and service of process in accordance with applicable treaties, investors may be able to enforce in the Netherlands judgments in civil and commercial matters obtained from U.S. federal or state courts. However, no assurance can be given that those judgments will be enforceable. In addition, it is doubtful whether a Dutch court would accept jurisdiction and impose civil liability in an original action commenced in the Netherlands and predicated solely upon U.S. federal securities laws.

We may be a "passive foreign investment company" for U.S. federal income tax purposes in 2019 or in any future taxable year. A U.S. holder of our Shares may suffer adverse U.S. federal income tax consequences if we are a passive foreign investment company for any taxable year.

Under the Internal Revenue Code of 1986, as amended (the "**US Internal Revenue Code**"), we will be a "passive foreign investment company" ("**PFIC**") for any taxable year in which, after the application of certain look-through rules with respect to subsidiaries, either (i) 75% or more of our gross income consists of "passive income", or (ii) 50% or more of the average quarterly value of our assets consists of assets that produce, or are held for the production of, "passive income". Passive income generally includes dividends, interest, certain non-active rents and royalties, and capital gains. We believe that we were a PFIC during our taxable years ended December 31, 2016, 2017 and 2018 and that we may be a PFIC in 2019 or one or more future years. Whether we will be a PFIC in 2019 or any future year is uncertain because, among other things, (i) we currently own, and will own after the closing of the Private Placement, a substantial amount of passive assets, including cash, (ii) the valuation of our assets that generate non-passive income for PFIC purposes, including our intangible assets, is uncertain and may vary substantially over time, (iii) the treatment of grants as income for U.S. federal income tax purposes is unclear, and (iv) the composition of our income may vary substantially over time. Accordingly, there can be no assurance that we will not be a PFIC in 2019 or any future taxable year.

If we are a PFIC for any taxable year during which a U.S. investor holds Shares, we generally would continue to be treated as a PFIC with respect to that U.S. investor for all succeeding years during which the U.S. investor holds our Shares, even if we ceased to meet the threshold requirements for PFIC status. Such a U.S. investor may be subject to adverse U.S. federal income tax consequences, including (i) the treatment of all or a portion of any gain on disposition as ordinary income, (ii) the application of a deferred interest charge on such gain and the receipt of certain dividends and (iii) compliance with certain reporting requirements. There is no assurance that we will provide information that will enable investors to make a qualified electing fund election, also known as a QEF Election, that could mitigate the adverse U.S. federal income tax consequences should we be classified as a PFIC.

For further discussion, see paragraph 7.3.

3. IMPORTANT INFORMATION

3.1 General

You should rely only on the information contained in, or incorporated by reference into, the Prospectus and any supplement to it within the meaning of article 5:23 of the Financial Supervision Act, should such supplement be published. No person is or has been authorized to give any information or to make any representations other than those contained in the Prospectus and any supplement to it within the meaning of article 5:23 of the Financial Supervision Act, should such supplement be published and, if given or made, such information or representations must not be relied upon as having been authorized by Kiadis or any of its affiliates or agents. The delivery of this Summary and Securities Note shall not under any circumstances, create any implication that there has been no change in Kiadis affairs or that information contained herein is correct as of any time subsequent to the date hereof.

3.2 Responsibility statement

Kiadis Pharma N.V., with its registered seat in Amsterdam and with its registered office at Paasheувелweg 25A, 1105 BP Amsterdam, the Netherlands, accepts responsibility for the information contained in this Summary and Securities Note. To the best of Kiadis Pharma N.V.'s knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Summary and Securities Note is in accordance with the facts and contains no omission likely to affect its import.

The information included in this Summary and Securities Note reflects our position as at the Summary and Securities Note Date and under no circumstances should the issue and distribution of this Summary and Securities Note after the Summary and Securities Note Date be interpreted as implying that the information included herein will continue to be correct and complete at any later date.

This Summary and Securities Note is to be read in conjunction with all the documents which are incorporated herein by reference (see paragraph 3.4 below).

The distribution of this Summary and Securities Note may be restricted by law in certain jurisdictions. This Summary and Securities Note may not be used for the purpose of, or in connection with, any offer or solicitation of any offer by anyone. This Summary and Securities Note does not constitute an offer of, a solicitation of, or an invitation to purchase any Shares. Persons who obtain this Summary and Securities Note must inform themselves about and observe all such restrictions. We do not accept any legal responsibility for any violation by any person, of any such restrictions.

3.3 Presentation of financial and other information

Rounding

We have made rounding adjustments to some of the figures included in this Summary and Securities Note. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

Currencies

Unless otherwise indicated, all references in the Prospectus to "€", "euro", "Eur", "EUR" or "cents" are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the treaty establishing the European Community, as amended. All references to "\$", "US\$" or "U.S. dollars" are to the lawful currency of the United States. All references to "Canadian dollar" or "CN\$" are to the lawful currency of Canada.

Exchange rate information

The following table sets forth, for each period indicated, the low and high exchange rates of U.S. dollars per euro, the exchange rate at the end of such period and the average of such exchange rates on the last day of each month during such period, based on the noon buying rate of the Federal Reserve Bank of New York for the euro. As used in this document, the term "noon buying rate" refers to the rate of exchange for the euro, expressed in U.S. dollars per euro, as certified by the Federal Reserve Bank of New York for customs purposes. The exchange rates set forth below demonstrate trends in exchange rates, but the actual exchange rates used throughout the Prospectus may vary.

	2014	2015	2016	2017	2018
High	1.3927	1.2015	1.1516	1.2041	1.1594
Low	1.2101	1.0524	1.0375	1.0416	1.1281
Rate at end of period	1.2101	1.0859	1.0552	1.2022	1.1456
Average rate per period	1.3210	1.1032	1.1029	1.1396	1.1418

The following table sets forth, for each of the last six months, the low and high exchange rates for euro expressed in U.S. dollars and the exchange rate at the end of the month based on the noon buying rate as described above.

	November 2019	December 2018	January 2019	February 2019	March 2019	April 2019
High	1.1459	1.1456	1.1524	1.1268	1.1376	1.1304
Low	1.1281	1.1300	1.1322	1.1474	1.1214	1.1214
Rate at end of period	1.1323	1.1456	1.1454	1.1379	1.1228	1.1201

On May 17, 2019, the noon buying rate of the Federal Reserve Bank of New York for the euro was 1.00 = US\$1.1166. Unless otherwise indicated, currency translations in this Summary and Securities Note reflect the May 17, 2019, 2019 exchange rate for euros.

Gender references

Words in a particular gender shall include all genders – and accordingly a reference to "he" or "his" shall also refer to "she" and "her", unless the context requires otherwise.

3.4 Documents incorporated by reference

The Registration Document, including the documents incorporated by reference therein are incorporated by reference into this Summary and Securities Note. No other documents or information form part of, or are incorporated by reference into, this Summary and Securities Note.

Any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Summary and Securities Note to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this Summary and Securities Note.

Where the documents incorporated by reference themselves incorporate information by reference, such information does not form part of this Summary and Securities Note.

Copies of the documents incorporated by reference in this Summary and Securities Note may be obtained from our website at <http://www.kiadis.com>. No documents or information other than the information incorporated by reference, including the content of our website – www.kiadis.com - or of websites accessible from hyperlinks on that website, form part of, or are incorporated by reference into, this Summary and Securities Note. Except for documents incorporated by reference in this Summary and Securities Note referenced to by hyperlinks, information referred to by hyperlinks is not part of this Summary and Securities Note on the basis of article 6(1)-(2) Delegated Regulation (EU) 2016/301.

3.5 Available information

Copies of this Summary and Securities Note, and the documents incorporated by reference therein may be obtained free of charge for the life of the Registration Document by sending a request in writing to us at Paasheuvelweg 25A, 1105 BP Amsterdam, the Netherlands.

3.6 Enforceability of judgments

The ability of Shareholders in certain countries other than the Netherlands, in particular in the United States, to bring an action against us may be limited under Dutch law. We are a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands and have our statutory seat (*statutaire zetel*) in Amsterdam, the Netherlands.

All but one of the members of the Management Board and the Supervisory Board are resident of countries other than the United States. All or a substantial proportion of the assets of these individuals are located outside the United States. Our assets are predominantly located outside the United States. As a result, it may not be possible or it may be difficult for investors to effect service of process within the United States upon us or such persons, or to enforce against them in U.S. courts a judgment obtained in such courts, including judgments predicated on the civil liability provisions of U.S. federal securities laws or the securities laws of any state or territory within the United States.

The United States and the Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the party in whose favor a final and conclusive judgment of the U.S. court has been rendered will be required to file its claim with a court of competent jurisdiction in the Netherlands. Such party may submit to the Dutch court the final judgment rendered by the U.S. court. This court will have discretion to attach such weight to the judgment rendered by the relevant U.S. court as it deems appropriate. The Dutch courts can be expected to give conclusive effect to a final and enforceable judgment of such court in respect of the contractual obligations thereunder without re-examination or re-litigation of the substantive matters adjudicated upon, provided that: (i) the U.S. court involved accepted jurisdiction on the basis of internationally recognized grounds to accept jurisdiction, (ii) the proceedings before such court being in compliance with principles of proper procedure (*behoorlijke rechtspleging*), (iii) such judgment not being contrary to the public policy of the Netherlands and (iv) such judgment not being incompatible with a judgment given between the same parties by a Netherlands court or with a prior judgment given between the same parties by a foreign court in a dispute concerning the same subject matter and based on the same cause of action, provided such prior judgment fulfills the conditions necessary for it to be given binding effect in the Netherlands. Dutch courts may deny the recognition and enforcement of punitive damages or other awards. Moreover, a Dutch court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages. Enforcement and recognition of judgments of U.S. courts in the Netherlands are solely governed by the provisions of the Dutch Civil Procedure Code.

Dutch civil procedure differs substantially from U.S. civil procedure in a number of respects. Insofar as the production of evidence is concerned, U.S. law and the laws of several other jurisdictions based on common law provide for pre-trial discovery, a process by which parties to the proceedings may prior to trial compel the production of documents by adverse or third parties and the deposition of witnesses. Evidence obtained in this manner may be decisive in the outcome of any proceeding. No such pre-trial discovery process exists under Dutch law.

Subject to the foregoing and service of process in accordance with applicable treaties, investors may be able to enforce in the Netherlands judgments in civil and commercial matters obtained from U.S. federal or state courts. However, no assurance can be given that those judgments will be enforceable. In addition, it is doubtful whether a Dutch court would accept jurisdiction and impose civil liability in an original action commenced in the Netherlands and predicated solely upon U.S. federal securities laws.

3.7 Market data and other information from third parties

The information in this Summary and Securities Note that has been sourced from third parties has been accurately reproduced and, as far as we are aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Industry publications generally state that their information is obtained from sources they believe reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Although we believe these sources to be

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reliable, as we do not have access to the information, methodology and other bases for such information, we have not independently verified the information. We are not aware of any exhaustive industry or market reports that cover or address our specific markets.

In this Summary and Securities Note, we make certain statements regarding the markets and the competitive position in the sectors and geographies in which we compete. We believe these statements to be true based on market data and industry statistics which are in the public domain, but have not independently verified the information.

3.8 Forward-looking statements

This Summary and Securities Note contains certain statements that are or may be forward-looking statements with respect to our financial condition, results of operations and/or business achievements, including, without limitation, statements containing the words "believe", "anticipate", "expect", "estimate", "may", "could", "should", "would", "will", "intend" and similar expressions. Such forward-looking statements involve unknown risks, uncertainties and other factors which may cause our actual results, financial condition, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed in Chapter 1 (Risk Factors) of the Registration Document and Chapter 2 (Risk Factors) of this Summary and Securities Note.

You should refer to Chapter 1 (Risk Factors) of the Registration Document and Chapter 2 (Risk Factors) of this Summary and Securities Note for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in the Prospectus will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame or at all. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

You should read the Prospectus and any documents incorporated by reference therein and any supplement to the Prospectus within the meaning of article 5:23 of the Financial Supervision Act, should such supplement be published, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

3.9 References to defined terms and incorporation of terms

Certain terms used in this Summary and Securities Note, including capitalized terms and certain technical and other terms are explained in Chapter 13 (Definitions and Glossary) of the Registration Document.

4. CAPITALIZATION AND INDEBTEDNESS

This section sets forth our capitalization and indebtedness as at December 31, 2018 on an actual basis.

You should read this table together with our audited consolidated financial statements for the year ended December 31, 2018 and the related notes thereto incorporated by reference in the Registration Document, as well as the information in Chapter 6 (Operating and Financial Review) of the Registration Document.

4.1 Capitalization

(in € thousands)

	As at December 31, 2018
	Unaudited
Total current debt	11,309
Guaranteed	-
Secured ⁽¹⁾	5,308
Not guaranteed/secured	6,001
Total non-current debt	27,091
Guaranteed	-
Secured ⁽¹⁾	11,364
Not guaranteed/secured	15,727
Equity	
Share capital	2,434
Share premium	180,553
Translation reserve	298
Warrant reserve	392
Accumulated deficit	(139,533)
Total	44,144
Total capitalization	82,544

⁽¹⁾ Secured part of the current and non-current debt regards the loans obtained under the Kreos Capital Facility Agreements, which are secured for the benefit of Kreos Capital by means of security rights over our assets. See also paragraph 6.8 of the Registration Document.

4.2 Indebtedness

(in € thousands)

	As at December 31, 2018
	Unaudited
Cash ⁽¹⁾	60,314
Cash equivalent	-
Trading securities	-
Liquidity	60,314
Current financial receivables	-
Current bank debt	-
Current portion of non-current debt	5,308
Other current financial debt	-
Current financial debt	5,308
Net current financial indebtedness	(55,006)
Non-current bank loans	-

Bonds issued	-
Other non-current loans	21,836
Non-current financial indebtedness	21,836
Net financial indebtedness	(33,170)

(1) Cash amount includes restricted cash for an amount of €22 thousand. The restricted cash relates to bank guarantees amounting to €22 thousand which were granted by ING Bank N.V. for the benefit of the lessor of Kiadis' Amsterdam laboratory and office facilities.

4.3 Significant changes in capitalization and indebtedness since December 31, 2018

There has been no significant change in our capitalization and indebtedness since December 31 2018, except for the following:

- On March 19, 2019 our restricted cash increased by €215 thousand to a total of €237 thousand. The additional restricted cash relates to bank guarantees which were granted by ING Bank N.V. for the benefit of a supplier.
- In July 2018, we obtained a second debt facility of up to €20 million from Kreos Capital – the Second Kreos Capital Facility Agreement. The first tranche of €5 million of this facility was drawn down in July 2018. As of March 31, 2019, the remainder of €15 million is not available to us anymore. It had to be drawn down by March 31, 2019 and was conditional upon us having obtained a positive CHMP opinion to the European Commission recommending we receive marketing authorization for ATIR101 by then.
- On April 4, 2019 we signed a lease contract for approximately 1,250 m2 additional office space in our Amsterdam head offices. ING Bank N.V. granted a bank guarantee to the landlord for an amount of €105 thousand.
- On April 17, 2019, we announced that Kiadis Pharma N.V., its wholly owned subsidiary CST, CytoSen and Philip R. McKee as representative of the CytoSen shareholders have entered into a binding agreement – the CytoSen Acquisition Agreement – regarding the acquisition by us of the entire share capital of CytoSen, subject to the approval of the General Meeting and customary closing conditions. See Chapter 5 (Unaudited Pro Forma Consolidated Financial Information) in the Registration Document for pro forma financial information that has been prepared to illustrate the impact of the Transaction as if it had occurred on January 1, 2018 for the purposes of the income statement and on December 31, 2018 for the purposes of the statement of financial position.
- On May 31, 2019, we announced the launch of the Private Placement. The Private Placement has been structured as an accelerated bookbuilt offering, and on the basis of the accelerated bookbuilding process, 3,684,200 Private Placement Shares have been placed with the Participating Investors at an issue price of €7.50 per Private Placement Share. See also paragraph 5.1 below.

4.4 Indirect and contingent indebtedness

See paragraph 6.8 (Operating and financial review –Contractual obligations and commercial commitments) of the Registration Document for a discussion on our indirect and contingent indebtedness.

4.5 Working capital statement

Our current resources do not provide us with sufficient working capital for the next twelve months following the Summary and Securities Note Date.

At the Summary and Securities Note Date, we have cash and cash equivalents of approximately €42 million, and CytoSen has cash and cash equivalents of approximately €5 million. We expect that the level of our expenses, in particular our research and development expenses and sales and marketing expenses, will be higher in 2019 than in 2018 as we ramp up our Phase III clinical trial for ATIR101, progress development of CSTD002-NK in the event that the acquisition of CytoSen is completed, and build up our capabilities in advance of the anticipated regulatory approval and commercial launch of ATIR101. We believe that in the event that the Transaction completes and our operations will include those of CytoSen, or in the event that the Transaction does not complete, existing cash and cash equivalents will allow us to continue operating the business in either case into the first quarter of 2020. Based on our present requirements and those of CytoSen, we believe that the combined Kiadis – CytoSen operations will require cash resources of approximately €72 million to provide us with sufficient working capital for the next twelve months following the Summary and Securities Note Date, of which the Kiadis operations alone will require cash resources of approximately €58 million to provide us with sufficient working capital for the next twelve months following the Summary and Securities Note Date. Accordingly, we believe that the current working capital shortfall amounts to approximately €25 million in the event that the Transaction completes and to approximately €16 million in the event that the Transaction does not complete.

We have engaged in the Private Placement to address our working capital needs for our operations and those of CytoSen and the shortfall that would arise if the Transaction completes as set out above. Upon completion of the Private Placement, we shall receive net proceeds of approximately €25.4 million, which aligns with the working capital shortfall of approximately €25 million if the Transaction completes as referred to above.

If the Transaction completes but the Private Placement is withdrawn or otherwise not completed – which is a situation that we believe is not likely to occur - , we would be required to seek alternative funds to cover the shortfall in our working capital for the next twelve months following the Summary and Securities Note Date. In that event, the most likely scenario is that we will seek to conduct an alternative equity raising by means of a private or public offering. We may also seek to enter into debt financing arrangements and/or delay, reduce the scope of, eliminate or divest clinical programs, partner with others or divest one or more of our activities, and consider other cost reduction initiatives, such as slowing down the planned organizational expansion, withholding expansion of additional clinical trials, slowing down the preparation and investments for the manufacturing facility and slowing down patient recruitment of clinical trials. At the Summary and Securities Note Date we have not explored any of these measures in sufficient detail and there can be no assurance that any of these measures can be implemented in time, or at all, to address the shortfall in our working capital for the next twelve months following the Summary and Securities Note Date that we would have if the Private Placement would be withdrawn or otherwise not be completed, in which context it is noted that the possibilities of implementing any of these measures may be negatively impacted if we do not obtain a positive opinion of the CHMP. In the event we are not be able to generate sufficient funds from these measures, we may be unable to continue as a going concern, our business,

financial condition and/or results of operations could be materially and adversely affected and we may ultimately go into insolvency.

It is noted that our existing capital resources and the net proceeds from the Private Placement may not be sufficient to enable us to fund us beyond the next twelve months following the Summary and Securities Note Date or to fund the completion of our clinical development programs, including ATIR101, and for the development of the CytoSen programs in the event that the Transaction completes, and that accordingly, we will need to raise additional funds through public or private equity offerings or by other means.

We may also require additional capital resources due to significant uncertainty associated with and time required to complete the clinical trials of ATIR and the furtherance of the trials of CSTD002. We may need to raise additional funds more quickly if we choose to expand our development activities or if we consider selective acquisitions. Factors that could influence our future capital requirements and the timing thereof include the:

- progress and cost of our clinical trials, including payments of patient cost, clinical investigator cost and payments to clinical research organizations that are assisting with its sponsored clinical trials, and other research and development activities;
- cost and timing of obtaining regulatory approval to commence further clinical trials;
- costs associated with physician-initiated clinical trials;
- cost of filing, prosecuting, defending and enforcing any patent applications, claims, patents and other intellectual property rights;
- cost and timing of securing active pharmaceutical ingredients from suppliers;
- cost and timing of establishing production capacities and obtaining sufficient quantities of our products for clinical trials;
- costs associated with process optimizations;
- repayment obligations under the loans provided by Kreos Capital and the loan provided by the University of Montreal (see paragraph 6.8 of the Registration Document);
- royalty and milestone obligations to Hospira and the University of Montreal (see paragraph 6.8 of the Registration Document);
- terms and timing of any collaborative, licensing and other arrangements that we may establish
- cost of acquiring or licensing additional products, if any; and;
- amount and timing of further investments in preclinical research, if any.

We may raise additional capital through public or private equity offerings, debt financings, collaborations or other means. We may consider raising additional capital to take advantage of favorable market conditions or other strategic considerations even if we have sufficient funds for planned operations. To the extent that we raise additional funds by issuance and sale of equity securities, holders of Shares will experience dilution. Debt financings, if available, may subject us to financial and other restrictive covenants that limit our ability to engage in activities that we may believe to be in our long-term best interests. Additional financing may not be available on acceptable terms, if at all. Capital may become difficult or impossible to obtain due to poor market or other conditions outside of our control.

5. LISTING AND ADMISSION TO TRADING ON EURONEXT

5.1 Private Placement

On May 30, 2019, we announced the launch of the Private Placement, a private placement of Shares to institutional and other qualifying investors outside the United States in reliance on the safe harbor from the registration requirements of the U.S. Securities Act under Regulation S (the "**Reg S Placement**") and (b) in the United States in private placements pursuant to the exemption available from registration under Section 4(a)(2) of the U.S. Securities Act or pursuant to another available exemption from registration (the "**U.S. Placement**" and, together with the Reg S Placement, the "**Private Placement**").

The Private Placement has been structured as an accelerated bookbuilt offering. In relation to the Private Placement, Jefferies acted as the Sole Global Coordinator and Joint Bookrunner, and Piper Jaffray acted as Joint Bookrunner. Saola Healthcare Partners acted as financial adviser to Kiadis. The address details of Jefferies, Piper Jaffray and Saola Healthcare Partners are set out below.

Jefferies International Limited
Vintners Place
68 Upper Thames Street
London EC4V 3BJ
United Kingdom

Piper Jaffray & Co.
345 Park Avenue
Suite 1200
New York, NY 10154
United States of America

Saola Healthcare Partners
Barbara Strozzi laan 101
1083 HN Amsterdam
The Netherlands

On the basis of the accelerated bookbuilding process, 3,684,200 Private Placement Shares have been placed with the Participating Investors at an issue price of €7.50 per Private Placement Share.

None of the parties holding a registered substantial holding of at least 3% of our share capital and/or voting rights (see Chapter 9 (Significant Holdings) of the Registration Document) has participated in the Private Placement.

The Private Placement Shares have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, pledged or transferred within the U.S., except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

5.2 Expenses and Use of Proceeds

The gross proceeds of the Private Placement shall amount to €27.6 million. After deduction of the total expenses of the Private Placement, which are expected to amount to approximately €2.2 million, the expected net proceeds of the Private Placement amount to €25.4 million.

The Transaction Shares constitute consideration in relation to the acquisition of CytoSen pursuant to the Transaction. We shall not receive cash proceeds through the issuance of the Transaction Shares.

We currently expect to utilize the net proceeds from the Private Placement to advance ATIR101, including the furtherance of Phase III development, regulatory, manufacturing and commercialization activities. We will also utilize the net proceeds to continue to build our corporate infrastructure, conduct additional research and development to expand our pipeline (including the assets acquired as part of the Transaction), and for general corporate purposes.

The principal purpose of the Private Placement has been to obtain additional capital to support the execution of our strategy. Our expected use of the net proceeds from the Private Placement represents our current intentions based upon our present plans and business conditions, which could change in the future as our plans and business conditions evolve. We cannot predict with certainty all of the particular uses for the net proceeds to be received upon the completion of the Private Placement or the amounts that we will actually spend on the uses set forth above. For example, we may use a portion of the net proceeds to in-license, acquire or invest in complementary technologies, products or assets. However, we have no current plan, commitments or obligations to do so, other than the Transaction and in relation to CytoSen. See paragraph 7.3 of the Registration Document. There is a risk that our lead product candidate or any other future clinical development or product discovery program may not result in marketing approval. To the extent that we fail to obtain approval to market our lead product candidate or any other clinical development or product discovery program in a timely manner and have to continue clinical trials over a longer period of time, our research and development expenses may further increase. We cannot assure that we will be able to successfully develop and commercialize our lead product candidate or any other future clinical development or product discovery program, if approved for marketing, due to risks and uncertainties including those factors described above. See Chapter 1 (Risk Factors) of the Registration Document. The amounts and timing of our actual expenditures and the extent of clinical development may vary significantly depending on numerous factors, including the progress, timing and completion of our development efforts, the status of and results from our ongoing Phase III clinical trial or any preclinical studies or other clinical trials we may commence in the future, the time and costs involved in obtaining regulatory approval for our lead product candidate or any other future clinical development or product discovery program, as well as maintaining our existing collaborations and any collaborations that we may enter into with third parties for our product candidates and any unforeseen cash needs. As a result, our Management Board will have broad discretion in applying the net proceeds of the Private Placement and investors will be relying on our judgment regarding the application of the net proceeds of the Private Placement. Pending their use, we intend to invest the net proceeds from the Private Placement in a variety of capital preservation investments, including money market deposits and investment funds that will be designated as financial assets at fair value through profit and loss in our consolidated statement of financial position.

Based on our planned use of the net proceeds of the Private Placement and our current cash, cash equivalents and current financial assets, we estimate that such funds will be sufficient to enable us to fund our operating expenses and capital expenditure requirements into late Q2 2020 if the Transaction closes and into Q3 2020 if the Transaction does not close. We have based this estimate on assumptions that may prove to be incorrect, and we could use our available capital resources sooner than we currently expect.

5.3 Placement Agreement

On May 30, 2019 we and the Joint Bookrunners signed the Placement Agreement, to set out the relationship between us.

In the Placement Agreement, we make customary representations and warranties, including warranties as to our organization and authority, due authorization and capitalization, compliance with laws, consents and approvals, accuracy and compliance of public disclosures, ownership of assets, intellectual property and labor, licenses and permits, taxation and sanctions. In addition, we will indemnify the Joint Bookrunners against most liabilities in connection with the Private Placement.

The Placement Agreement provides that the Joint Bookrunners use reasonable endeavors to procure subscribers and purchasers for the New Shares. The Placement Agreement does not include an underwriting commitment in relation to the U.S. Placement – whether in relation to the placement of the Private Placement Shares, the settlement risk or otherwise – of the Joint Bookrunners. The Placement Agreement includes a settlement risk underwriting by the Joint Bookrunners should Participating Investors in the Reg S Placement breach their payment obligations. The Placement Agreement provides that the obligations of the Joint Bookrunners under the Placement Agreement are subject to certain conditions precedent such as the receipt by the Joint Bookrunners of officers' certificates and legal opinions and approval of certain legal matters by counsel.

Upon the occurrence of certain specific events the Joint Bookrunners shall have the right (but not the obligation) to terminate the Placement Agreement. The Joint Bookrunners shall consult in good faith in advance with us regarding such termination, however the Joint Bookrunners shall have the right in their sole discretion to terminate the Placement Agreement.

Should the Placement Agreement be terminated, we will publish this information in a press release.

5.4 Subscription Agreements

The placement of the Private Placement Shares with the Participating Investors has been recorded in separate subscription agreements between us and each relevant Participating Investor in the U.S. Placement (each such agreement, a "**Subscription Agreement**").

The Subscription Agreements provide that the obligations of a Participating Investor under a Subscription Agreement are subject to certain customary conditions, including, among others, the accuracy of the warranties provided by us pursuant to the Subscription Agreements, no action having been taken to prevent consummation of the Private Placement and the Placement

Agreement remaining in full force and effect and not being terminated in accordance with its terms.

In the Subscription Agreements, we make customary representations and warranties, including warranties as to our organization and authority, due authorization and capitalization, compliance with laws, consents and approvals, accuracy and compliance of public disclosures. In addition, the Participating Investors make customary representations and warranties, including as to their eligibility to participate in the U.S. Placement.

In the event that the conditions under the Subscription Agreements are not satisfied or the Placement Agreement is terminated in accordance with its terms, the Subscription Agreements shall terminate as well and the placement of Private Placement Shares with the Participating Investors in the U.S. Placement will be deemed null and void, in which case we will publish this information in a press release.

5.5 Lock up restrictions

In the Placement Agreement, we undertake not to issue, offer, sell, contract to issue or sell, pledge, mortgage, charge, deposit, assign, lend, transfer, issue options or warrants in respect of, grant any option to purchase or otherwise dispose of, directly or indirectly, any Shares (or any other securities convertible into or exchangeable for Shares or which carry rights to purchase Shares) or enter into any transaction (including a derivative transaction) having an effect on the market in the Shares similar to that of an issue or a sale of Shares, or publicly to announce any intention to do any of such things, prior to the day falling 90 days after the Private Placement Settlement Date without the prior written consent of the Joint Bookrunners (not to be unreasonably withheld or delayed), except for (i) options granted or Shares to be delivered under existing share option programs for employees, in accordance with past practice; (ii) Shares issued upon exercise of warrants granted prior to the date of the Placement Agreement; (iii) the Private Placement Shares to be issued and sold as contemplated pursuant to the terms of the Placement Agreement and in connection with the Private Placement; and (iv) Shares to be issued and options to be granted pursuant to the CytoSen Acquisition Agreement. Also, as per the Placement Agreement, each member of the Management Board and the Supervisory Board, as well as significant Shareholders Esprit Nominees Limited, Life Sciences Partners B.V., Life Sciences Partners II B.V., Pro-Ventures I B.V. and LSP Management Group B.V. (see Chapter 9 (Substantial Holdings) of the Registration Document) - each a Locked Party - has undertaken not to offer, sell, contract to sell, pledge, mortgage, charge, deposit, assign, lend, transfer, issue options or warrants in respect of, grant any option to purchase or otherwise dispose of, directly or indirectly, any Shares (or any other securities convertible into or exchangeable for Shares or which carry rights to purchase Shares) or enter into any transaction (including a derivative transaction) having an effect on the market in the Shares similar to that of a sale of Shares, or publicly to announce any intention to do any of such things, prior to the day ending 90 days after the Private Placement Settlement Date without the prior written consent of the Joint Bookrunners, who may in their sole discretion and at any time waive these restrictions. This lock-up undertaking applies to all Shares owned by the relevant Locked Party or any of their respective related parties per the date of the Placement Agreement and per the Private Placement Settlement Date (if a higher number), including for the avoidance of doubt Shares issued to them pursuant to options granted to them at or prior to the Private Placement Settlement Date or any other securities so owned per the Private Placement Settlement Date, exchangeable for or convertible into, or substantially similar to, the Shares, and any rights or

securities arising from any such Shares or attached to any such Shares. The lock-up obligation does not apply to (i) Shares purchased after the Private Placement Settlement Date; (ii) any transfers, sales, tenders or other dispositions of owned Shares pursuant to a bona fide third party tender offer, merger, amalgamation, consolidation or other similar transaction made to or involving all Shares pursuant to which a majority of total voting power of the Shares is transferred to such third party (including, without limitation, the entering into any lock-up, voting or similar agreement pursuant to which the Locked Party may agree to transfer, sell, tender or otherwise dispose of owned Shares in connection with such transaction, or vote any owned Shares in favor of any such transaction); provided that if such tender offer, merger, amalgamation, consolidation or other similar transaction is not completed, any owned Shares subject to the lock-up restrictions undertaken by the Locked Party as per the Placement Agreement shall remain subject to such restrictions) (iii) any corporate action in connection with a takeover offer, capital reorganization, legal merger, split-up or similar transaction or process, in each case to the extent involving the Company; or (iv) the transfer or distribution of owned Shares to members or shareholders of the Locked Party or to any corporation, partnership or other person or entity that is a current or former member, shareholder, limited partner, subsidiary or direct or indirect affiliate of the Locked Party or to any investment fund or other entity that controls or manages the Locked Party (including, for the avoidance of doubt, a fund managed by the same manager or general partner or management company or by an entity controlling, controlled by or under common control with such manager or general partner or management company as the Locked Party, provided that the Locked Party notifies the Joint Bookrunners as soon as reasonably possible of a pending transfer or distribution and provided that in case of such transfer or distribution each transferee or distributee shall execute and deliver to the Joint Bookrunners an agreement in form and substance reasonably satisfactory to the Joint Bookrunners stating that such transferee or distributee is receiving and holding such owned Shares subject to the provisions of the lock-up undertaking.

Pursuant to the CytoSen Acquisition Agreement, of the Transaction Shares to be issued to CytoSen's shareholders as upfront consideration on completion of the Transaction, the Transaction Shares issued to CytoSen's Executive Chairman, CEO and founders – being 846,856 Shares if they do not exercise their CytoSen options prior to completion of the transaction and up to 968,567 Shares if they do exercise such options - shall be subject to lock-up restrictions during a two-year period starting on the completion date of the Transaction, and the other Transaction Shares shall be subject to lock-up restrictions during a 180-day period starting on the completion date of the Transaction.

5.6 The Transaction

Reference is made to paragraph 7.3 of the Registration Document for information on CytoSen and the Transaction.

Based on the number of CytoSen shares and options outstanding on the Summary and Securities Note Date, the total upfront consideration to be paid to holders of CytoSen shares and options for the acquisition of CytoSen consists of 1,724,899 Shares, and 214,941 options to acquire Shares. If prior to completion of the Transaction CytoSen options are exercised, the number of options to acquire Shares to be paid as part of the total upfront consideration - the Upfront Payment Options - will decrease, and the number of Shares to be paid as part of the total upfront consideration - the Upfront Payment Shares - will increase with an equal amount.

85% of the Upfront Payment Shares – the Transaction Shares - shall be issued to CytoSen's shareholders on completion of the Transaction and 15% of the Upfront Payment Shares shall constitute Holdback Shares which will serve as a source for the satisfaction of indemnification and other claims that we may have on the CytoSen shareholders. Based on the number of CytoSen shares and options outstanding on the Summary and Securities Note Date, if no CytoSen options are exercised before completion of the Transaction, the number of Transaction Shares will be 1,466,167, and if all CytoSen options are exercised before completion of the Transaction, the number of the number of Transaction Shares will be 1,648,867.

5.7 Private Placement Shares and the Transaction Shares

The Private Placement Shares and the Transaction Shares will be issued under Dutch law and have a nominal value of €0.10 each. The Private Placement Shares and the Transaction Shares will be registered shares.

The Private Placement is expected to settle and close on June 4, 2019 (the "**Private Placement Settlement Date**") The Transaction is expected to complete on or about June 5, 2019 (the "**Transaction Closing Date**"). On the Transaction Closing Date, up to 1,466,167 Shares – the Transaction Shares – shall be issued to the CytoSen shareholders as upfront consideration for the acquisition of CytoSen pursuant to the CytoSen Acquisition Agreement. The Transaction Shares shall be paid up by means of set-off (*verrekening*) of the CytoSen shareholders' entitlement to receive payment for the CytoSen shares with their obligation to pay up on the Transaction Shares.

The Private Placement Shares are to be issued, and the pre-emptive rights in relation thereto are to be excluded, or around the Private Placement Settlement Date, and the Transaction Shares are to be issued, and the pre-emptive rights in relation thereto are to be excluded, or around the Transaction Closing Date by virtue of resolutions by the Management Board and the Supervisory Board as per such dates, which resolutions shall be based on the authorities delegated to the Management Board and the Supervisory Board by the General Meeting held on March 29, 2019. See also paragraphs 6.5 and 6.6.

Payment and settlement of the Private Placement Shares is expected to occur on the Private Placement Settlement Date which is also the expected date of issue of the Private Placement Shares. Payment and settlement of the Transaction Shares is expected to occur on the Transaction Closing Date which is also the expected date of issue of the Transaction Shares.

The Private Placement Shares will be entered into the collection deposit (*verzameldepot*) and the giro deposit (*girodepot*) as defined in, and pursuant to the Securities Giro Act (*Wet giraal effectenverkeer*). The Private Placement Shares will be delivered in book-entry form through the facilities of Euroclear Netherlands with registered address at Herengracht 459-469, 1017 BS Amsterdam, the Netherlands.

The Transaction Shares shall be issued and delivered to the CytoSen shareholders by one or more deeds of issuance and held by them in registered form via our shareholders' register. If and when their lock-up restrictions have lapsed, CytoSen shareholders may choose to have their Shares be entered into the collection deposit and the giro deposit as defined in, and pursuant to the Securities Giro Act, which shall enable them to hold their Shares in book-entry form.

All the New Shares, have the same rights and benefits as, and rank pari passu in all respects with, the existing and outstanding Shares at the moment of their issuance. Each New Share represents the same portion of share capital as the other existing Shares. The New Shares are denominated and trade in euro.

5.8 Dilution

The dilution resulting from the issue of the Private Placement Shares amounts to 13.13% (relating to both capital interests and voting interests). The dilution resulting from the issue of the Transaction Shares amounts to 5.68% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares is 1,466,167 and to 6.34% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares will be 1,648,867.

In total, the dilution resulting from the issue of the New Shares amounts to 17.45% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares is 1,466,167 and to 17.96% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares will be 1,648,867.

Subject to the terms of the CytoSen Acquisition Agreement, 15% of the Upfront Payment Shares – the Holdback Shares – will serve as a source for the satisfaction of indemnification and other claims that we may have. Subject to reduction in the event of settlement of indemnification and other claims, the Holdback Shares will be issued to the CytoSen shareholders eighteen months after the Transaction Closing Date. Also, CytoSen's shareholders are eligible to potential future consideration of up to 5,174,670 additional Shares and its option holders for a potential future consideration of up to 644,790 Shares upon the achievement of six clinical development and regulatory milestones. See also paragraph 7.3 of the Registration Document.

In the event that, in addition to the New Shares, all the Holdback Shares would be issued, the dilution would amount to 18.17% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares is 1,466,167 and to 18.75% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares will be 1,648,867.

In the event that, in addition to the New Shares and the Holdback Shares, all 5,819,460 additional Shares referred to above would be issued, the dilution would amount to 31.55% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares is 1,466,167 and to 31.96% (relating to both capital interests and voting interests) in the event that the number of Transaction Shares will be 1,648,867.

For completeness sake it is noted that the above does not take into account the potential dilutive effect of the 2,486,357 options and 116,293 warrants that are currently outstanding (see paragraph 11.2 of the Registration Document).

5.9 Admission to listing and trading

Our issued Shares are admitted to listing and trading on Euronext Amsterdam and on Euronext Brussels under ISIN Code NL0011323407 and under the symbol "KDS".

We have applied for the admission to listing and trading of the New Shares under the symbol "KDS" on Euronext Amsterdam and on Euronext Brussels under ISIN Code NL0011323407 and expect that the Private Placement Shares will be admitted to listing and trading on or around the Private Placement Settlement Date, and the Transaction Shares on or around the Transaction Closing Date. Van Lanschot N.V. (registered office at Hooge Steenweg 29, 5211 JN, 's-Hertogenbosch, the Netherlands) is acting as our listing agent.

5.10 Other activities and relationships

The Joint Bookrunners and certain of their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The Joint Bookrunners and certain of their affiliates have, from time to time, performed, and may in the future perform, various commercial and investment banking and financial advisory services for us and our affiliates, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Joint Bookrunners and certain of their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments issued by us and our affiliates. If the Joint Bookrunners or their respective affiliates have a lending relationship with us, they routinely hedge their credit exposure to us consistent with their customary risk management policies. The Joint Bookrunners and their respective affiliates may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities or the securities of our affiliates. Any such short positions could adversely affect future trading prices or the Shares. The Joint Bookrunners and certain of their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

6. DESCRIPTION OF SHARE CAPITAL

6.1 General

We were incorporated on June 12, 2015 as a public company with limited liability (*naamloze vennootschap*) under the laws of the Netherlands. We are registered with the Trade Register of the Chamber of Commerce, the Netherlands, under number 63512653. Our registered address is in Amsterdam, the Netherlands and our business address is at Paasheuvelweg 25A, 1105 BP Amsterdam, the Netherlands (tel: +31-20-240 2550). Our commercial name is Kiadis Pharma.

Set out below is a summary of certain information concerning our share capital and certain significant provisions of Dutch corporate law and a summary of certain provisions of the Articles of Association.

This summary does not purport to give a complete overview and should be read in conjunction with the Articles of Association and the relevant provisions of Dutch law.

6.2 Share capital

Share capital and Shares

Our authorized share capital pursuant to the Articles of Association amounts to €12,000,000 and is divided into 120,000,000 ordinary shares, each with a nominal value of €0.10. Under Dutch law, a company's authorized share capital reflects the maximum amount of shares that it may issue without amending its articles of association. All of our authorized Shares will, when issued and outstanding, be created under Dutch law.

On the date of this Summary and Securities Note, our issued capital amounts to €2,436,674.20 and is divided into 24,366,742 Shares (excluding any New Shares), each with a nominal value of €0.10. On the date of this Summary and Securities Note, neither we nor any of our subsidiaries hold any Shares. On the date of this Summary and Securities Note, all the Shares are fully paid.

Form of Shares

All of the Shares are registered shares. The Shares are eligible for entry into a collection deposit (*verzameldepot*) or giro deposit (*girodepot*) on the basis of the Securities Giro Act and all the Shares trading on Euronext Amsterdam and Euronext Brussels are entered therein. The intermediaries (*intermediairs*), as defined in the Securities Giro Act, are responsible for the management of the collection deposit, and the Dutch centralized securities custody and administration system Euroclear Netherlands, being the central institute (*centraal instituut*) for the purposes of the Securities Giro Act, is responsible for the management of the giro deposit. Save for limited exemptions, the Securities Giro Act excludes the transfer (*uitlevering*) of Shares out of a collection deposit or giro deposit.

6.3 Transferability

There are no restrictions on the transferability of the Shares in the Articles of Association.

6.4 Quorum and voting requirements

Each Share confers the right to cast one vote in the General Meeting.

Resolutions of the General Meeting are taken by an absolute majority, except where Dutch law or the Articles of Association prescribe a larger majority. Matters requiring a majority of at least two-thirds of the votes cast, if less than 50% of the issued share capital is represented, include:

- a resolution of the General Meeting regarding restricting and excluding pre-emptive rights or a resolution to designate the Management Board as the body authorized to exclude or restrict pre-emptive rights;
- a resolution of the General Meeting to reduce our outstanding share capital; and
- a resolution of the General Meeting to have us merge or demerge.

Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of Shares which are held by us.

6.5 Issuance of Shares

Under the Articles of Association, we may issue Shares, or grant rights to subscribe for Shares, only pursuant to a resolution of the General Meeting upon proposal of the Management Board, subject to the prior approval of the Supervisory Board.

The Articles of Association provide that the General Meeting or the Articles of Association may designate the authority to issue Shares, or grant rights to subscribe for Shares, to the Management Board, subject to the approval by the Supervisory Board. Pursuant to Dutch law and the Articles of Association, the period of designation may not exceed five years. Such designation may be renewed by a resolution of the General Meeting for a subsequent period of up to five years each time. Unless the resolution determines otherwise, the designation is irrevocable. At the designation, the number of Shares which may be issued by the Management Board must be determined.

On March 29, 2019 a General Meeting was held at which it was resolved authorize the Management Board, subject to the approval of the Supervisory Board, to issue shares and to grant rights to acquire shares for a period of 5 years from the date of the General Meeting (i.e. up to and including 29 March 2024), up to our authorized share capital included in the Articles of Association from time to time, and to exclude pre-emptive rights in relation thereto.

No resolution of the General Meeting or the Management Board is required for an issue of Shares pursuant to the exercise of a previously granted right to subscribe for Shares.

6.6 Pre-emptive Rights

Dutch company law and the Articles of Association in most cases give Shareholders pre-emptive rights to subscribe on a pro rata basis for any issue of new Shares or upon a grant of rights to subscribe for Shares. Exceptions to these pre-emptive rights include the issue of Shares and the grant of rights to subscribe for Shares (i) to our employees, (ii) in return for non-

cash consideration, or (iii) the issue of Shares to persons exercising a previously granted right to subscribe for Shares.

A Shareholder may exercise pre-emptive rights during a period of at least two weeks from the date of the announcement of the issue or grant. The General Meeting or the Management Board, if so designated by the General Meeting, may restrict the right or exclude pre-emptive rights. A resolution of the General Meeting to restrict or exclude pre-emptive rights, or to designate the Management Board with such authority, requires a majority of at least two-thirds of the votes cast, if less than 50% of our issued share capital is represented. Unless the Management Board is designated to restrict or to exclude pre-emptive rights, a resolution to restrict or to exclude pre-emptive rights will be passed by the General Meeting on the proposal of the Management Board, with the prior approval of the Supervisory Board. A resolution by the General Meeting, or by the Management Board, to restrict or to exclude pre-emptive rights is subject to the prior approval of the Supervisory Board.

On March 29, 2019 a General Meeting was held at which it was resolved authorize the Management Board, subject to the approval of the Supervisory Board, to issue shares and to grant rights to acquire shares for a period of 5 years from the date of the General Meeting (i.e. up to and including 29 March 2024), up to the Company's authorized share capital included in the Articles of Association from time to time, and to exclude pre-emptive rights in relation thereto.

6.7 Reduction of share capital

Under the Articles of Association, upon a proposal from the Management Board, after approval by the Supervisory Board and in compliance with articles 2:99 and 2:100 of the Dutch Civil Code, the General Meeting may resolve to reduce our issued and outstanding share capital by cancelling Shares, or by amending the Articles of Association to reduce the nominal value of the Shares. A resolution for cancellation of Shares may only relate to Shares held by us or of which we hold the depositary receipts.

The decision to reduce our share capital requires a majority of at least two-thirds of the votes cast if less than 50% of our issued share capital is present or represented at the General Meeting.

6.8 Dissolution and liquidation

Under the Articles of Association, we may be dissolved by a resolution of the General Meeting, subject to a proposal by the Management Board which has been approved by the Supervisory Board.

In the event of dissolution, our business will be liquidated in accordance with Dutch law and the Articles of Association and the liquidation shall be arranged by the Management Board under supervision of the Supervisory Board, unless the General Meeting has designated other liquidators. During liquidation, the provisions of the Articles of Association will remain in force as far as possible.

The balance of our remaining equity after payments of debts and liquidation costs will be distributed to holders of the Shares, in proportion to the aggregate nominal value of the Shares held by them

6.9 Dividends

Subject to the approval of the Supervisory Board and subject to Dutch law and the Articles of Association, the Management Board may determine which part of our profits will be added to the reserves. The remaining part of the profits after the addition to the reserves will be at the disposal of the General Meeting. Distributions of dividends will be made pro rata to the nominal value of each Share.

Pursuant to Dutch law and the Articles of Association, the distribution of profits will take place following the adoption of our annual accounts by the General Meeting, and only to the extent that those accounts show sufficient profits to make the contemplated distribution. We may only make distributions to the Shareholders, whether from profits or from our freely distributable reserves, insofar as our shareholders' equity exceeds the sum of the paid-up and called-up share capital plus the reserves required to be maintained by Dutch law or pursuant to the Articles of Association.

Subject to the approval of the Supervisory Board and subject to Dutch law and the Articles of Association, the Management Board may resolve to distribute an interim dividend if it determines such interim dividend to be justified by our profits. For this purpose, the Management Board must prepare an interim statement of assets and liabilities. Such interim statement shall show our financial position not earlier than on the first day of the third month before the month in which the resolution to make the interim distribution is announced. An interim dividend can only be paid if (a) an interim statement of assets and liabilities is drawn up showing that the funds available for distribution are sufficient, and (b) our shareholders' equity exceeds the sum of the paid-up and called-up share capital plus the reserves required to be maintained by Dutch law or pursuant to the Articles of Association.

On proposal of the Management Board which has been approved by the Supervisory Board, the General Meeting may resolve that we make distributions to Shareholders from one or more of our freely distributable reserves, other than by way of profit distribution. Distributions from our distributable reserves may be made throughout the financial year, and need not be based on our annual accounts adopted by the General Meeting. Any such distributions will be made pro rata to the nominal value of each Share.

All Shares are equally entitled to dividends and other distributions, if and when declared. All issued and outstanding Shares rank equally and are eligible for any profit or other payment that may be declared on the Shares.

Payment of any dividend on the Shares in cash will be made in euro. Dividends on the Shares will be paid to the Shareholders through Euroclear Netherlands and credited automatically to the Shareholders' accounts without the need for the Shareholder to present documentation proving ownership of the Shares. In relation to dividend distributions, there are no restrictions under Dutch law in respect of holders of Shares who are non-residents of the Netherlands. 6.7.

Dividends are generally subject to Dutch withholding tax in the Netherlands. See Chapter 7 (Taxation) for certain aspects of taxation of dividends.

An entitlement to any dividend distribution shall be barred five years after the date on which those dividends were released for payment. Any dividend that is not collected within this period reverts to us and is allocated to our general reserves.

Pursuant to the Kreos Capital Facility Agreements that we entered into with Kreos Capital on August 17, 2017 and July 31, 2018, as long as any of the loans provided by Kreos Capital remains outstanding, we are not permitted to make any dividend payment or other distributions to Shareholders without the prior written consent of Kreos Capital.

Shareholders' register

Pursuant to Dutch law and the Articles of Association, we must keep our shareholders' register accurate and current. The Management Board keeps our shareholders' register and records names and addresses of all holders of Shares, showing the date on which the Shares were acquired, the date of the acknowledgement by or notification of us as well as the amount paid on each Share. The register also includes the names and addresses of those with a right of use and enjoyment (*vruchtgebruik*) in Shares belonging to another or a pledge (*pandrecht*) in respect of such Shares.

6.10 European Union takeover regulations

The European Directive on Takeover Bids (2004/25/EC) (the Takeover Directive) has been implemented in Dutch legislation in the Financial Supervision Act and the Public Takeover Bids Decree (*Besluit openbare biedingen Wft*).

6.11 Mandatory takeover offers

Pursuant to the Financial Supervision Act, a shareholder who (individually or acting in concert with others) directly or indirectly obtains control of a Dutch company whose shares are listed on a regulated market within the European Union or European Economic Area is required to make a public offer for all issued and outstanding shares in that company's share capital. Such control is deemed present if a (legal) person is able to exercise, alone or acting in concert, at least 30% of the voting rights in the general meeting of shareholders. The legislation also applies to persons acting in concert who jointly acquire 30% of the voting rights. An exemption exists if such shareholder or group of shareholders reduces its holding below 30% within 30 days of the acquisition of controlling influence provided that (i) the reduction of its holding was not effected by a transfer of shares or depositary receipts to an exempted party and (ii) during this period such shareholder or group of shareholders did not exercise its voting rights.

6.12 Squeeze out procedures

Pursuant to articles 2:92a of the Dutch Civil Code, a shareholder who for his own account contributes at least 95% of the issued capital may institute proceedings before the Enterprise Chamber against the other shareholders jointly for the transfer of their shares to the claimant. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the

provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary upon the advice of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders.

The offeror under a public offer is also entitled to start squeeze-out proceedings if, following the public offer, the offeror contributes at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. The claim of a takeover squeeze-out needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer. The Enterprise Chamber may grant the claim for 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 offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. In principle, the offer price is considered reasonable if the offer was a mandatory offer or if at least 90% of the shares to which the offer related were received by way of voluntary offer.

The Dutch takeover provisions of the Dutch Civil Code also entitle those minority shareholders that have not previously tendered their shares under an offer to transfer their shares to the offeror, provided that the offeror has acquired at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. With regard to price, the same procedure as for takeover squeeze-out proceedings initiated by an offeror applies. The claim also needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer.

7. TAXATION

The information presented in paragraph 7.1 is a discussion of the material Dutch tax consequences of investing in Shares. The information presented in paragraph 7.2 is a discussion of the material Belgian tax consequences of investing in Shares. The information presented in paragraph 7.3 is a discussion of material U.S. federal income tax considerations to a U.S. Holder (as defined below) of investing in Shares.

You should consult your tax advisor regarding the applicable tax consequences to you of investing in Shares under the laws of the Netherlands, Belgium, the United States (federal, state and local) and any other applicable foreign jurisdiction.

7.1 Dutch taxation

General

The following summary outlines certain material Dutch tax consequences in connection with the acquisition, ownership and disposal of the Shares. All references in this summary to the Netherlands and Dutch law are to the European part of the Kingdom of the Netherlands and its law, respectively, only. The summary does not purport to present any comprehensive or complete picture of all Dutch tax aspects that could be of relevance to the acquisition, ownership and disposal of the Shares by a (prospective) holder of the Shares who may be subject to special tax treatment under applicable law. The summary is based on the tax laws and practice of the Netherlands as in effect on the date of this Summary and Securities Note, which are subject to changes that could prospectively or retrospectively affect the Dutch tax consequences.

For purposes of Dutch personal and corporate income taxes, shares, or certain other assets, which may include depositary receipts in respect of shares, legally owned by a third party such as a trustee, foundation or similar entity or arrangement, may under certain circumstances have to be allocated to the (deemed) settlor, grantor or similar originator, or, upon the death of the settlor to his/her beneficiaries, in proportion to their entitlement to the estate of the settlor of such trust or similar arrangement, or the separated private assets (*afgezonderd particulier vermogen*).

The summary does not address the tax consequences of a holder of the Shares who is an individual and who has a substantial interest (*aanmerkelijk belang*) or a deemed substantial interest (*fictief aanmerkelijk belang*) in us within the meaning of the Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally, a holder of the Shares will have a substantial interest in us if such holder of the Shares, whether alone or together with his spouse or partner and/or certain other close relatives (as defined in the Income Tax Act 2001), holds directly or indirectly, or as settlor, or beneficiary of separated private assets (i) (x) the ownership of, (y) certain other rights, such as usufruct, over, or (z) rights to acquire (whether or not already issued), shares (including the Shares) representing 5% or more of our total issued and outstanding capital (or the issued and outstanding capital of any class of our shares) or (ii) (x) the ownership of, or (y) certain other rights, such as usufruct over, profit participating certificates (*winstbewijzen*) that relate to 5% or more of our annual profit or to 5% or more of our liquidation proceeds. In addition, a holder of the Shares has a substantial interest in us if he, whether alone or together with his spouse or partner and/or certain other close relatives (as defined in the Income Tax Act

2001), has the ownership of, or other rights over, Shares, or depositary receipts in respect of Shares, in, or profit certificates issued by, us that represent less than 5% of the relevant aggregate that either (a) qualified as part of a substantial interest as set forth above and where shares, or depositary receipts in respect of shares, profit certificates and/or rights there over have been, or are deemed to have been, partially disposed of, or (b) have been acquired as part of a transaction that qualified for non-recognition of gain treatment.

This summary does not address the tax consequences of a holder of Shares who:

- (a) receives income or realizes capital gains in connection with his or her employment activities or in his/her capacity as (former) board member and/or (former) supervisory board member; or
- (b) is a resident of any non-European part of the Kingdom of the Netherlands

Prospective holders of Shares should consult their own professional advisor with respect to the tax consequences of any acquisition, ownership or disposal of the Shares in their individual circumstances.

Dividend Withholding Tax

General

We are generally required to withhold dividend withholding tax imposed by the Netherlands at a rate of 15% on dividends distributed by us in respect of the Shares. The expression "dividends distributed by the company" as used herein includes, but is not limited to:

- (a) distributions in cash or in kind, deemed and constructive distributions and repayments of paid-in capital (*gestort kapitaal*) not recognized for Dutch dividend withholding tax purposes;
- (b) liquidation proceeds, proceeds of redemption of Shares or, as a rule, consideration for the repurchase of Shares by us in excess of the average paid-in capital recognized for Dutch dividend withholding tax purposes of Shares;
- (c) the par value of Shares issued to a holder of Shares or an increase of the par value of Shares, to the extent that it does not appear that a contribution, recognized for Dutch dividend withholding tax purposes, has been made or will be made; and
- (d) partial repayment of paid-in capital, recognized for Dutch dividend withholding tax purposes, if and to the extent that there are net profits (*zuivere winst*), unless (i) the shareholders at the general meeting have resolved in advance to make such repayment and (ii) the par value of Shares concerned has been reduced by an equal amount by way of an amendment of the articles of association.

Holders of Shares resident in the Netherlands

A holder of the Shares that is resident or deemed to be resident in the Netherlands for Dutch tax purposes is generally entitled, subject to the anti-dividend stripping rules described below, to an

exemption or a credit against its (corporate) income tax liability, or a refund, of any residual Dutch dividend withholding tax. The same generally applies to holders of the Shares that are neither resident nor deemed to be resident in the Netherlands if the Shares are attributable to a permanent establishment in the Netherlands of such non-resident holder.

Holders of Shares resident outside the Netherlands

A holder of the Shares that is resident in a country with which the Netherlands has a double taxation convention in effect, may, depending on the terms of such double taxation convention and subject to the anti-dividend stripping rules described below, be eligible for a full or partial exemption from, or full or partial refund of, Dutch dividend withholding tax on dividends received.

A holder of the Shares, that is a legal entity (a) resident in (i) a Member State of the European Union, (ii) Iceland, Norway or Liechtenstein, or (iii) a country that has concluded a double taxation agreement containing a dividend clause, is generally entitled, subject to the anti-dividend stripping rules and anti-abuse rules described below, to a full exemption from Dutch dividend withholding tax on dividends received if it holds an interest of at least 5% (in shares or, in certain cases, in voting rights) in us or if it holds an interest of less than 5%, in either case where, had the holder of the Shares been a Dutch resident, it would have had the benefit of the participation exemption (as defined in the Corporate Income Tax Act 1969) (*Wet op de vennootschapsbelasting 1969*) (this may include a situation where another related party holds an interest of 5% or more in the company).

A holder of the Shares, that is an entity resident in (i) a Member State of the European Union, or (ii) Iceland, Norway or Liechtenstein, or (iii) in a jurisdiction which has an arrangement for the exchange of tax information with the Netherlands (and such holder as described under (iii) holds the Shares as a portfolio investment, i.e., such holding is not acquired with a view to the establishment or maintenance of lasting and direct economic links between the holder of the Shares and the company and does not allow the holder of the Shares to participate effectively in the management or control of the company), which is exempt from tax in its country of residence, and that would have been exempt from Dutch corporate income tax if it had been a resident of the Netherlands, is generally entitled, subject to the anti-dividend stripping rules described below, to a full refund of Dutch dividend withholding tax on dividends received. This full refund will in general benefit certain foreign pension funds, government agencies and certain government controlled commercial entities.

According to the anti-dividend stripping rules, no exemption, reduction, credit or refund of Dutch dividend withholding tax will be granted if the recipient of the dividend paid by us is not considered the beneficial owner (*uiteindelijk gerechtigde*) of the dividend as defined in the Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*). A recipient of a dividend is not considered the beneficial owner of the dividend if, as a consequence of a combination of transactions, (i) a person (other than the holder of the dividend coupon), directly or indirectly, partly or wholly benefits from the dividend, (ii) such person directly or indirectly retains or acquires a comparable interest in the Shares, and (iii) such person is entitled to a less favorable exemption, refund or credit of dividend withholding tax than the recipient of the dividend distribution. The term "combination of transactions" includes transactions that have been entered into in the anonymity of a regulated stock market, the sole acquisition of one or

more dividend coupons and the establishment of short-term rights or enjoyment on the Shares (e.g., usufruct).

According to the anti-abuse rules, no exemption of Dutch dividend withholding tax will be granted if the Shares are held (i) with the avoidance of Dutch dividend withholding tax of another person as (one of) the main purpose(s) and (ii) forms part of an artificial structure or series of structures (such as structures which are not put into place for valid business reasons reflecting economic reality).

Taxes on Income and Capital Gains

Holders of Shares resident in the Netherlands: Individuals

A holder of the Shares, who is an individual resident or deemed to be resident in the Netherlands will be subject to Dutch income tax on the income derived from the Shares and the gain or loss realized upon the acquisition, redemption or disposal of the Shares by the holder thereof, if:

- (a) such holder of the Shares has an enterprise or an interest in an enterprise, to which enterprise the Shares are attributable; or
- (b) such income or capital gain forms "a benefit from miscellaneous activities" (*resultaat uit overige werkzaamheden*) which, for instance, would be the case if the activities with respect to the Shares exceed "normal active asset management" (*normaal, actief vermogensbeheer*).

If either of the abovementioned conditions (a) or (b) applies, income derived from the Shares and the gains realized upon the acquisition, redemption or disposal of the Shares will in general be subject to Dutch income tax at the progressive rates up to 51.95%.

If the abovementioned conditions (a) and (b) do not apply, a holder of the Shares who is an individual, resident or deemed to be resident in the Netherlands will not be subject to taxes on income and capital gains in the Netherlands. Instead, such individual is generally taxed at a flat rate of 30% on deemed income from "savings and investments" (*sparen en beleggen*), which deemed income is determined on the basis of the amount included in the individual's "yield basis" (*rendementsgrondslag*) at the beginning of the calendar year (minus a tax-free threshold). For the 2019 tax year, the deemed income derived from savings and investments will amount to 1,935% of the individual's yield basis up to €71,650, 4.451% of the individual's yield basis exceeding €71,650 up to and including €978,736 and 5.60% of the individual's yield basis in excess of €978,737. The percentages to determine the deemed income will be reassessed every year on the basis of historic market yields.

Holders of Shares resident in the Netherlands: Corporate entities

A holder of the Shares that is resident or deemed to be resident in the Netherlands for corporate income tax purposes, and that is:

- (a) a corporation;

- (b) another entity with a capital divided into shares;
- (c) a cooperative (association); or
- (d) another legal entity that has an enterprise or an interest in an enterprise to which the Shares are attributable,

but which is not:

- (e) a qualifying pension fund;
- (f) a qualifying investment fund (*fiscale beleggingsinstelling*) or a qualifying exempt investment institution (*vrijgestelde beleggingsinstelling*) (as defined in the Corporate Income Tax Act 1969); or
- (g) another entity exempt from corporate income tax,

will in general be subject to regular corporate income tax, generally levied at a rate of 25% (19% over profits up to €200,000) over income derived from the Shares and the gain or loss realized upon the acquisition, redemption or disposal of the Shares, unless, and to the extent that, the participation exemption (*deelnemingsvrijstelling*) applies.

Holders of Shares resident outside the Netherlands: Individuals

A holder of the Shares who is an individual, not (elected to be) resident or deemed to be resident in the Netherlands will not be subject to any Dutch taxes on income derived from the Shares and the gain or loss realized upon the acquisition, redemption or disposal of the Shares (other than the dividend withholding tax described above), unless:

- (a) such holder has an interest in an enterprise or deemed enterprise (as defined in the Income Tax Act 2001 and the Corporate Income Tax Act 1969) which in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Shares are attributable; or
- (b) such income or capital gain forms a "benefit from miscellaneous activities in the Netherlands" (*resultaat uit overige werkzaamheden in Nederland*) which would for instance be the case if the activities in the Netherlands with respect to the Shares exceed "normal active asset management" (*normaal, actief vermogensbeheer*).

If either of the abovementioned conditions (a) or (b) applies, income or capital gains in respect of dividends distributed by us or in respect of any gains realized upon the acquisition, redemption or disposal of the Shares will in general be subject to Dutch income tax at the progressive rates up to 51.75%.

Holders of Shares resident outside the Netherlands: Legal and other entities

A holder of the Shares, that is a legal entity, another entity with a capital divided into shares, an association, a foundation or a fund or trust, not resident or deemed to be resident in the

Netherlands for corporate income tax purposes, will not be subject to any Dutch taxes on income derived from the Shares and the gains realized upon the acquisition, redemption and/or disposal of the Shares (other than the dividend withholding tax described above), unless:

- (a) such holder has an interest in an enterprise or deemed enterprise (as defined in the Income Tax Act 2001 and the Corporate Income Tax Act 1969) which in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Shares are attributable; or
- (b) such holder has a substantial interest (*aanmerkelijk belang*) in us, that (i) is held with the avoidance of Dutch income tax of another person as (one of) the main purpose(s) and (ii) forms part of an artificial structure or series of structures (such as structures which are not put into place for valid business reasons reflecting economic reality).

If one of the abovementioned conditions applies, income derived from the Shares and the gain or loss realized upon the acquisition, redemption or disposal of the Shares will, in general, be subject to Dutch regular corporate income tax, levied at a rate of 25% (19% over profits up to €200,000), (x) unless, and to the extent that, with respect to a holder as described under (a), the participation exemption (*deelnemingsvrijstelling*) applies.

Gift, Estate and Inheritance Taxes

Holders of Shares resident in the Netherlands

Gift tax may be due in the Netherlands with respect to an acquisition of the Shares by way of a gift by a holder of the Shares who is resident or deemed to be resident of the Netherlands at the time of the gift.

Inheritance tax may be due in the Netherlands with respect to an acquisition or deemed acquisition of the Shares by way of an inheritance or bequest on the death of a holder of the Shares who is resident or deemed to be resident of the Netherlands, or by way of a gift within 180 days before his death by an individual who is resident or deemed to be resident in the Netherlands at the time of his death.

For purposes of Dutch gift and inheritance tax, among others, an individual with the Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. For purposes of Dutch gift tax, an individual not holding the Dutch nationality will be deemed to be resident of the Netherlands if he has been resident in the Netherlands at any time during the twelve months preceding the date of the gift.

Holders of Shares resident outside the Netherlands

No gift, estate or inheritance taxes will arise in the Netherlands with respect to an acquisition of Shares by way of a gift by, or on the death of, a holder of the Shares who is neither resident nor deemed to be resident of the Netherlands, unless, in the case of a gift of the Shares by an individual who at the date of the gift was neither resident nor deemed to be resident in the

Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

Certain special situations

For purposes of Dutch gift, estate and inheritance tax, (i) a gift by a third party will be construed as a gift by the settlor, and (ii) upon the death of the settlor, as a rule his/her beneficiaries will be deemed to have inherited directly from the settlor. Subsequently, such beneficiaries will be deemed the settlor, grantor or similar originator of the separated private assets (*afgezonderd particulier vermogen*) for purposes of Dutch gift, estate and inheritance tax in case of subsequent gifts or inheritances.

For the purposes of Dutch gift and inheritance tax, a gift that is made under a condition precedent is deemed to have been made at the moment such condition precedent is satisfied. If the condition precedent is fulfilled after the death of the donor, the gift is deemed to be made upon the death of the donor.

Value Added Tax

No Dutch value added tax will arise in respect of or in connection with the subscription, issue, placement, allotment or delivery of the Shares.

Other Taxes and Duties

No Dutch registration tax, capital tax, custom duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands in respect of any payment in consideration for the holding or disposal of the Shares.

Residency

A holder of the Shares will not be treated as a resident, or a deemed resident, of the Netherlands by reason only of the acquisition, or the holding, of the Shares or the performance by the Company under the Shares.

7.2 Belgian taxation

General

This summary solely addresses the principal Belgian tax consequences of the acquisition, ownership and disposal of Shares and does not purport to describe every aspect of taxation that may be relevant to a particular holder. Tax matters are complex, and the tax consequences of the acquisition, ownership and disposal of Shares to a particular holder of Shares will depend in part on such holder's circumstances. Accordingly, a holder is urged to consult his own tax advisor for a full understanding of his tax position, including the applicability and effect of Belgian tax laws.

Where in this summary English terms and expressions are used to refer to Belgian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Belgian concepts under Belgian tax law. This summary assumes

that Kiadis Pharma N.V. is organized, and that its business will be conducted, in the manner outlined in the Prospectus. A change to such organizational structure or to the manner in which we conducts our business may invalidate the contents of this summary, which will not be updated to reflect any such change.

This summary is based on the tax law of Belgium (unpublished case law not included) as it stands at the date of this Summary and Securities Note. The tax law upon which this summary is based, is subject to changes, possibly with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

This summary does not describe the tax treatment of investors that are subject to special rules, such as banks, insurance companies, undertakings for collective investment, brokers in securities or currencies, persons that hold, or will hold, Shares as a position in a straddle, share-repurchase transaction, conversion transactions, synthetic security or other integrated financial transactions.

Investors should consult their own advisors regarding the tax consequences of an investment in Shares in the light of their particular circumstances, including the effect of any state, local or other national laws.

Taxes on income and capital gains

Belgian resident and non-resident holders of Shares

For purposes of this summary, a Belgian resident is an individual subject to Belgian personal income tax (that is, an individual who is domiciled in Belgium or has his seat of wealth in Belgium or a person assimilated to a resident for purposes of Belgian tax law), a company subject to Belgian corporate income tax (that is, an entity with legal personality engaged in profit-making activities and with its statutory seat, its principle place of business, its administrative seat or place of effective of management in Belgium), or a legal entity subject to Belgian income tax on legal entities (that is, a legal entity other than a company subject to Belgian corporate income tax, thus not engaged in a business or that only carries on non-profit-making activities, and that has its statutory seat, its principle place of business, its administrative seat or place of effective management in Belgium).

A Belgian non-resident is any person that is not a Belgian resident.

Dividend withholding tax

For Belgian income tax purposes, the gross amount of all benefits paid on or attributed to Shares is generally treated as a dividend distribution.

If dividends are distributed on non-Belgian shares, such as Shares, Belgian withholding tax is in principle only due if an intermediary established in Belgium intervenes in the payment thereof. Belgian withholding tax is indeed due by every intermediary established in Belgium that intervenes in the payment or attribution of dividends from a non-Belgian source. We do not assume responsibility for the correct withholding of Belgian withholding tax.

If the Belgian withholding tax applies, dividends are in principle subject to a 30% rate, subject to such relief as may be available under applicable domestic or tax treaty provisions.

The Belgian withholding tax is calculated on the dividend amount after deduction of any non-Belgian dividend withholding tax. In the case of a redemption of Shares, the redemption distribution (other than the redemption distribution included in a share buyback operated through the central stock exchange market of Euronext or of a similar market), after deduction of the part of the fiscal paid-up capital represented by the redeemed Shares and under certain conditions, will be treated as a dividend subject to a Belgian withholding tax of 30% (if a Belgian intermediary intervenes in the payment thereof), subject to such relief as may be available under applicable domestic or tax treaty provisions.

In case of our liquidation, any amounts distributed in excess of the fiscal paid-up capital will be treated as a dividend and will in principle be subject to a 30% Belgian withholding tax (if a Belgian intermediary intervenes in the payment thereof), subject to such relief as may be available under applicable domestic or tax treaty provisions.

Under Belgian law, non-Belgian dividend withholding tax is not creditable against Belgian income tax and is not reimbursable to the extent that it exceeds Belgian income tax. It is noted that further to the judgment rendered by the Belgian Supreme Court on June 16, 2017 a foreign tax credit may be available under a double tax treaty, however. It is recommended to consult your tax advisor as regards the consequences of this judgment on your specific situation.

Dividend income

Belgian resident individuals

Residents of Belgium are subject to Belgian personal income tax on their worldwide income, *i.e.* Belgian-source income as well as foreign-source income. Foreign-source (investment) income is in principle subject to the rates and rules applicable to Belgian-source (investment) income.

For Belgian resident individuals who acquire and hold Shares as a private investment, the Belgian withholding tax levied on dividends fully discharges their personal income tax liability. Nevertheless, these resident individuals may elect to report the dividends in their personal income tax return if the personal income tax due on the dividends is expected to be less than the paid withholding tax so that the latter can be partly or fully offset and the excess (if any) reimbursed. Also, if the dividends are paid outside of Belgium without the intervention of a Belgian paying agent, the dividends received (after deduction of any non-Belgian withholding tax, but including transaction costs, custody fees and other similar costs) must be reported in the personal income tax return. Dividends that are reported this way will normally be taxable at the lower of the generally applicable 30% Belgian withholding tax rate on dividends or, in case globalization is more advantageous, at the progressive personal income tax rates applicable to the taxpayer's overall declared income. Generally, transaction costs, custody fees and other similar costs are deductible. If the beneficiary reports the dividends, the income tax due on such dividends will not be increased by local surcharges. In addition, if the dividends are reported, the Belgian withholding tax levied on the dividends may, in both cases, be credited against the personal income tax due and is reimbursable to the extent that it exceeds the personal income tax due, provided that the dividend distribution does not result in a reduction in value of or a capital loss on the Shares. The latter condition is not applicable if the individual can

demonstrate that it has held the Shares in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends.

For Belgian resident individual investors who acquire and hold Shares for professional purposes, the Belgian withholding tax does not fully discharge their income tax liability. Dividends received (after deduction of any non-Belgian withholding tax) must be reported by the investor and will, in such a case, be taxable at the investor's personal income tax rate increased with local surcharges. The Belgian withholding tax levied on dividends may be credited against the personal income tax due and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the taxpayer must own Shares in full legal ownership at the time the dividends are paid or attributed and (ii) the dividend distribution may not result in a reduction in value of or a capital loss on Shares. The latter condition is not applicable if the investor can demonstrate (i) that he has held Shares in full legal ownership for an uninterrupted period of 12 months prior to the attribution of the dividends.

Belgian resident companies

Belgian resident companies are subject to tax on their worldwide income. In general, all income of companies is taxable, including dividends.

For Belgian resident companies (other than investment companies within the meaning of article 185bis of the Belgian Income Tax Code), the gross dividend income (after deduction of any non-Belgian withholding tax, but including the Belgian withholding tax, if any) must be declared in the corporate income tax return and will be subject to a corporate income tax rate of 29.58% (further reduced to 25% for financial years starting on or after January 1, 2020 (tax year 2021)), unless reduced corporate income tax rates apply.

For financial years starting on or after January 1, 2018 (tax year 2019), Belgian resident companies can generally (although subject to certain limitations) deduct 100% of the gross dividend income received (the "**Dividend Received Deduction**"), provided that at the time of a dividend payment or attribution: (i) the Belgian resident company holds Shares representing at least 10% of our share capital or a participation in us with an acquisition value of at least €2,500,000; (ii) Shares have been held or will be held in full ownership for an uninterrupted period of at least one year; and (iii) the conditions relating to the taxation and absence of deductibility of the underlying distributed income and the absence of tax avoidance, as described in Article 203 of the Belgian Income Tax Code (the "**Article 203 ITC Condition**") are met (together, the "**Conditions for the application of the dividend received deduction regime**").

The Conditions for the application of the dividend received deduction regime depend on a factual analysis and for this reason the availability of this regime should be verified upon each dividend distribution.

Any Belgian withholding tax levied on dividends may be credited against the corporate income tax due and is reimbursable to the extent that it exceeds the corporate income tax due, subject to two conditions: (i) the taxpayer must own Shares in full legal ownership at the time the dividends are paid or attributed and (ii) the dividend distribution may not result in a reduction in value of or a capital loss on Shares. The latter condition is not applicable if the company can demonstrate (i) that it has held Shares in full legal ownership for an uninterrupted period of 12

months prior to the attribution of the dividends or (ii) that during that period, Shares have never been held in full legal ownership at any point in time by a taxpayer other than a) a company subject to Belgian corporate tax or b) a non-resident company having, in an uninterrupted manner, invested Shares in a Belgian establishment.

Organizations for financing pensions

For organizations for financing pensions ("**OFPs**"), i.e. Belgian pension funds incorporated under the form of an OFP (*organisme de financement de pensions/organisme voor de financiering van pensioenen*) within the meaning of Article 8 of the Belgian Law of October 27, 2006, the dividend income is generally tax-exempt.

Although there is no specific exemption from Belgian dividend withholding tax at source for dividends paid or attributed to OFPs, subject to certain limitations, the Belgian dividend withholding tax can be credited against the OFPs corporate income tax and is reimbursable to the extent it exceeds the corporate income tax due.

Other Belgian legal entities subject to the legal entities income tax

For taxpayers subject to the Belgian income tax on legal entities, the Belgian withholding tax levied on dividends in principle fully discharges their income tax liability. However, if the dividends are paid outside of Belgium without the intervention of a Belgian intermediary and without deduction of Belgian withholding tax, the entity itself is responsible for the deduction and payment of the 30% Belgian withholding tax.

Belgian non-resident individuals and companies

Dividends paid through a professional intermediary in Belgium will in principle be subject to withholding tax. However, an exemption or reduction may apply provided that the shareholder is resident in a country with which Belgium has concluded a double taxation treaty and delivers the requested affidavit. The current applicable tax rate is 30%.

Non-resident investors can also obtain an exemption of Belgian dividend withholding tax if they are the owners or usufructors of the Shares and they deliver an affidavit confirming that they have not allocated the Shares to business activities in Belgium and that they are non-residents, provided that the dividend is paid through a Belgian credit institution, stock market company or recognized clearing or settlement institution.

For non-resident individuals and companies, the Belgian withholding tax (if any) will be the only tax on dividends in Belgium, unless the non-resident holds Shares in connection with a business conducted in Belgium through a Belgian establishment.

If Shares are acquired by a non-resident in connection with a Belgian establishment, the investor must report any dividends received, which will be taxable at the applicable non-resident individual or corporate income tax rates, as appropriate. Belgian withholding tax levied on dividends (if any) may be credited against non-resident individual or corporate income tax and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the taxpayer must own Shares in full legal ownership at the time the dividends are paid or attributed and (ii) the dividend distribution may not result in a reduction in value of, or a capital loss on,

Shares. The latter condition is not applicable if the non-resident taxpayer can demonstrate (i) that it has held Shares in legal ownership for an uninterrupted period of 12 months prior to the attribution of the dividends or (ii) with regard to non-resident companies only, that, during that period, Shares have never been held in full legal ownership at any point in time by a taxpayer other than (a) a company subject to Belgian corporate tax or (b) a non-resident company having, in an uninterrupted manner, invested Shares in a Belgian establishment.

Non-resident companies holding Shares that are invested in a Belgian establishment may deduct up to 100% of the gross dividends included in their taxable profits if, at the date dividends are paid or attributed, the Conditions for the application of the dividend received deduction regime (see above) are met. Application of the dividend received deduction regime depends, however, on a factual analysis to be made upon each distribution, and its availability should be verified upon each distribution.

Capital gains and losses on Shares

Belgian resident individuals

In principle, Belgian resident individuals acquiring the Shares as a private investment should not be subject to Belgian capital gains tax on the disposal of the Shares; capital losses are not tax deductible.

Capital gains realized in a private (i.e., non-professional) context on the disposal of Shares by a private individual are taxable at 33% (plus local surcharges) if the capital gain is deemed speculative or realized outside the scope of the normal management of the individual's private estate. Whether or not the capital gains on shares are realized subsequent to a management not exceeding a normal management of an individual's private estate is a matter of interpretation of the factual circumstances and many discussions with the tax administration may occur. Capital losses, however, are generally not tax deductible.

Belgian resident individuals who hold Shares for professional purposes are taxable at the ordinary progressive personal income tax rates up to 50% (plus local surcharges) on any capital gains realized upon the disposal of Shares, except for Shares held for more than five years, which are taxable at a separate rate of 16.5% (plus local surcharges). Capital losses on Shares incurred by Belgian resident individuals who hold Shares for professional purposes are in principle tax deductible.

Capital gains realized by Belgian resident individuals upon the redemption of Shares or upon our liquidation will generally be taxable as a dividend (see above).

Belgian resident companies

Belgian resident companies not qualifying as small companies within the meaning of Article 1:24, §1 to §6 of the (new) Belgian Companies Code and Belgian resident companies qualifying as small companies within the meaning of Article 1:24, §1 to §6 of the Belgian Companies Code are not subject to Belgian capital gains taxation on gains realized upon the disposal of Shares, provided that all of the Conditions for the dividend received deduction are met.

If the one-year minimum holding period condition would not be met (but the Article 203 ITC Condition is met) then the capital gains realized upon the disposal of Shares by Belgian resident companies would be taxable at a separate corporate income tax rate of 25.5% for large companies (further reduced to 25% for financial years starting on or after January 1, 2020 (tax year 2021)) and 20.4% for small companies on the first €100,000, however, subject to certain conditions (further reduced to 20% for financial years starting on or after January 1, 2020 (tax year 2021)). If the Article 203 ITC condition would not be met, then the capital gains realized upon the disposal of shares by Belgian resident companies would be taxable at 29.58% for large companies (further reduced to 25% for financial years starting on or after January 1, 2020 (tax year 2021)) and 20.4% for small companies subject to certain conditions (further reduced to 20% for financial years starting on or after January 1, 2020 (tax year 2021)).

Capital losses on Shares incurred by resident companies (both large or small companies) are as a general rule not tax deductible. However, capital losses on shares realized pursuant to the final distribution of the capital upon liquidation are deductible up to the amount of the paid-up capital.

Shares held in the trading portfolios of qualifying credit institutions, investment firms and management companies of undertakings for collective investment, which are subject to the Royal Decree of September 23, 1992 on the annual accounts of credit institutions, investment firms and management companies of collective investment undertakings (*comptes annuels des établissements de crédit, des entreprises d'investissement et des sociétés de gestion d'organismes de placement collectif/jaarrekening van de kredietinstellingen, de beleggingsondernemingen en de beheervenootschappen van instellingen voor collectieve belegging*), are subject to a different tax regime. The capital gains on such Shares are taxable at the ordinary corporate income tax rate of 29.58% (further reduced to 25% for financial years starting as of January 1, 2020 (tax year 2021)) and the capital losses on such Shares are tax deductible. Internal transfers to and from the trading portfolio are assimilated to realizations.

Capital gains realized by Belgian resident companies (both large and small companies and both ordinary Belgian resident companies and qualifying credit institutions, investment firms and management companies of collective investment undertakings) upon the repurchase of shares (but only when a reduction in value of the shares is recorded, the shares are sold, the shares are nullified or we are wound up) or upon our liquidation are, in principle, subject to the same taxation regime as dividends (see above).

Organizations for financing pensions

OFPs are, in principle, not subject to Belgian capital gains taxation realized upon the disposal of the Shares, and capital losses are not tax deductible.

However, in general, capital gains realized by Belgian resident OFPs upon the redemption of Shares or upon the liquidation of the Company will, in principle, be subject to the same taxation regime as dividends (see above).

Other Belgian entities subject to the legal entities income tax

Belgian resident legal entities subject to the legal entities income tax are, in principle, not subject to Belgian capital gains taxation on the disposal of Shares, which may, under certain

conditions, give rise to tax at the rate of 16.5% (plus local surcharges). Capital losses on Shares incurred by Belgian resident legal entities are not tax deductible.

Capital gains realized by Belgian resident legal entities upon the redemption of Shares or upon our liquidation will in principle be taxed as dividends (see above).

Belgian non-resident individuals

Capital gains realized on Shares by a non-resident individual who has not acquired Shares in connection with a business conducted in Belgium through a Belgium establishment are not subject to taxation, unless the gain is earned or received in Belgium and deemed to be speculative or realized outside the scope of the normal management of the individual's private estate. In such case, the capital gains have to be reported in a non-resident tax return for the income year during which the gain has been realized and may be taxable in Belgium. However, Belgium has concluded tax treaties with more than 95 countries which generally provide for a full exemption from Belgian capital gains taxation on such gains realized by residents of those countries. Capital losses are generally not tax deductible.

If capital gains or losses are realized on Shares by a non-resident individual who holds Shares in connection with a business conducted in Belgium through a Belgian establishment, those gains will be taxable at the ordinary progressive income tax rates (to be increased with a surcharge) and those losses will be tax deductible.

Capital gains realized by Belgian non-resident individuals upon the redemption of Shares or upon our liquidation will generally be taxable as a dividend (see above).

Belgian non-resident companies or entities

Capital gains realized on Shares by non-resident companies or non-resident entities that have not acquired Shares in connection with a business conducted in Belgium through a Belgian establishment are not subject to taxation. Capital losses are generally not tax deductible.

Capital gains realized by non-resident companies or other non-resident entities that hold Shares in connection with a business conducted in Belgium through a Belgian establishment are generally subject to the same regime as Belgian similar entities. Capital losses are generally not tax deductible. However, capital losses on shares realized pursuant to the final distribution of the capital upon liquidation are deductible up to the amount of the paid-up capital.

Capital gains realized by Belgian non-resident companies or entities upon the redemption of Shares (but only when a reduction in value of the shares is recorded, the shares are sold, the shares are nullified or we are wound up, etc.) or upon our liquidation will generally be taxable as a dividend (see above).

Tax on stock exchange transactions

Upon the issue of the new Shares (primary market transaction), no tax on stock exchange transactions is due.

The purchase and the sale and any other acquisition or transfer for valuable consideration of existing Shares (secondary market transaction) is subject to the tax on stock exchange transactions (*taxe sur les opérations de bourse/taks op de beursverrichtingen*), if the transaction is concluded or executed through a professional intermediary, either in Belgium, or abroad, but in the latter case only if the order thereto was given directly or indirectly by the following ordering clients: (i) an individual with habitual residence in Belgium, or (ii) a legal entity, for the account of a registered office or establishment thereof in Belgium (both referred to as a "**Belgian Investor**").

The tax on stock exchange transactions is levied at a rate of 0.35% of the purchase price, capped at €1,600 per transaction and per party. A separate tax is due by each party to the transaction, i.e. the seller (transferor) and the purchaser (transferee), and both taxes are collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the Belgian Investor, unless that Belgian Investor can demonstrate that the tax has already been paid. Professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian stock exchange tax representative ("**Stock Exchange Tax Representative**"), which will be liable for the tax on stock exchange transactions in respect of the transactions executed through the professional intermediary. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transaction.

No tax on stock exchange transactions is due on transactions entered into by the following parties, provided they are acting for their own account: (i) professional intermediaries described in Article 2, 9° and 10° of the Belgian Law of August 2, 2002; (ii) insurance companies described in Article 2, §1 of the Belgian Law of July 9, 1975; (iii) professional retirement institutions referred to in Article 2, 1° of the Belgian Law of October 27, 2006 concerning the supervision on institutions for occupational pension; (iv) undertakings for collective investment; (v) regulated real estate companies; and (vi) Belgian non-residents provided they deliver a certificate to their financial intermediary confirming their non-resident status.

The EU Commission adopted on February 14, 2013 the Draft Directive on a Financial Transaction Tax ("**FTT**"). The Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The Draft Directive is still subject to negotiation between the Participating Member States and therefore may be changed at any time.

Tax on securities accounts

The Belgian government announced in its Summer Agreement of July 26, 2017 that it intended to introduce a tax on securities accounts (*taks op de effectenrekeningen/taxe sur les comptes-titres*). The Law of February 7, 2018 on the implementation of the tax on securities accounts lays down the legal provisions in this regard.

The tax is due by Belgian individual tax residents and individual non-residents who hold one or more securities accounts with an average total value of at least €500,000 per account holder

during a reference period of 12 consecutive months starting on October 1 and ending on September 30 of the subsequent year (it being understood that the first reference period starts as of March 10, 2018 and ends on September 30, 2018). For Belgian individual tax residents both the securities accounts of an account holder in Belgium and abroad will be taken into account to determine whether the threshold of €500,000 has been reached, while for individual non-residents, only the Belgian securities accounts will be taken into account. Moreover, according to the Law, only the following securities are taken into account for the calculation of the threshold: (i) listed or unlisted shares and depository receipts for shares; (ii) bonds, whether or not listed, and depository receipts in respect of bonds; (iii) listed or unlisted units of collective investment funds or shares of investment companies, unless they are purchased or subscribed to in the context of a life insurance policy or pension savings; (iv) savings bonds; and (v) warrants. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the tax on securities accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

The tax on securities accounts is an annual tax that is levied at a rate of 0.15%. The tax is calculated on the average value of the taxable financial instruments that the account holder holds on his or her securities account(s). It is noted that the tax is levied on the entire amount of the average value and not just on the amount exceeding the limit of €500,000.

The law of February 7, 2018 on the implementation of the tax on securities accounts has been published in the Belgian Official Gazette on March 9, 2018 and entered into force on March 10, 2018, i.e. the day following the publication of the Act in the Belgian Official Gazette.

The tax on securities accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to €500,000 or more or (ii) the holder instructed the financial intermediary to levy the tax on securities accounts due (e.g., in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value of each of these accounts does not amount to €500,000 or more but of which the holder's share in the total average value of these accounts exceeds €500,000). If the tax on securities accounts is not paid by the financial intermediary, the tax will have to be declared and will be due by the holder itself, unless the holder provides evidence that the tax has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a tax on the securities accounts representative in Belgium, subject to certain conditions and formalities (Tax on the Securities Accounts Representative). Such a Tax on the Securities Accounts Representative will then be liable towards the Belgian Treasury for the tax on the securities accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals have to report in their annual income tax return their various securities accounts held with one or more financial intermediaries of which they are considered as a holder within the meaning of the tax on securities accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return their various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the tax on securities accounts.

Investors are recommended to consult their own tax advisors as regards the specific consequences of the application of this tax on their tax position.

7.3 U.S. Federal Income Tax

The following is a description of certain U.S. federal income tax consequences to the U.S. Holders, as defined below, of owning and disposing of Shares. It does not describe all tax considerations that may be relevant to a particular person's decision to acquire Shares.

This discussion applies only to a U.S. Holder that holds Shares as capital assets for U.S. federal income tax purposes. In addition, it does not describe all of the U.S. federal income tax consequences that may be relevant in light of the U.S. Holder's particular circumstances, including alternative minimum tax consequences, the potential application of the provisions of the US Internal Revenue Code known as the Medicare contribution tax and tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- dealers or traders in securities who use a mark-to-market method of tax accounting;
- persons holding Shares as part of a hedging transaction, straddle, wash sale, conversion transaction or other integrated transaction or persons entering into a constructive sale with respect to the Shares;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt entities, including an "individual retirement account" or "Roth IRA";
- persons that own or are deemed to own ten percent or more of our stock (by vote or value); or
- persons holding Shares in connection with a trade or business conducted outside of the United States.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds Shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding Shares and partners in such partnerships should consult their tax advisors as to the particular U.S. federal income tax consequences of owning and disposing of the Shares.

This discussion is based on the US Internal Revenue Code, administrative pronouncements, judicial decisions, final, temporary and proposed Treasury regulations, and the income tax treaty between the Netherlands and the United States (the "**Treaty**") all as of the date hereof, any of which is subject to change or differing interpretations, possibly with retroactive effect.

A "**U.S. Holder**" is a holder who, for U.S. federal income tax purposes, is a beneficial owner of Shares, who is eligible for the benefits of the Treaty and who is:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust, the income of which is subject to U.S. federal income taxation regardless of its source.

U.S. Holders should consult their tax advisors concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of Shares in their particular circumstances.

Taxation of Distributions

As discussed in Chapter 3 (Dividend Policy) of the Registration Document, we do not expect to make distributions on our Shares in the near future. In the event that we do make distributions of cash or other property, subject to the passive foreign investment company rules described below, distributions paid on Shares, other than certain pro rata distributions of Shares, will generally be treated as dividends to the extent paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because we do not maintain calculations of our earnings and profits under U.S. federal income tax principles, we expect that distributions generally will be reported to U.S. Holders as dividends. For so long as we are eligible for benefits under the Treaty, dividends paid to certain non-corporate U.S. Holders may be eligible for taxation as "qualified dividend income" and therefore, subject to applicable limitations and the discussion above regarding concerns expressed by the U.S. Treasury, will be taxable at rates not in excess of the long-term capital gain rate applicable to such U.S. Holders. U.S. Holders should consult their tax advisors regarding the availability of the reduced tax rate on dividends in their particular circumstances. The amount of a dividend will include any amounts withheld by us in respect of Dutch income taxes. The amount of the dividend will be treated as foreign-source dividend income to U.S. Holders and will not be eligible for the dividends-received deduction generally available to U.S. corporations under the US Internal Revenue Code. Dividends will be included in a U.S. Holder's income on the date of the U.S. Holder's receipt of the dividend. The amount of any dividend income paid in euros will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. dollars at that time. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt.

Subject to applicable limitations, some of which vary depending upon the U.S. Holder's particular circumstances, Dutch income taxes withheld from dividends on Shares at a rate not exceeding the rate provided by the Treaty will be creditable against the U.S. Holder's U.S. federal income tax liability. Dutch taxes withheld in excess of the rate applicable under the Treaty will not be eligible for credit against a U.S. Holder's federal income tax liability. The rules governing foreign tax credits are complex, and U.S. Holders should consult their tax advisors regarding the creditability of foreign taxes in their particular circumstances. In lieu of claiming a

foreign tax credit, U.S. Holders may, at their election, deduct foreign taxes, including any Dutch income tax, in computing their taxable income, subject to generally applicable limitations under U.S. law. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the taxable year.

Sale or Other Disposition of Shares

Subject to the passive foreign investment company rules described below, gain or loss realized on the sale or other disposition of Shares will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the Shares for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's tax basis in the Shares disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to various limitations.

Passive Foreign Investment Company Rules

Under the US Internal Revenue Code, we will be a PFIC for any taxable year in which, after the application of certain "look-through" rules with respect to subsidiaries, either (i) 75% or more of our gross income consists of "passive income", or (ii) 50% or more of the average quarterly value of our assets consist of assets that produce, or are held for the production of, "passive income". For purposes of the above calculations, we will be treated as if we hold our proportionate share of the assets of, and receive directly our proportionate share of the income of, any other corporation in which we directly or indirectly own at least 25%, by value, of the shares of such corporation. Passive income generally includes dividends, interest, rents, certain non-active royalties and capital gains. We believe that we may have been a PFIC in one or more years prior to 2019, and that we may be a PFIC in 2019 or one or more future years. Whether we will be a PFIC in 2019 or any future year is uncertain because, among other things, (i) we currently own, and will own after the closing of the Private Placement, a substantial amount of passive assets, including cash, (ii) the valuation of our assets that generate non-passive income for PFIC purposes, including our intangible assets, is uncertain and may vary substantially over time, (iii) the treatment of grants as income for U.S. federal income tax purposes is unclear, and (iv) the composition of our income may vary substantially over time. Accordingly, there can be no assurance that we will not be a PFIC in 2019 or any future taxable year. If we are a PFIC for any year during which a U.S. Holder holds Shares, we generally would continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding years during which the U.S. Holder holds Shares, even if we ceased to meet the threshold requirements for PFIC status.

If we were a PFIC for any taxable year during which a U.S. Holder held Shares (assuming such U.S. Holder has not made a timely mark-to-market election, as described below), gain recognized by a U.S. Holder on a sale or other disposition (including certain pledges) of the Shares would be allocated ratably over the U.S. Holder's holding period for the Shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed on the amount allocated to that taxable year. Further, to the extent that any distribution received by a U.S. Holder on its Shares exceeds 125% of the average of the annual distributions on the Shares

received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain, described immediately above.

A U.S. Holder can avoid certain of the adverse rules described above by making a mark-to-market election with respect to its Shares, provided that the Shares are "marketable". Shares will be marketable if they are "regularly traded" on a "qualified exchange" or other market within the meaning of applicable Treasury regulations. If a U.S. Holder makes the mark-to-market election, it generally will recognize as ordinary income any excess of the fair market value of the Shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes the election, the U.S. Holder's tax basis in the Shares will be adjusted to reflect the income or loss amounts recognized. Any gain recognized on the sale or other disposition of Shares in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election).

In addition, in order to avoid the application of the foregoing rules, a United States person that owns stock in a PFIC for U.S. federal income tax purposes may make a QEF Election with respect to such PFIC if the PFIC provides the information necessary for such election to be made. If a United States person makes a QEF Election with respect to a PFIC, the United States person will be currently taxable on its pro rata share of the PFIC's ordinary earnings and net capital gain (at ordinary income and capital gain rates, respectively) for each taxable year that the entity is classified as a PFIC and will not be required to include such amounts in income when actually distributed by the PFIC. There is no assurance that we will provide information necessary for U.S. Holders to make QEF Elections.

In addition, if we were a PFIC or, with respect to a particular U.S. Holder, were treated as a PFIC for the taxable year in which we paid a dividend or for the prior taxable year, the preferential dividend rates discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

If a U.S. Holder owns Shares during any year in which we are a PFIC, the U.S. Holder generally must file annual reports, containing such information as the U.S. Treasury may require on IRS Form 8621 (or any successor form) with respect to us, generally with the U.S. Holder's federal income tax return for that year.

U.S. Holders should consult their tax advisors concerning our potential PFIC status and the potential application of the PFIC rules.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the IRS.

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