Kiadis Pharma N.V.

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

Simplified Registration Document
under the simplified disclosure regime for secondary issuances

This simplified registration document (the "**Simplified Registration Document**") is published by Kiadis Pharma N.V. (the "**Company**", and together with its consolidated subsidiaries "**Kiadis**", "**we**", "**our**", "**ours**", "**us**" and similar terms).

Any reference to "**Shares**" in this Simplified Registration Document comprises the ordinary shares in the capital of the Company, including any ordinary shares in the capital of the Company issued from time to time hereafter. The Shares are listed and traded 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, "**Euronex**t") under ISIN Code NL0011323407.

This Simplified Registration Document constitutes a specific registration document for secondary issuances of equity securities for the purpose of Articles 3 and 14 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and was prepared in accordance with the Prospectus Regulation and the rules promulgated thereunder, including Annex 3 of Commission Delegated Regulation (EU) 2019/980. This Simplified Registration Document was filed in English with, and was approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, "**AFM**") as competent authority under the Prospectus Regulation. The AFM only approved this Simplified Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval shall not be considered as an endorsement of us in our capacity of issuer that is the subject of this Simplified Registration Document.

This Simplified Registration Document has been drawn up as part of a simplified prospectus under the simplified disclosure regime for secondary issuances in accordance with Article 14 of the Prospectus Regulation. This Simplified Registration Document may only be used in connection with an offering and/or listing and admission to trading of Shares and constitutes a simplified prospectus under the simplified disclosure regime for secondary issuances in accordance with the Prospectus Regulation (a "**Simplified Prospectus**"), if supplemented by a specific securities note and a summary for secondary issuances of equity securities for the purpose of Article 14 of the Prospectus Regulation (collectively, a "**Simplified Securities Note**") approved by the AFM in accordance with the Prospectus Regulation.

The date of this Simplified Registration Document is June 5, 2020 (the "**Simplified Registration Document Date**").

Table of Contents

1. RISK FACTORS 3
2. IMPORTANT INFORMATION 42
3. FINANCIAL INFORMATION 50
4. BUSINESS 58
5. MANAGEMENT AND SUPERVISION 84
6. SHARE CAPITAL AND SUBSTANTIAL HOLDINGS 90
7. RELATED PARTY TRANSACTIONS 95
8. REGULATORY DISCLOSURES 96
9. ADDITIONAL INFORMATION 101
10. DEFINITIONS AND GLOSSARY 105

1. RISK FACTORS

You should carefully consider the risks and uncertainties described below and the other information in this Simplified Registration Document, as well as the risk factors and other information to be set out in the Simplified Securities Note that together with this Simplified Registration Document shall constitute a Simplified Prospectus before making an investment in our 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 our Shares could decline and you could lose all or part of your investment. This Simplified Registration Document also contains forward-looking statements that involve risks and uncertainties. See paragraph 2.10 below. 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 are the material risks and uncertainties concerning our business, they are not the only risks and uncertainties relating to us. In accordance with the Prospectus Regulation, the risk factors included in this Simplified Registration Document are limited to risk factors relating to us and our business, whereas the risk factors relating to our Shares shall be included in a Simplified Securities Note. Furthermore, 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.

1.1 Risks related to our financial position

We are dependent on external funding in the foreseeable future and require substantial additional funding to continue our operations including during the next twelve months. If we are unable to raise funding when needed or on acceptable terms, we could be forced to delay, reduce or terminate our development programs and may be unable to continue as a going concern and could ultimately go into insolvency.

As of December 31, 2019 we had cash and cash equivalents of €29.5 million and as of the Simplified Registration Document Date, we had cash and cash equivalents of approximately €22.7 million. Based on our operating plans, we believe that existing cash and cash equivalents will allow us to continue operating the business into the fourth quarter of 2020. The fact that our working capital requirements for the next twelve months following the Simplified Registration Document Date require additional funds indicates the existence of a material uncertainty which may cast significant doubt about our ability to continue as a going concern. See also Note 2 of the consolidated financial statements for the financial year ended December 31, 2019 incorporated by reference in this Simplified Registration Document.

As we do not currently generate cash from product revenues to meet our current working capital requirements, we are dependent on the issuance and sale of equity and debt securities, debt financing arrangements and other funding sources, to continue financing our operations and to proceed with our current plans for clinical development and research. The fact that we discontinued our previous lead program ATIR101 may negatively impact our ability to attract additional funding. Also, the impact of the coronavirus on capital markets as a whole already

affects the availability, amount and type of financing and ultimately may impact our continuity – see also paragraph 1.2 below.

As our existing cash and cash equivalents are not sufficient to fund us for the next twelve months nor sufficient to enable us to fund the completion of the research and clinical development of our programs, we will be required to seek a significant amount of additional funds, by raising further equity, convertible financing or non-dilutive financing such as debt financing arrangements, strategic transactions or other means. We may also 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 withholding initiation or expansion of clinical trials or research, and slowing down patient recruitment of clinical trials. 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.

Our future funding requirements will depend on many factors, including the progress and cost of our ongoing and future clinical trials and research and development activities, the outcome, timing and cost of regulatory approvals by the European Medicines Agency (the "**EMA**"), the United States Food and Drug Administration (the "**FDA**") and any other comparable regulatory authority and the size and scale of our organization. There can be no assurance that funding will be available in a timely manner, on favorable terms, or at all, or that such funds, if raised, would be sufficient to enable us to continue to implement our long-term business strategy. If we are unable to obtain sufficient funding in a timely manner or on commercially acceptable terms, we may have to 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 downsizing our operations, withholding initiation or expansion of clinical trials or research, and slowing down patient recruitment of clinical trials. In the event we are not able to generate sufficient funds, 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.

We have a history of operating losses and will continue to incur operating losses for the foreseeable future. We may never achieve profitability, while our net losses are expected to fluctuate significantly.

Developing pharmaceutical products is expensive, and there is typically a significant amount of time prior to realizing a return on an investment in product development, if a return is realized at all.

In the period up to November 2019, we invested significant amounts in the development of our then lead program ATIR101. In November 2019 we announced that we had completed a strategic portfolio review and had decided to change our strategy and focus all resources and investments on our Natural Killer cell (NK-cell) therapy platform and product candidates that we acquired through our June 2019 acquisition of CytoSen Therapeutics, Inc. ("**CytoSen**"). We further announced that we discontinued development of ATIR101 and that we would restructure the organization resulting in a reduction of approximately half of our workforce. See also paragraph 4.4 below. As a consequence of the discontinuation of ATIR101, no return has been or is expected to be realized on our investments in ATIR101. Moreover, a significant amount of time and funds shall need to be invested in the development of our NK-cell therapy programs, which all are in the

early stage of development, to have any prospects of realizing any return on investment in product development, if a return is realized at all.

We have incurred losses in each year since inception. Our net losses for the year ended December 31, 2019 were €52.6 million, and our accumulated deficits as of December 31, 2019 were €189.0 million. Until November 2019, we were advancing our ATIR101 program and incurring costs related to the ATIR program. Currently, we do not have any products that have been approved for marketing, and we incur costs for preclinical and clinical research and development, and manufacturing in relation to the development of our NK-cell programs, as well as general and administrative expenses.

We expect to continue to incur losses for the foreseeable future and expect these losses to increase significantly as we continue the development and manufacturing, and seek regulatory approval for, our programs and the commercialization thereof. In addition, as we seek to advance our programs through clinical trials we will incur increased costs as we expand our development, manufacturing, regulatory and eventually commercial capabilities. Further, we are incurring significant costs related to being a public company, including directors' and officers' liability insurance, accounting and legal compliance costs, investor relations programs and professional and advisory fees. Our losses, among other things, have caused and will continue to cause our working capital to decrease.

Raising additional capital can dilute the ownership interests of our Shareholders, and the terms of any additional funding may adversely affect a Shareholder's rights and diminish our future prospects.

To finance our operations, we are likely to choose to issue equity or securities convertible into or exchangeable for equity, which will dilute the existing interests of our Shareholders at the time of such transactions. Alternatively, it may be necessary for us to raise additional funds by incurring indebtedness or entering into convertible arrangements. As a result, our interest expense, leverage and debt service requirements could increase significantly. Additional funds may not be available on terms that are favorable to us, if at all.

To obtain debt or convertible financing, if available, lenders may require us to agree to covenants limiting or restricting our ability to take specific actions such as incurring additional debt, making capital expenditures or declaring dividends, thus limiting funds available for our business activities, or lenders could seek assignments or security rights over our assets. In order to obtain additional debt or convertible financing, we would need the approval of Kreos Capital V (UK) LP ("**Kreos Capital**").

Any of these circumstances, should they occur, could have a material adverse effect on our business, results of operations, financial condition and prospects.

The terms of our secured debt facility place restrictions on our operating and financial flexibility.

In 2017 we entered into a secured credit facility with Kreos Capital (the "**First Kreos Capital Facility Agreement**") and in 2018 we entered into a second secured credit facility with Kreos Capital (the "**Second Kreos Capital Facility Agreement**" and, together with the First Kreos Capital Facility Agreement, the "**Kreos Capital Facility Agreements**") under which facilities as

at the Simplified Registration Document Date an aggregate amount of €8.9 million in loans is outstanding.

The Kreos Capital Facility Agreements contain various affirmative and negative covenants and events of default, including the following:

- a negative pledge undertaking;
- a restriction on the disposals of assets outside of the ordinary course of business;
- a restriction on transferring or licensing our assets;
- a restriction on further borrowings and debt except for certain categories of permitted indebtedness (such as fully subordinated and unsecured debt, a working capital facility at terms reasonably approved by Kreos Capital and operational leases and financial leases up to a certain threshold amount);
- a restriction on entering into joint ventures, and on any amalgamations, demergers, mergers or corporate reconstructions;
- an undertaking to continue the business in the ordinary course of business;
- a restriction on the granting of guarantees in respect of the obligations of any person;
- a restriction on making a substantial change to the general nature or scope of our current business;
- an undertaking to maintain adequate risk protection through insurances; and
- events of default including non-payment, non-compliance, misrepresentation, cessation of business, cross-default, insolvency events, creditors' process, enforcement of security, illegality, material adverse change – including any event or circumstance which in Kreos Capital's reasonable opinion has a material adverse effect on our ability to perform or otherwise comply with our payment obligations under the Kreos Capital Facility Agreements or on our business, operations, property or financial condition - and de-listing.

In the event that we breach any of our covenants or an event of default becomes applicable to us – which may occur if we do not succeed in keeping our operations properly funded or our business, operations, property or financial conditions are otherwise materially adversely affected – Kreos Capital may require us to immediately prepay all loans outstanding under the Kreos Capital Facility Agreements. As we cannot exclude the risk of an event of default (e.g. if we do not succeed in being properly funded, because of coronavirus related issues, if the discontinuation of ATIR101 is held to qualify as such or otherwise) with early repayment of the loans as a result, the Kreos loans have been classified as short term liability in the Full Year Financials (see also selected consolidated statement of financial position data included in paragraph 3.1 and Note 2 of the Full Year Financial Statements).

Further, as long as any of the loans under the Kreos Capital Facility Agreements remain outstanding, we are not entitled to make any dividend payment or other distributions to

Shareholders without the prior written consent of Kreos Capital, which may not be unreasonably withheld or delayed. Additionally, none of our subsidiaries may issue any shares (other than to affiliates) without the prior written consent of Kreos Capital. See also paragraph 9.1 below.

Exchange rate fluctuations could negatively affect our financial condition.

Our consolidated financial statements are presented in euros. However, as we have increased the scope of our operations in the United States with the June 2019 acquisition of CytoSen and also since we will have clinical trials in the United States, we incur part of our expenses in U.S. dollars. As a result, our business and Share price will be affected by fluctuations between the euro and the U.S. dollar, which may have a significant impact on our reported results of operations and cash flows from period to period.

Our tax liability may be materially different from what is reflected in our income tax provisions and related balance sheet accounts.

We are subject to income taxes in the Netherlands and other jurisdictions. Our future effective income tax rate will be impacted by a number of factors, including the geographic composition of our worldwide taxable income and our ability to allocate debt and expenses effectively. If legislators, tax authorities or government agencies in the jurisdictions in which we operate were to change applicable tax laws and regulations (for example, as a result of the various global, regional and local initiatives to reform the international tax framework, such as the base erosion and profit shifting project undertaken by the Organization for Economic Co-operation and Development (OECD) and anti-tax avoidance measures proposed by the European Committee) or successfully challenge the manner in which our income taxes are currently recognized or calculated or the transfer pricing policies employed by us, our effective income tax rate could increase, which would adversely impact our cash flow and profitability. Furthermore, in many of these jurisdictions, the tax laws and regulations are very complex and are open to different interpretations and application. Although we believe our tax estimates are reasonable, the final determination of tax by means of an assessment or an audit could be materially different from our tax provisions and accruals and may negatively impact our financial results.

Our ability to use our net operating losses to offset future taxable income may be subject to certain limitations.

Our ability to use our net operating losses ("**NOLs**") in the Netherlands and the US is currently limited and may be further limited. As a result of Dutch income tax law, tax loss carry-forwards are subject to a time limitation of nine years from the year these tax losses were incurred. Legislation has been enacted that decreases the carry-forwards time limitation of tax losses incurred after 31 December 2018 from 9 years to 6 years. This means that the final year in which losses incurred in year-end December 31, 2019 can be set off against profits is the financial year 2025. As of December 31, 2019, we had a total of €136.3 million tax loss carry-forwards available for offset against future taxable profits in the Netherlands. The first amount of the tax loss carry-forward of approximately €6.0 will expire in 2020. As of December 31, 2019, we had a total of €11.3 million (USD 12.7 million) tax loss carry-forwards available for offset against future taxable profits in the Netherlands for U.S. federal tax purposes. Our existing NOLs could expire earlier than currently accounted for. In addition, there is a risk that in the event of significant changes in ultimate ownership in relation to us, the tax loss carry-forward can no longer be utilized. For these

reasons, we may not be able to use a material portion of the NOLs, even if we attain profitability, which could have a material adverse effect on our financial condition and prospects.

1.2 Risks related to the development and clinical testing of our investigational cell-therapy product candidates.

The outbreak of the coronavirus may impact our operations, including the potential interruption of our clinical trial activities, regulatory reviews and supply chain. The impact of the coronavirus on capital markets as a whole already affects the availability, amount and type of financing and ultimately may impact our continuity.

If a pandemic, epidemic or outbreak of an infectious disease occurs, our business may be adversely affected. In December 2019, a novel strain of coronavirus, COVID-19, was identified in Wuhan, China. This virus continues to spread globally and has been declared a pandemic by the World Health Organization. The spread of COVID-19 has impacted the global economy and may impact our operations, including the potential interruption of our clinical trial activities, regulatory reviews and supply chain. For example, the COVID-19 outbreak may delay enrollment in our clinical trials due to prioritization of hospital resources toward the outbreak or other factors, and some patients may be unwilling to enroll in our trials or be unable to comply with clinical trial protocols if quarantines impede patient movement or interrupt healthcare services, which would delay our ability to conduct clinical trials or release clinical trial results and could delay our ability to obtain regulatory approval and commercialize our product candidates. Furthermore, the spread of the virus may affect the operations of key governmental agencies, such as the FDA, which may delay the development of our product candidates. The spread of an infectious disease, including COVID-19, may also result in the inability of our suppliers to deliver components or raw materials on a timely basis or at all. In addition, hospitals may reduce staffing and reduce or postpone certain treatments in response to the spread of an infectious disease. Such events may result in a period of business disruption, and in reduced operations, or doctors and medical providers may be unwilling to participate in our clinical trials, any of which could materially affect our business, financial condition and results of operations. The extent to which the coronavirus impacts our business will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions to contain the coronavirus or treat its impact, among others. If we are unable to meet our milestones it might jeopardize our funding opportunities.

The outbreak of the coronavirus could result in a widespread health crisis that could adversely affect the economies, resulting in an economic downturn that could impact our business, financial condition and results of operations. The impact of the coronavirus on capital markets as a whole already affects the availability, amount and type of financing and ultimately may impact our continuity.

We are early in our development efforts and all of our programs are in early stage clinical development or preclinical development. If we are unable to advance our programs through clinical development, obtain regulatory approval and commercialize one or more of our product candidates, we may never generate any product revenue and our business will be materially adversely affected.

We have a limited number of programs, all of which are in early stage clinical development or preclinical development. We have not commenced or completed any clinical trials, and we have

not received marketing approval, for any of our programs or product candidates. Our programs will require clinical development, evaluation of preclinical, clinical and manufacturing activities, marketing approval from government regulators, substantial investment and significant marketing efforts before we generate any revenues from product sales, if ever. The success of our programs or product candidates will depend on many factors, including:

- completing process development, manufacturing and formulation activities;
- initiating, enrolling patients in and completing clinical trials of product candidates on a timely basis;
- developing and maintaining adequate manufacturing capabilities either by ourselves or in connection with third-party manufacturers; and
- demonstrating with substantial evidence the efficacy, safety and tolerability of product candidates to the satisfaction of the EMA, the FDA or any other comparable regulatory authority for marketing approval.

Many of these factors are wholly or partially beyond our control, including clinical advancement and the regulatory submission process. If we do not achieve one or more of these factors in a timely manner, we could experience significant delays or an inability to develop programs and product candidates at all, and our business will be materially adversely affected.

Our NK-cell platform and the technologies we are using are new and unproven. The use of NK-cells expressed with PM21 particles, the use of universal donors for NK-cells and the imprinting of NK-cells is a novel and unproven therapeutic approach without any clinical studies in humans having been performed yet, and our development of our NK-platform and our NK-programs may never lead to a marketable product.

We are developing therapeutics based on our NK-cell-based immunotherapy technology platform. Our NK-platform and the technologies we are using are new and unproven and the scientific evidence to support the feasibility of developing our NK-programs from our NK-platform is both preliminary and limited. The core concept of our NK-program regards firstly the use of NK-cells expressed with PM21 particles, secondly the use of universal donors for NK-cells, and third the imprinting of NK-cells, which are all three an approach that differs from current means of NK-cell expression and current means of availing of NK-cells, and for which we have no clinical data. Our lead program K-NK002 and K-NK003 investigator-initiated proof-of-concept studies have been done at the MD Anderson Cancer Center of the University of Texas in Houston, United States ("**MDACC**") and the Hospital de Clínicas de Porto Alegre in Brazil, but these studies were performed with NK-cells expressed by a tumor feeder cell line and with NK-cells obtained from haploidentical donors. We have generated in vitro data showing similarity for cytotoxicity and other important measures between NK-cells expressed by tumor feeder cell lines and NK-cells expressed by our PM21 particle-based NK-platform, but studies in humans with NK-cells produced with PM21 particles have not yet been performed. We have not generated any data on using NK-cells from universal donors nor on using imprinted NK-cells.

Preliminary data and interim results, and results from earlier studies, may not be predictive of the final results, or of later studies or future clinical trials. We may ultimately discover that our NK-platform, NK-cells expressed with PM21 particles, NK-cells obtained from universal donors, and

imprinted NK-cells, do not possess the properties that are necessary for the development of programs that have therapeutic efficacy or that otherwise have the characteristics necessary to lead to a marketable product. Programs from our NK-platform may also have significant undesirable characteristics which would limit their ability to be developed as effective and safe therapeutics. We may not succeed in demonstrating safety and efficacy of our programs in clinical trials, notwithstanding results in preclinical studies. As a result, we may never succeed in developing a marketable product.

If any of our programs from our NK-platform prove to be ineffective, unsafe or commercially unviable, our entire pipeline could have little, if any, value, and it may prove to be difficult or impossible to finance the further development of our pipeline. Any of these events would have a material and adverse effect on our business, financial condition, results of operations and prospects.

In relation to our lead program K-NK002 and K-NK003, investigator-initiated proof-of-concept studies have been performed, which may affect the reliability of the results and data generated in these studies and the extent that these are of use for the further development of these programs.

Investigator-initiated studies – studies initiated and managed by an academic or other non-industry sponsor – are often conducted with limited resources and less oversight compared to studies conducted by a pharmaceutical company, which may *inter alia* lead to challenges in ensuring compliance with regulations and good clinical practices. Our lead program K-NK002 and K-NK003 proof-of-concept studies are investigator-initiated studies that used NK-cells produced with a tumor feeder cell line, which may affect the reliability of the results and data generated in these studies and the extent that these are of use for the further development of these programs. Additionally, we do not own the data generated from these initial proof-of-concept studies and have no control over how and where any additional data are generated and disseminated. Investigators and others can initiate new studies with NK-cells produced with a tumor feeder cell line, generating new data outside of our control.

We may experience setbacks in our clinical trials, including delays in commencing, conducting or completing, inability to commence, conduct or complete, or inconclusive or negative results, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Clinical trials are expensive and complex. Each trial can take many years to complete and have uncertain outcomes.

Failure of a product can occur at any stage of the testing, including later stages of clinical trials despite having progressed through preclinical and initial clinical trials, for a variety of reasons, such as differences in patient populations, changes in trial and manufacturing protocols and complexities of larger, multi-center trials among others. Even if clinical trials are successful, regulatory authorities can request additional clinical trials, including with larger patient numbers, before granting approval to any product.

Furthermore, we may significantly rely on contract research organizations ("**CROs**"), to supervise our clinical studies. Failure by these CROs to adequately supervise investigators could negatively affect the clinical studies, including the quality of the generated data. We may experience

numerous events during, or as a result of, the clinical trial process that could delay or prevent the commencement, conduct and completion of clinical trials or the commercialization of our current and any future programs, such as a variety of manufacturing, product and patient safety issues, many of which are outside our control.

If we suffer any material delays, negative results or other setbacks in our clinical trials or if our clinical trials are put on clinical hold or terminated, we may be unable to continue development of our investigational cell therapy product candidates, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

We, or physicians who conduct clinical trials or evaluations of our investigational cell therapies, may be unable to enroll enough patients to complete clinical trials in a timely and cost-effective manner. Our clinical development could be delayed if we are required to conduct unanticipated studies, including preclinical studies or clinical trials, or if the FDA, EMA or other regulatory authority imposes other requirements or restrictions including on the manufacture, of our product candidates.

Patient enrollment depends on many factors, including the size of the patient population, the nature of the protocol, perceived risks and benefits of the investigational cell therapy under investigation, competitive protocols, currently available treatments, the proximity of patients to clinical sites and the eligibility criteria for the trial. Our clinical trials will compete with other clinical trials for patients, other HSCT protocols, and other cancer treatments that are in the same therapeutic areas as our programs, and this competition will reduce the number and types of patients available to us, because some patients who might have opted to enroll in our clinical trials may instead opt to enroll in a trial being conducted by another party. In the past, we have faced difficulties in enrolling patients in our clinical trials. If we fail to enroll patients in clinical trials or if patients discontinue their participation, this could have a material adverse effect on our business, financial condition, results of operations and prospects.

We study our product candidates in patient populations with significant comorbidities that may result in deaths or serious adverse or unacceptable side effects and require us to abandon or limit our clinical development activities

Patients in our clinical trials of K-NK002, K-NK003 or any of our other product candidates that we may pursue, including investigator-sponsored trials of our product candidates, may also receive chemotherapy, radiation, and/or other high dose or myeloablative treatments in the course of treatment of their disease, and may therefore experience side effects or adverse events, including death, that are unrelated to our product candidates. While these side effects or adverse events may be unrelated to our product candidates, they may still affect the success of our clinical studies. The inclusion of critically ill patients in our clinical studies may result in deaths or other adverse medical events due to underlying disease or to other therapies or medications that such patients may receive. Any of these events could prevent us from advancing through clinical development, and from obtaining regulatory approval, and would impair our ability to commercialize our product candidates and would have a material adverse effect on our business, and the value of our common stock would decline.

1.3 Risks related to regulatory approval of our clinical development programs and our investigational cell therapy product candidates

Our programs 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.

We are not permitted to perform clinical trials with or market any product until we receive approval from the appropriate regulatory authorities. We must obtain prior approval for performing clinical trials with any investigational cell therapy product candidate and for commercializing any product from the appropriate regulatory authority of each jurisdiction in which we wish to perform clinical trials with or market our products.

Our NK-platform and the technologies we are using are new and unproven and the scientific evidence to support the feasibility of developing our NK-programs from our NK-platform is both preliminary and limited. Because our programs are based on novel technologies, it is difficult to predict the time or costs associated with the regulatory approval process or be certain of our ability to successfully commence, conduct, complete clinical development, or obtain the necessary regulatory and reimbursement approvals required for the commercialization of our cell therapy products. We have not received marketing approval from any regulatory authority for any of our product candidates.

We invest substantial time and resources in preclinical studies, clinical trials, manufacturing and the preparation and submission of applications without any assurance that we will obtain regulatory approval or recoup our investment. The EMA, the FDA and other regulatory authorities exercise substantial discretion in the clinical trial development phase and approval process. The number, size and design of preclinical studies and clinical trials that will be required for regulatory approval will vary depending on the program, the primary indication and the specific regulations and guidance documents applicable to any particular program. The EMA, the FDA and other regulatory authorities can delay, limit or deny (i) clinical trial development (i.e., placing a clinical trial under clinical hold) and (ii) approval of a program for many reasons, including:

- manufacturing related issues or concerns;
- concerns relating to the investigational product candidate's safety or efficacy or to preclinical safety and efficacy data;
- concerns relating to the design, control or conduct of preclinical studies and clinical trials;
- adverse or ambiguous results at any clinical stage;
- concerns relating to the amount and sufficiency of clinical results;
- the failure of more advanced clinical results to confirm positive results from preclinical studies or earlier clinical trials; or
- the development or observation of unexpected safety issues, adverse events or adverse side effects.

Should any of these or other factors affecting our development programs or product candidates occur, regulatory approval of our investigational cell therapy products could be denied, delayed or have conditions placed upon it. Failure to obtain regulatory approval in a timely manner, in a limited manner or at all would have a material adverse effect on our business, financial condition, results of operations or prospects.

If we fail to obtain orphan drug status for our investigational cell therapy products in the indications that are important to our business, or if obtained fail to maintain such status, we would likely have limited or shortened protection or market exclusivity for our products.

We currently do not have orphan drug designations in respect of our investigational NK-cell therapy products, nor do we have any applications for orphan drug designation outstanding. We plan to submit such applications only after clinical data is obtained from the planned Phase I/II studies of K-NK002. There is no assurance that we will be able to obtain, or if obtained maintain, orphan drug status for our products in indications that are important to our business. Orphan drug status confers market exclusivity upon the first product to receive marketing approval by the relevant regulatory authority for the jurisdiction and entails the right to exclusively market the product for the specified indication, during a maximum of ten years for the European Union and during a period of seven years in the United States. The period of exclusivity in the European Union may be reduced to six years if, at the end of the fifth year, the product no longer meets the criteria for orphan drug designation if, among other things, it is established that the product is sufficiently profitable not to justify market exclusivity.

Once granted, exceptions to market exclusivity through orphan drug status may be granted to other applicants of a similar product for the same indication if we are unable to supply sufficient quantities of the product, or if the product of a second applicant is safer, more effective or otherwise clinically superior.

Changes to the current regulatory frameworks governing orphan drugs may impact existing and future market exclusivities provided as a result of orphan drug designation. A potential regulatory change could be, for example, the criteria to be considered in the assessment of similarity between product candidates. Even if we were to succeed in obtaining and maintaining market exclusivity for our products through orphan drug status, the orphan drug regulations would not preclude competitors from developing or marketing different products for the same indications to which our programs are directed, or from independently developing versions of our products for different indications. Further, we may lose orphan drug exclusivity if the EMA or the FDA determines that the request for designation was materially defective or if we cannot assure sufficient quantity of the applicable drug to meet the needs of patients.

If we fail to obtain or maintain market exclusivity for our products through orphan drug status, or if the commercial value of market exclusivity is diminished, our competitive position or financial and commercial prospects could be materially adversely affected.

The FDA's regulation of regenerative medicine products remains unpredictable and we are not certain what impact this will have on the potential approval of our investigational cell therapy product candidates.

The FDA's regulation of therapies derived from stem cells and related technologies is evolving and may continue to evolve. In December 2016, the 21st Century Cures Act, (the "**Cures Act**"), was signed into law in the United States to advance access to medical innovations. Among other things, the Cures Act established a new FDA Regenerative Medicine Advanced Therapy ("**RMAT**") designation. This designation offers a variety of benefits to product candidates, including enhanced FDA support during clinical development, priority review on application filing, accelerated approval based on potential surrogate endpoints, and the potential use of patient registry data and other forms of real-world evidence for post-approval confirmatory studies. To date we have not applied for RMAT designations in respect of our investigational NK-cell therapy products. There is no certainty that the receipt of such designation for any of our investigational cell therapy product candidates as may in the future be awarded RMAT designation will provide an expedited pathway to FDA approval.

If we fail to obtain RMAT designation for our products, our competitive position or financial and commercial prospects could be materially adversely affected.

If we fail to comply with ongoing regulatory obligations and restrictions following regulatory approval of any product, regulatory authorities may take enforcement action against us, for example, any regulatory approval granted could be revoked and sale of our products could be suspended or financial penalties could be imposed.

If any of our investigational cell therapy product candidates are approved by the EMA, the FDA, or another regulatory authority for clinical or commercial use, we would be subject to extensive regulatory requirements over product manufacturing, testing, labelling, packaging, storage, advertising, promotion, distribution, export, adverse event reporting and record keeping. We and our suppliers, contract manufacturing organizations ("**CMOs**"), and contract testing laboratories would also be subject to inspection by the EMA, the FDA, or other regulatory authorities to determine compliance with these requirements. In addition, facilities in the European Union or the United States that manufacture any of our products must be licensed by the relevant regulatory authorities.

Regulatory authorities may also impose significant limitations on the indicated uses or marketing of our products, which could reduce the potential market for our products. We may incur substantial costs in conducting post-marketing clinical studies on which regulatory approvals are conditioned. Previously unknown problems with the product may also result in restrictions on the marketing of the product and could include withdrawal of the product from the market.

In addition, new statutory requirements or additional regulations may be enacted. We cannot predict the likelihood, nature or extent of adverse government regulation that may arise from future legislation or administrative action, in the European Union, the United States or elsewhere. If we are not able to maintain regulatory compliance, we might not be permitted to market or continue to market our products and our business could suffer materially.

Failure to comply with the requirements of the EMA, the FDA and other applicable regulatory authorities may subject us to administrative or judicially imposed sanctions. These sanctions

include warning letters, civil and criminal penalties, injunctions, product seizure or recall, import bans, restrictions on the conduct of our operations, total or partial suspension of production and refusal to approve a pending new drug application ("**NDA**"), supplements to approved NDAs or their equivalents in other jurisdictions and financial penalties. If we are subject to any of these sanctions, our competitive position or financial and commercial prospects could be materially adversely affected.

Recently enacted and future legislation may increase the difficulty and cost for us to obtain marketing approval of and commercialize our investigational cell therapy products and affect the prices we may obtain.

In the various jurisdictions including the United States, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of our products, subject us to more stringent drug labeling and post-marketing testing or restrict or regulate post-approval activities and affect our ability to profitably sell any product candidates for which we obtain marketing approval.

Among policy makers and payers in various jurisdictions, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality and/or expanding access. These efforts and other healthcare reform measures that may be adopted in the future, may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved product, and any reduction in reimbursement from any government program may result in a similar reduction in payments from private payers. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenues, attain profitability, or commercialize our cell therapy products.

In some countries outside the United States, the proposed pricing for a treatment must be approved before it may be lawfully marketed. In addition, in some markets, the pricing of prescription drugs is subject to government control and reimbursement which may in some cases be unavailable. The requirements governing drug pricing vary widely from country to country. There can be no assurance that any country that has price controls or reimbursement limitations for biopharmaceutical products will allow favorable reimbursement and pricing arrangements for any of our investigational cell therapy products that may be approved. Historically, biopharmaceutical products launched in the European Union do not follow price structures of the United States and generally tend to have significantly lower prices.

1.4 Risks related to our operations

Due to our limited resources and access to capital, we must prioritize development of certain programs and our decision to pursue these programs may prove to be unsuccessful as they may never receive regulatory approval or achieve profitability.

Because we have limited resources and access to capital to fund our operations, our management must make significant prioritization decisions on which programs to pursue and the amount of resources to allocate to each program. Our current development activities are focused primarily on the development and manufacturing of K-NK002 and K-NK003. These, and future decisions concerning the allocation of capabilities, infrastructure, management and financial resources towards particular programs or therapeutic areas may not lead to the development of viable

commercial products and may divert resources from better opportunities. Similarly, these and future decisions to delay or terminate product development programs could cause us to miss valuable opportunities. If we make incorrect determinations regarding the market potential of our investigational cell therapy products or misreads trends in the biotechnology industry for cancer or non-cancer therapies, our business, financial condition, results of operations and prospects could be materially adversely affected.

We currently rely on a single contract manufacturing organization to provide supplies of our product candidates for our planned clinical trials. We expect to increase manufacturing capacity by using existing or other CMOs and potentially in the future developing our own manufacturing facilities for clinical trials and commercial production of our products. We have no experience operating a manufacturing facility, and we may not be successful in developing our own manufacturing facilities or capacity in the future if we chose this route. If we cannot manufacture our product candidates in sufficient amounts, with CMOs or ourselves, at acceptable costs and on a timely basis, we may be unable to supply sufficient products for clinical trials or to support commercialization.

We have limited experience manufacturing on a clinical scale, and no experience manufacturing on a commercial scale. K-NK002 and K-NK003 will be manufactured by one third-party CMO, KBI Biopharma, Inc ("**KBI Biopharma**"). We may use one or more additional CMOs, as well as establish our own manufacturing capabilities and infrastructure. If we cannot establish sufficient supply through third-party CMOs or in our own facilities should we develop these, our ability to conduct the planned and future clinical trials and our plans for commercialization would be materially adversely affected. In addition, submission of products and new development programs for regulatory approval, as well as our plans for commercialization, could be delayed. Our competitive position and our prospects for achieving profitability could be materially and adversely affected. Additionally, it is possible that our product candidates will need to be made within an appropriate geographic location for the area in which the product will be utilized. Accordingly, we may need to establish multiple manufacturing facilities, which may lead to regulatory delays or prove to be costly as we attempt to establish, qualify and perform technology transfer to additional manufacturing facilities. If we are unable to obtain necessary regulatory approval for any such additional manufacturing facilities, we may not be able to produce the necessary quantity or quality of our product candidates for clinical trials or commercial sales.

We expect that development of our own manufacturing facilities could provide us with enhanced control of material supply for our investigational cell therapy products for the clinical trials and the commercial market. However, we have no experience as a company in developing a manufacturing facility and may never be successful in developing our own manufacturing facility or capability should we decide to do so.

In addition, the manufacturing process for any products that we may develop is subject to EMA and FDA approval processes for the jurisdictions in which we or our future collaborators will seek marketing approval. We will need to work with manufacturing facilities that can meet all applicable EMA, FDA and other regulatory authority requirements on an ongoing basis. If the manufacturing process is changed during the course of product development, the EMA, the FDA or other regulatory authorities could require us to repeat some or all previously conducted trials or conduct additional trials to obtain bridging data, which could delay or impede our ability to obtain marketing approval. If we or our CMOs are unable to reliably produce and release product candidates or products to specifications acceptable to the EMA, the FDA or other regulatory authorities, such

as the FDA's current Good Manufacturing Practices ("**cGMP**"), we may not obtain or maintain the approvals we need to further develop, conduct clinical trials for, and commercialize such products in the relevant territories. Similarly, the FDA's approval of our product candidates could be delayed or denied if the intended manufacturing site fails to pass the required preapproval inspection. Even if we obtain regulatory approval for any of our product candidates, there is no assurance that either we or our CMOs will be able to manufacture the approved product to specifications acceptable to the EMA, the FDA or other regulatory authorities, to produce it in sufficient quantities to meet the requirements for the potential launch of the product, or to meet potential future demand. Any of these challenges could delay completion of clinical trials, require clinical trials to obtain bridging data or the repetition of one or more clinical trials, increase clinical trial costs, delay approval of our product candidates, impair commercialization efforts, increase our cost of goods, and have a material adverse effect on our business, financial condition, results of operations and growth prospects.

In order to have sufficient NK-cells for our planned clinical trials we need to improve and scale up our NK-cell manufacturing process. This could require the process or parts thereof to be changed, which may require revalidation, additional comparability or bridging clinical trials and regulatory vetting and we may experience setbacks in our trials if we do not succeed in improving and upscaling this process or experience delays.

Whilst we have successfully produced NK-cells expressed with PM21 particles from our NK-platform, we have only done so on a small scale and we did not do so using NK-cells obtained from universal donors nor did we imprint those NK-cells. In order to have sufficient NK-cells for our planned trials for K-NK002 and K-NK003 we need to improve and scale up our NK-cell manufacturing process. We are in the process of making improvements to and upscaling our manufacturing process to clinically or commercially viable levels, however, this could require the process or parts thereof to be changed, which may require revalidation, additional comparability or bridging clinical trials and regulatory vetting and we may experience setbacks in our trials if we do not succeed in improving and upscaling this process or experience delays.

Manufacturing and supply of our products and product candidates is complex and subject to numerous risks, any of which may affect our ability to continue research, clinical development and commercialization of our product candidates. Manufacturing issues may also negatively impact the outcome of our clinical trials.

The manufacturing processes for our investigational cell therapy product candidates are complex. Depending on the specific product candidate, these complexities may involve collection of donor NK-cells, shipment to the manufacturing facility, manufacture of the NK-cell content of our products, freezing of the manufactured product, shipment of the finished product to the treatment site, and thawing of products at the treatment site. As a result of the complexities, the cost to manufacture our cell therapy product candidates is generally higher than traditional small molecule chemical compounds or monoclonal antibodies, and the manufacturing process is less reliable and is more difficult to reproduce. Although using NK-cells obtained from universal donors has the potential to significantly reduce the cost of treating patients with NK-cell therapies, we have neither generated clinical data nor chemistry/manufacturing/control (CMC) data in this respect and this may fail for various reasons. Any lack of capabilities to manufacture, ship, store, freeze, thaw or infuse our products would adversely affect enrollment of our clinical trials, and our ability to commercialize our products, if approved, and consequently, our business and prospects.

The manufacturing process for our product candidates is susceptible to product loss or failure due to inability to release product within specifications, interruptions in the manufacturing process, contamination, defects in or lack of manufacturing equipment, improper installation or operation of equipment, vendor or operator error, inability to secure or termination of contract manufacturing agreements, inability to set up our own manufacturing operations should we decide to do so, inability to transfer manufacturing process to new facilities, variability in product characteristics, failure to be cGMP compliant, and other applicable regulations and quality assurance guidelines, prohibition by regulatory authorities, withdrawal from the market and import stops. Even minor deviations from normal manufacturing processes, including those for which we do not have in-process controls or release assays, could result in reduced production yields, product defects, inability to release product, adverse effects in the patient, and other disruptions. If microbial, viral, or other contaminations are discovered in our product candidates or in the manufacturing facilities in which our product candidates are made, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination, which may lead to loss of revenues. Also, for our patient-specific investigational cell therapy products, we will be required to maintain a chain of identity with respect to materials as they move from the patient and donor to the manufacturing facility, through the manufacturing process, and back to the patient. Maintaining such a chain of identity is difficult and complex, and failure to do so could result in adverse patient outcomes, loss of product, or regulatory action including withdrawal of our products from the market.

Further, as product candidates are developed through preclinical to late stage clinical trials towards approval and commercialization, it is common that various aspects of the development program, such as manufacturing methods, are altered along the way in an effort to optimize processes and results. Such changes carry the risk that they will not achieve their intended objectives, and any of these changes could cause our product candidates to perform differently and affect the results of planned clinical trials on other future clinical trials.

We face a variety of challenges and uncertainties associated with our dependence on human donor material for the manufacture of certain of our product candidates, including K-NK002 and K-NK003.

Our product candidates, including K-NK002 and K-NK003, are manufactured from the blood of third-party donors, which subjects the manufacture of such product candidates to the availability and quality of the third-party donor material. The selection of the appropriate donor material for manufacture of K-NK002 and K-NK003 requires close coordination between clinical and manufacturing personnel.

K-NK002 and K-NK003 are manufactured using peripheral blood mononuclear cells ("**PBMCs**"). To date these have been obtained from haploidentical donors. During the further development of our K-NK003 product candidate, we plan to use PBMCs from a panel of universal donors.

The availability of PBMCs for the manufacture of K-NK002 and K-NK003 depends on a number of regulatory, political, economic and technical factors outside of our control, including:

- government policies relating to the regulation of PBMCs for clinical use and the procurement of PBMCs;
- policies and practices relating to PBMCs acquisition and banking;

- the pricing of PBMCs;
- the methods used in searching for and matching PBMCs to patients, which involve emerging technology related to current and future PBMC parameters that guide the selection of an appropriate unit of PBMCs for transplantation; and
- methods for the procurement and shipment of PBMCs and their handling and storage at clinical sites.

Additionally, we do not have control over the supply, availability, price or types of PBMCs. In addition, we may identify specific characteristics of specific units of PBMCs which may limit the ability to use such units in the manufacture of K-NK002 or K-NK003 even though the PBMCs may otherwise be suitable for use. As a result, the requirement for PBMCs to meet our specifications may limit the potential inventory of PBMCs eligible for use in the manufacture of our product candidates.

In the United States, the banking and use of PBMCs does not require a Biologics License Application, and a PBMC is not an FDA licensed product. However, the FDA does require that units of PBMCs adhere to and meet the standards set forth by the Foundation for Accreditation for Cell Therapy, the National Marrow Donor Program, and the American Association of Blood Banks as applicable. In our upcoming Phase I/II trials K-NK002 and K-NK003 shall be manufactured using unlicensed PBMCs units. It may be possible that in the future, regulatory policy could change, and the FDA may require that PBMCs units be licensed, and that our product candidates be manufactured using only licensed PBMCs units. Any inability to procure sufficient supplies of PBMCs will adversely affect our ability to develop and commercialize K-NK002 or K-NK003.

Further, manufacture of K-NK002 or K-NK003 from donor material involves complex processes, with specialized equipment and highly skilled and trained personnel. The processes for manufacturing these product candidates are susceptible to additional risks, given the need to maintain aseptic conditions throughout the manufacturing process. Contamination with viruses or other pathogens in either the donor material or materials utilized in the manufacturing process or ingress of microbiological material at any point in the process may result in contaminated or unusable product. Such contaminations could result in delays in the development of our product candidates. Such contaminations could also increase the risk of adverse side effects.

The acquisition of CytoSen subject us and investors in our Shares to potential significant risks. We may in the future acquire other businesses or engage in other transactions that could disrupt our operations.

In June 2019, we acquired CytoSen. Through this acquisition we acquired our current NK-cell platform, our lead program K-NK002, and our other programs. This acquisition has subjected us and investors in our Shares to potential significant risks.

- Our due diligence reviews may have failed to identify risks or problems, such as issues with product quality, intellectual property position, unlicensed use of third-party intellectual property rights, chemistry/manufacturing/control (CMC), regulatory status of the platform, product candidates and programs that we acquired, competitive position and collaboration

agreements and relationships with partners and collaborators such as the Blood and Marrow Transplant Clinical Trials Network, key opinion leaders, investigators and clinics.

- Our valuation of CytoSen and its business or assets may prove incorrect, including as a result of not being able to successfully develop the product candidates or utilize the technologies that we acquired or otherwise. We cannot assure that we will realize the financial and strategic goals that were contemplated at the time of the acquisition.

- We acquired CytoSen on the basis of unaudited financial information that may prove to contain errors and inaccuracies we did not detect and which may impact on the value of the assets and liabilities that we acquired and assumed.

- We may fail to realize some or all of the anticipated synergies, growth opportunities and other benefits of the acquisition, which could adversely affect the value of our Shares.

- We may fail to retain the services of CytoSen's management and key personnel, and to attract and retain skilled personnel, on which achieving our development and other business objectives in relation to CytoSen is dependent.

- The acquisition of CytoSen may result in significant write-offs (including of goodwill and in-process research and development (IPR&D)) and we may assume known and unknown contingencies related to product liability, intellectual property, financial disclosures, accounting practices, internal controls or other liabilities.

- We may have tax exposures or lose anticipated tax benefits as a result of the acquisition or the integration of CytoSen.

- We may have higher than anticipated costs in continuing research and development of acquired programs and product candidates.

- The market price of our Shares could decline because of the CytoSen shareholders disposing of the Shares that they may acquire upon future milestones being achieved, and upon the lapse or our waiver of the lock-up restrictions that CytoSen shareholders are subjected to as per the CytoSen Acquisition Agreement (see paragraph 9.1 below).

We may selectively consider further acquisitions or transactions to obtain rights to other businesses or assets, in relation to which acquisitions or transactions, the above-mentioned risks may similarly apply. Any of these circumstances, should they occur, could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our activities rely heavily on sensitive and personal materials and information, an area which is highly regulated by privacy laws. If we are unable to generate or maintain access to essential patient samples or data for our research and development and manufacturing activities for our programs, our business could be materially adversely affected.

As a result of our clinical development, we will have access to very sensitive data regarding the patients enrolled in our clinical trials, and our current and future product candidates will rely on the use of patient and donor data and material. This data will contain information that is personal in nature, and the maintenance of this data is subject to certain privacy-related laws, which impose

administrative burdens, substantial costs and litigation risks upon us, such as the General Data Protection Regulation ("**GDPR**") in the European Union and the rules promulgated by the U.S. Department of Health and Human Services under the U.S. Health Insurance Portability and Accountability Act ("**HIPAA**").These rules *inter alia* require that written authorizations from patients are obtained and that policies, procedures and reasonable and appropriate security measures are implemented that protect individually identifiable health and other information we receive and to ensure that such information is used only as authorized by the patient. If the patient fails to execute an authorization or the authorization fails to contain all required provisions, then we will not be allowed access to the patient's information and our research efforts can be substantially delayed. Also, any violations of these rules by us could subject us to civil and criminal penalties and adverse publicity and could harm our ability to initiate and complete clinical trials. We have relatively limited experience with the relevant privacy and security policies, practices and regulations, and cannot assure that our policies and practices will be sufficient to protect us from liability or adverse publicity relating to the privacy and security of personal information. We cannot provide assurance that current or future legislation will not prevent us from generating or maintaining personal data or that patients will consent to the use of their personal information; either of these circumstances may prevent us from undertaking or publishing essential research and development, manufacturing and commercialization, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our internal computer systems, or those used by our clinical investigators, contractors or consultants, may fail or suffer security breaches.

Despite the implementation of security measures, our internal computer systems and those of our contractors and consultants are vulnerable to damage from computer viruses and unauthorized access. If such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs and our business operations. For example, the loss of clinical trial data from clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development and commercialization of our product candidates could be delayed, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

If our facilities or those of our CMO become inoperable, or if we are unable to renew our existing (sub)lease agreements, we may be unable to perform our research and development and potential future manufacturing activities and our business, financial condition, results of operations and prospects may be harmed.

K-NK002 and K-NK003 will be manufactured by one third-party CMO, KBI Biopharma, at its facilities in the United States. We perform certain of our research and development, process and analytical development and potentially future manufacturing activities in leased facilities in Amsterdam, the Netherlands. These KBI and Kiadis facilities may be harmed or rendered inoperable by flooding, fire, severe weather conditions, power failures or other natural or man-made disasters. There is no assurance that we will be able to renew our current leases and sublease agreements in the existing locations on acceptable terms upon the lapse of the current terms or extended subsequent terms. If we are unable to perform or transfer our development and/or our manufacturing activities, we may suffer delays to our development programs and

commercialization activities, and lead to significant loss of income, suspension or withdrawal of our products from the market, harm to our reputation. We could also incur significant costs to repair damage to or find new facilities and the equipment we use to perform our development and/or our manufacturing activities. Our or KBI's insurance coverage for damage to property and the disruption of our business may not be sufficient to cover all of our potential losses, including the loss of time as well as the costs of lost opportunities, and may not continue to be available to us on acceptable terms, or at all, which could have an adverse effect on our business, results of operations, financial condition and prospects.

Regulations apply to, and claims could arise relating to, improper handling, storage or disposal of hazardous chemical or biological materials and gamma irradiation or other equipment. Complying with such regulations and/or defending against such claims could be time consuming and expensive.

Our research and development and manufacturing involve the controlled use of hazardous materials, including chemical and biological materials including genetically modified organisms, and equipment, which in the past has included gamma irradiation and other equipment, chemical solvents and human cells. Our operations also generate hazardous waste products. We cannot eliminate the risk of accidental contamination or discharge and any resultant injury from these materials. Various laws and regulations govern the use, manufacture, storage, handling and disposal of hazardous materials. We may be sued for any injury or contamination that results from our use or the use by third parties of these materials. Compliance with environmental laws and regulations may be expensive. Our facilities, the facilities of our CMOs and the other facilities that we source donor materials from may not comply with those regulations without significant investments, or at all. Current or future environmental regulations may impair our research, development and production efforts, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are a party to certain agreements that contain liability or indemnification provisions under which we may claim damages from our counterparties and under which our counterparties may claim damages from us, including damages caused by product defects.

We are a party to certain agreements, including clinical trial agreements and licensing agreements that contain liability or indemnification provisions under which we or the counterparty may claim damages. In the event we need to claim damages from a counterparty, we may not receive payments covering our damages in full, either because the applicable provision is unenforceable for any reason or because the counterparty is unable to pay (due to insolvency or otherwise). Although in many cases we try to limit our liability, such limitations may not be enforceable in certain jurisdictions or effective in the event that we need to pay damages and we nevertheless could become liable to make substantial payments. If we must make substantial liability payments under an agreement, this could have a material adverse effect on our business, results of operations, financial condition and prospects.

1.5 Risks related to the commercialization of our cell therapy products

If we are unable to commercialize K-NK002, K-NK003 or any of our other products 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 do not expect to generate product revenues in the foreseeable future. If our lead program K-NK002 or any other program that we may pursue fails, we will have to develop, acquire or license new programs. K-NK002 and K-NK003, as well as any other programs we may pursue, could be unsuccessful if they:

- do not demonstrate acceptable safety and efficacy in preclinical studies or clinical trials or otherwise do not meet applicable regulatory standards for approval;
- generate unacceptable adverse side effects;
- do not offer therapeutic or other improvements over existing or future products used to treat the same conditions;
- are not accepted in the medical community or by insurers, either public or private; or
- are not capable of being produced and delivered to patients in commercial quantities at acceptable costs.

The results of the research and trials to date cannot provide assurance that acceptable efficacy or safety will be shown upon completion of ongoing or planned clinical trials. Also, the results obtained in the proof-of-concept studies for K-NK002 and K-NK003 for which NK-cells were obtained from haploidentical donors and expressed by a tumor feeder cell line may not be comparable to results that may be produced during the further development of these programs using NK-cells obtained from universal donors and expressed with PM21 particles from our NK-platform. Many investigational products that show promise in proof-of-concept, Phase I and/or Phase II trials fail in later clinical trials or in a commercial setting. If we are unable to make our products commercially available, or we experience significant delays in doing so, our business, financial condition, results of operations and prospects would be materially adversely affected.

We may fail to capitalize on other potential product candidates that may represent a greater commercial opportunity or for which there is a greater likelihood of success.

The success of our business depends upon our ability to develop and commercialize K-NK002, K-NK003 and our other product candidates that we may pursue. Because we have limited resources, we may forego or delay pursuit of opportunities with certain programs or product candidates or for indications that later prove to have greater commercial potential than K-NK002, K-NK003 or other product candidates that we may pursue. Our spending on current and future research and development programs may not yield any commercially viable product candidates. If we do not accurately evaluate the commercial potential for a particular product candidate, we may relinquish valuable rights to that product candidate through strategic collaborations, licensing or other arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate. Alternatively, we may allocate internal resources to a product candidate in a therapeutic area in which it would have

been more advantageous to enter into a partnering arrangement. If any of these events occur, we may be forced to abandon our development efforts with respect to a particular product candidate or fail to develop a potentially successful product candidate. The market opportunities for our products may be smaller than currently anticipated, lowering our potential revenue.

We make projections of both the number of people who have the cancers and the other indications that we are targeting, as well as the number of individuals within our target patient population that are in a position to receive a transplantation and who have the potential to benefit from treatment with our product candidates. These projections are derived from scientific literature and patient foundations but are highly contingent on a number of variables that are difficult to predict and may prove to be too high, resulting in a smaller population of patients who could benefit from our product candidates than we currently anticipate which would result in lower potential revenue.

If our products do not gain market acceptance by regulators, among physicians, patients, healthcare providers, healthcare payers or the medical community as a whole, we may not be able to achieve revenues and our business will be materially adversely affected.

We incur and will incur substantial research and development and manufacturing costs before we can confirm the scientific validity or commercial viability of a product. Even if the EMA, the FDA or any other regulatory authority approves the marketing of any products that we may develop, physicians, healthcare providers, patients, the medical community or payers may not accept or use them. The degree of market acceptance of any of our potential products as may receive marketing authorization will depend on a variety of factors, many of which are outside our control. If any products that we may develop fail to achieve market acceptance, we may not be able to generate sufficient revenues. We may make substantial investments in clinical development, manufacturing, supply chain and commercialization without any assurance that we will be able to attain significant market share at a price that would enable us to recover our investments. If we are unable to do so, our business, financial condition, results of operations and prospects would be materially adversely affected.

We operate in a highly competitive and rapidly changing industry. If we are unable to compete effectively, our business, financial condition, results of operations and prospects could be materially adversely affected.

We operate in the highly competitive pharmaceutical and biotechnology industries. We seek to develop and market products that, if approved, will compete with drugs, medical devices and other therapies that currently exist or are being developed. We may face competition from fully integrated pharmaceutical companies, biotechnology companies, academic institutions, government agencies and private and public research institutions in the European Union, the United States and other jurisdictions, as well as early-stage development companies that collaborate with larger competitors to bring novel products to the market (see also paragraph 4.13 below). Our competitors or physicians have developed or may be developing alternative products or protocols for cancer and other indications into which we may expand. Our competitors may have substantially greater financial, technological, manufacturing, marketing, managerial, regulatory and research and development resources and experience. Our competitors or physicians may also:

- develop and patent protocols, processes or products earlier than us;

- obtain regulatory approvals for competing protocols or products more rapidly than us;
- develop and commercialize protocols or products that are less expensive, safer, more effective or more convenient to administer than our products; and
- improve upon existing technologies or develop new or different therapies that render our products or technologies obsolete.

The pharmaceutical and biotechnology industries and clinical practice are characterized by rapid change and we expect competition to intensify as scientific, clinical or technical advances are made. These advances may render our products obsolete or noncompetitive. The emergence of a new standard of care in target markets may also result in our products becoming obsolete. Should any of these factors occur, our business, financial condition and results of operations could be materially adversely affected.

Adverse events in the field of cell-based products could negatively influence and damage the perception of our products and adversely affect our business, financial condition, results of operations and prospects.

The commercial success of our products will depend in part on public acceptance of the use of cell-based therapies for the treatment of human diseases. Adverse events in clinical trials of our products or in clinical trials of others developing cell-based products and the resulting publicity, as well as any other adverse events in the field of cell-based therapy that may occur in the future, could result in a decrease in demand for any products that we may develop. If public perception is influenced by claims that cell-based therapy is unsafe, ineffective or prohibitively expensive, our products may not be accepted by the general public, medical community, or insurers. Future adverse events in cell-based therapy could also result in greater governmental regulation, stricter labelling requirements and potential regulatory delays in the testing or approvals of our products. Any increased scrutiny could delay or increase the costs of obtaining regulatory approval for our products, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Governments and/or pricing authorities, especially in the European Union, often impose strict price and access controls, which may adversely affect our future profitability.

In some markets, especially in the European Union, prescription drug pricing is subject to governmental/pricing authority control which can vary by country and degree. In these countries, pricing negotiations with governmental/pricing authorities can take considerable time after the receipt of marketing approval for a product. If reimbursement of our products is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels or the pricing negotiation is considerably delayed, we may be unable to achieve or sustain profitability.

If we fail to obtain adequate coverage and reimbursement from insurers, both public and private, commercially viable markets for our products may not develop or may be smaller than expected.

The commercial success of our future products depends in part on whether third-party coverage and reimbursement will be available for the ordering of products for use by the medical profession and by patients. In the European Union and other markets, our ability to obtain coverage or

reimbursement may be affected by laws governing public and private insurance and other factors. If these insurers, both public and private, do not view our products and pricing as attractive and/or cost-effective, reimbursement may not be available to patients or may be insufficient to allow our products to be marketed on a competitive basis. In the United States, Medicare, Medicaid, health maintenance organizations and other insurers, both public and private, are increasingly attempting to manage healthcare costs by limiting both the coverage and the level of reimbursement of new products. As a result, they may not cover or provide adequate payment for our products. Legislative or regulatory efforts to reform government healthcare programs, changes to private coverage and reimbursement policies and cost containment initiatives could lower prices or reimbursement levels or result in rejection of our products. Any of these factors could impair the development of a commercial market for our products and our business, financial condition, results of operations and prospects could be materially adversely affected.

If any product liability lawsuits are successfully brought against us or any of our collaboration partners, we may incur substantial liabilities and may be required to limit commercialization of our product candidates.

We face an inherent risk of product liability lawsuits related to the testing of our product candidates in seriously ill patients and will face an even greater risk if our product candidates are approved by regulatory authorities and introduced commercially. Product liability claims may be brought against us or our partners by participants enrolled in our clinical trials, patients, health care providers or others using, administering or selling any of our future approved products. If we cannot successfully defend ourselves against any such claims, we may incur substantial liabilities.

If any of our product candidates are approved for commercial sale, we will be highly dependent upon consumer perceptions of us and the safety and quality of our products. We could be adversely affected if we are subject to negative publicity associated with illness or other adverse effects resulting from patients' use or misuse of our products or any similar products distributed by other companies.

Any product liability insurance coverage we obtain may not fully cover potential liabilities that we may incur. The cost of any product liability litigation or other proceeding, even if resolved in our favor, could be substantial. We will need to increase our insurance coverage if we commercialize any product that receives marketing approval. In addition, insurance coverage is becoming increasingly expensive. If we are unable to maintain sufficient insurance coverage at an acceptable cost or to otherwise protect against potential product liability claims, it could prevent or inhibit the development and commercial production and sale of our product candidates, which could harm our business, financial condition, results of operations and prospects.

1.6 Risks related to our reliance on third parties and key personnel

We rely on third parties who license intellectual property rights to us, including intellectual property relating to our NK-platform. If any such license is terminated, we may be unable to commercialize and market our product candidates.

We are reliant upon licenses to certain patent rights, know-how and other proprietary technology from third parties that are important or necessary to the development of our technology and product candidates. We are specifically dependent on licenses relating to our NK-platform granted by the University of Central Florida in Orlando, United States ("**UCF**") and the Nationwide

Children's Hospital in Columbus, Ohio, United States ("**NCH**") and the option to a related license granted by the Ohio State University ("**OSU**") in Columbus, Ohio, United States (see paragraph 4.8 below). If we materially breach our obligations under these licenses, the license agreements may be subject to termination by the licensor concerned. The loss of rights under our licenses from UCF or NCH or under our option from OSU could preclude us from further developing and commercializing our lead program K-NK002, K-NK003 and other product candidates that we may pursue, which would have a material adverse effect on our competitive position, business, financial conditions, results of operations and prospects.

Our ability to comply with these license requirements and requirements under our other current or future license agreements may be affected by factors including but not limited to the availability of financing, the current regulatory environment, the results of clinical trials, or physician and patient response to our product candidates. In spite of our efforts, our licensors might conclude that we have materially breached our license agreements and might therefore terminate the license agreements, thereby removing our ability to develop and commercialize products and technology covered by these license agreements. If the licensors were to terminate the license, we would be prevented from continuing our use of the licensed technology and competitors and other third parties would have the freedom to seek regulatory approval of, and to market, products identical to ours.

Moreover, disputes may also arise between us and our licensors regarding intellectual property subject to a license agreement, including those relating to:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes infringe on, misappropriate or otherwise violate intellectual property of the licensor that is not subject to the license agreement;
- our right to sublicense patent and other rights to third parties under collaborative development relationships;
- whether we are complying with our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our product candidates; and/or
- the allocation of ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and by us and our collaboration partners.

In addition, the agreements under which we currently license intellectual property or technology from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

If disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates. Any of the foregoing may have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be unable to enter into or maintain strategic alliances or collaborations which could affect our ability to commercialize our products.

We may seek strategic alliances or collaborations to further the clinical development and commercialization of certain of our product candidates as they would likely require expensive and time-consuming clinical trials. In seeking strategic partners, we face significant competition from other companies as well as public and private research institutions. There can be no assurance that we will be able to enter into or maintain strategic alliances on terms favorable to us, or at all. Potential partners may require royalty or milestone payments, rights to current or after-developed intellectual property, exclusivity rights, limitations on liabilities, indemnities or other provisions that are adverse to us. Potential partners may fail to diligently fund, develop or commercialize our products. Any of the foregoing may have a material adverse effect on our business, financial condition, results of operations and prospects.

Although we may eventually establish our own manufacturing facility, we expect to rely on third-party support to manufacture certain of our products and technologies for the foreseeable future. Therefore, if we are unable to enter into or maintain our arrangements with third-party manufacturers under favorable terms, our ability to develop our products or generate sufficient product revenues could be harmed.

The manufacture of K-NK002 and K-NK003 is outsourced to KBI Biopharma in the United States. A failure by any current or future CMOs or suppliers to properly perform their contractual obligations could impact our ability to manufacture our product candidates.

Our reliance on KBI Biopharma as our sole CMO and a small number of key suppliers and contract testing laboratories limits our control over quality assurance, quality control, transport and delivery schedules and we cannot assure that any third parties will perform to our standards.

We rely on a limited number of outside suppliers for equipment and disposables required to manufacture our products. For some of these supplies, we rely and may in the future rely on sole source vendors or a limited number of vendors. We may not be able to obtain key materials and equipment to support clinical or commercial manufacturing on acceptable terms, on a timely basis, or at all. If we are unable to source adequate supplies from our current suppliers, we will need to find alternatives. If we are unable to obtain regulatory approval for use of acceptable alternatives, we may not be able to produce the necessary quantity or quality of our product for clinical trials or commercial sales, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

If we were to experience an unexpected loss of supply of, or if any CMO or supplier were unable to meet our demand for our products or their services, we could experience delays in our research and development activities, planned clinical studies or commercialization of approved products. We could be unable to find alternative CMOs or suppliers of acceptable quality who can deliver appropriate volumes at acceptable cost. Moreover, CMOs and suppliers are often subject to strict manufacturing requirements, rigorous testing requirements and regulatory oversight, which could

limit or delay the production. The long transition periods involved in the change of CMOs and suppliers, if necessary, would significantly delay our clinical studies and the commercialization of our products. In addition, we may not be able to successfully transfer manufacturing from one CMO to another CMO or to in-house production.

We also need to work with CMOs and suppliers that are licensed by regulatory authorities of European Union member states, the FDA and other authorities and must comply with regulations of such authorities, requiring us and/or our CMOs and suppliers to spend significant time, money and effort in the areas of design and development, testing, production, record-keeping and quality control to assure that the products meet applicable specifications and other regulatory requirements. Any of these CMOs and suppliers and we ourselves may also be subject to audits by the appropriate regulatory authorities. If any of our CMOs or suppliers fails to comply with applicable Good Manufacturing Practices ("**GMP**") or other applicable regulations, our ability to develop and commercialize our products or product candidates could suffer significant interruptions.

We face risks inherent in relying on a single CMO as any disruption, such as a contamination, infection, failure to comply with regulations, strikes, fire, natural hazards or vandalism at a CMO could significantly interrupt our manufacturing capability. Business interruption insurance may not adequately compensate us for any losses that may occur and we would have to bear the additional cost of any disruption.

If we achieve regulatory approval for any of our product candidates, we, our CMOs or suppliers may not be able to increase production to suitable commercial levels. Any failure to achieve and maintain high quality manufacturing standards and fulfill applicable regulatory requirements could result in patient injury or death, product recalls or withdrawals, regulatory censure or lawsuits. In addition, in case of failure to comply with applicable requirements the data generated in our clinical trials may be deemed unreliable and the EMA, the FDA or other comparable other regulatory authorities may require us to extend, repeat or perform additional clinical trials which would delay the regulatory approval process. We cannot assure that upon inspection by a given regulatory authority, such regulatory authority will determine that the manufacturing process complies with such requirements. Manufacturing errors, disruptions and difficulties in obtaining export and import approvals could contribute to cost overruns, impair our ability to manage production, cause delays in shipments and cancellation of orders and product availability to patients, which may adversely affect our relationships with future customers and potentially allow competitors or other protocols to take over our market. In addition, CMOs, suppliers and contract testing laboratories may prioritize capacity for others or increase prices charged to us, which could harm our ability to generate sufficient product revenues.

For all of the above reasons, a significant disruptive event at a supplier, CMO or our own manufacturing facility would have a material adverse effect on our business, prospects, financial condition and results of operations.

If third parties on which we depend to conduct our clinical studies do not perform as contractually required, fail to satisfy regulatory or legal requirements or miss expected

deadlines, our development program could be delayed with materially adverse effects on our business, financial condition, results of operations and prospects.

We rely on CROs, clinical data management organizations, consultants and other service firms to design, conduct, supervise and monitor clinical studies. We and these third parties are required to comply with various regulations, including good clinical practices, which are enforced by the guidelines of the competent authorities of the member states of the European Economic Area ("**EEA**"), the FDA and comparable other regulatory authorities to ensure that the health, safety and rights of patients are protected in clinical development and clinical trials, and that trial data integrity is assured. Regulatory authorities ensure compliance with these requirements through periodic inspections of trial sponsors, principal investigators and trial sites. Our reliance on third parties that we do not control does not relieve us of these responsibilities and requirements. If we or any of these third parties fail to comply with applicable requirements, the clinical data generated in our clinical trials may be deemed unreliable and the EMA, the FDA or other comparable other regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials comply with such requirements. In addition, our clinical trials must be conducted with products that are GMP produced. Failure to comply with these regulations may require us to repeat preclinical and clinical trials, which would delay the regulatory approval process.

Third-party staff are not our employees and, except for remedies available to us under our agreements with such third parties, we cannot control whether or not they devote sufficient time and resources to our ongoing clinical and preclinical programs and meet their quality and other requirements. If these third parties do not successfully carry out their contractual duties or obligations or meet expected deadlines or if the quality or accuracy of the product or clinical data they obtain is compromised due to the failure to adhere to our clinical protocols, regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our product candidates. As a result, our operations and the commercial prospects for our product candidates in development would be harmed, our costs could increase and our ability to generate revenues could be delayed.

Because we have relied on third parties, our internal capacity to perform these functions is limited. Outsourcing these functions involves the risk that third parties may not perform to our standards, may not produce results in a timely manner or may fail to perform at all. In addition, the use of third-party service providers requires us to disclose our proprietary information to these parties, which could increase the risk that this information will be misappropriated. We currently have a small number of employees, which limits the internal resources we have available to identify and monitor our third-party providers. To the extent we are unable to identify and successfully manage the performance of third-party service providers in the future, our business may be adversely affected. Though we carefully manage the relationships with third parties, there can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition, results of operation and prospects.

If we cannot contract with acceptable third parties on commercially reasonable terms, or at all, or if these third parties do not carry out their contractual duties, satisfy legal and regulatory requirements for the conduct of preclinical studies or clinical trials or meet expected deadlines,

our clinical development programs could be delayed and otherwise adversely affected. Any such event could have a material adverse effect on our business, financial condition, results of operations and prospects.

The failure to attract and retain senior management, members of our management board and skilled personnel could impair our development efforts.

We are highly dependent on our Chief Executive Officer and sole member of the Company's management board (*raad van bestuur*) (the "**Management Board**") Mr. Arthur Lahr, our senior management that supports the Management Board in the day-to-day management of Kiadis (see paragraph 5.3 below) (the "**Management Team**"), and various key scientific and technical personnel and a number of key consultants. The loss of the services of any member of the Management Board, the Management Team or key scientific or technical staff or consultants may significantly delay or prevent us from achieving our development and other business objectives and could have a material adverse effect on our business, financial condition, results of operations and prospects. If we do not have sufficient numbers of skilled employees to support our research, development, manufacturing, regulatory compliance or management functions, or if our employees lack the skills necessary for the development of our operations, we may be dependent on consultants and advisers, if available on terms acceptable to us, if at all, who may have conflicts of interest or other commitments, such as consulting or advisory contracts with other organizations that may affect their ability to contribute to us. The discontinuation of ATIR and the reorganization of our business and reduction of our workforce may affect our ability to attract and retain skilled personnel. If we are unable to attract and retain sufficient scientific, technical and managerial personnel, we will be unable to advance our clinical programs or expand our business, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

1.7 Risks related to our intellectual property

If we are unable to obtain and maintain patent or trade secret protection for any products we develop and for our technology, or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize products and technology similar or identical to ours, and our ability to successfully commercialize any product candidates or technology we may develop may be adversely affected.

Our commercial success depends in significant part on obtaining and maintaining current and future patent protection, trade secrets and confidential know-how for our technologies, product candidates, the methods used to manufacture those product candidates and the methods for treating patients using those product candidates. Failure to obtain, maintain or extend patent protection or to protect trade secrets or confidential know-how, could materially adversely affect our ability to compete.

In relation to our NK-platform and the NK-cell programs that we are developing, we license certain patents, (provisional) patent applications and other intellectual property from UCF and NCH and have an option to a related license from OSU (see paragraphs 4.8 and 4.9 below). The technologies licensed from UCF include a patent application that UCF owns jointly with NCH and regarding which our current license only relates to UCF's component thereof. To enable us to obtain a full license on this patent application an inter-institutional arrangement between UCF and NCH needs to be put in place. Such arrangement is currently pending and whether it materializes

and does so at suitable terms is beyond our control. Our failure to obtain a full license on this patent application and any resulting granted patents may affect our ability to develop and commercialize product candidates and our NK-platform.

If we are unable to satisfy our various obligations to UCF, NCH or OSU, we may lose rights to certain licenses or intellectual property rights for our programs. The loss of rights under our licenses from UCF, NCH or OSU (if we exercise our option to a license from OSU) could preclude us from further developing and commercializing our lead program K-NK002, K-NK003 and other product candidates that we may pursue, which would have a material adverse effect on our competitive position, business, financial conditions, results of operations and prospects. In addition, disputes may arise regarding intellectual property subject to a license agreement, including the scope of rights granted under the license agreement and other interpretation-related issues and our diligence obligations under the license agreement and what activities satisfy those obligations.

In relation to NK-cell technologies developed by UCF, NCH or OSU over which we enjoy an option to secure exclusive commercial licenses, we rely on our partners to secure patent protection that might afford us an opportunity for commercial exclusivity. We have not had and do not have primary control over these activities for certain of our patents or (provisional) patent applications and other intellectual property rights. If we or our licensors are unable to obtain or maintain patent protection with respect to our products and technologies, or if our trade secrets are not sufficient to prevent third parties from developing competing products, our business, financial condition, results of operations and prospects could be materially harmed.

The patent prosecution process is expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, enforce, or license all necessary or desirable patents and (provisional) patent applications at a reasonable cost or in a timely manner. It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection. In addition, we may not be aware of all third-party intellectual property rights potentially relating to our product candidates and technology. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in our owned or any licensed patents or pending (provisional) patent applications, or that we were the first to file for patent protection of such inventions.

We license pending patent applications and provisional patent applications. In relation to a provisional patent application there is a risk that no corresponding nonprovisional patent application is made during the 12-month pendency period of the provisional application and that the provisional application lapses or is withdrawn, because the subject matter is deemed unpatentable or for other reasons. There is also a risk that these and our future (provisional) patent applications will not be issued timely, or that they may not be issued at all. In addition, even if our current or future (provisional) patent applications are issued as patents, they may not be issued with the scope of claims sought by us, or the scope of claims we or our licensors are seeking may not be sufficiently broad to protect our product candidates or provide us with any competitive advantage. Moreover, the coverage claimed in a (provisional) patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. If our patents expire or if a challenge to an existing patent is successful, there could be a material adverse effect on our business, financial condition, results of operations and prospects.

Our competitors and other third parties would be able to offer and sell products so long as they do not infringe any valid and enforceable patents or other proprietary rights that we or others, including our licensors, may have. For example, production of NK-cells using a tumor feeder cell line would not infringe any such patents. The specific content of patents and patent applications that are necessary to support and interpret the scope of patent claims is highly uncertain due to the complex nature of the relevant legal, technical and factual issues. Such risks will increase if we or our licensors are not able to obtain additional patents protecting aspects of our product candidates and technology, such as product improvements, formulations, methods of production or novel uses of the relevant cell therapy product candidates. Even if the pending and future (provisional) patent applications to which we have rights were to result in issued patents, they could also be subject to re-examination or opposition proceedings or judicial determination of invalidity.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our patents may be challenged in the courts or patent offices in the United States and elsewhere. Such challenges may result in loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and product candidates. In addition, given the amount of time required for the development, testing, and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our intellectual property may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations and prospects.

The duration and scope of our patents may not be sufficient to effectively protect our products and business.

Patents have a limited lifespan. For example, if renewal fees are paid timely, a European patent expires 20 years after its effective filing date. Similarly, if all maintenance fees are timely paid, a patent in the United States generally expires 20 years after its effective filing date.

Even if additional patents covering our product candidates are obtained, the expiration of a patent may leave us more vulnerable to competition from biosimilar or generic alternatives, and our business, financial condition, results of operations and prospects could be materially harmed.

Issued patents covering our technology and product candidates could be found invalid or unenforceable if challenged in court or an issuing body.

Our patent protection in respect of our product candidates and technologies may be limited or lost if patents that may be issued to us or patents we use under the terms of exclusive commercial licenses were to be declared invalid, rendered unenforceable or narrowed in scope as a result of any re-examination, post grant review, *inter partes* review, interference proceedings, derivation proceedings, equivalent proceedings in other jurisdictions or judicial action. If one of our licensing partners or we initiate legal proceedings against a third party to enforce a patent covering one of our product candidates or technologies, the defendant could counterclaim that the patent covering our product candidate is invalid or unenforceable. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty,

obviousness, lack of patentable subject matter, lack of written description or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld information material to patentability from the relevant issuing body, or made a misleading statement, during prosecution. A challenge to patents could result in a ruling adverse to us that could invalidate or render unenforceable such patents or substantially reduce the scope of protection afforded by them. A court may also determine, retrospectively, that despite the issuance of the patent by the relevant issuing body, the corresponding patent application did not meet the statutory requirements. If a competitor or other third parties were to successfully challenge our patents, and claims in these patents were consequently narrowed, rendered unenforceable or invalidated, our ability to protect the related product candidate or technology from competition could be compromised. Such proceedings could result in the revocation or cancellation of or amendment to our patents in such a way that they no longer cover our product candidates. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which the patent examiner and we or our licensing partners were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we could lose at least part, and perhaps all, of the patent protection on one or more of our product candidates. Such a loss of patent protection could have a material adverse impact on our business.

Confidentiality agreements with employees and third parties may not prevent unauthorized disclosure of trade secrets and other proprietary information and may not provide an adequate remedy.

We consider proprietary trade secrets and confidential know-how and unpatented know-how to be important to our business. We rely on trade secrets and confidential know-how to protect our technology, especially where we do not believe that patent protection is appropriate or obtainable. However, trade secrets and confidential know-how are difficult to protect and some courts in the United States and elsewhere are less willing or unwilling to protect trade secrets. We seek to protect our proprietary trade secrets and confidential know-how, in part, by entering into confidentiality agreements with our current and former employees, consultants, contractors, outside scientific collaborators and other advisers. However, we cannot guarantee that we have entered into such agreements with each party that may have or has had access to our trade secrets or confidential know-how. Our current or former employees, consultants, contractors, outside scientific collaborators and other advisers may have access to and unintentionally or willfully disclose our confidential information, including to competitors. Our confidentiality agreements may be breached by such individuals and we may not have adequate remedies for any breach. Enforcing a claim that a third party obtained illegally and is using trade secrets and confidential know-how illegally is expensive and time consuming and the outcome is unpredictable. Failure to obtain or maintain trade secret and confidential know-how trade protection could adversely affect our competitive business position. Moreover, our competitors and other third parties may independently develop equivalent knowledge, methods and know-how and may even apply for patent protection in respect of the same. If successful in obtaining such patent protection, our competitors could limit how we use our trade secrets and confidential know-how, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

If we or our licensors infringe, misappropriate or otherwise violate intellectual property rights of third parties, we may face increased costs or we may be unable to commercialize our products.

Our commercial success depends upon our ability to develop, manufacture, market, sell and distribute our product candidates and use our proprietary technologies without infringing, misappropriating or otherwise violating the proprietary rights and intellectual property of third parties. The biotechnology and pharmaceutical industries are characterized by extensive and complex litigation regarding patents and other intellectual property rights. There is a risk that third parties may allege that our employees, consultants, independent contractors or the licensors have wrongfully used or disclosed trade secrets and we infringed, are infringing, or will infringe the proprietary rights of third parties because patents and pending applications belonging to third parties exist in the European Union, the United States and elsewhere in the world in the areas in which our research is conducted. Because patent applications take several years to complete, there may be currently pending applications, unknown to us, which may later result in issued patents that cover the production, manufacture, commercialization or use of our product candidates and technology. In addition, the production, manufacture, commercialization or use of our products may infringe existing patents of which we are not aware. Even if we believe such claims of infringement are without merit, a court of competent jurisdiction could hold that these third-party patents are valid, enforceable and infringed, which could materially and adversely affect our ability to commercialize our product candidates and technology. In order to successfully challenge the validity of any such U.S. patent in federal court, we would need to overcome a presumption of validity. As this burden is a high one requiring us to present clear and convincing evidence as to the invalidity of any such U.S. patent claim, there is no assurance that a court of competent jurisdiction would invalidate the claims of any such U.S. patent. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

If we are found to infringe a third party's valid and enforceable intellectual property rights, we could be required to:

- cease developing, manufacturing selling or licensing the infringing product candidates or technology;

- obtain a license from such third party to continue developing, manufacturing and marketing our product candidates and technologies, which may not be available on commercially reasonable terms or at all and even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us, and it could require us to make substantial licensing and royalty payments or grant a cross license to our patents to another patent holder;

- pay substantial damages for past infringement, including treble damages and attorneys' fees, if we are found to have willfully infringed a patent or other intellectual property right; or

- be required to redesign the formulation of a product such that it does not infringe, which may not be possible or could require substantial funds and time.

Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, many of our employees were previously employed at universities or other biotechnology or pharmaceutical companies. Although we try to ensure that our employees, consultants, and advisors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by government patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other government fees on patents and/or applications will be due to be paid to various patent agencies over the lifetime of our licensed patents and/or applications and any patent rights we may own in the future. Patent agencies also require compliance with several procedural fee payments and other similar provisions during the patent application process. In many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. There are situations, however, in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, potential competitors might be able to enter the market and this circumstance could have a material adverse effect on our business.

We may not be successful in obtaining necessary rights to any product candidates we may develop through acquisitions and licenses.

We currently have rights to intellectual property, through licenses from third parties, to identify and develop product candidates. Many pharmaceutical companies, biotechnology companies, and academic institutions are competing with us and filing patent applications potentially relevant to our business. If patents issued to third parties contain valid claims that cover our compounds or their manufacture or uses or assays relevant to our development plans, in order to avoid infringing these patents, we may be required or find it prudent to obtain licenses to these patents or to develop or obtain alternative technology. However, we may be unable to secure such licenses or otherwise acquire or license any compositions, methods of use, processes, or other intellectual property rights from third parties that we identify as necessary for product candidates we may develop. The licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third party intellectual property rights on terms that would allow us to make an appropriate return on our investment or at all. If we are unable to

successfully obtain rights to required third party intellectual property rights or maintain the existing intellectual property rights we have, we may have to abandon development of the relevant program or product candidate.

In addition, if a patent is issued to a third party that covers our compounds or their manufacture or uses or assays related to our technology or product candidates and we cannot obtain a license to such patent, then we may not be in a position to commercialize such technology or product candidates unless we develop non-infringing alternative or successfully pursue litigation to have that patent invalidated or enter into a licensing arrangement with the patent holder. Any such litigation would be time consuming and costly, and the outcome would not be guaranteed. We cannot be certain that we would be able to enter into a licensing agreement with the patent holder on commercially reasonable terms, if at all. In either case, our business prospects could be materially adversely affected

Intellectual property rights do not necessarily address all potential risks to our competitive advantage.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. For example:

- others may be able to make products that are similar to any product candidates we may develop or utilize similar technology but that are not covered by the claims of the patents that we license or may own in the future;

- we, or our license partners or current or future collaborators, might not have been the first to make the inventions covered by the issued patent or pending (provisional) patent application that we license or may own in the future;

- we, or our license partners or current or future collaborators, might not have been the first to file patent applications covering certain of our or their inventions;

- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our owned or licensed intellectual property rights;

- it is possible that (provisional) patent applications that we currently, or may in the future, own or license will not lead to issued patents;

- the claims of patents or (provisional) patent applications that we own or license may, when issued, not cover our products or product candidates;

- issued patents that we hold rights to may be held invalid or unenforceable, including as a result of legal challenges by our competitors;

- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;

- we may not develop additional proprietary technologies that are patentable;

- the patents of others may harm our business; and
- we may choose not to file a patent in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent covering such intellectual property.

Should any of these events occur, they could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.8 Risks related to our business and industry

Our relationships with health care professionals, institutional providers, principal investigators, consultants, customers and third-party payers are, and will continue to be, subject, directly and indirectly, laws and regulations on health care fraud and abuse, false claims, marketing expenditure tracking and disclosure, government price reporting, and health information privacy and security. If we are unable to comply, or have not fully complied, with such laws, we could face penalties, including, without limitation, civil, criminal, and administrative penalties, damages, fines, exclusion from government-funded health care programs and the curtailment or restructuring of our operations.

Our business operations and activities may be directly or indirectly subject to various laws and regulations on health care fraud and abuse, false claims, marketing expenditure tracking and disclosure, government price reporting, and health information privacy and security, including the U.S. federal Anti-Kickback Statute, the U.S. federal False Claims Act, HIPAA, the U.S. federal physician self-referral law, the U.S federal transparency requirements under the U.S. Patient Protection and Affordable Care Act, U.S. federal consumer protection and unfair competition laws, U.S. federal government price reporting laws and the U.S. Foreign Corrupt Practices Act as well as analogous laws and regulations at U.S. state level and of other countries and jurisdictions.

If we obtain approval for any of our product candidates from the EMA, the FDA or other comparable other regulatory authorities and begin commercializing those products in geographies for which they have been approved, our potential exposure under such laws will increase significantly, and our costs associated with compliance with such laws are also likely to increase. It is possible that governmental and enforcement authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law interpreting applicable fraud and abuse or other health care laws and regulations. If we are unable to comply, or have not fully complied, with such laws, we could face penalties, including, without limitation, civil, criminal, and administrative penalties, damages, fines, exclusion from government funded health care programs, and the curtailment or restructuring of our operations.

We may become exposed to costly and damaging liability claims, either when testing our product candidates in the clinic or at the commercial stage; and our product liability insurance may not cover all damages from such claims.

We are exposed to potential product liability and professional indemnity risks that are inherent in the research, development, manufacturing, marketing and use of pharmaceutical products. The current and future use of our product candidates in clinical trials, and the sale of any approved products in the future, may expose us to liability claims. These claims might be made by patients that use the product, health care providers, pharmaceutical companies or others selling such products. Any claims against us, regardless of their merit, could be difficult and costly to defend

which may have a material adverse effect on our business, financial condition, results of operations and prospects.

Although the clinical trial process is designed to identify and assess potential side effects, it is always possible that a drug, even after regulatory approval, may exhibit side effects. If any of our product candidates were to cause adverse side effects during clinical trials or after approval of the product candidate, we may be exposed to substantial liabilities, including potential product liability claims. Physicians and patients may not comply with any warnings that identify known potential adverse effects and patients who should not use our product candidates. We purchase liability insurance in connection with each of our clinical trials. It is possible that our liabilities could exceed our insurance coverage. We intend to expand our insurance coverage to include the sale of commercial products if we obtain marketing approval for any of our product candidates. However, we may not be able to maintain insurance coverage at a reasonable cost or obtain insurance coverage that will be adequate to satisfy any liability that may arise. If a successful product liability claim or series of claims is brought against us for uninsured liabilities or in excess of insured liabilities, our assets may not be sufficient to cover such claims and our business operations could be impaired.

Should any of the events described above occur, this could have a material adverse effect on our business, financial condition and results of operations.

Rapid technological change could make our products, product candidates or technologies obsolete.

Pharmaceutical technologies and products are subject to rapid and significant technological change. We expect our competitors and physicians will develop new technologies, protocols and products that may render our products and drug formulation technologies uncompetitive or obsolete. The products, protocols and technologies of our competitors and physicians may be more effective than the products, product candidates and drug formulation technologies developed by us. As a result, our products and product candidates may become obsolete before we recover expenses incurred in connection with their development or realize revenues from any commercialized product. We are aware of other pharmaceutical companies that are developing competing technologies, which could render our product candidates obsolete, which would have a material adverse effect on our business, financial condition, results of operations and prospects.

1.9 Risks related to legal compliance matters

Because we and our suppliers are subject to environmental, health and safety laws and regulations, we may become exposed to liability and substantial expenses in connection with environmental compliance or remediation activities which may adversely affect our business and financial condition.

Our operations, including our research, development, testing and manufacturing activities, are subject to numerous environmental, health and safety laws and regulations. These laws and regulations govern, among other things, the controlled use, handling, release and disposal of, and the maintenance of a registry for, hazardous materials and biological materials, such as chemical solvents, human cells, carcinogenic compounds, mutagenic compounds and compounds that have a toxic effect on reproduction, laboratory procedures and exposure to blood-borne

pathogens. If we fail to comply with such laws and regulations, we could be subject to fines or other sanctions.

As with other companies engaged in activities similar to ours, we face a risk of environmental liability inherent in our current and historical activities, including liability relating to releases of or exposure to hazardous or biological materials. Environmental, health and safety laws and regulations are becoming more stringent. We may be required to incur substantial expenses in connection with future environmental compliance or remediation activities, in which case, our production and development efforts may be interrupted or delayed and our financial condition and results of operations may be materially adversely affected.

The third parties with whom we contract to manufacture our product candidates are also subject to these and other environmental, health and safety laws and regulations. Liabilities they incur pursuant to these laws and regulations could result in significant costs or in certain circumstances, an interruption in operations, any of which could adversely impact our business and financial condition if we are unable to find an alternate supplier in a timely manner.

Our employees, independent contractors, principal investigators, CROs, consultants, vendors and collaboration partners may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have a material adverse effect on our business.

We are exposed to the risk that our employees, independent contractors, principal investigators, CROs, consultants, vendors and collaboration partners may engage in fraudulent conduct or other illegal activities. Misconduct by these parties could include intentional, reckless and negligent conduct or unauthorized activities that violate, among other things: (i) the legal requirements or other requirements of the EMA, the FDA and other comparable authorities, including those laws that require the reporting of true, complete and accurate information to such authorities; (ii) manufacturing standards; (iii) data privacy, security, fraud and abuse and other healthcare laws and regulations; or (iv) laws that require the reporting of true, complete and accurate financial information and data. Specifically, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Activities subject to these laws could also involve the improper use or misrepresentation of information obtained in the course of clinical trials or creating fraudulent data in our preclinical studies or clinical trials, which could result in regulatory sanctions and cause serious harm to our reputation. It is not always possible to identify and deter misconduct by employees and other third-parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with such laws or regulations. Additionally, we are subject to the risk that a person could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business and results of operations, including the imposition of significant civil, criminal and administrative penalties, damages, monetary fines, disgorgements, possible exclusion from participation in governmental healthcare programs, individual imprisonment, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations

of non-compliance with these laws, other sanctions, contractual damages, reputational harm, diminished profits and future earnings and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

We have identified material weaknesses in our internal control over financial reporting. If we are unable to successfully remediate these material weaknesses and to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud, and as a result, Shareholders could lose confidence in our financial and other public reporting, which would harm our business and the trading price of our Shares.

Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. A material weakness is a deficiency or a combination of deficiencies in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis. We identified material weaknesses in our internal controls related to deficiencies in segregation of duties and approval of manual journal entries. While we have taken, and are continuing to take, steps to remediate these material weaknesses, we cannot assure you that we will be able to successfully remediate the material weaknesses or that other material weakness will not be discovered in the future. If we do not remediate these issues or if we fail to design and operate effective internal controls in the future, it could result in material misstatements in our financial statements.

2. IMPORTANT INFORMATION

2.1 General

This Simplified Registration Document constitutes a specific registration document for secondary issuances of equity securities for the purpose of Articles 3 and 14 of the Prospectus Regulation and was prepared in accordance with the Prospectus Regulation and the rules promulgated thereunder, including Annex 3 of Commission Delegated Regulation (EU) 2019/980. This Simplified Registration Document was filed in English with, and was approved by the AFM as competent authority under the Prospectus Regulation. The AFM only approved this Simplified Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval shall not be considered as an endorsement of us in our capacity of issuer that is the subject of this Simplified Registration Document.

You should rely only on the information contained in, or incorporated by reference into, this Simplified Registration Document, any supplement to this Simplified Registration Document within the meaning of Article 23 of the Prospectus Regulation should such supplement be published, and the Simplified Securities Note that together with this Simplified Registration Document shall constitute a Simplified Prospectus. No person is or has been authorized to give any information or to make any representations other than those contained in this Simplified Registration Document and any supplement to it, should such supplement be published and, if given or made, such information or representations must not be relied upon as having been authorized by us or any of our affiliates or agents. The delivery of this Simplified Registration Document shall not under any circumstances, create any implication that there has been no change in our affairs or that information contained herein is correct as of any time subsequent to the date hereof.

2.2 Simplified disclosure regime for secondary issuances

This Simplified Registration Document constitutes a specific registration document for secondary issuances of equity securities and has been drawn up as part of a Simplified Prospectus under the simplified disclosure regime for secondary issuances in accordance with Articles 3 and 14 of the Prospectus Regulation. This Simplified Registration Document may only be used in connection with an offering and/or listing and admission to trading of Shares and constitutes a Simplified Prospectus, if supplemented by a Simplified Securities Note approved by the AFM in accordance with the Prospectus Regulation.

By way of derogation from the disclosure rules for regular prospectuses as per Article 6(1) of the Prospectus Regulation, a Simplified Prospectus shall contain the relevant reduced information which is necessary to enable investors to understand (a) the prospects of the issuer and the significant changes in the business and the financial position of the issuer that have occurred since the end of the last financial year, if any; (b) the rights attaching to the securities; and (c) the reasons for the issuance and its impact on the issuer, including on its overall capital structure, and the use of the proceeds, taking into account the regulated information that has already been disclosed to the public pursuant to Directive 2004/109/EC (the "**Transparency Directive**") and Regulation (EU) 596/2014 (the "**Market Abuse Regulation**").

2.3 Company information

Our legal name is Kiadis Pharma N.V. and our commercial name is Kiadis Pharma. We were incorporated on June 12, 2015 as a public limited liability company (*naamloze vennootschap*) under the laws of the Netherlands. As an internationally operating company we are subject to, and operate under, the laws of each country in which we conduct business.

Our legal identifier (LEI) is 724500RS72JYSQJAMW52. 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 5250).

Our website, www.kiadis.com, provides a wide range of information on us. The information on our website does not form part of this Simplified Registration Document unless that information is incorporated by reference into this Simplified Registration Document.

2.4 Responsibility statement

Kiadis Pharma N.V., having its registered office at Paasheuvelweg 25A, 1105 BP Amsterdam, the Netherlands, accepts responsibility for the information contained in this Simplified Registration Document. To the best of the Company's knowledge, the information contained in this Simplified Registration Document is in accordance with the facts and this Simplified Registration Document makes no omission likely to affect its import.

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

This Simplified Registration Document is to be read in conjunction with all the documents which are incorporated herein by reference (see paragraph 2.7 below) and the Simplified Securities Note that together with this Simplified Registration Document shall constitute a Simplified Prospectus.

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

2.5 Validity

This Simplified Registration Document shall be valid for use only by us or others who have obtained our consent for a period of up to 12 months after its approval by the AFM and shall expire on June 5, 2021, at the latest.

If and when this Simplified Registration Document has been supplemented by a Simplified Securities Note together constituting a Simplified Prospectus, the obligation to supplement this Simplified Registration Document (which does not exclude us voluntarily supplementing this Simplified Registration Document) in the event of significant new factors, material mistakes or material inaccuracies shall cease to apply upon the earlier of (a) the end of the closing of the offer period, in the event that the Simplified Prospectus has been published in relation to an offering of Shares to the public, (b) the time when trading on the relevant regulated market begins, in the event that the Simplified Prospectus has been published in relation to the listing and admission trading of Shares, and (c) the expiry of the validity period of this Simplified Registration Document.

2.6 Presentation of financial and other information

Financial information

Our audited consolidated financial statements for the financial year ended December 31, 2019 (the "**Full Year Financial Statements**") have been incorporated by reference in this Simplified Registration Document (see paragraph 2.7 below).

The Full Year Financial Statements incorporated by reference in this Simplified Registration Document have been audited by KPMG Accountants N.V. ("**KPMG**"), independent auditors, as stated in its independent auditor's report which is also incorporated by reference in this Simplified Registration Document.

Although the opinion of the independent auditor KPMG Accountants N.V. is not modified in relation to this matter, it is noted that the 2019 audit opinion issued on April 30, 2020 includes an emphasis of matter paragraph which indicated that at the time of the opinion 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 Full Year Financial Statements.

The emphasis of matter paragraph included the 2019 audit opinion issued on April 30, 2020 is copied below.

> "*Material uncertainty related to going concern*
>
> *We draw attention to the going concern paragraph in note 2.1 of the consolidated financial statements which indicates that the company has insufficient cash and cash equivalents to meet their working capital requirements through the next twelve months and therefore depends on an equity financing, a non-dilutive financing or strategic transactions along with the uncertainties on capital markets caused by COVID-19 for realizing aforementioned transactions. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.*
>
> *The appropriateness of the going concern assumption depends on management's assessment of the future economic environment and the company's future equity financing, a non-dilutive financing or strategic transactions. Our procedures to assess the appropriateness of management's assessment primarily consisted of:*

- *challenge and evaluation of the aforementioned management's assessment;*

- *discussion with management to evaluate its plans for future financing transactions and whether management's plans are feasible in the circumstances;*

- *corroborate management's future business plans and to identify potential contradictory information we, amongst others, read the board minutes and supervisory board minutes.*

Furthermore, we have evaluated the situation and uncertainties as described in the aforementioned disclosure and consider the disclosure to be adequate. However, an audit cannot predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to the impact of COVID-19."

The annual financial information included in this Simplified Registration Document has been extracted or derived from the Full Year Financial Statements.

Rounding

We have made rounding adjustments to some of the figures included in this Simplified Registration Document. 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 this Simplified Registration Document 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 this Simplified Registration Document may vary.

	2017	**2018**	**2019**
High	1.2041	1.1594	1.1524
Low	1.0416	1.1281	1.0905
Rate at end of period	1.2022	1.1456	1.1227
Average rate per period	1.1396	1.1418	1,1194

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.

	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020
High	1.1227	1.1187	1.1062	1,1420	1.0971	1.1107
Low	1.1052	1.1082	1.0794	1.0682	1.0797	1.0800
Rate at end of period	1.1227	1.1004	1.1001	1.1016	1.0934	1.1107

On May 29, 2020 the noon buying rate of the Federal Reserve Bank of New York for the euro was 1.00 = US$1.1107. Unless otherwise indicated, currency translations in this Simplified Registration Document reflect the May 29, 2020 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.

2.7 Documents incorporated by reference and documents available

Kiadis Pharma N.V.'s articles of association (*statuten*) as they read on the Simplified Registration Document Date (the "**Articles of Association**") (the Dutch version and an English translation thereof (hyperlinked)) are incorporated by reference in this Simplified Registration Document. In addition, the Full Year Financial Statements (hyperlinked) are incorporated by reference in this Simplified Registration Document (hyperlinked).

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 Simplified Registration Document 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 Simplified Registration Document.

Where the documents incorporated by reference themselves incorporate information by reference, such information does not form part of this Simplified Registration Document.

Copies of this Simplified Registration Document, the Full Year Financial Statements and the Articles of Association may be obtained free of charge for a period of twelve months following the Simplified Registration Document Date by sending a request in writing to us at Paasheuvelweg 25A, 1105 BP Amsterdam, the Netherlands and may also be obtained from our website at 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 Simplified Registration Document. Except for documents incorporated by reference in this Simplified Registration Document

referenced to by hyperlinks, information referred to by hyperlinks is not part of this Simplified Registration Document and has not been scrutinized or approved by the AFM.

2.8 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 member of the Management Board and the Supervisory Board are residents 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.

2.9 Market data and other information from third parties

The information in this Simplified Registration Document 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 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 Simplified Registration Document, 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.

2.10 Forward-looking statements

This Simplified Registration Document 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).

You should refer to Chapter 1 (Risk Factors) 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 this Simplified Registration Document 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 this Simplified Registration Document and the documents incorporated by reference into this Simplified Registration Document and any supplement to this Simplified Registration Document within the meaning of Article 23 of the Prospectus Regulation should such supplement be published, as well as the Simplified Securities Note that together with this Simplified Registration Document shall constitute a Simplified Prospectus 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.

2.11 References to defined terms and incorporation of terms

Certain terms used in this Simplified Registration Document, including capitalized terms and certain technical and other terms are explained in Chapter 10 (Definitions and Glossary).

3. FINANCIAL INFORMATION

3.1 Selected consolidated historical financial information

You should read the following selected financial and operating data in conjunction with the consolidated financial statements and related notes incorporated by reference in this Simplified Registration Document.

In 2019, we underwent a transformation as in June 2019 we acquired CytoSen, with an NK-cell-based technology platform, and in November 2019 we changed our strategy and decided to terminate all activity on our legacy platforms and programs including our Phase III patient-specific T-cell therapy program ATIR101 (see also paragraph 4.4 below). Our historical results for any prior period are therefore not indicative of results to be expected in any future period.

The 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.

Selected consolidated income statement data

€ in thousands, except per share data	**For the year ended December 31**	
	2019	**2018**
	Audited	
Revenues	-	-
Other income	-	-
Research and development expenses	(43,043)	(17,468)
General and administrative expenses	(30,191)	(7,733)
Total operating expenses	**(73,234)**	**(25,201)**
Operating loss	**(73,234)**	**(25,201)**
Interest income	-	-
Interest expenses	(4,013)	(4,302)
Other net finance (expenses) income	24,676	(288)
Net finance income (expenses)	**20,663**	**(4,590)**
Loss before tax	**(52,571)**	**(29,791)**
Income tax expense	(64)	(10)
Loss for the period	(52,635)	**(29,801)**
Basic and diluted loss per share	(1.92)	(1.46)
Weighted average number of ordinary shares[1]	27,393,442	20,450,398

1. The basic loss per share is based on the weighted average number of ordinary shares of the Company outstanding during the periods 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 statement of financial position data

(€ in thousands)	As of December 31	
	2019	**2018**
	Audited	
Assets		
Intangible assets and goodwill	35,451	12,368
Property, plant and equipment	12,031	7,720
Non-current financial assets	294	-
Total non-current assets	**47,776**	**20,088**
VAT and other receivables	1,705	729
Deferred expenses	509	1,413
Cash and cash equivalents	29,459	60,314
	31,673	**62,456**
Assets held for sale	**53**	**-**
Total current assets	**31,726**	**62,456**
Total assets	**79,502**	**82,544**
Equity		
Share capital	2,956	2,434
Share premium	220,040	180,553
Translation reserve	(132)	298
Warrant reserve	392	392
Accumulated deficit	(189,000)	(139,533)
Equity attributable to equity holders	**34,256**	**44,144**
Liabilities		
Loans and borrowings	912	21,836
Lease liabilities	6,615	5,255
Derivatives	-	-
Contingent consideration	1,297	-
Deferred tax liability	6,163	-
Total non-current liabilities	**14,987**	**27,091**
Loans and borrowings	11,910	5,308
Lease liabilities	1,235	1,033
Provisions	3,630	-
Contingent consideration	3,142	-
Trade and other payables	10,342	4,968
Total current liabilities	**30,259**	**11,309**
Total liabilities	**45,246**	**38,400**
Total equity and liabilities	**79,502**	**82,544**

3.2 Recent significant events and significant changes to our financial position since December 31, 2019

In December 2019, a novel strain of coronavirus, COVID-19, was identified in Wuhan, China. This virus continues to spread globally and has been declared a pandemic by the World Health Organization in 2020. The spread of COVID-19 has impacted the global economy and may impact the operations, including the potential interruption of the clinical trial activities, regulatory reviews and the supply chain. We are monitoring the situation regarding the coronavirus and evaluating the potential interruption of the clinical trial activities, regulatory reviews and the supply chain production and deliveries, and will try to mitigate via alternative plans where necessary. The impact of the coronavirus on capital markets already affects the availability, amount and type of financing and ultimately may impact our continuity. There is no impact as of December 31, 2019 and the exact future financial impact for us at this time is difficult to estimate.

On January 29, 2020 we downsized our Amsterdam headquarters and amended its sub lease agreement reducing office space resulting in a decrease of right-of-use (ROU) assets and lease liabilities of €1.0 million and €1.1 million in 2020 respectively, with a financial impact on our shareholders equity (accumulated deficit) of €0.1 million in 2020. The annual lease payments will be reduced by €0.2 million.

On April 1, 2020, subject to further conditions including renewed vesting, certain options previously granted to active eligible employees not being members of the Management Board were cancelled with new options granted as per that same date at the following exchange ratio: 1 new option for every option granted in 2017, for every 2 options granted in 2018 and for every 3 options granted in 2019. Options previously granted to active Management Board members have a similar conversion ratio, effectuated by amending all of the options granted in 2017, half of the options granted in 2018 and a third of the options granted in 2019, with all other options cancelled. These options as amended are also subject to an exercise price set as per April 1, 2020 and renewed vesting conditions. The aforementioned will result in changed option expenses going forward, the impact of which we shall assess as part of our interim financial statements for the six months ended June 30, 2020.

In April 2020, we raised €17.0 million in gross proceeds in equity. On April 28, 2020, we announced a €12 million private placement with a U.S.-based healthcare-focused investment fund. On April 30, 2020, we announced a private placement of €5 million with LSP Advisory, the public investment arm of Life Sciences Partners, on behalf of the LSP Life Sciences Fund N.V. and several mandate clients. Both transactions completed on April 30, 2020.

Except as set out above, there have not been any significant changes to our financial position or our financial performance since December 31, 2019.

3.3 Liquidity and capital resources

We incurred losses of €52.6 million during the year ended December 31, 2019. To date, our losses have been mainly caused by the fact that since our inception we have not generated any revenues in combination with the level of our operating expenses and specifically our research and development expenses.

During the year ended December 31, 2019, our operating expenses amounted to €73.2 million, consisting of research and development expenses of €43.0 million, and general and administrative expenses of €30.2 million. Our operating expenses for the full year 2019 were substantially greater than for 2018, with an increase in the second half of 2019 as compared to the first half year, in particular for research and development expenses which were significantly higher. The increase during the full year 2019 was mainly caused by the increased clinical trial costs related to the ramp up of the Phase III study of ATIR101, and the increase of the work force that the organization experienced prior to the discontinuation of our ATIR activities. As a consequence of the discontinuation of our ATIR activities in November 2019 we incurred restructuring costs. Following our June 2019 acquisition of CytoSen, research and development expenses also include costs associated with the development of K-NK002 and the other NK-programs that we acquired. As of the discontinuation of our ATIR activities in November 2019, our ongoing research and developments expenses only regard the winddown of ATIR activities and our NK-programs including K-NK002 and K-NK003 for which we expect to start Phase I/II studies in 2020.

Since inception, we have not generated any revenues or net cash flows from sales of our product candidates. We will not receive any revenues or net cash flows from sales of our product candidates until they have been approved by regulatory authorities and commercialized successfully.

To date, we have relied principally on the issuance and sale of equity securities and debt to finance our operations, internal growth and selective acquisitions of businesses, technologies and other assets. For the periods presented, we raised the following capital:

- In February and March 2018, we issued an aggregate number of 227,695 new Shares upon the exercise of warrants. In September and October 2018, we issued an aggregate number of 316,318 new Shares upon the exercise of warrants. The net proceeds in 2018 amounted to €3.0 million.

- In March 2018, we raised €21.6 million in net proceeds (€23.4 million in gross proceeds) in equity.

- in October 2018, we raised €29.1 million in net proceeds (€31.2 million in gross proceeds) in equity.

- in May 2019, we raised €25.3 million in net proceeds (€27.6 million in gross proceeds) in equity.

- in April 2020, we raised €16.0 million in net proceeds (€17.0 million in gross proceeds) in equity.

As of December 31, 2019, we had cash and cash equivalents of €29.5 million and as of the Simplified Registration Document Date, we had cash and cash equivalents of approximately €22.7 million.

Based on our operating plans in relation to our NK-platform and programs (see Chapter 4) and also in view of the discontinuation of our ATIR activities, we believe that existing cash and cash equivalents will allow us to continue operating the business into the fourth quarter of 2020 and

accordingly we will need to raise additional financing in advance of that time, by raising further equity, convertible financing or non-dilutive financing such as debt financing arrangements, strategic transactions or other means. We may also 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 withholding initiation or expansion of clinical trials or research, and slowing down patient recruitment of clinical trials. 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 – see also Note 2 of the Full Year Financial Statements.

We have based our estimates on assumptions that may prove to be wrong, and we may use our available capital resources sooner than we currently expect. For example, we may require additional capital resources due to significant uncertainty associated with and time required to initiate or further the planned clinical trials. We may also need to raise additional funds more quickly if we choose to expand our development activities or if we consider acquisitions. Factors that could influence our future capital requirements and the timing thereof include:

- the progress and cost of our discovery and preclinical development;
- the progress and cost of our clinical trials, including payments of patient cost, clinical investigator cost and payments to CROs that are assisting with our sponsored clinical trials, and other research and development activities;
- the cost and timing of obtaining regulatory approval to commence further clinical trials;
- the costs associated with any future physician-initiated clinical trials;
- the cost of filing, prosecuting, defending and enforcing any patent applications, claims, patents and other intellectual property rights;
- the cost and timing of obtaining sufficient quantities of our products for clinical trials by establishing our contracted and/or own production capacities;
- the costs and capital expenditures associated with process optimizations and preclinical and clinical manufacturing;
- the repayment obligations under the Kreos Capital Facility Agreements and the loan provided by the University of Montreal (see paragraph 9.1 below);
- the various obligations to UCF, NCH and OSU (see paragraph 4.8 below);
- the terms and timing of any collaborative, licensing, leasing and other arrangements that we may establish;
- the cost of acquiring or licensing additional products, if any; and
- the amount and timing of further investments in preclinical research, if any.

Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through a combination of public or private equity offerings, debt financings, convertible loans, warrants, collaborations or other means. The fact that we discontinued our previous lead program ATIR101 may negatively impact our ability to attract additional funding. 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 or equity-linked securities, Shareholders 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 (including the coronavirus outbreak). If we are unable to raise additional funds when needed, we may be required to delay, reduce, or terminate some or all of our development programs and clinical trials. We may also be required to sell or license to other technologies or clinical product candidates or programs that we would prefer to develop and commercialize ourselves. Ultimately, we may be unable to continue as a going concern and go into insolvency.

3.4 Expectations regarding expenses

We did not record any revenues during the period covered by the historical financial information included in this Simplified Registration Document.

Research and development expenses

As we seek to further our operating plans in relation to our NK-platform and programs (see Chapter 4 (Business)), we expect research and development expenses for 2020 to be higher compared to the research and development expenses for 2018, but lower compared to 2019 as a consequence of the discontinuation of ATIR101 for which substantial expenses were incurred in 2019. To the extent we advance our other existing preclinical and clinical programs or pursue additional programs in 2021, we anticipate that research and development expenses will further increase.

Research and development expenses consist of the following:

- cost of our discovery and preclinical development studies, including toxicology studies;
- the costs of conducting and managing our sponsored clinical trials, including clinical investigator cost, payments of patient expenses and costs, and payments to CROs, assisting with our clinical development programs;
- salary and benefit costs allocated to research and development employees;
- regulatory activities, including testing and collecting data, preparing and submitting filings, communicating with regulatory authorities and reviewing the design and conduct of clinical trials for compliance with applicable requirements;
- depreciation of laboratory and other equipment and rental expenses;

- payments of costs in connection with physician-initiated clinical trials and evaluations;
- payments to suppliers of active pharmaceutical ingredients and manufacturers of the products used in our clinical trials and research and development activities;
- costs associated with manufacturing clinical products at our CMO and building our own manufacturing capabilities, should we decide to do so; and
- license costs.

There is a risk that any clinical development or product discovery program may not result in marketing approval. To the extent that we fail to obtain approval to market any of our product candidates in a timely manner, we would need to continue to conduct clinical trials over a longer period of time, and we anticipate that our research and development expenses may further increase.

Preclinical and clinical development timelines and associated costs may vary significantly and the successful development of our product candidates or product candidates we may seek to develop is highly uncertain. At this time, we cannot reasonably estimate the nature, timing and estimated costs of the efforts that will be necessary to complete the development of, or the period, if any, in which material net cash inflows may commence from, any of our product candidates. Moreover, we cannot assure that we will be able to successfully develop or commercialize any of our product candidates, if approved for marketing. This is due to numerous risks and uncertainties associated with developing drugs. See Chapter 1 (Risk Factors).

General and administrative expenses

Our general and administrative expenses for 2019 include CytoSen related acquisition expenses and restructuring expenses. We anticipate that for 2020 our general and administrative expenses will be comparable to our general and administrative expenses for 2018, but lower compared to 2019.

General and administrative expenses consist of the following:

- employee benefits, including salaries, pensions, profit-sharing plans, share-based compensation expenses, bonus plans and other related costs for employees in executive and operational functions;
- advisors' fees, including accounting, legal, intellectual property and consulting services; and
- rental expenses, facilities expenses and other general expenses relating to our operations.
- We have adopted an employee share option and stock appreciation rights plan under which key management personnel and employees may be granted share options and/or stock appreciation rights ("**SARs**"). Previously, options and SARs were granted under separate plans, but these two plans have been combined into a single plan as of April 20, 2018. The fair value of these instruments will be recognized as an employee expense.

3.5 Material investments

During the period since the date of the Full Year Financial Statements, we have made an investment of €0.5 million in lab equipment and leasehold improvements. As at the date of this Simplified Registration Document, we have not made any other firm commitments on significant future investment. As a general rule, the investments made by us are financed by own funds.

3.6 Dividend

Dividend history

We have never declared or paid any dividends on our Shares.

Dividend policy

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 foreseeable future. Under Dutch law, we may only pay dividends if our shareholders' equity (*eigen vermogen*) exceeds the sum of the paid-up and called-up share capital plus the reserves required to be maintained by Dutch law or by our Articles of Association. Also, pursuant to the Kreos Capital Facilities 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.

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.

3.7 Legal proceedings

In the ordinary course of our business, we may become involved in litigation arising from claims against us or brought by us against others to enforce our rights. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware) during the 12-month period immediately prior to the Simplified Registration Document Date which may have, or have had in the recent past significant effects on our business, financial position or profitability. Although we do not expect that it shall have a material effect on our business, financial position or profitability, we note that we have received a claim for an amount of approximately €0.6 million in relation to the death of a Spanish patient who participated in the Phase III trial of ATIR101. Also in view of the clinical trial insurance that we have in place, we have not taken a provision in our financial statements regarding this claim.

4. BUSINESS

4.1 Summary

We are building a fully integrated biopharmaceutical company committed to developing innovative NK-cell-based immunotherapies for patients with life-threatening diseases. In 2019, we acquired CytoSen, with an NK cell-based technology platform. Through this acquisition and a subsequent change in strategy in which we decided to terminate all activity on our legacy platforms and programs including our patient-specific T-cell therapy program ATIR101, we transformed into a company with an NK-cell-based immunotherapy platform.

Today we have a pipeline of programs consisting of an NK-cell therapy as an adjunctive treatment for a haploidentical hematopoietic stem cell transplantation (HSCT) as well NK-cell therapy cancer treatments, e.g. treatment of relapsed and refractory acute myeloid leukemia ("**AML R/R**"). Additionally, we have an expanded presence in the United States, with relationships with both key opinion leaders ("**KOLs**") and transplant centers.

We focus on developing therapeutics based on Natural Killer cells, or NK-cells. NK-cells have long been known to play a significant role in the body's innate immune response. They were first described in the 1970s, but only in the last 15 years has significant progress been made in understanding the complexities and therapeutic potential these cells offer in helping fight cancer and other diseases. Today, we know that NK-cells not only detect and identify malignant cancer cells, but they also induce cancer cell death and even help trigger a broader adaptive immune response in order to fully engage and fight tumor cells. One of the challenges to historical investigation of NK-cell therapy has been the ability to produce enough cells with attributes necessary to fight cancer cells. Many companies have opted to genetically engineer NK-cells to improve potency. We do not currently genetically modify our NK-cells, rather our NK platform enables us to enhance the natural killing ability of these cells. Our NK cells have a unique phenotype that is hyperfunctional and we can industrially produce high doses at a low cost compared to personalized cell therapies.

Our founding technology was based on NK-cells expanded and activated with FC21 feeder cells expressing membrane-bound interleukin 21 (mbIL21) and 4-1BB (41BBL) antigens. The clinical proof-of-concept data for cell-therapy product candidates were generated with NK-cells produced from this founding invention. We believe that cell-therapies expressed with tumor feeder cells, such as our founding FC21 feeder cell, have the potential risk of including tumor DNA or cells in the final drug product, and we have developed technology to expand and activate NK cells with particles. The chart below describes the two technologies:

NK activation and expansion: FC21 feeder cell and PM21 membrane particles

	Approach	Description	Product
	FC21 (founding technology): Feeder cell expressing mbIL21	K562 tumor cell expressing IL21, 41bbL and cancer cell co-stimulatory ligands	Same hyper-functional K-NK cell phenotype
	PM21 (patented): Membrane particles presenting mbIL21	FC21 membrane fractions that retain native presentation of mbIL21 and other FC21 co-stimulatory ligands (produced by 'breaking up' FC21)	

Our NK-cell platform is built on three pillars:

- **PM21 expansion and activation**: The first is a technology to expand and activate NK-cells ex-vivo using PM21 particles with membrane-bound interleukin 21 (mbIL21) and 4-1BB (41BBL) antigens instead of tumor feeder cells expressing mbIL21 and 41BBL.

- **Universal Donor Selection**: The second is an algorithm to identify a panel of universal donors for NK-cells with a unique mix of activating and inhibiting receptors for optimal potency and safety of NK-cells that can be used for all potential patients without need for patient genetic screening (allogeneic off-the-shelf) (just like an O-typed blood donor can donate to recipients having any potential blood type).

- **Imprinting**: The third is our ability, through our manufacturing process, to imprint NK-cells to be resistant to the effects of transforming growth factor beta (TGFβ) suppression. By exposing NK cells to TGFβ during manufacturing we are able to increase the cytotoxicity of our NK-cells in a solid tumor environment.

From our NK cell-based immunotherapy technology platform, we are developing therapeutics as an adjunctive treatment for patients undergoing stem cell transplantation (K-NK002) and as potentially curative treatments for patients with cancer, including AML R/R (K-NK003) as well as other solid tumors. Our vision is to leverage the strengths of the human immune system to help patients with life-threatening diseases, by developing novel cell therapies that combine the innate and adaptive arms of the immune system

PROGRAM	INDICATION	SETTING	DEVELOPMENT PHASE
K-NK002	HSCT in blood cancer	Adjunctive to standard of care HSCT-PTCy (chemo)	Proof-of-concept studies conducted; entering Phase II in 2020
K-NK003	AML R/R	Stand-alone salvage therapy	Proof-of-concept studies conducted; entering Phase I/II in 2020
Preclinical	Other solid tumors	Combo with front line therapy (monoclonal antibodies (mAbs)	Preclinical; start proof-of-concept (signal activity) study in 2020

For the proof-of-concept studies for K-NK002 and K-NK003, our NK-cell therapies were produced by the involved clinical sites with tumor feeder cells expressing mbIL21 and 41BBL. For future studies, the expansion and activation of natural donor NK-cells will be conducted with PM21 particles with mbIL21 and 41BBL antigens.

4.2 Hematopoietic stem cell transplant (HSCT): K-NK002 as adjunctive therapy to haplo-identical HSCT with Post-Transplant Cyclophosphamide (PTCy) protocol in blood cancer

For patients undergoing a haploidentical hematopoeitic stem cell transplantation, we have a therapy in development aimed to improve different issues associated with haploidentical HSCT procedures: our lead NK-cell program, K-NK002, is being developed as a adjunctive therapy to a haploidentical PTCy HSCT.

Haploidentical 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 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. Despite being potentially curative, use of HSCT is constrained by lack of donors, high rates of relapse, the inherent risk of causing Graft-versus-Host-Disease ("**GVHD**") in patients, and toxicities of conditioning and immunosuppression agents. 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. In order to address these outcomes, the Post-Transplant Cyclophosphamide protocol ("**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 HSCT, with similar survival (*Source: Fuchs, Blood Advances 2017 V1, #6*). 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 (*Source: Center for International Blood and Marrow Transplant Research (CIBMTR), current uses and outcomes of allogeneic and autologous hematopoietic cell transplantation (HCT) summary slides 2018)*.

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 and severe toxicities and compromises the Graft-versus-Leukemia effect of transplanted donor cells. Based on a review of available literature, almost half of PTCy protocol patients relapse and approximately a quarter of patients suffer from chronic GVHD (*Source: Fuchs E 2017 (n=463 PTCy)*). We believe new haploidentical HSCT approaches that provide clinically meaningful

benefits are needed for patients and would further contribute to the growth of haploidentical HSCT procedures.

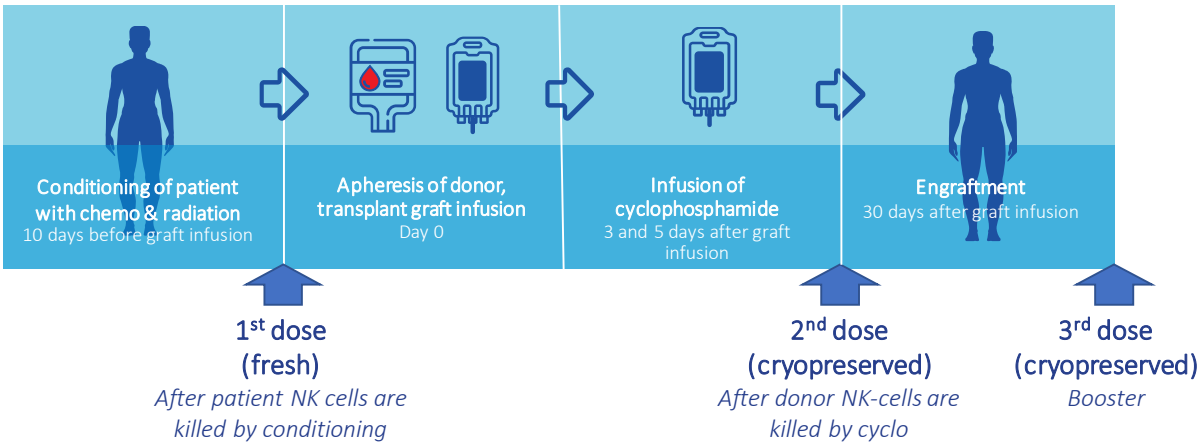
We are currently developing our lead NK-cell program, K-NK002, as a adjunctive therapy to a haploidentical PTCy HSCT.

About K-NK002

We are developing an NK-cell therapy, called K-NK002, as an adjunctive therapy for patients undergoing HSCT with a PTCy protocol. K-NK002 has been studied in an investigator-initiated proof-of-concept study in 24 patients at the MD Anderson Cancer Center of the University of Texas in Houston, United States as an adjunctive treatment for patients undergoing a haploidentical HSCT with PTCy.

K-NK002 as an adjunctive therapy to haploidenical HSCT with PTCy protocol

The chart below shows the current haploidentical HSCT with the PTCy protocol and where K-NK002 fits in that treatment protocol as an adjunctive therapy.



The most recent results from the first in human study demonstrated a relapse rate of 4% and overall survival of 70% (*Source: Ciurea; data presented at the American Society of Hematology annual meeting in 2019*). The results of this first-in-human proof-of-concept study demonstrated significantly lower rates of relapse than expected with a haploidentical HSCT with PTCy in the matched contemporaneous control data from the Center for International Blood and Marrow Transplant Research (CIBMTR) and support advancing the development of K-NK002.

Data from proof-of-concept study at MDACC with K-NK002 in 24 patients (NCT01904136)

K-NK002 Clinical Proof-of-Concept (with FC21): relapse significantly reduced by 90% in haplo HSCT

AT 2 YEARS	K-NK PHASE 1/2 (MDACC, N=24)	CONTROL (CIBMTR DATABASE, N=160)
Relapse*	4%	38%
Disease free survival	66%	44%
Overall survival	70%	58%
Chronic GVHD	0%	44%

* statistically significant

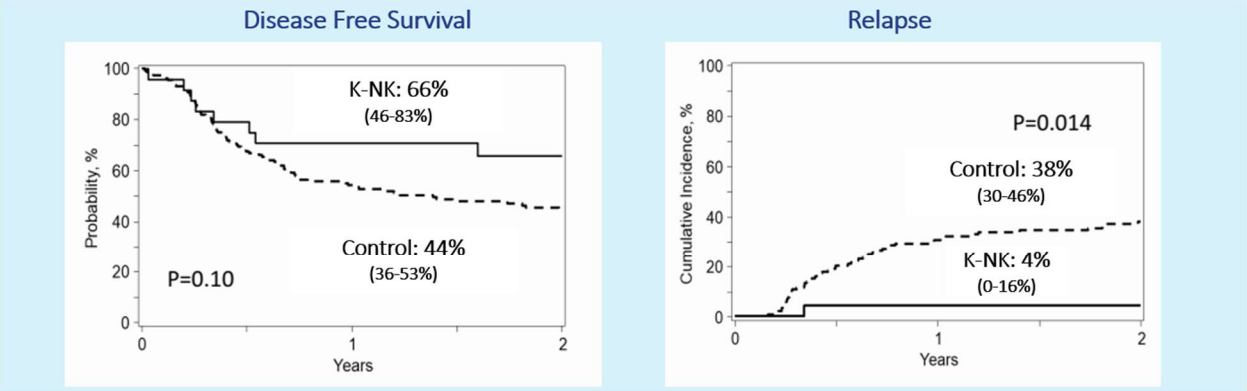
Relapse is *the* major unmet need with haplo HSCT *Elmariah and Fuchs 2019; Robinson et al 2016*

K-NK cells suppress GVHD

- Investigator trial: K-NK-cells from haplo donor, produced at MDACC with FC21
- AML/MDS/CLL; patients in CR; 59% high risk cytogenetics, median follow up 44 months (range 15-61)
- K-NK Phase 1/2: MDACC (n=24); 13 pts at 10^5 to 10^8 cells/kg per dose; 11 pts at 10^8 cells/kg per dose
- Control: Matched pair control cohort from CIBMTR database (n=160)

Ciurea SO et. al. Blood 2017; Ciurea SO EMBT2018; Ciurea SO Haplo2018; Ciurea SO ASH2019

K-NK002 Clinical PoC (with FC21): Reduces relapse and increases disease free survival in haplo HSCT

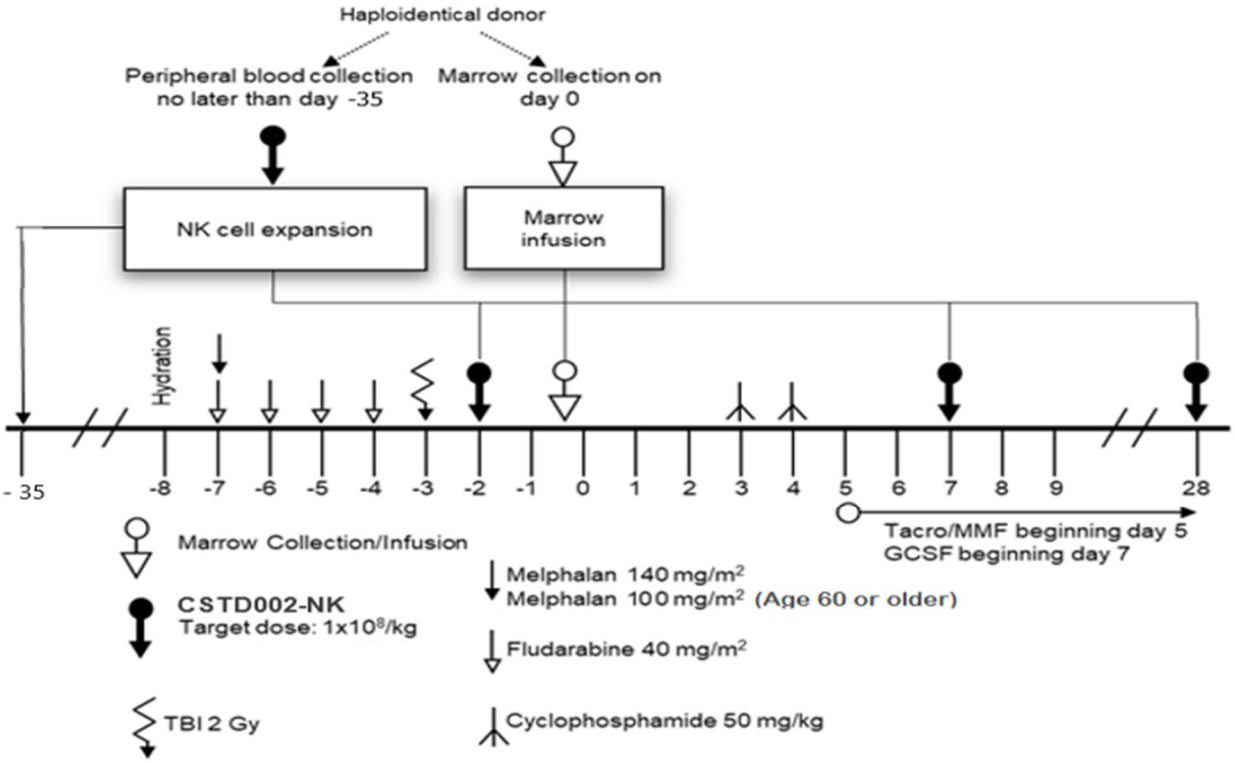


- Investigator trial: K-NK-cells from haplo donor, produced at MDACC with FC21
- AML/MDS/CLL; patients in CR; 59% high risk cytogenetics, median follow up 44 months (range 15-61)
- K-NK Phase 1/2: MDACC (n=24); 13 pts at 10^5 to 10^8 cells/kg per dose; 11 pts at 10^8 cells/kg per dose
- Control: Matched pair control cohort from CIBMTR (n=160)

The next clinical trial for K-NK002 is called the NK-REALM study (haploidentical NK-cells to prevent post-transplant RElapse in AML and MDS). This Phase II study has been designed with and will be supported by the Blood and Marrow Transplant Clinical Trials Network (BMTCTN-1803), with the Center for International Blood and Marrow Transplant Research (CIBMTR) planned to be engaged for data analysis support. The study is a single arm, open label multicenter trial investigating use of K-NK002 for treatment of approximately 63 patients with high-risk acute myeloid leukemia ("**AML**") or myelodysplastic syndrome ("**MDS**") undergoing a haploidentical HSCT using the PTCy protocol. The first cohort of 6 patients will be evaluated during a safety lead-in phase (which at times we also refer to as Phase IIa). The primary endpoint of the study is the cumulative incidence of relapse at 1-year post transplant. After the safety lead-in, patients

enrolled in this study will be dosed with 1 x 10^8 NK-cells per kg on days -2, +7 and +28 after transplant graft infusion. We filed an Investigational New Drug application ("**IND**") for this study with the FDA in April 2020, the FDA approved the IND in May, and we expect to initiate the study and enroll the first patients in the safety lead-in this year. We plan to file for RMAT designation with the FDA for K-NK002 when we have efficacy and safety data from twenty patients enrolled in the NK-REALM study.

Haplo-identical NK-cells to prevent post-transplant relapse in AML and MDS (NK-REALM) trial design



We believe that new treatment options, like K-NK002, are needed to improve haploidentical HSCT outcomes, 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 K-NK002, are approved, the number of patients receiving haploidentical HSCT 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 K-NK002 as adjunctive therapy to haploidentical HSCT.

4.3 Additional cancer immunotherapeutics: K-NK003 to treat AML R/R and preclinical programs evaluating solid tumors

About K-NK003

Proof-of-concept for the treatment of AML R/R as second-line salvage therapy was established through an investigator-initiated proof-of-concept study in 8 patients conducted at the MD Anderson Cancer Center. In this study, 75% of patients treated with K-NK003 were in complete

remission and 50% of patients qualified for a transplant. An additional 13 patients were treated with the same protocol at the Hospital de Clínicas de Porto Alegre in Brazil, and similar results were observed. This is a very difficult-to-treat patient population and these promising, yet very early, results support evaluating K-NK003 further for this indication.

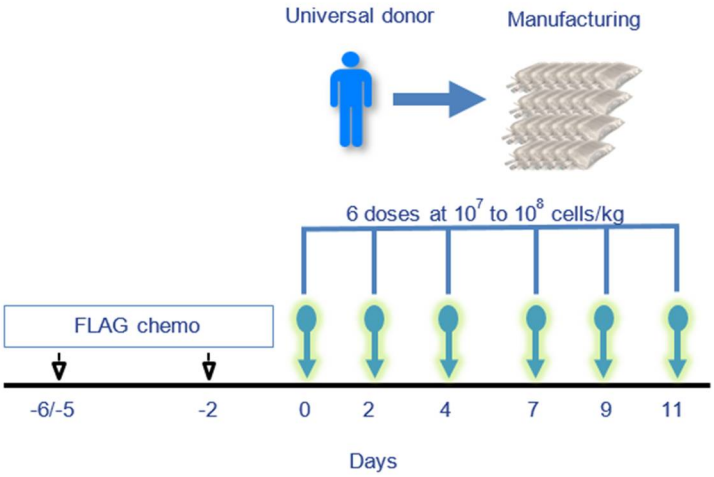
K-NK003: clinical proof of concept for treatment of AML R/R 2nd line salvage (NCT01787474 and NCT02809092)*

SITES	PATIENTS	DOSING	OUTCOME
MDACC (n=8)	• Median age 63 years (25-70 yrs) • 4 median prior treatments (2-8) • 3 out of 8 patients had prior HSCT • 43% median BM blasts	10^6 cells/kg	• CR: 75% • Negative MRD: 37,5% • Subsequent HSCT: 50% • 1-year survival: 37,5%
HCPA Brazil (n=13)	• Median age 22 years (18 months – 61 yrs) • Refractory (n=5); relapsed (n=9) • 5 median prior treatments • 9 out of 13 patients had prior HSCT • Most patients with co-morbidities, e.g., fungal disease (incl in CNS), TB • 2 patients CNS and 1 bone/nerve root disease	10^6 to 10^7 cells/kg	• CR: 50% • ORR: 78,5% • Median OS 271 days • Median DFS 90 days

Complete remission (CR) in literature:
- Salvage regimen alone (n=592)[1]: 21%
- Non-engineered NK cells (n=121)[2]: 26%

Ciurea SO et. al. ASCO2018; Ciurea SO Haplo2018; Courtesy L. Silla
Investigator trials: NK-cells from haplo donor produced at academic site with FC21
[1] Roboz GJ, et al. JCO.2014; Jabbour E, et al. Clin Lymphoma Myeloma.2012; Ravandi et al, Blood 2010
[2] Velluchamy 2017: 6 studies, Romee et al. 2016; Shaffer et al. 2016; Rubnitz et al. 2015; Bachanova et al. 2014; Curti et al. 2011; Miller et al. 2005; AML patients only

We are supporting an investigator-initiated Phase I/II study to advance K-NK003 for the treatment of relapsed and refractory acute myeloid leukemia. The study, being conducted by the Ohio State University is a single arm, open label trial and will include patients age 18 to 80 years with primary refractory AML, relapsed AMS or myelodysplastic syndromes (MDS). The objective of the study is to establish safety of NK cells for the induction of remission in patients with AML R/R and MDS and the primary endpoints is to determine the recommended Phase II dose and the overall response rate. A schematic of the trial design is below:



Our preclinical programs evaluating solid tumors

Additionally, we have preclinical NK-cell therapy candidates for the treatment of various solid tumors, such as ovarian cancer. A key research objective is to advance methods for NK-cell stimulation and programming that creates NK-cells that are more potent to lyse tumors in the immunosuppressive environment of the tumor micro-environment.

Our PM21 method potently stimulates NK-cells for activation and expansion but may also serve as a platform for innovation that further optimizes NK-cells for enhanced potency toward solid tumor targets. For example, solid tumors are a hypoxic environment, which means that the cells are starved for oxygen; our NK cells have a high level of glycolysis that allows them to survive and function in this harsh solid tumor environment.

A key innovation is to create NK-cells that are resistant to the immunosuppressive effects of TGFβ that is secreted by solid tumors. Recent innovations by Dean A. Lee, MD at the Nationwide Children's Hospital (NCH) in Columbus, Ohio, United States, allow for NK-cells that are "imprinted" to be resistant to the effects of TGFβ.

Another aspect of innovation is to use our NK-cells in effective combinations with other Immuno-Oncology modalities, such as monoclonal antibodies. Dr. Alicja J. Copik of the University of Central Florida (UCF) in Orlando, United States, has devised methods to combine NK-cells together with antibodies, including anti-PDL1, to maximize the targeting and potency of the adoptively infused NK-cell.

Both of these innovations are patent pending and are being pursued as part of our therapeutic strategy to treat solid tumors.

4.4 Strategy change and discontinuation of our ATIR activities

Until its discontinuation in November 2019, ATIR101 was our lead program focused on helping improve outcomes for patients with blood cancers who are in urgent need of stem cell transplants. ATIR101 was a patient-specific T-cell therapy designed to be delivered following a haploidentical HSCT, in order to support the patient's newly transplanted immune system before it becomes fully functional. It was manufactured *ex vivo* from donor T-cells by selectively depleting harmful donor T-cells that can attack patient tissue and cause GVHD, while retaining those T-cells that fight relapse and infections.

In April 2017 we filed a marketing authorization application for ATIR101 in the EU seeking conditional approval based on our Phase II data and historical T-cell deplete haploidentical HSCT control data based on input from the EMA that these were considered adequate for review. In December 2017, we commenced an international, multicenter, randomized and controlled Phase III clinical trial of ATIR101 against the PTCy protocol, the main protocol used to perform a haploidentical HSCT.

On October 17, 2019 we announced that we no longer expected to receive EU conditional marketing authorization for ATIR101 in 2020 based on the Phase II data, and that we expected the EMA's Committee for Medicinal Products for Human Use ("**CHMP**") issuing a negative opinion and recommending against conditional marketing authorization.

On November 12, 2019, we announced that we had completed a strategic portfolio review and had decided to change our strategy and focus all resources and investments on our NK-cell therapy platform and programs. We withdrew the marketing authorization application and announced that we discontinued development of ATIR101, terminated our ongoing Phase III trial and that we would restructure the organization to focus on our NK-cell therapy platform, resulting in a reduction of approximately half of our workforce.

As part of the strategic portfolio review, we reviewed progress of our Phase III study, which was designed to show superiority of ATIR101 over the PTCy protocol. We identified that in the Phase III trial a higher percentage of patients than expected dropped out of the study before receiving ATIR101. We subsequently collected additional recent external data, which showed that outcomes with PTCy have better survival and lower severe GVHD than literature showed when we designed and started the Phase III study. Based on these data, we no longer believe that the Phase III ATIR study as designed with 250 patients could demonstrate superiority over PTCy and at a minimum would require a much larger trial and it was decided to discontinue the ATIR101 study with immediate effect and to proceed with closing down all related activities.

4.5 Our strengths and strategy

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. Based on our cell-based immunotherapy platform, we aim to maximize the value of our most advanced programs, K-NK002, that is being developed to help improve outcomes for blood cancer patients undergoing a haploidentical HSCT, and K-NK003 for the treatment of patients with AML R/R. We plan to continue to expand our pipeline with development of cell therapies for additional indications and through the in-license or acquisition of other products or platforms.

Our strategy, which will leverage our competitive strengths, includes:

- **Advancing our technology platform across multiple indications, including as adjunctive therapy to HSCT and for the treatment of both liquid and solid tumors**. We have a pipeline of therapeutic candidates based on our NK-cell therapy platform. We will advance development of these programs for adult blood cancer patients in need of a haploidentical HSCT as well as for the treatment of various cancers.

- **Having a lead program K-NK002 that seeks to improve outcomes of HSCT**. We are developing K-NK002 as an adjunctive therapy to the current haploidentical HSCT standard of care to improve relapse rates. We believe that more treatment options are needed for patients undergoing HSCT. Through our lead program K-NK002 we believe we can improve outcomes for patients in need of HSCT. We plan to initiate a Phase I/II study in 2020 evaluating K-NK002 as an adjunctive treatment to the current standard of care HSCT with Post-Transplant Cyclophosphamide (PTCy).

- **Expanding a pipeline of cell-based immunotherapies**. The human proof-of-concept data of our K-NK003 program for the treatment of AML R/R from the MD Anderson Cancer Center and the Hospital de Clínicas de Porto Alegre show significant promise in applying our NK-cell platform to treat patients with advanced blood cancer. We are supporting a Phase I/II study of K-NK003 for the treatment of AML R/R in 2020. We have preclinical programs evaluating the use of our NK-cell therapies for the treatment of solid tumors. If

these preclinical programs are successful, we will advance our therapeutic candidates into clinical development.

- **Retaining worldwide commercial rights for our entire pipeline allowing for independent commercialization and/or potential development or commercialization partnerships**. We have retained worldwide development and commercialization rights for K-NK002, K-NK003 and all other programs in our NK-pipeline. For K-NK002, our adjunctive therapy to HSCT, commercialization will be directed towards the stem cell transplant community, which is a concentrated market with relatively few stem cell transplant centers and driven by a small group of key opinion leading physicians. As a result, if approved, we believe we are well positioned to commercialize our lead therapeutic candidates with our own commercial organization targeting Europe and North America. We may seek partners for our other therapies and for other regions.

- **Setting up an efficient manufacturing and supply chain infrastructure for cell-based product candidates**. We are creating a cell therapy supply chain. We currently have CMO manufacturing capacity which we are exploring to broaden. We also aim to build our own manufacturing capabilities to support our global requirements for later clinical trials and/or ultimate commercialization of any product. We believe our manufacturing platform has the potential for an attractive cost of goods profile and lower capital expenditures relative to other cell or gene therapy approaches, such as CAR-T.

- **Having a seasoned leadership**. Members of our executive and non-executive leadership teams cumulatively have a century of experience in the life sciences industry and have previously served at companies including Ablynx, Actelion, Amgen, Crucell, Dendreon, Johnson & Johnson, Medivation, Keryx and Novartis. The leadership teams have a track record in senior management roles from early research to late stage drug development, global manufacturing operations and commercialization of orphan drugs and several innovative treatments, including advanced cell-based therapies.

In line with our company vision, we are building our capabilities in development and supply chain operations of cell-based programs to become a fully integrated biopharmaceutical company. Driven by our seasoned leadership, we intend to leverage our infrastructure and medical leadership in this promising biopharmaceutical segment to pursue new programs and/or technology opportunities in a haploidentical HSCT and/or cell-based cancer immunotherapy, either via in-licensing or acquisition.

4.6 Strategic objectives

Without prejudice to the risks described in Chapter 1 (Risk Factors), our business plan for the next two years is based upon the following key assumptions:

- we will be able to attract or generate sufficient cash to fund our activities;

- we will successfully enroll patients into our clinical trials and not be hampered by safety, logistical or other issues;

- we will advance the development of our K-NK therapeutic candidates and continue to expand our portfolio of immunotherapies for the treatment of cancer;

- we will be able to expand our manufacturing processes over multiple sites; and
- we will be able to retain and attract key employees or replacements (if necessary).

A significant portion of the efforts of the Management Board and the Management Team are directed towards these priorities. We take the following view on the risks associated with these assumptions and the sensitivity of these assumptions with respect to the business in the next two years.

The first assumption is a *conditio sine qua non* and, by far, the most important assumption. As of December 31, 2019, we had cash and cash equivalents of €29.5 million and as of the Simplified Registration Document Date, we had cash and cash equivalents of approximately €22.7 million. Based on our operating plans, existing cash and cash equivalents will allow us to continue operating the business into the fourth quarter of 2020 and accordingly we will need to raise additional financing in advance of that time.

We may raise additional capital through public or private equity offerings, debt financings, convertible loans, warrants, 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. At the Simplified Registration Document Date, we are working on options to enable us to secure additional funds to continue operations beyond the existing cash runway. However, in case we are not able to attract sufficient additional cash from these resources, we may ultimately enter into bankruptcy.

In view of the second assumption above, our clinical and medical teams are presently intensively reaching out to the NK medical community on our upcoming clinical programs. In addition, we aim to publish abstracts in key medical publications and conferences to broaden the understanding of upcoming clinical trials. However, in case we are not able to attract sufficient patients for our clinical trials, or if our trials are hampered by safety, logistical or other issues, our ability to progress and complete those trials may be impeded, we may incur additional costs and our ability to raise additional funds may be affected.

In line with our company vision, we plan to advance the development of our K-NK therapeutic candidates and continue to expand our portfolio of immunotherapies for the treatment of cancer (the third assumption above). The advancement of the development of our programs and especially our lead program K-NK002 is at the core of our strategy. If we fail to develop our programs, our ability to raise additional funds to continue operations may be pertinently affected.

In view of the fourth assumption above, K-NK002 and K-NK003 will be manufactured by one third-party CMO, KBI Biopharma. We may use one or more additional CMOs, as well as establish our own manufacturing capabilities and infrastructure. We expect that especially the development of our own manufacturing facilities could provide us with enhanced control of material supply for our investigational cell therapy products for the clinical trials and the commercial market. If we cannot establish sufficient supply through third-party CMOs or in our own facilities should we develop these, our ability to conduct the planned and future clinical trials and our plans for commercialization would be materially adversely affected and our ability to raise additional funds to continue operations may be pertinently affected.

The ability to retain and attract key employees or replacements if necessary (the fifth assumption above) is also important for our future growth. Our business is highly specialized and requires specific expertise from highly educated and trained professionals. Since there is severe competition on an international level between companies in the relevant industry for talented and experienced individuals, there is a risk that one or more of these employees may leave causing delays in the execution of the business plan. The discontinuation of ATIR and the reorganization of our business and reduction of our workforce may affect our ability to attract and retain skilled personnel. We aim to attract and retain talent with a combination of incentives including competitive compensation structures, participation in option and share plans and providing an attractive employment culture

4.7 Our NK-cell therapy platform

Our NK-cell technology was established from innovation and discoveries in laboratory science and clinical research from the scientific founders of CytoSen at the University of Central Florida, the Nationwide Children's Hospital and the MD Anderson Cancer Center that we believe positions us at the forefront of NK-cell therapy. We leverage our understanding of NK-cell biology in developing NK-cell therapeutics with consideration of disease setting, whether that be liquid or solid tumors. Our particle technology for NK-cell expansion enables fast and robust growth which allows production of high-dose NK-cells. Importantly, in addition to high doses, NK-cells produced by our technology have strong "killer" anti-cancer functions. In contrast to other T-cell therapeutic approaches that target a specific antigen, our NK-cells have killing activity against many tumor targets, while maintaining the ability to limit off-target effects, creating an immuno-oncology platform with the potential to address many cancers.

The potency, safety and persistence of our NK-cell platform is built on the following pillars, and requires no genetic engineering of the cells:

- **Ex-vivo PM21 expansion and activation**: The first is a technology to expand and activate NK-cells ex-vivo using PM21 particles with membrane-bound interleukin 21 (mbIL21) and 4-1BB (41BBL) antigens instead of tumor feeder cells expressing mbIL21 and 41BBL. NK-cells expanded with PM21 have a unique hyper functional phenotype that: delivers high cytotoxicity; activates T-cell and B-cells; are active against a broad range of tumor cells; delivers cytotoxicity in antibody-dependent cellular cytotoxicity ("**ADCC**"); has higher expression of Interferon gamma (IFNg); proliferates in vivo with no telomere shortening/senescence; and self-stimulates due to secretion of IL2. Two weeks of manufacturing provides enough of these NK-cells to infuse multiple doses of up to 10 billion cells each (i.e. more than the endogenous NK-cell quantity). NK expansion is done using an industrial process based on PM21 particles with mbIL21 and 41BBL antigens, enabling easy scale up and cryopreservation. NK-cells expanded with our PM21 platform have high expression of key activating receptors such as NKG2D. Importantly for ADCC, these NK-cells have high expression of CD16.

- **Off-the-shelf allogeneic NK-cells, using a universal donor**: Through our algorithm, we expect to identify a panel of universal healthy donors for NK-cells which can be used for all patients, without need for patient genetic screening (allogeneic off-the-shelf). Through the algorithm, donors with NK-cells with a unique mix of naturally expressed activating and inhibiting receptors are identified, thus with natural functionality, for optimal potency and safety with all potential patients (just like an O-typed blood donor can donate to recipients

having any potential blood type). Additionally, the panel of universal donors enables repeat dosing with the ability to switch to a different universal donor should a patient develop an immune rejection against the allogeneic NK-cells. This off-the-shelf approach has the potential to significantly reduce the cost of treating patients with NK-cell therapies.

- **Imprinting**: The third is our ability, through our manufacturing process, to imprint NK-cells to be resistant to the effects of transforming growth factor beta (TGFβ) suppression. By exposing K-NK cells to TGFβ during manufacturing we will be able to increase the cytotoxicity of our NK-cells in a solid tumor environment.

We are leveraging these pillars in our clinical development of the NK product candidates and in our preclinical research for the application of NK-cells targeting solid tumors.

4.8 Significant collaborations

University of Central Florida (UCF) and Nationwide Children's Hospital (NCH)

The technology underlying our NK-cell platform, acquired through the acquisition of CytoSen, originated at the University of Central Florida (UCF) in Orlando, United States. UCF remains an active contributor to our preclinical research through the work of Dr. Alicja J. Copik, one of CytoSen's founders. Dr. Copik's work is supporting us through preclinical proof of principle experiments that also support our imminent and future regulatory filings. The development of our first PM21 particles and NK-cell stimulating feeder line has been in collaboration with both Dr. Copik and another CytoSen founder, Dr. Dean A. Lee at Nationwide Children's Hospital (NCH) in Columbus, Ohio, United States. NCH continues to be an important contributor to our research and clinical development and through the work of Dr. Lee we collaborate to develop new NK-cell programming technology as well as clinical application in investigator-initiated studies. We currently license most of our NK-platform intellectual property rights from UCF and NCH and are subject to certain payment obligations in connection with the commercialization of our NK- cell-based products.

UCF License Agreement

In relation to the intellectual property underlying our NK-platform, UCF has granted us an exclusive worldwide license for certain patents and patent applications and a non-exclusive license for certain information and methods as necessary to exploit, utilize and commercialize such patents and patent applications (the "**UCF License Agreement**"). Details in respect of the licensed patents and patent applications, which together with the intellectual property licensed under the NCH License Agreement defined and discussed below regard the base technology for NK-cell expansion to manufacture NK-cell products and treat with such products and consequently are at the core of our platform, are provided in paragraph 4.9 below. In addition, UCF has agreed to use reasonable efforts to bring intellectual property rights that it develops, discovers, acquires or otherwise obtains and that are improvements to the licensed patents and patent applications or NK-cells or their respective use as an immunotherapy, to our attention and if we are interested therein, we will discuss in good faith the potential licensing thereof. If such an improvement arises from research performed by Dr. Copik using the licensed patents and patent applications or methods, we have an exclusive option to obtain an exclusive license to that improvement.

The UCF License Agreement expires upon the later of the expiration of the last valid claim in the licensed patents or, to the extent the licensed information and methods continue to be used, upon expiration of any (marketing) exclusivity granted by a regulatory authority for a licensed product in a particular country.

The license includes the right to grant sublicenses to third parties under certain mandatory provisions. We are required to send a copy of the sublicense to UCF and any sublicense may not contain any provision that is inconsistent with or more expansive than the provisions of the UCF License Agreement.

We are obligated to exercise diligent efforts to make use of and market licensed products under the UCF License Agreement. This includes multiple diligence milestones that are tied to specific dates that may be amended from time to time. We are required to actively and diligently pursue a development plan, which will be updated from time to time.

If we materially breach our obligations under the UCF License Agreement, including failing to develop and commercialize a licensed product, and fail to cure such breach, UCF may terminate the UCF License Agreement in which case we would lose our license on various intellectual property rights including patents and patent applications underlying our NK-platform. Upon such termination we are also required to grant to UCF a right to use, including reference and incorporate, any documents and other materials filed with regulatory authorities in furtherance of applications for regulatory approvals for the licensed products.

In exchange for the license granted to us, we must pay UCF milestone payments that are tied to specific milestones and a royalty of a low single digit percentage of net sales of licensed products sold by us or by any of our sublicensees, including affiliates to whom we grant sublicenses. In addition, we must pay UCF a double-digit percentage of any non-royalty sublicense consideration payments we receive from any third parties in connection with sublicenses we grant to such third parties. Under the UCF License Agreement, we have granted UCF a security interest in and to our rights under the agreement, as collateral security for payment by us of the sums we owe to UCF.

Under the UCF License Agreement, UCF controls the maintenance and prosecution of the licensed intellectual property at our cost and expense. We have the first right to enforce the licensed patents owned by UCF with assistance to be provided by UCF. UCF has a step-in right if we choose not to bring an action in connection with an alleged forgery or infringement of the licensed intellectual property. In addition, we indemnify UCF for any liability resulting from any claim relating to the commercialization of any licensed product.

NCH Research and Materials Transfer Agreement

We own an NK-cell generating feeder cell line ("**CSTX002**") in respect of which we entered into a collaborative research and biological materials transfer agreement with NCH (the "**NCH Research and Materials Transfer Agreement**"). NCH has access to CSTX002 for its own research and academic purposes and is permitted to conduct internal non-clinical and clinical research on NK-cells generated using CSTX002, including modifying CSTX002 for the purpose of conducting such research. NCH is also allowed to conduct research with third parties for this same purpose and may transfer to other academic institutions CSTX002 and modifications and

derivatives thereof for non-commercial research, restricted to certain terms pre-agreed upon with us.

In addition, a master cell bank of CSTX002 (the "**CSTX002 Master Cell Bank**") has been produced from CSTX002. This master cell bank is produced to provide a consistent source of CSTX002 cells to be used for manufacturing activities and is characterized and extensively tested for identity and purity. The CSTX002 Master Cell Bank is jointly owned with NCH; however, we have the sole and exclusive right to commercial exploitation of the CSTX002 Master Cell Bank and NCH retains the right to use the CSTX002 Master Cell Bank for its own non-commercial research, educational and patient care purposes.

Transfer of live cells from CSTX002 by NCH to third parties is prohibited and any permitted transfer of CSTX002 and modifications and derivatives thereof under the NCH Research and Materials Transfer Agreement by NCH is only to certain restricted parties for specified non-commercial use, must be documented in a material transfer agreement and must be approved by us.

Inventions arising under the NCH Research and Materials Transfer Agreement are owned by the inventing party or, if invented jointly, then owned jointly by the inventing parties. We have an exclusive option to obtain an exclusive, worldwide, royalty-bearing license, on terms to be negotiated in good faith, to NCH inventions which necessarily incorporate or directly rely upon CSTX002 or any modifications or derivatives thereof. The option is contingent upon our reimbursing NCH for related patent expenses.

The NCH Research and Materials Transfer Agreement will automatically terminate on the date that Dr. Dean Lee is no longer an employee of NCH.

NCH License Agreement

We exercised our above described option under the NCH Research and Materials Transfer Agreement to obtain a license to certain NCH inventions, and in addition obtained the right to license related intellectual property developed by Dr. Dean Lee at NCH, all of which were licensed to us under an exclusive worldwide license for certain patents, patent applications and technical information (the "**NCH License Agreement**"). Details in respect of the licensed patents and patent applications, which together with the intellectual property licensed under the UCF License Agreement regard the base technology for NK-cell expansion to manufacture NK-cell products and treat with such products and consequently are at the core of our platform, are provided in paragraph 4.9 below.

In addition, NCH has granted us an exclusive option to obtain an exclusive license to inventions and related patents, patent applications and know-how owned in whole or in part by NCH that are developed after the effective date of the license by Dr. Lee, alone or with personnel under his supervision or with other inventors of the licensed patents and patent applications, and while Dr. Lee is affiliated with NCH, through use of, and which necessarily include, the licensed patents, patent applications and technical information. If we are interested in such license, we will discuss in good faith the terms thereof. In addition, NCH will bring to our attention any intellectual property rights it develops, discovers, acquires or otherwise obtains that are (i) improvements to the licensed patents and patent applications, NK-cells, or their respective use as an immunotherapy, or (ii) immune cells, including NK-cells, or are related to immune cells, for which Dr. Lee is an

inventor or co-inventor. If these intellectual property rights are available for licensing and we are interested in such intellectual property, we and NCH shall discuss in good faith the potential licensing of such intellectual property by NCH to us.

The license includes the right to grant sublicenses to third parties under certain mandatory provisions. We are required to send a copy of the sublicense to NCH and any sublicense must be consistent with the provisions of the NCH License Agreement.

We are obliged to use commercially reasonable efforts (i) to diligently exploit the licensed patents and patent applications and (ii) to develop, market and sell at least one licensed product. We are also required to use commercially reasonable efforts to achieve the development milestones by the dates specified in a development plan, which milestones may be amended from time to time and which plan will be updated from time to time. Our material failure to perform our diligence obligations shall give NCH the right to terminate the license in whole or in part.

In exchange for the license granted to us, we must pay NCH milestone payments that are tied to specific milestones and a royalty of a low single digit percentage of net sales of licensed products sold by us or by any of our sublicensees, including affiliates to whom we grant sublicenses. Such royalties are payable on a licensed product-by-licensed product and country-by-country basis until the later of (i) the expiration of the last valid claim in a licensed patent covering the licensed product in that country, or (ii) five years after the first commercial sale of that licensed product in that country. Upon expiration of the last such royalty payment obligation, the NCH License Agreement will also expire following which we shall retain an irrevocable, perpetual, fully paid-up, royalty-free license. In addition, we must pay NCH a percentage of any non-royalty sublicense consideration payments we receive in connection with sublicenses we grant, the percentage ranging from medium single digit to a double-digit depending on the stage of development of licensed products at the time the corresponding sublicense agreement is executed.

Under the NCH License Agreement, NCH controls the maintenance and prosecution of the licensed intellectual property at our cost and expense. We have the first right to enforce the licensed patents owned by NCH with assistance to be provided by NCH. NCH has a step-in right if we choose not to bring an action in connection with an alleged forgery or infringement of the licensed intellectual property. In addition, we indemnify NCH for any liability resulting from any claim relating to the commercialization of any licensed product.

OSU Option Agreement

The NCH License Agreement includes a license to a (provisional) patent application and related technical information that is co-owned by NCH with the Ohio State University (OSU) in Columbus, Ohio, United States. Details in respect of this patent application are provided in paragraph 4.9 below. In respect of this patent application and related technical information, we license the NCH component under the NCH License Agreement and have entered into an option agreement with OSU (the "**OSU Option Agreement**") for the OSU component (the "**OSU Component**"). Under the OSU Option Agreement we may exercise, until October 17, 2020 and provided we pay an option fee of US$3,000, an option to an exclusive worldwide license to the patent application included in the OSU Component and to a non-exclusive worldwide license to the related technical information in the OSU Component, on terms set out in an agreed term sheet, the license to then also be executed prior to October 17, 2020. As further consideration for the option granted to us, we must reimburse OSU for all costs and expenses for preparing, filing, prosecution and

maintaining the patent application included in the OSU Component. In addition, before entering into a license agreement with OSU for the OSU Component, we must present a development plan for a Phase I trial for a licensed product and a timeline for a Phase II/III clinical trial for a licensed product, which must be reasonably acceptable to OSU.

The terms that will be applicable to our license to the OSU Component, if we exercise our option, include the right to grant sublicenses to third parties; use commercially reasonable efforts to disseminate licensed products in commercial markets as soon as possible and to achieve certain diligence milestones; payment of a license fee, milestone fees tied to specific milestones and a royalty of a low single digit percentage of net sales of licensed products sold by us or by any of our sublicensees and a medium digit percentage of any non-royalty sublicense consideration payments we receive in connection with sublicenses we grant; and bearing all maintenance and prosecution costs of the licensed OSU Component.

4.9 Intellectual property

Intellectual property policy

Intellectual property rights are important to the success of our business. Our future commercial success depends, in part, on our ability to obtain and maintain patent and other proprietary protection for commercially important technology, inventions and know-how related to our business, defend and enforce our patents, preserve the confidentiality of our trade secrets, and operate without infringing, misappropriating or otherwise violating the valid enforceable patents and proprietary rights of third parties. It is part of our policy to actively seek patent protection for inventions we deem valuable. We periodically evaluate the results of our research and development activities and decide whether to apply for new patents. Our ability to stop third parties from making, using, selling, offering to sell or importing our products may depend on the extent to which we have rights under valid and enforceable patents or trade secrets that cover these activities.

Our commercial success also depends in part on obtaining and maintaining trade secrets or confidential know-how, including for the methods used to manufacture our product candidates.

We cannot provide any assurance that patents will be issued with respect to any of our licensed pending patent applications or any such patent applications that may be filed in the future, nor can we provide any assurance that any of our licensed issued patents or any such patents that may be issued in the future will be commercially useful in protecting our product candidates and methods of manufacturing the same. Moreover, we cannot provide any assurance that we will be able to protect our trade secrets. See paragraph 1.7 above for a discussion of the risks related to our intellectual property.

Patent portfolio

With respect to our NK-platform, to date, we exclusively license three issued U.S. patents, two issued non-U.S. patents, and several pending U.S. and non-U.S. patent applications from UCF under the terms of the UCF License Agreement.

The technologies licensed under the UCF License Agreement include granted patents and (provisional) patent applications covering compositions, methods of use, and methods of

treatment directed at the following technologies: (i) the expansion and production of NK-cells in a subject using particles comprising IL21 and additional moieties on particles that stimulate NK-cells; (ii) the use of exosomes comprising IL21 to expand and program NK-cells; (iii) the high scale expansion of NK-cells with memory-like properties using methods entailing the combinatorial use of cytokines and the expansion of NK-cells through stimulation with tumor feeder cells, particles or exosomes; (iv) the use of NK-cells in combination with anti-PDL1 inhibitors; (v) the use of oncolytic viruses to stimulate tumor killing activity; (vi) the stimulation of NK-cells through FC domain bound on feeder cells, particles and exosomes; and (vii) the improved physiological homing of NK-cells. The latter regards a patent application that UCF owns jointly with NCH and regarding which our license under the UCF License Agreement only relates to UCF's component thereof. To enable us to obtain a full license on this patent an inter-institutional arrangement between UCF and NCH needs to be put in place.

The patents licensed under the UCF License Agreement were issued in the United States, Europe and Australia and the licensed patent applications that are pending have been filed in the United States, Europe, Australia and several other jurisdictions. If and when granted, these patents are projected to expire variously between 2033 and 2040.

We further, also as part of our NK-cell related intellectual property portfolio, exclusively license from NCH under the terms of the NCH License Agreement ten pending U.S. patent applications across multiple patent families of which five are provisional patent applications.

The technologies licensed under the NCH License Agreement include (provisional) patent applications covering compositions, methods of use, and methods of treatment directed at the following technologies: (i) imprinting of NK-cells to be resistant to the effects of TGFβ suppression, (ii) generation of genetic "knock out" modified NK-cells, (iii) insertion of chimeric antigen receptors (CARs) to produce CAR-NK-cells, (iv) generation of CD38 knock out NK-cells, (v) a composition to define NK-cells with activated transcription, (vi) a surrogate potency assay and (vii) selection criteria that identify individuals (universal donors) that have ideal characteristics that predict optimal NK-cell function against disease in any recipient patient, the latter being a patent that NCH owns jointly with OSU and regarding which our license under the NCH License Agreement only relates to NCF's component thereof, and in respect of which we have been granted an exclusive option to the OSU Component under the OSU Option Agreement.

The (provisional) patent applications licensed under the NCH License Agreement have been filed in the United States and internationally under the Patent Cooperation Treaty (PCT). If and when granted, these patents are projected to expire variously between 2039 and 2040.

Trade secrets, confidential know-how and other proprietary rights

In addition to patent protection, we also rely on trade secrets and/or confidential know-how and continuing technological innovation to protect our proprietary position.

We have taken steps to protect what we believe are trade secrets and confidential know-how associated with the development and manufacturing of our product candidates. However, trade secrets and/or confidential know-how are difficult to protect. We attempt to maintain trade secrets and/or confidential know-how partly through contractual arrangements with our employees, consultants and collaborators. These arrangements may not provide meaningful protection. These contractual arrangements may also be breached, and we may not have an adequate

remedy for any such breach. In addition, our trade secrets and/or confidential know-how may become known or be independently developed by a third party or misused by any collaborator to whom we disclose such information.

Our policy is to require our employees, consultants and advisors to execute confidentiality agreements in connection with their employment, consulting or advisory relationships with us. For example, our research activities are performed by researchers employed by us (including our predecessors), as well as by external researchers. The employment contracts of our employees and the contracts we enter into with consultants and advisors contain confidentiality and intellectual property assignment clauses. With respect to our personnel in the Netherlands, this policy is also included in our personnel handbook. We also take measures intended to require our employees, consultants, advisors and other external researchers that work on our products to agree to disclose and assign to us (or our licensors) all inventions conceived during their term of service, developed using our property or which relate to our business. Despite any measures taken to protect our intellectual property, unauthorized parties may attempt to copy aspects of our products or obtain or use information that we regard as proprietary. See paragraph 1.7 above for a discussion of these risks.

4.10 Manufacturing and supply

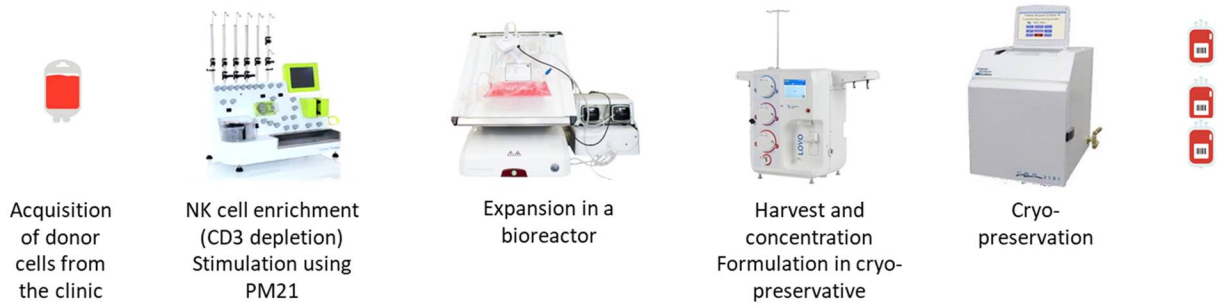
For the initial investigator-initiated proof-of-concept HSCT and AML R/R studies at the MD Anderson Cancer Center, the NK-cell therapies were produced locally at the MD Anderson Cancer Center with NK-cells obtained from a haploidentical donor, using tumor feeder cells expressing membrane-bound interleukin 21 (mbIL21) and 4-1BB (41BBL).

For manufacturing of K-NK002 for our prospective NK-REALM clinical trial and K-NK003 for our prospective clinical trial for the treatment of relapsed and refractory acute myeloid leukemia, the manufacturing process is planned to be similar to the process with the studies at MD Anderson Cancer Center, but using the PM21 particle stimulated culture and various improvements such as semi-automated closed systems, added safety and more robust QC methods, all allowing Phase I/II appropriate readiness.

For the prospective K-NK002 clinical trial, and similarly to the studies at MD Anderson Cancer Center, peripheral blood mononuclear cells (PBMCs) would be obtained from the same donor used for the haploidentical bone marrow transplant, creating personalized cell therapy for each patient in the clinical trial. For the prospective K-NK003 clinical trial we will not use PBMCs from a single haploidentical donor but will instead use donor cells from a panel of universal donors (described further in paragraph 4.7 above).

Our proprietary NK-cell *ex vivo* manufacturing process for manufacturing of K-NK002 and K-NK003 is pictured below and involves the following steps:

K-NK industrial manufacturing: prolonged expansion enables high dose and low cost of goods



Dosing	2 week run (current)	3 week run	4 week run
10^7 cells/kg	30 doses/run	750 doses/run	15,000 doses/run
10^8 cells/kg	3 doses/run	75 doses/run	1,500 doses/run

Our proprietary NK-cell *ex vivo* manufacturing process for manufacturing of K-NK002 involves the following steps:

- Donor peripheral blood mononuclear cells (PBMCs) are collected in a buffy coat obtained, as applicable, either from the same donor as the donor for the haploidentical bone marrow transplant or from a panel of universal donors.

- The initial stages of the NK-cell manufacturing process are performed using an automated cell processing system. To begin the process, T-cells are depleted by an anti-CD3 depletion step using magnetic beads coated to an anti-CD3 antibody. The T-cell depleted PBMCs containing NK-cells are then stimulated with our proprietary PM21 particles. After a 7-day cell expansion, a second PM21 stimulation is performed.

- Following the second stimulation, the cells are transferred into a bioreactor for further cell culture expansion.

- Once the target cell number has been reached (day 12 to 14 depending on the required dose and expansion speed), the cells are harvested and washed using a cell washing system, formulated into cryopreservation media, filled into bags, and then cryopreserved using a controlled rate freezer.

The production of our PM21 particle starts with thawing cells from our CSTX002 feeder cell line that has been genetically modified to express mbIL21 and 41BBL. The thawed cells are expanded in a bioreactor and are harvested, lysed by cavitation, and the PM21 particles are isolated though several proprietary unit operations. The vials are then formulated, filled to vials, and stored at -80°C. The particles batches are then shipped to a third party to perform irradiation for final sterilization after which they are delivered as a reagent to the facility where the NK manufacturing process takes place.

Our process to expand NK-cells with particles derived from feeder cells circumvents the use of tumor feeder cells during the activation and expansion of the NK-cells, thereby eliminating the

use of a High Risk, Tier 4 ancillary material and limiting the presence of tumor cells and tumor DNA in the end product.

We currently rely on, and we expect to continue to rely on a third-party contract manufacturer to manufacture for our upcoming clinical trials.

As our main NK-cell programs are in early clinical development, we will continue to refine our manufacturing processes in response to regulatory feedback as well as to improve efficiency and robustness as typical for early stage programs. Such changes could cause our product candidates to perform differently and affect the results of clinical trials.

4.11 Manufacturing sites

GMP facilities of KBI Biopharma in the United States.

Our NK-cell manufacturing processes will be conducted at the GMP facilities of KBI Biopharma in the United States. The NK-cell manufacturing process was first transferred into KBI Biopharma in 2018.

Future in-house and CMO manufacturing sites

We lease an existing commercial manufacturing facility in Amsterdam, which we may develop for use for process development and potential future clinical and commercial manufacturing. In addition, we are currently exploring the most suitable additional CMO manufacturers for our (future) trials. The number of suitable manufacturing sites and contract manufacturing organizations has been increasing during the last few years and we anticipate that the number of options will further increase, reflecting the rapid emergence of the cell-based therapeutics sector.

4.12 Sales and marketing

The stem cell transplant community is concentrated with a relatively few stem cell transplant centers and a small group of key opinion leading physicians. We therefore believe we are well positioned to potentially commercialize our K-NK therapeutic candidates in Europe and the United States, through our own commercial organization that is small relative to what is needed for marketing and distributing drugs at the local physician level.

4.13 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.

There are several specialty biotechnology companies that are actively pursuing a strategy to develop a reliable source of therapeutic NK-cells for adoptive therapy in cancer. Most if not all of these companies are in preclinical or early clinical stage of development. In general, the technologies differentiate with respect to the source of the NK-cells, the method of stimulation, as well as the engineering that is sometimes used to further enhance the therapeutic properties. Most notable recent developments are in engineering of NK-cells with chimeric antigen receptors (CAR's) and exploring combinations with existing treatments such as checkpoint inhibitors and other monoclonal antibodies.

- *Celularity*: Celularity Inc. ("**Celularity**") is a U.S. based privately held company and former Celgene spin out. It is focusing on off-the-shelf cellular therapies and it owns and operates LifeBankUSA, where parents can bank their children's placental stem cells and cord blood. Celularity has a platform based on placenta derived NK-cells (PNK) which also includes CD16 engineered NK-cells for combinations and various undisclosed NK-CAR's. Cellularity has developed a cryopreserved successor product to PNK (CYNK). The CYNK/PNK lead product is in a Phase I study in AML and multiple myeloma ("**MM**") and has been reported to show positive interim safety data.

- *Fate*: Fate Therapeutics Inc. ("**Fate**") is a U.S. based public company exclusively focusing on immune cell therapy. It has both engineered and non-engineered NK-cells in development. Their first approach for its NK100 product is using peripheral blood derived NK from healthy donors with a proprietary stimulation method. Fate's off-the-shelf technology is sourcing NK-cells from induced pluripotent stem cells. On this platform Fate is developing several engineered NK-cell therapies such as CD19 CAR-NK and IL15 receptor fusion and reduced CD38 NK-cells. Fate has several ongoing Phase I dose escalation studies in hematological and solid cancer for its donor derived product. It also has several products in Phase I clinical development for its off-the-shelf NK-cell program in hematological and solid cancers. Some of these studies include combination studies with therapeutic antibodies.

- *Gamida*: Gamida Cell Ltd. ("**Gamida**") is developing a peripheral blood derived NK-cell product (GDA-201). The cells are expanded and activated using its nicotinamide approach aiming for a synergistical therapy with targeted monoclonal antibodies. GDA-201 is studied in an investigator-initiated Phase I study with IL2 and in combination with antibodies (elotuzumab or rituximab) in patients with respectively multiple myeloma or Non-Hodgkin's Lymphoma.

- *Glycostem*: Glycostem B.V. ("**Glycostem**") is a Dutch privately held company exclusively focusing on NK-cell therapy. It has both engineered and non-engineered NK-cells in development. Its technology is based on cytokine stimulation of umbilical cord blood derived NK-cells, using a closed automated manufacturing system. Glycostem has several undisclosed CAR-NK's in development and its allogenic, non-engineered lead compound oNKord is in a Phase I/II study in AML and MM.

- *Nantkwest*: Nantkwest Inc. ("**Nantkwest**") is a U.S. based public company focusing on NK therapy through adoptive cell therapy, in-vivo cytokine stimulation and combinations of

those. Nantkwest's adoptive off-the-shelf NK technology, consists of using a tumor cell derived NK-cell line (NK92) that is lacking certain inhibitory (KIR) receptors. The NK-cells are engineered to express CD16 (haNK) or a range of tumor targeting CAR's (t-haNK). Nantkwest has several programs in clinical development Phase Ib for haNK in combination with Avelumab and Rituximab in hematological and solid cancer indications.

- *NKarta*: NKarta Therapeutics Inc. ("**NKarta**") is a U.S. based privately held company exclusively focusing on NK-cell therapy. Their technology is based on tumor feeder cell stimulation of peripheral blood derived NK-cells. They are virally engineering NK-cells with CAR's, a cytokine growth factor (membrane bound IL15) and other binders to enhance the cells therapeutic benefit. Their lead compound NKX101, targeting NKG2D and recognizing upregulated ligands in cancers, is prepared for IND in AML and liver-associated solid tumors.

In addition to the above, other company and physician supported NK-cell approaches and NK-cell directed therapies are being developed. The differences between the approaches mentioned here are still considerable and since this is still an exploratory field, there is currently no dominant approach established.

4.14 Government regulation and product approval

In each country where we conduct our research and intend to market our products and product candidates, we must comply with laws and regulations, including regulations laid down by regulatory agencies and by other national or supra-national regulatory authorities (hereinafter, collectively the "**Competent Authorities**"), as well as industry standards that regulate nearly all aspects of our activities. Among others, the EMA, the national competent authorities of each member state of the European Union and the FDA.

Our pharmaceutical product candidates are subject to substantial requirements that govern, among other things, their research, development, testing, manufacturing, quality control, approval, safety, efficacy, labelling, storage, record keeping, marketing approval, distribution, post-approval monitoring and reporting, advertising, promotion and pricing. The process of maintaining continued compliance with the regulatory requirements requires the expenditure of substantial amounts of time and money.

Advanced therapy medicinal products ("**ATMPs**") are medicines for human use that are based on gene therapy, somatic-cell therapy or tissue engineering. They offer groundbreaking new opportunities for the treatment of disease and injury. Competent Authorities are generally aware of the specificities of these novel cell-based product candidates and give much attention to their upfront characterization and the development of assays to measure their biological activity (potency).

The preclinical and clinical development paths for product candidates are broadly similar in the European Union and the United States.

Nonclinical studies

Development of the product candidates starts with nonclinical studies, which include laboratory tests to develop a robust product manufacturing process, including formulation and stability. In

addition, further nonclinical studies are conducted to evaluate the mode of action and *in vivo* tests are conducted until adequate proof of safety is established (*e.g.*, toxicity studies in animals). The conduct of the nonclinical tests and formulation of the compounds for testing must comply with regulations and requirements set by the Competent Authorities. Upon successful completion of nonclinical studies, clinical development can be initiated.

Clinical studies

Prior to initiating clinical trials, a request for clinical trial authorization (national competent authorities in the European Union) or an IND application in the United States needs to be approved by the relevant Competent Authorities for such trials to start. These submissions must be supported by an investigational medicinal product dossier or equivalent as detailed in applicable guidance documents. The results of the preclinical tests, together with manufacturing information and analytical data, are included in these applications. Manufacturing of investigational products is subject to authorization and must be carried out in accordance with the applicable GMPs. Furthermore, a clinical trial may only be started after an institutional review board (United States) or a competent ethics committee (European Union) has issued a favorable opinion on the clinical trial application. Clinical trials are typically conducted in sequential phases, Phases I, II and III, with Phase IV trials being conducted after marketing approval. Phase IV trials are generally required for products that receive conditional or accelerated approval to gain additional experience from the treatment of patients in the intended therapeutic indication and to document a clinical benefit. These phases may be compressed, may overlap or may be omitted in some circumstances.

More information on the specific regulatory regimes and regulations applicable in the European Union and the United States can be found in paragraph 7.17 (Government regulation and product approval) of the registration document dated and approved by the AFM on May 31, 2019 that is available on our website www.kiadis.com.

4.15 Pharmaceutical coverage, pricing and reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any product candidates for which we obtain regulatory approval. Countries have different pricing and reimbursement schemes. In the European Union, the United States and markets in other countries, sales of any products for which we receive regulatory approval for commercial sale will depend, in part, on the extent to which third-party payers provide coverage and establish adequate reimbursement levels for such products.

In the European Union, governments influence the price of pharmaceutical products through their pricing and reimbursement rules and control of national health care systems that fund a large part of the cost of those products to consumers. Some jurisdictions operate positive and negative list systems under which products may only be marketed once a reimbursement price has been agreed. To obtain reimbursement or pricing approval, some of these countries may require the completion of clinical trials that compare the cost-effectiveness of a particular product candidate to currently available therapies. Other member states allow companies to fix their own prices for medicines but monitor and control company profits. Special pricing and reimbursement rules may apply to orphan drugs. Inclusion of orphan drugs in reimbursement systems tends to focus on the medical usefulness, need, quality and economic benefits to patients and the healthcare system as for any drug. The downward pressure on health care costs has become very intense. As a

result, increasingly high barriers are being erected to the entry of new products. In addition, in some countries, cross-border imports from low-priced markets exert a commercial pressure on pricing within a country.

In the United States, third-party payers include federal and state healthcare programs, private managed care providers, health insurers and other organizations. The process for determining whether a third-party payer will provide coverage for a product may be separate from the process for setting the price of a product or for establishing the reimbursement rate that such a payer will pay for the product. Third-party payers may limit coverage to specific products on an approved list, also known as a formulary, which might not include all of the FDA-approved products for a particular indication. Third-party payers are increasingly challenging the price, examining the medical necessity and reviewing the cost-effectiveness of medical products, therapies and services, in addition to questioning their safety and efficacy. We may need to conduct expensive pharmaco-economic studies in order to demonstrate the medical necessity and cost-effectiveness of our products, in addition to the costs required to obtain the FDA approvals. Our product candidates may not be considered medically necessary or cost-effective. A payer's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Further, one payer's determination to provide coverage for a product does not assure that other payers will also provide coverage for the product. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development.

The marketability of any product candidates for which we receive regulatory approval for commercial sale may suffer if the government and third-party payers fail to provide adequate coverage and reimbursement. In addition, emphasis on managed care in the United States has increased and we expect will continue to increase the pressure on healthcare pricing. Coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which we receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

4.16 Facilities

Our headquarters are located at Paasheuvelweg 25A in Amsterdam, the Netherlands, where we lease approximately 2,700 square meters of office space and a commercial manufacturing facility, logistics, storage, process development and quality control laboratories, pursuant to a sublease agreement entered into on December 7, 2017, and approximately 1,250 square meters of additional office space, pursuant to a lease agreement that became effective on June 1, 2019 (for approximately 1,000 square meters) and a second part that has become effective on June 1, 2020 (for approximately 250 square meters).

The sublease entered into on December 7, 2017 and amended on January 29, 2020 has a 10-year term (until December 31, 2027) that is automatically extended for four years (until December 31, 2031), and thereafter for five years (until December 31, 2036), unless terminated by us at the end of a lease period with one year's notice. The second extension (i.e., the extension until December 31, 2036) is, however, also subject to the head lease between our lessor and the head lessor being extended after February 29, 2032 for a period of five years.

The lease of additional office space that became effective as of June 1, 2019 and the second part thereof that has become effective on June 1, 2020 will both end on May 31, 2029 and are both automatically extended for five year terms, unless terminated by us at the end of a lease period with one year's notice.

As of October 1, 2019 we lease approximately 700 square meters of laboratory and office space at the Science Park 408 in Amsterdam, the Netherlands, pursuant to a lease agreement dated September 19, 2019. The lease is entered into for one year and is automatically extended each year with a one-year term, unless terminated at the end of a lease period with three months' notice.

We are currently evaluating the possibilities of further consolidating our activities at our Paasheuvelweg location.

4.17 Employees

On December 31, 2019, we had 170 employees – 125 employees located in Amsterdam, 21 field-based employees in Europe and 24 field-based employees in the United States. As at the Simplified Registration Document Date, we had 105 employees – 81 employees located in Amsterdam, 4 field-based employees in Europe and 20 field-based employees in the United States.

Our employees are classified as follows: management, chemistry/manufacturing/control (CMC), clinical development, research, quality assurance, medical/regulatory affairs, finance, IT and support staff.

Our key scientific, medical and technical staff includes our Chief Medical Officer, our Chief Scientific Officer, our Chief Operations Officer, and various SVP, VP and Director level staff in the U.S. and Europe. The key technical staff's relevant collective expertise and experience encompasses clinical development, process development and manufacturing in the pharmaceutical industry, as well as a relevant education background for working in the pharmaceutical industry.

5. MANAGEMENT AND SUPERVISION

5.1 Governance structure

We have a two-tier board structure consisting of a Management Board (*Raad van Bestuur*) and a Supervisory Board (*Raad van Commissarissen*).

The Management Board is responsible for the day-to-day management which includes, among other things, formulating strategies and policies, and setting and achieving our objectives. The Supervisory Board supervises and advises the Management Board. The Management Team supports the Management Board in our day-to-day management.

The following table presents information about our Management Board, Management Team and Supervisory Board as of the Simplified Registration Document Date.

Name	**Position**
Management Board	
Arthur Lahr	Chief Executive Officer
Management Team	
Dirk De Naeyer	Chief Operations Officer
Robert Friesen	Chief Scientific Officer
Margot Hoppe	General Counsel & Corporate Secretary
Martine Nolan	Senior Vice President, Quality
Andrew Sandler	Chief Medical Officer
Amy Sullivan	Chief Strategy Officer
Paul van Hagen	Senior Vice President, Finance
Marcel Zwaal	Senior Vice President, Corporate Development
Supervisory Board	
Mark Wegter	Chairman of the Supervisory Board
Berndt Modig	Vice-chairman of the Supervisory Board Chairman of the Audit Committee
Martijn Kleijwegt	Member of the Supervisory Board Chairman of the Nomination and Remuneration Committee Member of the Audit Committee
Subhanu Saxena	Member of the Supervisory Board Member of the Nomination and Remuneration Committee
Otto Schwarz	Member of the Supervisory Board Member of the Audit Committee
Robert Soiffer	Member of the Supervisory Board

Unless otherwise indicated, the current business address for members of our Management Board, our Management Team and our Supervisory Board is Kiadis Pharma N.V., Paasheuvelweg 25A, 1105 BP Amsterdam, the Netherlands.

5.2 Management Board

The following is a brief summary of the business experience of our Management Board.

Arthur Lahr

Arthur Lahr was appointed as a member of the Management Board on April 4, 2017 and has acted as our Chief Executive Officer since April 1, 2017. Prior to joining us, Mr. Lahr was Chief Strategy Officer and member of the Management Committee at Crucell from 2004 until its acquisition by Johnson & Johnson in 2011. Before that he was, among other positions, a consultant at McKinsey & Company and an engineer at Unilever. Mr. Lahr holds a master's degree in Applied Physics from the University of Delft, the Netherlands, and an MBA from INSEAD, Fontainebleau, France. Until December 31, 2019 Mr. Lahr also served as a member of the supervisory board of Sanquin, a Dutch national plasma and blood product supplier.

5.3 Management Team

The following is a brief summary of the business experience of members of our Management Team.

Dirk De Naeyer

Dirk De Naeyer is our Chief Operating Officer. Prior to joining us, he was at Janssen Pharmaceuticals where he spent 14 years in various leadership positions. Most recently, Mr. De Naeyer was co-lead for the integration of Actelion into Janssen. Prior to that, he was the head of the Janssen Global Clinical Operations team and held multiple supply chain and operations leadership positions. This included heading up the Janssen Clinical Supply Chain, overseeing all active pharmaceutical ingredient (API) and Drug Product manufacturing, Packaging and Distribution for Janssen R&D, which covered Small Molecules, Biologics and Stem Cell therapies. Mr. De Naeyer joined Janssen after five years at McKinsey. He holds a degree in Engineering from the KU Leuven, Belgium, and an MBA from the University of Chicago.

Robert Friesen

Robert Friesen joined us in February 2019 as our Chief Scientific Officer. Dr. Friesen has more than 20 years of experience in the biopharmaceutical industry, leading multiple Research & Development organizations. Dr. Friesen joined us from Ablynx where he was CSO until its acquisition by Sanofi. At Ablynx, Dr. Friesen oversaw a team of more than 300 people who were responsible for more than 40 development-stage product candidates across a wide range of diseases. Prior to Sanofi, he served as Senior Vice President of ProQR Therapeutics, a clinical stage biotechnology company, heading the Science and Early Development division. Prior to joining ProQR Therapeutics, Dr. Friesen worked at Janssen BioTherapeutics, a Johnson & Johnson Company as Global Head of Biologics Research, where he established an R&D organization of more than 200 scientists and professionals located in Europe and US; and at the Crucell Vaccine Institute, a Johnson & Johnson Company, as Vice President Preclinical and Clinical Research where he led the team responsible for discovery, production and preclinical development of monoclonal antibodies. Before Crucell Vaccine Institute, he was Head of Preclinical & Early Clinical Development at MorphoSys.

Margot Hoppe

Margot Hoppe was our General Counsel & Corporate Secretary from 2008 through 2018. On June 1, 2020, Ms. Hoppe rejoined us as employee, again in the position of our General Counsel

& Corporate Secretary. She has over 20 years of experience in corporate legal affairs and worked for various biotechnology companies including Gist-Brocades and Koninklijke DSM N.V. Ms. Hoppe holds master's degrees in law and political science from the Erasmus University of Rotterdam, the Netherlands.

Martine Nolan

Martine Nolan, our Senior Vice President, Quality, brings over 20 years of experience in the pharmaceutical sector, having joined us from Amgen where she served as Regional Head of Quality Operations, leading a team of more than 200 employees at the Dublin, Ireland and Breda, Netherlands sites. Prior to that Ms. Nolan served as Executive Director for International Quality, Turkey, Middle East & Africa where she had responsibility for quality of both manufacturing and distribution activities. Before joining Amgen, Ms. Nolan held several positions of increasing responsibility in quality operations at Schering-Plough (Merck) in Ireland, Singapore and US. Ms. Nolan holds a MSc in Cellular Physiology from University College Cork and a BSc in Biochemistry from University College Dublin.

Andrew Sandler

Andrew Sandler was appointed in 2017 as our Chief Medical Officer. Dr. Sandler has over 20 years of experience within the healthcare industry, dedicated to hematologic malignancies and solid tumors. He has served as the senior medical executive in multiple global Nasdaq-listed oncology companies. Most recently, Dr. Sandler was Senior Vice President, Global Medical Affairs, at Medivation, which is now part of Pfizer. Prior to that he served as Chief Medical Officer at Dendreon Pharmaceuticals and Spectrum Pharmaceuticals. He has also held senior-level positions with several other leading biotechnology and pharmaceutical companies, including Bayer Healthcare, Berlex Laboratories, Inc. and Seattle Genetics, Inc. Dr. Sandler is also a board certified medical oncologist in the U.S. Dr. Sandler holds a degree in medicine from Mount Sinai School of Medicine, New York and has completed a fellowship in hematology and oncology at the University of California, San Francisco.

Amy Sullivan

Amy Sullivan was appointed in January 2019 as Senior Vice President, Corporate Affairs and is now our Chief Strategy Officer responsible for fundraising, investor relations, public affairs and corporate communications. Ms. Sullivan is a seasoned corporate affairs professional with more than 25 years of experience raising capital and building and managing corporate biotechnology and life sciences brands. She joined us from Keryx Biopharmaceuticals where she was senior vice president of corporate affairs, responsible for all aspects of investor relations, corporate communication, and public affairs, during a period of high growth, commercialization of the company’s first FDA-approved medicine and, ultimately, a merger. Prior to Keryx, Ms. Sullivan served as head of corporate communications and investor relations at AMAG Pharmaceuticals, Idenix Biopharmaceuticals and Genencor International. Ms. Sullivan has a bachelor's degree in Business from Salem State University in Salem, Massachusetts and a master's degree in Business Administration from Bentley University in Waltham, Massachusetts.

Paul van Hagen

Paul van Hagen joined us in 2018 and is now our Senior Vice President Finance. Mr. Van Hagen brings over 20 years of financial management expertise to us. Prior to joining us, Mr. Van Hagen provided financial advice to various companies in the life science industry and served as chief financial officer of Xeltis, a medical device company. Prior to Xeltis, he held senior financial management positions at Prosensa and Crucell, both publicly listed companies. Mr. Van Hagen worked as a Senior Manager with Ernst & Young and was responsible for various international audit engagements. Mr. Van Hagen is a certified public accountant and holds a master's degree in Business Economics from the University of Groningen in the Netherlands.

Marcel Zwaal

Marcel Zwaal is Senior Vice President, Corporate Development. Prior to joining us, he was CEO of Hubrecht Organoid Technologies. Previously, Mr. Zwaal worked in Corporate Development at Galapagos, served as CEO of cell therapy biotech startup DCPrime and held several senior management positions at Crucell in finance and business development prior to its acquisition by Johnson & Johnson in 2011. Mr. Zwaal has over 20 years of experience in finance and business, ten years of which focused on medical innovation and biotechnology. He holds an executive master of Finance and Control degree and a Finance BA master’s degree from Vrije Universiteit Amsterdam.

5.4 Supervisory Board

The following is a brief summary of the business experience of the members of our Supervisory Board.

Mark Wegter

In 2001, Mark Wegter became a member and chairman of the supervisory board of Kiadis Pharma B.V., a company that has merged as disappearing entity with Kiadis Pharma N.V. in 2016. Since our incorporation on June 12, 2015, Mr. Wegter has been a member of the Supervisory Board and our chairman. In 1998, Mr. Wegter joined Life Sciences Partners, becoming a General Partner in 2001. Mr. Wegter also holds positions at various Life Sciences Partners entities that manage Life Sciences Partner funds, including our significant Shareholder LSP Advisory B.V and LSP Life Sciences Fund N.V. (see paragraph 6.4 below). Mr. Wegter held a board position at VitrOmics Healthcare from 2000 until 2015. He graduated from the Erasmus University of Rotterdam, the Netherlands, with a degree in Economics.

Berndt Modig

Berdt Modig became a member of the Supervisory Board on June 28, 2016. Mr. Modig was previously Chief Financial Officer of Prosensa Holding N.V. and before that Chief Financial Officer at Jerini AG and Surplex AG. He is also currently a board member of Axovant Sciences Ltd. and Affimed N.V., member of the supervisory board of Centogene A.G., and founder and CEO of Pharvaris B.V. Mr. Modig holds a degree in International Business and German from the University of Lund, Sweden and received his MBA from INSEAD, Fontainebleau, France. During the last five years, he held board seats at Mobile Loyalty Plc (until 2013), Onkobiotek (until 2017) and Auris Medical AG (until 2018).

Martijn Kleijwegt

Martijn Kleijwegt became a member of the supervisory board of Kiadis Pharma B.V. in 2006. He has been a member of the Supervisory Board since our incorporation on June 12, 2015. Mr. Kleijwegt founded Life Sciences Partners in 1998 and has been Managing Partner of Life Sciences Partners ever since. Mr. Kleijwegt is managing director of the management companies of our significant Shareholders Life Sciences Partners B.V. and Life Sciences Partners II B.V. (see paragraph 6.4 below) and holds positions at various Life Sciences Partners entities that manage Life Sciences Partner funds. Mr. Kleijwegt graduated from the University of Amsterdam, the Netherlands, with a degree in economics. During the last five years, he held a board seat at Prosensa (2007-2014), Pharvaris (2016 – present), Oxthera (2016 – present), Orphazyme (2017 – present), Eloxx (2017 – present), Arvelle Therapeutics (2019 – present), AM Pharma (2019 – present) and Vico Therapeutics (2019 – present).

Subhanu Saxena

Subhanu Saxena became a member of the Supervisory Board on June 4, 2018. Mr. Saxena currently serves as a Regional Director with the Bill & Melinda Gates Foundation as well as a Partner at New Rhein Healthcare and a Senior Advisor to Bain Capital. Mr. Saxena served as the Managing Director and Global Chief Executive Officer of Cipla, a publicly listed Indian pharmaceutical and biotech company, and was with Cipla from February 2013 to February 2017. Prior to joining Cipla, Mr. Saxena was Head of Global Product Strategy and Commercialization and member of the Executive Committee at Novartis. Mr. Saxena also previously served as CEO of Novartis UK. Prior to joining the pharma industry, Mr. Saxena worked with leading global companies including Citicorp, the Boston Consulting Group and PepsiCo across markets in Europe, North America, Africa and Asia. Mr. Saxena holds a graduate degree in Engineering from Oxford University and an MBA from INSEAD, Fontainebleau, France. Mr. Saxena served on the board of Cipla from 2013 to 2016.

Otto Schwarz

Otto Schwarz became a member of the Supervisory Board on June 4, 2018. Dr. Schwarz is an industry veteran, with significant global operational and commercial leadership experience. Most recently, Dr. Schwarz served as Executive Vice-President, Chief Operating Officer and a member of the Executive Committee of Actelion Pharmaceuticals Inc., up to its acquisition by Johnson & Johnson. Prior to joining Actelion, Dr. Schwarz served as Executive Vice-President of Commercial Operations at Nycomed and as an Executive Board Member at Altana Pharma. From 1984 to 2003 he held various positions at Schering-Plough and Eli Lilly in Austria, Switzerland, Canada, the U.S. and Germany. Dr. Schwarz holds a PhD in pharmaceutical chemistry from Vienna University, Austria. Since June 2016, Dr. Schwarz has held a board seat at the Max7 Foundation.

Robert Soiffer

Robert Soiffer became a member of the Supervisory Board on June 28, 2016. Dr. Soiffer is currently a Professor at Harvard University Medical School, Chief of the Division of Hematologic Malignancies at the Dana-Farber Cancer Institute ("**DFCI**") and Codirector of the Adult Stem Cell Transplantation Program at the DFCI. Dr. Soiffer joined the DFCI in 1988, after completing a medical oncology fellowship. Dr. Soiffer sits on the board of the U.S. National Marrow Donor Program's Be the Match Registry and on the Massachusetts Board of the Leukemia and

Lymphoma Society. From 2017 through 2020, Dr. Soiffer served as the Chairman of the Advisory Committee for International Blood and Marrow Research. From May 7, 2014 through May 7, 2015, Dr. Soiffer served as a member of Kiadis Pharma Netherlands B.V.'s Scientific Advisory Board while it was conducting clinical trials in Canada and Europe.

5.5 Potential conflicts of interest and other information

Mr. Kleijwegt is managing director of our significant Shareholders Life Sciences Partners B.V. and Life Sciences Partners II B.V. (see paragraph 6.4 below).

Ms. Hoppe, Mr. Saxena and Mr. Zwaal hold Shares and Mr. Kleijwegt and Mr. Wegter have an indirect interest in Shares. Except for Mr. Wegter and Mr. Kleijwegt, each member of the Management Board, the Supervisory Board and the Management Team holds options.

Mr. Wegter and Mr. Kleijwegt have been nominated as members of the Supervisory Board by significant Shareholders Life Sciences Partners B.V. and Life Sciences Partners II B.V. respectively and hold various positions at Life Sciences Partners. As a consequence hereof, Mr. Wegter and Mr. Kleijwegt are "not independent" within the meaning of the Dutch Corporate Governance Code 2016. On April 28, 2020, we announced a €12 million private placement with a U.S.-based healthcare-focused investment fund and on April 30, 2020, we announced a private placement of €5 million with LSP Advisory, the public investment arm of Life Sciences Partners, on behalf of the LSP Life Sciences Fund N.V. and several mandate clients. Because of their positions at Life Sciences Partners, Mr. Wegter and Mr. Kleijwegt did not participate in the deliberations and decision-making regarding these transactions.

Other than these circumstances, there are no other circumstance that may lead to a potential conflict of interest between the private interests or other duties of members of the Management Board, the Supervisory Board or the Management Team vis-à-vis us. No family relationships exist among the members of the Management Board, Supervisory Board or Management Team.

With respect to each of the members of the Supervisory Board, the Management Board and the Management Team, we are not aware of (i) any convictions in relation to fraudulent offences in the last five years, (ii) any bankruptcies, receiverships, liquidations or companies put into administration in respect of those persons who acted in one or more of those capacities for at least the previous five years, or (iii) any official public incrimination or sanctions involving such persons by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

Other than disclosed in this subparagraph, we are not aware of any arrangement or understanding with significant Shareholders, suppliers, customers or others pursuant to which any member of the Management Board or Supervisory Board was selected as a member of such management or supervisory bodies.

6. SHARE CAPITAL AND SUBSTANTIAL HOLDINGS

6.1 Share capital and Shares

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.

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. On May 13, 2020, we convened our annual General Meeting to be held on June 25, 2020. The proposals made to the General Meeting include an amendment of our Articles of Association. If such proposals are adopted by the General Meeting and our Articles of Association are amended accordingly, our authorized share capital shall amount to €20,000,000 and be divided into 100,000,000 ordinary shares and 100,000,000 preference shares, each with a nominal value of €0.10, and as soon as is filed with the Trade Register of the Chamber of Commerce that our issued capital will amount to at least €10,000,000 our authorized share capital shall amount to €50,000,000 and be divided into 250,000,000 ordinary shares and 250,000,000 preference shares, each with a nominal value of €0.10.

All of our authorized shares will, when issued and outstanding, be created under Dutch law.

On the Simplified Registration Document Date, our issued capital amounts to €4,004,148.90 and is divided into 40,041,489 Shares, each with a nominal value of €0.10. On the Simplified Registration Document Date, neither we nor any of our subsidiaries hold any Shares.

6.2 Rights granting access to our share capital

Other than in connection with the warrants, options and the rights of former holders of CytoSen shares and options referred to below in this paragraph 6.2, as at the Simplified Registration Date the share capital of the Company or any of its subsidiaries is not under option or subject to a conditional or unconditional agreement to grant an option there over, nor are there any acquisition rights or obligations over authorized but unissued capital of the Company, or undertakings to increase the capital.

Warrants

We have five classes of warrants to acquire Shares in issue: two classes that are exercisable until June 15, 2022 (the "**2022-I Warrants**" and the "**2022-II Warrants**", collectively, the "**2022 Warrants**"), one class that is exercisable until July 31, 2023 (the "**2023 Warrants**") and two classes that two classes that are exercisable until April 30, 2025 (the "**2025-I Warrants**" and the "**2025-II Warrants**", collectively, the "**2025 Warrants**"; the 2022 Warrants, the 2023 Warrants and the 2025 Warrants collectively, the "**Warrants**").

On the Simplified Registration Document Date, the following Warrants are outstanding, each representing the right to subscribe for one Share at the stated exercise price.

	Outstanding	Exercise price	Exercise period
2022-I Warrants	71,350	€7.307	Until June 15, 2022
2022-II Warrants	3,731	€7.312	Until June 15, 2022
2023 Warrants	41,212	€9.71	Until July 31, 2023

	Outstanding	Exercise price	Exercise period
2025-I Warrants	3,745,318	€2.22	Until April 30, 2025
2025-II Warrants	1,493,429	€2.32	Until April 30, 2025
Total	**5,355,040**		

If we subdivide our Shares into a greater number of Shares, the number of Shares purchasable upon the exercise of the warrants shall be proportionately increased and the exercise price shall be proportionately decreased. If the Shares are combined or consolidated into a lesser number of Shares, the exercise price shall be proportionately increased and the number of Shares purchasable upon the exercise of the warrants shall be proportionately decreased. In the event that we would make a dividend payment or other distribution on our Shares, the exercise price of the 2025-I Warrants is lowered with an equal amount. Upon any event whereby all of the Shares are reclassified, exchanged, combined, substituted, or replaced for, into, with or by our securities of a different class and/or kind, then from and after the consummation of such event, the Warrants will be exercisable for the number, class and kind of Company securities that the holder of a Warrant would have received had the Shares purchasable upon the exercise of the Warrant been outstanding on and as of the consummation of such event. This adjustment shall similarly apply to successive reclassifications, exchanges, combinations, substitutions, replacements or other similar events.

In the event of a change of control, we shall purchase the 2025 Warrants from their holders by paying such holders a cash amount equal to the Black Scholes value of the remaining unexercised portion of the 2025 Warrants, provided, however, that if the greater of (i) the highest weighted average price of our Shares during the ten trading day period ending on the trading day immediately following the public announcement of such change of control, and (ii) the sum of the price per share being offered in cash, if any, plus the value of any non-cash consideration, if any, being offered in the change of control (the "**Change of Control Price**") is less than fifty percent of then applicable exercise price of the 2025 Warrants, the Black Scholes value of the remaining unexercised portion of the 2025 Warrants shall instead be paid by delivery of a number of Shares obtained by dividing the Black Scholes value of the remaining unexercised portion of the 2025 Warrants, by the applicable Change of Control Price. The Black Scholes value is calculated on the basis of the Black Scholes model, the mathematical model that is widely used for the pricing of options, warrants and other derivative instruments based on various variables such as volatility, type of the instrument, underlying share price, time, strike price, and risk-free rate.

Options

As of December 31, 2019, the Management Board, the Management Team, Supervisory Board and other (former) employees together held 2,292,452 options. On the Simplified Registration Document Date, 7,145,394 options are outstanding. As of December 31, 2019, no SARs were outstanding, nor are SARs outstanding on the Simplified Registration Document Date.

Rights of holders of CytoSen shares and options

On April 17, 2019, we announced that the Company, its wholly owned subsidiary CST Acquisition Corp. ("**CST**"), CytoSen and Philip R. McKee as representative of the CytoSen shareholders had entered into a binding agreement (the "**CytoSen Acquisition Agreement**") regarding the acquisition by us of the entire share capital of CytoSen. Following the General Meeting having approved the same on May 29, 2019, the acquisition completed on June 5, 2019.

The total upfront consideration paid to the former holders of CytoSen shares and options on completion consisted of 1,513,052 newly issued Shares and 159,778 options to acquire Shares on the terms and conditions of the Kiadis Pharma share option and stock appreciation right plan as amended to cater for US option holders. Of the 1,513,052 newly issued Shares, 874,129 Shares are subject to lock-up restrictions until June 5, 2021 which we can waive at our discretion.

Further to the abovementioned 1,513,052 newly issued Shares, the former holders of CytoSen shares have a conditional entitlement to receive 267,012 newly issued Shares (the "**Holdback Shares**"). The Holdback Shares serve as a source for the satisfaction of indemnification and other claims that we may have on the former CytoSen shareholders pursuant to the CytoSen Acquisition Agreement. Subject to reduction in respect of these indemnification and other claims, the Holdback Shares will be issued 18 months from the completion date. Also, as per the CytoSen Acquisition Agreement, the former holders of CytoSen shares and options are eligible to potential future consideration of up to 5,819,466 additional Shares upon the achievement of six clinical development and regulatory milestones, with the final milestone being first FDA approval of an NK-cell product based on CytoSen's technology (the "**Milestone Shares**", and together with the Holdback Shares, the "**CytoSen Shares**").

6.3 Conditional amendment of our Articles of Association and anti-takeover protection

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, and without the company's ordinary shareholders having any pre-emptive rights.

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 and without Shareholders having any pre-emptive rights) 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 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 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). The full text of the conditional amendment of the articles of association is available on our website at www.kiadis.com.

On May 13, 2020, we convened our annual General Meeting to be held on June 25, 2020. By reference to the General Meeting held on March 29, 2019 in which the General Meeting approved the abovementioned conditional amendment of the Articles of Association, we announced that the Management Board and the Supervisory Board have decided to implement this amendment, and that in addition it is proposed to make certain further amendments to the Articles of Association that are *inter alia* aimed at increasing our authorized share capital. The full text of the Articles of Association as they will read following the proposed amendment, as well as versions of the proposed amendment reflecting the changes when compared to the current Articles of Association and when compared to the conditional amendment approved by the General Meeting on March 29, 2019 are available on our website at www.kiadis.com.

6.4 Substantial holdings

According to notifications made to the AFM as set out in the publicly accessible *Register substantial holdings and gross short positions* of the AFM at www.afm.nl as at the day immediately preceding the Simplified Registration Document Date, the following parties held a substantial holding of at least 3% of our share capital and/or voting rights.

Name	# of Shares	# of voting rights	% of Shares[1]	% of voting rights[2]	Capital interest	Voting interest	Holding	Notified on
Empery Asset Management, LP	9,614,850 [3]	9,614,850 [3]	24.01[4]	24.01[4]	Actual/ potential[5]	Actual/ potential[5]	Indirect[6]	May 28, 2020
LSP Advisory B.V.	4,480,287[7]	4,480,287[7]	11.19[8]	11.19[8]	Actual/ potential[5]	Actual/ potential[5]	Indirect[9]	April 30, 2020
Esprit Nominees Limited	3,342,647	3,342,647	8.35	8.35	Actual	Actual	Direct	April 30, 2020
Achmea Pensioen- en Levensverzekeringen N.V.	2,208,607	2,208,607	5.52	5.52	Actual	Actual	Indirect[10]	October 23, 2018
Life Sciences Partners II B.V.[11]	1,656,458	1,656,458	4.14	4.14	Actual	Actual	Direct	April 30, 2020

(1) Percentage regards the number of securities notified on the date of notification indicated in the last column of the table, related to the total number of Shares outstanding on the Simplified Registration Document Date.
(2) Percentage regards the number of voting rights notified on the date of notification indicated in the last column of the table, related to the total number of voting rights outstanding on the Simplified Registration Document Date.
(3) Notified interests consists of 5,869,532 Shares and 3,745,318 Warrants.
(4) Notified interest consisting of Shares regards 14.66% and notified interest consisting of Warrants regards 9.35%.
(5) Notified interest consisting of Shares qualifies as actual and notified interest consisting of Warrants qualifies as potential.
(6) Interest held indirectly via Empery GP LLC, Empery Asset Master Ltd, Empery Tax Efficient LP and Empery Tax Efficient III LP.
(7) Notified interests consists of 2,986,858 Shares and 1,493,429 Warrants.
(8) Notified interest consisting of Shares regards 7.46% and notified interest consisting of warrants regards 3.73%.
(9) Interest held indirectly via LSP Life Sciences Fund N.V. and mandate clients. The chairman of our Supervisory Board Mr. Mark Wegter is a managing director of LSP Advisory B.V. and LSP Life Sciences Fund N.V. (via LSP Advisory B.V.).
(10) Interest held indirectly via Life Sciences Partners B.V. Our Supervisory Board member Mr. Martijn Kleijwegt is a managing director of Life Sciences Partners B.V. (via Life Sciences Partners Management B.V. and Pro-Ventures I B.V.).

(11) Our Supervisory Board member Mr. Martijn Kleijwegt is a managing director of Life Sciences Partners II B.V. (via LSP II Management B.V.).

The table above sets out the information on substantial holdings of each of the named parties based on the number of Shares and voting rights notified by them to the AFM as at the date indicated in the last column of the above table. The number of Shares or voting rights as well as the percentage of Shares or voting rights held by these parties at Simplified Registration Document Date may be different.

Except as disclosed above, we are not aware of any other person or legal entity that, as of the Simplified Registration Document Date, has a direct or indirect capital or voting interest in Kiadis Pharma N.V. 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.

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.

7. RELATED PARTY TRANSACTIONS

During the period covered by the historical financial information included in this Simplified Registration Document, and the subsequent period up to the Simplified Registration Document Date, the members of the Management Board and Supervisory Board and enterprises controlled by them were considered related parties of us. Furthermore, our significant Shareholders that have a significant influence over us were regarded as such.

Related-party transactions during the period covered by the historical financial information included in this Simplified Registration Document are set out in Note 29 of the Full Year Financial Statements.

There have not been any transactions with related parties during the period from December 31, 2019 up to the Simplified Registration Document Date, except for the continuing remuneration of the members of the Management Board and the Supervisory Board, and it being noted that because of their positions at Life Sciences Partners, Mr. Wegter and Mr. Kleijwegt did not participate in the deliberations and decision-making regarding the €12 million private placement with a U.S.-based healthcare-focused investment fund that we announced on April 28, 2020, and the private placement of €5 million with LSP Advisory, the public investment arm of Life Sciences Partners, on behalf of the LSP Life Sciences Fund N.V. and several mandate clients that we announced on April 30, 2020.

8. REGULATORY DISCLOSURES

Below is a summary of the information disclosed under the Market Abuse Regulation over the last 12 months relevant at the Simplified Registration Document Date. Copies of our disclosures under the Market Abuse Regulation may be obtained from our website at www.kiadis.com and from the publicly accessible *Register publication of inside information* of the AFM at www.afm.nl.

Regulatory updates

During the last 12 months, we have updated the market on the status of the marketing authorization application for ATIR101 by means of our press releases dated November 12, October 17, September 10 and June 28, 2019.

On June 28, 2019 we announced that we had been informed by the EMA that it would convene a Scientific Advisory Group ("**SAG**") in September, comprising of experts in hematology and HSCT to assist the EMA in arriving at a determination. As a consequence of the introduction of a SAG meeting preceding the subsequent Committee for Advanced Therapies ("**CAT**") and CHMP meetings as part of the EMA approval process, we announced changing our guidance to potential EU conditional approval in 2020.

On September 10, 2019 we informed the market that the SAG had been convened, that the next step in the regulatory process would be the marketing authorization application to be reviewed by the CAT in October and that we continued to expect to receive a decision from the EMA in 2020.

On October 17, 2019 we announced that we no longer expected to receive EU conditional marketing authorization for ATIR101 in 2020 based on the Phase II data, and that we expected the CHMP issuing a negative opinion and recommending against conditional marketing authorization, based on feedback from the EMA indicating that the Phase II data and historical T-cell deplete control data did not provide adequate support for a marketing authorization due to the evolution of the standard of care with the PTCy protocol.

On November 12, 2019 we announced that we had completed a strategic portfolio review and had decided to change our strategy and focus all resources and investments on our NK-cell therapy platform and programs. We withdrew the marketing authorization application and announced that we discontinued development of ATIR101, terminated our ongoing Phase III trial and that we would restructure the organization to focus on our NK-cell therapy platform, resulting in a reduction of approximately half of our workforce.

On February 26, 2020, jointly with OSU we announced the launch of a first-in-human clinical trial in patients with AML R/R with off-the-shelf NK-cells manufactured using our FC21 mbIL21 feeder cells and universal donor platform. The trial is expected to provide further clinical proof-of-concept of our K-NK003 program. The investigator-sponsored trial will be conducted at OSU's Arthur G. James Cancer Hospital and Richard J. Solove Research Institute ("**OSUCCC – James**") in Columbus, Ohio, in the United States. The OSUCCC – James team received FDA approval for an investigational new drug application to begin this trial and expects to begin enrolling patients in July 2020. We will support the study through a collaborative research agreement with OSUCCC-James. Additionally, we plan to work together with OSU to initiate a company sponsored trial with off-the-shelf K-NK003 cells expanded with our NK-cell platform in the same patient population later in 2020. The study will evaluate the NK cell product in up to 56 patients,

ages 18 – 80 who have primary refractory AML, relapsed AML, or MDS. The goal of this study is to establish safety of the NK cell therapy for the induction of remission in patients with AML R/R or MDS and to determine the optimal dosing and overall response rate. Patients enrolled in the study will receive six doses of NK cells of 1 x 10^7 cells/kg to 1 x 10^8 cells/kg after receiving reinduction chemotherapy.

On March 10, 2020, we announced that an abstract showcasing the potential of our NK-cell therapy to treat AML R/R has been accepted for an oral presentation at the 46th Annual Meeting of the European Society for Blood and Marrow Transplantation (EBMT), which is taking place from August 30 through September 2, 2020 in Madrid, Spain. These data are from a Phase I study conducted by Dr. Silla at Hospital de Clínicas de Porto Alegre (HCPA) in Brazil. In this study, sponsored by the Brazilian Agencies for Research development, the adoptive transfer of haploidentical expanded NK-cells to restore NK-cell numbers and anti-leukemia function in patients with AML R/R was investigated.

On April 9, 2020, we announced that we had filed an Investigational New Drug (IND) application with the FDA for K-NK002. The IND covers the production of K-NK002 using our PM21 technology platform. We plan to initiate a Phase I/II study with leading transplant centers in the U.S. to evaluate K-NK002 once we receive FDA approval for the IND. The Phase I/II study, called NK-REALM (haploidentical NK-cells to prevent post-transplant RElapse in AML and MDS), will evaluate the use of K-NK002 as an adjunctive therapy for blood cancer patients undergoing a haploidentical HSCT with the current standard of care, the PTCy protocol. The study, which will be conducted with the Blood and Marrow Transplant Clinical Trials Network (BMT CTN), will enroll 63 patients at leading transplant centers in the U.S. The study is designed to confirm earlier proof-of-concept data in 24 patients, which showed that adjunctive treatment with K-NK002 has the potential to substantially improve outcomes for patients in need of HSCT.

On May 6, 2020, we announced that we received approval from the FDA to start our NK-REALM Phase II clinical trial, which we submitted through an IND application in April 2020. We are developing K-NK002 as an adjunctive therapy to the haploidentical HSCT standard of care with the goal of reducing relapse rates. We are working with BMT CTN to initiate the study and enroll the first patients in the safety lead-in phase of the study this year.

Acquisition of CytoSen

On June 6, 2019, we announced that the acquisition of CytoSen had completed.

The total upfront consideration paid to the former holders of CytoSen shares and options on completion consisted of 1,513,052 newly issued Shares and 159,778 options to acquire Shares on the terms and conditions of the Kiadis Pharma share option and stock appreciation right plan as amended to cater for US option holders. The new Shares were admitted to trading on Euronext Amsterdam and Euronext Brussels on the basis of a listing prospectus consisting of a registration document and a summary and securities note approved by the AFM dated May 31, 2019 that were made generally available. The information regarding the acquisition of CytoSen in the registration document dated May 31, 2019 includes unaudited pro-forma financial information that illustrates the impact of the acquisition 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.

Further to the abovementioned 1,513,052 newly issued Shares, the former holders of CytoSen shares have a conditional entitlement to receive 267,012 newly issued Shares - the Holdback Shares. The Holdback Shares serve as a source for the satisfaction of indemnification and other claims that we may have on the former CytoSen shareholders pursuant to the CytoSen Acquisition Agreement. Subject to reduction in respect of these indemnification and other claims, the Holdback Shares will be issued 18 months from the completion date. Also, as per the CytoSen Acquisition Agreement, the former holders of CytoSen shares and options are eligible to potential future consideration of up to 5,819,466 additional Shares upon the achievement of six clinical development and regulatory milestones, with the final milestone being first FDA approval of an NK-cell product based on CytoSen's technology – the Milestone Shares.

Fundraising and corporate

On April 28, 2020, we announced a €12 million private placement with a U.S.-based healthcare-focused investment fund. On April 30, 2020 we announced a private placement of €5 million with LSP Advisory, the public investment arm of Life Sciences Partners, on behalf of the LSP Life Sciences Fund N.V. and several mandate clients. Both transactions completed on April 30, 2020.

Pursuant to the first €12 million private placement, 7,490,637 new Shares were issued at a subscription price of €1.60 per share, and 3,745,318 5-year warrants with an exercise price of €2.22 were granted – the 2025-I Warrants. Of these new Shares, 5,800,000 were admitted to listing and trading on Euronext on April 30, 2020. In the context of this private placement, we agreed to a lock-up undertaking not to issue further new shares prior to June 13, 2020. Pursuant to the second €5 million private placement, 2,986,858 new Shares were issued at a subscription price of €1.67 per share, and 1,493,429 5-year warrants with an exercise price of €2.32 were granted – the 2025-II Warrants. The remaining 1,690,637 new Shares related to the first private placement and the 2,986,858 new Shares related to the second private placement shall be admitted to listing and trading on Euronext as soon as possible on the basis of a prospectus that we shall prepare, get approved by the AFM and make generally available in accordance with the Prospectus Regulation and which shall be notified to the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers*) for passporting in accordance the Prospectus Regulation.

On May 13, 2020, we convened our annual General Meeting to be held on June 25, 2020. By reference to the General Meeting held on March 29, 2019 in which the General Meeting approved a conditional amendment of the Articles of Association *inter alia* introducing preference shares, we indicated that the Management Board and the Supervisory Board have decided to implement this amendment, and that in addition it is proposed to make certain further amendments to the Articles of Association aimed at increasing our authorized share capital and to make certain changes in view of the revised EU Shareholders' Rights Directive having come into force. The full text of the Articles of Association as they will read following the proposed amendment, as well as versions of the proposed amendments reflecting the changes when compared to the current Articles of Association and when compared to the conditional amendment approved by the General Meeting on March 29, 2019 are available on our website at www.kiadis.com.

Management and supervision

On October 22, 2019, we announced the formation of our Scientific Advisory Board. The Scientific Advisory Board is comprised of world-leading experts in the field of oncology and cell therapy and

will provide us with scientific expertise and guidance. The members of the Scientific Advisory Board are:

- Chiara Bonini, MD, Professor of Hematology at the Università Vita-Salute San Raffaele, Milan;
- Michael Caligiuri, MD, President, City of Hope National Medical Center, Los Angeles, California;
- Todd Fehniger, MD, PhD, Associate Professor at the Department of Medicine, Washington University School of Medicine in St Louis;
- Helen Heslop, MD, DSc, Professor and Director of the Center for Cell and Gene Therapy at Baylor College of Medicine;
- Carl June, MD, the Richard W. Vague Professor in Immunotherapy in the Department of Pathology and Laboratory Medicine at the Perelman School of Medicine of the University of Pennsylvania;
- Krishna Komanduri, MD, Kalish Family Chair in Stem Cell Transplantation and Chief, Division of Transplantation and Cellular Therapy at the Sylvester Comprehensive Cancer Center, University of Miami;
- Elaine Mardis, PhD, Co-executive Director of the Institute for Genomic Medicine at Nationwide Children's Hospital, and
- Dean Lee, MD, PhD, Director of the Cellular Therapy and Cancer Immunotherapy Program for Nationwide Children's Hospital's Division of Hematology/Oncology/BMT and Center for Childhood Cancer and Blood Diseases.

The Scientific Advisory Board advises and consults us in connection with NK-cell and T-cell related research and development projects. The Scientific Advisory Board meets five times per year, except if we determine otherwise. The members of the Scientific Advisory Board are entitled to an attendance fee. Assuming that the number of meetings to be held in 2020 shall be five, the expected aggregate attendance fee for 2020 is budgeted at €165,000. In connection with their membership of the Scientific Advisory Board, the members of the Scientific Advisory Board have been granted approximately 50,000 options on the terms and conditions of the Kiadis Pharma share option and stock appreciation right plan as amended to cater for US option holders.

On December 11, 2019, we announced that our then chief financial officer and member of the Management Board Mr. Scott Holmes was stepping down to pursue other opportunities. Mr. Holmes' resignation became effective December 31, 2019. Mr. Holmes' responsibilities have been taken over by Ms. Amy Sullivan and Mr. Paul van Hagen.

On May 13, 2020, we convened our annual General Meeting to be held on June 25, 2020, the agenda of which includes the re-appointment of Mr. Robert Soiffer and Mr. Berndt Modig as members of our Supervisory Board. The agenda for the annual General Meeting to be held on June 25, 2020 also includes a proposal to adopt a revised remuneration policy for the Management Board and the Supervisory Board in order to align these with the Dutch legislation

implementing the revised EU Shareholders' Rights Directive that came into force on December 1, 2020. The proposal setting out the revised remuneration policies is included in the explanatory notes to the agenda of the annual General Meeting that is available on our website at www.kiadis.com.

9. ADDITIONAL INFORMATION

9.1 Material contracts

Save as disclosed below and in paragraph 4.8 above, we have not entered into any contracts (not being contracts entered into in the ordinary course of business) (i) within the two years immediately preceding the Simplified Registration Document Date which are material, or (ii) at any other time, that contain provisions under which we have an obligation or entitlement that is material as of the Simplified Registration Document Date.

Kreos Capital Facility Agreements

On August 17, 2017, we entered into a debt facility of up to €15 million with Kreos Capital – the First Kreos Capital Facility Agreement.

The First Kreos Capital Facility Agreement is a loan consisting of two tranches. The first tranche of €10 million – Tranche A – was drawn down immediately after execution of the First Kreos Capital Facility Agreement. The second tranche of up to €5 million – Tranche B – was conditional upon us raising at least €20 million of additional funds before July 1, 2018. It was drawn down in October 2017, following our October 2017 equity raise.

On July 31, 2018, we entered into a second debt facility of up to €20 million with Kreos Capital – the Second Kreos Capital Facility Agreement.

The Second Kreos Capital Facility Agreement is a loan consisting of two tranches. The first tranche of €5 million – Tranche A – was drawn down immediately after execution of the Second Kreos Capital Facility Agreement. 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.

Tranche A of each of the Kreos Capital Facility Agreements has a 45-month term from drawdown. Tranche A of the First Kreos Capital Facility Agreement has an implied 10% annual fixed interest rate and Tranche A of the Second Kreos Capital Facility Agreement has an implied 9% annual fixed interest rate. Interest payments had to be made during the first 9 months, with the remaining 36 months amortizing in equal monthly instalments comprising principal and interest. Tranche B of the First Kreos Capital Facility Agreement has a 48-month term from drawdown and an implied 10% annual fixed interest rate. Interest payments had to be made during the first 12 months, with the remaining 36 months amortizing in equal monthly instalments comprising principal and interest. In relation to each of the Kreos Capital Facility Agreements, an end of loan payment equal to 5% of the amount drawn down is due at maturity and in the event of early repayment of all or any part of either facility a prepayment fee is payable by us.

Our obligations under the Kreos Capital Facility Agreements are secured for the benefit of Kreos Capital by means of liens and security rights over our assets, including our intellectual property, receivables and moveable assets through a New York law governed security agreement and a first ranking Dutch law governed pledge.

The Kreos Capital Facility Agreements also include customary undertakings and restrictions and events of default. These include a negative pledge undertaking and restriction on granting liens, a restriction on the disposals of assets outside of the ordinary course of business, a restriction on transferring or licensing our assets, a restriction on attracting further borrowings and debt except for certain categories of permitted indebtedness (such as fully subordinated and unsecured debt, a working capital facility at terms reasonably approved by Kreos Capital, operational leases and financial leases up to a certain threshold amount), a restriction on entering into joint ventures, and on any amalgamations, demergers, mergers or corporate reconstructions, an undertaking to continue the business in the ordinary course of business, a restriction on the granting of guarantees in respect of the obligation of any person, a restriction to make a substantial change to the general nature or scope of our current business and an undertaking to maintain adequate risk protection through insurances. Also, as long as any of the loans under the Kreos Capital Facility Agreements remain outstanding, we are not entitled to make any dividend payment or other distributions to our Shareholders. Additionally, none of our subsidiaries may issue any shares (other than to affiliates) without the prior written consent of Kreos Capital. Events of default include non-payment, non-compliance, misrepresentation, cessation of business, cross-default, insolvency events, creditors' process, enforcement of security, illegality, material adverse change – including any event or circumstance which in Kreos Capital's reasonable opinion has a material adverse effect on our ability to perform or otherwise comply with our payment obligations under the Kreos Capital Facility Agreements or on our business, operations, property or financial condition – and de-listing.

The loans provided under the Kreos Capital Facility Agreements shall become immediately due and payable in the event that a person or group of persons acting in concert gains direct or indirect control over us by (i) obtaining the power to (a) to cast or control the casting of more than half the votes that can be cast at a General Meeting, (b) appoint or remove all or the majority of the directors or (c) give binding directions with respect to our operating and financial policies or (ii) beneficially holding more than 50% of our issued share capital.

As at the Simplified Registration Document Date an aggregate amount of €8.9 million in loans is outstanding under the Kreos Capital Facility Agreements.

In connection with the First Kreos Capital Facility Agreement, 253,617 warrants were issued to Kreos Capital V (Expert Fund) LP ("**Kreos Expert**"), of which 211,348 were issued at closing of the debt facility in August 2017, and 42,269 were issued following the drawdown of Tranche B in October 2017. In connection with the Second Kreos Capital Agreement, 41,212 warrants were issued to Kreos Expert at closing of the debt facility in July 2018.

CytoSen Acquistion Agreement

On April 17, 2019, we announced that Kiadis Pharma N.V., its wholly owned subsidiary CST Acquisition Corp., CytoSen and Philip R. McKee as representative of the CytoSen shareholders had entered into the CytoSen Acquisition Agreement regarding the acquisition by us of the entire share capital of CytoSen. Following the General Meeting having approved the same on May 29, 2019, the acquisition completed on June 5, 2019.

The total upfront consideration paid to the former holders of CytoSen shares and options on completion consisted of 1,513,052 newly issued Shares and 159,778 options to acquire Shares on the terms and conditions of the Kiadis Pharma share option and stock appreciation right plan

as amended to cater for US option holders. Of the 1,513,052 newly issued Shares, 874,129 Shares are subject to lock-up restrictions until June 5, 2021 which we can waive at our discretion.

Further to the abovementioned 1,513,052 newly issued Shares, the former holders of CytoSen shares have a conditional entitlement to receive 267,012 newly issued Shares - the Holdback Shares as further discussed below. Also, as per the CytoSen Acquisition Agreement, the former holders of CytoSen shares and options are eligible to potential future consideration of up to 5,819,466 additional Shares upon the achievement of six clinical development and regulatory milestones, with the final milestone being first FDA approval of an NK-cell product based on CytoSen's technology. In the event we fail to pay any contingent consideration due, a party that has a competing NK-cell product in clinical development or on the market would acquire control over us, we sell all or substantially all our assets, or we transfer our NK-cell related intellectual property to a third party, all unpaid contingent consideration in Shares will become immediately payable at a reduced amount that will be calculated according to a pre-agreed formula that is based on the moment of the accelerated payment of the contingent consideration compared to the projected timing of such payment on an unaccelerated basis. In the event that anyone acquires 50% or more of the voting rights attached to our outstanding Shares, we dispose a majority of our assets, or are party to a merger, reorganization or consolidation which results in the voting rights attached to our Shares immediately prior to such transaction representing less than 50% of the voting rights of the surviving entity or its parent immediately after such transaction, we have the right to immediately pay all unpaid contingent consideration in Shares at a reduced amount that will be calculated according to the abovementioned pre-agreed formula.

Under the CytoSen Acquisition Agreement, the former CytoSen shareholders have provided certain representations and warranties relating to, among other things, CytoSen's organization and qualification, its capitalization, financial statements, legal compliance and availability of permits, regulatory compliance, employees, intellectual property, privacy and data protection, taxation, material contracts and related party transactions. Customary monetary limitations, time limitations and other limitations of the CytoSen shareholders' liability apply in respect of these representations and warranties.

Subject to the terms of the CytoSen Acquisition Agreement, the Holdback Shares shall serve as a source for the satisfaction of indemnification and other claims that we may have on the former CytoSen shareholders. Subject to reduction in respect of these indemnification and other claims, the Holdback Shares will be issued 18 months from the completion date. If no Holdback Shares remain reserved for settlement of a claim, the former CytoSen shareholders subject to the indemnification or other claim may settle the claim in cash or in Shares that the relevant shareholders initially acquired as consideration pursuant to the CytoSen Acquisition Agreement. In the event a claim is settled in Holdback Shares or Shares, each such Share shall represent a contractually agreed fixed amount that may differ from the prevailing market price of our Shares on Euronext Amsterdam or Euronext Brussels at the time of settlement.

Kiadis Pharma N.V. and CST have provided certain representations and warranties for the benefit of the CytoSen shareholders, primarily related to their authority and capacity to enter into the transaction and performance of their obligations under the CytoSen Acquisition Agreement.

University of Montreal and Hospital Maisonneuve-Rosemont Letter Agreement

Further to a series of agreements with the University of Montreal, we have an exclusive license to exploit, utilize and commercialize certain ATIR related intellectual property. Pursuant to a letter agreement with the University of Montreal and the Hospital Maisonneuve-Rosemont that we entered into on September 19, 2012 we agreed to pay the University of Montreal an amount of $750,000, subject to a low-single digit percentage interest amount per annum (effective as of January 1, 2011), which is recorded as a loan on our balance sheet that amounted to €0.9 million as at December 31, 2019. Repayment of the loan is primarily contingent on net sales of licensed ATIR products. In addition, (i) 50% of the loan and the interest applicable thereto must be paid if we grant a sublicense to any of the licensed ATIR products, so long as the sublicense includes an upfront fee, and (ii) 100% of the loan and the interest applicable thereto must be paid upon our undergoing a change of control.

9.2 Independent auditors

KPMG, independent auditors with their address at Laan van Langerhuize 1, 1186 DS Amstelveen, the Netherlands, has audited and rendered an unqualified auditor's report on the consolidated financial statements for the financial year ended December 31, 2019 incorporated by reference in this Simplified Registration Document. The audit report covering the consolidated financial statements for the financial year ended December 31, 2019 contains an explanatory paragraph that we have insufficient cash and cash equivalents to meet our working capital requirements through the next twelve months and therefore depend on an equity financing, a non-dilutive financing or strategic transactions along with the uncertainties on capital markets caused by COVID-19 for realizing aforementioned transactions. These conditions indicate the existence of a material uncertainty which may cast significant doubt about our ability to continue as a going concern. KPMG's opinion is not modified in respect of this matter. See also paragraph 2.6.

KPMG has given, and not withdrawn, its written consent to the inclusion of its auditor's report in this Simplified Registration Document in the form and context in which it is included. As the Shares have not been and will not be registered under the U.S. Securities Act of 1993, as amended ("**U.S. Securities Act**"), KPMG has not filed a consent under the U.S. Securities Act.

KPMG is governed by Dutch law in the Netherlands and is subject to inspection by the AFM. The AFM has granted KPMG a license to perform financial statement audits of public interest entities. The auditor who signs on behalf of KPMG is a member of the Dutch Professional Organization for Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

10. DEFINITIONS AND GLOSSARY

In this Simplified Registration Document, the following defined terms are used

"2022 Warrants"	the 2022-I Warrants and the 2022-II Warrants
"2022-I Warrants"	the warrants exercisable until June 15, 2022 with an exercise price of €7.307
"2022-II Warrants"	the warrants exercisable until June 15, 2022 with an exercise price of €7.312
"2023 Warrants"	the warrants exercisable until July 31, 2023
"2025 Warrants"	the 2025-I Warrants and the 2025-II Warrants
"2025-I Warrants"	the warrants exercisable until April 30, 2025 with an exercise price of €2.22
"2025-II Warrants"	the warrants exercisable until April 30, 2025 with an exercise price of €2.32
"AFM"	the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*)
"Articles of Association"	the Company's articles of association (*statuten*)
"ATIR"	Kiadis' product candidates based on its Theralux platform that provided for "Allodepleted T-cell ImmunotheRapeutics", including ATIR101, which were all discontinued in November 2019
"CAT"	the EMA's Committee for Advanced Therapies
"Celularity"	Celularity Inc.
"**cGMP**"	current Good Manufacturing Practices
"Change of Control Price"	the greater of (i) the highest weighted average price of our Shares during the ten

	trading day period ending on the trading day immediately following the public announcement of a change of control, and (ii) the sum of the price per share being offered in cash, if any, plus the value of any non-cash consideration, if any, being offered in the change of control
"CHMP"	the EMA's Committee for Medicinal Products for Human Use
"CMO"	contract manufacturing organization
"Company"	Kiadis Pharma N.V.
"Competent Authorities"	regulatory agencies and other national or supra-national regulatory authorities that lay down regulatory regulations
"CRO"	contract research organization
"CST"	Kiadis Pharma N.V.'s wholly owned subsidiary CST Acquisition Corp, which was merged with and into CytoSen with CytoSen continuing as the surviving corporation
"CSTX002"	the proprietary modified cell line which underlies our NK-cell expansion technology
"**CSTX002 Master Cell Bank**"	the master cell bank from CSTX002
"Cures Act"	the 21st Century Cures Act
"CytoSen"	CytoSen Therapeutics, Inc.
"CytoSen Acquisition Agreement"	the agreement dated April 16, 2019 between Kiadis Pharma N.V., its wholly owned subsidiary CST, CytoSen and Philip R. McKee as representative of the CytoSen shareholders, regarding our acquisition of the entire share capital of CytoSen
"CytoSen Shares"	the Holdback Shares and the Milestone Shares collectively

"DFCI"	Dana-Farber Cancer Institute
"EEA"	the European Economic Area
"EMA"	the European Medicines Agency
"EU"	the European Union
"Euronext"	Euronext Amsterdam and Euronext Brussels
"Euronext Amsterdam"	Euronext Amsterdam, a regulated market of Euronext Amsterdam N.V.
"Euronext Brussels"	Euronext Brussels, a regulated market of Euronext Brussels NV/SA
"Fate"	Fate Therapeutics Inc.
"FDA"	the United States Food and Drug Administration
"First Kreos Capital Facility Agreement"	the facility agreement entered into between the Company and Kreos Capital dated August 17, 2017
"Full Year Financial Statements"	the audited consolidated financial statements for the financial year ended December 31, 2019
"Gamida"	Gamida Cell Ltd.
"GDPR"	the General Data Protection Regulation
"General Meeting"	any general meeting of the shareholders (*algemene vergadering van aandeelhouders*) of the Company duly held in accordance with the Articles of Association and applicable law
"Glycostem"	Glycostem B.V.
"GMP"	Good Manufacturing Practices

"HSCT"	hematopoietic stem cell transplantation
"HIPAA"	the U.S. Health Insurance Portability and Accountability Act
"Holdback Shares"	the 267,012 newly issued that former holders of CytoSen shares are conditionally entitled to receive under the CytoSen Acquisition Agreement and serve as a source for the satisfaction of indemnification and other claims that we may have on the former CytoSen shareholders pursuant to CytoSen Acquisition Agreement
"IFRS"	international financial reporting standards as adopted by the European Union
"KBI Biopharma"	KBI Biopharma, Inc
"Kiadis"	Kiadis Pharma N.V. together with its wholly owned subsidiaries
"KOL"	key opinion leader
"KPMG"	KPMG Accountants N.V.
"Kreos Capital"	Kreos Capital V (UK) Limited
"Kreos Capital Facility Agreements"	the First Kreos Capital Agreement and the Second Kreos Capital Agreement
"Kreos Expert"	Kreos Capital V (Expert Fund) LP
"Management Board"	the Company's board of managing directors
"Management Team"	our senior management, that supports the Management Board in the day-to-day management of the operations
"Market Abuse Regulation"	the Market Abuse Regulation (no. 596/2014)
"MDACC"	the MD Anderson Cancer Center of the University of Texas in Houston, United States

"Milestone Shares"	the up to 5,819,466 additional Shares that the former holders of CytoSen shares and options are eligible to receive as potential future consideration pursuant to the CytoSen Acquisition Agreement upon the achievement of six clinical development and regulatory milestones, with the final milestone being first FDA approval of an NK-cell product based on CytoSen's technology
"Nantkwest"	Nantkwest Inc.
"NCH"	Nationwide Children's Hospital in Columbus, Ohio, United States
"NCH Research and Materials Transfer Agreement"	the collaborative research and biological materials transfer agreement with NCH
"NDAs"	new drug applications
"NKarta"	NKarta Therapeutics Inc.
"OSU"	Ohio State University in Columbus, Ohio, United States
"OSU Component"	the component of OSU in the patent application and related technical information that is co-owned by NCH with OSU, to which we have an option to acquire an exclusive worldwide license pursuant to the OSU Option Agreement
"**OSUCCC – James**"	OSU's Arthur G. James Cancer Hospital and Richard J. Solove Research Institute in Columbus, Ohio, United States
"OSU Option Agreement"	our option agreement with OSU for the OSU Component
"NOLs"	net operating losses
"PHS Act"	Public Health Service Act

"Prospectus Regulation"	Regulation (EU) 2017/1129 as amended from time to time
"SAG"	Scientific Advisory Group
"SARs"	stock appreciation right
"Scientific Advisory Board"	the Company's scientific advisory board that is comprised of world-leading experts in the field of oncology and cell therapy that will provide it with scientific expertise and guidance
"Second Kreos Capital Facility Agreement"	the facility agreement entered into between the Company and Kreos Capital dated July 31, 2017
"Shareholder"	a holder of at least one of the Shares
"Shares"	all of the ordinary shares with a nominal value of €0,10 in the capital of the Company
"Simplified Prospectus"	the Simplified Registration Document if supplemented by a Simplified Securities Note
"Simplified Registration Document"	this registration document
"Simplified Registration Document Date"	June 5, 2020, being the date of this Simplified Registration Document
"Simplified Securities Note"	a specific securities note and a specific summary for secondary issuances of equity securities for the purpose of Article 14 of the Prospectus Regulation approved by the AFM in accordance with the Prospectus Regulation
"Supervisory Board"	the Company's board of supervisory directors
"Transparency Directive"	Directive 2004/109/EC
"U.S. Securities Act"	the U.S. Securities Act of 1933, as amended

"UCF"	University of Central Florida in Orlando, United States
"United States" or "U.S."	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
"Warrants"	the 2022 Warrants, the 2023 Warrants and the 2025 Warrants
"we", "us" or "our"	Kiadis Pharma N.V. together with its wholly owned subsidiaries

The following explanations are not intended to be exhaustive definitions, but to assist understanding of certain terms used in this Simplified Registration Document.

4-1BB (41BBL)	also known as CD137L or TNFSF9, 4-1BBL, is a member of the tumor necrosis factor ligand superfamily. This protein binds to the receptor 4-1BB, generating a co-stimulatory signal for NK cell expansion
antibody-dependent cellular cytotoxicity (ADCC)	an immune response in which antibodies, by coating target cells, makes them vulnerable to attack by immune cells
Advanced Therapy Medicinal Product (ATMP)	a medicinal product for human use which is a gene therapy medicinal product, a somatic cell therapy medicinal product, or a tissue engineered product
allogeneic transplant	transplant using stem cells provided by a donor
acute myeloid leukemia (AML)	a type of cancer in which the bone marrow makes abnormal myeloblasts (a type of white blood cell), red blood cells, or platelets
antibody	protein made by plasma cells (a type of white blood cell) in response to an antigen
antigen	a substance that when introduced into the body stimulates the production of an antibody
autologous transplant	transplant using cells provided by the patient
blind study	study in which neither the patient nor the treating physician is aware of the treatment being used
CAR-T	chimeric antigen receptor T-cell therapy
cGMP	current Good Manufacturing Practices

Chimeric Antigen Receptor (CAR) T-cells	engineered, artificial T-cell receptors which graft an arbitrary specificity onto an immune effector cell
CMO	contract manufacturing organization, a company that serves other companies in the pharmaceutical industry on a contract basis to provide comprehensive services from drug development through drug manufacturing
complete remission (CR)	all evidence of the disease having disappeared
complete remission with incomplete hematologic recovery (CRi)	a bone marrow with less than 5% blasts, no blasts with Auer rods, and normal maturation of all cellular components, no extramedullary disease, and transfusion independent with incomplete hematologic recovery
CRO	contract research organization, a company that provides support to the pharmaceutical, biotechnology, and medical device industries in the form of research services outsourced on a contract basis
ex vivo	pertaining to experimentation performed on living tissue in an artificial environment outside the organism
GMP	good marketing practices, the practices required in order to confirm the guidelines recommended by competent authorization agencies and regulatory authorities
Graft-versus-Leukemia (GVL)	T-cells having anti-malignancy (anti-leukemia) effect
Graft-versus-Host Disease (GVHD)	complication during bone marrow transplantation in which transplanted cells attack the recipient
haplo	haploidentical

haploidentical stem cell transplantation	stem cell transplantation from family members who are only partially matched
hematopoietic stem cell transplantation (HSCT)	transplantation of multipotent hematopoietic stem cells, usually derived from bone marrow, peripheral blood, or umbilical cord blood. It may be autologous (the patient's own stem cells are used) or allogeneic (the stem cells come from a donor). Except where the context requires differently, references in this Simplified Registration Document to HSCT are to allogeneic hematopoietic stem cell transplantation
hematopoietic system	the blood-making organs, principally the bone marrow and lymph nodes
immune reactive cells	cells that defend a host organism against pathogens and tumor cells. An example of an immune reactive cell is a white blood cell
immunosuppressive	used to inhibit or prevent activity of the immune system
immunotherapy	treatment that uses the patient's body's own immune system to help fight certain diseases, specifically cancer
incidence	the number of new occurrences of a certain disease or condition in a population over time
indication	a condition which makes a particular treatment or procedure advisable
interim clinical data	data that can be made available prior to the completion of a study
Investigational New Drug application (IND)	a filing made with the FDA after completion preclinical testing to begin clinical testing in humans
investigational medicinal product (IMP)	a pharmaceutical form of an active substance or placebo being tested or used as a reference in a clinical trial

lymphocyte	type of white blood cells that divide to form T-cells, which destroy antigens, or B-cells, which produce antibodies
membrane-bound interleukin 21 (mbIL21)	our engineered construct of a cell membrane anchored interleukin-21, a cytokine that has potent regulatory effects on cells of the immune system, including NK-cells and cytotoxic T-cells that can destroy virally infected or cancerous cells
minimal residual disease (MRD)	minimal residual disease (MRD) is a term used to describe the small number of cancer cells in the body after cancer treatment; a positive MRD positive test result means that disease was still detected after treatment and a negative MRD result means that no disease was detected after treatment
multiple myeloma (MM)	cancer of plasma cells, a type of white blood cell normally responsible for producing antibodies
myelodysplastic syndromes (MDS)	a type of cancer in which the bone marrow does not make enough healthy blood cells (white blood cells, red blood cells, and platelets) and there are abnormal cells in the blood and/or bone marrow
Natural Killer cells or NK-cells	a type of cytotoxic lymphocyte critical to the innate immune system
Non-Hodgkin's Lymphoma (NHL)	a cancer that originates in the lymphatic system
off-label use	prescribing legally available drugs or devices for an indication that has not been approved by the relevant regulatory authority
PBMCs	peripheral blood mononuclear cells

Phase I	an experimental drug or treatment in a small group of people for the first time. The purpose is to evaluate its safety and identify potential side effects
Phase II	the experimental drug or treatment is administered to a larger group of people to determine whether and how well it works (efficacy) and to further evaluate its safety
Phase III	the experimental drug or treatment is administered to large groups of people to confirm its efficacy, monitor side effects and compare it with standard or equivalent treatments
Phase IV	upon approval, the company sponsors ongoing "real-world" studies to monitor and report on the use of its drug or treatment
PM21 particles	particles prepared from the CSTX002 feeder cell line that has been genetically modified to express mbIL21 and 41BBL
prevalence	the number of cases of a certain disease or condition in a population at a given time
PTCy protocol	Post-Transplant Cyclophosphamide protocol, also commonly referred to as the Baltimore protocol
relapsed and refractory acute myeloid leukemia (AML R/R)	Most patients achieve a remission after initial treatment for AML. However, some patients have residual leukemic cells in their marrow even after intensive treatment. This is referred to as "refractory leukemia". Some patients reach remission and then have a return of leukemia cells in the marrow and a decrease in normal blood cells. This is called "relapsed leukemia".

remission	either the reduction or disappearance of the signs and symptoms of a disease. Complete remission (CR) means that all evidence of the disease has disappeared; partial remission means that the disease is markedly improved by treatment but residual evidence of the disease is present
RMAT designation	Regenerative Medicine Advanced Therapy Designation
salvage therapy	a form of therapy given after a particular condition does not respond to the standard therapy, also called second-line salvage therapy in reference to the first-line standard therapy
T-cells	cells belonging to a group of white blood cells known as lymphocytes. They can be distinguished from other lymphocyte types by the presence of a special receptor on their cell surface called the T-cell receptor
unmet medical need	an unmet medical need is a condition whose treatment or diagnosis is not addressed adequately by available therapy

Kiadis Pharma N.V.
Paasheuvelweg 25A
1105 BP Amsterdam
The Netherlands

LEGAL ADVISORS TO THE COMPANY

Bird & Bird (Netherlands) LLP
Zuid-Hollandplein 22
2596 AW The Hague
The Netherlands

INDEPENDENT AUDITORS

KPMG Accountants N.V.
Laan van Langerhuize 1
1186 DS Amstelveen
The Netherlands