

**MITHRA PHARMACEUTICALS**

*Public limited liability company*

Rue Saint-Georges 5, 4000 Liège

RLE (Liège, Liège division) 0466.526.646

(“*Mithra Pharmaceuticals*” or the “*Acquiring Company*”)

**MITHRA RECHERCHE ET DÉVELOPPEMENT**

*Public limited liability company*

Rue Saint-Georges 5, 4000 Liège

RLE (Liège, Liège division) 0534.909.666

(“*Mithra R&D*” or the “*Acquired Company*”)

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**JOINT PROPOSAL FOR A MERGER**

**BY THE ACQUISITION OF MITHRA R&D BY MITHRA PHARMACEUTICALS  
BY WAY OF A TRANSACTION EQUIVALENT TO A MERGER BY ACQUISITION**

**(Section 719 of the Belgian Companies Code)**

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On **19 May 2016**, the respective boards of directors of Mithra Pharmaceuticals and Mithra R&D approved this merger proposal prepared in accordance with Section 719 of the Belgian Companies Code.

This merger proposal contemplates a transaction equivalent to a merger by acquisition whereby all assets and liabilities of Mithra R&D will transfer to Mithra Pharmaceuticals, and Mithra R&D is wound up without going into liquidation (the « **Merger** »).

The respective boards of directors of Mithra Pharmaceuticals and Mithra R&D reciprocally undertake to use all possible means to implement the Merger.

**1 PRELIMINARY REMARKS**

The respective boards of directors of Mithra Pharmaceuticals and Mithra R&D have noted that Mithra Pharmaceuticals holds 99,98% of the shares issued by Mithra R&D and that it contemplates holding all shares and other securities conferring voting rights issued by Mithra R&D on the date of the approval of the Merger at the latest.

This merger proposal is subject to Mithra Pharmaceuticals holding all shares and other securities conferring voting rights issued by Mithra R&D on the date of the approval of the Merger. Therefore, the Merger qualifies as a transaction equivalent to a merger by acquisition within the meaning of Section 676, 1° of the Belgian Companies Code, and the simplified procedure described in Sections 719 to 727 of the Belgian Companies Code will be applied.

Given the fact that Mithra Pharmaceuticals will own all shares of Mithra R&D, no exchange ratio has to be determined. The shares of Mithra R&D will be cancelled as a result of the Merger, and Mithra Pharmaceuticals will not have to increase its share capital or issue new shares.

## 2 CONTEXT OF THE MERGER

The Merger fits within the broader framework of a reorganization of the Mithra group, the process of which started in 2015, and which is continued with the Merger. This reorganization entails significant benefits by simplifying the structure and the functioning of the Mithra group.

Mithra R&D is currently an operational company of the Mithra group, 100% owned by Mithra Pharmaceuticals. The integration of its activities in Mithra Pharmaceuticals will ensure a more integrated management of the overall activities as well as a simplification of the Mithra group, which will create economies of scale.

Therefore, the Merger will increase the transparency of the structure of the Mithra group and will ensure a more integrated management of the activities of the Mithra group in the future. The reorganization also aims at reducing management costs in general and system costs in particular by simplifying the administrative and accounting processes.

## 3 IDENTIFICATION OF THE MERGING COMPANIES

### 3.1 THE ACQUIRING COMPANY

- i. Name: Mithra Pharmaceuticals
- ii. Legal form: public limited liability company
- iii. Registered office: Rue Saint-Georges 5, 4000 Liège
- iv. Company number: RLE (Liège, Liège division) 0466.526.646
- v. Corporate purpose:

*“The Company has as its purpose, both in Belgium and abroad, whether directly or indirectly, whether in its own name and for its own account or in the name of and for the account of third parties, the development and the commercialisation of drugs, pharmaceuticals products or medical research, chemical or biological specialties, and all products and materials in general, for sale over the counter or otherwise, in any specialty related to female health, including:*

- a) any research and development activities in that field, possibly through joint ventures with other companies, universities or organisms, whether public or private, whether Belgian or foreign;*
- b) the production and commercialisation of such products;*

- c) *the distribution and commercialisation, both in Belgium and abroad, including the import and export and any activities as an intermediary in those transactions, of such products;*
- d) *the entering into and the operation of any agreement with respect to the commercialisation, industrial or commercial representation, licenses, patents, know-how, trademarks or intellectual or industrial property rights in relation to such activities;*
- e) *the performance of any mandates and functions in companies, business, associations or public organisms active in such field of activities;*

*The company may enter into any commercial, civil, industrial, financial, movable and immovable transaction that is linked to its corporate purpose, whether directly or indirectly, whether entirely or partially, or that is of such a nature that it expands or promotes its business, whether directly or indirectly.*

*It can take an interest in any manner in any companies, associations or business having a corporate purpose that is similar or related to its own, or that is likely to promote the development of its activities.*

*The company may achieve its corporate purpose in any places and by any means and in the most appropriate manner.”*

### **3.2 THE ACQUIRED COMPANY**

- i. Name: MITHRA R&D
- ii. Legal form: public limited liability company
- iii. Registered office: Rue Saint-Georges 5, 4000 Liège
- iv. Company number: RLE (Liège, Liège division) 0877.126.557
- v. Corporate purpose:

*“The company has as its purpose, both in Belgium and abroad, whether in its own name and for its own account or in the name of or in cooperation with third parties,*

- a) *taking an interest by subscribing, acquiring or by any other means in any company and, in general, in any legal entity whether or not in order to the control the decisions; taking an interest in any form whatsoever in any companies, undertakings or associations; any operation with a view to maximize the value and the revenues of the participations and interests it holds, and the realization by sale, divestment, exchange or otherwise of these participations and interests*
- b) *the development, the acquisition, the sale, the in- and out-licensing, and, in a general way, the management of any patent, know-how, trademark/brand and any other intellectual or industrial property rights in the pharmaceutical, biological, biotechnological, diagnostic / IVD / medical device and chemical sector.*

c) *with the exception of services only to be performed by regulated professions and subject to obtaining the necessary approvals and/or authorizations, any service provision in the field of management, in particular administrative, financial, commercial, regulatory, technical or organizational, including the conduct of studies and expertise and the organization of training sessions.*

d) *the performance of any mandates and functions in companies, business or associations.*

*The company may borrow with or without guarantee, and may grant assistance, loans, advances, or guarantees, securities and bonds to companies in which it has an interest.*

*The company may undertake any movable and immovable, commercial, industrial and financial transactions that are necessary and useful for achieving its corporate purpose or that are of a nature that they expand or promote its business.”*

#### **4 DATE AS OF WHICH THE TRANSACTIONS OF THE ACQUIRED COMPANY WILL BE DEEMED TO HAVE BEEN MADE FOR THE ACCOUNT OF THE ACQUIRING COMPANY (FROM AN ACCOUNTING AND TAX POINT OF VIEW)**

The respective boards of directors of Mithra Pharmaceuticals and Mithra R&D propose that all transactions performed by Mithra R&D will, for accounting and tax purposes, be deemed to have been performed for the account of Mithra Pharmaceuticals as from 1 January 2016 at 00h00 (Belgian time) if the Merger takes effect on 31 July 21016 at the latest.

If the Merger were to take effect at a later date, the transactions performed by Mithra R&D will, for accounting and tax purposes, be deemed to have been performed for the account of Mithra Pharmaceuticals as from the 1<sup>st</sup> of the month that constitutes the sixth month preceding the month in which the Merger takes effect, at 00h00 (Belgian time).

#### **5 RIGHTS GRANTED BY THE ACQUIRING COMPANY TO THE SHAREHOLDERS OF THE ACQUIRED COMPANY WITH SPECIAL RIGHTS AND TO THE HOLDERS OF SECURITIES OTHER THAN SHARES, OR THE MEASURES PROPOSED CONCERNING THEM**

The shareholder of Mithra R&D does not benefit from any special rights and Mithra R&D did not issue any other securities than shares.

Therefore, no specific right is granted to the shareholder of Mithra R&D and no special measure is proposed in this respect in connection with the Merger.

## **6 SPECIAL BENEFITS GRANTED TO MEMBERS OF THE BOARDS OF DIRECTORS OF THE MERGING COMPANIES**

No special benefits are granted to the directors of Mithra Pharmaceuticals and Mithra R&D in connection with the Merger.

## **7 TAX REGIME**

The Merger will be subject to Sections 211 and following of the Income Tax Code 1992 and Sections 117 and 120 of the Stamp Duties Code and, as the case may be, Sections 11 and 18, §3 of the VAT Code.

Mithra R&D does not own any real property.

## **8 POWER OF ATTORNEY**

The respective boards of directors of Mithra Pharmaceuticals and Mithra R&D have decided to authorize Joris De Wolf et Marie Waucquez (attorneys, with office at 1050 Brussels, Avenue Louise 99), each acting alone and with full power of substitution, as well as more generally all attorneys of Eubelius CVBA, to do whatever necessary or useful for the accomplishment of all formalities (including but not limited to the drafting and execution of all required documents and forms) with a view to (i) the filing of this merger proposal with the Clerk's Office of the Commercial Court of Liège (Liège division), and (ii) its publication in the Annexes to the Belgian Official Gazette.

## **9 EXEMPTION OF APPROVAL OF THE MERGER BY THE GENERAL MEETING OF SHAREHOLDERS**

The respective boards of directors of Mithra Pharmaceuticals and Mithra R&D wish to apply Section 722, §6 of the Belgian Companies Code, under which the approval by the extraordinary general meeting of shareholders of merging public limited liability companies is not required if the following conditions are met:

- i. *“publication of the merger proposal referred to in Section 719 [of the Belgian Companies Code] for each of the merging companies occurs within the six months before the acquisition has taken effect”;*
- ii. *“without prejudice to Section 720 [of the Belgian Companies Code], every shareholder of the acquiring company is entitled to be informed about the documents referred to in Section 720, §2 [of the Belgian Companies Code] at the registered office of the company at least one month before the acquisition has taken effect,” (see below, “10 Information obligations”);*
- iii. *“one or more shareholders of the acquiring company who owns shares representing 5% of the share capital are entitled to call a general meeting of shareholders of the acquiring company to deliberate and resolve on the merger*

*proposal. The shares without voting rights are not taken into account for the calculation of this percentage”.*

Under Section 722, §6 of the Belgian Companies Code, the approval of this merger proposal by the respective extraordinary general meetings of shareholders of Mithra Pharmaceuticals and Mithra R&D is not required.

The board of directors of Mithra Pharmaceuticals will approve the Merger at least six weeks after the filing of the present merger proposal with the Clerk’s Office of the Commercial Court of Liège (Liège division) subject to the condition that none of its shareholders or groups of shareholders owning shares representing 5% of the share capital request to call a general meeting of shareholder to resolve on this merger proposal.

The filing of this merger proposal with the Clerk’s Office of the Commercial Court of Liège (Liège division) is scheduled for **20 May 2016**.

The Merger is expected to take effect on **15 July 2016**.

In order to enable a proper organization of the merger process, the shareholders of Mithra Pharmaceuticals wishing to make use of the right to call a general meeting of shareholders to resolve on the Merger are invited to notify Mithra Pharmaceuticals thereof in writing, to be sent to the registered office of Mithra Pharmaceuticals or to [evantraelen@mithra.com](mailto:evantraelen@mithra.com) so that this notification reaches Mithra Pharmaceuticals **on 30 June 2016 at 15h00 (Belgian time) at the latest**. As the case may be, the notification must be accompanied by a statement from an account holder or from a settlement institutions stating the number of shares registered in the name of the relevant shareholders in the books of these institutions on the date of the notification.

If this right has been exercised, an extraordinary general meeting of shareholders will be called to deliberate and resolve on the Merger.

The resolution by the board of directors of Mithra Pharmaceuticals to approve the Merger will also constitute an approval of the Merger by Mithra Pharmaceuticals in its capacity as the sole shareholder of Mithra R&D.

## **10 INFORMATION OBLIGATIONS**

In accordance with Section 720, §1 of the Belgian Companies Code, a copy of this merger proposal will be sent to all registered shareholders on 30 May 2016 at the latest (i.e. at least one month prior to the date on which the Merger would take effect).

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Moreover, every shareholder of Mithra Pharmaceuticals will have the right to consult the following documents at the registered office of Mithra Pharmaceuticals as of 30 May 2016 (i.e. at least one month prior to the date on which the Merger would take effect):

- i. this merger proposal;
- ii. the annual accounts of Mithra Pharmaceuticals and Mithra R&D of the last three financial years; and
- iii. the reports of the respective board of directors and the statutory auditor of Mithra Pharmaceuticals and Mithra R&D of the three last financial years.

The abovementioned documents will be made available on the website of Mithra Pharmaceuticals ([www.mithra.com](http://www.mithra.com)), where they can be downloaded and printed free of charge. The documents will remain available on the website for up to one month after the Merger has taken effect. Each shareholder of Mithra Pharmaceuticals can obtain a full or partial hard copy free of charge. The date scheduled for making available the documents is 30 may 2016 (i.e. at least one month prior to date on which the Merger would take effect).

Mithra R&D will make available all of the above mentioned documents to its sole shareholder, Mithra Pharmaceuticals, at its registered office.

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Mithra Pharmaceuticals and Mithra R&D will each file one copy of this merger proposal with the Clerk's Office of the Commercial Court of Liège (Liège division).

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Done in Liège, on **19 May 2016**, in four original copies, one for each of the merging companies and two for the filing with the Clerk's Office of the Commercial Court of Liège (division Liège).

For **Mithra Pharmaceuticals SA**,

BDS Management BVBA, director  
Barbara De Saedeleer, permanent  
representative

YIMA SPRL, director  
François Fornieri, permanent representative

Signature: [signed]

Signature: [signed]

For **Mithra Recherche et Développement SA**,

YIMA SPRL, chief executive officer  
M. François Fornieri, permanent  
representative

Signature: [signed]