

Press Release

Stockholm, Sweden, June 8, 2023

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Mendus announces a directed share issue and a fully secured rights issue of units totaling approximately SEK 317 million in financing

As announced through a separate press release, Mendus AB (publ) (“Mendus” or the “Company”), (NASDAQ Stockholm: IMMU) and NorthX Biologics (“NorthX”), a Flerie Invest AB (“Flerie”) portfolio company, have entered into a strategic manufacturing alliance. In connection with this alliance, the Board of Directors of Mendus has resolved on a capital raise of approximately SEK 317 million (the “Transaction”), comprised of a directed issue of approximately SEK 90 million to Flerie, consisting of shares and warrants of series T03, (the “Directed Issue”), in combination with a rights issue of units of approximately SEK 227 million, consisting of shares and warrants of series T03 (the “Rights Issue”). The Rights Issue is fully secured through subscription and guarantee commitments. Upon full exercise of the warrants of series T03, Mendus will receive approximately up to an additional SEK 91 million. The Transaction is conditional upon approval by an Extraordinary General Meeting (the “EGM”), expected to be held on 10 July 2023.

Summary of the Transaction

- **Manufacturing alliance between Mendus and NorthX:** Mendus has today announced a manufacturing alliance between Mendus and NorthX, a biologics contract manufacturing organization, offering services and support in the development and manufacturing of biologics used in vaccines, gene therapy and other advanced therapies, to support the manufacturing of Mendus’ lead program vididencel.
- In connection with the alliance, the Board of Directors has, conditional upon approval from the EGM, including necessary amendments of the articles of association in regard to the limitations for the number of shares and amount of share capital, resolved on a capital raise of approximately SEK 317.0 million, comprised of the Directed Issue to Flerie and the Rights Issue. The EGM is expected to be held on 10 July 2023 and the notice will be announced through a separate press release.
- The purpose of the Transaction is primarily to finance the next steps of development in Mendus’ clinical and pre-clinical portfolio, the process development for the manufacturing of vididencel and Ilixadencel, as well as establishing the manufacturing alliance with NorthX and extending the Company’s cash runway to at least Q4 2024.
- **The Rights Issue:** All existing shareholders will receive one (1) unit right for each share held on the record date, which is expected to be on 11 July 2023. Three (3) unit rights entitle the holder to subscribe for one (1) unit. One (1) unit consists of seven (7) new shares and two (2) warrants of series T03.

- The subscription price in the Rights Issue is SEK 3.36 per unit, corresponding to a subscription price of SEK 0.48 per share. The warrants are issued free of charge. One (1) warrant of series TO3 entitles the holder to subscribe for one (1) new share in the Company. The exercise price of the warrants of series TO3 is SEK 0.48.
- The subscription price of SEK 0.48 per share corresponds to a discount of approximately 35 percent compared to the theoretical price after separation of unit rights, based on the closing price of Mendus' share on Nasdaq Stockholm on 7 June 2023, the last trading day before announcement of the Transaction.
- The subscription period in the Rights Issue is expected to run from 13 July 2023, up to and including 27 July 2023.
- The Company's largest shareholders, Van Herk Investment ("VHI") and Fjärde AP-fonden, have entered into subscription commitments for their respective pro rata share, which in aggregate amount to approximately SEK 117.6 million, corresponding to approximately 51.8 percent of the Rights Issue.
- In addition, all shareholding members of the Management and Board of Directors, including CEO Erik Manting and Chairperson Christine Lind¹, have entered into subscription commitments, which in aggregate amount to approximately SEK 4.6 million, corresponding to approximately 2.0 percent of the Rights Issue.
- Additionally, Fjärde AP-fonden has committed to subscribe for units without unit rights, up to such extent that their holding after the Transaction amounts to a maximum of 9.5 percent of the total number of shares and votes in the Company. Since it is a subscription undertaking without unit rights, Fjärde AP-fonden's holding after the Transaction is subject to final allocation of units in accordance with the allocation principles for the Rights Issue. This undertaking represents approximately SEK 8.0 million, corresponding to approximately 3.5 percent of the Rights Issue.
- A number of investors have undertaken to guarantee approximately 42.6 percent of the Rights Issue, corresponding to approximately SEK 96.8 million, at an underwriting commission of twelve (12) percent of the guaranteed amount in cash. Consequently, the Rights Issue is fully secured.
- **The Directed Issue:** The subscription price in the Directed Issue is SEK 0.48 per share. The warrants are issued free of charge. The warrants in the Directed Issue are issued at the same terms and in the same ratio as to those participating in the Rights Issue.
- Through the Directed Issue, Mendus will receive approximately SEK 90.0 million, and upon full subscription of the Rights Issue, Mendus will receive approximately SEK 227.0 million, totaling approximately SEK 317.0 million in proceeds before deduction of transaction related costs.
- Upon full exercise of the warrants of series TO3 from the Rights Issue and the Directed Issue, lapsing 29 March 2024, the Company will receive additional proceeds of up to approximately SEK 90.6 million.
- Existing shareholders, representing approximately 51.8 percent of the total votes in the Company, have undertaken or expressed their intention to vote in favor of approval of the Transaction at the EGM.

"Mendus has made significant progress in its clinical pipeline, with positive Phase 2 monotherapy data supporting late-stage clinical development of our lead program vididencel. The financing announced today will allow Mendus to move ahead decisively with vididencel and reaching multiple value inflection points throughout our entire pipeline", said Erik Manting, PhD, Chief Executive Officer of Mendus. "We thank our existing shareholders for their continued support and welcome our new investors, including Flerie,

¹ Christine Lind will subscribe through a closely related party

to become part of the next phase of growth and development for the Company.”

“Flerie’s decision to invest in Mendus is in line with our strategy to build companies with pioneering science and support teams with the ability to tackle major medical challenges.” commented Thomas Eldered, founder of Flerie and Chairman of the Board of NorthX Biologics. “We are delighted to work with Van Herk, Fjärde AP-fonden and other shareholders in Mendus to support the next phase of clinical development, build a long-term cell therapy manufacturing alliance between Mendus and NorthX and in so doing strengthen the biopharma ecosystem in Northern Europe.”

Background and motive for the Rights Issue

Mendus specializes in the development of maintenance immunotherapies in oncology, aiming to change the course of cancer treatment by addressing tumor recurrence, the leading cause of cancer-related mortality, and improve survival outcomes for cancer patients, while preserving quality of life. Mendus leverages its expertise in allogeneic dendritic cell biology to develop an advanced clinical pipeline of novel, off-the-shelf, cell-based immunotherapies which combine clinical efficacy with a benign safety profile.

Mendus’ lead asset vididencel is positioned as a maintenance therapy for Acute Myeloid Leukemia (AML), the most common acute leukemia in adults, with a high recurrence rate of >50% within 6 months if untreated and 12 months with current standard of care. At the ASH 2022 conference held last December, Mendus presented positive Phase 2 monotherapy data with vididencel in patients with measurable residual disease, which is related to increased relapse rates. Vididencel demonstrated prolonged median Overall Survival (OS) of 30.9 months at the time of the data-cut. Median Relapse Free Survival (RFS) had not been reached, with 12/20 patients remaining disease-free 16-47 months after initiation of treatment. Following these positive results, Mendus is in the planning phase of a Phase 2b trial in combination with standard of care (oral azacitidine), which could be expanded into a pivotal trial. The next read-out of the ongoing ADVANCE II trial is expected in Q4 2023. Mendus is also developing vididencel as a maintenance treatment for ovarian cancer, with the ongoing Phase 1 ALISON trial recently reporting interim results with positive safety and early efficacy signals. Additional read-outs of the ALISON trial are expected in H2 2023 and H1 2024. Mendus has prepared its second clinical-stage program ilixadencel, an intratumoral primer, for a proof-of-concept trial in the broader group of soft-tissue sarcomas.

In light of the progress made in the clinical programs vididencel and ilixadencel, as well as the newly established cell therapy manufacturing alliance with NorthX and the concomitant strategic investment by Flerie, Mendus considers this as an opportune moment to raise capital in order to continue the development of its clinical and pre-clinical programs, with a planned Phase 2 combination trial for vididencel in AML which could potentially step up into a pivotal trial, a planned proof-of-concept trial for ilixadencel in soft tissue sarcomas and development of a preclinical NK cell program as main priorities.

Use of proceeds

If the Rights Issue is fully subscribed, the Company will receive a maximum of approximately SEK 227.0 million before deductions for costs related to the Transaction. Mendus intends to use the net proceeds from the Rights Issue for the following purposes:

- (i) Clinical development of vididencel (c. 24%)
 - a. Long-term follow-up of the ADVANCE II Phase 2 monotherapy trial in AML maintenance, with next survival update expected Q4 2023
 - b. Completion of recruitment in the ALISON Phase 1 trial in ovarian cancer, with primary readout expected in H2 2024
 - c. Initiation of vididencel Phase 2 combination trial with oral azacitidine (5’aza current SoC in AML maintenance) in H2 2023, as step up to pivotal-stage development
- (ii) Clinical development of ilixadencel (c. 13%)

- a. Initiation of ilixadencel proof-of-concept trial in the broader group of soft tissue sarcomas in H2 2023
- b. Completion and final read-out of the MERECA study in renal cell carcinoma H2 2023
- (iii) Pre-clinical research (c. 22%)
 - a. Development of a novel NK cell therapy program based on the expansion of memory NK cells
- (iv) Process development to support vididencel and ilixadencel manufacturing (c. 22%)
- (v) General corporate purposes and extension of cash runway to Q4 2024 (c. 19%)

The net proceeds from the Directed Issue will be used to finance the cell-based manufacturing alliance between Mendus and NorthX constituting facility adaptation, process development and GMP manufacture for Mendus' lead program vididencel.

Upon full exercise of the warrants of series T03, the Company is expected to receive approximately up to an additional SEK 90.6 million, which the Company intends to use to finance the continuation of its operations and extension of cash runway to Q3 2025, including futility analysis of the oral azacitidine (5'aza) combination trial with vididencel as a first step towards pivotal-stage trial design and primary analysis of the ilixadencel proof-of-concept trial.

Terms of the Rights Issue

The Board of Directors has, subject to approval of the EGM, including necessary amendments of the articles of association in regard to the limitations for the number of shares and amount of share capital, resolved on an issue of units comprising shares and warrants, with preferential rights for existing shareholders.

Shareholders who are registered in the share register in Mendus on the record date, expected for 11 July 2023, will receive one (1) unit right for each share held in the Company. The unit right entitles the holder to subscribe for new units with preferential rights. Three (3) unit rights entitle the holder to subscribe for one (1) unit. One (1) unit consists of seven (7) newly issued shares and two (2) warrants of series T03. The subscription price is SEK 3.36 per unit, corresponding to SEK 0.48 per share (the warrants are issued free of charge), which means that Mendus will receive gross proceeds of approximately SEK 227.0 million, before deduction of transaction costs, provided that the Rights Issue is fully subscribed. In addition, investors are offered the opportunity to subscribe for units without the support of unit rights.

Each warrant of series T03 entitles the holder to subscribe for one (1) new share in the Company during the period starting 15 March 2024 up to and including 29 March 2024. The exercise price of the warrants of series T03 will be SEK 0.48. Upon full exercise of the warrants of series T03 from the Rights Issue, the Company will receive additional proceeds of up to approximately SEK 64.9 million.

Provided that the Rights Issue is fully subscribed, the number of shares in Mendus will increase by a maximum of 472,953,859 shares, from 202,694,512 shares to a maximum of 675,648,371 shares. The share capital will increase by a maximum of approximately SEK 23,647,692.95, from approximately SEK 10,134,725.60 to a maximum of approximately SEK 33,782,418.55. Shareholders who choose not to participate in the Rights Issue will have their ownership diluted by up to 70.0 percent through the Rights Issue (based on the total maximum outstanding shares after the Rights Issue). These shareholders have the opportunity to compensate themselves financially for the dilution effect by selling their unit rights received.

Upon full exercise of the warrants of series T03 from the Rights Issue, the number of shares will increase by 135,129,674 and the share capital will increase by approximately SEK 6,756,483.70.

The complete terms and conditions of the Rights Issue and information about the Company will be presented in a prospectus that is expected to be published on the Company's website www.mendus.com around 11 July 2023 before the commencement of the subscription period.

Terms of the Directed Issue

Furthermore, the Board of Directors has, subject to approval of the EGM, resolved on a directed issue, consisting of shares and warrants of series T03, of approximately SEK 90.0 million to Flerie before deduction of transaction related costs. The Directed Issue comprises 187,500,000 shares and 53,571,429 warrants of series T03. The subscription price is SEK 0.48 per share, whereas the warrants are issued free of charge. The warrants in the Directed Issue are issued at the same terms and in the same ratio as to those participating in the Rights Issue. Through the Directed Issue, the number of shares will increase by 187,500,000 and the share capital will increase by approximately SEK 9,375,000.00.

Each warrant of series T03 entitles the holder to subscribe for one (1) new share in the Company during the period starting 15 March 2024 up to and including 29 March 2024. The exercise price of the warrants of series T03 will be SEK 0.48. Upon full exercise of the warrants of series T03 from the Directed Issue, the Company will receive additional proceeds of up to approximately SEK 25.7 million.

Upon full exercise of the warrants of series T03 from the Directed Issue, the number of shares will increase by 53,571,429 and the share capital will increase by approximately SEK 2,678,571.45.

The reason for deviating from the shareholders' pre-emptive rights is that the Board of Directors finds it beneficial for Mendus future development to strengthen the ownership base with a strategic and long-term shareholder, taking advantage of the opportunity provided by the strategic alliance with NorthX and to provide the Company with additional capital on favorable terms. Establishment of a late-stage manufacturing infrastructure for Mendus lead pipeline product vididencel is an important next step and also necessary for the late-stage development and, eventually, commercialization of vididencel. Accordingly, the Board of Directors considers the alliance with NorthX to be of high importance for the Company. Since the alliance with NorthX is conditional upon Flerie's investment, which is executed by the Directed Issue, the Board of Directors' assessment is that the Directed Issue is well-considered and beneficial for both Mendus and its shareholders.

The newly issued shares in the Directed Issue are expected to be admitted to trading on Nasdaq Stockholm at the same time as the shares from the Rights Issue. The shares subscribed for and issued in the Directed Issue do therefore not qualify for participation in the Rights Issue.

Subscription commitments and guarantee commitments in the Rights Issue

The Company's largest shareholders, VHI and Fjärde AP-fonden, have entered into subscription commitments for their respective pro rata share, which in aggregate amount to approximately SEK 117.6 million, corresponding to approximately 51.8 percent of the Rights Issue. Mendus and VHI have entered into shareholder loan agreements whereby Mendus has borrowed a total amount of SEK 50.0 million from VHI in three tranches. The term of the loans is until 31 December 2023. For further information regarding the loans, please refer to press releases published on 26 October 2022, 7 March 2023 and 17 May 2023. Up to SEK 50.0 million of VHI's pro-rata subscription may be set-off against these shareholder loans that the Company has entered into with VHI.

Additionally, all shareholding members of the Management and the Board of Directors, including CEO Erik Manting and Chairperson Christine Lind² have expressed their intention to participate in the Rights Issue for an amount corresponding to approximately SEK 4.6 million.

Fjärde AP-fonden has committed to subscribe for units without unit rights, up to such extent that their holding after the Transaction amounts to a maximum of 9.5 percent of the total number of shares and votes in the Company. Since it is a subscription undertaking without unit rights, Fjärde AP-fonden's holding after the Transaction is subject to final allocation of units in accordance with the allocation principles for the Rights Issue. This undertaking represents approximately SEK 8.0

² Christine Lind will subscribe through a closely related party.

million, corresponding to 3.5 percent of the Rights Issue. In total, subscription commitments amount to a total of SEK 130.2 million, corresponding to 57.4 percent of the Rights Issue.

A number of investors have undertaken to guarantee approximately 42.6 percent of the Rights Issue, corresponding to approximately SEK 96.8 million, at an underwriting commission of twelve (12) percent of the guaranteed amount in cash. Consequently, the Rights Issue is fully secured. However, the Company has neither requested nor received bank or other security for the subscription and guarantee commitments.

Existing shareholders, representing approximately 51.8 percent of the total votes in the Company, have undertaken to vote in favor of approval of the Transaction at the EGM.

Further information regarding the parties who have entered into subscription commitments and guarantee commitments will be presented in the prospectus to be made public before the commencement of the subscription period.

Lock-up undertakings

Prior to the announcement of the Rights Issue and the Directed Issue, members of the Board of Directors and senior management of the Company have entered into lock-up undertakings, which, among other things and with customary exceptions, mean that they have undertaken not to sell shares in the Company. The lock-up undertakings expire on the day that falls 180 days from the closing of the Rights Issue.

Furthermore, the Company has undertaken towards Pareto Securities AB, subject to customary exceptions, not to issue additional shares or other share-related instruments for a period of 180 days from the closing of the Rights Issue.

On 25 October 2022 the Company entered into a final agreement related to a financing arrangement with Negma Group Investment Ltd (“**Negma**”) of up to SEK 200.0 million in convertible bonds. The financing is available in tranches of up to SEK 10.0 million over a period of 30 months. For further information regarding the financing agreement, please refer to the press release published on 26 October 2022. As of 6 April 2023, there are no remaining outstanding convertible bonds to Negma. The Company has undertaken towards Pareto Securities AB not to exercise any further financing from the Negma arrangement.

Preliminary timetable for the Rights Issue

The below timetable for the Rights Issue is preliminary and may be adjusted.

7 July 2023	Last day of trading including the right to receive unit rights
10 July 2023	First day of trading without the right to receive unit rights
10 July 2023	EGM
11 July 2023	Publication of the prospectus
11 July 2023	Record date for participation in the Rights Issue with preferential rights
13 – 24 July 2023	Trading in unit rights
13 – 27 July 2023	Subscription period
13 July – 8 August 2023	Trading in BTUs (paid subscription units)
28 July 2023	Expected announcement of the outcome of the Rights Issue
10 August 2023	Expected first day of trading in warrants of series T03
15 – 29 March 2024	Exercise period for warrants of series T03

Advisors

Pareto Securities AB acts as Sole Manager and Bookrunner in connection with the Transaction. Advokatfirman Delphi is acting as legal adviser to the Company in connection with the Transaction. Baker & McKenzie Advokatbyrå KB is legal adviser to Pareto Securities AB in connection with the Transaction.

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This information is information that Mendus AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 8 June 2023 at 07:01 CEST.

ABOUT MENDUS AB (PUBL)

Mendus is dedicated to changing the course of cancer treatment by addressing tumor recurrence and improving survival outcomes for cancer patients, while preserving quality of life. We are leveraging our unparalleled expertise in allogeneic dendritic cell biology to develop an advanced clinical pipeline of novel, off-the-shelf, cell-based immunotherapies which combine clinical efficacy with a benign safety profile. Based in Sweden and The Netherlands, Mendus is publicly traded on the Nasdaq Stockholm under the ticker IMM.U.S.T. <http://www.mendus.com/>

ABOUT FLERIE

Flerie is an active long-term global biotech and pharma investor based in Stockholm and London managing a portfolio of over 30 companies in Europe, Israel and the US. Flerie's evergreen investment strategy, operational expertise and network enables pioneering technologies in the drug development and services space to advance on their path to treating patients and commercialization. Flerie was founded in 2011 by Thomas Eldered, who also co-founded and built Recipharm to be one of the world's top five pharmaceutical contract manufacturers. For more information, please visit www.flerie.com.

ABOUT NORTHX BIOLOGICS

NorthX Biologics is a CDMO and Innovation Hub in Advanced Biologics, with +30 years of GMP production experience. The team provides process development and GMP manufacturing services with expertise in plasmid DNA, mRNA, proteins, cells and other advanced biologics. Headquartered in the heart of Sweden, the team serves customers worldwide and in 2021 was recognized as a national innovation hub for advanced therapeutics and vaccines. NorthX has the ambition to become a leading cell and gene therapy manufacturer and partner of choice for innovative drug development companies. For more information see www.nxbio.com.

Important information

This press release is not an offer to sell shares or a solicitation of an offer to acquire securities of the Company. The contents of this press release have been prepared by the Company and the Company is solely responsible for its contents. The information in this press release is for background purposes only and therefore does not claim to be complete or complete. No one should, for whatever reason, rely on the information contained in this press release or on its accuracy, accuracy or completeness. The offer to subscribe for or acquire securities referred to in this press release is made through the prospectus provided by the Company, which contains detailed information about the Company.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. A prospectus regarding the Rights Issue described in this press release will be prepared and published by the Company prior to the commencing of the subscription period.

The securities referred to in this press release have not been and will not be registered under the U.S. Securities Act as amended (the "**Securities Act**") and thus cannot be offered or sold in the United States absent registration or pursuant to an exemption from the registration requirements of the Securities Act or the securities laws of the relevant state. The Company does not intend to register any offering in the United States or to make any offer of securities in the United States. This press release will not be distributed within, and should not be sent to, the United States. The securities described herein have also not been, and will not be, registered under the applicable securities laws of Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland and may not, subject to certain exceptions, be offered or sell within or into, or for the benefit of, any person whose registered address is in or who is located or resident in, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland. There will be no offering of the securities described herein in Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland.

In the United Kingdom, this press release may only be distributed and is only directed at (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Financial Promotion Order**" as amended), (ii) persons falling within Article 49 (2) (a) to (d) ("high net worth companies; unincorporated associations etc.") of the Financial Promotion Order, (iii) persons that are outside the United Kingdom, or (iv) are persons to whom an invitation or incentive to engage in investment activities (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA**")) in connection with the issue or sale of securities (all such persons together being referred to as "**relevant persons**"). This press release is only directed at relevant persons and persons who are not relevant persons must not act on or rely on the information contained in this press release. Any investment or investment activity to which this communication relates is only possible for relevant persons and will only be pursued with relevant persons.

In all EEA Member States ("**EEA**"), other than Sweden, this communication is only addressed to and is only directed at qualified investors in the relevant Member State as defined in the Prospectus Regulation, i.e. only those investors to whom an offer may be made without an approved prospectus in the relevant EEA Member State.

Topics covered in this press release may contain forward-looking statements. Such statements are all statements that are not historical facts and contain expressions such as "intends", "expects", "may", "plans", "estimates", "calculates" and other similar expressions. The forward-looking statements in this press release are based on various assumptions, many of which are based on additional assumptions. Although the Company believes that these assumptions were reasonable when made, such forward-looking statements are subject to known and unknown risks, uncertainties, coincidences and other important factors that are difficult or impossible to predict and that are beyond the Company's control. Such risks, uncertainties, uncertainties and important factors could cause actual results to differ materially from those expressed or implied in this communication by the forward-looking statements. The information, opinions and forward-looking statements contained in this release speak only as of the date of this press release and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or release publicly any adjusted view of the forward-looking statements in order to reflect such events or circumstances that arise in relation to the content of these communications.

Information for distributors

Due to the product governance requirements in: (a) the EU Directive 2014/65/EU on markets in financial instruments, ("**MiFID II**"), (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, and (c) Chapter 5 of the Swedish Financial Supervisory Authority's regulations on securities business, FFFS 2017:2, (collectively "**MiFID II's product governance requirements**"), and without any liability for damages that a "manufacturer" (in accordance with MiFID II:s product governance requirements) may otherwise have, shares in the Company have been subject to a product approval process, of which the target market for shares in the Company are (i) retail clients and investors who meet the requirements for professional clients and eligible counterparties, each under MiFID II (the "**target market**"), and (ii) suitable for distribution through all distribution channels permitted under MiFID II. Notwithstanding the target market assessment, distributors should note that: the value of the shares in the Company may fall and investors may not get back all or part of the amount invested; shares in the Company offer no guaranteed income and no capital protection; and an investment in shares in the Company is suitable only for investors who do not require a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient funds to bear any losses that may arise therefrom. The target market assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Rights Issue. The target market assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in the Company. Each distributor is responsible for its own target market assessment in relation to shares in the Company and for determining appropriate distribution channels.