



**Minutes of the annual general meeting of shareholders (the "Meeting") of Kiadis Pharma N.V. ("Kiadis" or the "Company") held on Monday 24 June 2019 at 10:00 CEST at the Amsterdam Stock Exchange (Euronext), Beursplein 5, 1012 JW Amsterdam, The Netherlands<sup>1</sup>.**

### **Agenda item 1 – Opening and announcements**

The Chairman, Mr. Mark Wegter, welcomes the shareholders that are present at the Meeting.

The Chairman explains that the Articles of Association stipulate that the Chairman of the Supervisory Board acts as chairman at general meetings. Consequently, Mr. Wegter chairs the Meeting.

The Chairman opens the Meeting at 10:02 CEST.

The Chairman introduces Mr. Arthur Lahr, CEO and member of the Management Board, Mr. Scott Holmes, CFO and member of the Management Board, Mr. Martijn Kleijwegt, member of the Supervisory Board and Mr. Berndt Modig, member of the Supervisory Board, who are all present. The Chairman also welcomes Mr. Herman van Meel and a colleague from KPMG Accountants N.V., the Company's external auditor.

The Chairman makes the following announcements:

- Shareholders that are registered in Kiadis' shareholders register have been sent written notice 42 days before the day of the Meeting.
- In addition, shareholders have been notified by means of a public announcement made on Kiadis' website [www.kiadis.com](http://www.kiadis.com) 42 days before the day of the Meeting.
- Because notice of the Meeting has been given in accordance with the Articles of Association, valid resolutions can be adopted on the subjects set out in the agenda included in the notice. The agenda has also been made available to attendees upon admittance to the Meeting.
- The documents for the Meeting have been available for inspection at Kiadis' office as of the day of notice of the Meeting. These documents have also been available on the Kiadis website by way of download from [www.kiadis.com](http://www.kiadis.com) as of the day of notice of the Meeting.
- Mr. René Rieter, civil law notary (*notaris*) from the law firm Bird & Bird LLP will prepare the minutes of the Meeting.

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<sup>1</sup> The language of the Meeting was alternately Dutch and English. However, the minutes are prepared in the English language only. These minutes are not a verbatim report of the Meeting.

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- According to the attendance list, holders of 5,963,003 ordinary shares are attending or represented at the Meeting.
- Consequently, together a nominal share capital of €596,300.30 is represented, constituting a total of 24.47% of the Company's issued share capital.
- A total of 5,963,003 votes can be cast.
- Voting shall be done by a raise of the voting cards that shareholders have received on entry of the Meeting. The number on the card corresponds with the shareholder's registration number, and by means of this number, the notary knows how many votes each of the shareholders is exercising.
- A large number of shares shall be voted on, on the basis of powers of attorney – including powers of attorney granted to the Chairman – and voting instructions that have been received.
- In relation to voting items, shareholders can vote in favor or against. Shareholders can also abstain their vote. Blank votes, invalid votes and abstentions shall be considered as not having been cast but shall be counted towards a quorum.

The Chairman moves to the next agenda item.

### **Agenda item 2 – Annual Report for 2018 by the Management Board**

The Chairman refers to the extraordinary general meetings of shareholders held on 29 March 2019 and 29 May 2019, in which Kiadis' CEO Arthur Lahr gave a presentation providing an overview of developments and progress made by Kiadis in 2018. It is asked whether any attendee would appreciate Mr. Lahr again giving this presentation, which is based on the Company presentation that is posted on the Company's website. Mr. Stevense asks whether this update would be the same and Mr. Lahr confirms that is the case. None of the attendees indicates to want Mr. Lahr to give the presentation again.

The Chairman provides the attending shareholders with the opportunity to ask questions.

Mr. Stevense asks about the developments in the first quarter of 2019 as a lot of money has been spent. Mr. Lahr indicates that indeed a substantial amount of money has been spent. At the time of publication of the financial statements, Kiadis did not have sufficient working capital for the 12-month period following publication. On 31 May 2019, Kiadis launched an equity raise that improved its cash position. The Company has not given any guidance, but the Company's needs will not decrease and continue to be substantial.

Mr. Stevens subsequently asks if all is progressing according to plan. Mr. Lahr confirms that this is the case. The Phase III trial will require substantial funds, which has been budgeted for. The preparations for the commercial launch are also accounted for in the cash forecast. All is progressing according to plan. No particular setbacks are observed.

Mr. Van Unen raises the question why in the context of the equity raise new shares have been issued to institutional investors at a price of €7.50, which was €2 lower than the quoted share price at the time. He indicates that he was displeased with the discount given. In response Mr. Lahr explains that it is common in the biotech community in relation to transactions like these to give a discount on the share price of 15 to 22%, which is typically demanded in the industry. The actual discount percentage depends on the size of the company. Smaller companies like Kiadis generally

need to give a larger discount. Mr. Lahr stresses that management was unhappy about it too, but it is one of those things in the sector that one has to accept.

Mr. Stevense queries about the responses given to the European Medicines Agency's second Day 180 list of outstanding issues for ATIR101. Mr. Lahr replies that a public announcement has been made at the time of submission of these responses. An opinion from the Committee for Medicinal Products for Human Use (CHMP) could still be received in 2019. If there is any news or development that Kiadis needs to disclose to the market it will do so.

The Chairman asks whether there are any further comments or questions in relation to this agenda item and observes that there are none. The Chairman moves to the next agenda item.

### **Agenda item 3 – Implementation Management Board Remuneration Policy in 2018**

The Chairman refers to the Remuneration Policy for the Management Board, as included in the Annual Report for 2018. The Chairman states that the remuneration of the Management Board consists of a fixed salary, a cash bonus and options as further set out in the Annual Report. Subsequently Mr. Martijn Kleijwegt, the Chairman of the Supervisory Board's Nomination and Remuneration Committee, is introduced for any questions in relation to the Remuneration Policy.

As there are no comments or questions, the Chairman moves to the next agenda item.

### **Agenda item 4 – Financial Statements for 2018**

The Chairman states that it is proposed to adopt the Financial Statements for 2018. The Financial Statements have been drawn up by the Management Board, approved by the Supervisory Board and audited by KPMG, the Company's external auditor.

The Chairman invites Mr. Herman van Meel from KPMG to give an explanation of his audit of the Annual Report for 2018.

Mr. Van Meel starts with stating that the Financial Statements have been drawn up by the Management Board and approved by the Supervisory Board, and that they give a true and fair view of the Financial Statements of Kiadis.

Then Mr. Van Meel explains the method used for the audit and that the audit was aimed at detecting material errors in the Financial Statements. Mr. Van Meel refers to the materiality threshold of €154,000, which is determined with reference to the total expenses (0.5%). In addition to this materiality threshold, it was agreed with the Supervisory Board that any misstatements in excess of €7,700 identified during the audit would be reported to the Supervisory Board's Audit Committee. As for the scope of the audit, Mr. Van Meel indicates that Kiadis Pharma N.V. is at the head of a group of entities and that in relation to the group audit KPMG focused on the consolidated financial information of the whole group instead of the financial information of individual entities. The financial information of the group is included in the Financial Statements.

Subsequently Mr. Van Meel gives a brief overview on the audit results. A key element of the audit was the classification of expenses – especially R&D – in the statement of comprehensive income. The results of the procedures performed on management's accounting for R&D expenses are satisfactory.

Lastly, a short explanation of the going concern assumption included in the Financial Statements is given by Mr. Van Meel.

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Mr. Stevense queries why misstatements in excess of €7,700 are reported. Mr. Van Meel clarifies that this is not a materiality threshold, but a value agreed upon with the Supervisory Board. Any misstatement must be evaluated, to enable the Company to decide how to proceed in relation to specific misstatements. Mr. Van Meel indicates that such evaluation took place with the CEO and CFO of the Company.

Subsequently Mr. Stevense asks about IFRS 16. Mr. Van Meel clarifies that, prior to IFRS 16, operational leases did not have to be included in the balance sheet. IFRS 16 requires the Company to recognize operational leases as a finance lease and to include them in the balance sheet as such. Kiadis entered into an agreement for a new Company building in 2018. The relevant agreement qualifies as a lease under IFRS 16. Therefore, particular items in the Financial Statements are differently categorized in the sense that rental costs and interest are now reflected separately, whereas this was one item in the financial statements prior to IFRS 16 having become applicable. Mr. Van Meel indicates that IFRS 16 provided for an accounting change, with for Kiadis a limited impact. Furthermore Mr. Stevense raises a general question in relation to fraud. Mr. Van Meel indicates that in the audit for the purposes of identifying fraud risks, fraud risk factors were assessed and discussed with management and the Supervisory Board. In addition Mr. Van Meel indicates that prevention and mitigation of (the risk of) fraud is a task of the management of the Company.

As there are no further comments or questions, the Chairman proceeds to the vote on this agenda item.

The Meeting is requested to vote on the adoption of the Financial Statements for 2018.

Shareholders are requested to indicate their vote by raising their voting cards.

The voting results are recorded by the notary and are as follows:

# Votes cast	% Votes cast <sup>(1)</sup>	For	Against	Abstain	Result
5,962,903	24.47%	5,962,903	-	100	Adopted

<sup>(1)</sup> Percentage of the issued share capital as at the record time of the Meeting, being 24,366,742 shares, each carrying one voting right.

It is established and recorded that the Meeting has adopted the resolution to adopt the Financial Statements for 2018.

The Chairman moves to the next agenda item.

### **Agenda item 5 – Release from liability of the members of the Management Board**

The Chairman states that is proposed that the members of the Management Board will be released from liability in respect of their managerial activities in 2018.

The Chairman asks if there are any comments or questions in relation to the release from liability of the members of the Management Board and observes that there are none.

As there are no comments or questions, the Chairman proceeds to the vote on this agenda item.

The Meeting is requested to vote on the release from liability of the members of the Management Board.

Shareholders are requested to indicate their vote by raising their voting cards.

The voting results are recorded by the notary and are as follows:

# Votes cast	% Votes cast <sup>(2)</sup>	For	Against	Abstain	Result
5,962,903	24.47%	5,962,903	-	100	Adopted

<sup>(2)</sup> Percentage of the issued share capital as at the record time of the Meeting, being 24,366,742 shares, each carrying one voting right.

It is established and recorded that the Meeting has adopted the resolution to release the members of the Management Board from liability.

The Chairman moves to the next agenda item.

### **Agenda item 6 – Release from liability of the members of the Supervisory Board**

The Chairman states that is proposed that the members of the Supervisory Board will be released from liability in respect of their supervisory role in 2018.

The Chairman asks if there are any comments or questions in relation to the release from liability of the members of the Supervisory Board and observes that there are none.

As there are no comments or questions, the Chairman proceeds to the vote on this agenda item.

The Meeting is requested to vote on the release from liability of the members of the Supervisory Board.

Shareholders are requested to indicate their vote by raising their voting cards.

The voting results are recorded by the notary and are as follows:

# Votes cast	% Votes cast <sup>(3)</sup>	For	Against	Abstain	Result
5,962,903	24.47%	5,962,903	-	100	Adopted

<sup>(3)</sup> Percentage of the issued share capital as at the record time of the Meeting, being 24,366,742 shares, each carrying one voting right.

It is established and recorded that the Meeting has adopted the resolution to release the members of the Supervisory Board from liability.

The Chairman moves to the next agenda item.

### **Agenda item 7 – Reappointment of Mr. Mark Wegter as a member of the Supervisory Board**

The Chairman indicates that Mr. Berndt Modig, the Vice-Chairman of the Supervisory Board, will be the chair for this agenda item. Mr. Modig states that the Supervisory Board proposes to reappoint Mr. Mark Wegter as a member of the Supervisory Board and refers to the motivation for this proposal as set out in the explanatory notes to the agenda. Mr. Modig indicates that with regard to Mr. Wegter's remuneration (and although the Remuneration of the Supervisory Board that was approved during the extraordinary general meeting of shareholders of 29 March 2019 applies equally to all members of the Supervisory Board, including members of the Supervisory Board that do not qualify as independent with the meaning of the Dutch Corporate Governance Code) Mr. Wegter has previously confirmed to the Company that he will not claim the cash nor the non-cash remuneration set out in the Remuneration of the Supervisory Board.

Mr. Stevense asks Mr. Wegter for his motivation to be reappointed. Mr. Wegter indicates that he has been involved with Kiadis for a long time, even before the IPO in 2015. Kiadis has experienced

a major evolution, which was not always easy because of setbacks that were experienced over the years. However, Kiadis is now at the point of a breakthrough and that is why Mr. Wegter feels this is not the time to leave Kiadis. Mr. Wegter indicates to be highly motivated to support the Company and to bring ATIR101 to the market, increasing Kiadis' value and ultimately benefitting patients, shareholders and employees. Kiadis has grown into a company with approximately 140 employees. As a biotech Kiadis is located in the high risk spectrum, burning a lot of cash without revenue and strongly dependent on regulations. Mr. Wegter however believes Kiadis has a great future ahead under the management of Mr. Lahr and he believes that his experience has added value for Kiadis. Mr. Stevense adds that these are exciting times; he believes it needs to happen now and he hopes that nothing goes wrong. Mr. Wegter replies that the future is unpredictable but he will do his best to make it a success. He adds that Cytosen Therapeutics, Inc. is a good addition for Kiadis, but that certainty of success cannot be given.

Mr. Modig asks if there are any further comments or questions in relation to the proposal to reappoint Mr. Wegter as a member of the Supervisory Board and observes that there are none. Mr. Modig proceeds to the vote on this agenda item.

The Meeting is requested to vote on the reappointment of Mr. Mark Wegter as a member of the Supervisory Board.

Shareholders are requested to indicate their vote by raising their voting cards.

The voting results are recorded by the notary and are as follows:

# Votes cast	% Votes cast <sup>(4)</sup>	For	Against	Abstain	Result
5,962,903	24.47%	5,909,777	53,126	100	Adopted

<sup>(4)</sup> Percentage of the issued share capital as at the record time of the Meeting, being 24,366,742 shares, each carrying one voting right.

It is established and recorded that the Meeting has adopted the resolution to reappoint Mr. Mark Wegter as a member of the Supervisory Board.

Mr. Modig returns the chair to the Chairman who moves to the next agenda item.

### **Agenda item 8 – Reappointment of Mr. Martijn Kleijwegt as a member of the Supervisory Board**

The Chairman indicates that the Supervisory Board proposes to reappoint Mr. Martijn Kleijwegt as a member of the Supervisory Board and refers to the motivation for this proposal as set out in the explanatory notes to the agenda. Mr. Wegter indicates that with regard to Mr. Kleijwegt's remuneration (and although the Remuneration of the Supervisory Board that was approved during the extraordinary general meeting of shareholders of 29 March 2019 applies equally to all members of the Supervisory Board, including members of the Supervisory Board that do not qualify as independent with the meaning of the Dutch Corporate Governance Code) Mr. Kleijwegt has previously confirmed to the Company that he will not claim the cash nor the non-cash remuneration set out in the Remuneration of the Supervisory Board.

Mr. Stevense asks for the motivation of Mr. Kleijwegt for his reappointment. Mr. Kleijwegt indicates that he, just like Mr. Wegter, has been involved with Kiadis for a long time and that he is equally motivated to contribute to its further development. He is highly motivated to take things to the next level at Kiadis, together with Mr. Lahr and his management team.

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The Chairman asks if there are any further comments or questions in relation to the proposal to reappoint Mr. Kleijwegt as a member of the Supervisory Board. The Chairman observes that there are none and proceeds to the vote on this agenda item.

The Meeting is requested to vote on the reappointment of Mr. Martijn Kleijwegt as a member of the Supervisory Board.

Shareholders are requested to indicate their vote by raising their voting cards.

The voting results are recorded by the notary and are as follows:

# Votes cast	% Votes cast <sup>(5)</sup>	For	Against	Abstain	Result
5,962,903	24,.7%	5,909,777	53,126	100	Adopted

<sup>(5)</sup> Percentage of the issued share capital as at the record time of the Meeting, being 24,366,742 shares, each carrying one voting right.

It is established and recorded that the Meeting has adopted the resolution to reappoint Mr. Martijn Kleijwegt as a member of the Supervisory Board.

The Chairman moves to the next agenda item.

### **Agenda item 9 – Appointment of KPMG Accountants N.V. as Kiadis Pharma's external auditor for the financial year 2019**

The Chairman states that is proposed to appoint KPMG Accountants N.V. as Kiadis' external auditor for the financial year 2019.

Mr. Stevense notes that he believes it is quite late to appoint the external auditor for the financial year 2019 as it is the end of June already. He suggests appointing the external auditor for a period of two years in the future. The Chairman indicates that it is not possible to appoint KPMG for a period of two years in this Meeting, as this is not included in the agenda for this Meeting. The Chairman indicates that the suggestion of Mr. Stevense will be considered for the next annual general meeting of shareholders, however.

The Chairman asks if there are any further comments or questions in relation to the appointment of KPMG Accountants N.V. as external auditor.

As there are no further comments or questions, the Chairman proceeds to the vote on this agenda item.

The Meeting is requested to vote on the appointment of KPMG Accountants N.V. as the Company's external auditor for the financial year 2019.

Shareholders are requested to indicate their vote by raising their voting cards.

The voting results are recorded by the notary and are as follows:

# Votes cast	% Votes cast <sup>(6)</sup>	For	Against	Abstain	Result
5,962,903	24.47%	5,962,903	-	100	Adopted

<sup>(6)</sup> Percentage of the issued share capital as at the record time of the Meeting, being 24,366,742 shares, each carrying one voting right.

It is established and recorded that the Meeting has adopted the resolution to appoint KPMG Accountants N.V. as the Company's external auditor for the financial year 2019.

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The Chairman moves to the next agenda item.

### **Agenda item 10 – Authorization of the Management Board to have Kiadis Pharma repurchase shares**

The Chairman states that is proposed to authorize the Management Board, subject to the approval of the Supervisory Board, to have Kiadis repurchase shares for a period of 18 months from the date of the Meeting (i.e. up to and including 24 December 2020) by way of repurchase, via the stock exchange or otherwise, up to a maximum of 10% of the issued capital and for a consideration of at least EUR 0.01 per share and which may not exceed the average closing price on Euronext Amsterdam and Euronext Brussels during five consecutive trading days preceding the date of repurchase increased by 10%. If granted, the proposed authorization will replace the authorization granted to the Management Board on 4 June 2018.

The Chairman asks whether there are any comments or questions in relation to this authorization and observes that there are none. The Chairman proceeds to the vote on this agenda item.

Shareholders are requested to indicate their vote by raising their voting cards.

The voting results are recorded by the notary and are as follows:

# Votes cast	% Votes cast <sup>(7)</sup>	For	Against	Abstain	Result
5,962,903	24.47%	5,962,903	-	100	Adopted

<sup>(7)</sup> Percentage of the issued share capital as at the record time of the Meeting, being 24,366,742 shares, each carrying one voting right.

It is established and recorded that the Meeting has adopted the resolution to authorize the Management Board to have Kiadis repurchase shares.

The Chairman moves to the next agenda item.

### **Agenda item 11 – Any other business**

The Chairman asks if there are any additional comments or questions and observes that there are none.

The Chairman observes that there is no further business put forward to discuss.

### **Agenda item 12 – Closing**

The Chairman closes the Meeting at 10:43 CEST and thanks the attendees for their presence.



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Mr. Mark Wegter  
Chairman of the Meeting and Chairman of the Supervisory Board  
Date:

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Mr. René Rieter  
Secretary of the Meeting, civil law notary (*notaris*)  
Date:

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