PRESS RELEASE

# eureKING: launch of the first European SPAC in healthcare dedicated to biomanufacturing

- **A solid project with seven founders, initiated and supported by eureKARE SA, an investment company specialized in the fields of synthetic biology and microbiome.**
- **A capital raise of €150 million, which may be increased to €165 million if the extension clause is fully exercised.**
- **eureKING's ambition: to create a European bio-CDMO (Contract Development Manufacturing Organization) listed on Euronext Paris, a major player in the field of outsourcing of biopharmaceutical manufacturing.**
- **An international management team led by experts in the healthcare industry, 100% dedicated to the eureKING project and its development strategy.**

**Paris, France, May 9th, 2022** - Mr. Michael Kloss, Mr. Gérard Le Fur (acting through and on behalf of its controlled affiliate Red Blossom Consultants), Mr. Alexandre Mouradian, Mr. Christophe Jean, Mr. Hubert Olivier (acting through a dedicated internal fund organised in the context of a life insurance policy under management, with respect to the Units), Mr. Rodolphe Besserve (acting through and on behalf of its controlled affiliate Muiscare SAS) and eureKARE SA, a company specialized in the creation, financing and support of innovative biotech companies, **announced today the creation and launch of eureKING, the first European SPAC[1] in healthcare dedicated to bioproduction**.

**Michael Kloss, CEO and Co-Founder of eureKING**, comments: *"We are delighted to present today the strategy and ambition of eureKING, whose main mission will be to support the development in Europe of one of the most promising sectors of the healthcare industry. Biotherapies and technological innovations from biopharmaceutical companies are destined to become key products in the treatment of many serious diseases for which no medical solution exists today. These innovations, and especially companies wishing to develop new treatments using these technologies, need to benefit from efficient and almost immediate logistical and industrial support, capable of providing them in real time with the tools and production capacity necessary to pursue their clinical developments or to market their*

[1] *Special Purpose Acquisition Company*

*products. eureKING intends to assume this role today by bringing together within a single entity some of the most innovative European players in biomanufacturing and service to the biopharmaceutical industry in order to compete with the leading international CDMOs."*

**eureKING's ambition is to become a French bio-CDMO[2] listed on Euronext Paris and a major European player in the field of outsourcing of biopharmaceutical manufacturing and processing**, capable of meeting the logistical and manufacturing needs of biotech companies and the pharmaceutical industry while supporting the development of new innovative therapies, regardless of the size or clinical development stage of these companies and their products.

**To this end, eureKING, a French *société anonyme* incorporated in Paris, is launching today a €150 million capital raise, which may be increased to €165 million if the extension clause is exercised in full, in the context of its listing on the professional segment (*compartiment professionel*) of the regulated market of Euronext Paris.**

With this financing, eureKING intends to invest in and acquire companies specialized in the production and manufacturing of biopharmaceutical products for other companies in the healthcare industry mainly in Europe.

## A growing need to meet the production challenges of the biopharmaceutical industry, a new therapeutic paradigm for many serious diseases

Biopharmaceuticals, i.e. therapeutic products developed or derived from biological sources, represent a full-fledged and growing segment of the healthcare sector. The global biopharmaceutical market is estimated to be worth $331 billion[3], or approximately 20% of the global pharmaceutical industry market in 2021[4].

Often resulting from today's most sophisticated and advanced research and development efforts and backed by the technological and scientific progress made in recent years, biopharmaceutical products represent the new paradigm for the management and treatment of serious with significant medical needs, for which no "traditional" treatment has yet proven effective. This is reflected in the annual growth of this highly promising sector, which is expected to increase by 8% per year until 2026[5]. It is estimated that more than one third of new therapies in the coming years will use or be based on biological components. For example, in the cell or gene therapy segment alone, more than 200 companies are currently developing new generation products in Europe, a field in which the number of launches of this type of treatment worldwide has doubled in 2020 compared to 2015[6].

However, the clinical development of these biopharmaceutical products, and their worldwide commercialization post-validation of their therapeutic efficacy, requires the use of highly innovative technologies and processes, capable of ensuring the production of the biological raw materials essential to the manufacturing of these products. They can also contribute to the development and industrialization of a production line to ensure timely distribution to all their target markets.

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[2] *Contract Development and Manufacturing Organization*

[3] *Source: ResearchandMarkets – Global Biopharma market (CAGR 2021-2026)*

[4] *Source: https://www.worldpharmatoday.com/industry-reports/global-drug-market-will-reach-nearly-1-5-trillion-in-2021/#:~:text=Global%20Drug%20Market%20Will%20Reach,in%202021%20%7C%20World%20Pharma%20Today*

[5] *Source: ResearchandMarkets – Global Biopharma market (CAGR 2021-2026)*

[6] *Source: McKinsey, H1 2021 report of Alliance for Regenerative Medicine*

Only a small proportion of biopharmaceutical industry players are currently able to carry out this process in-house. The acceleration of clinical development, the continuous discovery of new therapeutic technologies and the increase in the number of small companies specializing in the development of new biopharmaceutical products have underscored the need for companies with expertise in these biomanufacturing processes at all stages of clinical development, marketing and the life cycle of a product.

## Bioproduction in Europe: a highly fragmented and booming sector

Leading companies capable of meeting this need, the CDMOs (Contract Development and Manufacturing Organization), are experiencing very strong growth, particularly in the field of biopharmaceutical production.

Over the last five years, the production and manufacturing of half of all New Molecular Entities[7] has been outsourced to CDMOs. The global market for CDMOs specializing in the production of biopharmaceuticals (or bio-CDMOs), estimated at $13 billion in 2020, is expected to reach $25 billion by 2025, with an annual growth rate of 14%.

CDMOs are involved in every stage of product development, from the earliest clinical phases (production of active ingredients and clinical samples) to commercialization (industrialization, formulation and commercial production). A CDMO who has followed a product throughout its development has very specific, highly qualified know-how, enabling it to support the production of a drug throughout its life cycle.

Despite its strong growth, the bio-CDMO sector remains highly fragmented: a quarter of the global market is currently held by five major players in the industry[8], while the rest is shared between more than a thousand companies, half of which have sales of less than $50 million. In addition, the main bio-CDMOs focus on large-scale industrial processes, in the advanced phase of clinical development or during the marketing of the product, often following a technology transfer from a smaller player, running the risk of delay or non-compliance for the pharmaceutical developer.

The rapid growth of the biotherapeutics sector has created a significant need for new services capable of ensuring the rapid and efficient production of these therapeutic innovations, regardless of their stage of clinical development. In Europe, eureKING intends to respond to this need by leading the consolidation of the bio-CDMO sector in order to create a financially strong, ultra-specialized entity capable of meeting the specific needs of healthcare companies specialized in these cutting-edge technologies, close to its customers and able to support them along the phases of their growth.

## A strategy of acquisitions and development in three key segments of the biopharmaceutical industry

In order to anchor its unique know-how, capable of broadly covering the needs of the biopharmaceutical industry, eureKING intends to target in its acquisitions companies specializing in three highly innovative, fast-growing segments at the origin of the most recent biotherapies:

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[7] *According to the U.S. FDA, New Molecular Entities (NMEs) are drug candidates containing a molecule or an active function never before approved by regulatory authorities or marketed.*

[8] *Lonza, Boehringer Ingelheim, WuXi Biologics, Catalent and Samsung Biologics share 27% of the market - Source: 2019 annual results of Wuxi Biologics*

- **The production of biological products**, i.e. the manufacturing of drugs using living cells. Although highly competitive, this fast-growing market (143 products approved by the FDA between 2010 and 2020 compared to only 48 between 2000 and 2010)[9] represents a portfolio of more than 1400 biological products and compounds in development[10]. eureKING intends to focus on the most dynamic and specialized niches, in particular the new generations of monoclonal antibodies or complex proteins, and to follow the dynamic of using smaller bioreactors through a decentralized approach.

- **The production of cell and gene therapies**, two rapidly expanding innovative therapeutic approaches that are expected to continue to grow strongly over the next decade. Estimated to reach $3 billion by 2020, this sector has seen a marked acceleration in the last two years with the rapid development of messenger RNA products and the approval of the first COVID-19 vaccines.

- **The production of live biotherapeutics**, or LBPs[11], a new generation of biotherapeutics specifically targeting disorders and pathologies of the gut microbiome, which is made up of all the bacteria and microorganisms present in the intestine. More than 800 biotech companies worldwide are currently pursuing clinical development programs in this sector[12]. In Europe, only 5 CDMO companies are able to provide biomanufacturing services related to the clinical evaluation and marketing of these products[13].

eureKING intends to use the funds raised to rapidly acquire a European CDMO company specialized in one of these three target segments, **from a selection of some 40 potential targets already identified.**

**The investment criteria are as follows:**

- A quality company with long-term sustainable growth potential and solid experience in its field;
- A clear path to growth and opportunities for consolidation in different sub-segments of the original business;
- Platforms that can be scaled up and diversified, with clear value creation plans to drive profitable growth;
- Strong management teams, with whom it will be possible to form a true partnership to accelerate growth and value creation;
- An enterprise value comprised between €200 and €500 million (and, in the case of the first acquisition, with a market value of at least 75% of the proceeds of the fundraising); and
- Broad CSR principles to support the management team in the success of its transformation process.

[9] *Source: https://www.nature.com/articles/s41587-021-00814-w?proof=t+target%3D*
[10] *Source: BioProcess International report of Nov-2020*
[11] *Live Biotherapeutic Products*
[12] *Source: The Microbiome Drug Landscape report: Promising clinical performance and signs of a maturing industry - Sandwalk Ventures*
[13] *Source : https://www.rootsanalysis.com/reports/view_document/microbiome-contract-manufacturing/306.html*

The SPAC will then diversify its offer with a second or even a third acquisition in Europe in one of the two other target segments, in order to consolidate its position as a major European player in the sector. Beyond that, eureKING will pursue this acquisition strategy in order to provide European biopharmaceutical industry players with a wide range of quality services, meeting all their needs with a specific focus on the earliest phases of clinical development.

EureKING is currently engaged in the early stages of a competitive, confidential, bidding process for a potential acquisition. Namely, eureKING has sent a non-binding letter of intent on April 27, 2022 for the acquisition of 100% of the share capital of a target that is fully within the target sector (See "Proposed Business—Key Investment Highlights"). EureKING has been informed that it will be invited to participate to the due diligence phase of the process. It has no information as to the number of other potential bidders.

This letter of intent is "non-binding" in the sense that, while it is proposing a valuation range for the target and an indicative offer and financing structure (which includes, as is traditionally the case in "de-SPACing" transactions, a capital increase), it is subject to the satisfactory results of the due diligence, the negotiation of full acquisition and financing documentation and regulatory approvals. In other words, eureKING could at any time unilaterally decide to withdraw its proposal, even if it would have been accepted by the sellers.

If eureKING decides to pursue this opportunity after completion of the due diligence, it will have to submit a binding offer on May 31st, as per the calendar set by the sellers. In this respect, it should be noted that neither the Company, nor any of the limited number of members of its management that are involved in this process, has had any prior discussions with the target or its selling shareholders, in particular on the calendar. At this stage, the following persons within eureKING are aware of this process, by reason of their role within the company (and eureKARE): Mr. Kloss, the CEO (and Founder), Mr. Berchtold, the CFO (and Cornerstone Investor), Mr. Eckenberg, the CTO and Mr. Besserve, observer on the Board of directors and CEO of eureKARE (and Founder).

Following completion of the Offering, MM Kloss, Berchtold and Besserve will hold Founders' Shares, Founders' Warrants and Market Shares and Market Warrants they will have acquired in the Offering.

There is absolutely no guarantee that the Company will be successful in acquiring this target. Indeed, at this stage, it is impossible to assign any probability to a positive outcome and, therefore, investors should not consider it material for making an informed assessment of the merits of an investment in the Company.

## Seven founders and a management team entirely dedicated to the eureKING project, supported by a Board of Directors of internationally renowned experts.

eureKING has seven founders with diverse and complementary backgrounds in healthcare and finance (the "**Initial Founders**"):

- **Mr. Michael Kloss**, Chief Executive Officer of eureKING, former Chairman and CEO of Panasonic Healthcare and former Chairman and CEO of Ascencia Diabetes Care,
- **Mr. Gérard Le Fur** (acting through and on behalf of his controlled affiliate named Red Blossom Consultants), former CEO of Sanofi-Aventis,
- **Mr. Alexandre Mouradian**, co-founder of eureKARE, President of the Mouradian Foundation,

- **Mr. Christophe Jean**, Strategic Partner of the private equity fund Oraxys Environment 2, who has held several executive positions in major pharmaceutical groups such as Novartis, Ipsen and Pierre Fabre,
- **Mr. Hubert Olivier** (acting through a dedicated internal fund organised in the context of a life insurance policy under management, with respect to the Units), President for France and Belgium of the McKesson medical group, Chairman of OCP Répartition, Chairman of the *Chambre Syndicale de la Répartition Pharmaceutique*, former Vice-Chairman of GEMME *(l'association GEnérique Même Médicament*) and former Chairman and CEO of Teva Santé France,
- **Mr. Rodolphe Besserve** (acting through and on behalf of his controlled affiliate named Muiscare SAS) CEO of eureKARE, former Managing Director at Société Générale Corporate and Investment Banking; and
- **eureKARE SA**, the first European network of biotech studios specialized in the creation, financing and support of innovative biotech companies, particularly in the fields of synthetic biology and microbiome. eureKING will benefit from the technology watch and expertise of eureKARE SA's pan-European team, which will be represented on the Board of Directors by **Ms. Kristin Thompson**.

EureKING is further supported by a management team surrounding **Mr. Michael Kloss**. The team is fully dedicated to the project and the development of its acquisition and growth strategy. It includes Mr. Stefan Berchtold (former Head of Financial Planning and Analysis at Panasonic Healthcare Group) as CFO of eureKING, and **Mr. Peter Eckenberg** (former Chief Scientific Officer of Pacific Diabetes Technologies) as Director of Strategy and Transformation of eureKING.

EureKING will also rely on the know-how and experience of the members of its Board of Directors, chaired by **Mr. Gérard Le Fur**, former CEO of Sanofi-Aventis and co-founder of eureKING, and four other co-founders or their representatives (**Mr. Michael Kloss**, **Ms. Kristin Thompson**, **Mr. Christophe Jean**, **Mr. Hubert Olivier**) and five independent members (**Ms. Anne Marieke Ezendam**, **Ms. Carri Duncan**, **Ms. Benedicte Garbil**, **Ms. Pascale Augé** and **Ms. Lily Geidelberg**).

## Offering terms

As part of this transaction, eureKING is offering 15 million Units (*actions de préférence stipulées rachetables assorties de bons de souscription d'actions ordinaires de la société rachetables*) for a subscription price of 10 euros each, which may be increased to up to 16.5 million Units if the extension clause is exercised in full. The offering will be directed solely toward qualified investors (*investisseurs qualifiés*) as defined in Article 2, point (e) of Regulation (EU) 2017/1129 or other investors who do not meet this criteria but number less than 150, all in accordance with Article L. 411-2, 1° of the French *Code monétaire et financier*, inside or outside of France, and who belong to one of the following three categories:

a) qualified investors investing in companies and businesses operating in the biomanufacturing industry; or
b) qualified investors meeting at least two of the three following criteria set forth under Article D. 533-11 of the French *Code monétaire et financier*, i.e. , (i) a balance sheet total equal to or exceeding 20 million euros, (ii) net revenues or net sales equal to or exceeding 40 million euros, and/or (iii)shareholders' equity equal to or exceeding two million euros; or
c) investors in Units who are otherwise investing in Founders' Units.

It is understood that the orders placed by these investors must be for a minimum amount of 50,000 Euros.

Each Unit consists of one redeemable preferred share ("**Preferred Shares**") and one redeemable ordinary share warrant ("**Warrants**", together representing one "**Unit**"). Two Warrants give the right to subscribe to one new ordinary share of eureKING for an exercise price of 11.50 euros. The Warrants will be exercisable as from the date of completion of the initial business combination ("**IBC**") and until the first (1st) business day after the fifth (5th) anniversary of the Initial Business Combination Completion Date or earlier upon redemption or liquidation, as the case may be.

eureKING has applied for the admission of the Preferred Shares and the Warrants to trading on the professional segment (*compartiment professionnel*) of the regulated market of Euronext Paris and will be traded separately under the respective symbols “KINGS” and “KINGW”

The offer period begins today, May 9, 2022, and is expected to end on May 10, 2022. The offering period may be shortened or extended without notice at any time. If the offering period is shortened or extended, the new settlement delivery and admission to trading dates will be made public by a press release issued by the company and a notice published by Euronext.

The results of the offering (including the final amount of the offering) are expected to be announced on May 10, 2022, and the settlement delivery of the offering is expected to occur on May 12, 2022, with the Preferred Shares and the Warrants starting to trade on the same day.

Concomitantly to the offering, the Initial Founders, who already hold 4,103,000 ordinary shares of the company, will subscribe - as part of a reserved capital increase – for 507,000 (which may be increased to 551,700 in case of full exercise of the extension clause) ordinary shares together with redeemable warrants to subscribe for ordinary shares of the company, for an amount of 5.07 million euros (which may be increased to 5.517 million euros in case of full exercise of the extension clause). eureKARE will subscribe to 390,000 additional Founders’ Units at a price of €10.00 per Founders’ Unit corresponding to the overfunding subscription to cover the Redemption Premium (as defined below)), in a reserved issuance that will occur simultaneously with the completion of the Offering. In addition, if the Extension Clause is exercised in full, eureKARE will also subscribe up to 45,000 additional Founders’ Units at a price of €10.00 per Founders’ Unit (corresponding to the overfunding subscription to cover the Redemption Premium (as defined below)).

All these ordinary shares, which will be converted, together with the others eureKING ordinary shares, into preferred shares of three different classes upon settlement (the “**Founders Shares**”), as well as the redeemable warrants (the “**Founders Warrants**”) held by the Founders, will not be admitted to trading. On the completion date of the IBC, the Preferred Shares held by the shareholders of the company who have not requested the redemption of their Preferred Shares, as well as 50 percent of the Founders shares, will automatically be converted into ordinary shares and such ordinary shares will be admitted to trading. The remaining Founders Shares will be converted into ordinary shares and admitted to trading subject to the eureKING share price reaching a certain level (respectively 12 euros and 14 euros).

In addition, The Initial Founders and Cornerstone Investors are expected to participate to the Offering, for an amount of €20 million (subject to reduction in case of oversubscription to the Offering).

Immediately after the Offering and assuming no exercise of the extension clause, the Founders will hold in the aggregate a number of shares representing up to 35.00% of the capital (25.00% for the Founders' Shares and 10.00% for the Founders' Market Shares (as defined in the Prospectus)) and of the voting rights of the company. The Founders' Market Shares (and the Founders' Market Warrants (as defined in the Prospectus)) will not be transferable until they are converted into Ordinary Shares or exercised for Ordinary Shares following the IBC (excluding Founder Market Shares held by Cornerstone Investors).

Immediately after the settlement and delivery of the Offering, pursuant to a promote transfer agreement, eureKARE will sell to VTT Fund Ltd, Aroma Health AG, Lagfin S.C.A., Lussemburgo, succursale di Paradiso, JAM Invest Sàrl, Jacques Lewiner (acting through and on behalf of his controlled affiliated entity named SC LEV), Guillaume Destison and Stefan Berchtold (the "**Cornerstone Investors**", and, together with the Initial Founders, the "**Founders**"), 2,095,775 of its Founders' Shares, and 249,428 Founders' Warrants (or in case of exercise of the Extension Clause in full, 2,305,353 of its Founders' Shares and 274,371 Founders' Warrants).

The Founders will be bound by lock-up undertakings, subject to limited exceptions, until the completion of the IBC. From the completion of the IBC, the Founders will be bound by lock-up undertakings, subject to limited exceptions, to be released until the earlier of 1 year after completion of the IBC, which may be reduced to six months depending on the performance conditions of the trading price of eureKING.

After completion of the Offering, the Company will transfer an amount corresponding to 103% of the gross proceeds of the Offering into secured deposit accounts. The funds held in the secured deposit accounts will only be released if and only if the Company completes the IBC or if it is liquidated.

## IBC deadline and approval, repurchase and liquidation

The Company will have 15 months from the listing date of the Preferred Shares and the Warrants to complete the IBC. Otherwise, the assets of the Company will be liquidated and substantially all of the liquidation surplus, after satisfaction of creditors' claims, will be distributed to its shareholders and to its Founders in accordance with an order of priority, as set forth in the Company's Articles of Association and the Prospectus.

The contemplated IBC will require an affirmative vote of the Board of Directors of eureKING, deciding at the majority of the members composing the Board of Directors, including approval by a two-third majority of the independent members composing the Board of Directors (the "**Required Majority**"). Following this approval, the Company will publish a notice describing the IBC (the "**IBC Notice**").

Following the IBC, the Company will then redeem the Preferred Shares held by the shareholders who will request for such a redemption within a 30 calendar days period following the IBC Notice, subject to compliance with the conditions set forth in the Company's Articles of Association and the Prospectus. Redeeming Market Shareholders (except for the Cornerstone Investors who will forgo their right to a redemption premium) will be entitled to a redemption premium equal to €0.30 per Preferred Share in addition to a redemption amount of €10.00 per Preferred Share (the "**Redemption Premium**").

## About eureKING:

Founded in March 2022, eureKING is a French SPAC (Special Purpose Acquisition Company) formed with the aim of acquiring European companies in the field of biomanufacturing, with the ambition of creating a leading bio-CDMO in Europe capable of meeting the growing outsourcing needs of this industry.

eureKING has chosen to focus on three highly specialized and strategic segments of the biopharmaceutical industry: the production of biologics, in particular new generations of monoclonal antibodies or complex proteins, the production of cell and gene therapies and the production of live biotherapeutics (with applications in the microbiome).

Led by an international management team of experienced healthcare industry talent, 100% dedicated to the eureKING project and its development strategy, and supported by a Board of Directors with complementary skills in the pharmaceutical and financial fields, eureKING aims at developing and promoting the promising biomanufacturing sector in Europe on an international scale.

**For more information:** www.eureking.com

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## Disclaimer

This press release is not a prospectus but an advertisement provided for information purposes only. It does not constitute and should not be deemed to constitute an offer to the public of securities by eureKING, nor a solicitation of the public relating to an offer of any kind whatsoever in any country, including France.

A prospectus (the "**Prospectus**") has been approved by the Autorité des marchés financiers (AMF) on May 6, 2022 under no.22-134 solely for the purpose of listing of eureKING securities on the professional segment (*compartiment professionnel*) of the regulated market of Euronext Paris. A copy of the Prospectus is available on the AMF's website (www.amf-france.org) and on eureKING's website (www.eureking.com) and may be obtained free of charge from eureKING.

Potential investors should review the risk factors described in the Prospectus.

Investors should not subscribe for or purchase any securities referred to in this press release except on the basis of the information contained in the Prospectus.

The distribution of this press release may be subject to legal or regulatory restrictions in certain jurisdictions. Any person who comes into possession of this press release must inform him or herself of and comply with any such restrictions.

*Prohibition of sales to European Economic Area, U.K. and Swiss retail investors*

The Units (*actions de préférence stipulées rachetables assorties de bons de souscription d'actions ordinaires de la société rachetables*) are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"), the United Kingdom (the "**U.K**.") or Switzerland.

For the purpose of the present press release, a "**retail investor**" means a person who is one (or more) of the following:

a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**");
b) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of U.K. domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**");
c) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**") where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II;
d) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of U.K. domestic law by virtue of the EUWA (the "**U.K. MiFIR**");
e) not a qualified investor as defined in Article 2(e) of the regulation (EU) 2017/1129 of 14 June 2017 (as amended, the "**Prospectus Regulation**"), including as it forms part of U.K. domestic law by virtue of the EUWA;
f) a retail client as defined in Article 4 Paragraph 2 of the Swiss Federal Act on Financial Services ("**FinSA**"), i.e. not a professional client as defined in Article 4 Paragraph 3 of FinSA.

g) A professional client that has opted in to be treated as a retail client pursuant to Article 5 Paragraphe 5 of FinSA.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**"), including the PRIIPS Regulation as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPS Regulation**"), for offering or selling the Units or otherwise making them available to retail investors in the EEA, in the U.K. or in Switzerland has been prepared and therefore offering or selling the Units or otherwise making them available to any retail investor in the EEA, in the U.K. or in Switzerland may be unlawful under the PRIIPs Regulation the UK PRIIPS Regulation[, or the FinSA.

*MIFID II and U.K. MiFIR product governance*

Solely for the purposes of the manufacturer's product approval process, the EEA target market assessments (the "**EEA Target Market Assessments**") have led to the conclusion that:

a) in respect of the Units:

i. the target market is eligible counterparties and professional clients only, each as defined in MiFID II; and

ii. all channels for distribution to eligible counterparties and professional clients are appropriate;

b) in respect of the Preferred Shares and the Warrants:

i. the target market is retail investors, and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and

ii. all channels for distribution to eligible counterparties and professional clients are appropriate.

Solely for the purposes of each manufacturer's product approval process, the U.K. target market assessments (the "U**.K. Target Market Assessments**") have led to the conclusion that:

a) in respect of the Units:

i. the target market is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined U.K. MiFIR; and

ii. all channels for distribution to eligible counterparties and professional clients are appropriate;

b) in respect of the Preferred Shares and the Warrants:

i. the target market is (a) retail clients, as defined in point (8) of Article 2 of the Prospectus Regulation as it forms part of U.K. domestic law by virtue of the EUWA, (b) investors who meet the criteria of professional clients as defined in U.K. MiFIR and (c) eligible counterparties as defined in the COBS; and

ii. all channels for distribution to eligible counterparties and professional clients are appropriate.

Notwithstanding the EEA Target Market Assessments and the U.K. Target Market Assessments, distributors should note that: the price of the Preferred Shares and the Warrants may decline and investors could lose all or part of their investment; the Preferred Shares and the Warrants offer no guaranteed income and no capital protection; and an investment in the Preferred Shares and/or the Warrants is compatible only with investors who do not need 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 resources to be able to bear any losses that may result therefrom.

The EEA Target Market Assessments and the U.K. Target Market Assessments are without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offering.

For the avoidance of doubt, the EEA Target Market Assessments and the U.K. Target Market Assessments do not constitute: (a) assessments of suitability or appropriateness for the purposes of MiFID II or COBS or (b) recommendations to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Units, the Preferred Shares or the Warrants.

Each distributor is responsible for undertaking its own target market assessments in respect of the Units, the Preferred Shares and the Warrants and determining appropriate distribution channels.

*France*

In France, any offer of eureKING securities is addressed solely to investors acting for their own account and in accordance with the provisions of Article L. 411-2, 1° of the French *Code monétaire et financier*.

*United Kingdom*

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