



ARTICLES OF ASSOCIATION OF VALARTIS GROUP AG

Approved by the Ordinary Annual General Assembly of 19 May 2020.

The English Articles of Association are a translation of the German original.
Only the German original is legally binding.

ARTICLES OF ASSOCIATION OF VALARTIS GROUP AG

I. Name, registered office and Purpose of the Company

Art. 1

Valartis Group AG is a public limited company with its registered office in Fribourg (FR)

Art. 2

The purpose of the Company is the acquisition, sale and management of investments in Switzerland and abroad.

The Company may engage in all transactions which are suitable to promote this corporate purpose directly or indirectly.

It may acquire, encumber and sell real estate.

II. Share Capital and Shares

Art. 3

The share capital of the Company is CHF 4,299,295.00, divided into 4,299,295 registered shares with a nominal value of CHF 1.00 each.

The share capital is fully paid up.

Art. 4

Subject to the following provisions, the registered shares of the Company are issued as uncertificated securities and held as intermediated securities. The Company may withdraw shares held as intermediated securities from the custodian system.

Dispositions of intermediated securities, including the provision of collateral, are subject to the Intermediated Securities Act.

Shareholders may at any time request the Company to issue a certificate for their registered shares. However, shareholders have no right to demand the printing and delivery of certificates or the conversion of registered shares issued in a certain form into another form. The Company, on the other hand, may at any time issue certificates (individual certificates or share certificates) or convert uncertificated securities and certificates into another form as well as cancel issued certificates which are delivered to it.

Art. 5

The Company shall keep a share register of the registered shares in which the names, addresses and nationalities (in the case of legal entities, the registered office) of the owners and usufructuaries, insofar as they are entitled to voting rights, shall be entered.

The entry in the share register requires proof of the acquisition of the shares in due form and in accordance with the articles of association. In relation to the company, only those persons entered in the share register as shareholders shall be deemed to be shareholders.

The board of directors may, after hearing the person concerned, delete entries in the share register with retroactive effect to the date of registration if such entries were made as a result of false information provided by the acquirer. The shareholder concerned must be informed of the deletion without delay.

The board of directors shall make the necessary arrangements for the management of the share register and may issue corresponding regulations or guidelines. It may delegate its duties.

In the invitation to the General Meeting of Shareholders, the Board of Directors shall state the record date for registration in the share register, which is decisive for the right to participate and vote.

Art. 6

By amendment of the Articles of Association, registered shares may be converted into bearer shares or bearer shares into registered shares at any time. Furthermore, by amendment of the Articles of Association, shares may be merged into shares with a larger nominal value and divided into shares with a smaller nominal value.

Art. 7

An acquirer of shares in the Company is not obliged to make a public purchase offer pursuant to Articles 135 and 163 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading.

III. Governing Bodies of the Company

Art. 8

The governing bodies of the Company are:

- A. The General Assembly
- B. The Board of Directors and its Committees, in particular the Remuneration Committee
- C. The Executive Management
- D. The Auditors

A The General Assembly

Art. 9

The supreme body of the Company is the General Meeting of Shareholders. It shall have the powers designated by law.

Art. 10

The General Meeting of Shareholders is convened by the Board of Directors at least 20 days prior to the date of the meeting, stating the agenda and proposals.

The invitation is issued by means of a single announcement in the official publication of the Company.

Convening of a Shareholders' Meeting may also be requested in writing with information as to the agenda items and motions submitted by one or more Shareholders who together represent at least one tenth of the share capital.

One or more shareholders who together represent at least 3 percent of the share capital may request in writing that an item be included on the agenda of a general meeting of shareholders, stating the item and the proposals, provided that this request is received by the Company at least 45 days before the general meeting of shareholders.

Art. 11

The ordinary annual Shareholders' Meeting shall take place annually within 6 months after completion of the financial year; Extraordinary Shareholders' Meetings will be convened as required.

Art. 12

At the Shareholders' Meeting each share has one vote.

Proxy voting is permitted with the exception of representation of governing bodies and depositary voting rights. The Board of Directors shall decide about the acceptance of the Powers of Attorney.

Art. 13

The powers and organisation of the Shareholders' Meeting shall be determined by law provided the Articles of Association do not specify otherwise.

B. The Board of Directors

Art. 14

The Board of Directors shall deal with all matters which are not reserved to another corporate body by law or by these Articles of Association.

It shall specify the authorised signatories and the type of signatory power.

Art. 15

The Board of Directors shall consist of at least three members.

The members of the Board of Directors and the Chairman are to be elected by the General Assembly for a term of 1 year, i.e. up to and including the first Annual General Meeting following their election. The members of the Board of Directors are elected individually. Re-election is permitted.

If the chair is vacant, the Board of Directors appoints one of its members to fill the vacancy until the end of the next Annual General Meeting. In the event a member withdraws before the expiration of his period of office, the next Shareholders' Meeting shall elect a replacement. Should the number of members of the Board of Directors drop below the minimum number, an Extraordinary Shareholders' Meeting is to be held within a reasonable period for holding additional elections.

The member elected as a replacement shall serve the term of office of his predecessor.

Art. 16

The Board of Directors shall organise itself subject to the Articles of Association and to law.

Art. 17

Subject to the reservation of non-transferable and irrevocable powers and Article 24, parts of the duties of the Board of Directors may be transferred to individual members (Delegates), to a group of members (Committees) or to third parties. Details are to be regulated in the Organisational Regulations.

Art. 18

Convening of the Board of Directors is done by the Chairman, or in the event of his prevention from doing so, by the Vice-Chairman so often as business requires; in addition upon request of one of its members or the Auditors.

The Board of Directors shall meet at least once a quarter.

Art. 19

The Board of Directors shall be capable of passing resolutions when the majority of its members are present.

A presence quorum is not required when the Board of Directors must exclusively decide about determinations and modifications to the Articles of Association in connection with a capital increase.

Art. 20

Resolutions shall be passed by the absolute majority of members present. In the event of a tie, the Chairman shall decide.

Resolutions may be passed regarding a submitted motion by means of written or telexed/telefaxed voting provided that no member of the Board of Directors objects to this procedure; the majority of all members must approve these resolutions.

Art. 21

Minutes shall be taken regarding the discussions of the Board of Directors. The Secretary is designated by the Board of Directors. He doesn't need to be a member of the Board of Directors. The minutes must be signed by the Chairman and the Secretary.

Art. 22

The Company and companies directly or indirectly controlled by it may conclude contracts on compensation with members of the Board of Directors. Duration and termination of said contracts shall be determined by the term of office and by law.

Art. 23

No member of the Board of Directors may assume more than 15 additional appointments, of which no more than 5 may be in publicly listed companies. The Chairman of the Board of Directors must be informed of these additional appointments.

This restriction does not include:

- a) Appointments at companies controlled by the Company or which control the Company.
- b) Appointments that a member of the Board of Directors assumes in the interest of the Company or in the interest of companies controlled by the Company.
- c) Appointments at companies that are not obliged to be registered with the Swiss commercial register

or with equivalent foreign commercial registers.

Appointments at various legal entities which are controlled by the same entity, or which are subject to the same beneficial owner, are counted as a single appointment.

Art. 24

The Board of Directors has a Compensation Committee. The Compensation Committee consists of at least 3 members of the Board of Directors, each of whom is elected individually by the Annual General Meeting for a term of one year, i.e. until and including the first Annual General Meeting following their election. Re-election is permitted. If one or more members leave the Board of Directors or if the remuneration committee is not fully staffed, the Board of Directors designates the missing members from among its members until the conclusion of the next Annual General Meeting.

The Compensation Committee shall constitute itself and shall designate one of its members as Chairman of the Compensation Committee, provided that the Chairman of the Board of Directors shall not hold the office of Chairman of the Compensation Committee.

The Compensation Committee assists the Board of Directors in developing and reviewing the compensation strategy, policies and performance targets of the company and in preparing proposals to the Annual General Meeting regarding the compensation of the Board of Directors and the Executive Committee. It may also submit proposals to the Board of Directors on other compensation related matters.

The Board of Directors shall determine in the organisational regulations (i) for which positions in the Executive Committee (after consultation with the CEO or the Board of Directors' delegate) and in the Board of Directors the Compensation Committee makes proposals regarding compensation and (ii) for which positions the Compensation Committee shall determine such compensation in accordance with the Articles of Incorporation and the compensation policies established by the Board of Directors.

The Board may delegate other tasks and responsibilities to the Compensation Committee. Details are set out in the organisational regulations.

C. The Executive Management

Art. 25

The Board of Directors delegates the management of the Company to the Executive Management, subject to the provisions of the Articles of Association and the Organisational Regulations. The Board of Directors may select a person from amongst themselves to be given the responsibility of managing the Corporation. Only natural persons can be elected to the Executive Management.

The Company or companies controlled by it may conclude contracts on Compensation with members of the Executive Management. Fixed-term employment contracts run for a maximum period of 1 year. Permanent employment contracts are subject to a maximum notice period of 1 year.

No member of the Executive Management may assume more than 5 additional appointments, of which no more than 1 may be in publicly listed companies. Any such additional appointment is subject to the prior approval of the Board of Directors.

This restriction does not include:

- a) Appointments at companies controlled by the Company or which control the Company.
- b) Appointments that a member of the Executive Management assumes by order of the Company or by

order of companies controlled by the Company.

c) Appointments at companies that are not obliged to be registered with the Swiss commercial register or with equivalent foreign commercial registers.

Appointments at various legal entities which are controlled by the same entity, or which are subject to the same beneficial owner, are counted as a single appointment.

D. The Auditors

Art. 26

The Shareholders' Meeting shall elect for each business year one or more individuals or legal entities as Auditors.

The rights and duties of the Auditors are determined by the provisions of the law.

IV. Compensation

Art. 27

The members of the Board of Directors are entitled to (a) a fixed compensation, which (i) is determined according to the duties and functional responsibilities of the Board members and (ii) is independent of business performance, and (b) for executive members of the Board of Directors, a variable compensation component (bonus). The variable compensation component is determined taking due account of the individual performance and the performance of the Company as a whole. The variable compensation may be paid in cash or in the form of equity securities of the Company. The performance targets and the type of compensation (i.e. cash and/or equity securities) are determined by the Board of Directors upon proposal of the Compensation Committee. With regard to equity compensation, the Board of Directors shall determine the terms and conditions of the allocation, which shall be at market price and shall in particular provide for holding or vesting periods.

Art. 28

The members of the Executive Committee are entitled to (a) a fixed compensation, which (i) is calculated according to the duties and functional responsibilities of the person concerned and (ii) is independent of business performance, and (b) a variable compensation (bonus).

The variable compensation component shall be determined with due regard to the individual performance of the employee of the business concerned and the performance of the Company as a whole. The variable compensation may be paid in cash or in the form of equity securities of the Company. The performance targets and the type of remuneration (i.e. cash and/or equity securities) are determined by the Board of Directors upon proposal of the Compensation Committee.

With regard to the equity compensation, the Board of Directors shall determine the terms and conditions of the allocation, which shall be at market price and shall in particular provide for holding or vesting periods.

Art. 29

There is an additional amount which may be used by the Company or companies controlled by it for the compensation of members of the Executive Committee who are only appointed after the maximum total compensation for the Executive Committee has been approved. The additional amount may also be used to pay compensation for disadvantages suffered by a new member of the Executive Committee due to a

change of employer. The additional amount may only be used if the total compensation approved by the general meeting for the Executive Committee is not sufficient for the compensation of the new members until the next vote by the general meeting.

The additional amount per compensation period shall not exceed 40 percent of the maximum total amount of the compensation of the Executive Committee as last approved.

Art. 30

The General Meeting of Shareholders votes on the proposals of the Board of Directors regarding the following maximum total amounts individually:

- a) the compensation of the Board of Directors (excluding bonuses payable to the members of the Board of Directors) for the period until the next Annual General Meeting;
- b) the compensation of the Executive Committee (excluding bonuses payable to members of the Executive Committee) for the coming financial year;
- c) the bonuses payable to the members of the Board of Directors for the previous financial year; and
- d) the bonuses payable to the members of the Executive Committee for the previous financial year.

The Board of Directors may submit proposals to the Annual General Meeting regarding the maximum total amounts and/or the individual compensation components for other periods and/or the payment of additional amounts for exceptional performance of individual or all members of the Executive Committee or the Board of Directors.

Art. 31

Compensation to members of the Board of Directors or the Executive Committee for services rendered to companies directly or indirectly controlled by the Company is permitted. These compensation are included in the total compensation of the Board of Directors or the Executive Committee to be approved by the Annual General Meeting.

Loans to members of the Board of Directors and the Executive Committee may only be granted if the amount of the loan is in line with market practice for banks and the applicable internal guidelines of the Company. The total amount of outstanding loans per member of the Board of Directors or the Executive Committee shall not exceed CHF 5 million.

V. Closing of the accounts and appropriation of available earnings

Art. 32

The Company's financial year covers the period from 1 January to 31 December of the same year.

Art. 33

The Annual Report (annual financial statements including notes and management report), the audit report, the compensation report and any consolidated financial statements must be prepared in accordance with the legal requirements and shall be made available for review by the shareholders at the registered office of the Company and at any branch offices during the 20 days prior to the Annual Shareholders' Meeting.

Within the framework of the legal requirements, the General Meeting of Shareholders decides on the appropriation of available earnings.

VI. Dissolution

Art. 34

The Shareholders' Meeting can at any time decide to dissolve the Company and to have the liquidation carried out by the Board of Directors or a third party.

VII. Announcements

Art. 35

Announcements of the Company are made in the Swiss Commercial Gazette (SHAB). The Board of Directors may designate additional publications.

Announcements made by the Company to shareholders are to be made via the official publications of the Company. They may also be made via letters or by e-Mail to the addresses listed in the share register.

Zurich, 19 May 2020