Annual Report 2020

Transforming Women's Health Through Innovation

mithra
Women's Health

Contents

Activity report

Corporate Governance and Financial Statements

ACTIVITY REPORT

1

Letter to shareholders

Dear Shareholders,

2020 was a year of significant progress for Mithra as we delivered on our operational commitments and strengthened our financial structure despite the challenging Covid-19 pandemic. We are proud of the resilience shown by Mithra and its teams during this extraordinary year.

Major advances for the Estetrol platform

We could not have chosen a more symbolic date than March 8, 2021, International Women's Rights Day, to obtain our first marketing authorization for the Estelle® contraceptive pill based on our main asset Estetrol. Two weeks later, it was the turn of the European Medicines Agency (EMA) to give a positive opinion. Finally, on April 15, we received approval for the US market. A real achievement for a biotech, after many years of work. We have also expanded our global coverage with new commercial agreements with Gedeon Richter for Latin America, the third largest market worldwide, as well as with new partners for Australia, Hong Kong, Taiwan and North Africa.

Regarding our new generation hormone treatment Donesta®, we have redoubled our efforts to ensure the smooth continuation of the Phase III clinical program under the known health conditions. Patient recruitment should be finalized during the first half of this year.

If it shook us all in our daily life, the world pandemic also particularly nourished the scientific researches and the pharmaceutical developments. In the wake of several international studies having demonstrated the protective effect of estrogens against this type of virus, Mithra has launched a phase II study to examine the effect of Estetrol on the immune, inflammatory and vascular response of patients infected by Covid-19. The first results of this "Coronesta" study are expected early in the second half of 2021. This new direction demonstrates the potential of Estetrol in indications beyond women's health alone.

Our teams have also worked to strengthen the intellectual property portfolio related to Estetrol with the granting of a new patent extending the exclusivity of the product candidates Estelle® and Donesta® until 2036 in Europe. At the end of November, the EMA designated Estetrol as a new active substance, 80 years after the last such designation in contraception, once again testifying to the innovative nature of the research carried out on this estrogen.

Commercial launch of Myring®

In 2020, Mithra launched its contraceptive vaginal ring Myring® in several European countries: in Germany, the largest European market and the second largest in the world, in Italy, fourth largest market in the world, as well as in

> OUR TEAMS HAVE SHOWN GREAT RESILIENCE IN THIS YEAR 2020 AND HAVE DEMONSTRATED THEIR DETERMINATION DURING THIS FINAL STRETCH OF THE DEVELOPMENT OF AN INNOVATIVE PRODUCT LIKE ESTELLE®. GETTING AN APPROVAL FOR A NEW MOLECULE-BASED PRODUCT IS EXCEPTIONAL, CERTAINLY DURING THIS YEAR MARKED BY THIS UNPRECEDENTED HEALTH CRISIS.
>
> LEON VAN ROMPAY,
> CHIEF EXECUTIVE OFFICER

THE RENEWAL OF OUR BOARD OF DIRECTORS LAST NOVEMBER HAS GIVEN A DYNAMIC MOMENTUM TO THE DEVELOPMENT OF MITHRA, WHICH IS ABOUT TO LIVE A PIVOTAL YEAR IN ITS HISTORY. WITH THE SUPPORT OF THIS NEW GOVERNANCE, WE ARE DETERMINED TO BRING MITHRA CLOSER TO ITS MANY PROMISES.

PATRICIA VAN DIJCK,
PRESIDENT OF THE BOARD OF DIRECTORS

Austria, Belgium, Denmark and the Netherlands. Today, our ring is already marketed in seven countries, representing a total market of more than 60 million euros and nearly 7 million rings per year.

Myring®'s competitive advantage was reinforced with the approval by European authorities of the extension of Myring's shelf life from 24 to 36 months, providing distributors, pharmacists and patients with a more convenient option than competing products. In 2020, we signed seven new licensing and supply agreements covering key new territories.

Record cash level

The financial results of Mithra reached in 2020 were in accordance with our expectations in this year of transition preceding the commercial launch of our pill Estelle® and taking into account the strategy of commercial development related to our product candidate Donesta®. Our solid financial position allows us to wait for the continuation of the development of clinical studies and to further enhance the value of this product in view of a unique commercialization contract with a global player.

Despite the volatility on the financial markets, Mithra successfully concluded various important financing operations, in particular a capital increase of 65 million euros and the issue of a convertible bond in the amount of 125 million euros, testifying once again to the confidence granted by the investors to our company. These financing operations enabled us to achieve a record cash position of nearly 139 million euros at the end of the year.

2021, a pivotal year

The renewal of our board of directors last November gave a dynamic momentum to the development of Mithra, which is about to live a turning point in its history. Thanks to the support of this new governance, we are determined to bring Mithra closer to its numerous promises.

This year 2021 should be marked by the granting of the marketing approvals of our main asset Estelle® in Europe and in the United States, followed by the commercial launch. These approvals are the result of many years of hard work of our R&D teams, our partners, and of the two founders of Mithra, François Fornieri and Jean-Michel Foidart.

We also intend to advance in our Phase III study Donesta® and to generate the first results within the framework of the program "Coronesta". Our Mithra CDMO should also run at full speed with the orders of Myring® for the European market and thanks to the launch of its new injectable production line.

We are convinced that the collaboration and the support of our teams and our various partners will enable us to carry out our strategic and operational promises during this year 2021. Mithra is close to reach its first big dream: offering to women all over the world a contraceptive pill of a new kind. And as a biotech, it has many other projects to develop to reveal all the potential of Estetrol.

Thank you for your continued support and confidence.

Patricia van Dijck
President of the Board of Directors

Leon Van Rompay
Chief Executive Officer

2020 Highlights

January

- Commercialization agreement with Alvogen to market Estelle® in Hong Kong and Taiwan
- Agreement with Farmitalia for the commercialization of Myring® and Tibelia® in Italy, the fourth largest vaginal ring market in the world
- Significantly more environmentally friendly profile of Estetrol compared to other estrogens, demonstrated in an ecotoxicity study

February

- Commercial launch of Myring® in Belgium, a market valued at € 5.1 million
- The European Medicines Agency (EMA) validates the Marketing Authorization Application of Estelle® submitted by Mithra and Gedeon Richter

March

- Deployment of a global Safety Management plan to continue the Donesta® Phase III clinical program with the emergence of the Covid-19 health crisis

April

- Commercial launch of Myring® in Germany, the leading European market and the second largest market worldwide
- Regulatory submission of Estelle® to the American FDA
- € 50 million capital commitment agreement signed with international investment group LDA Capital

May

- Agreement with Gynial for the commercialization of Myring® in Switzerland
- Regulatory submission of Estelle® to Health Canada
- Launch of the Coronesta Research Program to study the action of Estetrol in the treatment of Covid-19
- Agreement with Mayne Pharma for the commercialization of Estelle® in Australia

June

- Agreement with Spirig Healthcare for the commercialization of Tibelia® in Switzerland and Liechtenstein
- € 65 million raised through a private placement
- FDA accepts Estelle® for registration in the United States

2020

2020 Highlights

July

- Agreement with Zentiva for the commercialization of Myring® in France, Poland and the United Kingdom
- Agreement with Megalabs for the commercialization of Myring® in Mexico
- Commercial launch of Tibelia® in Canada as the first tibolone-based hormone treatment

August

- Myring® shelf life extended to 36 months, a true competitive advantage in this market
- Commercial launch of Myring® in the Netherlands

September

- Publication of an article on the impact of Estelle® on haemostatic parameters in the prestigious scientific journal Contraception


Contraception

Evaluation of the effect of a new oral contraceptive containing estetrol and drospirenone on hemostasis parameters

October

- Agreement with GyneBio for the commercialization of Estelle® in South Africa

November

- Renewal of the Board of Directors with Mrs. Patricia Van Dijck as interim president
- Agreement with Chemical Dampe for the commercialization of Myring® in Venezuela
- Submission of the Estelle® registration file to the Brazilian regulatory authorities
- Qualification of Estetrol as a “New Active Substance” by the EMA
- Further strengthening of Estetrol intellectual property portfolio thanks to a new patent extending the 35 patent families of Mithra

December

- Presentation of Estelle® clinical results at the 19th Congress of the International Society of Gynecological Encrinology (ISGE)
- € 125 million convertible bond offering
- Positive opinion of the independent expert committee on the safety of the Donesta® clinical program
- Agreement with Gedeon Richter for the commercialization of Estelle® in Latin America, the third largest market in the world

2021 Outlook

Despite this unprecedented crisis caused by Covid-19, our teams redoubled their efforts to maintain the tempo and meet the deadlines. One year later, the results are in: Estelle® has obtained its first marketing authorization in Canada, the Donesta® phase 3 study has completed its recruitment phase and an unexpected and promising study has also been added to the R&D pipeline: the Coronesta study. In 2021, Mithra intends to concretize its ambitions in female health and to explore the potential of its Estetrol molecule in other indications.

Green light for Estelle®

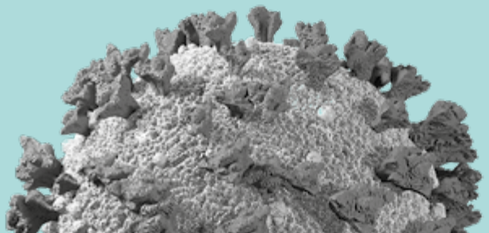
After receiving its first approval in Canada at the beginning of March, the Estelle® contraceptive pill also received a positive opinion for Europe, as well as approval for the U.S. market. The Australian Agency is also expected to make a decision by the end of 2021. On the commercial front, all the partners are working together to fine-tune the commercial launch of the contraceptive pill in around 100 countries.

2200 women in the Donesta® study

The Donesta® phase III study is nearing completion of recruitment: 2,200 women at more than 200 sites worldwide are enrolled in this E4 Comfort program targeting the treatment of vasomotor symptoms during menopause. For Donesta®, the second Estetrol-based product candidate, the commercial strategy is different from the one of Estelle®. With a strong cash position and a first product at the dawn of its launch, Mithra intends to enhance the Donesta® value by signing a global deal with a single partner.

First results for Coronesta®

The pandemic has also led to a new development opportunity in our R&D program: the “Coronesta” program relating to the potential of Estetrol in the treatment of Covid-19 and, more broadly, in the field of respiratory diseases. This Phase II “Coronesta” study aims to investigate the effect of Estetrol on the immune, inflammatory and vascular response of patients (male/female) infected with Covid-19. It is in line with other international studies, such as the King’s College London study which demonstrated the protective effect of estrogens present in the body at high levels. The results of the Coronesta study are expected in early H2 2021.



Commercial rollout of Myring®

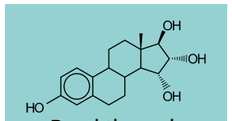
Launched in the first countries in 2020, the contraceptive vaginal ring Myring® will continue to expand this year in Europe, Chile, Canada and Israel. It is expected to receive marketing approval in the United States in late 2021-early 2021.

Created in
1999

Specialists in
Women's Health

Euronext Brussels
MITRA

At the heart of Europe
Belgique (Liège)



Breakthrough innovation with the unique hormone
Estetrol (E4)

300
collaborators

Biotech

Partnerships in
>100
countries

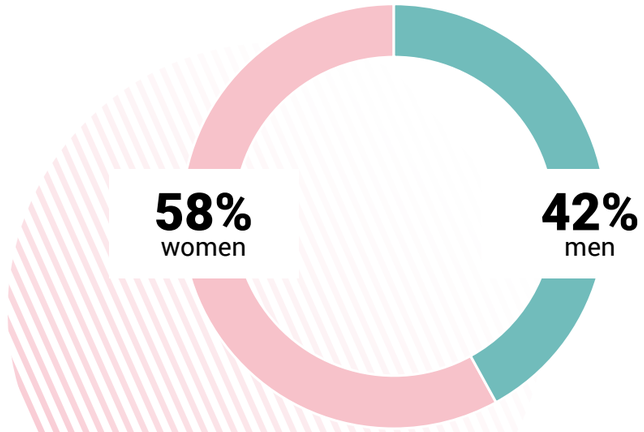
Market Cap
€ 841 M
(31.12.2020)

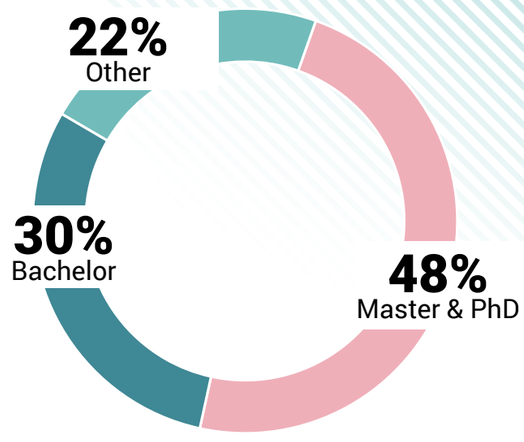
Mithra, inspired by Women

For twenty years, Mithra has been committed to offering women new choices through innovation with a focus on contraception and menopause.

From the spin-off of the University of Liege to the listed company with nearly 300 collaborators today, the goal has remained the same : to develop and produce new products offering better efficacy, safety and convenience, meeting women's needs throughout their life span.

Our employees, our main asset





Environmental commitment

Since its creation, the R&D and manufacturing platform of Mithra has never hidden its ambitions: to reduce its carbon footprint to the maximum and to use the renewable energies as much as possible. In 2021, the Mithra CDMO will begin the second part of its project and will be able to count on the energy produced by more than 5000 solar panels.

Built in 2016, the Mithra CDMO, which houses Mithra's production areas and laboratories, uses state-of-the-art technology and equipment to meet its continuously reviewed energy goals.

The building was designed with various efficient systems to reduce energy consumption. These include air treatment, containment measures, energy monitoring to optimize the consumption of electrical appliances, heaters, ventilation management, a water recycling system and photovoltaic panels.

Improving energy efficiency

Mithra subscribed to the "branch agreements" set up by the Walloon Government and committed itself to improve its energy efficiency and to reduce its CO2 emissions. Following an energy audit carried out in 2019 and the investments made in 2020, the site of Flémalle set up other measures to reach its energy objectives by 2023. Equipped with 1850 solar panels, the Mithra CDMO is preparing to install more than 3000 additional solar panels which should allow to cover 32% of its energy consumption.

> OUR COMPANY IS STRONGLY ATTACHED TO THE SUSTAINABLE DEVELOPMENT AND THE REDUCTION OF ITS ECOLOGICAL FOOTPRINT. IN 2021, THANKS TO THE INSTALLATION OF MORE THAN 3000 ADDITIONAL SOLAR PANELS, ONE THIRD OF OUR ENERGY CONSUMPTION WILL BE GREEN.
>
> MARIE MASOCH,
> ESG OFFICER

32%
green energy

Solar energy

	2020	2021
Photovoltaic panels	1850	**5106**
Green energy	9%	**32%**

Research & Development

R&D

Research & Development

Today, Mithra counts two complementary platforms: its portfolio of innovative products based on Estetrol (E4) and its portfolio of complex therapeutics. The whole supported by the Mithra CDMO, a technological platform which offers a complete range of services covering the entire drug development and production chain.

Estetrol in Women's Health and Beyond

Estetrol (E4) is a native estrogen produced by the human fetus during pregnancy, which passes into the maternal blood at relatively high levels. Due to its unique mode of action, tolerance and safety profile, E4, synthesized from plant sources, could represent a major breakthrough in several therapeutic areas of women's health, particularly in contraception and menopause. This innovative molecule could also prove interesting in other fields of application, such as Covid-19 type diseases, neuroprotection in newborns or wound healing.

Estelle®

> Contraception

A new era in combined oral contraception

Donesta®

> Menopause

A next generation of hormone therapy

PeriNesta®

> Perimenopause

The first complete oral treatment targeting perimenopause

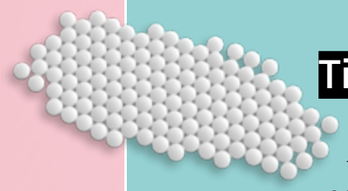
Coronesta

> Covid-19

Treatment against Covid-19

Under development

> Neuroprotection, dermatology



Tibelia®

> Menopause

Tablet composed of tibolone, a synthetic steroid used for hormone therapy in menopause.

Myring®

> Contraception

Contraceptive vaginal ring made of ethylene-vinyl acetate (EVA) copolymers that releases a combination of hormones

Zoreline®

> Hormone-dependent cancers

Biodegradable subcutaneous implant indicated for prostate and breast cancer and gynecological indications (endometriosis, uterine fibroids, etc.)

Complex therapeutics

Mithra has a unique expertise in the development of complex and innovative products in the fields of contraception, menopause and hormone-dependent cancers. It is one of the few companies in the world that masters polymer technology, which enables a drug's active pharmaceutical ingredient (API) to be distributed at a predetermined rate over a period of time (from 1 month to 5 years). This technology ensures a controlled release of the drug with a minimum of side effects, and is notably used for vaginal rings, implants or intra-uterine devices.

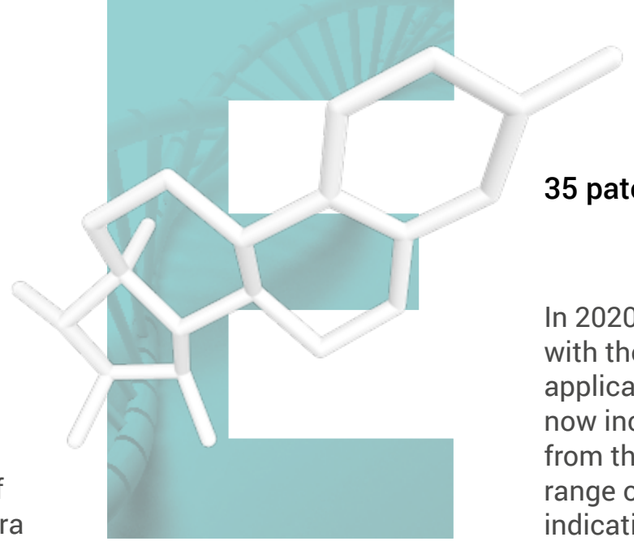
	Product	Therapeutical area	Phase 1	Phase 2	Phase 3	Market approval
ESTETROL	**Estelle®**	*Contraception*				2021
	PeriNesta®	*Perimenopause*				2023
	Donesta®	*Menopause*				Q4 2023/Q1 2024
	COVID-19 Treatment®	*COVID-19*				2022
	Under development	*CNS, dermatology, etc.*	*Various stages of non-clinical development of future E4-based pipeline*			

			Formulation Clinical/BioEq.	Filing	Market approval
COMPLEX THERAPEUTICS	**Myring®**	*Contraception*	Europe		commercialized
			U.S.		Q4 2021/Q1 2022
	Zoreline®	*Oncology*			2024
	Tibelia®	*Menopause*			commercialized

Estetrol (E4)

A new estrogen with multiple potential

The many potential applications of Estetrol in the field of health are at the core of the research carried out by Mithra since many years. Estetrol is an estrogen produced by the human fetus during pregnancy which passes in the maternal blood at high levels. Through a complex production process, Mithra managed to reproduce Estetrol and to develop a platform of innovative products dedicated to women' s health. In 2020, Mithra decided to broaden its field of research and to explore the action of this native estrogen in the treatment of coronaviruses like Covid-19.



Estetrol, a new active substance

In November 2020, the European Medicines Agency qualified Estetrol as a New Active Substance. This is the first time in more than 80 years that a new active substance, in this case a new estrogen, has appeared in the field of contraceptive solutions.

Potential benefits of E4*

- > Favorable VTE risk profile
- > Minimal increase in triglycerides
- > Favorable drug interaction profile
- > Less breast pain and carcinogenic potential in the presence of E2
- > Good user acceptability, body weight control, excellent cycle control, improved spotting and general well-being

WE HAVE BEEN WORKING FOR MANY YEARS ON ESTETROL TO DEVELOP A NEW GENERATION OF CONTRACEPTIVE PILLS WITH A UNIQUE BENEFIT/RISK PROFILE TO IMPROVE WOMEN'S QUALITY OF LIFE. THIS PRODUCT PROMISES TO BE A REAL BREAKTHROUGH IN A FIELD THAT HAS NOT SEEN ANY INNOVATION FOR DECADES.

PROF JEAN-MICHEL FOIDART,
PERMANENT SECRETARY OF THE ROYAL ACADEMY OF MEDICINE OF BELGIUM

* *Kluft C et al., Contraception 2016. Gerard C et al., Oncotarget 2015 ; 6(19):17621-36. Visser M et al., Horm Mol Biol Clin Invest. 2012 ; 9:95-103. Visser M et al., Climacteric 2008 ; 11 Suppl 1:64-8. Mawet M et al., Eur. J. Contracept. Reprod. Healthcare 2015:1-13. Apter D. et al., Contraception 2016 ; 94(4):366-73. Abot et al., EMBO 2014 : 6 (10) ; Apter et al., Eur. J. Contracept. Reprod. Healthcare 2017 : 22(4).*

35 patent families worldwide

In 2020, Mithra strengthened its intellectual property with the addition of several patents and patent applications to its Estetrol portfolio. The portfolio now includes 35 patent families filed worldwide, from the synthesis of Estetrol to its use in a wide range of women's health and neuroprotection indications.

Following the promising results of the Estelle® Phase II study on hemostasis, Mithra had filed a patent application in 2018 combining the use of E4 as a contraceptive and the unique safety profile of the E4/DRSP combination. In 2020, this patent application entered national phases and was filed in 29 countries and 3 regions.

The two patent applications filed following the positive results of the Donesta® Phase II study for the effective treatment of vasomotor symptoms have also entered the national phases. Once granted, these patents will consolidate and extend the protection around Donesta®.

In November, Mithra obtained an additional key patent for Estelle® in Europe and Eurasia covering various pharmaceutical compositions, as well as their manufacturing process. This decision guarantees to Mithra the effective exclusivity of Estelle® and Donesta® product candidates until 2036 in Europe. This same patent application was filed in more than 50 other territories.

Finally, Mithra has also strengthened its intellectual property thanks to the issuance of patents protecting different synthesis pathways of Estetrol in different regions of the world (Brazil, Canada, US).

WITH OUR 35 PATENT FAMILIES, WE HAVE BUILT STRONG INTELLECTUAL PROPERTY PROTECTION AROUND OUR ESTETROL PRODUCT PORTFOLIO. THIS STRATEGY PRESERVES OUR INNOVATIONS FROM POTENTIAL COMPETITION IN A LARGE MAJORITY OF COUNTRIES AROUND THE WORLD FOR SEVERAL YEARS.

GLWADYS RAUSIN,
IP MANAGER

Interesting environmental profile

Either naturally produced by the human body or synthetically, estrogens are commonly found in the aquatic environment. Every year, more than 700kg of the synthetic estrogen EE2, which is present in almost all combined contraceptive pills, are discharged into wastewater. These endocrine disruptors can influence the sexual differentiation of fish and disrupt aquatic ecosystems. At the beginning of 2020, the results of an environmental assessment study indicated the interesting ecological profile of Estetrol.

In these trials conducted on a representative fish species, Estetrol showed none of the adverse effects induced by natural (E1, E2) and synthetic (EE2) estrogens, even at very low concentrations: reduced egg production, decreased testicular growth, delayed maturation, development of male and female genital glands in males, and even feminization. However, the amount of biologically active E4 released into wastewater after human consumption is expected to be considerably lower than those tested in this study. The results also indicate that Estetrol does not accumulate in living organisms and is likely to disappear rapidly from both water and sediment. Further studies are underway at the University of Namur.

Women's Health Market

>$40 billion

+4,2% growth per year

Estelle®

First Estetrol product approved in the world

The Estelle® contraceptive pill has entered its final stretch before its worldwide launch, scheduled for the second half of 2021. Last March, we received the first official approval in Canada, before the positive opinion from the European Medicines Agency. Estelle® is the first Estetrol based product to reach the end of its development, allowing Mithra to write a new page of the Contraception's History.

THE FIRST WORLD APPROVAL MEANS SO MUCH TO A RESEARCHER. THIS ACCOMPLISHMENT IS THE CULMINATION OF A HUGE TEAM EFFORT AND PASSIONATE INDIVIDUALS. ONLY A FEW PEOPLE CAN BOAST OF BEING PART OF BRINGING AN INNOVATIVE PRODUCT TO MARKET IN A CAREER. WE ARE SO PROUD OF THE JOURNEY WE HAVE MADE, THE VICTORIES WE HAVE WON AND THE OBSTACLES WE HAVE OVERCOME THAT HAVE BROUGHT US TO WHERE WE ARE TODAY.

MAUD JOST,
E4 PROGRAM DIRECTOR

In 2020, Mithra submitted the registration files of Estelle®, its combined oral contraceptive composed of 15 mg of Estetrol and 3 mg of drospirenone, to the American (FDA), European (EMA), Brazilian (ANVISA), Australian (TGA), Swiss (Swissmedic) and Russian (Roszdravnadzor) regulatory agencies.

On March 8, 2021, International Women's Rights Day, Mithra obtained the first authorization from the Canadian Authorities. A real milestone in the history of the Belgian biotech. With a commercial launch announced for this summer, Estelle will be the first COC containing a new estrogen marketed on the Canadian market since more than half a century.

Two weeks later, on March 26, 2021, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency gave a positive opinion. Subject to approval by the European Commission, the European marketing authorization is expected to be delivered by the end of the second quarter. On April 15, we received approval for the US market.

Annual contraceptive market

22
billion USD

+6%
growth

Growing market

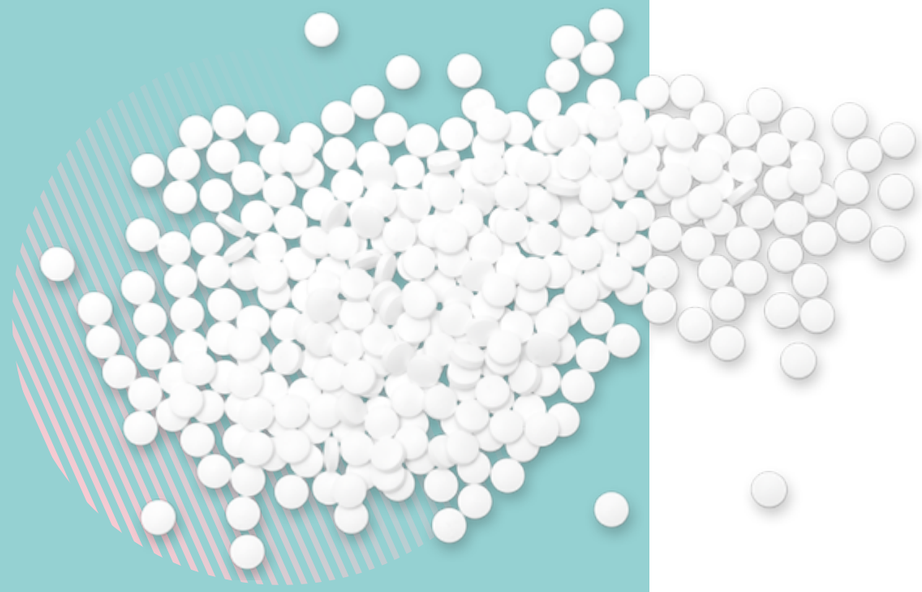
In 2020, Mithra has completed its worldwide coverage by signing new marketing agreements for Estelle® with Gedeon Richter for Latin America, third largest market, but also with Mayne Pharma (Australia), Alvogen (Hong Kong and Taiwan) and GyneBio (North Africa). At the same time, it worked with all partners on the implementation of the global marketing and sales strategy for the future contraceptive pill.

The global contraceptive market is worth approximately $22 billion and is growing at an annual rate of nearly 6%*. The combined oral contraceptive segment is worth approximately $6.5 billion. Leading sales are the Yaz® (EE/DRSP) family of products, the reference product of Estelle®, which has sales of 1.3 billion euros**.

** Market Transparency Research 2017*
*** IMS Health, 3rd quarter 2017*

Donesta®

The next generation hormone therapy



Launched in late 2019, the Donesta® Phase III clinical program for the treatment of vasomotor symptoms in postmenopausal women continued its progress in 2020. The program “E4 Comfort” aims to enroll approximately 2,200 postmenopausal women in two pivotal studies.

From the beginning of the Covid-19 outbreak, Mithra implemented a global plan of Safety Management within the active sites and took many initiatives to ensure the good progress of the study while guaranteeing the safety of the patients. At the end of 2020, the independent Data Safety Monitoring Board (DSMB) gave the green light to continue the study and confirmed the safety profile of Estetrol. The clinical program is currently on track and is expected to complete enrollment in the first half of 2021.

Depending on the Covid-19 and regulatory approvals, Mithra expects to obtain marketing approval for Donesta® in late 2023, early 2024. With the recent consolidation of Mithra’s Estetrol patent portfolio, Donesta® is protected until 2036 in Europe, with a similar patent application filed in the United States.

Strengthened commercial strategy

The major financing operations carried out in 2020 for a total of € 260 million allowed us to reinforce Donesta® commercial development strategy targeting a single global partner leader in women’s health. Thanks to its solid cash position and the first approvals for Estelle®, Mithra can afford to advance in its clinical program in order to better valorize its product candidate targeting the menopause market. This fast growing market represents today about $ 13 billion and should reach about $ 16 billion by 2025.

While nearly 8 out of 10 women suffer from vasomotor symptoms, 10% of them receive hormonal treatment to alleviate menopausal symptoms. This is due to a concern about the safety of currently available hormonal treatments. But also the lack of an innovative treatment that would act on both hot flashes as well as on the many undesirable side effects associated with the estrogen deficit during menopause. Given its unique mode of action, Donesta® is emerging as a next-generation alternative addressing the unmet needs of all these women.

> THE POSITIVE OPINION OF OUR INDEPENDENT EXPERT COMMITTEE CONFIRMS THE SAFETY PROFILE OF ESTETROL IN ADDITION TO THE DATA ALREADY OBTAINED FOR THE ESTELLE® CONTRACEPTIVE. THANKS TO OUR EFFORTS SINCE THE BEGINNING OF THE HEALTH CRISIS, WE ARE CONTINUING OUR CLINICAL PROGRAM AS PLANNED, WITH RESULTS EXPECTED IN THE FIRST HALF OF 2022. WE REMAIN CONFIDENT IN THE PROMISING POTENTIAL OF DONESTA® AS A NEXT-GENERATION ALTERNATIVE ADDRESSING THE UNMET NEEDS OF POSTMENOPAUSAL WOMEN.
>
> MÉLANIE TAZIAUX,
> DONESTA PROJECT DIRECTOR

E4 Comfort Program

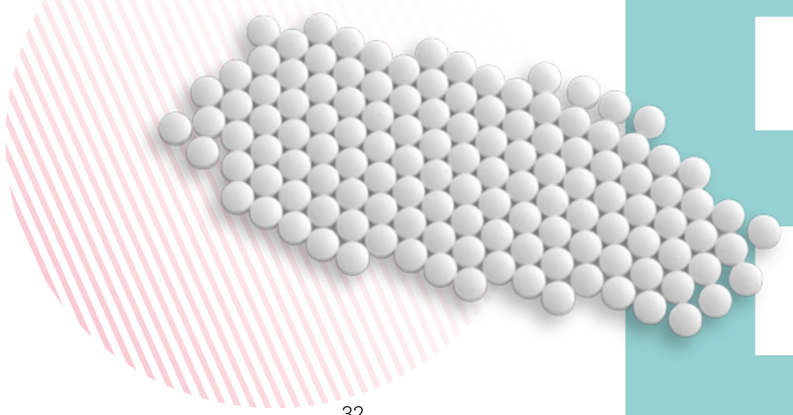
C302 Study	C301 Study
United States and Canada	14 countries in Europe, Russia, Americas
1000 menopausal women	1200 menopausal women
120 sites	120 sites
Multicenter, randomized, double-blind, placebo-controlled design	
Primary objective: to measure the effects of treatment with 2 doses of E4 (15 mg and 20 mg) on the frequency and intensity of moderate to severe MSV after 4 and 12 weeks of treatment.	
Secondary objectives: to assess the effects of treatment on a range of important efficacy and safety parameters.	

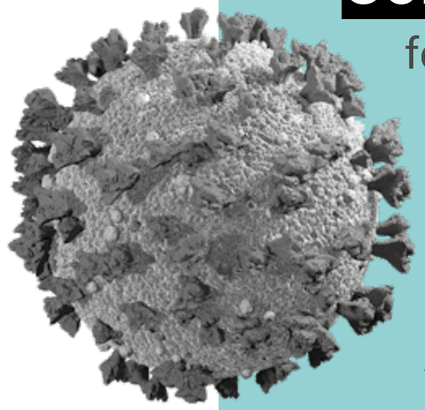
Expansion of the Estetrol platform

The Covid-19 pandemic has shaken our habits and put pressure on our flexibility. But it has also brought new challenges to Science. It has led us to review our R&D pipeline and to identify a new development opportunity: the “Coronesta” program relating to the potential of Estetrol in the field of respiratory diseases.

WE WANT TO REMAIN A BIOTECH COMPANY DEDICATED TO DEVELOPING AND MANUFACTURING INNOVATIVE TREATMENTS. ESTETROL CAN HAVE MANY POTENTIAL APPLICATIONS IN WOMEN’S HEALTH, BUT ALSO IN OTHER AREAS SUCH AS THE CENTRAL NERVOUS SYSTEM, INFECTIOUS DISEASES, DERMATOLOGY,... WE HAVE NOT FINISHED EXPLORING ITS FULL POTENTIAL!

JEAN-MANUEL FONTAINE
VP EXTERNAL & SCIENTIFIC AFFAIRS





Coronesta

for Covid-19 treatment

Since the beginning of the health crisis, epidemiological studies indicate that Covid-19 affects more men than women, and more severely. This gender disparity could be explained by biological differences in the immune system, as already demonstrated in other infectious diseases caused by human coronaviruses, such as severe acute respiratory syndrome (SARS). Estrogens would play a protective role by acting on a protein called “angiotensin-converting enzyme 2” or ACE2, which serves as a gateway for some coronaviruses, such as the one that causes Covid-19, to enter human cells.

Mithra has therefore decided to launch a phase II study “Coronesta” on the effect of Estetrol on the immune, inflammatory and vascular response of patients (men/women) infected by Covid-19. It is in line with other international studies, such as the one from King’s College London which demonstrated the protective effect of estrogens present in the body at high levels. The results of the Coronesta study are expected in the second half of 2021.

PeriNesta®

for perimenopause

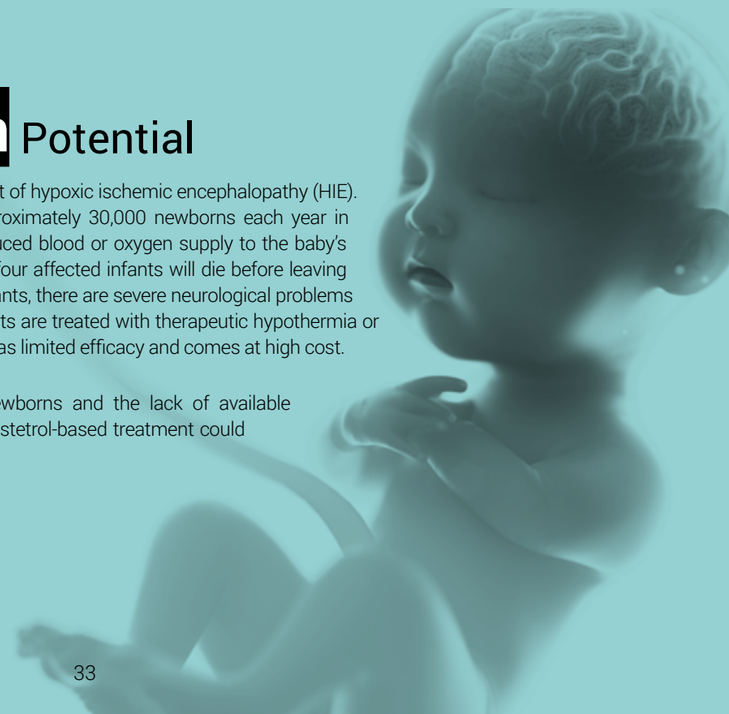
The PeriNesta® program targets perimenopause, an intermediate phase that affects women between reproductive age and the beginning of menopause. It concerns women in their forties who have decreased fertility but still require effective contraception. Perimenopause is characterized by persistent irregular menstrual periods, severe fluctuations in hormone levels, frequent anovulation and the appearance of vasomotor symptoms. Many women also experience depressive symptoms such as mood swings, irritability and poor concentrating. Currently, there is no approved product providing both effective contraception tailored to the premenopausal woman’s profile and relief of vasomotor symptoms.

Although the clinical program has not yet been launched, the previously announced opportunistic development is still ongoing, together with other development strategies under consideration to full leverage the potential of this product candidate.

Neuroprotection Potential

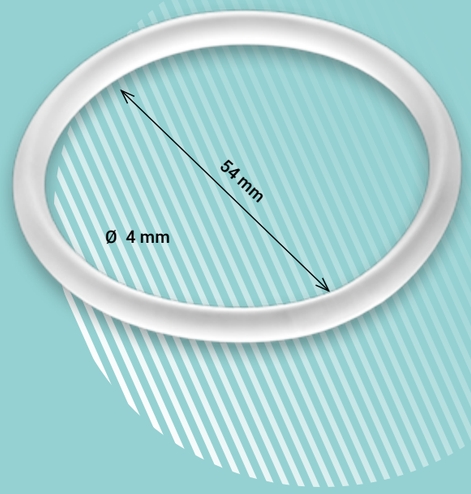
Estetrol also has orphan drug status for the treatment of hypoxic ischemic encephalopathy (HIE). This severe form of neonatal asphyxia affects approximately 30,000 newborns each year in Europe and the United States. It is caused by a reduced blood or oxygen supply to the baby’s brain before, during or just after birth. Nearly one in four affected infants will die before leaving the neonatal intensive care unit. Among surviving infants, there are severe neurological problems and long-term disability are observed. Currently, infants are treated with therapeutic hypothermia or ‘cooling’ to reduce brain damage, but this treatment has limited efficacy and comes at high cost.

Given its significant mortality and morbidity in newborns and the lack of available therapeutic alternatives, the development of a new Estetrol-based treatment could address a real unmet medical need.



Myring®

The hormonal contraceptive vaginal ring



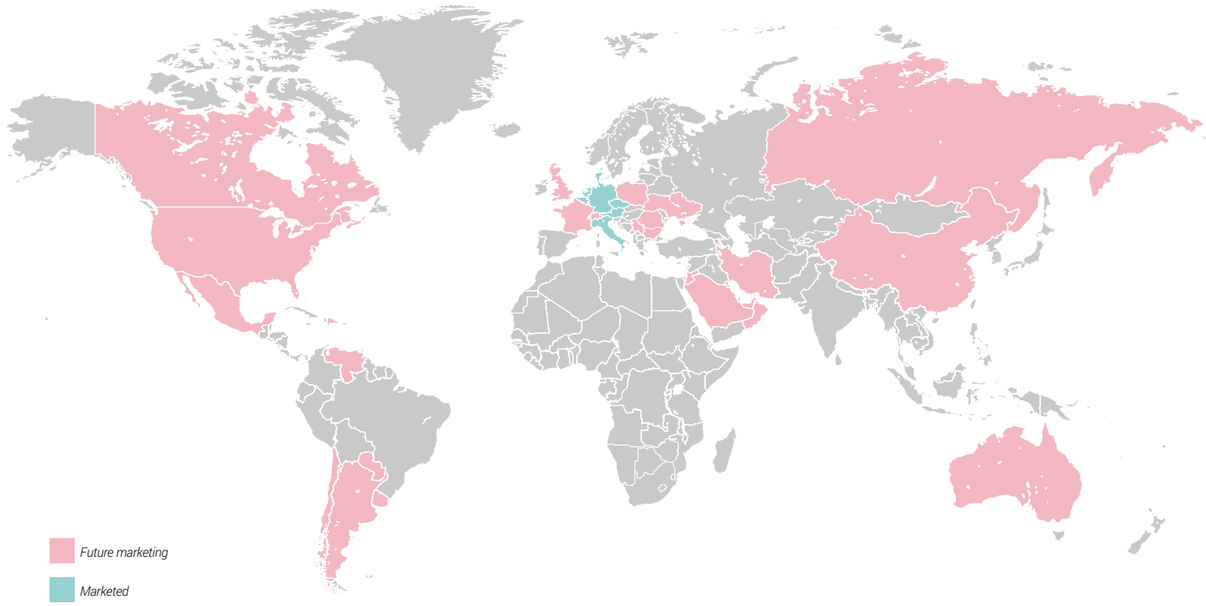
Successfully launched in 2019, the Myring® contraceptive vaginal ring has continued the momentum and reached pharmacies in several European countries, including Germany, the second largest market in the world.

In total, Mithra has licensed Myring® covering 39 countries, including major markets such as the United States, Germany and Italy. In 2020, Mithra signed new agreements with Gynial (Switzerland), Zentiva (France, Poland and the UK), Megalabs (Mexico) and Chemical Dampe (Venezuela). All these contracts provide for the production of the vaginal contraceptive at Mithra CDMO, which managed to maintain its production schedule in 2020 despite the health situation. The approval of the American regulatory authorities is awaited for the end of 2021-beginning of 2022, for commercialization in the United States by Mayne Pharma.

Myring® is a fexible contraceptive vaginal ring, made of ethylene vinyl acetate copolymers, and is bioequivalent to NuvaRing®.

AFTER ALL THESE YEARS OF RESEARCH AND DEVELOPMENT, WE ARE PARTICULARLY HAPPY AND PROUD TO SEE OUR CONTRACEPTIVE RING IN EUROPEAN PHARMACIES! WITH THE BENEFIT OF AN ADDITIONAL ONE-YEAR SHELF LIFE COMPARED TO OTHER RINGS AND AT ROOM TEMPERATURE, MYRING IS BOTH MORE CONVENIENT AND ECONOMICAL FOR PHARMACISTS AND USERS.

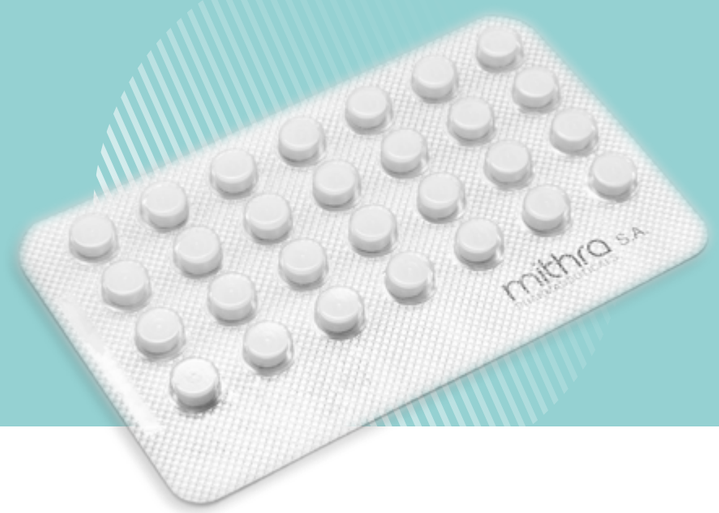
KATHY VAN BUTSELE, C
MC PROJECT MANAGER



Tibelia®

Menopause & osteoporosis

Already marketed in about 40 countries, Tibelia® took a crucial step in its commercial expansion in 2020 by becoming the first tibolone-based hormone treatment available in Canada. This is a first major step on the North American continent.



Developed by Mithra as a bioequivalent version of Livial®, Tibelia® is a synthetic steroid that relieves menopausal symptoms and prevents osteoporosis in postmenopausal women at high risk of future fractures and intolerant to other drugs. Thanks to a longer shelf life than the original, Tibelia® has a significant competitive advantage.

The commercial launch in Canada in July 2020 marks the first launch of a tibolone product in North America and is expected to facilitate access to the neighboring U.S. market, where no tibolone product yet exists in the € 2.5 billion* menopause market. In 2020, Italy, Switzerland and Liechtenstein were also added to the nearly 40 countries marketing Tibelia®.

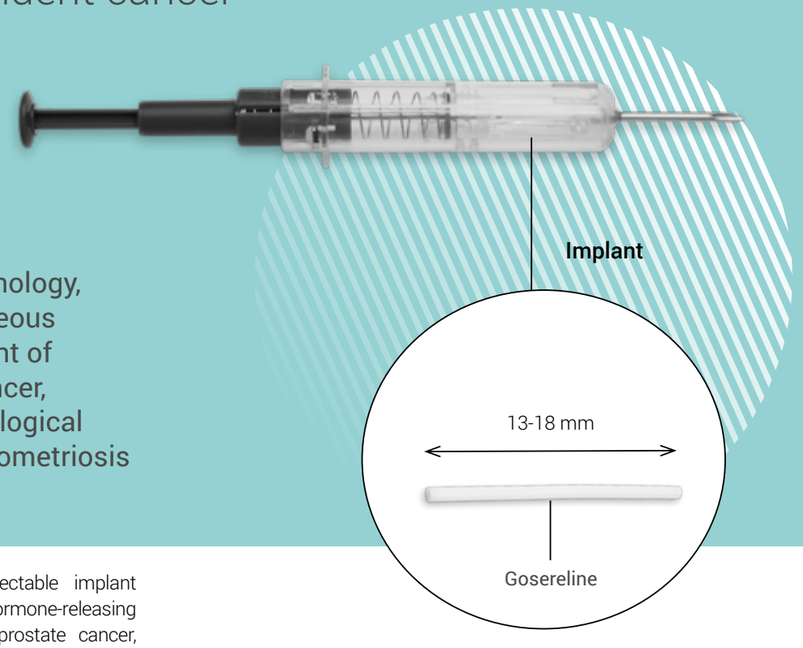
HORMONAL TREATMENT OPTIONS PREVIOUSLY AVAILABLE IN CANADA ARE OFTEN ACCOMPANIED BY SIDE EFFECTS. AS A RESULT, MANY WOMEN DISCONTINUE THERAPY. TIBOLONE HAS BEEN USED IN EUROPE FOR MANY YEARS AND HAS A PROVEN EFFICACY, TOLERABILITY AND SAFETY PROFILE.

DR ROBERT REID,
PROFESSOR OF GYNECOLOGY
AT QUEEN'S UNIVERSITY (CANADA)

** IQVIA 2018*

Zoreline®

Hormone-dependent cancer



Based on polymer technology, Zoreline® is a subcutaneous implant for the treatment of breast and prostate cancer, as well as other gynecological conditions such as endometriosis and uterine fibroids.

Zoreline® is a biodegradable injectable implant based on goserelin, a luteinizing hormone-releasing hormone agonist, used to treat prostate cancer, breast cancer and benign gynecological indications. This implant is currently under development (pharmacodynamic studies) for two formulations (1 and 3 months).

Zoreline® represents a significant business opportunity in a market dominated exclusively by Zoladex®, with worldwide sales of nearly € 630 million**. To date, except in a few Eastern European countries, no generic version has been approved, which demonstrates the complexity of clinical development of such a drug.

*** IQVIA 2018*

Mithra CDMO,

a state-of-the-art R&D and manufacturing platform

The Mithra CDMO has perfectly succeeded in its transition to the commercial production phase and respected the order books despite the health crisis. In total, more than 750,000 Myring® rings have left our Belgian production center for European pharmacies. The Mithra CDMO will continue its expansion in 2021 with the accreditation of its new injectable production area.

Launched in 2019, the production of the Myring® contraceptive vaginal ring has been on track and fulfilled all orders placed by European distributors. Since the start of the Covid-19 crisis, the Belgian plant has maintained its production cycles according to schedule, in strict compliance with the hygiene and social distancing measures imposed by the authorities. In total, more than 750,000 rings have reached European pharmacies.

Alongside the steadily increasing commercial production of Myring®, Mithra CDMO has also been preparing for the upcoming commercialization of the Estelle® contraceptive pill while finalizing the certification program for its ultra-modern injectable production line. This new area should be operational from the second half of 2021 and could notably allow the production of various forms of injectables, in particular vaccines.

750,000
rings produced
in 2020

> WE HAVE A BRAND NEW, STATE-OF-THE-ART PHARMACEUTICAL INFRASTRUCTURE THAT ALREADY BOASTS REAL EXPERTISE IN THE DEVELOPMENT OF COMPLEX PRODUCTS. OUR CDMO CAN RELY ON A POOL OF INCREDIBLE YOUNG TALENTS FULLY COMMITED TO EARN THE TRUST OF OUR PARTNERS.
>
> **RENAAT BAES,**
> **PLANT MANAGER**

After 5 years of operation, the production center of Mithra should also reached an important objective of its environmental policy. Thanks to the placement of a little more than 3,000 additional solar panels, the site should pass the mark of one third of green energy on its total consumption of electricity per annum.

A multi-purpose technology platform

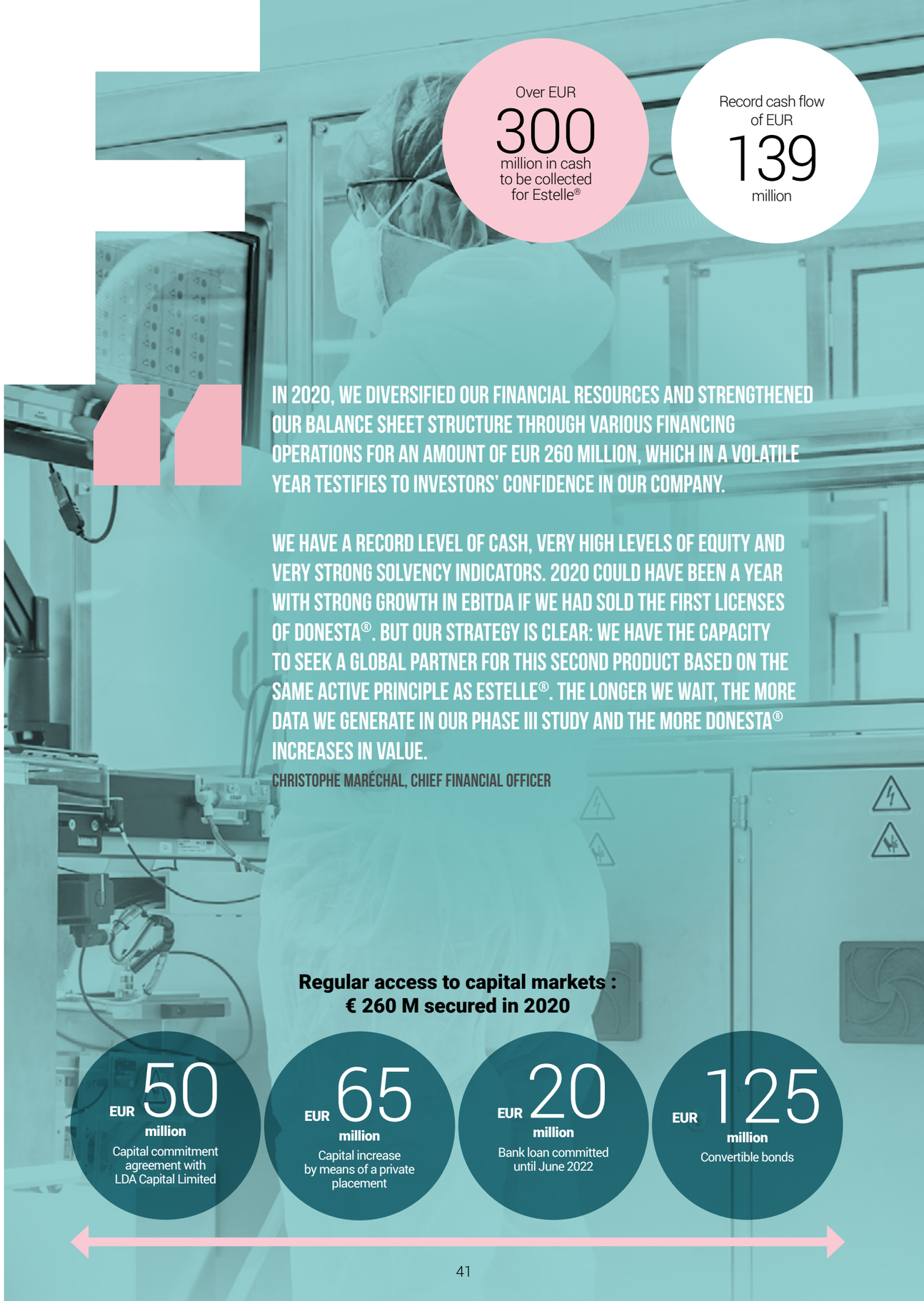
- 15,000 m² facilities in Liege (Belgium)
- 3 production units: polymeric forms, sterile injectables, hormone tablets
- Dedicated R&D and production areas
- Full drug development services
- Pilot, clinical and commercial lots
- GMP standards Compliance

Financial highlights

Figures presented below (in thousands of Euro) are management figures

	Year ended 31 December	
	2020	***2019***
Revenues	9,030	96,520
Cost of sales	(3,457)	(2,487)
Gross profit	**5,573**	**94,033**
Research and development expenses	(69,310)	(52,576)
General and administrative expenses	(8,126)	(8,699)
Selling expenses	(1,251)	(2,044)
Other operating income	6,574	6,936
Total operating expenses	(72,113)	(56,383)
REBITDA*	**(66,540)**	**37,650**
Share-based payments expenses	(7,267)	(4,898)
EBITDA**	**(73,807)**	**32,752**
Depreciation	(6,136)	(5,777)
Non-recurring items	(3,734)	
Operating loss	**(83,678)**	**26,975**
Change in fair value*** of contingent consideration payable	(18,114)	(54,728)
Net fair value gain/(losses) on financial assets at fair value through profit or loss	(4,925)	2,763
Financial income	1,782	271
Financial expenses	(5,987)	(6,705)
Loss before taxes	**(110,922)**	**(31,424)**
Income taxes	18,835	4,859
Net Loss for the period	**(92,086)**	**(26,564)**
Attributable to		
Owners of the parent	(92,086)	(26,564)
Non-controlling interests		
Profit / (Loss) per share		
Basic loss per share (in Euro)	(2.25)	(0.70)
Diluted loss per share (in Euro)	(2.25)	(0.70)

** EBITDA is an alternative performance measure calculated by excluding the depreciations & amortization from EBIT (operating loss) from the consolidated statement of income prepared in accordance with IFRS.*
*** REBITDA is an alternative performance measure calculated by excluding the non-recurring items and the depreciation & amortization from EBIT (operating loss) from the consolidated statement of income prepared in accordance with IFRS.*
**** Fair values are computed on the contingent considerations payables which are reported under Other financial loans (p.)*



Mithra share

Mithra (Euxonext: MITRA) is listed on Euronext Brussels and is part of the BEL Mid index. The group is also part of the BEL Health Care and Euronext 150 indices.

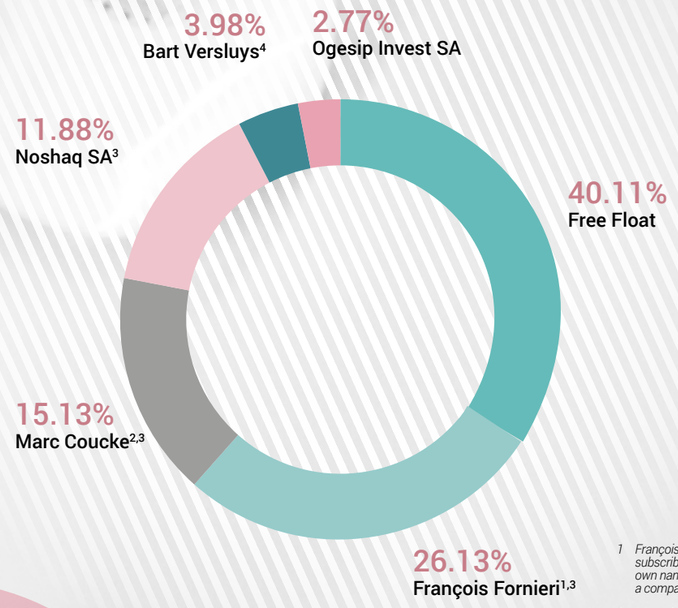
In 2020, the average share price was € 20.4 per share. The highest level was € 27.1 on February 12 and the lowest level € 13.8 on March 12. With a market capitalization of € 841.5 million as of 31.12.2020 and an average daily volume published by Euronext of 61 366 shares, Mithra has sufficient liquidity to be on the radar of major institutional investors.

February 12, 2020

March 12, 2020

Shareholding structure

This graph shows our current shareholder structure as of December 31, 2020, based on the transparency declarations made by shareholders. Notification obligations are required by Belgian law or according to Mithra's articles of association, when the shareholding exceeds the thresholds of 3%, 5% or any multiple of 5%.



1 *François Fornieri also holds warrants entitling him to subscribe to 1,023,000 additional Mithra shares in his own name and 752,790 additional shares via Yima SPRL, a company wholly owned by François Fornieri.*

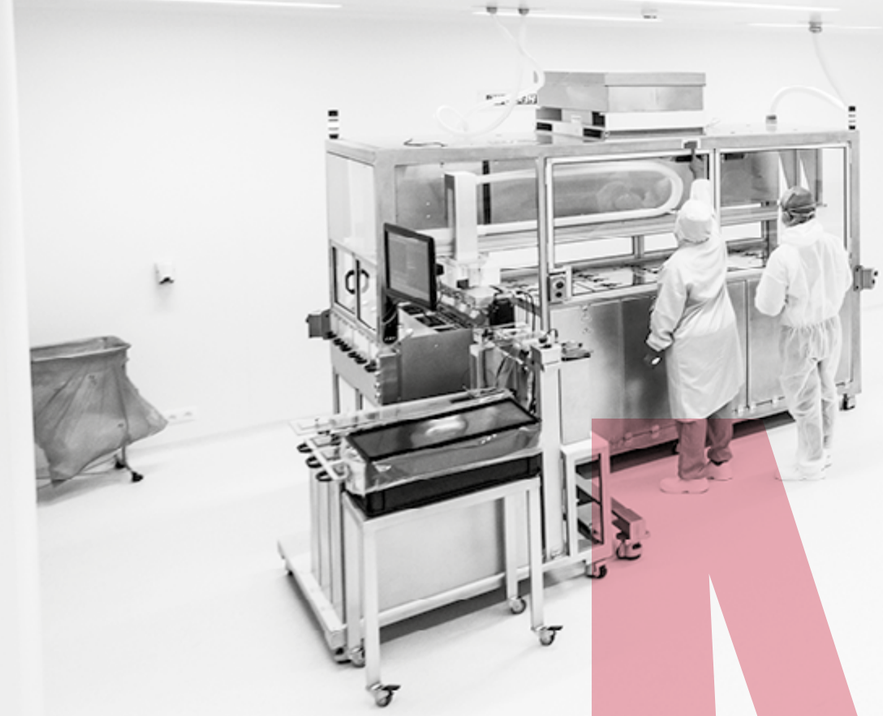
2 *Marc Coucke holds part of his shareholding through Alychlo NV, a company he controls.*

3 *François Fornieri, Alychlo NV and Noshaq SA together hold 300,000 share lending warrants.*

4 *Bart Bersluys holds his shares through Scorpiaux bvba, a company he controls.*

Total number of shares with voting rights:

42,714,097



Mithra and its financial community

2021 Financial Calendar

March 9, 2021: Annual results 2020	**April 20, 2021: 2020 Annual Report**	May 20, 2021: Annual General Meeting of Shareholders	September 24, 2021: 2021 interim report

Institutional investors

Mithra interacts with the institutional investors during roadshows and conferences to which the members of the Executive Management take part with the person in charge of the investor relations. These international roadshows and conferences allow to establish a dialogue and to meet the community of the investors in order to present the financial performances and Mithra strategy.

In 2020, Mithra participated in 14 events, for the most part virtual, during which the Executive Management met investors located in Europe, North America as well as in Asia.

Individual investors

Each investor has the possibility to subscribe to a newsletter on the Company's corporate website in order to receive press releases. The investor relations can be reached at investorrelations@mithra.com and answers all questions and requests for information.

Analysts

As of December 31, 2020, Mithra was covered by six sell-side analysts who publish regular reports on the stock. Besides the regular individual exchanges, Mithra organizes two webinars at the time of the publication of its half-year/annual results. The Management of the company participates in these conference calls in order to present the financial and strategic performances of the company. These conferences are accessible to all the investors and available in replay on Mithra website.

Berenberg	Degroof Petercam	KBC	Kempen	Kepler Cheuvreux	Portzamparc
Beatrice Allen	Benoît Louage	Thomas Vranken	Alex Cogut	Pierre-Alexandre Desir	Christophe Dombu

Board of Directors

Patricia van Dijck

Independant Director

Patricia van Dijck holds a degree in medicine and a specialization in clinical biology and pharmaceutical medicine from the Catholic University of Louvain (UCL).

She began her career in the pharmaceutical industry in 1996 as an International Medical Advisor at UCB. She then became Medical Director at Lundbeck, before being appointed Managing Director in 2007. In 2011, Mrs. van Dijck joined Novartis Belux as Head of Market Access & Public Affairs, before joining the mother company in Basel in 2014 as Head Patient Access Excellence. Three years later, she became Project Lead of an IMI project of European private-public partnership in hemato-oncology, in Milan. Since 2018, she has been working for GSK Belux as Market Access & Public Affairs Director.

Ajit Shetty,

Independent Director

Ajit Shetty holds an MSc and PhD in Metallurgy from Cambridge University and an MBA from Carnegie-Mellon University.

He started his career in 1976 at Janssen Pharmaceutica, where he held various positions in Finance and Business Development. He was instrumental in developing Janssen into a worldwide multinational within Johnson & Johnson. He served as President of Janssen USA from 1984 to 1990, before becoming Executive Vice President Finance of Janssen Belgium. From 1999 to 2008, he served as Managing Director of Janssen and as Chairman from 2004, while also serving on the Johnson & Johnson Operating Committee.

Elected “Manager of the Year” in Flanders in 2004, he was made a baron by King Albert II of Belgium in 2007. He is chairman of the Flemish Institute for Biotechnology (VIB) and a member of the board of directors of various pharmaceutical companies in Belgium, the United States and China. He is also a trustee of Carnegie-Mellon University.

Erik Van den Eynden

Independent Director

Erik Van Den Eynden graduated in Economics at the University of Antwerp and has more than 30 years of experience in the banking sector.

He joined ING in 1990, where he held various commercial and management positions, including District Manager, Head of MidCorporates & Institutionals, CEO of ING Insurance Belgium & Luxembourg. From 2017 to 2020, he held the position of CEO of ING Belgium.

In March 2021, Mr. Van den Eynden became CEO of the Straco Investment Group active in real estate project development, investments and private equity.

Koen Hoffman

Independent Director

Mr. Hoffman holds a Master’s degree in Applied Economics from Ghent University and an MBA from Vlerick Business School.

In 1992, he started his career in the corporate finance department of KBC Bank, before joining KBC Securities in 2000, where he served as CEO from 2012 to 2016. In parallel, he is also a member of the supervisory board of KBC IFIMA and Patria Securities, as well as a member of the board of directors of Omnia Travel Belgium. Since 2016, Mr. Hoffman has been CEO of Value Square and an independent director of Fagron, Greenyard, SnowWorld and MDxHealth.

Board of Directors

François Fornieri

Non-Executive Director

François Fornieri is a chemical engineer (ISIL) with a Master's degree in Management (HEC). He has over 30 years of experience in the pharmaceutical industry. He began his career at Sanofi, before joining the Marketing department of the Bayer-Schering group. In 1999, he founded Mithra and ensures the direction of the company during nearly 20 years. He is also the co-founder of Uteron Pharma, which he sold to the American group Watson-Actavis (2010-2013).

Elected "Manager of the Year" in Wallonia in 2011, Mr. Fornieri is also an Officer of the Walloon Order of Merit and won the Essenscia Innovation Award in 2019. Former vice president of the Union Wallonne des Entreprises, he is president of Protection Unit, Millesime Chocolat and the Business Club B19 Liège.

Christian Moretti

Non-Executive Director

A graduate of HEC Paris and Columbia Business School, Christian Moretti began his career in Finance at Paribas (Industrial Department) where he was active for over 10 years. He then founded Dynaction, an industrial holding company listed on the Paris Stock Exchange, before focusing on the development of one of its subsidiaries, PCAS Biosolution, a European leader in the chemistry of complex molecules employing more than 1,000 people worldwide, with pharmaceutical subcontracting accounting for 60% of its overall activity. He held the position of President of Operations for 13 years.

Christian Moretti was also Professor of Finance at ESCP Europe Campus Paris and represented France at CEFIC (European Chemical Industry Council) in Brussels.

Gaëtan Servais

Non-Executive Director

Mr. Servais graduated in economics from the University of Liege, where he started his career as a research assistant. In 1995, he joined the Federal Planning Bureau as an expert and later the Economic and Social Council of the Walloon Region. In 2001, he became Chief of Staff for several ministers of the Walloon government.

Since 2007, he has been CEO of the Liège-based investment fund Noshaq, which offers financing solutions for the creation and growth of companies.

Jean-Michel Foidart

Executive Director

Jean-Michel Foidart graduated in Gynecology from the University of Liège and also obtained a PhD in cell biology and biochemistry, before directing its Department of Gynecology-Obstetrics. He was also General Secretary of the European Society of Gynecology and member of multiple editorial boards of international peer-reviewed journals. He is the author of more than 1300 publications on women's health and experimental oncology.

Professor Foidart holds the Francqui Chair, Doctor Honoris Causa of the Pierre and Marie Curie University of Paris and the Paul Sabatier University of Toulouse. He is Officer of the Order of Leopold II, Commander, then Grand Officer of the Order of the Crown, Professor Extraordinary, Honorary of the ULg and Perpetual Secretary of the Royal Academy of Medicine of Belgium. He is the co-founder of Mithra.

Management Committee

Leon Van Rompay
Chief Executive Officer

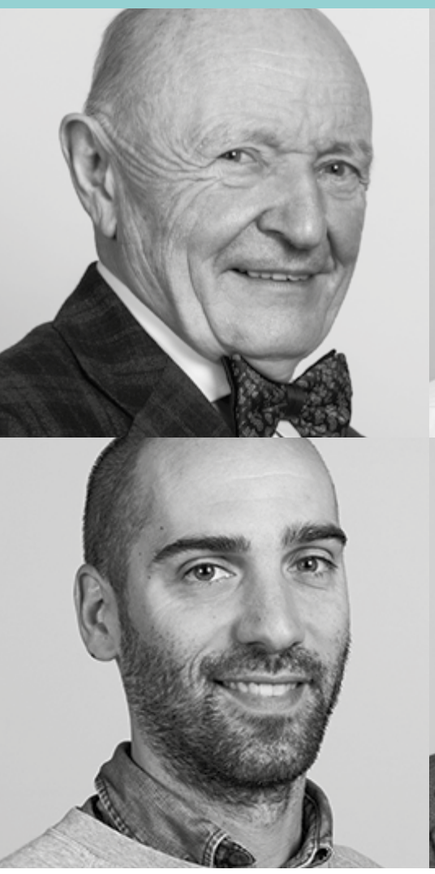
Jean-Michel Foidart
President of the Scientific Council

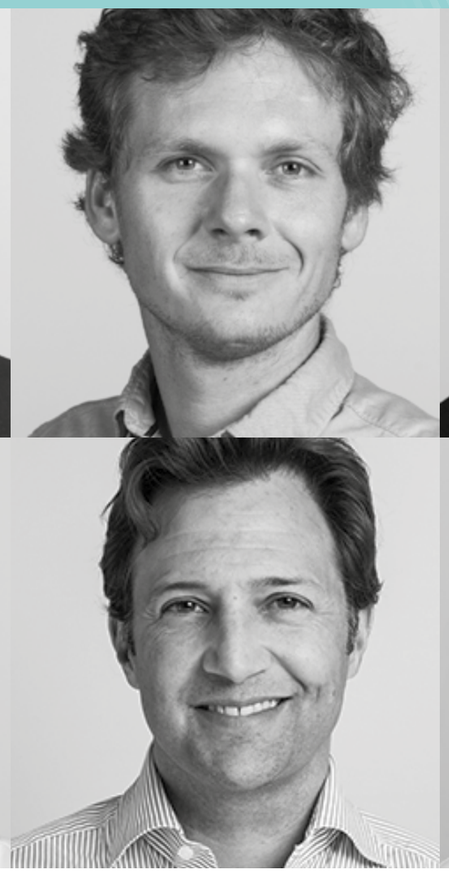
Christophe Maréchal
Chief Financial Officer

Cedric Darcis
Legal Manager

Graham Dixon
Chief Scientific Officer

Laurence Schyns
Human Resources Director





Benjamin Brands
Chief Supply Chain Officer

Renaat Baas
Plant Manager

Frederic Constant
Corporate QA Director

Jean-Manuel Fontaine
VP External & Scientific Affairs

Maud Vanderthommen
Communication Manager

Benoît Mathieu
Investor Relations Officer

CORPORATE GOVERNANCE AND FINANCIAL STATEMENTS

2.

1. Report of the Board of Directors

1.1. Analysis of results / operations

The net loss for the year 2020 was EUR 92,086k (loss of EUR 26,564k for 2019) on a consolidated basis.

The operating loss of EUR 83,678k in 2020 compared to the operating profit EUR 26,975k in 2019 is mainly explained by the decrease of revenues and the increase of R&D activity.

The loss before taxes amounts at EUR 110,922k in 2020 as a result of the increase in the fair value of contingent consideration liabilities (earnouts) for EUR 18,114k.

1.1.1. Total income

Group revenues decreased to EUR 9,030k in 2020 (EUR 96,520k in 2019) and are mainly driven by product sales, including the first sales of Myring® and by Estelle® out-licensing fees in Latin America (Latam). On the one hand, no significant additional performance obligations were considered as highly probable by Mithra, meaning that no revenue on backlog of signed contracts was recognised. On the other hand, no significant partnership was signed during 2020. This reflects the business development strategy for Donesta®, which is progressing well, targeting major global partners. At the same time, we are generating more data in the Phase III trial to be able to conclude a higher deal value.

1.1.2. R&D expenses

R&D expenses increased by 37% in 2020 to EUR 78,458k (2019: EUR 57,073k) due to the ramp up of the Donesta® Phase III "E4 Comfort" clinical program and the Covid study, launched in the second half of 2020. R&D expenses for Donesta® should continue to increase in the first half of 2021.

1.1.3. G&A expenses

G&A increased mainly due to booking entries related to share-based payment expenses of EUR 7,267k in 2020, a non-cash element. Without this non-cash element, G&A decreased by EUR 1,210k compared to 2019, while the ramp-up of activities was important over the period.

1.1.4. Other operating income

Other operating income is rather stable and mainly composed of R&D tax credit and grant income.

1.1.5. Change in fair value of contingent consideration payable, financial assets at fair value through profit and loss

The increase in the fair value of contingent consideration liabilities (earnouts) for EUR 18,114k impacts profit and loss below operating loss, a far lower impact than previous year change in fair value of contingent consideration payable (EUR 54,728k). The fair value is determined using a probability weighting approach applied to earnouts cash flows (based on cash position at year-end on going forward) which are discounted.

The loss before taxes are also impacted by the adjustment of the fair value on Mayne's contract assets (non-monetary part) for EUR 4,925k (for the second equity tranche at FDA approval). In 2019, the adjustment of the fair value on Mayne's contract assets (EUR 5,236k) was offset by recognition of consideration contingently receivable from Ceres for EUR 7,999k.

1.1.6. Financial income

Financial income increased by EUR 1,511k and is mainly explained by the realized exchange gain on foreign USD exchange contract (related to a forecasted transaction that has already occurred).

1.1.7. Financial expense

Financial expenses are mainly resulting from interest paid (EUR 3,503k), unrealized foreign exchange losses (EUR 828k) and a cumulative catch-up adjustment to the amortized cost of government advances (EUR 1,355k).

1.1.8. Branches

The Company has no branches. Refer to detailed table about the group structure in note 9.32.

1.2. Statement of financial position analysis

Total assets increased to EUR 521,985k as of 31 December 2020 (EUR 397,643k at the end of previous year).

1.2.1. Non-current assets

As of 31 December 2020, the Statement of financial position shows a total of EUR 283,509k in Non-current assets, the largest of which are Other intangible assets (EUR 89,005k), Deferred tax assets (EUR 50,904k), Right-of-use assets (EUR 69,572k) and Property, plant and equipment (EUR 29,921k).

Tangible fixed assets (Property, plant and equipment and the Right-of-use assets) increased EUR 5,456k, mainly relating to machinery and equipment of the new production facility (Myring® equipment) for the manufacturing of pharmaceuticals products (Mithra CDMO) and their related development costs for machine settings and improvement.

Other intangible assets consist mainly of a portfolio of acquired product rights, market access rights and internally generated intangible assets. Note that Donesta® qualified as an asset deal, for EUR 8,000k. The book value mainly relates to Estelle® for an amount of EUR 30,600k, to Zoreline® for an amount of EUR 24,400k, and to Myring® for an amount of EUR 11,400k. Over 2020, EUR 4,794k has been added to the Other intangible assets as a result of a capitalization of development costs related to the project "E4 synthesis" and the project Estelle® since the filing of the application for market authorization occurred in the first half of the year and management has judged that registration is highly probable. Those additions are offset by impairment costs on license rights acquired from GSP (EUR 3,450k).

Deferred tax assets increased EUR 16,474k mainly due to the recognition of additional assets arising from available tax losses carried forward.

Non-current Contract assets were transferred to current assets, as the main trigerring event for invoicing is expected for 2021.

Since 2020, the Group uses derivative financial instruments to manage its exposure to foreign exchange rate risk arising from operational activities (cash flow hedges). Those are recorded at fair value on balance sheet (EUR 6,184k within non-current assets and EUR 2,881k within current assets based on maturities of hedging contracts).

1.2.2. Current assets

As of 31 December 2020, the Statement of financial position shows a total of EUR 238,475k in Current assets, mainly Cash and cash equivalents of EUR 138,675k (EUR 88,955k higher than previous year). The convertible bond of EUR 125 million combined with the private placement via an accelerated bookbuild offering of EUR 65 million, the capital commitment line with LDA Capital Limited for up to EUR 50 million (EUR 3.2 million drawn down to date), and a committed bank loan of EUR 20 million until June 2022 (fully undrawn), allowed Mithra to secure the necessary financial resources to finance its business development strategy, and to carry on its R&D expenses.

Inventories increased to EUR 35,382k from EUR 16,277k in 2019, in the context of Estelle® commercial launch preparation.

1.2.3. Equity

Total Equity at year-end decreased to EUR 157,737k from EUR 163,298k in 2019, mainly due to the total comprehensive loss for the period (EUR 89,086k), partially offset by the capital increases of EUR 65,168k, the value of conversion rights on convertible bonds (EUR 11,091k) recognized as an equity component and share-based payment expense (EUR 7,267k).

1.2.4. Non-current liabilities

Non-current liabilities increased to EUR 293,500k at the end of year 2020, compared to EUR 186,546k in 2019, primarily due to convertible bond debt, net of transaction costs (EUR 105,997k and EUR 5,313k respectively as non-current and current portion of other loans).

1.2.5. Current liabilities

Current liabilities increased to EUR 70,747k at the end of 2020, compared to EUR 47,800k in 2019. The increase of the current liabilities is the result of an increase of the fair value of earnout debt related to Estelle for EUR 18,114k (Other financial liabilities) and the current portion of convertible bond debt.

1.3. Cash flow analysis

Full year cash flow of the group amounts to EUR 88,955k :

- *Cash flow from operating activities* of EUR -80,025k for 2020.
- *Cash flow from investing activities* of EUR -16,207k : The acquisition of tangible assets relates predominately to property, plant & equipment acquired for Mithra CDMO facility and equipments self-financed with the Group treasury (excluding Right-of-use assets). The acquisiton of intangible assets consists in the capitalization of development costs related to the project "E4 synthesis" and the project Estelle® since the filing of the application for market authorization that occurred in the first semester.
- *Cash flow from financing activities* amounts to EUR 185,187k : during the year, the Group has secured the necessary financial resources with two capital increases for EUR 65,731k and the issuance of convertible bonds for EUR 122,401k.

The strong cash position recorded at 31 December 2020 (EUR 138,675k) will allow the Group to keep up with operating expenses and capital expenditure requirements at least until the end of 2021.

Based on their assessment, the Management and Board of Directors consider it appropriate to prepare the financial statements on a going concern basis. The assessment is based on expected R&D clinical results and further business deals as well as on the monitoring of our funding activities.

The uncertainly raised by the COVID-19 pandemic is not impacting going concern. Although there are lot of uncertainties, it does not impact the Company's ability to continue operations during the next twelve months.

1.4. Corporate governance statement

1.4.1. Introduction

This Corporate Governance Statement is included in the Company's report of the Board of Directors on the statutory accounts for the financial year ended on 31 December 2020 in accordance with Article 3:6, §2 of the Belgian Companies and Associations Code.

On 17 May 2019, the Belgian royal decree of 12 May 2019 designating the corporate governance code to be complied with by listed companies was published in the Belgian Official Gazette. On the basis of this royal decree, Belgian listed companies are required to designate the new 2020 Belgian Corporate Governance Code (the "2020 Code") as reference code within the meaning of Article 3:6, §2 of the Belgian Companies and Associations Code of 23 March 2019 (as amended) (the "Belgian Companies and Associations Code"). The 2020 Code applies compulsorily to reporting years beginning on or after 1 January 2020 (compulsory application).

The 2020 Code is available on the website of the Belgian Corporate Governance Committee (www.corporategovernancecommittee.be).

1.4.2. Reference code

The Corporate Governance of the Company is organized pursuant to the Belgian Companies and Associations Code, the Company's articles of association and the Company's Corporate Governance Charter.

The Company's Corporate Governance Charter was adopted by the Board of Directors on 20 April 2020 and updated on 22 April 2020. It was drafted in accordance with the recommendations set out in the 2020 Code.

For the financial year ended on 31 December 2020, the Company complied to a large extent with the provisions of the 2020 Code, except for the following deviation which the Company believed was justified in view of the Company's specific situation. Notably, in line with the "comply-or-explain" principle of said 2020 Code, the Company did not fully comply with the following provision:

- Provisions 4.10 to 4.16 of the 2020 Code: the Company decided not to appoint a formal internal auditor because of the size of the Company. However, the Risk and Audit Committee regularly evaluates the need

for this function and/or commissions external parties to conduct specific internal audit missions and report back to Board of Directors.

The Company's Corporate Governance Charter, together with the articles of association of the Company, are available on the Company's website (www.mithra.com), mentioning the date of the most recent update, in a clearly recognizable part of the Company's website under the heading "Investors", separate from the commercial information.

1.4.3. Share Capital & shares

On the date of this report, the share capital of the Company amounts to EUR 31,270,872.40 and is fully paid-up. It is represented by 42,714,097 ordinary shares, each representing a fractional value of (rounded) EUR 0.7321 and representing one 42,714,097th of the share capital. The Company's shares do not have a nominal value. The Company's shares are admitted to listing and trading on the regulated market of Euronext Brussels, under the ticker "MITRA".

In addition to the outstanding shares, the Company has a number of subscription rights, that are exercisable into ordinary shares, consisting of:

- 620 outstanding share options, issued by the Company on 2 March 2015 to the benefit of members of the staff, as well as consultants of the Company, subject to the terms and conditions that are determined by the board of Directors, entitling their holders thereof to subscribe for 1,650 shares upon exercise of 1 relevant Share Option (the "2015 Share Options");
- 1,394,900 outstanding share options, issued by the Company on 5 November 2018 to the benefit of members of the staff, as well as consultants of the Company, subject to the terms and conditions that are determined by the board of Directors, entitling their holders thereof to subscribe for 1 share upon exercise of 1 relevant share option (the "2018 Share Options");
- subscription rights exercisable for a maximum number of 690,000 new shares of the Company at an exercise price of EUR 27.00 per ordinary share (subject to customary adjustments), issued by the Company on 22 July 2020 to the benefit of LDA Capital Limited, subject to the terms and conditions, entitling LDA Capital Limited to subscribe for 1 share upon exercise of 1 relevant subscription right (the "LDA Warrants");
- subscription rights exercisable for a maximum number of 300,000 new shares of the Company at an exercise price of EUR 27.00 per ordinary share (subject to customary adjustments), issued by the Company on 7 September 2020 to the benefit of certain shareholders of the Company, subject to the terms and conditions, entitling their holders to subscribe for 1 share upon exercise of 1 relevant subscription right (the "Share Lending Warrants"); and
- 390,717 outstanding share options, issued by the Company on 20 November 2020 to the benefit of members of the personnel of the Company, subject to the terms and conditions that are determined by the board of Directors, entitling their holders thereof to subscribe for 1 share upon exercise of 1 relevant Share Option (the "2020 Share Options"). On the date of the present report, a total of 316,000 warrants have already been granted to members of the personnel, while 74,717 remaining.]
- Finally, on 10 December 2020, The Company issued senior unsecured convertible bonds due 17 December 2025 for an amount of EUR 125 million. The convertible bonds are convertible into ordinary shares of the Company at an initial conversion price of EUR 25.1917, representing a 25.00% premium above the reference price of EUR 20.1533, being the volume weighted average price of a Company's share on Euronext Brussels from market open to the close of trading on 10 December 2020. The convertible bonds were issued in dematerialised form in the denomination of EUR 100,000 each. Unless previously converted, redeemed or purchased and cancelled, the convertible bonds will be redeemed at par on the stated maturity date, which is expected to be 17 December 2025. The number of ordinary shares potentially to be issued based on this operation amount to 4,96 million.

Form and transferability of the shares

The shares of the Company can take the form of dematerialized shares. All the Company's shares are fully paid-up and are freely transferable. All of the 42.714.097 existing shares have been admitted to trading on the regulated market of Euronext Brussels.

Currency

The Company's shares do not have a nominal value, but each reflect the same fraction of the Company's share capital, which is denominated in euro.

Voting rights attached to the shares

Each shareholder of the Company is entitled to one vote per share. Shareholders may vote by proxy, subject to the rules described in the Company's articles of association.

Voting rights can be mainly suspended in relation to shares:

- which are not fully paid up, notwithstanding the request thereto of the Board of Directors of the Company;
- to which more than one person is entitled or on which more than one person has rights in rem (*droits réels*) on, except in the event a single representative is appointed for the exercise of the voting right vis-à-vis the Company;
- which entitle their holder to voting rights above the threshold of 3%, 5%, 10%, 15%, 20% and any further multiple of 5% of the total number of voting rights attached to the outstanding financial instruments of the Company on the date of the relevant general shareholders' meeting, in the event that the relevant shareholder has not notified the Company and the FSMA at least 20 calendar days prior to the date of the general shareholders' meeting in accordance with the applicable rules on disclosure of major shareholdings; and
- of which the voting right was suspended by a competent court or the FSMA.

Pursuant to the Belgian Companies and Associations Code, the voting rights attached to shares owned by the Company, or a person acting in its own name but on behalf of the Company, or acquired by a subsidiary of the Company, as the case may be, are suspended.

Dividends and dividend policy

All of the shares of the Company entitle the holder thereof to an equal right to participate in dividends in respect of the financial year ending 31 December 2020 and future years. All of the shares participate equally in the Company's profits (if any). Pursuant to the Belgian Companies and Associations Code, the shareholders can in principle decide on the distribution of profits with a simple majority vote at the occasion of the annual general shareholders' meeting, based on the most recent statutory audited financial statements, prepared in accordance with Belgian GAAP and based on a (non-binding) proposal of the Company's Board of Directors. The Belgian Companies and Associations Code and the Company's articles of association also authorise the Board of Directors to declare interim dividends without shareholder approval. The right to pay such interim dividends is, however, subject to certain legal restrictions.

Additional financial restrictions and other limitations may be contained in future credit agreements.

1.4.4. Shareholders & shareholder structure

Shareholders structure

The table below provides an overview of the shareholders that notified the Company, of their shareholding in the Company pursuant to applicable transparency disclosure rules, as of 31st of December 2020.

Shareholder	*% of voting rights*[1]
Mr François Fornieri[2, 4]	26.13%
Mr Marc Coucke[3 4]	15.13%
NOSHAQ (Meusinvest SA) [4]	11.88%
Scorpiaux B	3.89%
Ogesip Invest SA	2.77%

1. The percentage of voting rights is calculated as per the closing date and taking into account the total number of outstanding shares of the Company as of such date
2. François Fornieri holds in direct and through Yima SRL warrants entitling him to subscribe still 1,775,790 additional shares of Mithra.
3. Marc Coucke holds his shareholding partially through Alychlo NV, which he controls.
4. François Fornieri, Alychlo NV and Noshaq SA jointly hold 300,000 warrants (share lending warrants).

No other shareholders, alone or in concert with other shareholders, notified the Company of a participation or an agreement to act in concert in relation to 3% or more of the current total existing voting rights attached to the voting securities of the Company.

The most recent transparency declarations, including the abovementioned declarations, are available on the company's website www.mithra.com.

Shareholders' arrangements

To the Board of Directors' best knowledge, no shareholders' agreement exists among shareholders of the Company with respect to the Company.

1.4.5. Board of Directors

Composition of the board

The Company has opted for a "one tier" governance structure whereby the Board of Directors is the ultimate decision making body, with the overall responsibility for the management and control of the Company, and is authorized to carry out all actions that are considered necessary or useful to achieve the Company's object. The Board of Directors has all powers except for those reserved to the general shareholders' meeting by law or the Company's articles of association. The Board of Directors acts as a collegiate body.

On the 31st December 2020, the Board of Directors consisted of eight (8) members (with a minimum of three (3) members set out in the articles of association), of which two (2) are Executive Directors and six (6) of which are Non-Executive Directors, including four (4) Independent Directors in the meaning of article 7:87 of the Belgian Companies and Associations Code.

On initiative of Alychlo NV, the Board of Directors decided to renew its composition in accordance with its strategic operational plan to add new profiles whose expertise and competence in the pharmaceutical and financial sector will contribute to ensure the quality and relevance of the directions taken in the development of the Company's commercialization phase. In that respect, Alychlo NV and Aubisque BVBA, CG Cube S.A., P4Management BV, P.Suinen SRL, Castors Development SA and Noshaq Partners SCRL, resigned from all their mandates within the Company with effect as from the 25 November 2020.

As a result, the Board of Directors coopted the following directors to fill in the vacancy seats pursuant to provision 7:88 §1 of the BCAC:

- Sunathim BV (represented by Mr. Ajit Shetty) was co-opted by the Board of Directors as Independent Director, until the next General Shareholders' Meeting;
- Mr. Erik Van Den Eynden was co-opted by the Board of Directors as Independent Director, until the next General Shareholders' Meeting. On 22 December 2020, at the request of Mr. Erik Van Den Eynden, the Board of Directors agreed to replace him by TicaConsult BV (represented by Mr. Erik Van Den Eynden;

On 3 February 2021, the Board of Directors accepted that Yima SRL (represented by Mr. François Fornieri) take a step back as CEO, until further notice, for a maximum of 12 months. For further information, please see the press release published by the Company on 4 February 2021 on its website (https://investors.mithra.com/en/press-releases/).

The roles and responsibilities of the Board of Directors, its composition, structure and organization are described in detail in Company's articles of association and Company's Corporate Governance Charter (available on the Company's website, www.mithra.com). The Company's Corporate Governance Charter specifies the criteria that Directors must satisfy in order to qualify as Independent Directors.

Since the General Shareholders' Meeting of 16 May 2019, Directors are appointed for a maximum term of two years, which is renewable.

The composition of Mithra's Board of Directors was as follows during the financial year 2020:

Name	*Position*	*Term*[1]	*Nature of Mandate*	*Board of Directors Committee Membership*	*Attendance*[2] *to 2020 Board meetings*
Yima SRL (permanent representative: Mr. François Fornieri)	Managing Director	2021	Executive	-	14/15
Sunathim BV (permanent representative: Mr. Ajit Shetty)	Director	2021	Independent	Nomination and Remuneration Committee	3/15 (3/3)
TicaConsult BV (permanent representative: Mr. Erik Van Den Eynden)	Director	2021	Independent	Risk and Audit Committee (Chair)	3/15 (3/3))
CG Cube S.A. (permanent representative: Mr. Guy Debruyne)	Director	2020	Non-Executive	-	11/15
Noshaq SA (permanent representative: Mr. Gaëtan Servais)	Director	2021	Non-Executive	Risk and Audit Committee	14/15
Eva Consulting SRL (permanent representative: Mr. Jean-Michel Foidart)	Director	2021	Executive	-	14/15
P4Management BV (permanent representative: Mrs. Christiane Malcorps)	Director	2020[6]	Independent	Nomination and Remuneration Committee	10/15
Alychlo NV (permanent representative: Mr. Marc Coucke)	Director	2020[6]	Chair Non-Executive	-	8/15
Aubisque BV (permanent representative: Mrs. Freya Loncin)	Director	2020[6]	Non-Executive	-	9/15
Ahok BV (permanent representative: Mr. Koen Hoffman)	Director	2021	Independent	Risk and Audit Committee	15/15
P.Suinen SRL (permanent representative: Mr. Philippe Suinen)	Director	2020[6]	Independent	Risk and Audit Committee	11/15
Castors Development SA (permanent representative: Mr. Jacques Platieau)	Director	2020[6]	Independent	Nomination and Remuneration Committee (Chair)	11/15
Noshaq Partners SCRL (permanent representative: Mrs. Joanna Tyrekidis)	Director	2020[6]	Non-Executive	-	11/15
Mrs. Patricia van Dijck	Director	2021	Chair ad interim[7] Independent	Nomination and Remuneration Committee	13/15
Selva Luxembourg SA (permanent representative: Mr. Christian Moretti)	Director	2021	Non-Executive	Nomination and Remuneration Committee (Chair)	15/15

1. The term of the mandate of the Director will expire immediately after the Annual General Shareholders' Meeting held in the year set forth next to the Director's name. Current Directors were reappointed at the Extraordinary Shareholders Meeting held on 16 May 2019, unless specified otherwise above.
2. The number of meetings attended by each Director should take into account the expiration of the term of the mandate of certain Directors during the year as well as the nomination of new Directors during the financial year.

More detailed information on the Board of Directors' responsibilities, duties, composition and operation can be found on the Company's website (www.mithra.com) in the Company's articles of association and Corporate Governance Charter.

Activity report

In 2020, fifteen Board meetings have been held (in case two distinct meetings take place successively, the two meetings have been taken into account hereinabove).

The Board meetings were mainly related to the financial results and financial reporting, including the half-year and financial statements and budget, the Company's financing strategy and related capital transaction, and R&D progress, important agreements or (expected) acquisitions and divestments, and continuous evaluation of the structure of the Company.

In addition, the Board of Directors met to resolve on various (conditional) capital increases, the creation of the 2020 Share Option Plan, the grant of additional share options, the renewal of the Board of Directors and the reinforcement of the Executive Management Team.

Performance evaluation of the board

Under the lead of the Chair and assisted by the Nomination and Remuneration Committee (and possibly also by external experts) the Company's Board of Directors will conduct, every 3 years, a self-evaluation in respect of its size, composition, performance and those of its Committees, as well as in respect of its interaction with the executive management. The evaluation shall have the following objectives:

- Assessing how the Board or the relevant Committee operates;
- Checking that the important issues are suitably prepared and discussed;
- Evaluating the actual contribution of each Director's work, the Director's presence at Board and Committee meetings and his constructive involvement in discussions and decision-making;
- Checking the Board's or Committee's current composition against the Board's or Committee's desired composition.

The Non-Executive Directors shall annually assess their interaction with the Executive Management Team. In this respect, Non-Executive Directors shall meet at least once a year in absence of the CEO and the other executive Directors, if any. No formal Board decision can be taken at such meeting.

There is a periodic evaluation of the contribution of each Director aimed at adapting the composition of the Board of Directors. At the time of their re-election, the Directors' commitments and contributions are evaluated within the Board of Directors, and the Board of Directors ensures that any appointment or re-election allows an appropriate balance of skills, knowledge and experience to be maintained. The same applies at the time of appointment or re-election of the Chairs (of the Board of Directors and of the Board Committees).

The Board shall act on the results of the performance evaluation by recognising its strengths and addressing its weaknesses. Where appropriate, this will involve proposing new members for appointment, proposing not to re-elect existing members or taking any measure deemed appropriate for the effective operation of the Board.

This evaluation took place in fiscal year 2018 and will be renewed in fiscal year 2021. The Board always acts on the results of the performance evaluation by recognizing its strengths and addressing its weaknesses. Where appropriate, this could involve proposing new members for appointment, proposing not to re-elect existing members or taking any measure deemed appropriate for the effective operation of the Board of Directors.

1.4.6. Risk and Audit Committee

The Board of Directors has set up a Risk and Audit Committee, in line with the Belgian Companies and Associations Code.

More detailed information on the Risk and Audit Committee's responsibilities can be found in the Company's Corporate Governance Charter, which can be found on Mithra's website (www.mithra.com).

The Chair of the Risk and Audit Committee reports to the meeting of the Board of Directors subsequent to each meeting of the Risk and Audit Committee on its activities, conclusions, recommendations and resolutions. On an annual basis, the Chair of the Risk and Audit Committee also reports to the Board of Directors on the Risk and Audit Committee's performance.

Composition

The Risk and Audit Committee is composed of three (3) members, which are exclusively Non-Executive Directors. The majority of its members are Independent Directors in the meaning of article 7:87 of the Belgian Companies and Associations Code.

At least one of its members has the necessary expertise with regard to accounting and auditing. The Board of Directors ensures that the Risk and Audit Committee has the necessary and sufficient expertise with regards to accounting, audit and finance, in order to fulfil its role in an adequate manner. The Chair of the Risk and Audit Committee is not the Chair of the Board of Directors. The CEO and CFO can attend the meetings of the Risk and Audit Committee in an advisory and non-voting capacity. At least twice a year, the Risk and Audit Committee meets the Statutory Auditor in order to discuss questions regarding its mandate, the audit procedure and, in particular, the potential weaknesses identified in the control.

The following Directors were members of the Risk and Audit Committee until 25 November 2020: Ahok BV (permanent representative: Mr. Koen Hoffman) (Chair), P. Suinen SRL (permanent representative: Mr. Philippe Suinen) and Noshaq SA (permanent representative: Mr. Gaëtan Servais). Ahok BV (permanent representative: Mr. Koen Hoffman) and P. Suinen SRL (permanent representative: Mr. Philippe Suinen) were both Independent Directors.

On 25 November 2020, the Board's composition was renewed. 7 Directors resigned and 2 new Directors were appointed. As a consequence, the composition of the Risk and Audit Committee was also changed. For further information on the renewal of the Board's composition, please see the press release published by the Company on 3 November 2020 on its website (https://investors.mithra.com/en/press-releases/).

The following Directors are members of the Risk and Audit Committee since 25 November 2020: Mr. Erik Van Den Eynden, replaced on 22 December 2020 by his management company, TicaConsult BV (permanent representative: Mr. Erik Van Den Eynden) (Chair), Ahok BV (permanent representative: Mr Koen Hoffman) and Noshaq SA (permanent representative: Mr. Gaëtan Servais). TicaConsult BV (permanent represenative: Mr. Erik Van Den Eynden) and Ahok BV (permanent representative: Mr. Koen Hoffman) are both Independent Directors.

Activity report

The Risk and Audit Committee met seven(7) times in 2020. The statutory auditor was present at 2 of these seven meetings.

The main topics discussed were the interim half-year and annual financial information and figures, the budget, the statutory auditor's external audit, internal control, risk management and compliance including the implementation of a Business Code of Conduct, the review of the equity transactions. The opinion of the Risk and Audit Committee has also been specifically requested on transactions where there were conflicts of interest.

Attendance was as follows: Ahok BV (permanent representative: Mr. Koen Hoffman): 7, P.Suinen SRL (permanent representative: Mr. Philippe Suinen): 6/7, Noshaq SA (permanent representative: Mr. Gaëtan Servais): 67, and TicaConsult BV (permanent represenative: Mr. Erik Van Den Eynden): 1/7. The number of meetings attended by each Director should take into account the expiration of the term of the mandate of certain Directors during the year as well as the nomination of new Directors during the financial year.

1.4.7. Nomination and Remuneration Committee

The Board of Directors has set up a Remuneration Committee, in line with the Belgian Companies and Associations Code. As the Remuneration Committee also performs the task of a Nomination Committee, it is called the Nomination and Remuneration Committee.

More detailed information on the Nomination and Remuneration Committee's responsibilities can be found in the Company's Corporate Governance Charter, which can be found on Mithra's website (www.mithra.com). In principle, the Nomination and Remuneration Committee will meet at least two (2) times per year.

Composition

The Nomination and Remuneration Committee is composed of three members, which are exclusively Non-Executive Directors. The majority of its members are Independent Directors in the meaning of article 7:87 of the Belgian Companies and Associations Code.

The Nomination and Remuneration Committee has the necessary expertise in terms of the remuneration policy, which is evidenced by the experience and previous roles of its members.

The following Directors were members of the Nomination and Remuneration Committee until 25 November 2020: Castors Development SA (permanent representative Mr. Jacques Platieau), P4Management BV (permanent representative: Mrs. Christiane Malcorps) and Noshaq SA (permanent representative : Mr. Gaëtan Servais). P4Management (permanent representative: Mrs Christiane Malcorps) and Castors Development SA (permanent representative Mr Jacques Platieau) were both Independent Directors.

On 25 November 2020, the Board's composition was renewed. 7 Directors resigned and 2 new Directors were appointed. As a consequence, the composition of the Nomination and Remuneration Committeewas also changed. For further information on the renewal of the Board's composition, please see the press release published by the Company on 3 November 2020 on its website (https://investors.mithra.com/en/press-releases/).

The following Directors are members of the Nomination and Remuneration Committee since 25 November 2020: Selva Luxembourg SA (permanent representative: Mr. Christian Moretti) (Chair), Mrs. Patricia van Dijck and Sunathim BV (permanent representative: Mr. Ajit Shetty). Mrs. Patricia van Dijck and Sunathim BV (permanent representative: Mr. Ajit Shetty) are both Independent Directors.

The CEO is invited to attend the meetings of the Nomination and Remuneration Committee in an advisory and non-voting capacity. He does not attend discussions concerning his own remuneration.

The Chair of the Nomination & Remuneration Committee reports to the Board subsequent to each Committee meeting on its activities, conclusions, recommendations and resolutions. The Chair of the Nomination & Remuneration Committee shall, on an annual basis, report to the Board on the Nomination & Remuneration Committee's performance. Every three (3) years, the Nomination & Remuneration Committee reviews its terms of reference and its own effectiveness and recommends any necessary changes to the Board.

Activity report

The Nomination & Remuneration Committee met five (5) times in 2020.

The main topics discussed were the preparation of the remuneration report, the performance of the CEO and other members of the Executive Management Team, their appointment, resignation, and remuneration (including the grant of subscription rights), the composition of the Executive Management Team, the assessment of the contractual conditions giving right to bonuses to the CEO, the implementation of a new Corporate Governance Charter and the renewal of the Board of Directors.

Attendance was as follows: Castors Development SA (permanent representative: Mr. Jacques Platieau): 4/5, P4Management BV (permanent representative: Mrs. Christiane Malcorps): 4/5, Noshaq SA (permanent representative Mr. Gaëtan Servais): 4/5, Selva Luxembourg SA (permanent representative: Mr. Christian Moretti): 1/5, Mrs. Patricia van Dijck: 1/5, and Sunathim BV (permanent representative: Mr. Ajit Shetty): 1/5.The number of meetings attended by each Director should take into account the expiration of the term of the mandate of certain Directors during the year as well as the nomination of new Directors during the financial year.

1.4.8. Executive Management

By a decision of 15 June 2015, the Board of Directors of the Company set up an Executive Management Team. The Executive Management Team is an advisory committee to the Board of Directors.

The Executive Management Team's mission is to discuss and consult with the Board and advise the Board on the day-to-day management of the Company in accordance with the Company's values, strategy, general policy and budget, as determined by the Board.

While exercising its advisory responsibilities, the Executive Management Team shall be guided by the interests of the Company and its business.

More detailed information on the Executive Management Team's responsibilities can be found in the Company's Corporate Governance Charter, which can be found on Mithra's website. (www.mithra.com).

Composition

The Executive Management Team is currently composed of 9 members: the Chief Executive Officer ad Interim (CEO ad Interim)[1], the Chief Executive Officer (CEO) under leave of absence[2], Chief Business Development Officer (CBDO), under leave of absence[2], The Chief Financial Officer (CFO), Public Relations Officer (PRO), Chief Scientific Officer (CSO), the Investor Relations Officer (IRO), the Chief Supply Chain Officer (CSCO), the Plant Manager, and the President of the Scientific Advisory Board. The Executive Management Team is chaired by the CEO (ad interim)[1,2] of

the Company. Furthermore, the Chair may invite additional personnel to attend a meeting of the Executive Management Team.

The members of the Executive Committee as of the date of this report are listed in the table below.

Name	*Function*
Van Rompay Management BV (permanent representative: Mr. Leon Van Rompay)[1]	Chief Executive Officer ad Interim (CEO ad Interim)
Yima SRL (permanent representative: Mr. François Fornieri)[2]	Chief Executive Officer under leave of absence, Chief Business Development Officer under leave of absence
Eva Consulting SRL (permanent representative: Mr. Jean-Michel Foidart)	Chair of the Scientific Advisory Board
CMM&C SRL (permanent representative: Mr. Christophe Maréchal)	Chief Financial Officer (CFO)
BGL Consulting SRL (permanent representative: Mr. Benjamin Brands)	Chief Supply Chain Officer (CCO)
Novafontis SRL (permanent representative: Mr. Jean-Manuel Fontaine)	Public Relations Officer (PRO)
GD Lifescience SRL (permanent representative: Mr Graham Dixon)	Chief Scientific Officer (CSO)
Mr. Benoît Mathieu[5]	Investor Relations Officer (IRO)
MAREBA BVBA (permanent representative: Mr Renaat Baes) [6]	Plant Manager

1. On 3 February 2021, the Board of Directors decided to appoint Van Rompay Management BV (represented by Mr. Leon Van Rompay) as CEO ad Interim until further notice. For further information, please see the press release published by the Company on 4 February 2021 on its website (https://investors.mithra.com/en/press-releases/).
2. On 3 February 2021, the Board of Directors accepted that Yima SRL (represented by Mr. François Fornieri) take a step back as CEO, until further notice, for a maximum of 12 months. Consequently, for the time being, François Fornieri (through Yima SRL or in any other way) does not exercise any executive function within the Mithra Group. For further information, please see the press release published by the Company on 4 February 2021 on its website (https://investors.mithra.com/en/press-releases/).
3. At the meeting of the Nomination and Remuneration Committee of 8 November 2019, Midico BV (permanent representative: Mr. Michaël Dillen) rendered his resignation. He effectively ceased to perform his duties after the end of the financial year and as of 1 March 2020, he was replaced by Mr. Cédric Darcis, Legal Manager, who is not a member of the Executive Management Team.
4. The Board of Directors decided that the Chief Information Officer is a function that should no longer be part of the Executive Committee. Mr Patrick Kellens left the Company on the 25th May 2020.
5. On 23rd June 2020, the Board of Directors decided to terminate the functions of VIRIBUS VALOREM SRL (permanent representative, Mrs Alexandra Deschner) as Investor Relations Officer, with effect as of 22 December 2020. On 22 December 2020, the Board of Directors appointed Mr. Benoît Mathieu as new Investor Relations Officer upon recommendation of the Nomination and Remuneration Committee. He joined the Company in February 2021 .
6. On 20th April 2020, the Board of Directors appointed MAREBA BVBA, Plant Manager as member of the Executive Committee as from 1st April 2020, upon recommendation of the Nomination and Remuneration Committee.
7. On 22 December 2020, the Board of Directors decided upon recommendation of the Nomination and Remuneration Committee to appoint IARA SRL (Mrs Jessica Salmon), Corporate Controlling Officer and Executive Deputy, as member of the Executive Committee. IARA SRL left the company with effect as from 23rd March 2021.

Activity report

In 2020, The Executive Management Team met regularly and at least once every month. The CEO reported and advised the Board on the day-to-day management at every meeting.

1.4.9. Diversity and inclusiveness

Article 7:86 of the Belgian Companies and Associations Code provides that at least one third of the members of the Board of Directors should be of the opposite gender. In order to calculate the required number of Directors of a different gender, fractions must be rounded to the nearest whole number. These gender diversity requirements are applicable to the composition of the Board of Directors of companies, the securities of which are listed, for the first time as from the first day of the sixth year following the date they became publicly listed. If, for any reason whatsoever, the composition of the Board of Directors does not or no longer meets the conditions laid down here above, the first General Shareholders' Meeting that follows shall constitute a Board of Directors that meets these requirements.

Since the Annual General Shareholders' Meeting of 16 May 2019, the Company complied with the gender diversity requirements set by article 7:86 of the Belgian Companies and Associations Code. However, on 3 November 2020,

the Company announced that, in accordance with its strategic operating plan and in order to support and accelerate its development, it decided to start a renewal process of its Board of Directors. On 25 November 2020, 7 Directors resigned and 2 new Directors were co-opted by the Board of Directors until the next Annual General Shareholders' Meeting that will be held in 2021 and will resolve upon the approval of the financial statements for the fiscal year ended on 31 December 2020. In consequence, the Board of Director is now composed of 8 Directors, 7 of which are men and 1 is a woman.

In accordance with article 7:86 of the Belgian Companies and Associations Code, the board of Directors will propose to appoint 2 new female Directors to the next Annual General Shareholders' Meeting that will be held in 2021 and will resolve upon the approval of the financial statements for the fiscal year ended on 31 December 2020. Should this proposition be approved by the shareholders, the Board of Directors will be composed of 3 female and 7 male Directors (representing a ratio of 30.00% female Directors against 70.00% male Directors).

In the future, the Company undertakes to strive to maintain a well-balanced general diversity at the Board of Directors.

1.4.10. Principal characteristics of internal control and risk management

The Company operates a risk management and control framework in accordance with the Belgian Companies and Associations Code and the 2020 Code. The Group is exposed to a wide variety of risks within the context of its business operations that can result in its objectives being affected or not achieved. Controlling those risks is a core task of the Board of Directors (including the Risk and Audit Committee), the Executive Management Team and all other employees with managerial responsibilities.

The Executive Management Team leads the Company within the framework of prudent and effective control, which enables it to assess and manage risks. The Executive Management Team develops, maintains and ongoingly improves (including with the support of external advisers) adequate internal control and risk management procedures so as to offer a reasonable assurance concerning the realization of goals, the reliability of the financial information, the observance of applicable laws and regulations and to enable the execution of internal control and risk management procedures.

The Executive Management Team is an advisory committee to the Board of Directors and the CEO on the day-to-day management of the Company. Each member of the Executive Management Team has individually been made responsible for certain aspects of the day-to-day management of the Company and its business (in case of the CEO, by way of a delegation from the Board of Directors; in case of the other Executive Management Team members, by way of an informal delegation from the CEO). In the case that any decision to be taken by a member of the Executive Management Team could be material to the Company, it shall be presented and discussed at a meeting of the Executive Management Team. The Executive Management Team meets several times per month.

During those Executive Management Team meetings, there is a follow-up on the progress of various Group projects, clinical studies, business development deals, and other material matters.

The process of gathering financial information is organized on quarterly, half-year and annual basis, and report of such information is made to the CEO and to the Risk and Audit Committee. A central team produces the accounting figures under the supervision of the CFO and Group controller and the books are kept by an ERP (Dynamics AX). The cash and working capital are monitored on a continuous basis migrated to D365 version early 2021

The quality of the internal control and risk management is assessed during the course of the financial year and on an ad hoc basis with internal audits (supply chain, IT, PO validation workflows, working capital management, etc.) carried out on the basis of potential risks identified. The conclusions are shared and validated with the Risk and Audit Committee. During the financial year, the Risk and Audit Committee undertakes reviews of the half-year closures and specific accounting treatments. It reviews the disputes and puts all the questions it deems relevant to the Auditor and to the CFO or to the Executive Management Team of the Company.

Post period, the Company has mandated PWC in order to audit the Company's current governance policies with the view of assisting the Company to set up optimized governance policies more suited for a fully fledged commercial Company.

The Risk and Audit Committee assists the Board of Directors in the execution of its task to control the Executive Management Team.

Control Environment

The Executive Management Team has organized the internal control environment, which is monitored by the Risk and Audit Committee. The Risk and Audit Committee decided not to create an internal audit role, since the scope of the business does not justify a full-time role.

The role of the Risk and Audit Committee is to assist the Board of Directors in fulfilling its monitoring responsibilities, as stipulated in the Company's Corporate Governance Charter and the Business Code of Conduct. These responsibilities include the financial reporting process, internal control and risk management systems (including the Company's process for monitoring compliance with laws and regulations) and the external audit process.

Dealing Code

With a view to preventing market abuse (insider dealing and market manipulation), the Board of Directors has established a dealing code. The dealing code describes the declaration and conduct obligations of Directors, executives and workers of the Group with respect to transactions in shares and other financial instruments of the Company. The dealing code sets limits on carrying out transactions in shares and other financial instruments of the Company, and allows dealing by the above mentioned persons only during certain windows.

1.4.11. Statutory auditor

BDO Réviseurs d'Entreprises SCRL, with registered office at Rue de Waucomont 51, , 4651 Herve, Belgium, member of the Institut des Réviseurs d'Entreprises/Instituut der Bedrijfsrevisoren, represented by Cédric Antonelli, auditor, has been renewed as Statutory Auditor of the Company on 17 May 2018 for a term of three years ending immediately after the Shareholders Meeting to be held in 2021 which will deliberate and resolve on the financial statements for the financial year ended on 31 December 2020. BDO Réviseurs d'Entreprises SCRL is a member of the Belgian Institute of Certified Auditors ("Institut des Réviseurs d'Entreprises") (membership number B00023).

The Statutory Auditor and the auditor responsible for the audit of the consolidated financial statements, confirms annually in writing to the Risk and Audit Committee his or her independence from the Company, discloses annually to the Risk and Audit Committee any additional services provided to the Company, and discusses with the Risk and Audit Committee the threats to his or her independence and the safeguards applied to mitigate those threats as documented by him or her.

During the past fiscal year, in addition to its usual activity, the Statutory Auditor performed additional activities on behalf of the Company mainly for the issuance of special reports, for participation to meeting of the Risk and Audit Committee and for participation to special projects.

In 2020, the Company spent EUR 254,257 for fees related to the activities of the auditor, split as follows:

In Euro (€)	
Auditor's fees	159,434
Fees for exceptional services or special missions (audit related)	50,808
Tax consultancy (audit related)	-
Fees for exceptional services or special missions (external to audit)	-
Tax consultancy (external to audit)	44,015
Total	**254,257**

1.4.12. Information that has an impact in case of public takeover bids

No takeover bid has been instigated by third parties in respect of the Company's equity during the current financial year.

The Company provides the following information in accordance with Article 34 of the Belgian Royal Decree dated 14 November 2007:

Share capital and shares

The share capital of the Company amounts to EUR 31,270,872.40 and is fully paid-up. It is represented by 42,714,097 ordinary shares, each representing a fractional value of (rounded) EUR 0.7321 and representing one 42,714,097th of the share capital. The Company's shares do not have a nominal value.

Restrictions, either legal or prescribed by the articles of association, on the transfer of shares

Other than the applicable Belgian legislation on the disclosure of significant shareholdings and the Company's articles of association, there are no restrictions on the transfer of shares.

Special control rights

There are no holders of any shares with special control rights.

Possible control mechanism provided for in a shareholding system of the personnel, when control rights are not exercised directly by the personnel

There are no share option plans for the personnel other than the share option plans disclosed elsewhere in this report. These share option plans contain provisions on accelerated vesting in case of change of control.

Restrictions, either legal or prescribed by the articles of association, on voting rights

Each shareholder of the Company is entitled to one vote per share. Voting rights may be suspended as provided in the Company's articles of association and the applicable laws and articles.

Agreements between shareholders that may result in restrictions the transfer of securities and/or the exercise of voting rights

There are no agreements between shareholders which are known by the Company that may result in restrictions on the transfer of securities and/or the exercise of voting rights.

Rules governing the appointment and replacement of Board members and the amendment of the issuer's articles of association

The rules governing appointment and replacement of board members and amendment to articles of association are set out in the current versions of the Company's articles of association and the Company's Corporate Governance Charter.

Powers of the Board of Directors

The powers of the Board of Directors, more specifically with regard to the power to issue or redeem shares are set out in the Company's articles of association. The Board of Directors was not granted the authorization to purchase its own shares "*to avoid imminent and serious danger to the Company*" (i.e., to defend against public takeover bids). The Board of Directors is however authorised to dispose of listed shares or certificates, in accordance with article 7:218 of the Belgian Companies and Associations Code (this authorisation extends to disposals made by its direct subsidiaries, as defined in article 3:22 of the Belgian Companies and Associations Code).

Change of control clauses

At the date of this report, the Company is a party to the following significant agreements which, upon a change of control of the Company or following a takeover bid can enter into force or, subject to certain conditions, as the case may be, can be amended, be terminated by the other parties thereto or give the other parties thereto (or beneficial holders with respect to bonds) a right to an accelerated repayment of outstanding debt obligations of the Company under such agreements:

- The asset purchase agreement dated July 28th 2018 by means of which the Company sold its generic division to Ceres Pharma NV. The terms of this agreement provide a change of control clause under which, in the event of Change of Control on the level of Mithra Pharma, all of the earn-outs which are not yet due by CERES PHARMA at that moment shall be reduced with 50%.
- The agreement of 30th September 2019 between the Company and the former shareholders of Uteron Pharma concerning the Company's remaining payment obligations in connection with the earn-outs agreement. Under the terms of this agreement, any outstanding earn-out amount shall become immediately

and fully payable early in case of Change of Control within the meaning of the aforementioned provision within the Company.

- A put option agreement entered into on 23 April 2020 by the Company, LDA Capital Limited, LDA Capital, LLC, and three existing shareholders of the Company (i.e., François Fornieri, Alychlo NV and Noshaq SA) (the "Put Option Agreement") provides (amongst other things) that it may be terminated forthwith during the commitment period (as defined in the Put Option Agreement) by LDA Capital Limited by giving written notice of such termination to the Company if there has been a material change in ownership (which has been defined as any sale or disposal of shares of the Company or other transaction or event which results in the officers and Directors of the Company on the date of the Put Option Agreement owning, directly or indirectly, less than five % the Company's shares in issue from time to time); and
- On 17 December 2020, the Company issued 4.250 per cent. convertible bonds for a total principal amount of EUR 125,000,000 million due on 17 December 2025. Conditions 5(b)(x) and 6(d) of the terms and conditions of the convertible bonds provide that, if a change of control over the Company occurs, the conversion price of the convertible bonds will be adjusted in proportion to the already elapsed time since the closing date (i.e. 17 December 2020) and the bondholders may request the early redemption of their convertible bonds at their principal amount, together with the accrued and unpaid interests.
- Furthermore, as aforementioned, the share option plans of the 2015 Share Options, 2018 Share Options, the LDA warrant plan, the Share Lending Warrants and 2020 Share options issued by the Company also contain take-over protection provisions pursuant to which, in the event of a liquidity event resulting from a public bid or otherwise, that modifies the (direct or indirect) control (as defined under Belgian law) exercised over the Company, the share options holders shall have the right to exercise their share options, irrespective of exercise periods/limitations provided by the plan.

Agreements between the Company and the members of its Board or its personnel

At the date of this report, there is no agreement between the Company and the members of its Board or its personnel, which provide for indemnities if the Board members resign or have to cease their functions without a valid reason or if the employment of the members of the personnel is terminated due to a public takeover bid.

1.4.13. Remuneration report

As prescribed by provision 3:6, §3 of the CCA, please find below the remuneration report pursuant to financial year 2020 prepared by the Nomination and Remuneration Committee. It will be submitted to the General Meeting of Shareholders.

The Remuneration and Nomination Committee confirms that, for the duration of the financial year 2020, the members of the Board of Directors and the executive Committee, were subject to a remuneration policy compliant with the Corporate Governance Charter which has been amended in April 2020 to reflect the new provisions of the CCA as well as the Code of Corporate Governance 2020 (CBGE 2020).Post period, the Board of Directors upon recommendation of the Nomination and Remuneration Committee prepared a remuneration policy in accordance with provision 7:89 of the CCA which will be subject to the General Meeting of 22 May 2021's approval. .

The Directors as well as the members of the Executive Management Team are paid by Mithra Pharmaceuticals SA, parent company of the Mithra Group even though, members can perform tasks for the subsidiaries of the Group.

Directors

Procedure applied in 2020 in order to create a remuneration policy and to determine the individual remuneration

In 2020 still, the Nomination and Remuneration Committee recommended the level of remuneration for Directors, including the Chairman of the Board, which is subject to approval by the Board of Directors and, subsequently, by the Annual Shareholders Meeting.

The Nomination and Remuneration Committee benchmarks the Directors' compensation against peer companies. The level of remuneration should be sufficient to attract, retain and motivate Directors who match the profile determined by the Board.

Apart from their remuneration, all Directors will be entitled to a reimbursement of out-of-pocket expenses actually incurred as a result of their participation in meetings of the Board of Directors.

The level of remuneration of the Directors was determined at the occasion of the Company's Initial Public Offering on 8 June 2015 and explained in the Prospectus issued by the Company in that context. The Company's policy with respect to the remuneration of its Directors has been further detailed in its 2020 Corporate Governance Charter. Those principles have been used by the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, to draft a remuneration policy proposal to be submitted to the General Meeting which shall gather on 20th May 2021. . The remuneration of the Directors will be disclosed to the Company's shareholders in accordance with the applicable laws and regulations.

The Directors' mandate may be terminated *ad nutum* (at any time) without any form of compensation. There are no employment or service agreements that provide for notice periods or indemnities between the Company and the members of the Board of Directors, who are not a member of the Executive Management Team. These informations are further detailed in the draft remuneration policy which is submitted for approval to the General Meeting.

Remuneration policy applied during 2020

The remuneration package for the Non-Executive Directors (whether or not independent) approved by the Shareholders Meeting of 8 June 2015 is made up of a fixed annual fee of EUR 20,000. The fee is supplemented with a fixed annual fee of EUR 5,000 for membership of each committee of the Board of Directors, and an additional fixed annual fee of EUR 20,000 for the Chairman of the Board. Changes to these fees will be submitted to the Shareholders Meeting for approval.

There is no performance-related remuneration for Non-Executive Directors. Therefore, the percentage for those non-executive Directors is 100% of fix remuneration.

Apart from the above remuneration for Non-Executive Directors (whether or not independent), all Directors will be entitled to a reimbursement of out-of-pocket expenses incurred as a result of participation in meetings of the Board of Directors.

The total amount of the remuneration and the benefits paid in 2020 to the Non-Executive Directors (in such capacity) was EUR 258,107(gross, excluding VAT), split as follows:

Name	*Nature*	*Remunerations*	*As member of a committee*	*As chairman of the board*
CG Cube SA	Non-exec	18,044		
NOSHAQ SA	Non-exec	20,000	10,000	
Alychlo NV	Non-exec - Chair	16,667		16,667
P. Suinen SRL	Independent	18,332	3,125	
Castors Development SA[2]	Independent	20,000	5,000	
Ahok BVBA	Independent	20,000	5,000	
Aubisque BV	Non-exec	18,333		
P4Management BVBA	Non-exec	20,000	2,917	
NOSHAQ Partner SCRL	Non-exec	19,021		
P. van Dijck	Non-exec	20,000		5,000
Selva Luxembourg SA	Non-exec	20,000		
Sunathim BV	Non-exec	0	0	
TicaConsult BV	Non-exc	0	0	

1. Alychlo NV, Aubisque BVBA, CG Cube S.A., P4Management BV, P.Suinen SRL, Castors Development SA and Noshaq Partners SCRL resigned from all their mandates within the Company with effect as from the 25 November 2020. CG Cube SA, Alychlo NV, P-Suinen SRL, Aubisque BVBA, P4 Management BVBA and NOSHAQ Partners SCRL invoiced the Company *pro rata temporis* for Q4 2020.
2. As a result, the Board of Directors coopted the following directors to fill in the vacancy seats pursuant to provision 7:88 §1 of the BCAC on the 25th November 2020:
   - Sunathim BV (represented by Mr. Ajit Shetty) was co-opted by the Board of Directors as Independent Director, until the next General Shareholders' Meeting;and was appointed as member of the Nomination and Remuneration Committee on the 25th November 2020.
   - Mr. Erik Van Den Eynden was co-opted by the Board of Directors as Independent Director, until the next General Shareholders' Meeting. On 22 December 2020, at the request of Mr. Erik Van Den Eynden, the Board of Directors agreed to replace him by TicaConsult BV

(represented by Mr. Erik Van Den Eynden; TicaConsult BV was appointed as chair of the Risk and Audit Committee on the 25th November 2020.
- None of those two directors invoiced the Company for the conduct of their 2020 mandate.

3. Patricia Van Dijck was appointed as ad interim chairman of the Board and member of the Nomination and Remuneration Committee on the 25th November 2020.
4. Selva Luxembourg SA was appointed as member and chair of the Nomination and Remuneration Committee. .

The table below provides an overview of the shares and warrants held by the current members of the Board on the 31st of December 2020.

Share- Warrantholder	*Shares*	*%*	*Warrants**	*%*	*Shares and Warrants*	*%*
YIMA SRL (permanent representative: Mr François Fornieri) (CEO)	0.00	0	952,790	25.08	952,790	2.05
Mr François Fornieri (permanent representative of YIMA SRL)	11,159,755	26.13	1,173,000	30.88	12,332,755	26.51
Marc Beyens	0.00	0.00	0	0.00	0	0.00
CG CUBE S.A. (permanent representative: Guy Debruyne)	0	0.00	0	0.00	0	0.00
Guy Debruyne (permanent representative of CG Cube S.A.) (together with CG Cube S.A.)	65,800	0.15	0	0,00	65,800	0.14
AHOK BVBA (permanent representative : Mr Koen Hoffman)	0.00	0.00	0	0.00	0	0.00
Koen Hoffman (permanent representative of Ahok BVBA) (together with Ahok BVBA)	0.00	0.00	0	0.00	0	0.00
NOSHAQ SA (permanent representative: Gaëtan Servais)	5,076,390	11.88	75,000	1.97	5,151,390	11.08
Gaëtan Servais (permanent representative of NOSHAQ SA)	0.00	0.00	0	0.00	0	0.00
Aubisque BVBA (permanent representative : Ms Freya Loncin)	0.00	0.00	0	0.00	0	0.00
Freya Loncin (permanent representative of Aubisque BVBA) (together with Aubisque BVBA)	0.00	0.00	0	0.00	0	0.00
Marc Coucke (permanent representative of Alychlo NV) (Marc Coucke together with Alychlo NV and Mylecke Management, Art & Invest NV)	6,464,730	15.13	75,000	1,97	6,539,730	14.06
Eva Consulting SRL (permanent representative : Jean-Michel Foidart)	0.00	0.00	52,695	1.39	52,695	0.11
Mr Jean-Michel Foidart (permanent representative of Eva Consulting SRL) (together with Eva Consulting SRL)	41,460	0.10	0	0.00	41,460	0.09
P4MANAGEMENT SRL (permanent representative Christiane Malcorps)	0.00	0.00	0	0.00	0	0.00
Christiane Malcorps (permanent representative of	0.00	0.00	0	0.00	0	0.00

P4MANAGEMENT SA, together with P4MANAGEMENT SRL)						
P.SUINEN SRL-S (permanent representative:Mr Philippe Suinen)	0.00	0.00	0	0.00	0	0.00
Philippe Suinen (permanent representative of P.SUINEN SRL-S, together with P.SUINEN SRL-S)	0.00	0.00	0	0.00	0	0.00
CASTORS DEVELOPMENT SA (permanent representative Mr Jacques Platieau)	0.00	0.00	0	0.00	0	0.00
Mr Jacques Platieau (permanent representative of Castors Development SA, together with Castors Development SA)	1,600	0.00	0	0.00	1,600	0.00
NOSHAQ Partner SCRL (permanent representative Mrs Joanna Tyrekidis)	0.00	0.00	0	0.00	0	0.00
Mrs Joanna Tyrekidis (permanent representative of Noshaq Partner SCRL)	0.00	0.00	0	0.00	0	0.00
Mrs Patricia Van Dijck	0.00	0.00	0	0.00	0	0.00
Selva Luxembourg SA (permanent representative M. Christian Moretti)	689,655	1.61	0	0.00	689,655	1.48
Christian Moretti (permanent representative of de Selva Luxembourg SA)	0.00	0.00	0	0.00	0	0.00
Sunathim BV (permanent representative Ajit Shetty)	0.00	0.00	0	0.00	0	0.00
Mr Ajit Shetty (permanent representative of Sunathim BV	0.00	0.00	0	0.00	0	0.00
TicaConsult BV (permanent representative Mr Erik Van Den Eynden)	0.00	0.00	0	0.00	0	0.00
Mr Erik Van Den Eynden (permanent representative of TicaConsult BV)	0.00	0.00	0	0.00	0	0.00
Subtotal	**23,499,390**	**55.02**	**2,328,485**	**61.30**	**25,827,875**	**55.53**

* corresponds to the amount of shares following warrant conversion.

During the fiscal year 2020, the Executive -Directors perceived part of their remuneration as a fix amount and part of their remuneration by means of warrants. No variable remuneration were paid.

Executive Management team

Procedure applied in 2020 in order to create a remuneration policy and to determine the individual remuneration

The remuneration of the members of the Executive Management Team is determined by the Board of Directors upon recommendation of the Nomination and Remuneration Committee and subsequent to the CEO's recommendation to this Committee (except for his own remuneration). the Company strives to be competitive in the European market.

Remuneration policy applied during 2020

The level and structure of the remuneration of the members of the Executive Management Team is such that qualified and expert professionals can be recruited, retained and motivated taking into account the nature and scope of their individual responsibilities.

The remuneration of the members of the Executive Management Team currently consists of the following elements:

- Each member of the Executive Management Team is entitled to a basic fixed remuneration designed to fit responsibilities, relevant experience and competences, in line with market rates for equivalent positions;
- Each member of the Executive Management Team currently participates in, and/or in the future may be offered the possibility to participate in a stock based incentive scheme or stock option in accordance with the recommendations set by the Nomination and Remuneration Committee, upon the recommendation by the CEO to such committee (except in respect of his own remuneration) and after (in respect of future stock based incentive schemes) prior shareholder approval of the scheme itself by way of a resolution at the Annual Shareholders Meeting;
- Each member of the Executive Management Team is entitled to a number of fringe benefits (to the exception, however, of those managers engaged on the basis of service agreements), which may include participating in a defined contribution pension or retirement scheme, disability insurance and life insurance, a company car, and/or a lump-sum expense allowance according to general Company policy.

The Company's policy with respect to the remuneration of its Executive Management team has been further detailed in its 2020 Corporate Governance Charter. Those principles have been used by the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, to draft a remuneration policy proposal to be submitted to the General Meeting which shall gather on 20th May 2021

In addition to the 2015 Warrant Plan, in order to include new members of the Executive Management team, a short and long term performance based remuneration and incentive scheme has been elaborated within the Nomination and Remuneration Committee, validated by the Board of Directors and formally approved by the Extraordinary General Meeting of shareholders on 5 November 2018. Such scheme is based on objectives which are, in accordance with Article 520*bis* of the BCC (article 7:90 of the CCA), pre-determined by an explicit decision of the Board of Directors and were chosen so as to link rewards to corporate and individual performance, thereby aligning on an annual basis the interests of all members of the Executive Management Team with the interests of the Company and its shareholders and benchmarked with the practices in the sector.

Following the implementation of the new BCCA, the Board of Directors decided to issue a new warrant plan (Warrant Plan 2020) within the framework of the authorized capital for members of its personnel. The purpose of the Warrant Plan 2020 is to create a share option plan for the members of the personnel in accordance with the provisions of the BCCA. The number of share options issued under this plan, 390,717 warrants is the same as the number of share options which have not yet been granted under the Warrant Plan 2018 which was created in November 2018 in accordance with the provisions of the (old) Belgian Companies Code of 7 May 1999. Therefore, the Board of directors also decided to no longer grant an equal number of outstanding share options under the Warrant Plan 2018 that have not yet been granted to the selected participants of the Warrant Plan 2018. This Warrant Plan 2020 has a longevity period of 10 years and is not subject to vesting conditions.

The amount of remunerations and benefits paid in 2020 to the CEO and the other members of the Executive Management Team, (gross, excluding VAT) is shown in the table below:

Thousands of Euro (€)	***Total***	***Of which CEO***
Basic Remuneration	2,532	919
Variable Remuneration	-	-
Group Insurance (pension, invalidity, life)	2	-
Other insurance (car, cell phone, hospitalization)	5	-
Total	**2,538**	**919**

Only the member of the Executive Management Team which performed his services through an employment contract had a Group Insurance scheme which covered pension benefits throughout the year 2020 The Group insurance amounted to 4% of this yearly gross remuneration (3% in charge of the Company and 1% in his own charge)

and was cashable when the employee would reach 65 years old. In case the employee would leave the Company, he would keep the collected amounts and the Group insurance would cease to his profit.

The table below provides an overview of the shares and warrants held by the members of the Executive Management Team, including the Executive Director on 31 December 2020 (i.e. the CEO). The share-based payment costs related to warrants held by the members of the Executive Management Team represent EUR 6,535k (including EUR 4,054k for the CEO), out of the total share-based payment costs of EUR 7,267k included in the net loss for the period.

Share- / Warrantholder	*Shares*	*%*	*Warrants*	*%*	*Shares and Warrants*	*%*
YIMA SRL (permanent representative: Mr. François Fornieri) (CEO)	0	0.00%	952,790	25.08%	952,790	2.00%
Mr. François Fornieri (permanent representative of YIMA SRL)	11,159,755	26.00%	1,173,000	30.88%	12,332,755	27.00%
Mr. Christophe Maréchal (representative of and together with CMM&C SRL BVBA)	0	0.00%	235,502	6.20%	235,502	1%
Mr. Jean-Michel Foidart (representative of and together with Eva Consulting SRL)	41,460	0.01%	52,695	1.39%	94,155	0.%
Mr. Benjamin Brands (representative of and together with BGL Consulting SRL)	0	0.00%	67,695	1.78%	67,695	0.%
Mr. Jean-Manuel Fontaine (representative of and together with Novafontis SA)	28	0.00%	52,695	1.39%	52,723	0.%
M. Renaet Baes (representative of and together with Mareba BVBA)[1]	0	0,00 %	35,000	0,92 %	35,000	0 %
Mrs. Alexandra Deschner (representative of and together with Viribus Valorem SRL)	0	0	30,000	0,79%	30000	0
Mr. Patrick Kellens	0	0.00%	0	0.00%	0	0%
Mr. Graham Dixon (representative of and together with GD Lifescience SRL	0	0.00%	25,000	0.66%	25,000	0%
Subtotal	**11,201,243**	**26%**	**2,624,377**	**69.09%**	**13,825,620**	**29.72%**
Total	**42,714,097**	**100.00%**	**3,798,617**	**100.00%**	**46,512,714**	**100.00%**

1. On 3 February 2021, the Board of Directors decided to appoint Van Rompay Management BV (represented by Mr. Leon Van Rompay) as CEO ad Interim until further notice. For further information, please see the press release published by the Company on 4 February 2021 on its website (https://investors.mithra.com/en/press-releases/).
2. On 3 February 2021, the Board of Directors accepted that Yima SRL (represented by Mr. François Fornieri) take a step back as CEO, until further notice, for a maximum of 12 months. Consequently, for the time being, François Fornieri (through Yima SRL or in any other way) does not exercise any executive function within the Mithra Group. For further information, please see the press release published by the Company on 4 February 2021 on its website (https://investors.mithra.com/en/press-releases/).
3. At the meeting of the Nomination and Remuneration Committee of 8 November 2019, Midico BV (permanent representative: Mr. Michaël Dillen) rendered his resignation. He effectively ceased to perform his duties after the end of the financial year and as of 1 March 2020, he was replaced by Mr. Cédric Darcis, Legal Manager, who is not a member of the Executive Management Team.
4. The Board of Directors decided that the Chief Information Officer is a function that should no longer be part of the Executive Committee. Mr Patrick Kellens left the Company on the 25th May 2020.
5. On 23rd June 2020, the Board of Directors decided to terminate the functions of VIRIBUS VALOREM SRL (permanent representative, Mrs Alexandra Deschner) as Investor Relations Officer, with effect as of 22 December 2020. On 22 December 2020, the Board of Directors appointed Mr. Benoît Mathieu as new Investor Relations Officer upon recommendation of the Nomination and Remuneration Committee. .
6. On 20th April 2020, the Board of Directors appointed MAREBA BVBA, Plant Manager as member of the Executive Committee as from 1st April 2020, upon recommendation of the Nomination and Remuneration Committee.

7. On 22 December 2020, the Board of Directors decided upon recommendation of the Nomination and Remuneration Committee to appoint IARA SRL (Mrs Jessica Salmon), Corporate Controlling Officer and Executive Deputy, as member of the Executive Committee. IARA SRL left the company with effect as from 23rd March 2021.

The Company has put into place five warrants plans since its incorporation, three of which are performance related for the Executive Management Team amongst others.

First, the Extraordinary Shareholders Meeting of the Company of 2 March 2015 approved, upon proposal of the Board of Directors, the issuance of warrants giving right to subscribe for 1,796,850 shares, which, on a fully-diluted basis, represented 5.56% additional Shares at the time.

These warrants (1089) have been granted free of charge. All warrants have been accepted by the relevant beneficiaries. Each warrant entitled its holder to subscribe for 1,650 Shares of the Company at a subscription price of EUR 5,646.00 per 1,650 Shares (a part corresponding to the par value of the existing Shares on the day the warrants are exercised will be allocated to the share capital). The balance will be booked as an issue premium.

These warrants can be exercised as from 1 January 2019, and have a term of 8 years as from the date of grant. Upon expiration of the term, they become null and void.

As part of that plan, on 30th of January 2019, an increase of capital took place following the exercise of 15 warrants pursuant the 2015 Warrant Plan ("2015 Warrant Plan") corresponding to a contribution of EUR 84,690. In accordance with the 2015 Warrant Plan, the exercise period started on January 1, 2019. An amount of EUR 18,119.48 was therefore contributed in cash to the share capital of Mithra and the balance of EUR 66,570.52 was allocated to the Company's "share premium" account. This exercise of 15 warrants led to the issue of 24,750 shares (1 warrant being equivalent to 1,650 shares) which on February 15th 2019 were admitted to trading on the regulated market. As a result, Mithra's share capital on January 30, 2019 amounted to EUR 27,573,880.18 corresponding to 37,664,245 ordinary shares.

A second increase took place on 24 April 2019, following the exercise of 15 warrants pursuant the 2015 Warrant Plan ("2015 Warrant Plan") corresponding to a contribution of EUR 84,690. An amount of EUR 18,119.40 was therefore contributed in cash to the share capital of Mithra and the balance of EUR 66,570.52 was allocated to the Company's "share premium" account. This exercise of 15 warrants resulted in the issue of 24,750 shares (1 warrant being equivalent to 1,650 shares) which, on May 9, 2019, were admitted to listing on the regulated market. As a result, Mithra's share capital at 24 April 2019 amounted to EUR 27,591,999.58 corresponding to 37,688,995 fully paid-up ordinary shares. The shares have no par value, but represent the same fraction of the Company's share capital, which is denominated in euros. Each share entitles its holder to one voting right. The number of voting rights held by the shareholders was 37,688,995 at 30 June 2019.

On 31 December 2020, 620 warrants of the initial 1089 remained outstanding.

Secondly, on 5 November 2018, Mithra's Extraordinary General Meeting approved the issuance of a maximum of 1,881,974 warrants under the Warrant Plan 2018, for the benefit of key employees, members of the management team and certain Directors. The warrants are expiring five years (maximum holding period) after the date of issuance. They are generally not transferable and in principle, cannot be exercised prior to the date of the grant's second anniversary (i.e. as from 6 November 2020 subject to exercise conditions). The warrants are subject to vesting conditions which have all been met in 2019. Each warrant gives the right to subscribe to one new Mithra share. Should the warrants be exercised, Mithra will apply for the listing of the resulting new shares on Euronext Brussels. The warrants as such will not be listed on any stock exchange market.

Out of the maximum of 1,881,974 warrants which have been issued, a number of 1,394,000have been offered and accepted by beneficiaries until the period under review.

Following the implementation of the new BCCA, the Board of Directors decided to issue a new warrant plan (Warrant Plan 2020) within the framework of the authorized capital for members of its personnel. The purpose of the Warrant Plan 2020 is to create a share option plan for the members of the personnel in accordance with the provisions of the BCCA. The number of share options issued under this plan, 390,717 warrants, is the same as the number of share options which have not yet been granted under the Warrant Plan 2018 which was created in November 2018 in accordance with the provisions of the (old) Belgian Companies Code of 7 May 1999. Therefore, the Board of directors also decided to no longer grant an equal number of outstanding share options under the Warrant Plan 2018 that have not yet been granted to the selected participants of the Warrant Plan 2018. The Warrant Plan 2020 has a longevity period of 10 years and is not subject to vesting conditions.

Therefore, in sum accordance with the Warrant Plan 2015, a remaining number of 620 warrants representing 1,023,000 new shares can still be exercised since 1 January 2019. Additionally, a number of 1,394,400 of new warrants (representing 1,394,900 new shares) shall in principle be exercisable, as from 6 November 2020 subject to exercise conditions pursuant to the Warrant Plan 2018. The amount of 390,717 warrants issued as per the Warrant Plan 2020, representing 390,717 new shares are immediately exercisable upon grant. Up to date an amount of 316,000 warrants has been granted per this 2020 Warrant Plan

In 2020, eight members of the Executive Management Team were recruted based on a service agreement, whereas one member of the Executive Management Team has been engaged based on an employment agreement. Both sorts of contracts can be terminated at any time, subject to certain pre-agreed notice periods, which may, at the discretion of the Company, be replaced by a corresponding compensatory payment.

The service agreement with the CEO, YIMA SRL, sets out a notice period (or notice indemnity *in lieu* of notice period) of 12 months.

The members of the Executive Management Team perceive part of their remuneration as a fix amount and part of their remuneration in the form of warrants. During the fiscal year 2020.,

The grant of warrants to members of the Executive Management Team has been duly justified in all the issued warrant plan and is performance related driven in order to keep the Executive Management Team interested in the long-term performance of the Company. The purpose is to attract high qualified profiles to help the Company achieve its goals.

Remuneration evolution

In the last five years, the performance of the Company scaled up as the Company progressively signed license and supply agreements as the clinical studies for its product portfolio were moving forward. Notably the Company has performed significantly well in 2018 and 2019 signing several landmark deals and cashing in important milestones payments. In 2020, the Company did not sign any significant deals reducing its EBIT.

In the last five years, the gross remuneration of the Company's employees has increased from 6% (from an average of EUR 49,500, to EUR 52,500). This light increase in the remuneration can be explained by the inflation of the salaries over that period of time.

For further explanations with respect to the personnel benefit on a consolidated basis, please refer to section 9.21.

During fiscal year 2020, the lowest remuneration of the Company's employee amounted to a yearly gross amount of EUR 27,034.45, whereas the highest remuneration granted at management level goes to the CEO, with a yearly gross amount of EUR 918,009.

Claw-back provisions

There are no provisions allowing the Company to reclaim any variable remuneration paid to Executive Management based on incorrect financial information. This point is currently under revision with the draft remuneration policy proposal which is subject to the General Meeting's approval.

Miscellaneous

In general, the company has no intention to compensate in a subjective or discretionary manner.

1.5. Transactions within the authorized capital

By virtue of the resolution of the extraordinary general shareholders' meeting of the Company held on 29 November 2019, as published by excerpt in the Annexes to the Belgian Official Gazette of 30 December 2019 under number 19168869, the Board of directors of the Company has been granted certain powers to increase the Company's share capital in the framework of the authorised capital. The powers under the authorised capital have been set out in Article 7 of the Company's Articles of Association.

In the framework of this authorisation granted by the extraordinary general shareholders' meeting, the board of directors has been authorised to increase, in one or more transactions, the share capital of the Company within the limits provided by law, in particular by issuing convertible bonds and subscription rights, with a maximum amount of EUR 17,597,657.00 (excluding issue premium, as the case may be). The Board of directors is specifically authorised to use this authorisation for the following transactions:

- Share capital increases or issuances of convertible bonds or subscription rights with disapplication or limitation of preferential subscription rights of the shareholders.
- Share capital increases or issuances of convertible bonds or subscription rights with disapplication or limitation of preferential subscription rights of shareholders to the benefit of one or more specific persons, other than members of the personnel of the Company and its subsidiaries.
- Share capital increases effected by incorporation of reserves.

The capital increases that can be effected according to the aforementioned authorisation may take any form whatsoever, in particular contributions in cash or in kind, with or without issue premium, and also by incorporation of reserves and/or issue premiums and/or profits carried forward, to the extent permitted by law.

The aforementioned authorisation is valid for a period of three (3) years as of the date of the publication of the relevant resolution of the extraordinary general shareholders' meeting in the Annexes to the Belgian Official Gazette, *i.e.*, starting on 30 December 2019 and until 30 December 2022.

So far, the board of directors has used its powers under the (renewed) authorised capital:

- on 20 December 2019 by the issuing 1,444,250 new shares for an aggregate amount of EUR 1,057,331.07 (excluding issue premium);
- on 22 May 2020, in relation to the potential issuance of new shares to the benefit of LDA Capital (as defined below) for an aggregate amount of EUR 50,000,000 (including issue premium) pursuant to the Put Option Agreement (as defined below), with, in the meantime, already the issue on 5 August 2020 of 159,800 new shares to the benefit of of LDA Capital for an aggregate amount of EUR 116,989.58 (excluding issue premium) pursuant to the Put Option Agreement;
- on 23 June 2020, by the issuance of 3,421,052 new shares for a total amount of EUR 2,504,552.17 (excluding issue premium);
- on 20 November 2020, by the issuance of 2020 Share Options (as defined above); and
- On 10 December 2020, by the issuance of EUR 125 million senior unsecured convertible bonds due 17 December 2025.

1.6. Acquisition of own Securities

Neither Mithra Pharmaceuticals SA nor any direct affiliate or any nominee acting in his own name but on behalf of the Company or of any direct affiliate, have acquired any of the Company's shares. Mithra Pharmaceuticals SA has not issued profit-sharing certificates or any other certificates.

1.7. Use of financial instruments by the Group as per art. 3:6 CCA

The Group uses derivative financial instruments to manage its exposure to foreign exchange risk arising from operating activities (cash flow hedge). Mithra's risk management objective is to hedge the US Dollars (USD) foreign currency exposure arising from the Estelle® license and supply agreement in USD between Mithra and Mayne Pharma LLC. Mithra has a transactional USD exposure of 228 million USD arising from the regulatory and sales related license milestones under the Mayne Pharma agreement. This exposure is hedged by forward exchange contracts maturing in the period 2020-2025 and entered into by Mithra Pharmaceuticals SA and Estetra SRL.

The Group uses debt instruments. In December 2020, the Group negotiated a EUR 125 million senior unsecured convertible bonds due 17 December 2025. The Bonds will be convertible into ordinary shares of the company. The Bonds were issued at 100% of their principal amount and bear a coupon of 4.250% per annum, payable semi-annualy in arrear in equal instalments on 17 December and 17 June of each year, beginning on 17 June 2021. With the convertible bonds, Mithra has secured the necessary financial resources to finance its business development strategy, and to carry on its R&D expenses.

1.8. Circumstances that could considerably affect the development of the Group

No special events have occurred that could considerably impact the development of the Group.

The Group's exposure to price risk, credit risk, liquidity risk and cash flow risk are detailed in note 9.3 (Financial Risk Management).

The Group has a business structure; built on: (i) a development portfolio which includes the development of Estetrol-based product candidates in the oral contraception, menopause indications as well as other potential indications such as wound healing, NHIE, Covid and of Complex Therapeutics; (ii) the CDMO development and manufacturing facility, which will manufacture an important part of its innovative products, including its Estetrol-based products (the growing importance of this business for Mithra has been confirmed by the interest shown by first rank international market actors in its innovative products portfolio and the achievements in this respect in terms of international business development), and (iii) a commercialized portfolio of branded generics, OTC products in several regions, and post-period Estelle® in Canada and in the US as well as in Europe. Therefore, the risk factors related to each of these pillars are presented separately (as each has a different set of risks associated with it). As Mithra further evolved towards a commercial biopharma company in 2021, most focus is on the development portfolio and products' commercial launch.

(i) Except Estelle®, no Estetrol-based product candidates have been formally registered nor commercialised and the lead product candidate Estelle® is currently approved in Canada and in the US, and received a positive CHMP opinion in Europe (formal approval anticipated in May2021), all of these events taking place post period. The successful development of the Group's Estetrol-based other product candidates remain highly uncertain. Estetrol-based product candidates must undergo pre-clinical and clinical testing supporting the clinical development thereof, the results of which, are uncertain and could substantially delay, which in turn could substantially increase costs, or prevent the Estetrol-based product candidates from reaching the market.

Except Estelle® in Canda in Europe and in the US, the Group's other Estetrol-based product candidates have not been approved nor commercialised..

In parallel, the agencies could requirea number of studies to be conducted which are not expected to have a significant impact on any (potential) marketing authorisation approval, although these will play a role in determining the labelling and leaflet restrictions the product candidate would have upon approval (if any). Donesta® for use in hormone therapy in menopause is currently in Phase III (the pre-clinical and Phase I clinical trial support package is shared with Estelle®; the data currently available would seem to suggest (but did not possess the statistical power to demonstrate) that Estetrol decreases hot flushes in a dose-dependent manner, but larger populations and longer treatment periods as recommended by regulatory guidance (12 weeks) will be necessary to optimally see a difference in the results between the different Estetrol doses tested and the placebo group) and to confirm the minimum effective dose of E4. Despite the recent positive opinion/approval on Estelle in threee main regions, all Estetrol-based product candidates will be subject to extensive (pre-)clinical trials supporting the clinical development thereof to demonstrate safety and efficacy in humans (which will take several years) before they can apply for the necessary regulatory approval to enter the market and potentially obtain marketing authorisation with the relevant regulatory authorities. The Group does not know whether future clinical trials will begin on time, will need to be redesigned will be completed on schedule (for Estelle® and Donesta® the activities announced for 2020 were completed with the filing activities for Estelle® and post period the obtention of the two first market authorizations as well as the positive opinion of the CHMP and the ongoing Phase 3 clinical trials for Donesta®), The precise timing estimates for the development and registration (if any) of Donesta® beyond the Phases of clinical development these product candidates is currently in is thus difficult to predict.

At any stage of development, based on review of available pre-clinical and clinical data, the estimated costs of continued development, the triggering of certain contingent payments and "royalty payments", (payable to the former shareholders of Uteron Pharma as part of the acquisition of Estetra by the Group), and up to EUR 12 million, for Donesta® (as described in the note on business combinations and asset deals), market considerations and other factors, the development of Estetrol-based product candidates may be discontinued.

Any further delays in completing clinical trials or negative results will delay the Group's ability to generate revenues from product sales of Estetrol-based product candidates, if any. This could have a material adverse effect on the Group's business, prospects, financial condition and results of operation.

(ii) The Group is, for its future development and pipeline, currently heavily focused on, and investing in, the development of its Estetrol-based product candidates. Its ability to realise substantial product revenues and, eventually, profitability in line with the investments envisaged will depend in large part on its ability to successfully develop, register and commercialise Estetrol-based product candidates.

The Group's pipeline currently comprises three product candidates which would, upon their marketing authorisation, be completely original innovative products. The Group is dedicating the majority of its available cash resources to the development of these innovative Estetrol-based product candidates. If the Group would be unsuccessful in developing, commercialising and/or partnering these innovative original products, this

would materially impact the revenue and profitability potential of the Group, as in that case, the nature of the Group's pipeline would be limited to the development (either directly or indirectly) of Complex Therapeutics and the further development of its commercial business, both of which present market opportunities of a level which is significantly lower than the opportunity offered by the development of innovative original products. Both of these activities have a profile which is more limited in terms of funding need and growth potential compared to the development of innovative product candidates.

(iii) In order to successfully develop, register and commercialise its Estetrol-based product candidates, the Group will need to successfully manage the transition from a focus on the commercialisation and development of generic products to a company that is in addition, to a significant extent, involved in development and commercialisation of innovative original product candidates.

The Group has, to date, received a market authorization in Canada and in the US as well as a positive opinion from CHMP in Europe for Estelle , but has never yet commercialised an innovative product candidate, and develop its other E4 based products such as Donesta. Such development, registration and commercialisation present significant new challenges.

In preparation, the Group has expanded and continues to expand its organisation and has attracted and continues to attract a number of experienced collaborators in this new field of development. However the Group may not be able to successfully integrate their experience and know-how, and to continue to further successfully expand its organisation and successfully conclude every development step. A failure to successfully do so could cause delays in the clinical development and/or the regulatory approval process, which could ultimately delay or even prevent the commercialisation of the Group's innovative product candidates. This could have a material adverse effect on the Group's business, prospects, financial condition and result of operation.

(iv) Complex therapeutics Zoreline® currently under development by the Group has not yet received any regulatory approval. Myring® received regulatory approval for Europe but is still waiting for it in the US. Complex Therapeutics must undergo bioequivalence or pharmacodynamics or any other studies, which could be subject to delays, which in turn could substantially increase costs, or prevent these generic products from reaching the market on time.

All complex therapeutics will be subject to bioequivalence or pharmacodynamics or other studies (as deemed fit by the relevant regulatory agencies), to demonstrate that the generic product is bioequivalent to the previously approved drug, before they can receive the necessary regulatory approval to enter the market. In 2016, Myring® was the first complex therapeutic solution produced by Mithra to demonstrate bioequivalence; for the other products (including Zoreline®), this is not yet the case. Any delays in completing studies, will delay the Group's ability to generate revenues from product sales of complex therapeutical solutions products if any. In case the Group would come late in the market, dependent on the market as of the point when three to five generics have been approved, it will suffer from significantly reduced market share, revenues and cashflows for the relevant generic product.

(v) The Group's products may not obtain regulatory approval when expected, if at all, and even after obtaining approval, the drugs will be subject to ongoing regulation.

Upon completion of the relevant studies, the Group's products must obtain marketing approval from the European Medicines Agency (EMA), the US Food and Drug Administration (FDA) or competent regulatory authorities in other jurisdictions before the products can be commercialised in a given market, and each such approval will need to be periodically renewed. Each regulatory agency may impose its own requirements and may refuse to grant or may require additional data before granting marketing approval even if marketing approval has been granted by other agencies. Changes in regulatory approval policies or enactment of additional regulatory approval requirements may delay or prevent the products from obtaining or renewing marketing approval. Also, post-approval manufacturing and marketing of the Group's products may show different safety and efficacy profiles to those demonstrated in the data on which approval to test or market said products was based. Such circumstances could lead to the withdrawal or suspension of approval. All of this could have a material adverse effect on the Group's business, prospects, financial condition and results of operation.

(vi) The Group, being only commercially present in selected regions, will need to rely on partners for the commercialisation and distribution of its products in other regions.

The Group's product candidates are being developed with the intention of a commercial launch throughout the world. The Company currently has no commercial, marketing and sales organisation in place that would allow it to launch its product candidates in these markets. As in 2016, the Group decided to put its affiliates on hold, it does not plan to build out a commercial organization in these territories.

The Company divested its French subsidiary, Mithra France, in December 2017. The sale consisted in two agreements. A first contract was closed with Laboratoire CCD, a French-based Women's Health player and concerns the transfer of the marketing authorizations (Mas) for four products including Tibelia®. Secondly, Mithra concluded a share purchase agreement for Mithra France with Theramex, whereby Theramex has taken over the subsidiary, including its pharmaceutical license. In 2020, the Company closed its Brazilian affiliate while the German one is in the process of dilution.

Until now the Group has never marketed a product outside of the Benelux and has therefore limited experience in the fields of sales, marketing and distribution in other markets. The Group does currently not intend to deploy itself a sales and distribution organisation elsewhere in the world, but will rely for the commercial launch and distribution of its products on license and supply deals with partners.

The new partners identified during the 2020 financial year are Alvogen (Hong-Kong and Taïwan), Mayne Pharma (Australia), Gynebio (North-Africa), Gedeon Richter (South-America)for Estelle®. Farlitalia (Italy), Gynial (Switzerland), Zentiva (France, Uniked-Kingdom and Poland), Megalabs (Mexico); Chemical Dampe (Venezuela) for Myring®, , Famitalia (Italy), Spirig Healthcare (Liechtenstein and Switzerland) for Tibelia®. . Other partners have currently not yet been identified and there can be no assurance that the Group will ever identify such partners or find an agreement with such partners. Therefore its products might not be commercialised in all the markets the Group currently intends to commercialise its products. The Group's dependence on partners for the commercialisation of its products in certain regions results in a number of risks (including, but not limited to, less control over the partner's use of resources, timing, success, marketing of competing products by the partner, impact of future business combinations).

The Company has entered into some partnerships regarding sourcing of raw materials including essential active pharmaceutical ingredients such as E4. Therefore the possibility for the Company to meet its production's commitments towards their counterparts depend on its sourcing arrangements and its partners' compliance with their own obligations, commitments which may have been impacted by COVID or any other drawbacks that the Company's partners may have faced during these challenging economical times.

(vii) The pharmaceutical industry is highly competitive and subject to rapid technological changes. If the Group's current or future competitors develop equally or more effective and/or more economical technologies and products, the Group's competitive position and operations would be negatively impacted

The market for pharmaceutical products is highly competitive. The Group's competitors in the Women's Health market include many established pharmaceutical, biotechnology and chemical companies, such as Bayer, MSD, Pfizer, Therapeutics MD, Exeltis and Allergan, many of which have substantially larger financial, research and development, marketing and personnel resources than the Group and could, therefore, more quickly adapt to changes in the marketplace and regulatory environment. Competitors may currently be developing, or may in the future develop technologies and products that are more effective, safe or economically viable than any current or future technology or product of the Group. Competing products may gain faster or broader market acceptance than the Group's products (if and when marketed) and medical advances or rapid technological development by competitors may result in the Group's product candidates becoming non-competitive or obsolete before the Group is able to recover its research and development and commercialisation expenses. This could have a material adverse effect on the Group's business, prospects, financial condition and results of operation.

(viii) The Group's patents and other intellectual property rights may not adequately protect its technology and products, which may impede the Group's ability to compete effectively.

The success of the Group will depend in part on its ability to obtain, maintain and enforce its patents and other intellectual property rights for technologies and products in all territories of interest to the Group. The Group directly holds various families of patent for Estelle® and Donesta®. The two patent families covering the indications for contraception and menopause will expire in 2022 in Europe and Canada and in 2025 in the United States (i.e., only a few years after the end of the development of these two product candidates). New patent applications have been filed to strengthen the protection of the product candidates, the outcome and scope of which are still undetermined. The Group also holds five families protecting different synthesis pathways for Estetrol, whose main patents expire in 2032. The Group will also seek to protect market opportunities for these products candidates once marketing authorization is granted (where applicable) through market/data exclusivity systems (between three and ten years maximum depending on the territory) and/or by applying for extensions of patent terms (five years maximum) where this possibility exists.

(ix) The Group has a history of operating losses, is accumulating deficits and may never become profitable.

The Group has experienced operating losses since 2012. It experienced consolidated net losses of EUR 9.8 million in 2015, EUR 35 million in 2016, EUR 35 million in 2017, EUR 12.4 million in 2018, and EUR 26.6 million in 2019, and EUR 92.1 million in 2020. These losses have resulted principally from costs incurred in research & development and from general and administrative costs associated with the operations. In the future, the Group intends to continue the clinical trial program for its candidate products, conduct pre-clinical trials in support of clinical development and regulatory compliance activities that, together with anticipated general and administrative expenses, and the construction and start-up of its CDMO, will result in the Group incurring further significant losses for the next several years and the Group's cash burn is expected to increase as a result of these activities in the next few years.

There can be no assurance that the Group will ever earn significant revenues or achieve profitability resulting from its research and development activities.

The Group is also subject to the following risks, in addition to the risks mentioned above:

- The commercial success of the Company's products will depend on attaining significant market acceptance among physicians, patients, healthcare payers and the medical community.
- The Company's supply of innovative E4 products will depend on the production resources chosen by the Company.
- The Company may be exposed to product liability, no-fault liability or other claims and the risk exists that the Company may not be able to obtain adequate insurance or that the related damages exceed its current and future insurance cover.
- The Company is currently dependent on third parties for the pharmaceutical dossier and the supply of the products that it does not own but commercialises under its own trademarks.
- The Company might not be able to complete its own pharmaceutical dossiers for certain generic products in its portfolio, resulting in continued dependence on third party suppliers.
- The Company may require access to additional funding in the future, which could have a materially adverse effect on the Company's financial condition and results of operation and if the Company fails to obtain such funding, the Company may need to delay, scale back or eliminate the development and commercialisation of some of its products.
- The Company may infringe on the patents or intellectual property rights of others and may face patent litigation, which may be costly and time consuming.
- The Company's patents and other intellectual property rights may not adequately protect its technology and products, which may impede the Company's ability to compete effectively.
- The Company's success depends on its key people, and it must continue to attract and retain key employees and consultants.
- The Company must effectively manage the growth of its operations and the integration of acquisitions recently made or made in the future may not occur successfully.
- The Company has obtained significant grants and subsidies (mostly in the form of "avances récupérables" refundable government advances). The terms of certain of these agreements may hamper the Company in its flexibility to choose a convenient location for its activities.
- The Company has to comply with high standards of manufacturing in accordance with GMPs and other manufacturing regulations. In complying with these regulations, the Company must expend significant time, money and effort in the areas of design and development, testing, production, record-keeping and quality control to assure that the products meet applicable specifications and other regulatory requirements. The failure to comply with these requirements could result in an enforcement action against the Company, including the seizure of products and shutting down of production. The Company may also be subject to audits by the Competent Authorities. If the Company fails to comply with GMPs or other applicable manufacturing regulations, the Company's ability to develop and commercialize the products could suffer significant interruptions and delay.

(x) The Company or third parties upon whom the Company depends may be adversely affected by natural disasters and/or global health pandemics, and its business, financial condition and results of operations could be adversely affected.

The occurrence of unforeseen or catastrophic events, including extreme weather events and other natural disasters, man-made disasters, or the emergence of epidemics or pandemics, depending on their scale, may cause different degrees of damage to the national and local economies and could cause a disruption in the Company's operations and have a material adverse effect on its financial condition and results of operations. Man-made disasters, pandemics, and other events connected with the regions in which the Company operates could have similar effects. If a natural disaster, health pandemic, or other event beyond its control occurred that prevented the Company from using all or a significant portion of its office and/or lab spaces, damaged critical infrastructure, such as its manufacturing facilities or its manufacturing facilities of its third-party contract manufacturers, or that otherwise disrupted operations, it may be difficult for the Company to continue its business for a substantial period of time.

On March 11, 2020 the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. As of the date of this Annual Report, Belgium, where the Company operates, has been impacted by temporary closures. The length or severity of this pandemic cannot be predicted, but the Company currently anticipates that there may be a potential impact from COVID-19 on the planned development activities of the Company.

With COVID-19 continuing to spread in the United States and Europe, the business operations of the Company could be delayed or interrupted, particularly if a large portion of its employees become ill. COVID-19 may also affect employees of third-party organizations located in affected geographies that the Company relies upon to carry out its clinical trials. The spread of COVID-19, or another infectious disease, could also negatively affect the operations at its third-party suppliers, which could result in delays or disruptions in the supply of drug product used in its clinical trials. In addition, the Company is taking temporary precautionary measures intended to help minimize the risk of the virus to its employees, including temporarily requiring all employees to work remotely, suspending all non-essential travel worldwide for its employees and discouraging employee attendance at industry events and in-person work-related meetings, which could negatively affect the Company's business.

Further, timely enrollment in clinical trials is reliant on clinical trial sites which may be adversely affected by global health matters, including, among other things, pandemics such as COVID-19. For example, many of the Company's clinical trial sites are located in regions currently being afflicted by COVID-19. Some factors from the COVID-19 outbreak that the Company believes will adversely affect enrollment in its trials at least on a temporary basis include:

- the diversion of healthcare resources away from the conduct of clinical trial matters to focus on pandemic concerns, including the attention of physicians serving as Company's clinical trial investigators, hospitals serving as its clinical trial sites and hospital staff supporting the conduct of its clinical trials;
- limitations on travel that interrupt key trial activities, such as clinical trial site initiations and monitoring;
- interruption in global shipping affecting the transport of clinical trial materials, such as investigational drug product used in our trials; and
- employee absences that delay necessary interactions with local regulators, ethics committees and other important agencies and contractors.

The impact of COVID-19 on its business is uncertain at this time and will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions to contain the coronavirus or treat its impact, among other things, but prolonged closures or other business disruptions may negatively affect its operations and the operations of its agents, contractors, consultants or collaborators, which could have a material adverse impact its business, results of operations and financial condition.

1.9. Research and development

We are committed to fully exploiting the potential of E4 (Estetrol) as well as our technologic platform in Complex Therapeutics to develop a diverse and broad portfolio of therapeutic treatments focused on Women's Health.

With regard to E4, most focus is on Mithra's late-stage product candidates, Estelle® for contraception (Post period, market authorization approval for Canada and US, as well as positive CHMP opinion received for Europe and Donesta® for menopause (Phase III). Furthermore, Mithra is exploring additional indications in Women's Health (e.g. dysmenorrhea, pain related to endometriosis), as well as indications beyond Women's Health, such as Covid-19 treatment, wound healing and neuroprotection.

In January 2020, an ecotoxicity study revealed that Estetrol had a more environmentally friendly profile compared to other estrogens. Additional comparative studies are ongoing at the University of Namur to deepen this finding. In November 2020, the Company received the qualification of Estetrol as a "New Active Substance" (NAS) by the European Medicines Agency (EMA). This is the first NAS designation in contraception in over 80 years and the achievements of many years of work for the Company. Post period, the Company received its first market authorization for Canada and a second market authorization is expected for Europe following the positive opinion of the CHMP.

Finalization of patient enrolment for the Phase III E4Comfort program of oral hormonal therapy Donesta® (menopause), which is expected to be completed in early Q2 2021. The Data Safety Monitoring Board (DSMB) independent expert committee issued a positive opinion at the end of 2020, allowing the clinical trials to continue as planned. Despite the Covid-19, the clinical program is currently almost on track.

The recruitment of patients is still ongoing for the clinical program on Estetrol's effect in Covid-19 treatment. This Phase II "Coronesta" trial aims to study the action of Estetrol on the immune, inflammatory and vascular response of patients (male/female) infected with Covid-19. It is in line with other international studies, such as the one conducted at King's College London, which demonstrated the protective effect of estrogen present in the body at high levels. The results of the Coronesta study are expected in early H2 2021.

Indeed, the Covid-19 pandemic led us to review our R&D pipeline. In 2020, we focused on the regulatory procedures linked to the approval of Estelle®, the development of Donesta® and identified a new opportunity with the Coronesta program relating to the potential of Estetrol in the field of respiratory diseases which might broaden the use of Estetrol beyond women's health. Regarding PeriNesta®, although the clinical program has not yet been launched, the opportunistic development previously announced is under review together with other development strategies under consideration in order to fully leverage the potential of this product candidate. •

Further strengthening Estetrol Intellectual Property portfolio thanks to a new patent extending the 35 patent-family filed by Mithra. Exclusivity of Estelle® and Donesta® product candidates is extended until 2036 in Europe. A similar application is currently being examined in the United States.

For the Complex Therapeutics, Mithra launched Myring® in Europe (Belgium, Luxembourg, Czech Republic and Germany) and is currently compiling the additional data requested by the FDA for the US launch. After the removal of requirement for special temperature storage ,the shelf life of Myring® was extended to 36 months from 24 months by the European Authorities, offering distributors, pharmacists and patients a more convenient option compared to competitor products.

At the same time, the Company continue to advance our research work on Zoreline® formulations, having obtained supportive 1 and 3-month PK results in 2018.

Furthermore, Mithra will pursue the budgeted investments to further advance the technological CDMO facility in terms of performance, applicability and scale; in order to offer third-parties the opportunity to develop sterile injectables; and to prepare the polymeric forms and hormonal tablets zones for the production of its proprietary products.

In addition, Mithra intends to initiate new discovery programs which might lead to the development and commercialization of drug candidates; and is committed to seek, maintain and expand the know-how, technologies and intellectual property position.

1.10. Conflicting interests of Directors (Art. 7:96 of the CCA)

The Directors report that during the financial year under review seven decisions have been taken that fall within the provisions of Art.. 7:96 of the CCA namely three of those are linked to the LDA Capital transaction and two are linked to the issuance of warrant plans. As required by the law, thoseminutes parts of the relevant meetings of the Board of Directors relating to such conflicts of interest are reproduced hereunder.

Furthermore, during the same financial year, there has been no transaction or other contractual relationship between the Group, and a Director or Executive Manager other than those that fall within the provisions of Art. 7:96 of the CCA or that have been disclosed under "related party transactions" set out below pursuant to Art. 7:97 of the CCA.

Meeting of the Board of Directors of 20 April 2020 *(free translation of minutes from French)*

On April 20, 2020, at 4:00 p.m., the Board of Directors (hereinafter the "Board") of SA MITHRA PHARMACEUTICALS (hereinafter the "Company") met by means of phone call

Agenda

1) Disclosure of a conflict of interest situation
2) Update on the Financial transaction update with LDA Capital

DELIBERATIONS AND DECISIONS

1) Disclosure of a conflict of interest situation

The President reminds and reads Article 7:96 of the CCA. In the presence of a conflict of interest situation, the concerned director must inform the other directors of its conflict before the Board of Directors can make a decision. The Board of Directors must provide in its minutes the statement and explanations as to the nature of the opposing interest as well as the nature of the decision or transaction in question and a rationale for the decision that was made and the financial consequences for the Company. The minutes of the meeting will be shared with the Company's statutory auditor.

Mr. Fornieri takes the floor to inform before any deliberation on the item on the agenda and in particular before deliberation on item b), "Update regarding the financial transaction with LDA Capital," that there is a potential conflict of interest concerning him and that of the Company within the meaning of Art 7:96 of the CCA.

He explains the following reasons why he considers the transaction to involve an opposition of interests: In the course of the negotiations with LDA Capital, they have requested, in order to secure the transaction, that shares be temporarily lent to LDA Capital. In this context, it is likely that Mr. Fornieri will be required to lend his shares. He would then be interested in the transaction as a shareholder as well. As a result, Mr. Fornieri states that he is potentially in a situation of conflict of interest of a patrimonial nature.

By a special vote by a simple majority, the Board of Directors confirm the existence of a potential conflict of interest and the need to follow the CCA procedure Mr. Fornieri leaves the meeting to avoid any deliberation on the operation and does not take part in the vote related thereto. The statutory auditor will be informed of the conflict of interest and of the Board of Directors' decision. This part of the minutes is included in full in the management report or in a piece that will be filed at the same time as the annual accounts.

2) Update on the Financial transaction update with LDA Capital

The CFO wishes to update the Board of Directors on the current financing project with LDA Capital. In this regard, a note has been sent to the Board (Annex V') to give an image of the ongoing "corporate" operations and the steps that will be useful for their implementation. This note to the Board could only be sent once certain negotiating points had been finalized.

The CFO explains that the case is progressing well. The latest discussions focus on the issuance of warrants for LDA Capital and the lending of shares by the reference shareholders as interim guarantee of the drawdowns.

To date, the transaction includes two important documents:

o Put option agreement: A commitment of up to EUR 50M which allows the Company to make successive puts at its own discretion on both the timing and the amount. We may not use the full amount that is available to us. This draft provides for a fee of 1.5% to be paid in the coming year depending on the puts or in the absence of a put, in the year that the granting of this facility is granted.

This document regulates the issuance of shares for LDA and the sequencing of transactions:

o X-5: Mithra's notification of its willingness to draw and the amount;

o X-3: Lender shareholders must offer to pledge a number of shares equal to the amount of the draw.

o X-2, the shareholders lenders put their shares in a blocked account for the benefit of LDA, specially opened within a Belgian bank guaranteed by LDA for the benefit of the lenders, and this for an amount equivalent to that of the draw This transfer involves a transfer of ownership of the shares and rights attached to them for the benefit of LDA, which is therefore free to trade them.

o X-1, the shares are on the pledged account.

o At X, Mithra makes its formal request for a draw. The amount of the draw is based on the volume of transactions on Mithra securities the 15 days before the draw request. To date, we are subject to low transaction volumes (25 to 30,000 per day). The first draw could be in the order of EUR 10M. A period of 30 days of trading then runs (pricing period), during which A calculation of VWAP is made. On this VWAP we apply a 10% discount. This volume determines the price of the shares to be issued on behalf of LDA, on the understanding that LDA is obliged to subscribe to a minimum amount of 75% of the draw. This amount is then converted into a capital increase (issue of new shares for LDA). The drawing process takes time and during this period (between the drawing and the issuance

of the shares), it is up to the reference shareholders (identity of which is yet to be determined) to put their shares on loan during this period

o At X-31, LDA must take a position (sending a closing notice) as to the number of shares to be issued for its profit and the subscription price

o X -34. The Company issues the shares for the benefit of LDA, which gives Mithra an irrevocable mandate to return them to the lending shareholders. In practice, therefore, the shares lent remain with LDA, and the new shares are immediately returned to the lending shareholders.

o Mithra has one month to list new shares. These shares, once listed, are returned to the reference shareholders who have lent their shares to the former.

o Directors must pay particular attention to one element: The risks for reference shareholders. It is also possible that at the end of the process, LDA will be declared bankrupt. There is therefore a counterparty risk on this point. To limit this risk, we requested that the loaned shares be deposited into an individualized title account (distinct from other assets that LDA may have), which is the subject of a pledge to the benefit of the lender shareholders. Shares and cash generated by trading these shares will also be placed on this account. To mitigate this risk, the Company requested the integration of two elements into the contract:

o No possibility of selling more than 1/3 per day of the shares transferred by the shareholder lender;

o Inability to trade more than 75% of pledged shares;

o Fixing a "minimum acquisition price" (MAP). Mithra determines this price with each put option notice.

o LDA's obligation not to trade more than 75% of all shares lent corresponding to the minimum of the shares to be issued as part of the upcoming capital increase.

The CFO summarizes the situation and reminds Mithra's point of view. Without LDA, the Company risks having a problem with the banks. Indeed, at present, the banks are expressing their intention to support the Company (Belfius, ING...). However, ING wants a specific background contribution beforehand and in the LDA sequence is essential. For Belfius, they would like to know the extent of ING's participation (which would be between 30 and 50M) to intervene. LDA would therefore be a lever for obtaining future bank loans.

Mr Hoffman states that from reading the letters received, Belfius requested a parallel intervene of the reference shareholders. The CFO indicates that it is negotiating firmly to avoid such a scenario. In light of this information, the Chairman questions whether or not a capital increase should be made for the benefit of the reference shareholders. The CFO indicates that this may no longer be a necessity.

Mr Servais has in the past expressed doubts about the ability to reach an agreement with the banks. He is pleased to see that this option is now possible. However, Mr. Servais points out that we are looking for a quick financing solution. We must avoid procrastinating too much and entering into tenuous negotiations with the banks.

The President indicated that he was in line with Mr Servais' concern and that swift action was needed. The President is re-feeling a nervousness of the banks with regard to the situation. Decisions must be taken at this Board. Reference shareholders must take a position on capital intervention alongside banks for the future.

Independent directors intervene and agree that if the reference shareholders participate in a capital increase and put their shares on loan to LDA, they must be able to benefit from a consideration such as the granting of warrants. In this regard, Mr. Hoffman proposes to hold a separate meeting with the Company's independent directors and counsel to shed light on the possibility of granting existing warrants to the lending shareholders. He is insist about the fact that the gesture of the reference shareholders must be paid in one way or another. In view of the potential conflict of interest that such a discussion might engender in this Board, this point will be discussed at a later date in the absence of the concerned people.

Finally, the CFO questions Mr Moretti, in his capacity of shareholder, in order to find out whether or not he agrees to support the LDA transaction by putting his shares on loan. Mr. Moretti gives an agreement in principle under certain reservations that he must lift. The Chairman as a shareholder also agrees to lend his shares as long as the loan is remunerated in one way or another. This should be included in a package combined with a capital increase in which the benchmark shares (e.g., an ABB) participates. The CFO is in favour of this initiative, but the ABB should, in its view, intervene only if necessary and the timing is defined.

Mr Servais wants to speed up operations and have a clear point of view on whether or not existing warrants can be granted to reference shareholders.

Decision: After review and discussion, the Board considers LDA Capital to be a financial partner for the Company and decides to vote favourably on the continuation of negotiations on the basis of the elements described at this Boardl. In order

to facilitate the conclusion of this transaction, the Board of Directors believes that certain powers should be delegated to management and the managing director. Despite the potential conflict of interest that affects the managing director, in view of his status, his position with respect to LDA Capital and the negotiations that have already lasted for a few weeks, but also in the corporate interest of the Company, the Board decides knowingly to delegate to the CEO any power to represent the Board, to negotiate, finalize and sign the final contractual and legal documents inherent to the transaction as a whole. Within the framework that has been presented to the Board today. The Board specifies, however, that if the transaction were to be completed, it would be subject to formal ratification by the Board at the next meeting.

Meeting of the Board of Directors of 27 April 2020 *(free translation of minutes from French)*

On April 27, 2020, at 9:30 a.m., the Board of Directors (hereinafter the "Board") of SA MITHRA PHARMACEUTICALS (hereinafter the "Company") met by means of phone call.

1) Disclosure of conflict of interest situations
2) Ratification of the agreement reached on 24 April 2020 with LDA CAPITAL (Annex I).
3) Compensation of lending shareholders for LDA Capital

DELIBERATIONS AND DECISIONS

1) Disclosure of a conflict of interest situation

The President reminds and reads Article 7:96 of the CCA In the presence of a conflict of interest situation, the concerned director must inform the other directors before the Board of Directors can make a decision. The Board of Directors must provide in its minutes the statement and explanations as to the nature of the opposing interest as well as the nature of the decision or transaction in question and a rationale for the decision that was made and the financial consequences for the Company The minutes of the meeting will be shared to the statutory auditor of the Company.

Prior to proceeding with the deliberations, the following directors previously communicated that they were in a conflict with item (b) on the agenda: (i) Alychlo NV (Marc Coucke), (ii) Aubisque BVBA (Freya Loncin), (iii) YIMA SRL (François Fornieri), (iv) NOSHAQ SA (Gaetan).

These directors have informed the other directors that they potentially have an opposite interest of a patrimonial nature to the decisions in point (b) and (c) are on the agenda:

- (i) Alychlo NV (Marc Coucke), (iii) YIMA SRL (François Fornieri), (iv) NOSHAQ SA (Gaétan Servais) are both members of the Company's Board of Directors, but also its reference shareholders. The decision whether or not to close the proposed transaction with LDA Capital will have a likely impact on the Company, and in particular, on the share price and the rights that flow from it. To the extent that this transaction generates the issuance of shares for the benefit of LDA Capital, it could result in a dilution of the existants reference shareholders. In addition, in this capacity and to secure the proposed transaction, these reference shareholders were asked to temporarily lend part of their shares. Indeed, this is a way for LDA Capital, a financial organization that will provide funds to the Company through successive draws resulting in capital increases and subsequent warrant issues, to secure its counterparty during the time of completion of the "corporate" steps inherent in the financing mechanism. In doing so, the aforementioned reference shareholders take a risk of having their loaned shares disappear and temporarily deprive themselves of them. This deprivation and risk-taking will have to be remunerated by the Company in terms to be agreed upon the directors' and, in particular, the issuance of warrants for their benefit. As a result, the aforementioned directors state that they are potentially in a position of conflict of interest of a patrimonial nature;
- Aubisque BVBA (Freya Loncin), is a member of both the Board of Directors of the Company and of Alychlo NV. To the extent that the latter is directly interested in the results of Alychlo NV, the proposed decision risks having a patrimonial impact on her. As a result, Aubisque BVBA states that it is potentially in a position of conflict of interest of a Patrimonial nature.

In addition, in accordance with Appendix H of the Company's Corporate Governance Code, the aforementioned directors state that they are not in a position to make an entirely independant decision regarding items (b) and (c) of the agenda.

The Chair thanks the Directors for their statements in this minutes which will have the conflict of interest part of the minutes attached to the management report 2020 pursuant to the article 7:96 CSA procedure.

The Board of Directors does consider that the aforementioned directors are potentially in a conflict of interest situation so that the requirements of Art 7:96 of the CCA and Schedule H of the Corporate Governance Code should

be complied with. Accordingly, the Board of Directors notes that it is more prudent for the four directors concerned not to participate in this meeting and refrain from voting on this point.

The Board of Directors then validly deliberate on the item on the agenda.

2) Ratification of the agreement reached on 24 April 2020 with LDA CAPITAL (Annex I).

Mr Hoffman begins the meeting by asking a question about the agreement with LDA Capital. He wants to be sure that "private placement" transactions are not prevented or made more difficult by the agreement.

According to the CFO, the change of control covered by the agreement do not relate to transactions." Mr Hoffman wants a decision beforehand. Management is invited to asstain the impact of such transactions on the agreement with LDA Capital. The CLO and the CFO indicate that a note will be provided on this matter.

The management also asks about the fate of the share pledged? Can they be sold in the next three years? The CFO explains that the share loan takes place for a period of 30 and 45 days. Once the draw is made, the loaned shares are released. Only the draw is guaranteed by those actions. Mr. Hoffman insists that this is still a lock-up for a certain period of time. The distribution of the shares pledged between the lenders shareholders has not yet been decided at this stage.

The Board questions the possibility of Mr Moretti pledging his shares? Mr. Moretti explains that for tax reasons, there can be no discontinuity in the ownership of the shares. Threfore, he will not lend his shares.

The Board invites management to inquire about the tax implications under Belgian law of such a share loan.

The contractual documents were provided to the Board as well as internal notes summarizing the steps of the transaction on the occasion of the previous Board. After deliberation, the Board is unanimous in its view that this transaction was favourable to the Company since

- LDA Capital commits to a cash funding of up to 50 million euros ("capital commitment") for a period of up to three years in exchange for new Mithra shares. This provision of funds, if any immediate, is essential in order to secure the going of concern of the company, to secure its balance sheet and to compensate for the inconvenience caused by the epidemic of Covid-19;

- This capital commitment will be released through draws in the form of put op-tion options that the Company may exercise at its sole discretion. It will allow the Company to release funds as it needs to, rather than immediately diluting existing shareholders for an aggregate amount that the Company may not need, given other potential additional financing options (borrowing, other investment funds, private placement of reference shareholders or combination of these measures) , which will be implemented in the short and medium term to support the growth strategy and strengthen the balance sheet, as announced last March when the 2019 annual figures were published;

- This type of financing is appropriate for the flexibility it offers in this crucial year for the Company, which is marking its transition into a commercial biotech company and which will be punctuated by major advances for its entire product portfolio, in particular the expected commercial launch of its Myring contraceptive ring® in the three largest global markets in 2020, the production of the safety-stock of its contraceptive pill Estelle® for its planned commercialisation in 2021 , not to mention the continuation of Phase III studies of his next-generation hormone treating Donesta®.

Decision: After review, the Board of Direcotrs unanimously decides with the present members to ratify the "put option agreement" between the Company and LDA Capital Limited and LDA Capital LLC.

3) Compensation of lending shareholders for LDA Capital

As noted above, the Commission emphasizes that the reference shareholders will have to sacrifice a portion of their shares in order to secure the transaction for LDA Capital. The Commission is well aware that this loan must be remunerated on normal market conditions that can be validly justified with respect to third parties. It highlights the fact that without this intervention by the lending shareholders, the Company would not have been able to benefit from the funds made available by LDA, which, as previously explained, were necessary.

Mr. Hoffman explained in this regard that a meeting of independent directors was held at this subject in the presence of the Company's lawyer. At the end of the meeting, three options proved to be possible:

- Use of the Company's existing warrants: This will not be possible in relation to the specific purpose of the plan;

- Developing a new warrant plan with more flexibility

- Use of the LDA plan and transpose it to the benefit of the reference shareholders. This solution is indisputable because validated by the General Assembly, knowing that the reference shareholders that have more than 10% of

the shares of the Company cannot participate in the vote. In the latter case, however, the risk of the Assembly not approving the plan is present.

Mr Hoffman recommends combining solutions 2 and 3 at the same time. Cancel the existing warrants plan, make it a more flexible one and model the LDA plan for shareholder lenders.

According to the CLO, this solution is favoured by the Company's lawyer. However, it highlights the risk of not being able to secure the vote in terms of a majority. In his view, a legally acceptable solution will have to be found in order to secure this vote.

Decision: The Board unanimously decides to proceed with the remuneration of the lending shareholders by granting warrants. The Commission invites independent directors to meet as soon as possible to settle the terms and conditions, including the quantum of this remuneration under normal market conditions. A proposal will be put forward by the latter at the next Council.

Meeting of the Board of Directors of 22 May 2020 *(free translation of minutes from French)*

This Board of Directors aimed at increasing the capital by means of the authorized capital to enable the Board to draw the LDA Capital funding pursuant to the put option agreement as executed on the 23rd April 2020. This Board of Directors was held before a notary public, minutes of which is published in the Appendixes of the Belgian Official Gazette and supporting documents on the Company's website.

In light of this decision, several conflict of interest were disclosed by directors.

OPENING STATEMENTS BY DIRECTORS

Introduction by the Chairman

The Chairman reminds that article 7:96 of the Companies and Associations Code states in its first paragraph that "Art. 7:96. § 1. When the board of directors is called upon to take a decision or to decide on a transaction within its competence in which a director has a direct or indirect interest of a proprietary nature which is opposed to the interests of the company, that director must inform the other directors before the board of directors takes a decision. His declaration and explanation of the nature of the conflicting interest must be included in the minutes of the meeting of the board of directors at which the decision is to be made. The board of directors may not delegate its decision. "

In this case, the Board must indicate in its minutes the nature of the decision or transaction in question and a justification for the decision that was made as well as the financial consequences for the Company.

Prior declarations of YIMA SRL, ALYCHLO NV, NOSHAQ SA and AUBISQUE BV

After the above-mentioned introduction by the Chairman, each of (a) YIMA SRL, represented by its permanent representative, Mr. Francesco Fornieri, (b) ALYCHLO NV, represented by its permanent representative, Mr. Marc Coucke, (c) NOSHAQ SA, represented by its permanent representative Mr. Gaëtan Servais, and, insofar as necessary, (d) AUBISQUE BV, represented by its permanent representative, Mrs. Freya Loncin, all four mentioned above, has indicated insofar as necessary and applicable that it has a potential conflict of interest within the meaning of article 7: 96 of the Code of Companies and Associations with respect to the proposed resolutions on the agenda of this meeting of the Board of Directors.

YIMA SRL informed the meeting that it is a related person of Mr. Francesco Fornieri, a shareholder of the Company. ALYCHLO NV informed the meeting that it is a shareholder of the Company. NOSHAQ SA has informed the meeting that it is a shareholder of the Company. AUBISQUE BV informed the meeting that it is also an advisor to ALYCHLO NV.

YIMA SRL, ALYCHLO NV, NOSHAQ SA and AUBISQUE BV informed the meeting that the Put Option Agreement referred to above in the agenda of this board meeting provides that when the Company exercises its put option, Mr. Francesco Fornieri, ALYCHLO NV and NOSHAQ SA shall lend to LDA a number of existing shares covering the amount of the put option. The loan of shares shall enable LDA to cover its risks against the amount it has to pay following the exercise of the put option. For more information, reference is made by each of them to the report of the board of directors mentioned in the agenda section.

AUBISQUE BV informs the meeting that in its capacity as advisor to ALYCHLO NV and in view of the latter's potential conflict, it has decided not to participate in the deliberations and resolutions.

YIMA SRL, ALYCHLO NV, NOSHAQ SA and AUBISQUE BV have therefore each declared, to the extent necessary and applicable, that they may have a potential conflict of interest within the meaning of article 7:96 of the Companies and Associations Code with respect to the resolutions to be taken by the board of directors concerning the capital increase of the Company. YIMA SRL, ALYCHLO NV, NOSHAQ SA and AUBISQUE BV will also inform the Company's

auditor of the foregoing, to the extent necessary and applicable, in accordance with the provisions of Article 7:96 Companies and Associations Code. However, notwithstanding this potential conflict, YIMA SRL, ALYCHLO NV, NOSHAQ SA and AUBISQUE BV have all stated that they believe that the proposed transaction is in the best interest of the Company, as it would allow the Company to complete the capital increase and raise new funds, which is in the Company's best interest. For further information, reference is made by each of them to the report of the board of directors mentioned in the agenda section.

Subsequently, YIMA SRL, ALYCHLO NV, NOSHAQ SA and AUBISQUE BV did not participate in the deliberations and resolutions of the board of directors in connection with the proposed private placement.

Prior declarations of the other directors

None of the other directors have declared that they have an interest in the transaction that would require the application of the procedure provided for in articles 7:96 and/or 7:97 of the Companies and Associations Code.

Considerations of the Board of Directors with Respect to Prior Disclosure

The other members of the board of directors have taken note of the preliminary statements made by YIMA SRL, ALYCHLO NV, NOSHAQ SA and AUBISQUE BV.

The board of directors is of the opinion that the report of the board of directors referred to under item 1 of the agenda regarding the capital increase, which is submitted to the board of directors for approval, (a) contains a description of the nature of the capital increase, (b) a description of the capital consequences of the capital increase for the Company, as well as for the existing shareholders and holders of subscription rights of the Company, respectively, and (c) contains the justification of the capital increase. This report of the board of directors contains additional information and will be made public via (inter alia) the website of the Company and is, to the extent necessary, incorporated by reference in the minutes of this board of directors' meeting.

The board of directors also notes that the present capital increase is an implementation of the Put Option Agreement which is mentioned in the agenda of the present meeting and was previously approved by the board of directors. In addition, to the extent necessary and applicable, in accordance with Section 7:97 of the Companies and Associations Code, the independent directors of the company have earlier evaluated the proposed transaction and have concluded, in connection with the proposed capital increase, that the Put Option Agreement is in the best interest of the company. The Board of Directors concurs with and does not depart from the conclusion and considerations of the independent directors, which were reflected in the aforementioned Board Report.

1. Approval of the report of the board of directors

The board of directors of the Company resolves to approve the report of the board of directors in accordance with article 7:198 juncto articles 7:179, 7:191 and 7:193 of the Companies and Associations Code of March 23, 2019 (the "Companies and Associations Code") in connection with the proposal of the board of directors of the Company, within the framework of the authorized capital, to increase the capital of the Company in cash for a maximum amount of FIFTY MILLION EUROS (EUR 50,000. 50,000,000.00 (including share premium) by issuing a number of new shares at an issue price yet to be determined, and to cancel, in the interest of the Company, the preferential subscription rights of the existing shareholders of the Company and, to the extent necessary, of the existing holders of subscription rights of the Company, in favor of LDA Capital Limited (and its successors and permitted assigns, as provided for in the Put Option Agreement) ("LDA"), the whole as further described in the report. The Board of Directors expressly authorizes each director to sign the aforementioned Board of Directors' Report in the name and on behalf of the Board of Directors.

Vote: This resolution was adopted unanimously.

Suspension of the meeting of the Board of Directors

After the approval of the above-mentioned report of the board of directors, the meeting was briefly suspended in order to allow the Company's auditor to finalize and submit his report mentioned under item 2. of the agenda of the present meeting. After this short break, the meeting, still constituted as above, shall resume its course.

2. Acknowledgement of the auditor's report

The board of directors takes note of the report of the statutory auditor of the Company in accordance with article 7:198 juncto articles 7:179, 7:191 and 7:193 of the Code of Companies and Associations in relation to the proposal of the board of directors of the Company, within the framework of the authorized capital, to increase the capital of the Company in cash for a maximum amount of FIFTY MILLION EUROS (EUR 50. 50,000,000.00 (including issue premium) by issuing a number of new shares at an issue price to be determined, and to cancel, in the interest of the Company, the preferential subscription rights of the existing shareholders of the Company and, insofar as necessary, of the current holders of subscription rights of the Company, in favor of LDA. All of the Appearances acknowledge

that they have received a copy of this report in due time and take note of it. The report will be filed in the Company's file with the clerk of the competent corporate court. The Board of Directors also notes that there are no comments on the report of the Company's auditor.

The chairman is exempted from reading the report of the board of directors and the report of the statutory auditor, Mr. Cedric Antonelli, auditor, of the civil partnership BDO Bedrijfsrevisoren, with registered office at 1935 Zaventem, Da Vincilaan, 9, Boc E.6, The Corporate Village, Elsinore Building designated by the board of directors, reports established within the framework of article 7:198 juncto articles 7:179, 7:191 and 7:193 of the Companies and Associations Code. Both reports shall remain attached hereto.

3. Decision to increase the Company's capital under the authorized capital

The Board of Directors of the Company decides to increase the capital of the Company, within the framework of the authorized capital as described in Article 7 of the Company's articles of association, in cash for a maximum amount of FIFTY MILLION EUROS (EUR 50,000. 50,000,000.00) (including issue premium) by the issuance of a number of new shares at an issue price yet to be determined, and to cancel, in the interest of the Company, the preferential subscription rights of the existing shareholders of the Company and, to the extent necessary, of the existing holders of subscription rights of the Company, in favor of LDA, subject to the following conditions:

(a) Capital increase: The board of directors uses its powers under the authorized capital as set forth in Article 7 of the Company's articles of association to increase the Company's capital in cash for a maximum amount of EUR 50,000,000.00 (including the issue premium) (the "Commitment Amount") through the issuance of a number of new shares at an issue price yet to be determined as provided below. The capital increase is subject to the condition precedent of the completion of the subscription of the new shares by LDA in accordance with the terms below.

(b) Number of new shares to be issued and issue price of the new shares: The number of new shares to be issued in connection with the capital increase and the issue price of such new shares (representing the capital of the Company for the amount equal to the par value and, if applicable, the issue premium for what would exceed the par value) shall be determined by the board of directors or the Placement Committee (as defined below) on the basis of the terms and conditions set forth in the Put Option Agreement, dated April 23, 2020, which has been entered into by and among the Company, LDA Capital Limited and the other parties named therein (the "Put Option Agreement"), it being understood that, among other things:

(i) depending on when the Company notifies LDA of the exercise of a put option requiring LDA to subscribe for new shares, the new shares to be issued may have a different issue price in accordance with the Put Option Agreement,

(ii) whenever the Company exercises a put option, the relevant number of new shares to be issued shall be determined on the basis of the trading volumes and prices of the Company's shares on Euronext Brussels during the relevant reference period prior to the exercise of the put option, in accordance with the terms of, and subject to the adjustments set forth in, the Put Option Agreement

(iii) whenever the Company exercises a put option, the relevant issue price of the new shares to be issued shall be determined on the basis of 90% of the relevant volume weighted average trading price of the Company's shares on Euronext Brussels during the relevant reference period (30 to 45 trading days) following the exercise of the put option, in accordance with the terms of, and subject to the adjustments set forth in, the Put Option Agreement

(iv) the minimum issue price of the new shares shall not be less than EUR 19.50 (subject to the adjustment mechanism provided for in the Put Option Agreement), and

(v) the aggregate issue price of the new shares to be issued in the framework of the capital increase (composed of the number of new shares to be issued, multiplied by the applicable issue price of the relevant shares) must not be higher than the Commitment Amount;

all as further described in the report of the board of directors referred to under item 1 of the agenda.

(c) Allocation of the issue price of the new shares: The issue price of the new shares must be fully paid up at the time of issue and subscription of the new shares by LDA. The issue price of each new share must be recorded as capital on the liabilities side of the Company's balance sheet, as equity in the "Capital" account. However, the amount by which the issue price of a new share exceeds the par value of the existing shares of the Company (which, at the date of this decision, amounts to, rounded to EUR 0.7321) will be accounted for as share premium, if any, on the liabilities side of the balance sheet of the Company as shareholders' equity in the account "Share premium". This account will constitute, in the same way as the Company's capital, a guarantee for third parties and, except for the possibility of capitalizing these reserves, may only be reduced or eliminated by a decision of the general meeting of shareholders ruling under the conditions required for the amendment of the Company's articles of association. Following the

capital increase and the issue of the new shares, all existing and outstanding shares of the Company (including the newly issued shares) will, in accordance with article 7:178 of the Companies and Associations Code, have the same accounting par value.

(d) Nature and form of the new shares: The new shares to be issued in connection with the capital increase shall have the same rights and benefits as the existing and outstanding shares of the Company at the time of their issuance and shall in all respects, including dividend rights, be pari passu with the existing and outstanding shares of the Company at the time of their issuance, and shall be entitled to distributions for which the record date or due date falls on or after the date of issuance of new shares. The Company will apply for the admission of the new shares to trading on the regulated market of Euronext Brussels in accordance with applicable laws and regulations and the terms and conditions of the Put Option Agreement.

(e) Offering of the New Shares: The New Shares will be offered by the Company to LDA, and may be subscribed for by LDA in accordance with the terms and conditions of the Put Option Agreement. LDA is obligated to subscribe for the New Shares in accordance with the terms and conditions set forth in the Put Option Agreement.

(f) Removal of Preferential Right: In order to allow the offering of the New Shares by the Company to LDA and the subscription of the New Shares by LDA as provided for above, the board of directors resolves, in accordance with article 7:198 juncto articles 7:191 and 7: 193 of the Companies and Associations Code, to waive, in the interest of the Company, the preferential subscription rights of the existing shareholders of the Company and, to the extent necessary, of the existing holders of subscription rights of the Company, in connection with the proposed capital increase in favor of LDA Capital Limited and its successors and permitted assigns (as referred to and described in the report of the board of directors referred to in agenda item 1), as provided for by the Put Option Agreement.

(g) Implementation of the capital increase, issuance and subscription of the new shares: Subject to the provisions of the preceding paragraphs and subject to the terms and conditions of the Put Option Agreement, the board of directors or the Placement Committee shall determine the practical implementation of the issuance of, and subscription by LDA for, the New Shares, including (but not limited to) the maximum number of New Shares to be issued, the issue price of the New Shares to be issued, the timing of the issuance of and subscription for the New Shares, and the resulting increase in capital, the terms and conditions of subscription for the shares and other mechanisms for effecting the transaction.

(h) Completion in several tranches: Subject to the effective completion of the issue and the subscription of the new shares, the capital increase may be completed in one or more tranches, depending on the exercise of one or more put options by the Company in accordance with the Put Option Agreement. If all of the new shares offered are not subscribed for, the capital increase may nevertheless be carried out to the extent of all or part of the subscriptions received by the Company in accordance with the Put Agreement, to be determined as set forth above, in accordance with article 7:198 juncto article 7:181 of the Belgian Companies and Associations Code, provided that the board of directors or the Placement Committee so decides in accordance with the terms and conditions of the Put Agreement. The board of directors or the Investment Committee may also, for the avoidance of doubt, decide not to implement the envisaged capital increase.

(i) Amendment of the articles of association: Upon completion of the capital increase and the issuance of the new shares as provided for above, the articles of association of the company shall be amended and updated to reflect the resulting capital and the number of existing and outstanding shares.

(j) Appointment of a Placement Committee: The board of directors hereby appoints a committee (the "Placement Committee") consisting of at least two persons, of whom (x) one shall be a director, and (y) the other shall be the Chief Financial Officer (or any director (other than the director referred to in (x) above) if the Chief Financial Officer is not available). The Investment Committee shall have the power and ability to implement the effective completion of the capital increase, in accordance with the provisions of paragraphs (a) to (i) above, and shall have, but not be limited to, the following powers

(i) to exercise the put options in accordance with the Put Option Agreement;

(ii) to determine the number and issue price of the new shares to be issued in connection with the capital increase

(iii) to implement the issue and subscription of the new shares;

(iv) (without prejudice to the provisions of the Put Option Agreement) to determine the start and duration of the issue and subscription period and, as the case may be, the end of the issue and subscription period for the new shares, as contemplated by the foregoing decisions, and to decide not to start or to end the issue and subscription period or to start or to end the issue and subscription for only part of the new shares

(v) to take all useful or necessary steps with the competent regulatory authorities and Euronext Brussels with respect to the admission to trading of the new shares on the regulated market of Euronext Brussels;

(vi) to take note of the fulfilment of the conditions precedent, to proceed with the realisation and the fixing of the capital increase as provided for above, with the resulting amendment of the articles of association of the company and, if applicable, with the fixing of the amount of the issue premium; and

(vii) to do all other useful, appropriate or necessary things in connection with the foregoing, including representing the Company before a notary in order to record the effective realization of the subsequent capital increase transactions.

The Placement Committee is authorized to sub-delegate (in whole or in part) the exercise of the powers conferred upon it by virtue of this decision. The Investment Committee shall be validly represented by each member of the Investment Committee, acting individually.

(k) Specific powers: Pursuant to article 7:198 juncto article 7:186 of the Companies and Associations Code, the realization of the capital increase may be recorded at the request of the board of directors, the Placement Committee, each director of the Company, the corporate secretary, the Chief Financial Officer and the Legal Manager, who are hereby individually and specifically designated for this purpose. The above powers are in addition to, and without prejudice to, any other powers granted by the board of directors in connection with the proposed capital increase.

Vote: This resolution is adopted unanimously.

Meeting of the Board of Directors of 18 June 2020 *(free translation of minutes from French)*

This Board of Directors aimed at increasing the capital by means of the authorized capital to formalize the private placement via accelerated bookbuilding offering in the terms announced on the same day. This Board of Directors was held before a notary public, minutes of which is published in the Appendixes of the Belgian Official Gazette and supporting documents on the Company's website.

In light of this decision, several conflict of interest were disclosed by directors.

PRIOR DECLARATIONS OF INDIVIDUAL DIRECTORS

Prior declarations of Mr. F. Fornieri, Alychlo NV and Noshaq SA

Prior to the deliberations and resolutions of the board of directors, Mr. François Fornieri, Alychlo NV (having as permanent representative Mr. Marc Coucke) and Noshaq SA (having as permanent representative Gaëtan Servais), each a director of the Company, made the following respective declarations to the extent necessary and applicable, in accordance with Article 7:96 of the Companies and Associations Code:

- Each of the foregoing directors has represented that he or she is currently a stockholder of the Company, that he or she supports the proposed Transaction to be considered by the Company, and that, subject to the initiation of the Transaction, he or she intends to submit an order in the Transaction.

- The aforementioned directors have each informed the meeting that, as a result, they may have a conflict of interest within the meaning of Article 7:96 of the Companies and Associations Code in connection with the decisions to be taken by the board of directors in connection with the Transaction. They shall also inform the Company's statutory auditor of the foregoing, to the extent necessary and applicable, in accordance with the provisions of Article 7:96 and/or Article 7:97 of the Companies and Associations Code. However, notwithstanding this potential conflict, the Directors have all stated that they believe that the proposed private placement is in the best interests of the Company, as it will enable the Company to complete the Transaction and raise new funds, which is indeed in the best interests of the Company.

Thereafter, the aforementioned directors have not participated in the deliberations and decisions of the board of directors in connection with the Transaction.

Prior declarations of the other directors

None of the other directors declared that they had an interest in the Transaction that would require the application of the procedure set forth in Articles 7:96 and/or 7:97 of the Companies and Associations Code.

Considerations of the Board of Directors Regarding Prior Disclosure

The remaining members of the board of directors have taken note of the prior declarations made by Mr. F. Fornieri, Alychlo NV and Noshaq SA (the "Subscribing Shareholders").

The board of directors has considered that the Board's Report prepared in accordance with article 7:198 juncto articles 7:179 and 7:191 of the Belgian Companies and Associations Code in connection with the Transaction and which is submitted for approval by the board of directors contains (a) a description of the nature of the Transaction, (b) a description of the financial consequences of the Transaction for the Company, as well as for the existing shareholders and the holders of the respective outstanding subscription rights of the Company, and (c) the justification of the Transaction. The Board Report also contains additional information and will be publicly available via (among others) the Company's website and is, to the extent necessary, incorporated by reference into the minutes of this board meeting.

The board of directors has also specified that, subject to the launch of the Transaction, the Transaction will be open to institutional, qualified, professional and/or other investors as permitted under the applicable private placement exceptions, as mentioned in the aforementioned report, and any final allocation to investors, if any, will be made on the basis of customary objective and pre-determined criteria. The board of directors has further confirmed that no assurances will be given with respect to the final allocation to the Subscribing Shareholders, or any other participating investor, or any of their affiliates or other persons, with respect to any allocation to them, or the size of any such allocation.

In addition, to the extent necessary and applicable, in accordance with Article 7:97 of the Companies and Associations Code, an ad hoc committee of three independent directors of the Company (consisting of P. Suinen SRL, Castors Development NV, Patricia van Dijck) have earlier evaluated the Proposed Transaction and have concluded, in connection with the proposed capital increase, that the Transaction is in the interest of the Company. The conclusions of the Committee are as follows:

The Committee believes that the proposed Transaction, and the potential participation of the Subscribing Shareholders (Mr. François Fornieri, Alychlo NV and Noshaq SA) in it, are in the interest of the Company and all its shareholders.

In particular, the subscription of new shares by the Subscribing Shareholders demonstrates the support of the reference shareholders for the activity, vision and strategy of the Company. This may contribute to the success of the Transaction. A successful fund raising would be in the interest of the Company because, among other things, it allows the Company to have access to equity financing (from the Subscribing Shareholders and other investors) in a fast and efficient manner to finance its activities.

In any event, the Committee notes that the offering of new shares will be open to institutional, accredited, professional and/or other investors, as permitted by the applicable private placement exceptions, and that any final allocation to investors, as the case may be, will be made on the basis of customary objective and pre-identified criteria. No assurances will be or have been given as to the final allocation to any of the aforementioned investors, stockholders or other persons, that an allocation will be made to them, or as to the extent of any such allocation.

The Board of Directors concurs with and does not depart from the conclusions and considerations of the Committee of Independent Directors, which have been reflected in the aforementioned Board Report.

DELIBERATION

After the foregoing statements have been made and the meeting is declared to be properly constituted and able to transact business, the remaining directors of the Board of Directors shall proceed with the business of the meeting and, after deliberation, shall pass the following resolutions

1. Submission of Reports

(a) The board of directors resolves to approve the report of the board of directors pursuant to article 7:198 juncto articles 7:179 and 7:191 of the Companies and Associations Code of March 23, 2019 (the "Companies and Associations Code"), as well as, to the extent necessary and applicable, the report prepared pursuant to article 7: 97 of the Companies and Associations Code by an ad hoc committee of three independent directors of the Company (consisting of Ahok BV, Castors Development NV, Patricia Van dijck), both reports having been prepared in connection with the proposal of the board of directors of the Company, within the framework of the authorized capital, to increase the capital of the Company in cash for a maximum amount of THREE MILLION TWO HUNDRED AND FOURTY-FOUR THOUSAND EUROS (EUR 3. 294,450.00) (excluding issue premium, if any) through the issue of a maximum number of new shares amounting to FOUR MILLION FIVE HUNDRED THOUSAND (4,500. 000) and to cancel, in the interest of the Company, the preferential subscription rights of the existing shareholders of the Company and, to the extent necessary, of the existing holders of subscription rights of the Company, in connection with the proposed issuance of new shares to be offered via a private placement, through an accelerated bookbuilding procedure to a large, currently unknown group of Belgian and foreign institutional, qualified, professional and/or other investors (including private persons, subject to applicable laws, rules and regulations of financial law, and it being

understood, with respect to investors other than qualified investors (as defined in Regulation 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC, as amended (the "Prospectus Regulation")) in Belgium only, that the minimum investment amount per investor shall be at least EUR 100. 000) in Belgium and abroad (including Qualified Institutional Buyers (QIBS) in the United States), based on the applicable private placement exemptions;

Vote: this resolution is adopted unanimously.

(b) The board of directors takes note of the report of the Company's auditor pursuant to article 7:198 juncto articles 7:179 and 7:191 of the Companies and Associations Code, as well as the report of the Company's auditor pursuant to article 7: 97 of the Companies and Associations Code, both reports having been prepared in connection with the proposal of the Company's Board of Directors, within the framework of the authorized capital, to increase the Company's capital in cash for a maximum amount of THREE MILLION TWO HUNDRED AND FOURTY THOUSAND FOUR HUNDRED EUROS (EUR 3. 294,450.00 (excluding issue premium, if any) by the issuance of a maximum number of new shares amounting to FOUR MILLION FIVE HUNDRED THOUSAND (4,500,000) and to cancel, in the interest of the Company, the preferential subscription rights of the existing shareholders of the Company and, insofar as necessary, of the current holders of subscription rights of the Company, in relation to the proposed issuance of new shares

All of the Appearances acknowledge that they have received a copy of the report of the Board of Directors, the report of the ad hoc committee of three independent directors of the Company and the reports of the Company's auditor in a timely manner and take note thereof. The reports will be filed in the Company's file with the appropriate corporate court. The Board of Directors also notes that there are no comments on the reports of the Company's auditor.

The chairman of the meeting is exempted from reading the report of the board of directors and the report of the statutory auditor, Mr. Cedric Antonelli, auditor, of the civil partnership BDO Bedrijfsrevisoren, with registered office at 1935 Zaventem, Da Vincilaan, 9, Boc E.6, The Corporate Village, Elsinore Building designated by the board of directors, reports drawn up in the framework of article 7:198 juncto articles 7:179 and 7:191 of the Companies and Associations Code. Both reports shall remain attached hereto.

2. Decision, within the framework of the authorized capital, to increase the Company's capital

The board of directors decides to increase the capital of the Company in cash within the framework of the authorized capital, as defined in article 7 of the articles of association of the Company, for a maximum amount of THREE MILLION TWO HUNDRED AND FOURTY-FOUR THOUSAND EUROS (EUR 3,294,450.00) (excluding issue premium, if any) by issuing a maximum number of new shares amounting to FOUR MILLION FIVE HUNDRED THOUSAND (4. 500,000), with cancellation of the preferential subscription rights of the existing shareholders of the Company and, insofar as necessary, of the existing holders of subscription rights of the Company (in each case, not in favor of one or more specific persons), subject to the following conditions

(a) Capital increase: The board of directors shall use its powers within the framework of the authorized capital as set forth in Article 7 of the Company's articles of association to increase the Company's capital for a maximum amount of THREE MILLION TWO HUNDRED AND NINETY-FOUR THOUSAND AND FOUR HUNDRED EUROS (EUR 3. 294,450.00) (excluding issue premium, if any) through the issue of a maximum number of new shares amounting to FOUR MILLION FIVE HUNDRED THOUSAND (4,500,000). The capital increase is subject to the condition precedent that the offer and the allocation of the new shares are carried out as provided below.

(b) Issue price: The issue price of the new shares (representing the capital of the Company for the amount equal to the fractional value and, as the case may be, the issue premium for what would exceed the fractional value) will be determined by the board of directors or the Placement Committee (as defined below), which will have the power to do so in consultation with the Underwriters (as defined below), on the basis, inter alia, of the results of the accelerated bookbuilding procedure referred to below.

(c) Allocation of the issue price of the new shares: The issue price of the new shares must be fully paid up at the time of issue and subscription of the new shares. The issue price must be recorded as capital on the liabilities side of the Company's balance sheet, as equity under the account "Capital", i.e. a maximum amount of THREE MILLION TWO HUNDRED AND FOURTY-FOUR THOUSAND EUROS (EUR 3,294,450.00). However, the amount by which the issue price of the new shares exceeds the accounting par value of the existing shares of the Company (i.e., rounded up to EUR 0.7321) will be accounted for as an issue premium, as the case may be, on the liabilities side of the balance sheet of the Company as equity on the account "Issue Premium". This account will constitute, in the same way as the Company's capital, a guarantee for third parties and, except for the possibility of capitalization of these reserves, may only be reduced or eliminated by a decision of the general meeting of shareholders ruling under the conditions

required for the amendment of the Company's articles of association. After the capital increase and the issue of the new shares, each share (new and existing) will represent the same fraction of the Company's capital.

(d) Nature and form of the new shares: The new shares to be issued in connection with the capital increase shall have the same rights and benefits, and shall be pari passu in all respects, including dividend rights, with the existing and outstanding shares of the Company at the time of their issuance, and shall be entitled to distributions for which the record date or due date falls on or after the date of issuance of the new shares. The Company will apply for the admission of the new shares to trading on the regulated market of Euronext Brussels in accordance with applicable laws and regulations.

(e) Offering of the new shares: The new shares will be offered by one or more investment banks designated by the Company (such designated investment banks are collectively referred to as the "Underwriters") to offer the new shares, through an accelerated bookbuilding procedure, to a large, currently unknown group of Belgian and foreign (institutional, qualified professional and/or other Belgian and foreign investors (including private persons, subject to applicable laws, rules and regulations of financial law, and being understood, as regards investors other than qualified investors (as defined in the Prospectus Regulations) in Belgium only, that the minimum investment amount per investor will be at least EUR 100. 000) in Belgium and abroad (including Qualified Institutional Buyers (QIBS) in the United States), based on the applicable private placement exemptions.

(f) Cancellation of the preferential subscription right: In order to allow the offering of the new shares as provided for above, the board of directors decides, in the interest of the Company, to cancel the preferential subscription right of the existing shareholders of the Company and, to the extent necessary, of the existing holders of subscription rights of the Company, in accordance with article 7:198 juncto article 7: 191 of the Companies and Associations Code, in order to allow the Underwriters to offer the new shares, through an accelerated order book procedure, to a large, currently unknown group of Belgian and foreign institutional, qualified, professional and/or other investors (including private persons, subject to applicable laws, rules and regulations of financial law, and being understood, as regards investors other than qualified investors (as defined in the Prospectus Regulations) in Belgium only, that the minimum investment amount per investor will be at least € 100. 000) in Belgium and abroad (including Qualified Institutional Buyers (QIBS) in the United States), based on the applicable private placement exemptions.

(g) Implementation of the capital increase and the offering of the new shares: Subject to applicable corporate and financial law provisions, and subject to the provisions of the foregoing paragraphs, the board of directors or the Placement Committee (if applicable, in consultation with the Underwriters) shall further determine the practical implementation of the offering and the allocation of the New Shares in accordance with the foregoing, including (but not limited to) the maximum number of New Shares offered, the commencement and termination of the offering of the New Shares and the resulting capital increase, the jurisdictions in which the offering of the New Shares will take place, the terms and conditions of the subscription for the Offered Shares and other mechanisms for the completion of the transaction.

(h) Start and end of the offering: The offering shall start immediately after the decision of the board of directors to approve the capital increase and shall end at the latest thirty (30) days after the start of the offering. Subject to the effective completion of the offering and the allocation of the new shares, the capital increase can be completed in one or more tranches. If all of the offered new shares are not subscribed for, the capital increase may nevertheless be realized to the extent of all or part of the subscriptions received and accepted by the Company at the applicable issue price, to be determined as aforesaid, in accordance with article 7:198 juncto article 7:181 of the Belgian Companies and Associations Code, provided that the board of directors or the Placement Committee so decides. Even if all the shares offered are subscribed for, the capital increase may be effected by issuing fewer shares than the number of subscriptions received by the Company at the applicable issue price, to be determined as aforesaid, provided that the board of directors or the Investment Committee so decides. The board of directors or the Placement Committee may also, for the avoidance of doubt, decide not to carry out the envisaged capital increase, even if all or part of the new shares offered are subscribed for.

(i) Amendment of the articles of association: Following the capital increase and the issuance of the new shares as provided for above, the articles of association of the company will be amended and updated to reflect the resulting capital and the number of existing and outstanding shares.

(j) Appointment of Investment Committee: The Board of Directors hereby appoints a committee (the "Placement Committee") consisting of at least two persons, of whom (x) one shall be Koen Hoffman (or any other director other than a director participating in the Private Placement, if Koen Hoffman is not available), and (y) the other must be the Chief Financial Officer (or any director (other than the director referred to in (x) above and other than a director participating in the private placement) if the Chief Financial Officer is not available). The Placement Committee shall have the flexibility and power to implement the capital increase, subject to the provisions of paragraphs (a) to (i) above, including (without limitation) the power to (i) determine the number and issue price of the new shares to be

issued under the capital increase, (ii) implement the subscription, offering and allocation of the new shares pursuant to the aforementioned private placement and the accelerated bookbuilding procedure, (iii) to determine, on behalf of the Company, the scope, terms and conditions of the services to be offered by the Underwriters, as well as the scope, terms and conditions of the underwriting by the Underwriters as provided for above, (iv) to determine the beginning and duration of the subscription period and the offering and, if applicable (iv) to determine the beginning and the duration of the subscription and offering period and, as the case may be, the end of the subscription and offering period for the new shares, as contemplated by the foregoing decisions, or to decide not to commence or to terminate the subscription and offering period or to commence or to terminate the subscription and offering period for only a part of the new shares, (v) to take all useful or necessary steps with the competent regulatory authorities and Euronext Brussels with respect to the admission to trading of the new shares on the regulated market of Euronext Brussels (vi) to take note of the fulfilment of the conditions precedent, to proceed with the realisation and the fixing of the capital increase as provided for above, with the resulting amendment of the articles of association of the company and, if applicable, with the fixing of the amount of the issue premium, and (vii) to do all other useful, appropriate or necessary things in relation to the foregoing. The Placement Committee is authorized to sub-delegate (in whole or in part) the exercise of the powers conferred upon it by virtue of this decision. The Investment Committee shall be validly represented by each member of the Investment Committee, acting individually.

(k) Specific powers: Pursuant to article 7:198 juncto article 7:186 of the Companies and Associations Code, the realization of the capital increase may be recorded at the request of the board of directors, the Placement Committee, each director of the Company, the corporate secretary, the Chief Financial Officer and the Legal Manager, who are hereby individually and specifically designated for this purpose. The above powers are in addition to, and without prejudice to, any other powers granted by the board of directors prior to this decision in the context of the proposed capital increase.

Vote: this resolution is adopted unanimously.

Meeting of the Board of Directors of 20 November 2020 *(free translation of minutes from French)*

This Board of Directors issued by means of the authorized capital a new Warrant Plan pursuant to the CCA in replacement of the 2018 Warrant Plan which was in conformity with the former Code of Companies, terms of wish were disclosed on the same day. This Board of Directors was held before a notary public, minutes of which is published in the Appendixes of the Belgian Official Gazette and supporting documents on the Company's website

In light of this decision, several conflict of interest were disclosed by directors.

PRIOR DECLARATIONS OF THE DIRECTORS

Prior declarations of YIMA SRL and EVA CONSULTING SRL

After the above-mentioned introduction by the Chairman, each of YIMA SRL, represented by its permanent representative, Mr. Francesco Fornieri, and Eva Consulting SRL, represented by its permanent representative, Mr. Jean-Michel Froidart, both mentioned above, has indicated as far as necessary and applicable that they have a potential conflict of interest within the meaning of article 7:96 of the Code of Companies and Associations with respect to the proposals of decisions included in the agenda of this meeting of the Board of Directors

YIMA SRL and EVA CONSULTING SRL inform the meeting that, as executive directors, each of them qualifies as a Selected Participant within the meaning of the 2020 Rights Plan. Therefore, each of YIMA SRL and EVA CONSULTING SRL is eligible to be granted 2020 Share Options. For further information, reference is made by each of them to the report of the Board of Directors mentioned in section 1. of the agenda and to the "2020 Stock Option Plan" attached to these minutes.

YIMA SRL and EVA CONSULTING SRL have therefore each declared, to the extent necessary and applicable, that they have a potential conflict of interest within the meaning of Article 7:96 of the Companies and Associations Code with respect to the decisions to be taken by the board of directors regarding the issuance within the framework of the authorized capital of three hundred and ninety thousand seven hundred and seventeen (390. 717) 2020 Share Options in favor of the Selected Participants and the decision to no longer grant three hundred and ninety thousand seven hundred and seventeen (390,717) share options issued under the 2018 Warrant Plan. YIMA SRL and EVA CONSULTING SRL will also inform the statutory auditor of the Company of the foregoing, as far as necessary and applicable, in accordance with the provisions of Article 7:96 Companies and Associations Code.

However, notwithstanding this potential conflict, YIMA SRL and EVA CONSULTING SRL have each stated that they believe that the proposed issuance of the 2020 Share Options and the decision to no longer grant a number of share options issued under the 2018 Warrant Plan are in the best interest of the Company, as they allow the Company to

create a new share option plan in accordance with the provisions of the Companies and Associations Code, consisting of a number of 2020 Share Options equal to the number of share options not yet granted to the selected participants under the "2018 Warrant Plan", and because the 2020 Share Option Plan is in the best interest of the Company, as further explained in the report of the Board of Directors to be submitted to the Board of Directors.

Thereafter, YIMA SRL and EVA CONSULTING SRL have not participated in any further deliberations and decisions of the board of directors in connection with the proposed issuance of the 2020 Share Options and the decision to no longer grant a number of subscription rights issued under the 2018 Warrant Plan.

Prior declarations of the other directors

None of the other directors has declared that they have an interest in the transaction that would require the application of the procedure set forth in Articles 7:96 and/or 7:97 of the Companies and Associations Code.

(…)

1. Approval of the report of the board of directors

The board of directors of the Company resolves to approve the report of the board of directors pursuant to article 7:198 juncto articles 7:180 and 7:191 of the Companies and Associations Code of March 23, 2019 (as amended from time to time) (the "Companies and Associations Code") regarding the proposal to issue, within the framework of the authorized capital, three hundred and ninety thousand seven hundred and seventeen (390. 717) new share options (the "2020 Share Options"), pursuant to a share option plan called the "2020 Share Option Plan", and to waive, in the interest of the Company, the preferential subscription rights of the existing shareholders of the Company and, to the extent necessary, of the holders of outstanding share options of the Company, in favor of the employees within the meaning of Article 1:27 of the Belgian Companies and Associations Code ("the Selected Participants") The board of directors expressly authorizes each director to sign the aforementioned board of directors' report in the name and on behalf of the board of directors.

VOTE: The vote on the Board of Directors' Report was unanimous.

2. Instruction to the auditor

The board of directors of the Company resolves to approve and confirm the instruction to the statutory auditor of the Company to prepare a report in accordance with article 7:198 juncto articles 7:180 and 7:191 of the Companies and Associations Code regarding the proposal to issue, within the framework of the authorized capital, three hundred and ninety thousand seven hundred and seventeen (390. 717) 2020 Share Options and to cancel, in the interest of the Company, the preferential right of the existing shareholders of the Company and, to the extent necessary, of the holders of outstanding subscription rights (share options) of the Company, in favor of the Selected Participants, and takes note that, to the extent necessary and applicable, in accordance with Article 3:63, §5 of the Companies and Associations Code, the members of the audit committee approve that such an instruction, in accordance with the necessary rules and conditions, be given to the statutory auditor of the Company.

VOTE: The vote was unanimously carried.

Suspension of the meeting of the Board of Directors

After the approval of the above-mentioned report of the Board of Directors and the instruction given to the auditor, the meeting was briefly suspended in order to allow the auditor of the Corporation to finalize and submit his report mentioned in item 3 of the agenda of the present meeting. After this brief recess, the meeting, still constituted as above, shall resume.

3. Reading of the report of the auditor

The board of directors takes note of the report of the statutory auditor of the Company in accordance with article 7:198 juncto articles 7:180 and 7:191 of the Companies and Associations Code regarding the proposal to issue, within the framework of the authorized capital, three hundred and ninety thousand seven hundred and seventeen (390,717) 2020 Share Options and to cancel, in the interest of the Company, the preferential subscription rights of the existing shareholders of the Company and, as far as necessary, of the holders of outstanding subscription rights (share options) of the Company, in favor of the Selected Participants. The board of directors takes note that there are no comments on the report of the statutory auditor of the Company.

4. Decision to issue, within the framework of the authorized capital, three hundred and ninety thousand seven hundred and seventeen (390,717) 2020 Share Options in favor of the Selected Participants

The board of directors resolves to issue, within the framework of the authorized capital as defined in article 7 of the articles of association of the Company, three hundred and ninety thousand seven hundred and seventeen (390. 717) 2020 Share Options, pursuant to a share option plan called the "2020 Share Option Plan", and to cancel, in the interest

of the Company, the preferential subscription rights of the existing shareholders of the Company and, to the extent necessary, of the holders of outstanding share options of the Company, in favor of the Selected Participants. Consequently, the board of directors decides as follows

(a) Terms and conditions of the 2020 Share Options: The terms and conditions of the 2020 Share Options shall be as set forth in the "2020 Share Option Rights Plan" attached to the report of the board of directors referred to in item 1. of the agenda (for the purposes hereof, the "Plan"), a copy of which shall remain attached to these minutes. The main terms of the 2020 Share Options can, for information purposes, be summarized as follows:

(i) Rights to subscribe for ordinary shares: Each 2020 Share Option entitles the holder to subscribe for one new share to be issued by the Company.

(ii) Exercise price: The exercise price of a 2020 Share Option shall be determined by the board of directors.

Provided that the shares of the Company are listed or traded on a regulated market (or other trading platform) on the date of grant, the exercise price of a 2020 Share Option shall be at least equal, at the option of the board of directors, to either (i) the average of the closing prices of the share as quoted on the relevant market on which the shares of the Company will then be listed or traded during the thirty (30) day or any other relevant period determined by the board of directors on the basis of foreign legal or tax provisions, preceding the grant date, or (ii) the closing price of the share as quoted on the relevant market on which the Company's shares will then be quoted or traded on the day preceding the grant date.

If the Company's shares are not listed on a regulated market on the date of grant, the exercise price of a 2020 Share Option shall be at least equal to the fair market value of the shares, as determined by the board of directors with the unanimous consent of the Company's auditor. In any event, such exercise price shall never be less than the book value of the shares (based on the Company's most recent unconsolidated financial statements).

The exercise price is subject to customary downward adjustments in the event of certain dilutive actions of the Company (such as the payment of a dividend or the issuance of new shares).

(iii) Term: The 2020 Share Options have a term of ten years from their date of issue.

(iv) Exercisability: The exercise of the 2020 Share Options is subject to the terms and conditions set forth in the Plan.

(v) Transferability: Except as otherwise provided in the applicable 2020 Share Option agreement, the 2020 Share Options may not be transferred by a Selected Participant except in accordance with the terms and conditions set forth in the Plan. The 2020 Share Options shall not be admitted to trading or listing.

(b) Underlying Shares: Each 2020 Share Option entitles the holder to subscribe for one new share to be issued by the Company. The new shares to be issued upon exercise of the 2020 Share Options shall have the same rights and benefits, and shall be pari passu in all respects, including dividend rights, with the existing and outstanding shares of the Company at the time of their issuance, and shall be entitled to distributions for which the record date or expiration date falls on or after the date of issuance of the shares.

(c) Waiver of Preference Rights in Favor of Selected Participants: The board of directors resolves, in accordance with article 7:198 juncto article 7:191 of the Companies and Associations Code, to cancel, in the interest of the Company, the preferential subscription right of the existing shareholders of the Company and, to the extent necessary, of the holders of outstanding subscription rights (share options) of the Company, in favor of the Selected Participants, as further explained in the report of the board of directors referred to under item 1. of the agenda.

(d) Grant of 2020 Share Options: The board of directors resolves that the 2020 Share Options may be granted to the Selected Participants in accordance with the Plan.

(e) Conditional Capital Increase and Issuance of New Shares: The board of directors resolves, subject to and to the extent of the exercise of the 2020 Share Options, to increase the capital of the Company and to issue the appropriate number of new shares issuable upon exercise of the 2020 Share Options. Subject to and in accordance with the provisions of the Plan, upon exercise of the 2020 Share Options and the issuance of new shares, the full amount of the exercise price of the 2020 Share Options shall be applied to the capital of the Company. To the extent that the amount of the exercise price of the 2020 Share Options, per share to be issued upon exercise of the 2020 Share Options, exceeds the fractional value of the Company's shares then existing immediately prior to the issuance of the relevant new shares, a portion of the exercise price, per share to be issued upon exercise of the 2020 Share Options, equal to such fractional value shall be recorded as capital, with the balance recorded as additional paid-in capital. Following the capital increase and the issue of new shares, each new and existing share will represent the same fraction of the Company's capital.

(f) Share premium: In accordance with article 8 of the Company's articles of association, any share premium that is booked in relation to the 2020 Share Options shall be booked to an unavailable account on the liabilities side of the Company's balance sheet within its equity, and the account to which the share premium is booked shall constitute, in the same way as the Company's capital, a guarantee for third parties and, unless such reserves can be capitalized, may only be reduced or eliminated by a decision of the general meeting of shareholders acting in accordance with the conditions required for the amendment of the Company's articles of association.

(g) Special powers: Without prejudice to the powers of the board of directors to administer the Plan and to delegate such powers in accordance with the provisions of the Plan, the board of directors, as well as each of the directors of the Company, the Chief Financial Officer of the Company and the Corporate Secretary of the Company each acting individually and with the possibility of sub-delegation and power of subrogation, shall have the power, upon exercise of the 2020 Share Options, to (A) record the increase in capital and the issuance of new shares resulting from such exercise, (B) allocate the capital and (if applicable) the share premium and (C) the amendment of the articles of association of the Company to reflect the new capital and number of outstanding shares following the exercise of the 2020 Share Options, (ii) to sign and deliver, on behalf of the Company, the relevant Euroclear, Euronext and bank documentation, the share register and all necessary documents in relation to the issuance and delivery of shares to the Selected Participant and (iii) do all things that may be necessary or useful (including, without limitation, the preparation and execution of all documents and forms) for the admission of the shares issued upon exercise of the 2020 Share Options to trading on the regulated market of Euronext Brussels (or any other market on which the Company's shares will be traded at that time).

VOTE: The vote on this decision was unanimous.

Meeting of the Board of Directors of 25 November 2020 *(free translation of minutes from French)*

On November 25, 2020, at 4:00 p.m., the Board of Directors (hereinafter the "Board") of SA MITHRA PHARMACEUTICALS (hereinafter the "Company") met by phone call .

Pre-declaration by Yima SRL (represented by François Fornieri)

Prior to the deliberation and the Board's resolutions, Yima SRL (represented by Mr François Fornieri), as far as necessary and applicable, in accordance with Article 7:96 of the CSA, that since item 7) on the agenda is intended, among other things, to grant subscription rights issued under the 2020 Warrant Plan to Mr. François Fornieri (its permanent representative) , it could find itself in a conflict of interest situation within the meaning of Article 7:96 of the CCA in relation to the said decisions to be taken by the Board on item 7) of the agenda. Yima SRL (represented by Mr François Fornieri) will also inform statutory auditor of the Company of the above, if applicable, in accordance with the provisions of Article 7:96 of the CCA.

Considerations on Yima SRL's statement

The other members of the Board took note of YIMA SRL's opening statement.

The Board of Directors is of the view that the Board's report prepared and approved as part of the adoption of the 2020 Plan and the issuance of the subscription rights under the 2020 Plan, which is available on the Company's website, (i) contains a description of the nature of the issuance of the subscription rights, (ii) a description of the patrimonial consequences of that issue for the Company , as well as for the Company's existing and outstanding underwriting rights holders respectively, and (iii) provides a rationale for the issuance of the 2020 Share Options. This Board report contains additional information and is, as far as necessary, fully incorporated in the minutes of this Board meeting.

DELIBERATIONS AND DECISIONS

Grant of subscription rights issued pursuant to the 2020 Warrant Plan

Mr. Koen Hoffman, representing Ahok BV, informed the meeting that, in view of the ongoing Boardl renewal process, the decision on the grant of subscription rights should be differed at an upcoming Board meeting to which the new coopted members of the Board will be able to attend. Mr. Koen Hoffman also clarified that he did not question the specific knowledge and added value of ComEx members who were being considered for signing rights under the 2020 Plan.

The other members of the Board are of the view that the granting of the subscription rights issued under the 2020 Plan must be carried out by the Board in its current composition, as this grant is in relation to the benefits of the CEOs, CFO and Chief Supply Chain Officer, which the new coopedt members of the Commission can hardly assess since they were not members of the Board during this period. In addition, the other members of the Board consider

that granting the subscription rights today will allow the newly formed Board to fully focus on implementing the Company's strategic transition to an international operational phase.

On the basis of Mr. Koen Hoffman's remarks, the other members of the Board also propose that Ms. Patricia van Dijck, in her capacity of Interim President, inform the new coopted members of the Board of the grant of subscription rights issued under the 2020 Plan to CEOs, CFO and Chief Supply Chain Officer.

Decision: Given their specific knowledge and added value to the Company, the Board unanimously decides, less abstention of Ahok BV (represented by Mr. Koen Hoffman), to grant 200,000 subscription rights issued under the 2020 Plan to the CEO, 100,000 subscription rights issued under the 2020 Plan to the CFO and 15,000 subscription rights issued under the 2020 Plan to the Chief Supply Chain Officer. The Board also unanimously decides, minus the abstention of Ahok BV (represented by Mr. Koen Hoffman), to mandate Ms. Patricia van Dijck, in her capacity as Interim Chairman, to inform the new coopted members of the Board of the grant of subscription rights issued under the 2020 Plan to CEOs, CFO and Chief Supply Chain Officer.

Meeting of the Board of Directors of 22 December 2020 *(free translation of minutes from French)*

On December 22, 2020, at 6:30 p.m., the Board of Directors (hereinafter the "Board") of SA MITHRA PHARMACEUTICALS (hereinafter the "Company") met by phone call .

AGENDA

1) Renewal of the service agreement of Eva Consutling SRL (Jean-Michel Foidart)

DELIBERATIONS AND DECISIONS

Pre-statement by Eva Consulting SRL (represented by Jean-Michel Foidart)

Before the Board's deliberation and decision-making, Eva Consulting SRL (represented by Jean-Michel Foidart) declares, as far as necessary and applicable, in accordance with Article 7:96 of the CCA, since the only item on the agenda is the renewal of its service contract, it may find itself in a conflict of interest situation within the meaning of Article 7:96 of the CCA in relation to the Board's decision in relation to the only item on the agenda. Eva Consulting SRL (represented by Jean-Michel Foidart) will also inform the statutory auditor of the above, if applicable, in accordance with the provisions of Article 7:96 of the CCA.

Pre-statements from other directors

None of the other directors stated that they had an interest that would require the application of the procedure under sections 7:96 and/or 7:97 of the CCA.

Board's considerations on Eva Consutling SRL's statement

The other members of the Board took note of the opening statement made by Eva Consulting SRL (represented by Jean-Michel Foidart).

The Board also noted the favourable opinion of the Nomineration and Remuneration Committee with respect to the annual renewal of Eva Consulting SRL's service contract (represented by Jean-Michel Foidart) based on the same financial terms as those applicable in 2020.

DELIBERATIONS AND DECISIONS

Renewal of the service agreement of Eva Consutling SRL (Jean-Michel Foidart)

Decision: After deliberation, and taking into account the opinion of the Nomination and Remuneration Committee, the Board unanimously decides to approve the annual renewal of Eva Consulting SRL's service contract (represented by Jean-Michel Foidart).

1.11. Independence and expertise of at least one member of the Audit committee

As previously disclosed, the Risk and Audit Committte is composed of the following three members: : (i) two of which satisfy to the independence criterias as set forth by provision 7:87, §1st CCA and (ii) all of them meet the expertise requirement of that very article:

TicaConsult BVBA (Erik Van Den Eynden) has more than 30 years' experience in banking. After joining ING (formerly BBL) in 1990, he held various commercial and management positions throughout the bank, including director of a

branch district, CEO of ING Insurance Belgium, Luxembourg & Variable Annuities Europe, head of MidCorporates and Institutionals at ING in Belgium and most recently CEO of ING in Belgium from 2017 to 2020. He holds a degree in economics from the University of Antwerp.

TicaConsult BVBA also satisfies the independence criteria as prescribed by provision 7:87, §1st CCA.

AHOK BVBA (standing representative: Mr Koen Hoffman) – Mr Hoffman obtained a Master of Applied Economics at the University of Ghent in 1990, followed by an MBA at Vlerick Business School in Ghent in 1991. He started his career in the Corporate Finance Bank at KBC Bank, in 1992. From October 2012 to July 2016, he was Chief Executive Officer of KBC Securities SA. He was a member of the Supervisory Board of KBC IFIMA SA (formerly KBC Internationale Financieringsmaatschappij N.V.) and of Patria Securities, as well as a member of the Board of Directors of Omnia Travel Belgium. Mr Hoffman is the Chief Executive Officer of Value Square and has been an Independent Director of Fagron SA since August 2016. He is also an independent chairman of the board of directors in the listed companies Greenyard, MDxHealth and Snowworld.

AHOK BVBA also satisfies the independence criteria as prescribed by provision 526*ter* of the BCC (now 7:87, §1st CCA).

NOSHAQ SA (standing representative: Mr Gaëtan Servais) - Mr Servais is a graduate in economics from the University of Liège, where he began his career as a research assistant. In 1995, Mr Servais joined the Federal Plan Budget as an expert and, following this, the Economic and Social Council of the Walloon Region. From 2001, he was private secretary to a number of Ministers in the Walloon Government. Since 2007, has been CEO of Meusinvest, a financial company whose business is structured into a number of subsidiaries in order to best meet the financing needs for small to medium enterprises (SME) located in the Province of Liège.

1.12. Going concern assessment

End of 2020, Mithra has a total of EUR 219.8 million accumulated losses on its balance sheet and realized a consolidated net loss of EUR 92.1 million for the year ended 31 December 2020. The Board of Directors has analyzed the financial statements and accounting policies and based on conservative assumptions, the current cash position of EUR 138.7 million at 31 December 2020 will allow the Group to keep up with operating expenses and capital expenditure requirements at least until the end of 2021.

Based on their assessment, the Management and Board of Directors consider it appropriate to prepare the financial statements on a going concern basis. The assessment is based on expected R&D clinical results and further business deals as well as on the monitoring of our funding activities, noting that an amount of EUR 66.8 million is currenty available based on existing contractual facilities (a capital commitment line with LDA Capital Limited for up to EUR 46.8 million and a bank loan of EUR 20 million fully undrawn and committed until June 2022).

The uncertainly raised by the COVID-19 pandemic is not impacting going concern. Although there are lot of uncertainties, it does not impact the Company's ability to continue operations during the next twelve months.

1.13. Appropriation of results

Mithra Pharmaceuticals SA, the parent Company, ended the financial year 2020 with a net loss of EUR 21,297,574.

The Board of Directors proposed to appropriate the loss of the year of EUR 21,297,574 to accumulated loss. This brings the total amount of retained losses to EUR 120,675,817.

1.14. Important events after the reporting period

Following the issuance of the convertible bonds on December 10th 2020, the Company paid EUR 20 million in January 2021 to the former Uteron Sellers in accordance with the terms of the renegotiated agreement with respect to the payment terms and modalities of the Company's earn-outs payment obligation.

After the close of the financial year, on February 4, 2021, the Board of Directors of the company decided to appoint Mr. Leon Van Rompay as interim CEO until further notice, for a maximum of 12 months.

On March 2, 2021, Mithra announced the commercial launch of its vaginal contraceptive ring Myring® in Italy, the fourth largest market for contraceptive rings in the world after the United States, Germany and Spain, both in terms of commercial value and volume. With two million vaginal rings sold per year, the Italian market for contraceptive

rings is worth 22 million euros per year, with a stable growth of 3% per year[1]. The vaginal contraceptive ring of Mithra is commercialized in Italy by the company Farmitalia under the brand Kirkos®.

On March 8, 2021, Mithra and Searchlight Pharma announced the first worldwide approval for the new combined oral contraceptive Estelle® on the Canadian market, under the brand Nextstellis®, by the regulatory agency Health Canada. This is the first and only combination oral contraceptive product (COC) based on the unique native estrogen Estetrol (E4). E4 will be the first new estrogen-based COC to be marketed in Canada in over half a century, and the only COC alternative to ethinyl estradiol-based COC pills in Canada.

On March 26, 2021, Mithra and Gedeon Richter Plc. announced that they had received a positive opinion from the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) for a combined oral contraceptive (COC) consisting of Estetrol (E4) 15 mg and drospirenone (DRSP) 3 mg. Subject to approval by the European Commission, marketing authorization valid in all EU member states is expected by the end of the second quarter of 2021.

On April 15 2021, Mithra and Mayne Pharma Limited announced that the US Food and Drug Administration (FDA) had approved the New Drug Application (NDA) for the novel combined oral contraceptive (COC) Estelle® under the trademark Nextstellis® (15 mg Estetrol (E4)/ 3 mg drospirenone (DRSP)). Mayne Pharma anticipates the commercial launch of Estelle® by the end of June 2021.

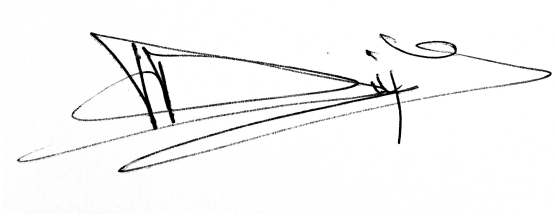
1.15. Grant of discharge to the directors and the statutory auditor

You are requested, for Mithra Pharmaceuticals SA, in accordance with the law and the Articles of Association, to grant discharge to the Directors and the Statutory Auditor for the duties carried out by them during the financial year ending 31 December 2020.

This report will be deposited according to the legal requirements and can be consulted at the Company's address.

Liege, 19 April 2021

For the Board of Directors,



Patricia Van Dijck

Chairman ad Interim

Van Rompay Management BVBA ,

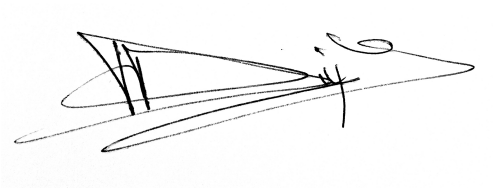
Leon Van Rompay Managing Director

[1] IQVIA 2019

2. Responsibility statement

We hereby certify that, to the best of our knowledge, the consolidated financial statements as of 31 December 2020, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, and the legal requirements applicable in Belgium, give a true and fair view of the assets, liabilities, financial position and loss of the Group and the undertakings included in the consolidation taken as a whole, and that the management report includes a fair review of the development and the performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

On behalf of the Board of Directors



Patricia Van Dijck

Chairman ad Interim

Van Rompay Management SRL, represented by

Léon Van Rompay, Managing Director ad Interim

CMM&C SRL, represented by

Christophe Maréchal, CFO

3. Auditor report

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF MITHRA PHARMACEUTICALS SA FOR THE YEAR ENDED DECEMBER 31, 2020 (CONSOLIDATED FINANCIAL STATEMENTS)

In the context of the statutory audit of the consolidated financial statements of MITHRA PHARMACEUTICALS SA ('the Company') and its subsidiaries (together referred to as 'the Group'), we hereby present our statutory auditor's report. It includes our report of the consolidated financial statements and the other legal and regulatory requirements. This report is an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting of 17 May 2018, following the proposal formulated by the board of directors issued upon recommendation of the Audit Committee. Our statutory auditor's mandate expires on the date of the General Meeting deliberating on the financial statements closed on 31 December 2020. We have performed the statutory audit of the consolidated financial statements of MITHRA PHARMACEUTICALS SA for 6 consecutive years.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Unqualified opinion

We have performed the statutory audit of the Group's consolidated financial statements, which comprise the consolidated statement of financial position as at 31 December 2020 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of 521 985 (000) EUR and for which consolidated income statement and other comprehensive income shows a loss for the year of 92 086 (000) EUR.
In our opinion, the consolidated financial statements give a true and fair view of the Group's net equity and financial position as at 31 December 2020, as well as of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) as applicable in Belgium. Our responsibilities under those standards are further described in the 'Statutory auditor's responsibilities for the audit of the consolidated financial statements' section in this report. We have complied with all the ethical requirements that are relevant to the audit of consolidated financial statements in Belgium, including those concerning independence.

We have obtained from the administrative body and company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context

of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Contingent consideration valuation

Description of the matter

As a result of the acquisitions of Estetra SRL and Novalon SA in 2015, the consolidated financial statements include a contingent consideration towards the previous owners. Additionally, during the second semester of 2019, an amendment to the sellers of Estetra (Uteron) agreement was signed with significant impacts. As disclosed in Note 9.17.4 of the consolidated financial statements, this contingent liability is reported at fair value in the statement of financial position.
We consider this area a key audit matter requiring high auditor's attention because of the fact that the valuation of the contingent consideration is complex, contains key judgmental areas and is strongly affected by assumptions with regards to expected future cash flows, cash position, discount rate and market conditions.

Procedures performed

Our audit procedures included, among others, the following:

• We have analyzed and reviewed the Company's fair value calculation including the significant underlying assumptions and checked whether an adequate valuation model was applied;
• We have analyzed the consistency of the underlying data used in the valuation model and compared these with the latest Board approved business plan;
• We consulted a valuation expert in our firm to assess the methodology, clerical accuracy, and discount rates as applied;
• We have performed an assessment of the reasonableness of key assumptions, notably expected future cash flows and cash position, probabilities applied to the different scenario's and discount rate;
• We reviewed the sensitivity analysis prepared by management to understand the effect of a change in assumptions;
• We reviewed the completeness and adequacy of the disclosures to the consolidated financial statements (Note 9.17.4).

Taxation

Description of the matter

As described in Note 9.24 to the consolidated financial statements, the Group accounts for deferred tax assets on its tax losses carried forward and on the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the IFRS financial statements to the extent that it is probable that future taxable profits will be realized for which unused tax losses and tax credits can be used.
We consider this area a key audit matter requiring high auditor's attention because of its significance to the financial statements and the critical judgment made to assess the recoverability of the deferred tax assets.

Procedures performed

Our audit procedures included, among others, the following:

• We have reconciled the total amount of tax losses carried forward available to the Group to supporting evidence;
• We have reviewed the taxable impact of the relevant IFRS accounting entries;
• We have challenged the judgment made by the management about taxable profits in the foreseeable future, taking into account the tax strategy of the Group;
• We have reviewed the accounting entries;
• We reviewed the completeness and adequacy of the disclosures as included in disclosures to the consolidated financial statements (Note 9.24).

Responsibilities of the administrative body for the drafting of the consolidated financial statements

The administrative body is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory provisions applicable in Belgium, and for such internal control as the administrative body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, the administrative body is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the administrative body either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

When executing our audit, we respect the legal, regulatory and normative framework applicable for the audit of the consolidated financial statements in Belgium. However, a statutory audit does not guarantee the future viability of the Group, neither the efficiency and effectiveness of the management of the Group by the administrative body. Our responsibilities regarding the continuity assumption applied by the administrative body are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the administrative body;

• Conclude on the appropriateness of the administrative body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw

attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

• Evaluate the overall presentation, structure and content of the consolidated financial statements and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the management, the supervision and the performance of the Group audit. We assume full responsibility for the auditor's opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

We also provide the Audit Committee with a statement that we respected the relevant ethical requirements relating to independence, and we communicate with them about all relationships and other issues which may influence our independence, and, if applicable, about the related measures to guarantee our independence.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year, and are therefore the key audit matters. We describe these matters in our statutory auditor's report, unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the administrative body

The administrative body is responsible for the preparation and the contents of the management report on the consolidated financial statements and for the other information included in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

In the context of our mission and in accordance with the Belgian standard (version revised 2020) which is complementary to the International Standards on Auditing (ISA) as applicable in Belgium, it is our responsibility to verify, in all material aspects, the management report on the consolidated financial statements and the other information included in the management report on the consolidated financial statements, as well as to report on these elements.

Aspects relating to the management report on the consolidated financial statementsand to the other information included in the annual report on the consolidated financial statements

In our opinion, after having performed specific procedures in relation to the management report, this report is consistent with the consolidated financial statements for the same financial year, and it is prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge we have obtained during the audit, whether the management report on the consolidated financial statements (Chapter 1 Report of the Board of Directors) contains any material misstatements, i.e. any information which is inadequately disclosed or otherwise

misleading. Based on the procedures we have performed, there are no material misstatements we have to report to you.

Statement concerning independence

Our audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated financial statements and our audit firm remained independent of the Group during the terms of our mandate.

The fees related to additional services which are compatible with the statutory audit as referred to in article 3:65 of the Code of companies and associations were duly itemised and valued in the notes to the consolidated financial statements.

Other statements

This report is in compliance with the contents of our additional report to the Audit Committee as referred to in article 11 of regulation (EU) No 537/2014.

Battice, April 19, 2021

BDO Réviseurs d'Entreprises SCRL
Statutory auditor
Represented by Cédric ANTONELLI

4. Consolidated Statement of Profit and Loss

		Year ended 31 December	
Thousands of Euro (€)	*Notes*	*2020*	*2019*
Revenue	9.6, 9.18	9,030	96,520
Cost of sales	9.20, 9.21	(3,457)	(2,487)
Gross profit		5,573	94,033
Research and development expenses	9.20, 9.21	(78,458)	(57,073)
General and administrative expenses	9.20, 9.21	(15,933)	(14,774)
Selling expenses	9.20, 9.21	(1,434)	(1,539)
Other operating income	9.19	6,574	6,329
Total operating expenses		(89,251)	(67,057)
Profit/ loss) from operations		(83,678)	26,975
Change in fair value of contingent consideration payable	9.15, 9.17	(18,114)	(54,728)
Net fair value gain/(loss) on financial assets at fair value through profit or loss	9.17	(4,925)	2,763
Financial income	9.23	1,782	271
Financial expenses	9.23	(5,987)	(6,705)
Loss before taxes		(110,922)	(31,424)
Income taxes	9.24	18,835	4,859
Net loss for the period		**(92,086)**	**(26,564)**

Result for the purpose of basic loss per share, being net loss		(92,086)	(26,564)
Weighted average number of shares for the purpose of basic loss per share		40,988,235	37,751,788
Basic loss per share (in Euro)	9.25	(2.25)	(0.70)
Diluted loss per share (in Euro)	9.25	(2.25)	(0.70)

5. Consolidated statement of comprehensive loss

		Year ended 31 December	
Thousands of Euro	Notes	*2020*	*2019*
Net loss for the period		(92,086)	(26,564)
Other comprehensive income or (loss)		3,000	(4,962)
Items that may be reclassified to profit or loss:			
Currency translation differences		(66)	111
Gains on cash flow hedges	*9.17*	10,415	-
Tax loss relating to these items		(2,576)	
Items that will not be reclassified to profit or loss:			
Changes in the fair value of equity investments at fair value through other comprehensive income	*9.17*	(4,772)	(5,073)
Total comprehensive loss for the period		(89,086)	(31,526)
Attributable to			
Owners of the parent		(89,086)	(31,526)
Non-controlling interests		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(89,086)**	**(31,526)**

The accompanying notes are an integral part of these financial statements,

6. Consolidated Statement of Financial Position

		As at 31 December	
Thousands of Euro (€)	*Notes*	*2020*	*2019*
ASSETS			
Property, plant and equipment	9.8	29,921	23,502
Right-of-use assets	9.8, 9.27	69,572	70,535
Goodwill	9.9	5,233	5,233
Other intangible assets	9.7	89,005	87,490
Deferred income tax assets	9.24	50,905	34,431
Contract assets	9.17, 9.18	200	48,975
Derivatives financial assets	9.17	6,184	-
Investment in equity securities	9.17	18,088	22,860
Other non-current assets	9.10	14,401	13,096
Non-current assets		283,509	306,121
Inventories	9.11	35,382	16,277
Contract assets	9.17, 9.18	51,472	13,242
Derivatives financial assets	9.17	2,881	
Trade and other receivables	9.12	10,052	12,238
Other short-term deposits		14	46
Cash and cash equivalents	9.13	138,675	49,720
Current assets		238,475	91,522
TOTAL ASSETS		**521,985**	**397,643**

		As at 31 December	
Thousands of Euro (€)	*Notes*	*2020*	*2019*
EQUITY AND LIABILITIES			
Equity			
Share capital	9.14	31,271	28,649
Additional paid-in-capital	9.14	332,535	258,898
Other reserves	9.14	13,690	3,423
Accumulated deficit	7	(219,759)	(127,673)
Equity attributable to equity holders		157,737	163,298
Subordinated loans	9.15	12,610	12,430
Other loans	9.15	111,898	6,626
Lease liabilities	9.15, 9.27	44,282	45,728
Refundable government advances	9.15	15,195	13,086
Other financial liabilities	9.15, 9.17	101,180	99,866
Contract liabilities	9.18	3,706	4,056
Provisions	9.28	266	607
Deferred tax liabilities	9.24	4,363	4,148
Non-current liabilities		293,500	186,547
Current portion of subordinated loan	9.15	1,002	340
Current portion of other loans	9.15	10,475	6,186
Current portion of lease liabilities	9.15, 9.27	7,315	6,746
Current portion of refundable government advances	9.15	1,259	791
Current portion of other financial liabilities	9.15	23,424	6,624
Trade and other payables	9.16	27,272	27,114
Current liabilities		70,747	47,800
TOTAL EQUITY AND LIABILITIES		**521,985**	**397,643**

7. Consolidated statement of changes in equity

Thousands of Euro	*Share capital*	*Additional paid-in-capital*	*Accumulated deficit*	*Share-based payment reserve*	*Financial assets at FVOCI and foreign currency translation reserves*	*Cash flow hedge reserve*	*Total equity*
Notes	9.14	9.14		9.26	9.14	9.14	
Balance as at 1 January 2019	27,556	220,956	(101,107)	3,551	(62)	-	150,893
Result for the period			(26,564)				(26,564)
Currency translation differences					111		111
Changes in the fair value of equity investments at fair value through other comprehensive income					(5,073)		(5,073)
Total comprehensive loss for the period	-	-	(26,564)	-	(4,962)	-	(31,526)
Capital increase warrants H1 2019	36	134					170
Capital increase 23 December 2019, net of transaction costs	1,057	37,806					38,863
Share-based payments expense				4,898			4,898
Balance as at 31 December 2019	28,649	258,898	(127,673)	8,448	(5,024)	-	163,298
Result for the period			(92,086)				(92,086)
Currency translation differences					(66)		(66)
Gains on cash flow hedges						7,838	7,838
Changes in the fair value of equity investments at fair value through other comprehensive income					(4,772)		(4,772)
Total comprehensive loss for the period	-	-	(92,086)	-	(4,838)	7,838	(89,086)
Capital increase of 23 June 2020, net of transaction costs	2,505	60,813					63,318
LDA capital increase of August 5 2020, net of transaction costs	117	1,733					1,850
Value of conversion rights on convertible bonds, net of transaction costs		11,091					11,091
Share-based payments expense				7,267			7,267
Balance as at 31 December 2020	**31,271**	**332,535**	**(219,759)**	**15,714**	**(9,862)**	**7,838**	**157,737**

The accompanying notes are an integral part of these financial statements,

8. Consolidated Cash Flow statement

		As at 31 December	
Thousands of Euro	*Notes*	*2020*	*2019*
CASH FLOWS FROM OPERATING ACTIVITIES			
Result from operations		**(83,678)**	**34,974**
Adjustments for:			
Depreciation,amortization and impairment charges	9.8, 9.9	9,767	5,777
Gain on sale of disposal group	9,10	-	(7,999)
Tax credit	9,10	(1,864)	(1,360)
Share-based payments	9.26	7,267	4,898
Taxes paid		-	359
Upfront payment settled in shares	9.18, 9.17	-	(27,933)
Realized foreign exchange gains/losses	9.23, 5	2,769	-
Grant income	9.19	(2,833)	(2,555)
Subtotal		**(68,572)**	**6,161**
Increase/(decrease) in trade payables and other liabilities	9.16	521	11,260
(Increase)/decrease in trade receivables and other receivables	9.12, 9,18	2,186	(7,053)
(Increase)/decrease in inventories	9.11	(19,105)	(5,282)
Increase/(decrease) in contract assets	9.18	4,945	(51,912)
Net cash (used in)/provided by operating activities		(80,025)	(46,826)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of tangible fixed assets	9.8	(10,645)	(11,118)
Proceeds from disposal of tangible fixed assets	9.8	23	-
Payment for acquisition of intangible fixed assets	9.7	(5,585)	(4,337)
Other financial liabilities payments	9.17	-	(5,000)
Net cash (used in)/provided by investing activities		(16,207)	(20,455)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of subordinated loans and others loans	9.15	(36,431)	(11,080)
Repayment of refundable government advances	9.15	(927)	(766)
Proceeds from subordinated and other loans	9.15	35,556	7,008
Proceeds from refundable government advances and other grants	9.15	5,835	8,214
Lease payments	9.27	(3,475)	(2,174)
Interests paid	9.23	(3,503)	(3,321)
Proceeds from issuance of shares (net of issue costs)	9.14	65,731	170
Proceeds from issuance of convertible bonds (net of transaction costs)	9.14, 9.17	122,401	-
Net cash (used in)/provided by financing activities		185,187	(1,949)
Net increase/(decrease) in cash & cash equivalents		88,954	(69,230)
Cash & cash equivalents at beginning of year		49,720	118,949
Cash and cash equivalents at end of period		**138,675**	**49,720**

The accompanying notes are an integral part of these financial statements,

9. Notes to the consolidated financial statements

9.1. General Information

Mithra Pharmaceuticals SA (Euronext MITRA) is a Belgian biotech company dedicated to transforming Women's Health by offering new choices through innovation, with a particular focus on contraception and menopause. Mithra's goal is to develop products offering better efficacy, safety and convenience, meeting women's needs throughout their life span. Its three lead development candidates are built on Mithra's unique native estrogen platform, Estetrol (E4): Estelle®, a new era in oral contraception, PeriNesta®, the first complete oral treatment for perimenopause and Donesta®, the next-generation hormone therapy. Mithra also develops and manufactures complex therapeutics in the areas of contraception, menopause and hormone-dependent cancers. It offers partners a complete spectrum of research, development and specialist manufacturing at its technological platform Mithra CDMO.

Significant changes in the current reporting period

The financial position and performance of the Group was particularly affected by the following events and transactions during the reporting period:

- In December 2020, the Group issued EUR 125 million in senior unsecured convertible bonds due 17 December 2025. The Bonds will be convertible into ordinary shares of the company at an initial conversion price of EUR 25.1917, representing a 25% premium above the reference price of EUR 20.1533, being the volume weighted average price of a share on Euronext Brussels from market open to the close of trading on 10 December 2020. The Bonds were issued at 100% of their principal amount and bear a coupon of 4.250% per annum, payable semi-annualy in arrear in equal instalments on 17 December and 17 June of each year, beginning on 17 June 2021. With the convertible bonds, Mithra has secured the necessary financial resources to finance its business development strategy, and to carry on its R&D expenses.

  This implies a new accounting policy, convertible bond, in the financial statements.

  Note : For more details about the operations during this period, please refer to 9.14 Share capital and 9.15.1 Convertible bond

- In 2020, the Group also negotiated a EUR 50 million facility with LDA capital, a EUR 20 million bank loan and successfully raised EUR 65 million via private placement, together these financing instruments further support the development of our assets. The bank loan is committed for the next 18 months and is unused at the date of the report. The LDA capital facility is committed until April 2023 and is currently available for EUR 47 million[2].

  Note : For more details about the operations during this period, please refer to 9.14 Share capital and 9.26 Share-based payments

- The Group which is reporting in a Euro functional currency environment uses derivative financial instruments (qualifiying as cash flow hedges) to manage its exposure to foreign exchange rate risks arising from operational activities. Mithra's risk management objective is to hedge the US Dollars (USD) foreign currency exposure arising from the Estelle® license and supply agreement contracted in USD between Mithra and Mayne Pharma LLC. Mithra has a transactional USD exposure of 228 million USD arising from regulatory and sales related license milestones under the Mayne Pharma agreement. This exposure is hedged with FX forwards maturing in the period 2020-2025. The derivative financial instruments are initially recorded at fair value on balance sheet and are subsequently revalued to fair value through OCI at each reporting date. Positive fair values are reported as assets, negative fair values as liabilities, and as current/non-current based on maturities of hedging contracts.

  This implies a new accounting policy, new headings in the financial statements and new notes.

  Note : For more details about the operations during this period, please refer to 9.3 Financial Risk Management

[2] On August 5, 2020, a capital increase took place within the framework of the authorized capital, in application of the pre-described capital commitment of May 22, 2020. The capital increase took place for a total amount of EUR 3,104,869.00, EUR 116,989.58 of which was allocated to the capital and EUR 2,987,879.42 to the "share premium" account. This capital increase gave rise to the issue of 159,800 new fully paid-up shares without designation of nominal value. At the end of this transaction, the Company's capital amounted to EUR 31,270,872.40 represented by 42,714,097 shares without designation of nominal value and fully paid

- As of the date of this report, Belgium continues to be impacted by the COVID-19 pandemic. The length or severity of this pandemic cannot be predicted, but Mithra does not anticipate additional impact from a prolonged COVID-19 environment on the planned development activities of the Company. To date, Mithra expects that its existing treasury position, including the available credit lines of new loans, will be sufficient, based on the current scope of activities, to fund operating expenses and capital expenditure requirements at least until the end of 2021.
- The COVID-19 pandemic has not had, and currently is not expected to have, a material impact on the Group's business or on the financial statements and corporate cash flow but, it has led to enrollment delays in the Phase 3 clinical trials for Donesta® and to temporary unemployment during 3 months of a part of the employees and consultants.

  Note : For more details about the operations during this period, please refer to 9.15 Financial liabilities and to 9.27 Leases
- The New Drug Application (NDA) for Estelle® has been accepted for review by the US Food and Drug Administration (FDA) and by the European Medicines Agency (EMA) in H1 2020. On March 8, 2021, Mithra and Searchlight Pharma announced the first worldwide approval for the new combined oral contraceptive Estelle® on the Canadian market. On March 26, 2021, Mithra and Gedeon Richter Plc. announced that they had received a positive opinion from the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) for a combined oral contraceptive (COC) consisting of Estetrol (E4) 15 mg and drospirenone (DRSP) 3 mg. Subject to approval by the European Commission, marketing authorization valid in all EU member states is expected by the end of the second quarter of 2021. On April 15 2021, Mithra and Mayne Pharma Limited announced that the US Food and Drug Administration (FDA) had approved the New Drug Application (NDA) for the novel combined oral contraceptive (COC) Estelle® under the trademark Nextstellis® (15 mg Estetrol (E4)/ 3 mg drospirenone (DRSP). Mayne Pharma anticipates the commercial launch of Estelle® by the end of June 2021.

  Note : For more details about the operations during this period, please refer to 9.15 Financial liabilities and to 9.9 Goodwill & IP R&D

9.2. Summary of Significant Accounting Policies

The consolidated financial statements are presented in thousands of euro (unless stated otherwise). The consolidated financial statements for the financial year ended 31 December 2020 have been authorized for issue by the Board of Directors of 12 April 2021. The financial statements have been prepared on historical cost basis. Any exceptions to the historical cost price method are disclosed in the accounting policies described hereafter.

9.2.1. Basis of presentation

The financial statements have been prepared on a going concern basis and in accordance with the main accounting principles set out in this section. The Group is expecting losses in the coming years, which is inherent to the current stage of the Group's business life cycle as a biotech company. In this respect, the following underlying assumptions have been used:

- The continued positive evolution of the development of products and timely market approvals in countries where the products will be filed;
- The availability of additional financial resources to deal with the remaining development expenses and to fund the cash requirements in the first years of commercialization of the different products.

The consolidated financial statements were prepared in accordance with IFRS as adopted by the European Union ("EU").

9.2.2. Significant accounting policies

The financial statements have been prepared in accordance with the same accounting policies adopted in the Group's last annual financial statements for the year ended 31 December 2019, noting that two new accounting policies have been defined for hedge accounting under IFRS 9 and for convertible bond under IAS 32, as those matters became applicable to Mithra as from 2020.

The new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2020 do not impact the Group's consolidated financial statements.

The accounting policies have been applied consistently across the Group for the purposes of preparation of these financial statements.

9.2.3. Use of accounting judgments, estimates and assumptions

When preparing the financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgments, estimate and assumptions applied in the financial statements, including the key sources of estimation uncertainty, are disclosed in note 9.4, Critical accounting estimates and judgments.

9.2.4. Changes in accounting policies and disclosures

During the current financial period, the Group has adopted all the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB as adopted by the European Union and effective for the accounting year starting on January 1, 2020. The Group has not applied any new IFRS requirements that are not yet effective as of December 31, 2020.

The following new Standards, Interpretations and Amendments issued by the IASB and the IFRIC as adopted by the European Union are effective for the financial period.

- IFRS 3 Business Combinations – Amendments to clarify the definition of a business (October 2018)
- Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform - Phase 1 (September 2019)
- IAS 1 Presentation of Financial Statements – Amendments regarding the definition of material (October 2018)
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Amendments regarding the definition of material (October 2018)
- Amendments to References to the Conceptual Framework in IFRS Standards (March 2018)

Summary of Standards and Interpretations issued but not yet effective in the current period

The Group elected not to early adopt the following new Standards, Interpretations and Amendments, which have been issued by the IASB and the IFRIC but are not yet effective as per December 31, 2020 and/or not yet adopted by the European Union as per December 31, 2020 and for which the impact might be relevant:

- IFRS 4 Insurance Contracts – Amendments regarding the expiry date of the deferral approach (June 2020)
- Annual improvements to IFRSs 2018-2020 Cycle (May 2020) *
- IFRS 3 Business Combinations – Amendments updating a reference to the Conceptual Framework (May 2020) *
- IFRS 17 Insurance Contracts (Original issue May 2017) *
- IFRS 17 Insurance Contracts - Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published (includes a deferral of the effective date to annual periods beginning on or after 1 January 2023) (June 2020) *
- IAS 1 Presentation of Financial Statements – Amendments regarding the classification of liabilities (January 2020) * and Amendment to defer the effective date of the January 2020 amendments (July 2020) *
- IAS 16 Property, Plant and Equipment - Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use (May 2020) *

- IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous (May 2020) *
- IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform - Phase 2 (August 2020) *

  * Not yet endorsed by the EU as of December 31, 2020

None of the other new standards, interpretations and amendments, which are effective for periods beginning after January 1, 2020 which have been issued by the IASB and the IFRIC but are not yet effective as per December 31, 2020 and/or not yet adopted by the European Union as per December 31, 2020, are expected to have a material effect on the Group's future financial statements.

Derivative financial instruments and hedging activities

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risk arising from operational activities (cash flow hedges). The Group's policy is not to enter into speculative transactions, Derivative financial instruments are initially recognized at fair value and are subsequently revalued to fair value at each reporting date.

a) Derivatives qualifying for cash flow hedging

For qualifying hedge relationships, the Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking the hedge.

The effective portion of changes in the fair value of derivative financial instruments qualifying as cash flow hedges is recognized in the cash flow hedge reserve within equity. Gains or losses relating to the ineffective portion are recognized in the income statement. Amounts deferred in equity are subsequently released to the income statement in the periods in which the hedged item impacts the income statement. However, if a committed or forecast transaction is no longer expected to occur, then the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

b) Derivatives which do not qualify for hedging

Changes in fair value of derivative financial instruments that do not qualify for hedge accounting are immediately recognized in the income statement.

Convertible bond

The Group issued a Euro-denominated bond in December 2020, , convertible into a fixed number of equity instruments (conversion price of EUR 25.1917). It is deemed as a "compound instrument", comprising both a liability and an equity component:

- The issuer's obligation to pay interest and, potentially, to redeem the bond in cash, is a financial liability; and

- The holder's right to call for shares of the issuer is an equity instrument.

The economic effect of issuing such an instrument is substantially the same as simultaneously issuing a debt instrument with an early settlement provision and warrants to purchase ordinary shares, or issuing a debt instrument with detachable share purchase warrants.

The liability and equity components are accounted for separately, and the liability and equity components shown separately in the statement of financial position. This treatment is commonly referred to as "split accounting". On initial recognition of a compound instrument such as a convertible bond, IAS 32 requires the issuer to:

(a) Identify the various components of the instrument;

(b) Determine the fair value of the liability component (see below); and

(c) Determine the equity component as a residual amount, essentially the issue proceeds of the instrument less the liability component determined in (b) above.

The liability component of the convertible bond is measured first, at the fair value of a similar liability that does not have an associated equity conversion feature. The Group has also an option to redeem the bond under certains conditions (soft call option). This call meets the definition of an embedded derivative but was not accounted for as

a separate derivative because the repayment price is equal to the amortized cost of the host debt instrument and therefore under one of the exceptions in IFRS 9. Indeed, it is to be considered to be 'closely related' to the debt host contract and consequently, no separate accounting is required for the call option.

In practical terms, the measurement at the fair value of a similar liability that does not have an associated equity conversion feature is done by determining the net present value of all potential contractually determined future cash flows under the instrument (principal and interest), discounted at the rate of interest applied by the market at the time of issue to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the conversion option. The fair value of any embedded non-equity derivative features is then determined and included in the liability component. Thereafter, the liability component is accounted for in accordance with the requirements of IFRS 9 for the measurement of financial liabilities.

The equity component is recorded as the difference between the fair value of the compound instrument (the total issue proceeds of the bond) and the liability component as determined above. The methodology of "split accounting" in IAS 32 has the effect that no gain or loss arises from the initial recognition of the separate components of the instruments.

After initial recognition, the classification of the liability and equity components of the convertible bond is not revised, for example as a result of a change in the likelihood that a conversion option will be exercised. The amount originally credited to equity is subsequently neither remeasured or reclassified to profit or loss. The effective interest rate (6.89%) shown in profit or loss for the convertible bond is equivalent to the rate that would have been paid for non-convertible debt increased by the transaction costs, while coupon is fixed at 4.25%.. In effect, the dilution of shareholder value represented by the embedded conversion right is shown as an interest expense.

9.2.5. Basis of consolidation

a) Subsidiaries

The consolidated financial statements include all the subsidiaries over which the Group has control,

Control is achieved when the investor

- has power over the investee;
- is exposed or has rights to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

If facts and circumstances indicate that there are changes to one or more of the three elements of control listed above, the investor shall reassess whether it controls the investee.

Subsidiaries are fully consolidated from the date on which control is transferred to the group, They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group (refer to note 9.2.6)

Intercompany transactions and balances, as well as unrealised gains on transactions between group companies are eliminated, Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset, Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Any non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position, respectively.

b) Associates

An associate is an entity over which the Group has significant influence, Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net asset of the joint arrangement, Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or joint venture is initially recognised at cost and adjusted for the Group's share of the profit or loss and other

comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds its interest in that associate or joint venture, the Group discontinues recognising its share of further losses.

An investment in an associate or joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 (Impairment of Assets), by comparing its recoverable amount with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

9.2.6. Business combinations

The Group applies the acquisition accounting method to account for business combinations. Identifiable assets acquired, and liabilities and contingent liabilities assumed, are, with limited exceptions, measured initially at their fair values at the acquisition date. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interest issued by the Group. This includes the fair value of any contingent consideration. Where the consideration transferred, together with the non-controlling interest, exceeds the fair value of the net assets, liabilities and contingent liabilities acquired, the excess is recorded as goodwill. The costs of acquisition are charged to the income statement in the period in which they are incurred.

Where not all of the equity of a subsidiary is acquired, the non-controlling interest is recognised either at fair value or at the non-controlling interest's share of the net assets of the subsidiary, on a case-by-case basis. Changes in the Group's ownership percentage of subsidiaries are accounted for within equity.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

9.2.7. Segment information

An operating segment is a component of an entity:

- which exercises operating activities with which profits are being gained and with which costs can be made (including profits and costs from transactions with other components of the entity);
- of which the operational results are being judged regularly by the highest function of the entity who can take important operational decisions in order to make decisions regarding the allocation of resources and to evaluate the financial results of the segment and;
- for which separate financial information is available. That is engaged either in providing specific products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

9.2.8. Foreign currency translation

The Group's consolidated financial statements are presented in Euros, which is also the parent company's functional currency.

Foreign currency transactions are translated into the functional currency of each entity using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period the entity shall (a) translate the foreign

currency monetary items at closing rate, (b) translate non-monetary items measured at historical cost in a foreign currency, using the exchange rate of the transaction date, (c) translate non-monetary items measured at fair value in a foreign currency using the exchange rates at the date the fair value was determined. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement within 'financial income or cost'.

On consolidation, assets and liabilities including related goodwill of components of the Group, are translated into Euros at the financial year's closing rate.. Exchange adjustments arising when translating the financial statements of foreign subsidiaries, and those arising on loans to or from a foreign operation for which settlement is neither planned nor likely to occur and which therefore form part of the net investment in the foreign operation, are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

9.2.9. Intangible Assets

a) Research & development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development is recognised to the extent that all conditions for capitalisation have been satisfied as specified in IAS 38:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

This recognition is conventional when a regulatory filing has been made in a major market and the approval from the regulators is considered as highly probable. Some of its products which are capitalised as from current year do not require any regulatory approval.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

b) Acquired intangible assets

Separately acquired intangible assets are shown at historical cost. Contingent payments based on future performance are an attribute of a fair value measurement throughout the life of the asset. The contingent payments will be disclosed as a contingent liability. When the contingent liability becomes a liability the re-measurement at the end of each reporting period shall be accounted for as an adjustment to the cost of intangible assets to the extent that it relates to future benefits and reporting periods. Intellectual property rights, patents, licenses, know-how and software with a finite useful life are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of these intangibles over their estimated useful lives of 7 to 10 years and starts at the moment the assets are available for use.

In the event an asset has an indefinite life, this fact is disclosed along with the reasons for being deemed to have an indefinite life.

Intangible assets acquired in a business combination, including in-process research and development, are initially measured as explained in paragraph 9.2.6

9.2.10. Property, plant and equipment

Property, plant and equipment is carried at historical cost, less subsequent depreciation. Historical costs are capitalized and include expenditure that is directly attributable to the acquisition of the assets, expenditure for bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner, including the in-house development costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, here the CDMO platform, form part of the cost of that asset. Other borrowing costs are recognised as an expense. Borrowing costs are interest and other costs that Mithra CDMO incurs in connection with the borrowing of funds.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance expenses are charged to the profit and loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Buildings and components: 15-30 years
- Machinery: 5-15 years
- Vehicles: 3-5 years
- Furniture and equipment: 5-8 years
- ICT and other equipment: 3-5 years

Specific machines are depreciated using unit of production depreciation method.

The acquisition value of the assets have been analysed by component and specific useful lives and residual values were applied to each of them. The residual value of the building is estimated to correspond to the cost of the structure of the building. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other operating income or expenses' in the income statement.

9.2.11. Impairment of tangible, intangible assets and of goodwill

Assets with an indefinite useful life are tested for impairment annually and at each reporting date, and whenever there is an indication that the asset might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of fair value less costs to sell and value in use. To determine fair value less cost to sell, the forecasted future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. A cash-generating unit is the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash flows from other assets or Group of assets. An impairment loss is immediately recognised as an expense. Intangible and tangible assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income. An impairment loss recognised for goodwill shall not be reversed in a subsequent period.

9.2.12. Discontinued operations

To qualify as discontinued operations, a component of Mithra group must have been classified as held for sale and represent a separate major line of business or is a part of a single coordinated plan to dispose of a separate major line of business.

Within 2018 and 2019 annual reports, BeLux Business within Product sales area was classified as a discontinued operation and the assets belonging to this operation were reported as held for sale. Non-current assets or disposal

groups that were classified as held for sale were measured at the lower of carrying amount and fair value less cost to sell.

9.2.13. Inventories

The inventories mainly consist of raw material, semi-finished goods and finshed goods.

Trade goods are valued at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Write-offs are performed based on the shelf life of the products.

Regarding pre-launch inventory, we recor them once the product has attained a stage in the development process of having been subject to a market authorization application filing and has a well characterized manufacturing process. In addition, we must have an internal sales forecast that includes an assessment that sales will exceed the manufacturing costs plus the expected cost to distribute the product. Finally, product stability data must exist so that we can assert that capitalized inventory is anticipated to be sold, based on the sales projections noted above, prior to anticipated expiration of a product's shelf life. If approval for these product candidates is not received, or approval is not received timely compared to our estimates for product shelf life, we will write-off the related amounts of pre-launch inventory in the period of that determination.

9.2.14. Trade receivables

Tradereceivablesare amounts due from customers for merchandise sold or services performed in the ordinary course of business and are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method less allowance for expected credit losses.

9.2.15. Other Short-term investments

Term deposits with an initial term of more than three months are held to maturity and measured at amortized cost.

9.2.16. Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at nominal value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks. In the balance sheet, bank overdrafts, if any, are included in borrowings in current liabilities.

9.2.17. Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Equity instruments issued by the Company are recorded in the amount of the proceeds received, net of direct issue costs.

9.2.18. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

9.2.19. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the term of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

9.2.20. Current and deferred income tax

The tax expense or credit for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

9.2.21. Leases liabilities

The Group leases various offices and cars.

The Group has applied IFRS 16 to all contracts in force at 1 January 2019 and previously identified as leases in accordance with IAS 17 and IFRIC 4.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease term covers the non-cancellable period for which the Group has the right to use an underlying asset, together with both:

(a) periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and

(b) periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

The Group measures its right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. Therefore, the nature of the expenses related to those leases changes as we recognize a depreciation of the right-of-use assets and an interest expense on the lease liabilities. The depreciation is done on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

9.2.22. Revenue recognition

Net sales encompass revenue recognised resulting from transferring control over products sold to customers.

- In addition, the Group has entered into a number of contracts through which it "out-licenses" to customers the IP[3] it developed related to drugs that have not yet received regulatory approval. Generally, under the terms of the license, the licensee can further develop the IP, and manufacture and/or sell the resulting commercialized product. The Group typically receives an upfront fee, milestone payments for specific clinical or other development-based outcomes, and sales-based milestones or royalties as consideration for the license. Some arrangements also include ongoing involvement by the Group, who may provide R&D[4] and/or manufacturing services relating to the licensed IP.
- Licenses coupled with other services, such as R&D, must be assessed to determine if the license is distinct (that is, the customer must be able to benefit from the IP on its own or together with other resources that are readily available to the customer, and the Group's promise to transfer the IP must be separately identifiable from other promises in the contract). If the license is not distinct, then the license is combined with other goods or services into a single performance obligation. Revenue is then recognised as the Group satisfies the combined performance obligation.
- If the license is distinct, revenue is recognised at the point in time the license is granted to the extent that the license provides the customer a "right to use" of a company's IP as it then exists. Revenue from a distinct license is recognized over time if and only if the license is qualified as "right to access", which is the case when the three following criteria are met:

  a) The entity (is reasonably expected to) undertakes activities that will significantly affect the IP to which the customer has rights;

  b) The customer's rights to the IP expose it to the positive/negative effects of the activities that the entity undertakes in (a);

  c) No goods or services are transferred to the customer as the entity undertakes the activities in (a).
- Milestone payments represent a form of variable consideration as the payments are contingent on the occurrence of future events. Milestone payments are estimated and included in the transaction price based on either the expected value (probability-weighted estimate) or most likely amount approach. The most likely amount is the most predictive for milestone payments with a binary outcome (i.e., the Group receives all or none of the milestone payment). Variable consideration is only recognised as revenue when the related performance obligation is satisfied and the company determines that it is highly probable that there will not be a significant reversal of cumulative revenue recognised in future periods. This then results in a catch up of revenue at that moment for any performance obligations satisfied until that moment. Sales-based royalties received in connection with the license of IP are not included in the transaction price until the customer's subsequent sales occur.
- For R&D services agreement where no license is granted, revenue is recognised over time using the output methods for determining the stage of completion of the services.
- For manufacturing and supply agreements, revenue is recognised at a point in time when the transfer of control over the related products is achieved.
- The Group takes advantage of the practical expedients (i) not to account for significant financing components where the time difference between receiving consideration and transferring control of goods (or services) to its customers is one year or less and (ii) to expense the incremental costs of obtaining a contract when the amortisation period of the asset otherwise recognised would have been one year or less.

Contract assets and liabilities

- Contract assets arise when the Group recognises revenue in excess of the amount billed to the customer and the right to payment is contingent on conditions other than simply the passage of time, such as the completion of a related performance obligation.
- Contract liabilities represent the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays

[3] Intellectual property

[4] Research and development

consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

9.2.23. Government grants and advances

Government grants are recognised as revenue on a systematic basis over the periods in which the entity recognises the related costs as expenses for which the grants are intended to compensate.

Refundable advances are accounted for as interest free loans for which the benefit of the below-market rate of interest is treated as a government grant. The benefit of the below-market rate of interest is measured as the difference between the initial fair value of the loan and the proceeds received. Accordingly, when estimating the liability, the Company (i) determines its best-estimate of the period during which it will benefit from the advance and (ii) determines the amount of the liability as the difference between the nominal amount of the loan and its discounted and risk-adjusted value using a market rate for a liability with similar risk profile to the Company. The liability is subsequently measured at amortised cost using the cumulative catch-up approach under which the carrying amount of the liability is adjusted to the present value of the future estimated cash flows, discounted at the liability's original effective interest rate. The resulting adjustment is recognised within profit or loss. When there is reasonable assurance that the Company will comply with the conditions attaching to the grant, and that the grant will be received, the benefit is accounted for in deduction of the related research and development expenses that it is intended to compensate.

Repayment of refundable advances may be forgiven in certain circumstances. The liability component of refundable advances is treated as a government grant and taken to income only when there is reasonable assurance that the entity will meet the terms for forgiveness of the advance.

9.2.24. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share- based payment transactions are set out in note 9.26.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity- settled share-based payment reserve.

If the entity cancels or settles a grant of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), the entity accounts for the cancellation or settlement as an acceleration of vesting, and shall recognise immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period.

The Group currently does not have cash-settled share-based payment arrangements.

Regarding non employee share-based payment awards, there are measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever can be more reliably measured. The measurement date for equity-classified non employee share-based payment awards is the earlier of the date at which:

- A commitment for performance by the counterparty is reached, and
- The date at which the counterparty's performance is complete.

9.2.25. R&D tax credit

Companies that invest in research and development of new environmentally friendly products and advanced technologies can benefit from increased investment incentives or a tax credit following Belgian tax law, according to each company's choice. The tax credit may be calculated either as a one-off credit or spread over the depreciation period. Excess tax credit is carried forward, and the remaining balance after five years is refunded, which may result in a cash benefit. The tax credit applies to tangible and intangible fixed assets used for R&D of new products and technologies that do not have a negative impact on the environment (green investments), including R&D expenses capitalized under Belgian GAAP.

The tax credit should be claimed in the year in which the investment takes place.

Regarding the accounting treatment, the Group follows IAS 20 after assessing its situation carefully because the tax credit can be directly settled in cash and some conditions not related to taxes for receiving the tax credit exist. Tax credit is presented as other operating income in the Consolidated Statement of Income.

9.2.26. Investments in equity securities

The group has elected to recognise changes in the fair value of certain investments in equity securities in Other comprehensive income (for those that are strategic investments, not held for trading). The changes are accumulated through other comprehensive income to Other reserves within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

9.3. Financial Risk Management

9.3.1. Financial risk factors

a) Market risk

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Cash flow and fair value interest rate risk

The Group's interest rate risk arises from long-term and short-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk, but the current interest rate environment in Europe is stable, with interest rates even being negative. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. Group policy is to maintain the majority of its long term borrowings in fixed rate instruments. All borrowings are euro denominated.

Based on the simulations performed, the impact on post tax profit and equity of a 1% shift would not be significant.

Foreign exchange risk

The Group is materially exposed to both the USD and the AUD. Any future exchange rate risks that might materially expose the Group will be monitored closely. If appropriate, adequate mitigating actions will be taken.

The main part of the exposure to US dollar at year-end 2020 is related to a significant backlog of license milestones to be collected in the coming years under the US License and Supply contract signed with Mayne Pharma (227.960k USD of regulatory and sales related milestone payments). Milestone payments of 8.750k USD had already been collected at inception of the contact and immediately converted into Euros, and did no longer carry a US dollar exposure at year-end.

Since 2020, the Group uses derivative financial instruments to manage its exposure to foreign exchange rate risk arising from operational activities (cash flow hedges). Mithra's risk management objective is to hedge the USD exposure arising from the Estelle® license and supply agreement contracted in USD between Mithra and Mayne Pharma LLC. This exposure is hedged with FX forwards maturing in the period 2020-2025.The derivative financial instruments are initially recorded at fair value on balance sheet and are subsequently revalued to fair value through OCI at each reporting date. Positive fair values are reported as assets, negative fair values as liabilities, and as current/non-current based on maturities of hedging contracts.

The maturity table for the outstanding foreign currency hedges (forward sale of USD against EUR) is the following:

Time to maturity	Hedged Amounts (kUSD)	Average Hedge Rate
- < 1 year	67,960	1.173
- 1-2 years	80,000	1.18
- 2-5 years	80,000	1.24
	227,960	1.206

If USD forward rates were to weaken by 10% against EURO compared to year-end USD forward rates used for the fair value measurement, these fair values of hedging contracts would be expected to increase from EUR 9,065k to EUR 25,426k. In case of 10% strengthening of USD forward rates against EURO, fair values would be expected to decrease to EUR -10,931k.

Example with a 10% weakening USD :

Forward rates recalculated at 31/12/20	MTM's at 31/12/20	Fwd rates - 10%	MTM's 10% USD weakening	Delta
1,231	19.852	1,353876	573.817	- 553.965
1,229	27.106	1,352406	1.653.837	- 1.626.731
1,238	1.741.195	1,361504	3.577.400	- 1.836.205
1,239	1.092.894	1,363236	2.080.251	- 987.357
1,252	2.460.933	1,377414	6.090.925	- 3.629.992
1,270	1.210.681	1,396656	3.358.669	- 2.147.988
1,291	1.355.563	1,419638	4.173.182	- 2.817.619
1,317	1.157.193	1,448862	3.917.980	- 2.760.787
	9.065.418		**25.426.061**	**16.360.643**

Since June 30, 2020, EURO has strengthened significantly against the USD, with the foreign currency spot rate increasing from 1.12 to 1.23. This has caused the fair value of FX derivative hedges to increase from EUR-4 366k to EUR +9 065k at 31 December 2020. The average hedge rates are made of an FX spot element which was quoted on the trading date to which our counterparties (banks) added CVA (Credit Valuation Adjustment) and KVA (Capital Valuation Adjustment) elements. For the fair value calculations, the FX spot element and other adjustments at the year-end closing were also considered.

The US License and Supply contract was also structured with consideration received in the form of Mayne Pharma's ordinary shares. Mayne Pharma issued 4.95% of their outstanding shares to Mithra when signing the contract (a financial asset at fair value through other comprehensive income at year-end) and a further 4.65% will be issued following FDA approval (a contract asset at year-end), both percentages based on the number of shares outstanding at contract closing.

These two equity tranches represent 168.872.626 ordinary shares of Mayne Pharma which at year-end at 0.35 AUD/share on the Australian Stock Exchange (ASX) would represent AUD 58.2 million.

This Australian dollar exposure was still not hedged at year-end as the share price has continued to be very volatile and the timing for the transfer of the second tranche of shares is not yet determined. It was then complex to determine an underlying Australian dollar amount to be hedged, and to apply in consequence a net investment hedge accounting treatment (using FX forward contracts).This exposure will of course be closely monitored and a net investment strategy (potentially on part of the underlying value) might be considered in the future.

Price risks

The Group is exposed to price risks since 2019. The main part of the exposure to price risks at year-end 2020 was related to a significant backlog of license milestones to be collected in the coming years under the US License and Supply contract signed with Mayne Pharma (up to 227.960k USD of regulatory and sales related).

Mithra will receive down payment and milestone fees in equity & cash of at least USD 295 million. In addition to that, a transfer price comprising fixed and variable components based on a percentage of high double-digit net sales over a 20-year period. Mithra will be issued 9.6% of Mayne's Ordinary Shares across two tranches: the first tranche of equity represents 4.95% of Mayne's total equity on issue; the second tranche will be awarded on FDA approval of the product.

This result in a price risk because the share's price is conditioned to the stock market price conditions since Mayne Pharma is quoted on the Australian Stock Exchange (ASX).

b) Credit risk

Credit risk relates to the risk that a counterparty will fail to fulfil their contractual obligations with the result that the Group would suffer a loss. The Group's policy focuses on only working with creditworthy counterparties and, where necessary, requiring adequate securities. Information about the creditworthiness of counterparties is provided by independent rating agencies and, if this is not available, the Group uses information that is publicly available as well as its own internal records. Credit risk is managed by the financial department of the parent company by means of individual follow-up of credit per counterparty.

An aging analysis of the debtor is also evaluated on a regular basis for potential doubtful debts. An analysis of trade receivables at 31 December 2020 and 31 December 2019 is shown below.

Thousands of Euro (€)			*Past due but not impaired*			
Year	*Carrying amount*	*Neither impaired nor past due*	*0-60 days*	*61-90 days*	*91-120 days*	*>120 days*
2020	6,735	6,096	450	122	15	52
2019	8,011	4,403	2,296	700	70	542

IFRS 9 requires the Group to recognise a loss allowance for expected credit losses on trade receivables and contract assets. In particular, the Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss allowance for all trade receivables. The Group allows an average debtor's payment period of 30 days after invoice date. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. In assessing the credit risk characteristics, the group takes into account any indicators of impairment up until the reporting date, and it apply a definition of default that is consistent with the definition used for internal credit risk management purposes and consider qualitative factors where appropriate. Given the current nature of trade receivables, the loss allowance provision as at year-end is zero.

It is management's opinion that at the above reporting dates no further provision for doubtful debts was required.

The above table shows the analysis of trade receivables out of contract assets, which are neither impaired nor past due.

The overall collectability risk for the remaining debt can be considered as immaterial as per management's computation following IFRS 9.

The credit risk on cash investments or cash available on banks accounts is limited given that the counterparties are banks with high credit scores attributed by international rating agencies. The financial institutions have credit ratings varying from A to AA- (upper-medium grade) and are thus considered as low credit risk.

c) Liquidity risk

Thanks to the successful IPO, subsequent capital increases, convertible bond, the capital commitment line with LDA Capital Limited for up to EUR 50 million (EUR 3.1 million drawn down to date), and a committed bank loan of EUR 20 million until June 2022 (fully undrawn), the Group maintains sufficient cash to finance its business development strategy, and to carry on its R&D expenses. Management reviews cash flow forecasts on a regular basis to determine whether the Group has sufficient cash reserves to meet future working capital requirements and to take advantage of business opportunities.

The liquidity risk mainly relates to non-current borrowings. The non-current debts primarily relate to contingent and deferred consideration payable in relation to historical acquisitions. We refer to section 9.5. on business combinations from the Annual Report 2017 which describes the timing and conditions linked to these liabilities.

The maturity analysis of non-derivative financial liabilities is shown below.

Thousands of Euro (€)	*Less than 3 months*	*Between 3 months and 1 year*	*Between 1 and 2 years*	*Between 2 and 5 years*	*Over 5 years*	*Total*
At 31 December 2020	55,939	19,118	41,565	253,415	184,510	554,548
Subordinated loans & bank loans	5,056	7,084	8,075	148,140	12,356	180,711
Finance lease liabilities	3,611	5,662	7,201	18,911	28,113	63,499
Contingent consideration payable & refundable government advances	20,000	6,373	26,289	86,364	144,041	283,066
Trade and other payables	27,272	-	-	-	-	27,272
At 31 December 2019	33,715	29,490	36,402	119,048	188,332	406,987
Subordinated loans & bank loans	4,457	1,925	2,838	7,545	14,018	30,783
Finance lease liabilities	2,144	5,732	6,228	18,684	24,967	57,755
Contingent consideration payable & refundable government advances	0	21,833	27,336	92,819	149,347	291,335
Trade and other payables	27,114	-	-	-	-	27,114

In December 2020, the Group has completed a placement of EUR 125 million senior unsecured convertible bonds due 17 December 2025. The annual coupon of 4.250% is included in the table above.

The contingent consideration for Estetra has been included in the table above at year-end 2019 for the remaining cash payments of 210 million knowing that there is still uncertainty about the payment period given the evolution of the group's cash position, except for 20 million paid in 2021. The difference between the above table and the amounts detailed in sections 9.15. Financial liabilities and 9.17. Financial instruments are due to the fact that the amounts above are undiscounted meaning that no discount rate neither probabilities of success of research nor commercialisation have been applied to them.

Moreover, we computed the variable part of the refundable government advances and contingent consideration payable based on the existing business plan at 31 December 2020. The fixed part of the refundable government advances is of course independent of these assumptions.

For more details on borrowings and other financial liabilities, refer to notes 9.15. (Financial liabilities) and 9.17. (Financial instruments). As the amounts included in the maturity tables are the contractual undiscounted cash flows, including principal and interest payments, these amounts will not reconcile to the amounts disclosed in the balance sheet.

d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to be in a position to provide returns for shareholders in the future and benefits for other stakeholders and to obtain over time an optimal capital structure to reduce the cost of capital.

The Group makes the necessary adjustments in the light of changes in the economic circumstances, risks associated to the different assets and the projected cash needs of the current and projected research activities. The current cash situation and the anticipated cash burn / generation are the most important parameters in assessing the capital structure. The Company objective is to maintain the capital structure at a level to be able to finance its activities for at least twelve months. Cash income from new partnerships is taken into account and, if needed and possible, the Company can issue new shares or enter into financing agreements.

9.4. Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed below.

9.4.1. Going concern

The financial statements have been prepared on a going concern basis and in accordance with the main accounting principles set out above.

End of 2020, Mithra has a total of EUR 219.8 million accumulated losses on its balance sheet and realized a consolidated net loss of EUR 92.1 million for the year ended 31 December 2020. The Board of Directors has analyzed the financial statements and accounting policies and based on conservative assumptions, the current cash position of EUR 138.7 million at 31 December 2020 will allow the Group to keep up with operating expenses and capital expenditure requirements at least until the end of 2021.

Based on their assessment, the Management and Board of Directors consider it appropriate to prepare the financial statements on a going concern basis. The assessment is based on expected R&D clinical results and further business deals as well as on the monitoring of our funding activities.

The uncertainly raised by the COVID-19 pandemic is not impacting going concern. Although there are lot of uncertainties, it does not impact the Company's ability to continue operations during the next twelve months.

9.4.2. Out-licensing contracts with customers

Revenue from license granting contracts should be accounted for based on the substance of the agreements between the entity and its business partners. IFRS 15 requires management to exercise its judgment, notably in the following key areas:

a) Determine if the license is distinct from any other performance obligations in the contract;

b) Determine the transaction price, including estimates of any agreed variable consideration, taking into account the constraining limit of the "highly probable" criteria;

c) Determine if a performance obligation is satisfied at the reporting date.

Management makes its judgments taking into account all information available about the clinical status of the underlying projects at the reporting date and the legal analysis of the contracts performed by its legal counsel. Please refer to 9.18 Revenue.

9.4.3. R&D capitalisation

R&D capitalisation involves a great deal of judgment linked to evaluating whether all conditions to capitalized development costs have been met. The judgment relates mainly to criteria such as the technical feasibility of a project and the economic benefits that will result from the project. This analysis is done on a project basis and with the involvement of internal project managers. Please refer to 9.7 Other intangible assets.Estimated impairment

The Group tests annually whether goodwill and indefinite useful life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 9.2.11. This involves the identification of potential impairment indicators and the use of significant assumptions including future cash flows, discount rate and probabilities of success. These estimates are performed taking into account all information available about the clinical status of the underlying project, some external benchmarks and the relevant market economic conditions at reporting date. Please refer to note 9.7. Other Intangible Assets and 9.9 Goodwill & IP R&D for the impairment testing performed for those assets.

9.4.4. Income taxes

Significant judgment is required in determining the tax income or expense. The Group is subject to income taxes in different jurisdictions and there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Measurement of the deferred tax asset related to the tax loss carry-forward involves significant judgement, notably related to the foreseeable future taxable profits. We refer to section 9.24 Income tax.

9.4.5. Measurement of provisions

Significant judgement is required in the estimation of present obligations that arise from past events including legal claims and other items. These judgments are based on the Group's prior experiences and are the best estimate of the Group's liability for these issues.

9.4.6. Useful life and residual value

An estimation of the residual values and useful life of tangible assets and intangible assets is required to be made at least annually. Judgement is required in estimating the useful life of fixed asset categories. The residual value is the best estimate of the amount that would be obtained from the disposal of the asset, after deducting the estimated

costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life. Both residual value and useful life of tangible assets are determined based upon discussions with local engineers. Please refer to note 9.7 Other Intangible Assets and 9.9 Goodwill & IP R&D.

9.4.7. Fair value measurement of contingent consideration payable and consideration receivable

Monetary contingent consideration that the acquirer is due to pay or receive is within the scope of IFRS 9.

Valuation methods, usually discounted cash flow analysis, are used to determine the fair value of some of the Company's liabilities that are not traded in an active market. These valuation methods require judgement; the main assumptions and variables used are future cash flows per projects, likelihood of approval (LOA), discount rate and long-term growth rate. These assumptions are based on external benchmarks, management's estimates based on experience of the entity and on internal analysis.

Also, as from 2019, the fair value measurement of contingent consideration receivable is considered to be a significant estimate. In this respect, the expected value method is applied, based on probability weighted amounts within several possible scenarios. This valuation methodology requires judgments about the different possible scenarios and their respective probability, as well as about the discount rate applied to the expected cash flows. Please refer to note 9.17.4 Financial Assets and Liabilities accounted for at fair value. Measurement of refundable cash advances

The remeasurement of refundable cash advances using the cumulative catch up method requires periodic re-estimation of the contractual cash flows required to repay the liability towards the Walloon Region. Management revise periodically the business plan of each products concerned and the probability of success of related clinical trials. Please refer to note 9.15.2 Refundable government advances.

9.4.8. Derivative financial instruments qualifying for cash hedge accounting

Management judgment is required in the estimation about the fulfilment of the effectiveness requirements for an arrangement to qualify for hedge accounting. For qualifying hedge relationships, the Group documents at the inception of the transaction the relationship between the hedging instruments and the hedged transactions, as well as its risk management objective and strategy for undertaking the hedge.

The effective portion of changes in the fair value of derivative financial instruments qualifying as cash flow hedges are deferred to equity, while gains or losses relating to the ineffective portion are recognized in the income statement. Please refer to note 9.17.4 Financial Assets and Liabilities accounted for at fair value.

9.5. Business combinations and asset deals

During 2020, Mithra had no business combinations or asset deals to account for in its year-end financial statements.

9.6. Segment Information

The Group has identified three reportable segments of its business : Product sales for the sales related to Mithra's complex therapeutic products (Myring® and E4 products in the future) and the remaining portfolio of generic products for the Belux business, Out-licensing business for partnership deals and Others for the R&D services rendered to third parties. Hence, a distinction is being made in the information provided regularly to the chief operating decision maker, being the Chief Executive Officer.

Thousands of Euro (€)	*2020*	*2019*
Product Sales	3,582	3,607
Out-licensing	5,446	91,645
Other	0	1,268
Total Revenues	**9,030**	**96,520**

For more details on the Product sales and out-licensing fees and geographical sales, please refer to section 9.19. Revenue and other operating income.

In 2020, one major customer representing 33% (Gedeon Richter Plc.) of total revenue has been identified in the "out-licensing" segment. No other customer represented more than 10% of total revenue.

Non-Current assets

The main non-current assets are located in Belgium, because in 2019 we repatriated in Belgium the intellectual property rights (relating to Estetrol, excluding the rights related to Estelle®) located in the Netherlands. Some minor assets are located in Luxemburg.

9.7. Other Intangible Assets

Thousands of Euro (€)	*Operating license*	*Intellectual property rights*	*Software licences*	*R&D Expenses*	*Total*
Costs					
At 31 December 2018	3,471	77,406	1,298	3,105	85,280
Additions	-	1,000	536	4,522	6,058
Disposals	-	-	-	-	-
At 31 December 2019	3,471	78,406	1,834	7,627	91,336
Additions	-	-	791	4,794	5,586
Disposals	-	-	-	-	-
At 31 December 2020	**3,471**	**78,406**	**2,625**	**12,421**	**96,923**
Accumulated amortisation					
At 31 December 2018	3,034	-	339	-	3,373
Amortisation expense	131	-	158	186	474
At 31 December 2019	3,165	-	497	186	3,848
Amortisation expense and impairment	96	3,450	325	199	4,070
At 31 December 2020	**3,261**	**3,450**	**822**	**385**	**7,918**
Net Book Value					
At 31 December 2018	436	77,406	959	3,105	81,905
Cost	3,471	78,406	1,834	7,627	91,337
Accumulated amortisation and impairment	3,165	-	497	186	3,847
At 31 December 2019	305	78,406	1,337	7,441	87,490
Cost	3,471	78,406	2,625	12,421	96,923
Accumulated amortisation and impairment	3,261	3,450	822	385	7,918
At 31 December 2020	**209**	**74,956**	**1,804**	**12,036**	**89,005**

Other intangible assets consist mainly of a portfolio of acquired product rights, market access rights and internally generated intangible assets.

The rights were acquired from 1999 until present from different pharmaceutical companies.

The Donesta® intangible asset were acquired for an initial payment plus agreed additional payments contingent on future performance. The accounting for contingent consideration of these assets was not considered on initial recognition of the asset, but will be added to the cost of the asset when incurred (the cost accumulation model).

Over 2020, EUR 4,794k has been added to the Other intangible assets as a result of a capitalization of development costs related to the project "E4 synthesis" and the project Estelle® since the filing of the application for market authorization that occurred in the first semester. Those additions are offset by impairment charges on license rights acquired from GSP (EUR 3,450k).

Most of IP rights and internally generated assets are not yet amortised because they are not yet available for use. MyRing intellectual property rights is also considered as not fully available for use. Indeed, major market targeted for this product is USA. Few product sales occurred in 2020 since product launch in some countries in Europe. During the period of development, the assets are tested for impairment. No impairments indicators have been identified on Intangible assets, except for license rights acquired from GSP (EUR 3,450k) fully impaired in 2020. Those products purchased had no further added value within Mithra's development strategy.

Intellectual property rights

Thousands of Euro (€)	*2020*	*2019*	*Clinical Status*
Intangible Estelle	30,686	30,686	Application for market authorization filed
Donesta asset deal	8,000	8,000	Phase III ongoing
Intangible Zoreline	24,382	24,382	PK study
Intangible MyRing	11,425	11,425	UE : commercialized US : application for market authorization filed
Products purchased GSP	-	3,450	Fully impaired
Others	463	463	N/A
Total	**74,956**	**78,406**	**-**

9.8. Property, plant and equipment

	Property, Plant and equipment			*Right-of-use assets (9.27)*	
Thousands of Euro (€)	*Land and buildings*	*Fixtures and equipment*	*Motor Vehicles*	*Leasing*	*Total*
Cost					
At 31 December 2018	2,217	16,403	117	71,175	89,912
Additions	558	9,127	-	4,990	14,675
Disposals	-	-	(6)	-	(6)
At 31 December 2019	2,775	25,530	111	76,165	104,581
Additions	542	8,437	-	2,549	11,528
Disposals	-	(5)	(17)	(12)	(35)
At 31 December 2020	**3,317**	**33,962**	**94**	**78,703**	**116,075**
Accumulated depreciation					
At 31 December 2018	687	2,129	89	2,621	5,526
Amortisation expense	142	1,871	(4)	3,009	5,018
At 31 December 2019	829	4,000	85	5,630	10,544
Amortisation expense	222	2,322	(7)	3,501	6,038
At 31 December 2020	**1,051**	**6,322**	**78**	**9,131**	**16,582**
Net Book Value					
At 31 December 2018	1,530	14,274	28	68,557	84,387
Cost	2,775	25,530	111	76,165	104,581
Accumulated amortisation and impairment	829	4,000	85	5,630	10,544
At 31 December 2019	1,946	21,530	26	70,536	94,037
Cost	3,317	33,962	94	78,703	116,075
Accumulated amortisation and impairment	1,051	6,322	78	9,131	16,582
At 31 December 2020	**2,266**	**27,639**	**16**	**69,572**	**99,493**

Tangible fixed assets (Property, plant and equipment and the Right-of-use assets) increased EUR 5,456k, mainly relating to machinery and equipment in the new production facility (Myring® equipment) for the manufacturing of pharmaceuticals products (Mithra CDMO) and their related development costs for machine settings and improvement.

For more details about the right-of-use assets, please refer to financial note 9.27. Leases.

9.9. Goodwill & IP R&D

Goodwill results entirely from the acquisition of Estetra (EUR 3,814k) and Novalon (EUR 1,420k).

Goodwill are allocated to CGU's that are tested for impairment[5] at least annually. In the year of acquisition of Estetra and Novalon, management confirmed the validity of the expected cash flow approach used when acquiring the businesses, breaking down the risks and using all expectations about possible cash flows and discounting the expected value at a rate of 12,48% ignoring risks for which the estimates of future cash flows have already been adjusted.

[5] The uncertainly raised by the COVID-19 pandemic is not impacting impairment testing. Although there are lots of uncertainties, it does not impact the Group's assets valuation as of December 31, 2020.

Regarding the recoverable value of Estelle®, no impairment loss was identified due to an increase in probability to reach market authorisation (from 38% to 90%) and obtaining contracts outside of Europe and the USA, The same applies for Donesta® and the Novalon products.

More specifically, the assets related to Estetra and Novalon products are tested for impairment in groups of assets described as three different cash-generating units (CGUs), being Estelle®, Myring® and Zoreline®.

Thousands of Euro (€)	*2020*
CGU value Estelle	34,500
CGU value Zoreline	25,376
CGU value Myring	11,851
Total	**71,727**

For the reconciliation with the total amount of IP R&D please refer to note 9.7, "Other intangible assets".

The recoverable amounts are based on the fair value less cost to sell methodology which use some risk-adjusted discounted cash flow models for a period of 10 years. If any terminal value is included, further cash flows are extrapolated using a negative long term growth rate. Probabilities of success are also different by CGU and are updated based on latest information about clinical results; The discount rate applied was updated following the specific product covered by the IP rights; Each model/product has its own WACC in 2020. Management's assessment is that the recoverable amounts exceeds their carrying value and that no impairment is required.

Assumptions 2020:

		Probability of sucess in 2020		
Intangible assets tested	***Long term growth rate***	***Phase 2***	***Phase 3***	***WACC***
Estelle®	-1%	100%	90%	11,72%

	Long term growth rate	**R&D**	**Commercial**	**WACC**
Zoreline®	-3%	80%	55%	14,80%
Myring®	0%	90%	75%	13,09%

Assumptions 2019:

		Probability of sucess in 2019		
Intangible assets tested	***Long term growth rate***	***Phase 2***	***Phase 3***	***WACC***
Estelle®	-1%	100%	78%	11,50%

	Long term growth rate	**R&D**	**Commercial**	**WACC**
Zoreline®	-3%	80%	55%	14,70%
Myring®	0%	90%	75%	12,80%

A sensitivity analysis has been performed on the impairment testing. Mithra performed the sensitivity test by increasing the discount rate by 1 percentage point. This did not result in any impairment losses. A reasonable change in the assumptions relating to the probability of success on Estelle® and Myring® would have no impact. For

Zoreline®, with Pos of 80% (R&D) and 55% (commercial), a drop in the cumulative probability (R&D / commercial) from 67.5% to 59% does not change the test conclusions.

9.10. Other non-current assets

		As at 31 December
Thousands of Euro (€)	*2020*	*2019*
R&D tax credit receivable	5,628	3,764
Advance payments	550	1,100
Other long term receivables	224	233
Contingent consideration receivable	7,999	7,999
Total other non-current assets	**14,401**	**13,096**

In 2020, we can notice a slight increase of Other non-current assets mainly explained by increase of the R&D tax credit receivable which is tax incentive for R&D investments that have no impact or reduce the impact on the environment (please refer to Note 9.19).

9.11. Inventories

		As at 31 December
Thousands of Euro (€)	2020	2019
Raw materials & consumables	32,442	15,110
Semi-finished goods	2,915	-
Finished goods	25	1,317
Total at cost	**35,382**	**16,427**
Cumulated amounts written off at the beginning of the period	-150	-367
Reversal of write-down of inventories credited to expense in the period	150	217
Cumulated amounts written off at the end of the period	0	-150
Total net carrying amount	**35,382**	**16,277**

Inventories increased to EUR 35,382k from EUR 16,277k in 2019, in the context of Estelle® commercial launch preparation.

9.12. Trade Receivables and other current assets

		As at 31 December
Thousands of Euro (€)	*2020*	*2019*
Trade receivables	5,287	9,191
Recoverable VAT	2,389	2,049
Prepayments	1,568	-
Other	809	998
Total trade receivables and other current assets	**10,053**	**12,238**

The decrease of trade receivables and other current assets is mainly driven by the decrease in trade receivables due to lower out-licensing revenue.

Prepayments as of December 31, 2020 relate to advance payments to ICON for Donesta Phase III and Sequens for E4 synthesis.

9.13. Cash and cash equivalents

	As at 31 December	
Thousands of Euro (€)	*2020*	*2019*
Cash at bank and in hand	138,675	49,720
Total cash and cash equivalents	**138,675**	**49,720**

9.14. Equity

9.14.1. Share capital and additional paid-in capital

At 31 December 2020 and 31 December 2019, the Company's share capital was represented by the following number of shares (units), all fully paid up and without nominal value:

	As at 31 December	
	2020	*2019*
Number of shares (issued and fully paid)	**42,714,097**	**39,133,245**

There are no share categories within the company; i.e. all shares have the same voting rights. There were no treasury shares at the end of December 2020.

Some shares are reserved for issuance under options, which are warrants to be exercised respectively as from 1st January 2019, as from 6th November 2020 and from 29 January 2021. Refer to note 9.26 Share-based payments..

The change in the number of shares for the years 2019 and 2020 is summarized in the below table:

Thousands of Euro (€)	*Number of Shares*	*Issued Capital*	*Additional paid-in capital*	*Total*
Balance at 31 December 2018	**37,639,495**	**27,556**	**220,956**	**248,512**
- Capital increase	1,444,250	1,057	37,806	38,863
- Capital increase by susbscription rights	49,500	36	134	170
Balance at 31 December 2019	**39,133,245**	**28,649**	**258,898**	**287,547**
- Capital increases	3,580,852	2,622	62,546	65,168
- Value of conversion rights on convertibles bonds	-	-	11,091	11,091
Balance at 31 December 2020	**42,714,097**	**31,271**	**332,535**	**363,806**

The following capital transactions took place within Mithra took place during the course of the year 2020:

- On May 22, 2020, a capital commitment was made as part of the authorized capital for a maximum amount of EUR fifty million (50,000,000) (including the share premium) by the issue of a number of new shares at an issue price still to be determined at the time of the transaction. This capital increase is subject to the condition precedent of the effective completion of the new shares' subscription for the benefit of LDA Capital Limited, a company with which the Company entered into a capital commitment agreement on April 23, 2020. Under the terms of this agreement, LDA Capital agreed to commit an amount of up to EUR fifty million (50,000,000) (the "Capital Commitment") in cash within a maximum of three years in exchange for new ordinary shares in Mithra. This Capital Commitment will be released based on drawdowns by Mithra in the form of put options that Mithra has the right to exercise at its sole discretion. The number of shares will be dependent upon certain parameters such as Mithra's trading volume during the previous 15-day period and the price per share during the forward-looking 30-day pricing period. The striking price of the put option is

determined by the volume weighted average price (VWAP) of Mithra's shares during such 30-day pricing period. The minimum issue price of the new shares shall not be less than EUR 19.50 (subject to the adjustment mechanism provided for in the Put Option Agreement. At the end of this operation, LDA Capital Limited may not hold more than 4.9% of the outstanding ordinary shares of Mithra.

- On June 23, 2020, a capital increase took place through a private placement. The Company's share capital has been increased by an amount of 64,999,988.00 EUR, 2,504,552.17 EUR of which have been allocated to the capital and 62,495,435.83 EUR to the "share premium" account of the Company. This capital increase gave rise to the issue of 3,421,052 new fully paid-up shares without nominal value. Following this transaction, the Company's capital amounted to EUR 31,153,882.82 represented by 42,554,297 shares without designation of nominal value and fully paid.
- On August 5, 2020, a capital increase took place within the framework of the authorized capital, in application of the pre-described capital commitment dated April 23 2020. The capital increase took place for a total amount of EUR 3,104,869.00, out of which EUR 116,989.58 was allocated to the capital and EUR 2,987,879.42 to the "share premium" account. This capital increase gave rise to the issue of 159,800 new fully paid-up shares without designation of nominal value. At the end of this transaction, the Company's capital amounted to EUR 31,270,872.40 represented by 42,714,097 shares without designation of nominal value and fully paid.
- In December 2020, the Group issued a EUR 125 million in senior unsecured convertible bonds due 17 December 2025. The Bonds will be convertible into ordinary shares of the company at an initial conversion price of EUR 25.1917, representing a 25% preimium above the reference price of EUR 20.1533, being the volume weighted average price of a share on Euronext Brussels from market open to the close of trading on 10 December 2020. The Bonds were issued at 100% of their principal amount and bear a coupon of 4.250% per annum, payable semi-annualy in arrear in equal instalments on 17 December and 17 June of each year, beginning on 17 June 2021. With the convertible bonds, Mithra has secured the necessary financial resources to finance its business development strategy, and to carry on its R&D expenses. For the accounting treatement please refer to Notes 9.15.1 Financial Assets and Liabilities accounted for at fair value.

9.14.2. Financial assets at FVOCI and foreign currency translation reserves

The group has elected to recognise changes in the fair value of certain investments in equity securities in Other comprehensive income, as explained in note 9.17 under Financial instruments. These changes are accumulated through other comprehensive income within Financial assets at FVOCI reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

Other reserves also contain cumulative foreign currency adjustment arising from the translation of the financial statements of our Brasilian subsidiary.

As at December 31, 2020, the Other reserves (EUR -9,862k) contains cumulative translation adjustments coming from the foreign subsidiaries (EUR -17k) and the cumulative changes in fair value of financial assets through other comprehensive income within financial assets at FVOCI and foreign currency translation reserves (EUR -9,845k).

9.14.3. Cash flow hedge reserve

The Group entered into derivative financial instruments to manage its exposure to foreign exchange rate risk arising from operational activities (cash flow hedges). The effective portion of changes in the fair value of derivative financial instruments qualifying as cash flow hedges is deferred to equity. Amounts deferred in equity are subsequently released to the income statement in the periods in which the hedged transaction impacts the income statement.

As of December 31, 2020, the cash flow hedge reserve (EUR 7,838k) contain the cumulative changes in fair value of hedging instruments. Please refer to note 9.3 Financial Risk Management.

9.15. Financial liabilities

An overview of the borrowings is shown below.

As at 31 December

		2020			2019	
Thousands of Euro (€)	*Total*	*Current*	*Non-Current*	*Total*	*Current*	*Non-Current*
Subordinated loans	13,612	1,002	12,610	12,770	340	12,430
Other loans	122,373	10,475	111,898	12,812	6,186	6,626
Bank loans	10,713	5,162	5,551	12,392	6,186	6,206
Convertible bonds	111,310	5,313	105,997	-	-	-
Capital grants	350	0	350	420	-	420
Lease liabilities	51,597	7,315	44,282	52,474	6,746	45,728
Refundable government advances	16,454	1,259	15,195	13,877	791	13,086
Sub-total liabilities arising from financing activities	*204,036*	*20,051*	*183,985*	*91,933*	*14,063*	*77,870*
Other financial liabilties	124,604	23,424	101,180	106,490	6,624	99,866
Total financial liabilities	**328,640**	**43,475**	**285,165**	**198,413**	**20,687**	**177,736**

Reconciliation of liabilities arising from financing activities in 2020:

				Non-cash changes				
Thousands of Euro (€)	*2019*	*Cash flows*						*2020*
		Inflow	Outflow	Addi-tions	Classification of part of the proceeds in equity	Classification of part of the proceeds in grant income	Amortized costs adjustments	
Unsecured subordinated loans	208		(62)					146
Secured subordinated loans	12,561	1,239	(333)					13,467
Straight loan	5,083	34,168	(35,243)					4,000
Innodem	2,274		(57)					2,217
Convertible bond	0	122,401			(11,091)			111,310
Other bank loans	5,035	215	(754)					4,496
Lease liabilities	52,474	-	(3,475)	2,598				51,597
Capital grants	420						(70)	350
Refundable government advances	13,877	2,752	(927)			(581)	1,334	16,454
Total	**91,933**	**160,775**	**(40,851)**	**2,598**	**(11,091)**	**(581)**	**1,265**	**204,036**

Reconciliation of liabilities arising from financing activities in 2019:

As at 31 December

Thousands of Euro (€)	*2018*	*Cash flows*		*Non-cash changes*		*2019*
		Inflow	Outflow	Additions	Amortized costs adjustments	
Unsecured subordinated loans	293		(85)			208
Secured subordinated loans	14,102	108	(1,362)		(287)	12,561
Straight loan	9,754	4,000	(8,671)			5,083
Innodem	2,618		(344)			2,274
Other bank loans	2,595	2,900	(460)			5,035
Lease liabilities	50,141		(2,174)	4,507		52,474
Capital grants	446				(26)	420
Refundable government advances	10,921	3,114	(766)		609	13,877
Total	**90,869**	**10,122**	**(13,862)**	**4,507**	**296**	**91,933**

Below we present the characteristics of the (9.15.1) subordinated loans, the other loans and the lease liabilities, the (9.15.2) refundable government advances, and (9.15.3) other financial liabilities.

9.15.1. Subordinated loans, other loans and lease liabilities

The detailed breakdown and the characteristics of the subordinated loans, the other loans and the lease liabilities as follows:

Thousands of Euro (€)	*Interest rate %*	*Fixed / Variable*	*Maturity*	*2020*	*2019*
NON-CURRENT					
Subordinated loans (non-current)				**12,610**	**12,430**
Unsecured subordinated loans				62	125
Development Brazilian/Dutch subsidiary	4.95%	Fixed	2022	62	125
Secured subordinated loans				12,548	12,305
CDMO Phase 1	4.00%	Fixed	2035	8,214	8,214
CDMO Phase 2	4.00%	Fixed	2034	4,334	4,091
Other loans (non-current)				**111,548**	**6,207**
Investment loans	2.00%	Fixed	2023	222	332
Working capital funding	5.24%	Fixed	2023	137	213
Convetible bond	6.89%[6]	Fixed	2025	105,997	0
Belfius	1.89%	Fixed	2027	3,163	3,738
CBC Covid	1.50%	Fixed	2024	162	0
Innodem	2.57%	Fixed	2026	1,867	1,924
Lease liabilities (non-current)				**44,282**	**45,728**
Leasing "Intégrale" (Immo Phase I)	5.40%	Fixed	2032	21,568	22,772
Leasing « Intégrale » (Immo Phase II)	5.75%	Fixed	2034	8,033	8,389
Leasing ING Lease (solar panels)	3.00%	Fixed	2026	259	307
Leasing CBC Lease	2.00%	Fixed	2021	314	818
Dettes ING Lease	0.745%	Variable	2026	2,551	521
Leasing ING Lease (Phase 2)	3.00%	Fixed	2026	5,673	6,207
Leasing ING Lease (Phase I)	3.14%	Fixed	2026	5,483	6,146
Other lease liabilities	1.33%-1.44%	Fixed	Variable	402	569
Total non-current				**168,440**	**64,366**

[6] 6,89% is the effective interest rate, so including the conversion into interest expense of the embedded conversion right and the transaction costs, while the coupon of the bonds is fixed at 4.25%

Thousands of Euro (€)	*Interest rate %*	*Fixed / Variable*	*Maturity*	*2020*	*2019*
CURRENT					
Subordinated loans (current)				**1,002**	**340**
Unsecured subordinated loans				83	83
Development Brazilian/Dutch subsidiary	4.95%	Fixed	2022	83	83
Secured subordinated loans				919	256
CDMO Phase 1	4.00%	Fixed	2035	586	256
CDMO Phase 2	4.00%	Fixed	2034	333	0
Other loans (current)				**10,475**	**6,186**
Straight Loans ING & CBC		Variable	2021	4,000	5,083
Working capital funding	5.24%	Fixed	2023	108	71
Investment loans	2.00%	Fixed	2023	77	107
Convetible bond	6.89%	Fixed	2025	5,313	0
Belfius	1.89%	Fixed	2027	575	575
CBC Covid	1.50%	Fixed	2024	53	
Innodem	2.57%	Fixed	2026	350	350
Lease liabilities (current)				**7,315**	**6,746**
Leasing "Intégrale" (Immo Phase I)	5.40%	Fixed	2032	1,810	1,390
Leasing « Intégrale » (Immo Phase II)	5.75%	Fixed	2034	535	412
Leasing ING Lease (solar panels)	3.00%	Fixed	2026	48	903
Leasing CBC Lease	2.00%	Fixed	2021	504	494
Leasing ING Lease (Phase 2)	3.00%	Fixed	2026	1,054	1,845
Leasing ING Lease (Phase I)	3.14%	Fixed	2026	1,310	1,402
Other lease liabilities	1.33%-1.44%	Fixed	Variable	2,054	299
Total current				**18,793**	**13,271**

Straight loans are secured with pledges on receivables (EUR 7,200k); plus receivable pledge mandates (EUR 6,000k) and mortgage mandates in respect of the office building owned by the Company (EUR 1,450k) which were both given as securities for mixed credit facilities (straight loans, bank guarantees and documentary credits) under which there was EUR 4,000 straight loan drawdowns at year-end.

Convertible bond :

The 17 December 2020, Mithra issued EUR 125 million in senior unsecured convertible bonds due 17 December 2025. The Bonds will be convertible into ordinary shares of the company at an initial conversion price of EUR 25.1917, representing a 25% premium above the reference price of EUR 20.1533, being the volume weighted average price of a share on Euronext Brussels from market open to the close of trading on 10 December 2020. The Bonds were issued at 100% of their principal amount and bear a coupon of 4.250% per annum, payable semi-annualy in arrear in equal instalments on 17 December and 17 June of each year, beginning on 17 June 2021.

The convertible notes are presented in the balance sheet as follows:

Other loans (debt component of convertible bond)	
Balance at 1 January 2020	-
Issued amount (convertible bond)	125,000
Equity component (Additional paid-in capital - Value of conversion rights on convertible bonds)	(11,334)
Debt transaction costs	(2,447)
Interests	92
Balance at 31 December 2020	**111,310**

The initial fair value of the liability portion of the bond was determined using a market interest rate for an equivalent non-convertible bond at the issue date. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option and recognised in shareholders' equity, and not subsequently remeasured.

At the date of issuance, the debt component for a total of EUR 111,310k is the present value of all cash flows (coupons and redemption) discounted at the yield of an equivalent straight bond of 6.4%. Each period the carrying amount increases by the difference between the interest expense (6.4%) and the cash coupon payment.

The equity component for EUR 11,334k is deemed to be the residual amount computed by substracting the debt component from the issue amount (recorded in additional paid-in capital). The equity component is not revalued. The effective interest rate shown in profit or loss for a simple convertible bond is equivalent to the rate that would have been paid for non-convertible debt and including transaction costs, thus here 6.89%.

9.15.2. Refundable government advances

The Group has also been awarded refundable advances support from the Walloon Region. Payment of awarded amounts that have not yet been received is subject to the achievement of certain milestones. Grants are subject to certain obligations. In case such obligations are not complied with, the grants could be suspended, reviewed or reclaimed. The Group has the obligation to continue the development of the project subject to the grant. In case such project is abandoned, the Group should return rights to the results and the data generated in the project to the Société Publique Wallonne (SPW), in which case the repayment obligation also lapses. The Company's ongoing grant programs are mainly refundable advances.

The refundable advances have a fixed repayment part and variable repayment scheme. The variable part is dependent on the success of the project (*i.e.* based on a percentage of turnover). It should be noted that, while the variable parts of these advances are only due upon commercialisation, the fixed parts are due in any event. The fixed and variable part can never exceed the double of the initial received amount. The final variable part to be repaid will depend on the performance of the product candidate.

	Year ended 31 December	
Thousands of Euro (€)	*2020*	*2019*
Refundable government advances Estetra	9,992	7,739
Other refundable government advances	6,462	6,138
Total refundable government advances	**16,454**	**13,877**

The below table gives the details of refundable governments advances granted to the group and repayments done in 2020:

Thousands of Euro (€)	*Amount of grant*	*Decision year on fixed repayments part*	*% of fixed repay-ment part*	*% applied on turnover for variable repayment part*	*Maximum repayment amount*	*Amount reimbursed 2020*
AR 7410 - Zoreline 2	5.265	01-12-2015	30%	3,57%	200%	-
AR 7585 - Development EVA	1.188	01-11-2016	30%	0,21%	200%	91
AR 6137 – Zoreline	1.826	01-12-2009	30%	3,30%	200%	112
AR 6138 - Drosperinone Novalon	626	01-12-2009	30%	0,50%	200%	27
AR 7492 – Donesta	2.898	01-12-2015	30%	0,10%	200%	87
AR 7551 - Bio Synthesis	747	01-12-2015	30%	0,26%	200%	-
AR 6139 - Estelle	2.820	01-12-2012	30%	0,50%	200%	-
AR 6926 – Estelle	2.009	01-12-2012	30%	0,20%	200%	106
AR 6875 – Estelle	5.400	01-12-2012	30%	0,60%	200%	489
AR 7411 - Co-extrusion CDMO	441	01-12-2015	30%	0,40%	200%	15
AR 1510597 – Septime	206	01-07-2016	30%	0,01%	200%	-
AR 1710127 Estepig	208	01-12-2017	30%	0,01%	200%	-
AR 8792 Zoreline	2.925	23-12-2019	30%	1,46%	200%	-
8359 - E4 & Covid-19	2.105	30-04-2021	30%	0,98%	200%	-
8433 - E4 & Covid-19	723	30-04-2021	30%	0,34%	200%	-
8322 - Eco E4	178	30-09-2022	30%	0,01%	200%	-
Total	**29.565**					**927**

Amortized costs adjustment of EUR 1,334k has been recorded to the amounts of refundable government advances since we updated our forecasts of sales from the related projects, the related charge has been reported in the Financial income and expenses line. The determination of the amount to be paid to the Walloon Region under the signed agreement is subject to a high degree of uncertainty as it depends on the amount of the future sales that Mithra will generate in the future.

In addition, Mithra has been granted EUR 4,8 million in non-dilutive funding from the Walloon Region end of 2020, from which EUR 2,1 million have already been received. This funding allows Mithra to advance its research program on the Covid, which is used to conduct a Phase II study program to evaluate the potential beneficial effect of Estetrol (E4) on Covid-19 infection.

Probability of success

Product/projects related to the refundable advances	*Phase 2*	*Phase 3*	*WACC*	*Discount rate used for the fix part*
Estelle®	100%	90%	13.88% /11.50%	2.27%
Donesta®	100%	38%	13.88%	2.27%

	R&D	*Commercial*	*WACC*	*Discount rate used for the fix part*
Zoreline®	80%	55%	13.88% /13.16%/14.7%	2.27%
Others	90%	75%	13.88% /12.48%/13.16%	2.27%

A sensitivity analysis of the carrying amount of refundable advances has been done in case of adverse changes in assumptions, Mithra tested reasonable sensitivity to changes in the business plan and a simulated increase of up to 3 percentage point in the discount rate used would not change the findings of the Group's analysis, A sensitivity to changes in the business plan and a simulated increase of up to 10 percentage point in the probability of success of Phase III would not change the findings of the Group's analysis neither,

Sensitivity analysis for Estelle® related refundable advances (AR 6139, 6926 and 6875) in thousands of Euro (€):

	Probability of success of PHASE III				
Increase of BP in %	38%	50%	78%	90%	100%
-5%	4,534	5,370	7,322	8,158	8,855
-3%	4,603	5,462	7,465	8,323	9,038
0%	4,673	5,554	7,608	8,488	9,222
3%	4,743	5,645	7,751	8,653	9,405
5%	4,813	5,737	7,894	8,818	9,589

9.15.3. Other financial liabilities

Other non-current financial liabilities primarily include the fair value of the contingent consideration for Estetra (EUR 115,739k) as well as the fair value of contingent payments relating to certain contractual obligations with respect to the acquired Zoreline® and Myring® products (EUR 8,866k). The increase in the fair value of Estetra contingent consideration payable (EUR 115,739k in 2020 compared to EUR 97,392k in 2019) is the result of a payment of EUR 20,000k done to the shareholders beginning of January 2021 based on our cash position (trigerred by the convertible bonds issuance) and thus no timing effect has been discounted on that amount at 31th December

2020. For a reconciliation of the variance of the statement of income, please refer to the Note 9.17 Financial instruments.

	Year ended 31 December					
	2020			2019		
	Total	Current	Non-Current	Total	Current	Non-Current
Fair value Earn-out Estetra	**115,739**	22,917	92,821	**97,392**	6,000	91,392
Fair value Earn-out Myring®	**3,137**	507	2,630	**2,983**	271	2,712
Fair value Earn-out Zoreline	**5,729**	-	5,729	**6,115**	352	5,763
Total Other financial liabilities	**124,604**	**23,424**	**101,180**	**106,491**	**6,624**	**99,866**

A sensitivity analysis has been performed on the fair value of the contingent considerations, see note 9.17 Financial instruments.

9.16. Trade payables and other current liabilities

	As at 31 December	
Thousands of Euro (€)	2020	2019
Trade accounts payable	23,325	19,449
Invoices to receive	1,927	5,675
VAT payable	36	93
Salaries and social security payable	1,309	857
Accrued charges	675	375
Other debts	0	665
Trade payables and other current liabilities	**27,272**	**27,114**

9.17. Financial instruments

9.17.1. Classes and fair value of financial instruments

Trade receivables, some contract assets, some other non-current assets, trade and some other payables, refundable government advances, borrowings and lease liabilities are financial assets or liabilities carried at amortized cost. The other financial instruments are carried at fair value.

9.17.2. Fair value hierarchy and measurements

Fair values are measured according to the following hierarchies:

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i,e, as prices) or indirectly (i,e, derived from prices)
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Presentation of financial assets and liabilities

Financial assets and liabilities in 2020

Thousands of Euro (€)	*Balance at 31 December 2020*	*Recognised fair value measurements*	*Fair value measurement hierarchy*	*Unrecognised fair value measurements*
Financial assets				
Financial assets at fair value through profit and loss				
Other non-current assets – contingent consideration receivable	7,999	7,999	Level 3	-
Contract assets – Mayne shares receivable	18,670	18,670	Level 1	-
Current derivative hedges	14	14	Level 2	-
Financial assets at fair value through other comprehensive income				
Investments in equity securities	18,088	18,088	Level 1	-
Current hedge derivatives	2,867	2,867	Level 2	-
Non-current hedge derivatives	6,184	6,184	Level2	-
Financial assets at amortised cost				
Other non-current assets - other than above	6,402	-	-	6,402
Contract assets - other than above	33,002	-	-	33,002
Trade and other receivables	10,052	-	-	10,052
Other short term deposits	14	-	-	14
Cash and cash equivalents	138,675	-	-	138,675
Financial liabilities				
Liabilities at amortised cost				
Subordinated loans	13,467	-	-	13,467
Others loans	11,156	-	-	11,156
Refundable government advances	16,454	-	-	16,454
Trade payables, Accrued charges & other financial liabilities	27,272	-	-	27,272
Lease liabilities	51,650	-	-	51,650
Other loans (Debt component of convertible bond)	111,310	111,310	Level 2	-
Financial liabilities at fair value through profit or loss				
Other financial liabilities	124,604	124,604	Level 3	-

Financial assets and liabilities in 2019

Thousands of Euro (€)	*Balance at 31 December 2019*	*Recognised fair value measurements*	*Fair value measurement hierarchy*	*Unrecognised fair value measurements*
Financial assets				
Financial assets at fair value through profit and loss				
Other non-current assets – contingent consideration receivable	7,999	7,999	Level 3	-
Contract assets – Mayne shares receivable	23,595	23,595	Level 1	-
Financial assets at fair value through other comprehensive income				
Investments in equity securities	22,860	22,860	Level 1	-
Financial assets at amortised cost				
Other non-current assets - *other than above*	5,097	-	-	5,097
Contract assets - *other than above*	38,622	-	-	38,622
Trade and other receivables	12,238	-	-	12,238
Other short term deposits	46	-	-	46
Cash and cash equivalents	49,720	-	-	49,720
Financial liabilities				
Liabilities at amortised cost				
Subordinated loans	12,770	-	-	12,770
Others loans	12,812	-	-	12,812
Refundable government advances	13,877	-	-	13,877
Trade payables	27,114	-	-	27,114
Lease liabilities	52,474	-	-	52,474
Financial liabilities at fair value through profit or loss				
Other financial liabilities	106,490	106,490	Level 3	-

9.17.3. Financial Assets and Liabilities not accounted for at fair value

Financial Assets:

The fair value of trade and other receivables, other short-term deposits and cash and cash equivalents does not materially differ from their carrying amounts. Fair value would typically be measured as Level 2. The fact that their carrying value approximates their fair value is due to the short maturity of these assets.

Financial liabilities:

For a significant part of the loans, the fair values are not materially different to their carrying amounts, since the interest payable on those loans is close to current market rates because they are recent, or the loans have short maturities. For Lease liabilities the incremental borrowing rate has been determined at transition to IFRS 16 on 1 January 2019.

9.17.4. Financial Assets and Liabilities accounted for at fair value

a) Financial Assets

There are four categories of financial assets: Contingent Consideration, Contract Assets, Investments in Equity Securities and hedge derivative instruments.

Thousands of Euro (€)

Assets reported at fair value	Fair value measurement hierarchy	Balance at 31 December 2020
Other non-current assets – contingent consideration	Level 3	7,999
Contract assets – Mayne shares receivable	Level 1	18,670
Investments in equity securities	Level 1	18,088
Hedge derivatives	Level 2	9,065
Balance at 31 December 2020		**53,822**

Contingent consideration receivable

Knowing that several earn out payments will be due to Mithra depending on the financial performance of the assets sold, the fair value of the contingent consideration receivable related to Ceres has been estimated based on a most likely amount where the Group expects to receive two milestones for a total of EUR 10 million by 2023. A discount rate is finally applied to the expected cash flows. The discount rate used was 11,9% and remain unchanged since 31 December 2019.

Contract assets – Mayne shares receivable

Regarding the contract assets, the variability associated with the Mayne share price gives rise to an embedded derivative so that in accordance with IFRS 9, the receivable is reported at fair value through profit or loss.

Roll forward of contract assets related to Mayne shares at fair value through income statement after shares re-evaluation at 31 December 2020:

Thousands of Euro (€)	*Contract assets*
Balance at 1 January 2020	23,595
Additions	-
Fair value change through income statement	(4,925)
Balance at 31 December 2020	18,670

Investments in equity securities

Financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities which are not held for trading, and which the group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the group considers this classification to be more relevant.

Roll-forward of equity investments at fair value through other comprehensive income after equity securities reevaluation at 31 December 2020:

Thousands of Euro (€)	*Equity securities*
Balance at 1 January 2020	22,860
Fair value through OCI	(4,772)
Balance at 31 December 2020	**18,088**

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings. Please refer to 9.14 Share Capital for more details.
Changes in Contract Assets and Equity Investments relating to Mayne shares are explained by decreases in Mayne's share price as well as the AUD / EUR conversion rate as of December 31, 2020.

Hedge derivatives

The Group entered into derivative financial instruments to manage its exposure to foreign exchange rate risk arising from operational activities (cash flow hedges). The effective portion of changes in the fair value of derivative financial instruments qualifying as cash flow hedges is deferred to equity. Amounts deferred in equity are subsequently released to the income statement in the periods in which the hedged transaction impacts the income statement.

Thousands of Euro (€)	*Equity securities*
Balance at 1 January 2020	-
Fair value through OCI	9,065
Balance at 31 December 2020	**9,065**

b) Financial liabilities

For the measurement of the fair value under IFRS and the roll forward of financial liabilities, please refer to the table below, We considered a level 3 under the fair value measurement hierarchy:

Thousands of Euro (€)

Assets recognized or disclosed at fair value	Fair value measurement hierarchy	31 December 2020	31 December 2019
Non-Current Other financial liabilities	Level 3	101,18	99,866
Current Other financial liabilities	Level 3	23,424	6,624
Balance at 31 December 2020		**124,604**	**106,49**

For the roll forward of financial liabilities, please refer to the table below.

Thousands of Euro (€)	***Financial liabilities***
Balance at 1 January 2020	106,490
Fair value change through profit or loss of other financial liabilities	18,114
Balance at 31 December 2020	124,604

The following table shows the disaggregation of the Level 3 financial liability instruments:

Other financial liabilities	
Estelle®	115,739
Zoreline®	5,729
Myring®	3,137
Balance at 31 December 2020	**124,604**

The fair value of the contingent payments has been determined using a probability weighting approach applied to discounted cash flows, When relevant, a risk-adjusted discounted cash flow model was used where all future cash flows are probabilized and then discounted using a specific updated WACC applicable to each product concerned.

2020 assumptions for Estelle:

Contingent considerations relating to Estelle®	*Total cash-out until 2028*	*Partial cash-out until 2028*	*Net Present Value*
Alternative 1	50%	50%	107,921
Alternative 2	**60%**	**40%**	**115,739**
Alternative 3	70%	30%	125,087

Alternative 1 and Alternative 3 are not used for the measurement of the liability but are to be used for disclosing sensitivity of the value to the probability factors used (a level 3 input).

The increase of fair value for the contingent consideration for Estelle® (EUR 115,739k in December 2020 compared to 97,392k in 2019) is mainly due to timing effect, The WACC used in 2020 is 11.87% and was not changed since 31th December 2019.

2019 assumptions for Estelle:

Contingent considerations relating to Estelle®	*Total cash-out until 2028*	*Partial cash-out until 2028*	*Net Present Value*
Alternative 1	50%	50%	88,541
Alternative 2	**60%**	**40%**	**97,392**
Alternative 3	70%	30%	106,240

2020 assumptions for the others (Myring® and Zoreline®):

	Amount fair valued	*R&D*	*Commercial*	*WACC*
Zoreline®	5,729	80%	55%	14.70%
Myring®	3,137	90%	75%	12.80%
Total contigent considerations for others	**8,866**			

The decrease in fair value for the contingent consideration for the other earn outs (EUR 8,866k in 2020 compared to EUR 9,098k in 2019) is the result of a change of the timing effect.

2019 assumptions for the others (Myring® and Zoreline®):

	Amount fair valued	*R&D*	*Commercial*	*WACC*
Zoreline®	6,115	80%	55%	14.70%
Myring®	2,983	90%	75%	12.80%
Total contigent considerations for others	**9,098**			

9.18. Revenue

The Group's revenue consists of product sales and license revenues as follows:

	Year ended 31 December	
Thousands of Euro (€)	2020	2019
Product Sales	3,576	3,607
Out-licensing	5,446	91,645
Other	0	1,268
Total Revenues	**9,030**	**96,520**

Group revenues decreased to EUR 9,030k in 2020 (EUR 96,520k in 2019) and are mainly driven by product sales, including the first sales of Myring® in Europe, and by Estelle® out-licensing fees in Latin America. The reasons for the decrease are twofold. On the one hand, no significant additional performance obligations were considered as highly probable by Mithra, meaning that no revenue on backlog of signed contracts was recognised. On the other hand, no significant partnership was signed during 2020. This reflects the business development strategy for Donesta®, which is progressing well, targeting major global partners. At the same time, we are generating more data in the Phase III trial to be able to conclude a higher deal value.

9.18.1. Disaggregation of revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

- Detail the nature, amount, timing as requested by IFRS 15; and
- Enable users to understand the relationship with revenue segment information provided in note 9.6.

Disaggregation of revenue 2020 :

		Year ended 31 December 2020	
Thousands of Euro (€)	*Product sales*	*Out-licensing*	*Others*
Primary Geographic Markets			
Europe	2,582	924	-
Outside Europe	994	4,522	-
Total	**3,576**	**5,446**	-
Product type			
Generics	3,576	(43)	-
E4 contraception	-	4,967	-
E4 Menopause	-	-	-
Others	-	522	-
Total	**3,576**	**5,446**	-
Timing of transfer of goods and services			
At a point in time	3,576	5,446	
Over time	-	-	-
Total	**3,576**	**5,446**	-

Disaggregation of revenue 2019:

			Year ended 31 December 2019
Thousands of Euro (€)	*Product sales*	*Out-licensing*	*Others*
Primary Geographic Markets			
Europe	2,678	15,701	1,268
Outside Europe	929	75,944	-
Total	**3,607**	**91,645**	**1,268**
Product type			
Generics	3,607	1,001	-
E4 contraception	-	90,644	-
E4 Menopause	-	-	-
Others	-	-	1,268
Total	**3,607**	**91,645**	**1,268**
Timing of transfer of goods and services			
At a point in time	3,607	91,645	114
Over time	-	-	1,154
Total	**3,607**	**91,645**	**1,268**

9.18.2. Revenue from out-licensing contracts

Amounts received or milestones to be received in the near future have been recognized as revenue to the extent that it is highly probable that no reversal will be done in the future.

Most of the out-licensing contracts have a single performance obligation which is the grant of the license. Some contracts also contain other performances such as manufacture and supply obligations, which are distinct from the license grant.

An analysis has been conducted in order to determine whether the single performance obligation was satisfied as at 31 December 2020.

Contract assets

The tables below present the roll forward of the related contract assets:

Thousands of Euro (€)	
Balance at 1 January 2020	62,217
Change in an estimate of the transaction price	(500)
Contracts agreed during the period 2020	1,350
Fair value loss through income statement	(4,925)
Unrealized exchange loss	(827)
Revenue billed in 2020 already recognized in previous years	(5,500)
Other	(143)
Balance at 31 December 2020	**51,672**

As at 31 December 2020, the balance takes into account unbilled revenue for EUR 51,7 million (EUR 62,2 million end of 2019), among which EUR 15 million related to Gedeon Richter for Estelle® (decrease of EUR 5 million invoiced compared to 2019), EUR 7,6 million related to Mayne Pharma for Myring® and EUR 28,8 million related to Mayne for Estelle.

Contract liabilities

The contract liabilities are the result of some amounts already invoiced to customers but not recognized in revenue as the related performance obligations were not yet satisfied as at 31 December 2020. Contract liabilities consists in milestones received in the context of the Zoreline license agreement (EUR 3,6 million), whose recognition is contingent upon obtaining regulatory approval in the different countries of the partner territory.

As at 31 December 2020, down-payments received prior to 31 December 2019 for R&D services for EUR 350k have been recognized as revenue.

Contract liabilities	*Thousands of Euro (€)*
Balance at 1 January 2019	4,017
Change in an estimate of the transaction price	-
Recognition as revenue	350
Balance at 31 December 2020	**3,667**

9.19. Other operating income

	Year ended 31 December	
Thousands of Euro (€)	*2020*	*2019*
R&D Tax credit	1,864	1.360
Grant income	2,833	2.555
Other revenues	1,877	1.486
Other operating income	**6,574**	**5,401**

Other operating income is rather stable and mainly composed of R&D tax credit and grant income. In 2020, the Group applied for EUR 1,864k additional R&D tax credit (please refer to the note 9.2.25 R&D tax credit). Additional grant income has been recognized in 2020 on grants in the form of recoverable cash advances (EUR 581k, please refer to the note 9.15.2) and on grants from the Walloon Region (EUR 2,252k, not referring to recoverable cash advances and not subject to reimbursement).

9.20. Expenses by nature

A breakdown of the expenses by nature of the costs of goods sold, research and development costs, general and administrative and selling costs is summarized below. A breakdown of the employee benefit expenses is given in note 9.21.

	Year ended 31 December	
Thousands of Euro (€)	*2020*	*2019*
Costs by nature		
Trade goods, raw materials and consumables	5,836	4,426
Employee benefit expenses	17,372	15,987
External service providers	58,368	40,229
Corporate branding expenses	695	1,923
Depreciation, amortization and impairment charges	9,873	5,777
Commissions	70	666
Operating lease payments	83	(86)
Other expenses	6,985	6,951
Total costs by nature	**99,282**	**75,873**

Costs by type		
Cost of sales	3,457	2,487
Research and development expenses	78,458	57,073
General and administrative expenses	15,933	14,774
Selling expenses	1,434	1,539
Total costs by type	**99,282**	**75,873**

R&D expenses increased by 37% in 2020 to EUR 78,458k (2019: EUR 57,073k) due to the ramp up of the Donesta® Phase III "E4 Comfort" clinical program and the Covid study, launched in the second semester 2020.

Increase in G&A expenses is essentially due to non-cash accounting entries related to share-based payments expense (EUR 7,267k compared to EUR 4,898k in 2019). Without these non-cash elements, G&A would have decreased by EUR 1,210k compared to last year, even if the build up of our activities was significant over the period.

9.21. Employee benefit expenses

The costs related to personnel and mandated contractors can be summarised as follows:

	Year ended 31 December	
Thousands of Euro (€)	*2020*	*2019*
Wages, salaries, fees & bonuses	13,648	10,840
Pension costs: defined contribution plan	342	249
Share-based payments	7,267	4,898
Total	**21,257**	**15,987**

In 2020, the Group employed 229 full time employee's at year-end (172 full time employee's in 2019) which can be allocated to the following departments:

	As at 31 December	
Number of employees	*2020*	*2019*
Research and development staff	51	50
General and administrative staff	178	122
Total	**229**	**172**

9.22. Retirement benefit schemes

The Group offers several post-employment, death, disability and healthcare benefit schemes. All employees have access to these schemes. The death, disability and healthcare benefits granted to employees of the Group are covered by external insurance companies, where premiums are paid annually and charged to the income statement as they become payable.

The post-employment pension plans granted to employees of the Group are defined contribution plans. A defined contribution plan is a pension plan under which the Group pays a fixed contribution into a separate entity. The contribution obligations to the defined contribution plans are expensed by the Group in the income statement as they were incurred. Although defined contribution plans in Belgium are legally subject to a minimum guaranteed return of 1,75% on employer contributions and employee contributions, the post employment pension plans are accounted for as defined contribution plans, since the legally required return is guaranteed by the external insurance company. Any liability that may currently result is immaterial.

9.23. Financial income and expense

Thousands of Euro (€)	*Year ended 31 December*	
	2020	*2019*
Interest income	-	-
Realized foreign exchange gains	1,612	115
Other financial income	171	156
Total financial income	**1,783**	**271**

Financial income increased by EUR 1,512k and is mainly explained by the realized exchange gain on foreign USD hedging contract (EUR 862k recorded in profit or loss accounts) and other realized exchange gains.

Thousands of Euro (€)	*Year ended 31 December*	
	2020	*2019*
Interest payments	(3,503)	(3,321)
Remeasurement of refundable government advances	(1,355)	(3,218)
Unrealized foreign exchange losses	(828)	(121)
Realized foreign exhange losses	(242)	-
Other financial expenses	(59)	(45)
Total financial expense	**(5,987)**	**(6,705)**

Financial expenses primarily include interest accruing on the bank borrowings (see note 9.15) for the CDMO plateform and the remeasurment of refundable government advances.

9.24. Income tax

The tax expenses consist of:

	Year ended 31 December	
Thousands of Euro (€)	*2020*	*2019*
Current tax income / (expense)	(35)	(351)
Deferred tax income/(expense) related to temporary differences and tax losses	18,871	5,440
Withholding tax income / (expense)	(1)	(230)
Total	**18,835**	**4,859**

The income taxes in 2019 and 2020 are still the result of temporary differences and tax losses carried forward, and is thus a non-cash item.

The Group reported a total deferred tax asset of EUR 18,871k as at 31 December 2020, This deferred tax is to be set off against future taxable income.

The consolidated unused tax losses carried forward at 31 December 2020 amounted to 112 million euros, with expiry dates between 2025 and 2027.

9.24.1. Reconciliation effective versus theoretical taxes

The tax result for the year can be reconciled as follows:

	Year ended 31 December	
Thousands of Euro (€)	*2020*	*2019*
Income / Loss (-) before tax	(110,922)	(31,424)
Country's statutory tax rate	25%	29,58%
Tax expenses / income (-) (theoretical)	(27,730)	(9,295)
Tax expenses / income (-) in income statement (effective)	(18,835)	(4,859)
Difference in tax expenses / income (-) to explain	8,896	4,436
- Tax credit for R&D investments	(466)	(414)
- Non-taxable revenues	(2,179)	(10,141)
- Temporary differences with different tax rates	-	(2,560)
- Tax losses for which no deferred tax income was recognised	10,154	14,652
- Share-based payment expenses	1,817	1,449
- Withholding taxes	1	230
- Tax losses recognized with different tax rates	-	776
- Other	(431)	444
Total	**8,896**	**4,436**

9.24.2. Deferred tax assets

A detailed overview of the deferred tax asset is shown below:

	As at 31 December	
Thousands of Euro (€)	2020	2019
Deferred tax asset to be recovered after more than 12 months	50,905	34,431
Deferred tax assets	**50,905**	**34,431**

The increase of EUR 16,474 k is mainly explained by the increase of tax losses in 2020 in the subsidiaries of the Group and by the temporary difference arising from the increase of the fair value of the Estetra earn out in 2020 on which deferred tax asset is computed

Management is convinced that such companies will generate sufficient profits in the future in order to be able to recover the fiscal losses carried forward and justify the recognition of the deferred tax asset particularily for Estetra thanks to ongoing contract negotiations related to Estelle® that will generate much profits in the coming years.

In February 2020, the Company announced that it had received a positive ruling from the Belgian tax authorities enabling it to benefit from the Belgian Patent Income Deduction (PID) on patent related income arising from Estetrol (E4) based products, namely Estelle® and Donesta®. Through the utilization of the tax losses carried forward and these PID/IID deductions. Mithra expects to significantly reduce its effective tax rate to less than 5% for its E4 product pipeline, compared to 25% for the standard Belgian commercial tax rate. This low rate is expected to apply to the majority of future income related to E4-based products, including PeriNesta®.

The movement in the deferred tax asset is as follows:

	Temporary Differences			
Thousands of Euro (€)	*Contingent consideration*	*Other*	*Tax Losses*	*Total*
At 1 January 2019	16,906	(3,898)	14,038	27,045
(Charged) / credited to income statement	1,007	2,144	4,234	7,385
At 31 December 2019	17,913	(1,754)	18,272	34,431
(Charged) / credited to income statement	3,356	896	12,222	16,474
At 31 December 2020	21,269	(858)	30,494	50,905

9.24.3. Deferred tax Liabilities

The deferred tax liabilities (EUR 4,363k in 2020 and EUR 4,148k in 2019) result from temporary differences arising from the difference between the fair values of assets acquired at the acquisition date and their tax bases, DTA and DTL are offset by legal entity,

9.25. Result per share

Basic loss per share is calculated by dividing the net result attributable to shareholders by the weighted average number of shares.

The basic and diluted earnings per share are identical due to inclusion of potential ordinary share will result in an anti-dilutive effect:

	Year ended 31 December	
Thousands of Euro (€)	*2020*	*2019*
Result for the purpose of basic loss per share	(92,086)	(26,594)
Weighted average number of shares for the purpose of basic loss per share	40,988,235	37,751,788
Basic loss per share (in Euro)	(2.25)	(0.70)
Diluted loss per share (in Euro)	(2.25)	(0.70)

9.26. Share-based payments

By a decision of the extraordinary shareholders' meeting of 2 March 2015 the Company issued 1089 warrants primarily to key management with an exercise price of EUR 5,646 per warrant. Warrants are conditional on the person completing 4 years of service (vesting period). These warrants are exercisable as of 2019. The fair value of the 1.089 warrants at grant date is estimated at EUR 2,789k.

During the reporting year 2019 two capital increases have taken place due to the exercise of warrants (15 warrants on January 30, 2019 and 15 warrants on April 24, 2019).

On January 30, 2019, a capital increase took place following the exercise of 15 warrants within the 2015 Warrant Plan ("2015 Warrant Plan") corresponding to a contribution of EUR 84,690. In accordance with the 2015 Warrant Plan, the exercise period started on January 1, 2019. An amount of EUR 18,119.48 was therefore contributed in cash to the share capital of Mithra and the balance of EUR 66,570.52 was allocated to the Company's "share premium" account. This exercise of 15 warrants resulted in the issue of 24,750 shares (1 warrant being equivalent to 1,650 shares) which on February 13, 2019 were admitted to listing on the regulated market. As a result, Mithra's share capital on January 30, 2019 amounted to EUR 27,573,880.18 corresponding to 37,664,245 ordinary shares.

A second capital increase took place on April 24, 2019, following the exercise of 15 warrants from the 2015 Warrant Plan ("2015 Warrant Plan") corresponding to a contribution of EUR 84,690. An amount of EUR 18,119.40 was therefore contributed in cash to the share capital of Mithra and the balance of EUR 66,570.52 was allocated to the Company's "share premium" account. This exercise of 15 warrants resulted in the issue of 24,750 shares (1 warrant being equivalent to 1,650 shares) which, on May 9, 2019, were admitted to listing on the regulated market. As a result, Mithra's share capital at April 24, 2019 amounted to EUR 27,591,999.58 corresponding to 37,688,995 fully paid-up

ordinary shares. The shares have no par value, but represent the same fraction of the Company's share capital, which is denominated in euros. Each share entitles its holder to one voting right.

On 5 November 2018, Mithra's extraordinary general meeting approved the issuance of a maximum of 1,881,974 warrants under the "Warrant Plan 2018", for the benefit of key employees, members of the management team and certain directors with an exercise price of EUR 24.05 or EUR 24.09 depending on the status (employee or not) of the beneficiary. The warrants have a term of five years as from the date of issuance. They are generally not transferable and, in principle, cannot be exercised prior to the date of the grant's second anniversary (i.e. at the earliest 6 November 2020 subject to exercise conditions). All of the offered warrants are subject to a service condition of two years. Furthermore, a portion of 30% of these offered warrants were subject to additional market and non-market vesting conditions. The market condition, upon which the vesting is dependent from the share market price, was included in the grant date fair value calculation (see the discount applied in the table below). This condition was met during financial year 2019. Out of the maximum of 1,881,974 warrants which have been issued, a number of 1,394,900 warrants (corresponding to 1,394,900 new shares) were offered and accepted by the beneficiaries. The remaining warrants are unused as the Board of Directors undertook not to offer them by issuing the Warrant Plan 2020 pursuant to the CCA.

Roll forward of the number of warrants :

		Year ended 31 December	
Number of warrants	*Weighted average exercise price (in Euro)*	*2020 Number of warrants*	*2019 Number of warrants*
Outstanding and granted as of 1st January	15.68	1,307,825	1,238,989
Granted	24.80	1,393,695	165,223
Forfeited		-	(96,357)
Exercised		-	(30)
Expired		-	-
As of 31 December	**18.77**	**2,701,520**	**1,307,825**

Regarding warrant Plan 2018, out of the maximum of 1,881,974 warants, a total of 1,394,900 warrants have been offered and accepted, As the exercise price is different for management companies and for employees, we've determined two different fair value amounts. The fair value of the warrants at grant date is estimated at EUR 13,994k. The fair value of each option is estimated using the Black & Scholes model based on the following assumptions: (i) first we valued separately the warrants granted to the management co's and those granted to the employees, (ii) secondly, we also valued separately the warrants that are subject to vesting conditions from those who were already definitely acquired by the beneficiaries upon grant,

The fair value of the warrants at grant date was estimated at EUR 6,705k for the warrants definitely acquired and EUR 2,918k for the remaining 30% subject to vesting conditions, at EUR 4,370k for warrants acquired at 100% and at EUR 2,189k for warrants granted to LDA lenders and LDA.

In July and September 2020, the Company summoned two Extraordinary General Meetings during which the issuance of two warrant plans were approved: (i) a warrant plan for the benefit of LDA Capital Ltd, under which a maximum of 690,000 warrants were to be issued pursuant to the transaction announced by the Company on April 23, 2020 and (ii) another warrants plan for the benefit of reference shareholders ("Share Lending Warrants") for a maximum of 300,000 warrants.
The first plan is accounted for using IFRS 2 because 690,000 warrants exercisable at EUR 27 with an expiry date of 23 April 2023, were issued to LDA Capital as part of the EUR 50 million standby equity funding facility costs. Upon signing the Put Option Agreement on 23 April 2020, it provided Mithra the flexibility to draw down capital as required at their election and accordingly, a vesting period of 3 years was considered due to the capital commitment made for this period, at the end of which the full warrants will become exercisable (knowing that the warrants become exercisable within this period in proportion of the funding ratio). As such, EUR 220k from the total fair value (EUR 1,581k) of the options granted at that date was expensed in the profit and loss statement for the year ended 31 December 2020, the remaining part will be taken into expenses until the end of the 3 years of vesting period.
Same treatment has been applied on the second plan ("Share Lending Warrants") in compensation for their service of supporting the construction of this financing deal by lending their shares for each of the future equity transactions to be executed. As such, EUR 68k from the total fair value (EUR 608k) of the options granted at that date was

expensed in the profit and loss statement for the year ended 31 December 2020, the remaining part will be taken into expenses until the end of the 3 years of vesting period.

The fair value of each option is estimated using the Black & Scholes model based on the following assumptions:

	Plan 2015	***Plan 2018 (Grant 1 - 70%)***	***Plan 2018 (Grant 1 - 30%)***	***Plan 2018 (Grant 2 - 100%)***	***Plan 2018 (Grant 3 - 100%)***
Number of warrants granted	1,089 * (1,650 shares)	866,837	371,502	97,695	67,528
Exercise price per warrant	EUR 5,646	EUR 24.05-24.09	EUR 24.05-24.09	EUR 24.09-25.72	EUR 25.5-27.5
Expected dividend yield	-	-	-	-	-
Expected stock price volatility	45.30%	37.50%	37.50%	37.50%	37.50%
Risk-free interest rate	0.53%	0.36%	0.36%	0.36%	0.36%
Expected duration	8 years	5 years	5 years	5 years	5 years
Fair value at grant date	EUR 2,789k	EUR 6,705k	EUR 2,918k	EUR 753k	EUR 586k
Discount related to market condition	-	-	14.37%	-	
	Plan 2018 (Grant 4 - 100%)	**Plan 2020 (LDA)**	**Plan 2020 (LDA)**	**Plan 2020 (Mgmt)**	
Number of warrants granted	87,695	690,000	300,000	316,000	
Exercise price per warrant	EUR 16,54	EUR 27	EUR 27	EUR 17,87	
Expected dividend yield	-	-	-	-	
Expected stock price volatility	37,50%	37,50%	37,50%	37,50%	
Risk-free interest rate	0,36%	0,36%	0,36%	0,36%	
Expected duration	5 years	3 years	3 years	10 years	
Fair value at grant date	EUR 479k	EUR 1,581k	EUR 608k	EUR 2,552k	

The annualized standard deviation in the stock price has been determined based on historical estimate while the risk-free interest rate has been determined based on a government bond with maturity closest to option expiration.

During the period 2020, a charge of EUR 7,267k has been recognized at the consolidated statement of income.

9.27. Leases

Amounts recognised in the statement of financial position

Thousands of Euro (€)

Assets	Land and Buildings	Fixtures and equipment	Vehicles	TOTAL
Balance at 31 December 2019	42,551	27,478	506	70,535
Additions	379	3,416	469	4,264
Grants related to assets	-	(1,724)	-	(1,724)
Depreciation right-of-use assets	(2,487)	(510)	(504)	(3,501)
Net carrying amount of right-of-uses assets at 31 December 2020	40,443	28,660	471	69,574

Thousands of Euro (€)	
Liabilities	
Balance at 31 December 2019	(52,474)
Additions	(2,651)
Capital payments	3,475
Total of lease Liabilities at 31 December 2020	(51,650)
Current Lease liabilities	(7,368)
Non-current Lease liabilities	(44,282)

Amounts recognised in the statement of income

The statement of profit or loss shows the following amounts relating to leases:

Thousands of Euro (€)	*As at 31 December*	
	2020	2019
Depreciation charge of right-of-use assets		
Land and Buildings	(2,487)	(2,217)
Fixture and Equipment	(510)	(379)
Vehicles	(504)	(413)
Others	-	-
Total	(3,501)	(3,009)
Interest expense (included in finance cost)	(2,241)	(3,060)
Expense relating to short-term leases	(83)	(49)
Expense relating to leases of low-value assets that are not shown above as short-term leases	-	-
Expense relating to variable lease payments not included in lease liabilities	-	-

9.28. Contingencies and arbitrations

Organon/Merck patent dispute

Since 2008, Mithra is involved in a legal proceeding against Organon NV (now Merck Sharp and Dohme BV). The proceeding concerns the alleged patent infringement caused by the commercialisation by Mithra and its partner DocPharma BVBA (now Mylan) of a generic drug named Heria. Currently, Organon is claiming for provisional damages of EUR 2,770k including actual loss of profit as well as the reimbursement of cost for establishing the infringement attorney's fees and expert's expenses. A first instance judgement, was rendered on 11 December 2015 that concluded in a partial infringement of Organon's patent. An expert was appointed by Commercial Court to advise on the damages suffered by Organon and Merck because of the partial infringement. A final report of the judicial expert dated November 22, 2019 assessed that damage at EUR 551k. That amount is, however, questionable in the light of several objective factors. The case is pending at the appeal level and the hearing has not yet been fixed.

A provision of EUR 341k has been recorded in the accounts in accordance with management's assessment of the liability that can result.

Conditional payments

For more details on contingent consideration payments, reference is made to section 9.17.4.

The contingent considerations relating to the asset deal Donesta® are not accounted for based on accounting policy 9.2.6.

As the acquisition of Donesta® qualified as an asset deal – because the definition of a business as defined in IFRS 3 was not met – the transaction was measured initially at cost. Subsequently the intangible assets will be measured

at their cost less any accumulated amortisation and any accumulated impairment losses. The transaction price further contains several instalments which, since the date of acquisition, are considered as a contingent price based on future performance, hence this measurement is more an attribute of fair value measurement throughout the life of the asset than being representative of the cost model upon initial recognition of the asset. Hence, the contingent payments are disclosed as a contingent liability for an amount of EUR 12,000k, with any liability being re-measured at the end of each reporting period as an adjustment to the cost of intangible assets to the extent that it relates to future reporting periods.

9.29. Commitments

Collaborative research and development arrangements

In September 2019, Mithra contracted with ICON Plc to manage the pivotal Phase III trial of Donesta® to demonstrate the long-term efficacy and safety of Estetrol in the relief of vasomotor symptoms in postmenopausal and hysterectomized women in the US. The total study budget was on 31st December 2020 of approximately USD 48,4 million.

On November 6, 2019, the Company also entered into a contract with ICON Plc for a similar study in Europe and the rest of the world. The total budget for the study was on 31st December 2020 of approximately EUR 35 million.

In July 2020, the Company selected KCR S.A. (Polish joint-stock company) with its registered office in Warsaw at 6 Postępu Str., 02-676 Warsaw as CRO to manage the Coronesta study (i.e. the impact of E4 in the treatment of Covid 19) for an approximated budget of EUR 5,6 million.

9.30. Related party transactions

The Company has implemented processes to enable its compliance with provision 7:97 CCA. During this fiscal year 2020, no related party transactions within the meaning of the IAS 24 which satisfied the requirements of provision 7:97 CCA have been reported (article 7:97§4 CCA). As provided in section 1.10 Conflicitng Interests, members of the Board have requested the advice of independent directors as far as necessary and applicable for two operations (Board decision of 22 May 2020 and Board of 18th June 2020- please refer to section 1.10). However, theses transactions did not fit the requierements of provision 7.97 CCA.

Additionally, the Company has no reporting event linked to the application of article 7:97 §6 CCA.

For fiscal year 2020, the related parties with which other transactions have occurred, but who are below the materiality threshold as foreseen by provision 7:97 CCA are as follows:

- YIMA SRL (an entity controlled by François Fornieri, a Director and member of the key management of the Company);
- Le Bocholtz SA (an entity controlled by François Fornieri, a Director and member of the key management of the Company);
- Eva Consulting SRL (an entity controlled by M. Jean-Michel Foidart), a Director and member of the key management of the Company;
- JAZZ A LIEGE ASBL, (an entity in which Mr Gaëtan Servais (permanent representative of NOSHAQ SA, director of the Company) acted as Director);
- C.I.D.E. – SOCRAN ASBL, an entity in which Mr Gaëtan Servais (permanent representative of NOSHAQ SA, director of the Company) indirectly acts as Director);
- CERES PHARMA NV (an entity in which Aubisque BVBA (Member of the Board of the Company) is member of the Board and in which Mr. M. Coucke is shareholders) ;
- Le SANGLIER DES ARDENNES SA (an entity in which Aubisque BVBA (Member of the Board of the Company) is member of the Board and in which Mr. M. Coucke is shareholders) ;
- Royal Castors Braine ASBL (an entity in which Mr Jacques Platieau, permanent representative of Castors Development ASBL (director of the Company and Chairman of the Nomination and Remuneration Committee) is Chairman of the Board of Directors);
- François Fornieri (permanent representative of YIMA SRL, director of the Company); Jean-Michel Foidart (permanent representative of Eva consulting SRL, administrateur de la Société).

- Protection Unit SA an entity in which Mr François Fornieri (managing director of the Company) is shareholder and where NOSHAQ Partners SCRI (director of the Company) is director.

Transactions between the Company and its subsidiaries, which are related parties, are eliminated in the consolidated accounts and no further information is provided here in this Section. However, the associate Targetome has been included as a related party.

Assets acquired from related parties

In 2020, Mithra did not acquire assets from related parties.

Key management compensation

Refer to the table below for the compensations paid to key management:

Thousands of Euro (€)	*Total*	*Of which CEO*
Basic Remuneration	2,532	919
Variable Remuneration (*)	-	0
Group Insurance (pension, invalidity, life)	2	0
Other insurance (car, cell phone, hospitalization)	5	0
Total	**2,538**	**919**

Sales/Purchase of other services and goods

Thousands of Euro	*Type of services*	*2020*	*2019*
Total services rendered to entities controlled by or with significant influence from key management / directors		3	607
Ceres	Reinvoicing diverse expense	3	607
Total services purchased from entities controlled by or with significant influence from key management / directors		543	449
YIMA SRL	Rental services builiding Foulons	168	157
YIMA SRL	Share lending facility	17	-
Bocholtz	Membership	4	6
Alychlo NV	Share lending facility	17	-
Noshaq SA	Share lending facility	34	-
Protection Unit	Guarding	302	285

As per IAS 24 definition of "related parties transaction", the Company purchased services in the form of share lending facility from the below reference shareholders. In exchange for their services, the Company has granted warrants to those shareholders in proportion to their sharelending.

- François Fornieri (permanent representative of YIMA SRL, director of the Company);
- Alychlo NV (en entity controlled by Marc Coucke, a director of the Company);
- Noshaq SA (en entity in which Gaetan Servais is permanent representative, a director of the Company)

Aggregated trade receivable / payable balance due from / to related parties

Thousands of Euro (€)	*2020*	*2019*
Receivables from entities controlled by or with significant influence from key management / directors	39	784
Payables to entities controlled by or with significant influence from key management / directors	160	283
Payables to other related parties	0	0

Loans to or from related parties and other debts from related parties

Thousands of Euro (€)	*2020*	*2019*
Loan from / to entities controlled by key management / directors	0	0

Transactions with non-executive Directors

The total amount of the remunerations and the benefits paid in 2020to the non-executive Directors (in such capacity) was EUR 258,107(gross, excluding VAT), split as follows:

Name	*Nature*	*Remunerations*	*As member of a committee*	*As chairman of the board*
CG Cube SA	Non-exec	18,044		
NOSHAQ SA	Non-exec	20,000	10,000	
Alychlo NV	Non-exec - Chair	16,667		16,667
P. Suinen SRL	Independent	18,332	3,125	
Castors Development SA[2]	Independent	20,000	5,000	
Ahok BVBA	Independent	20,000	5,000	
Aubisque BV	Non-exec	18,333		
P4Management BVBA	Non-exec	20,000	2,917	
NOSHAQ Partner SCRL	Non-exec	19,021		
P. van Dijck	Non-exec	20,000		5,000
Selva Luxembourg SA	Non-exec	20,000		
Sunathim BV	Non-exec	O	O	
TicaConsult BV	Non-exc	0	0	

9.31. Events after the reporting period

Following the issuance of the convertible bonds on December 10th 2020, the Company paid EUR 20 million in January 2021 to the former Uteron Sellers in accordance with the terms of the renegotiated agreement with respect to the payment terms and modalities of the Company's earn-outs payment obligation.

After the close of the financial year, on February 4, 2021, the Board of Directors of the company decided to appoint Mr. Leon Van Rompay as interim CEO until further notice, for a maximum of 12 months.

On March 2, 2021, Mithra announced the commercial launch of its vaginal contraceptive ring Myring® in Italy, the fourth largest market for contraceptive rings in the world after the United States, Germany and Spain, both in terms

of commercial value and volume. With two million vaginal rings sold per year, the Italian market for contraceptive rings is worth 22 million euros per year, with a stable growth of 3% per year. The vaginal contraceptive ring of Mithra is commercialized in Italy by the company Farmitalia under the brand Kirkos®.

On March 8, 2021, Mithra and Searchlight Pharma announced the first worldwide approval for the new combined oral contraceptive Estelle® on the Canadian market, under the brand Nextstellis®, by the regulatory agency Health Canada. This is the first and only combination oral contraceptive product (COC) based on the unique native estrogen Estetrol (E4). E4 will be the first new estrogen-based COC to be marketed in Canada in over half a century, and the only COC alternative to ethinyl estradiol-based COC pills in Canada.

On March 26, 2021, Mithra and Gedeon Richter Plc. announced that they had received a positive opinion from the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) for a combined oral contraceptive (COC) consisting of Estetrol (E4) 15 mg and drospirenone (DRSP) 3 mg. Subject to approval by the European Commission, marketing authorization valid in all EU member states is expected by the end of the second quarter of 2021.

On April 15 2021, Mithra and Mayne Pharma Limited announced that the US Food and Drug Administration (FDA) had approved the New Drug Application (NDA) for the novel combined oral contraceptive (COC) Estelle® under the trademark Nextstellis® (15 mg Estetrol (E4)/ 3 mg drospirenone (DRSP). Mayne Pharma anticipates the commercial launch of Estelle® by the end of June 2021.

9.32. Mithra Pharmaceuticals companies consolidation scope

9.32.1. Subsidiaries

The Group's financial statements consolidate those of the following undertakings[7]:

The Company has the following subsidiaries		*2020 Ownership %*	*2019 Ownership %*
Mithra Recherche et Développement SA		**100%**	**100%**
Registered office	Rue Saint-Georges 5 4000 Liège		
Incorporation Date	13/06/2013		
Company registration n°	534.909.666		
Neuralis SA		**100%**	**100%**
Registered office	Rue Saint-Georges 5 4000 Liège		
Incorporation Date	1/07/2013		
Company registration n°	0535.840.470		
Mithra Lëtzebuerg SA		**100%**	**100%**
Registered office	Boulevarddela Petrusse 124, 2330 Luxembourg		
Incorporation Date	27/12/2012		
Company registration n°	LU25909011		
Mithra Pharmaceuticals CDMO SA		**100%**	**100%**
Registered office	Rue Saint-Georges 5 4000 Liège		
Incorporation Date	13/06/2013		

[7] Please note that the shareholding percentage is considered at a consolidated level. Therefore, the 100% are held by the Company or one of its subsidiaries.

The Company has the following subsidiaries		*2020 Ownership %*	*2019 Ownership %*
Company registration n°	534.912.933		
Mithra Pharmaceuticals GmbH		**In the process of liquidation**	**100%**
Registered office	Promenade 3-9 Raumm 22 DE - 52076 Aachen Germany		
Incorporation Date	27/12/2013		
Company registration n°	DE 295257855		
Mithra Farmacêutica do Brasil Ltda		**Liquidated**	**100%**
Registered office	Rua Ibituruna N° 764 Saúde, São Paulo Brésil		
Incorporation Date	28/02/2014		
Company registration n°	NIRE N°35.220.476.861		
WeCare Pharmaceuticals BV		**100%**	**100%**
Registered office	Lagedijk 1-3, NL -1541 KA Koog aan de Zaan		
Incorporation Date	23/09/2013		
Company registration n°	NL08165405B01		
Novalon SA		**100%**	**100%**
Registered office	Rue Saint-Georges 5 4000 Liège		
Incorporation Date	17/11/2005		
Company registration n°	877.126.557		
Estetra SRL		**100%**	**100%**
Registered office	Rue Saint Georges, 5 4000 Liège		
Incorporation Date	01/09/2009		
Company registration n°	818.257.356		
Donesta Bioscience BV		**100%**	**100%**
Registered office	Boslaan 11 3701 CH Zeist The Netherlands		
Incorporation Date	23/12/2011		
Company registration n°	Commercial Register No, 54167116		

9.32.2. Associates

The following associates are accounted for using the equity method in the Group's financial statements:

The Company has the following associates		*2020 Ownership %*	*2019 Ownership %*
Targetome SA			
Registered office	Avenue Pré-Aily 4, 4031 Angleur		
		25,13%	25,13%
Incorporation Date	15/07/2010		
Company registration n°	827.564.705		

As indicated, previously, the Company has decided to terminate the companies' activities and to initiate the legal proceedings related to the liquidation of the company so that its value was derecognized for the current financial year. Measures are being taken in this direction.

9.33. Disclosure audit fees

In Euro (€)	
Auditor's fees	159,434
Fees for exceptional services or special missions (audit related)	50,808
Tax consultancy (audit related)	-
Fees for exceptional services or special missions (external to audit)	-
Tax consultancy (external to audit)	44,015
Total	**254,257**

9.34. Condensed statutory financial statements of Mithra SA

In accordance with Art. 105 of the Belgian Companies' Code (3:17 of the CCA), the condensed statutory standalone financial statements of Mithra Pharmaceuticals SA are presented. These condensed statements have been drawn up using the same accounting principles for preparing the complete set of statutory financial statements of Mithra Pharmaceuticals SA at and for the year ending 31 December 2020 in Belgian GAAP.

The statutory auditor, BDO Réviseurs d'entreprises, has issued a clean audit opinion on the statutory financial statements as at 19 April 2021.

The management report, the statutory financial statements of Mithra Pharmaceuticals SA and the report of the statutory auditor will be filed with the appropriate authorities and are available at the Company's registered offices.

Thousands of Euro (€)

Assets as at	*2020*	*2019*
Fixed assets	**139,552**	**138,561**
Intangible fixed assets	1,224	1,058
Tangible fixed assets	1,943	2,106
Financial fixed assets	136,386	135,397
Current assets	**306,504**	**114,053**
Receivables	66	66
Amounts receivable	178,931	67,034
Inventory	12	441
Cash at bank and in hand	123,111	41,249
Deferred charges and accrued income	4,384	5,308
Total assets	**446,056**	**252,659**

Thousands of Euro (€)

Liabilities as at	*2020*	*2019*
Equity	**241,538**	**194,730**
Capital	31,271	28,649
Share premium account	330,345	264,862
Reserves	598	598
Accumulated losses	(120,676)	(99,378)
Provisions	**266**	**266**
Amounts payable after more than one year	**165,451**	**46,331**
Current liabilities	**38,802**	**11,237**
Current portion of long term debts	26,193	1,187
Amounts payable within one year	12,297	10,125
Deferred charges and accrued income	313	21
Total Liabilities	**446,056**	**252,659**

Thousands of Euro (€)

Summary income statement	*2020*	*2019*
Operating income	**17,930**	**17,642**
Turnover	16,682	12,835
Other operating income	1,248	4,806
Operating charges	**16,874**	**17,192**
Cost of goods sold	463	4,325
Services and other goods	11,698	9,225
Remuneration, social security costs and pensios	2,947	3,221
Depreciations of and amounts written off formation expenses, intangible and tangible fixed assets	298	219
Other operating charges	1,468	202
Operating profit	1,056	450
Financial result	**(22,353)**	**(35,175)**
Financial income	2,152	815
Recurrent financial charges	4,428	317
Non recurrent financial charges	20,077	35,673
(Profit) loss for the year before taxes	**(21,297)**	**(34,725)**
Taxes	1	-
Profit (loss) for the period available for appropriation	**(21,298)**	**(34,725)**

Thousands of Euro (€)

Capital statement	*2020*	*2019*
A, Capital		
1, Issued capital		
- At the end of the previous year	28,649	27,556
- Changes during het year	2,622	1,093
- At the end of this year	31,271	28,649
2, Capital representation		
2,1 Shares without par value		
- Bearer and dematerialised	42,714,097	39,133,245
B. Own shares held by	**N/A**	**N/A**
C. Commitmentes to issue shares		
D. Autorised capital not issued		

9.35. Alternative performance measure

Mithra decided to use some alternative performance measures (APMs) that are not defined in IFRS but that provide helpful additional information to better assess how the business has performed over the period. Mithra decided to use REBITDA and EBITDA in order to provide information on recurring items, but those measures should not be viewed in isolation or as an alternative to the measures presented in accordance with IFRS.

REBITDA is an alternative performance measure calculated by excluding the non-recurring items and the depreciation & amortization from EBIT (operating loss) from the consolidated statement of income prepared in accordance with IFRS. The Group considers one-off item, share-based payments as non-recurring item above EBITDA and one-off item, impairment charges on Other intangible assets as non-recurring item below EBITDA.

EBITDA is an alternative performance measure calculated by excluding the depreciation & amortization from EBIT (operating loss) from the consolidated statement of income prepared in accordance with IFRS.

Refer to note on Financial Highlights and table below for the reconciliation to operating loss:

	Year ended 31 December	
Thousands of Euro (€)	*2020*	*2019*
Operating profit/(loss)	**(83,678)**	**26,975**
Depreciation	6,136	5,777
Non-recurring items – impairment charges on Other intangible assets	3,734	-
Share-based payments	7,267	4,898
REBITDA	**(66,540)**	**37,650**
Share-based payments	(7,267)	(4,898)
EBITDA	**(73,807)**	**32,752**

mithra
Women's Health

Rue Saint-Georges 5
4000 Liège
Belgium
+32 4 349 28 22
info@mithra.com

www.mithra.com