

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report no 40/2020

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Abbreviated name of the Issuer: MABION S.A

Subject: Signing of the initial understanding in scope of cooperation covering research, development, and commercialisation of the antibodies of drug MabionCD20 in specific clinical indications concerning rare diseases.

Legal grounds: MAR art. 17 section 1 - confidential information.

Contents of the report:

The Management Board of Mabion S.A. ("Company") hereby informs of establishing the Memorandum of Understanding ("MoU") with Taxon Therapeutics Ltd with its registered seat in Israel ("Taxon") on the date of 21 October 2020 concerning the intent of the parties to development the terms of potential long-term cooperation in scope of research, development, and subsequent global commercialisation of the medicinal products based on the monoclonal antibody recognising receptor CD20 on human lymphocytes B ("Products") in specific clinical indications concerning rare diseases.

Taxon Therapeutics is an Israeli biotechnology company, which focuses on development of drugs treating rare diseases, for which there are currently no drugs. The company operates in the segment of so-called "Orphan Drugs".

Taxon is interested in development, registration, and commercialisation of the Products with exclusive global rights in one or several indications, where the drugs of reference based on rituximab (i.e. antibodies recognising receptor CD20) are currently not registered on any market. For this purpose, Taxon is ready to enter cooperation with the Company and conduct clinical and pre-clinical trials required for registration of the Products in scope of the aforementioned indications, which shall be specified by the parties at a later date. Pursuant to MoU, the activities falling under the responsibility of Taxon, specifically all research and development of the Products in scope of the given indication, will be funded by Taxon. The company will contribute its assets in form of the CD20 antibody production technology, quality and regulation documentation, and the medicinal product for clinical trials. In scope of commercialisation, it will be the sole manufacturer.

Establishment of cooperation depends on the positive result of negotiations, including development of terms of cooperation satisfactory to both parties, specifically the range of activity of individual parties, financial conditions, and establishment of the final cooperation agreement.

The company reserves that MoU is intentional and non-binding in nature and that the understanding shall expire if the parties fail to establish the final agreement within 4 months of signing MoU unless they should establish otherwise.

Furthermore, Mabion guarantees that potential establishment of the aforementioned cooperation will have no negative impact on the development of the Company's previous projects, specifically guarantees that it will continue to prioritise development and commercialisation of drug

MabionCD20. Furthermore, signing of the aforementioned MoU has no effect on negotiations with the Australian Vaxine Pty Ltd in scope of cooperation aimed at joint development, production, and release of the SARS-CoV-2 vaccine to the Eu market or on the negotiations with the German IcanoMAB GmbH in scope of cooperation covering the development and production of the "IL-mAb" antibody, which is in development as a potential drug to treat Covid-19 infections.