



Minicap Technology Investment AG in Liquidation
Solothurn, Switzerland

Interim liquidation financial statements 2020/2021

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Report of the statutory auditors

on the limited statutory examination to the General Meeting of

Minicap Technology Investment AG in Liquidation

Solothurn

As statutory auditors, we have examined the interim liquidation balance sheet of Minicap Technology Investment AG in Liquidation, which comprise the balance sheet, profit and loss account and notes, for the year ended 30 June 2021, prepared using liquidation values.

This interim liquidation balance sheet is the responsibility of the liquidator. Our responsibility is to perform a limited statutory examination on this interim liquidation balance sheet. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the interim liquidation balance sheet. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered appropriate in the circumstances. However, the testing of the operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the interim liquidation balance sheet does not comply with Swiss law and the company's articles of incorporation.

We draw attention to the fact that half of the share capital and legal reserves is no longer covered (article 725 para. 1 CO).

PricewaterhouseCoopers SA



Philippe Lienhard
Qualified electronic signature - Swiss law
Audit expert
Auditor in charge



Yann Pasche
Qualified electronic signature - Swiss law
Audit expert

Lausanne, 10 November 2021

Enclosure:

- Financial statements (balance sheet, profit and loss account and notes)

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Interim liquidation financial statements in accordance with the Swiss Code of Obligations

Interim liquidation Balance Sheet for the year ended 30 June, 2021

ASSETS	Note	June 30, 2021	June 30, 2020
<i>Current Assets</i>			
Cash and cash equivalents		650'812	684'398
Total Assets		650'812	684'398
 <b style="color: red;">LIABILITIES AND SHAREHOLDERS' EQUITY			
<i>Short-term liabilities</i>			
Other payables and accrued expenses	4	129'442	102'839
<i>Total short-term liabilities</i>		129'442	102'839
<i>Shareholders' equity</i>			
Share capital	3	4'756'000	4'756'000
Statutory retained earnings	3	25'100	25'100
Treasury shares	3	-12'760	-12'760
Retained losses		-4'186'781	-4'146'000
Loss of the year		-60'189	-40'781
<i>Total shareholders' equity</i>		521'370	581'559
Total Liabilities and Shareholders' equity		650'812	684'398
No of shares outstanding		580'000	580'000
Own shares		4'400	4'400
No of shares for calculation of NAV		575'600	575'600
NAV per share		0.91	1.01

Interim liquidation financial statements in accordance with the Swiss Code of Obligations

Profit and Loss Account for the year ended June 30, 2021

	Year ended June 30, 2021	Year ended June 30, 2020
INCOME		
<i><u>Other Incomes</u></i>		
Other incomes	0	0
<i>Total other incomes</i>	0	0
<i>Total income</i>	0	0
EXPENSES		
<i><u>Operating expenses</u></i>		
Fixed Management fees	0	-180
Variable Management fees	8'600	5'821
Operating expenses	-30'101	-42'307
Legal fees related to investments and others	-6'588	-4'115
Liquidation costs	-32'100	0
<i>Total expenses</i>	-60'189	-40'781
Net loss for the year	-60'189	-40'781

Notes to the interim liquidation financial statements as at June 30, 2021 established in accordance with the Swiss Code of Obligations

1. Organization and business activity

Minicap Technology Investment AG in liquidation, Solothurn (“the Company”), is a stock corporation in liquidation since December 3, 2014. The Company was incorporated on July 28, 1997.

2. Summary of significant accounting policies

General aspects

The annual interim liquidation financial statements have been prepared at the request of the liquidator in accordance to article 743 para. 5 CO under the disposition of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

Accounting principles

These annual accounts are based on liquidation values.

3. Shareholders' Equity

Share capital

The Share capital of the Company on June 30, 2021 amounts to CHF 4'756'000 (30.06.2020 : CHF 4'756'000) consisting of 580'000 registered A-shares with a nominal value of CHF 8.20 each (30.06.2020 : CHF 8.20 each). All shares issued are fully paid in.

Notes to the interim liquidation financial statements as at June 30, 2021 established in accordance with the Swiss Code of Obligations

3. Shareholders' Equity (continued)

Treasury shares

As of June 30, 2021 the Company held the following treasury shares:

in CHF	Number of shares	Nominal Value	Average price per share	Purchase Value
On July 1, 2001 (acquired from third parties in 2000/2001)	4'400	100	191.00	840'346
Additions/Disposals 2001/2002 – 2006/2007	-	-	-	-
On June 30, 2007	4'400	100	191.00	840'346
Additions/Disposals 2007/2008	-	-	-	-
On June 30, 2008	4'400	11.50	164.00 (*)	721'546
Additions/Disposals 2008/2009	-	-	-	-
On June 30, 2009	4'400	11.50	164.00 (*)	721'546
Additions/Disposals 2009/2010	-	-	-	-
On June 30, 2010	4'400	11.50	164.00 (*)	721'546
Additions/Disposals 2010/2011	-	-	-	-
On June 30, 2011	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2011/2012	-	-	-	-
On June 30, 2012	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2012/2013	-	-	-	-
On June 30, 2013	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2013/2014	-	-	-	-
On June 30, 2014	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2014/2015	-	-	-	-
On June 30, 2015	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2015/2016	-	-	-	-
On June 30, 2016	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2016/2017	-	-	-	-
On June 30, 2017	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2017/2018	-	-	-	-
On June 30, 2018	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2018/2019	-	-	-	-
On June 30, 2019	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2019/2020	-	-	-	-
On June 30, 2020	4'400	8.20	160.70 (*)	707'026
Additions/Disposals 2020/2021	-	-	-	-
On June 30, 2021	4'400	8.20	160.70 (*)	707'026

(*) A share capital reduction has been carried out during the financial year 2010/2011 in order to reimburse an amount of CHF 3.30 to the shareholders (share nominal value reduction).

In accordance to the principles of the Swiss Law on Accounting and Financial Reporting the treasury shares are presented in diminution of the Shareholder's equity and are not subject to depreciation. The value of the treasury shares as of 30 June, 2015 was kept as new historic value.

Notes to the interim liquidation financial statements as at June 30, 2021 established in accordance with the Swiss Code of Obligations

4. Other payables and accrued expenses

	30.06.2021	30.06.2020
	CHF	CHF
Current payables	1'270	1'270
Board member fees	14'363	5'000
Auditors fees	2'700	2'700
General meeting	0	2'000
Shareholders Register costs	509	604
Legal fees	3'786	2'000
Provision for taxes	7'714	13'665
Variable management fees provision	27'300	35'900
Liquidation costs	71'800	39'700
Total	129'442	102'839

5. Commitments, contingencies and other off-balance-sheet transactions

The arbitration proceeding introduced by Defax AG in the name of former shareholders of Axovan Ltd, including Minicap, came to an end with a final Award dated February 1st, 2021.

The Award denied the claim of Defax AG considering that the transaction between Actelion Ltd, Johnson and Johnson and Indorsia Ltd in 2017 didn't trigger the clause of Change of Control of the Share Purchase Agreement as result that the immediate maturity of all outstanding milestone payments was denied.

Consequently, the Arbitral Tribunal considered that the duty of Actelion Ltd to pay the milestone payments continue to exist as agreed under the Share Purchase Agreement. As result therefrom, Defax AG reassigned to Minicap, on June 20, 2021, all its rights related to the milestone payments.

It is not clear if and when additional milestones could be reached. According to our information, the first possible milestone could be the finalization of the filing of an authorization to commercialize Clazosentan in Japan. Indorsia Ltd already started the filing process but it is apparently not yet considered as complete by the Japanese authorities. If positive, Minicap could receive out of this milestone an amount of approx. CHF 125'000. Medium-term, the next milestones which could possibly be reached are the finalization of a Phase III for the Clazosentan in Europe and in the USA which, if positive, could activate 2 additional payments for Minicap of approx. CHF 500'000 altogether.

Notes to the interim liquidation financial statements as at June 30, 2021 established in accordance with the Swiss Code of Obligations

The occurrence of the above additional payments still remains hypothetical, and it is difficult to predict if and when this could happen. Our recommendation is therefore to now finalize the liquidation and distribute the proceed yet available to all shareholders.

To avoid the loss of the possibility to receive additional liquidation payments out of the Clazosentan milestone payments, we propose to enter into a Fiduciary Agreement with one of the major other sellers of Axovan Ltd who agreed to carry the Claims in his name but on behalf of shareholders. This being done, each shareholder of Minicap will be assigned prorate with the rights resulting from this Fiduciary Agreement. As a result thereof, the shareholders will receive from the fiduciary their prorate amount of such additional proceed, if any. One of the conditions of the fiduciary to enter into such agreement is that all shareholders should be represented by one common representative, whom will be his sole person of contact. Proposal is made that the liquidator takes this position.

Upon approval of the Interim liquidation financial statements 2020/2021 and finalization of the Fiduciary Agreement, the liquidator will proceed to the distribution of all remaining available assets to all shareholders and will finalize the liquidation process. It is expected that the liquidation process should be finalized end of 2021.

6. Other information

After the balance sheet date and till the date when the liquidator finalised the accounts, no significant event, which could have influenced the interim liquidation financial statements, or which could have been disclosed under this item has occurred.



Minicap Technology Investment AG in Liquidation

c/o Dr Raoul Stampfli

Stampfli, Keller & Partner

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