

Spin-off and Transfer Agreement

Preamble:

- (A) 4basebio AG (“**4bb AG**“ or “**Transferring Entity**“) with corporate seat in Heidelberg, registered with the Commercial Register of the Local Court of Mannheim under HRB 335706, is participating in this Spin-off and Transfer Agreement (the “**Agreement**“) as transferring entity. At the time of the conclusion of this Agreement, the registered share capital of 4bb AG amounts to EUR 51,733,386 and is divided into 51,733,386 no-par-value registered shares, which are admitted for trading in the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange (the “**4bb AG Shares**“).
- (B) 4basebio SE (“**4bb SE**“ or “**Receiving Entity**“) with corporate seat in Düsseldorf, registered with the Commercial Register of the Local Court of Düsseldorf under HRB 87929, is participating in this Agreement as receiving entity. The registered share capital of 4bb SE – subject to the cash capital increase described in Preamble lit. (F) - currently amounts to EUR 120,000.00. The registered share capital is divided into 120,000 no-par-value registered shares (the “**4bb SE Shares**“).
- (C) Die 4bb AG has decided to legally separate its business operations remaining after the sale of the proteomics and immunology business, i.e. the business areas of genomics and production of DNA, which is carried out by its two wholly-owned subsidiaries (i) 4basebio SLU, a company incorporated and existing under Spanish Law with business address at C/ Faraday 7 (Cantoblanco), 28049 Madrid, Spain, and CIF number B-85414308 („**4bb S.L.U.**“), and (ii) 4BASEBIO LTD, a company incorporated and existing under the Law of England & Wales with corporate seat in Cambridge, England, U.K., registered with the Companies House under company no. 12298663 (Business address: 1 Hazlewell Court Bar Road, Lolworth, Cambridge, England, CB23 8DS, „**4bb LTD**“; the business operated by 4bb S.L.U. and 4bb LTD jointly the “**Genomics & DNA Business**“) by transfer of all shares in 4bb S.L.U. and 4bb LTD by way of a spin-off pursuant to the German Transformation Act (*UmwG*; spin-off for assumption pursuant to Sec. 123 para. 2 no. 1 *UmwG*; hereinafter the “**Spin-off**“).
- (D) Upon effectiveness of the Spin-off and of the transfer of the seat of 4bb SE to Cambridge, England, United Kingdom (the “**SE Seat Transfer**“), which will be resolved on in parallel, the shares of 4bb SE shall be admitted to trading at the London Stock Exchange (Alternative Investment Market (“**AIM**“)).

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- (E) 4bb AG intends to retain as anchor shareholder a direct minority share in 4bb of 30 % of the share capital in 4bb SE, which will be listed on the stock exchange in the future. The remaining shares in 4bb SE shall be transferred as consideration for the transfer of the Genomics & DNA Business to the shareholders of 4bb AG as set forth in detail in Preamble lit. (G).
- (F) Prior to the effectiveness of the Spin-off 4bb AG will carry out an increase of the share capital of 4bb SE and subscribe for 3,575,242 new shares in 4bb SE against cash contribution of EUR 4,361,795 (the "**Cash Capital Increase**"). After the Cash Capital Increase the registered share capital of 4bb SE will amount to EUR 3,695,242, divided into 3,695,242 no-par-value registered shares.
- (G) For purposes of executing the Spin-off 4bb SE will further increase its registered share capital from EUR 3,695,242 by EUR 8,622,231 to EUR 12,317,473 by issuance of further 8,622,231 no-par-value registered shares ("**Spin-off Capital Increase**"). The shares to be granted to the Shareholders of 4bb AG for purposes of executing the Spin-off will amount to 70 % of the future registered share capital of 4bb SE (after the Spin-off Capital Increase and the Cash Capital Increase).
- (H) Prior to the Spin-off 4bb AG will strengthen the equity capital of 4bb S.L.U. and 4bb LTD for purposes of executing the Spin-off Capital Increase by contributing a cash amount of approx. EUR 13.1m to the capital reserves of 4bb S.L.U. and making a cash contribution of approximately EUR 8.1m to 4bb LTD in the framework of a cash capital increase by 4bb LTD (the "**LTD Capital Increase**"). In addition to the existing 1,000 shares with a nominal value of GBP 0.001 in 4bb LTD, a further 1,000 shares with a nominal value of GBP 0.001 are to be created by way of the LTD Capital Increase.
- (I) 4bb AG will not execute a capital reduction for purposes of the Spin-off. The assets remaining with 4bb AG after the Spin-off will be sufficient to cover the registered share capital of 4bb AG, in particular due to the extraordinary profits generated by the sale of the proteomics and immunology business to Abcam plc with effect as of 1 January 2020. Thus, a capital reduction is not required.

Now, therefore, the Parties agree as follows:

1. Spin-off

4bb AG as transferring entity transfers by way of spin-off by assumption pursuant

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to Sec 123 para. 2 no. 1 UmwG the assets set forth in detail in Clause 4.1 of this agreement with all rights and duties ("**Spin-off Assets**") as a whole to 4bb SE as receiving entity against granting of shares in 4bb SE to the shareholders of 4bb AG pursuant to Clause 10 of this Agreement (*spin-off by assumption under maintenance of participation ratio*). Assets and liabilities and other rights and obligations or legal positions of 4bb AG that are not part of or attributable to the Spin-off Assets under this Agreement or that are expressly excluded from the transfer in this Agreement shall not be transferred to 4bb SE.

2. Spin-off Date und Tax Effective Date

- 2.1 The transfer of the Spin-off Assets shall occur with regards to the relationship between 4bb AG and 4bb SE with effect as of 1 January 2020, 0.00 a.m. ("**Spin-off Date**"). From this time all measures carried out with respect to the Spin-Off Assets for purposes of the relationship between 4bbAG and 4bb SE shall be deemed to have been taken for the account of 4bb SE.
- 2.2 The effective transfer date for tax purposes shall be 31 December 2019, 12 p.m. ("**Tax Effective Date**").

3. Closing Balance Sheet

The closing balance sheet of the transferring entity pursuant to Secs. 125 sentence 1, 17 para. 2 UmwG in conjunction with Sec. 4 of the Act on Measures to Combat the Effects of the COVID 19 Pandemic shall be the closing balance sheet of 4bb AG as of 31 December 2019, 12 p.m., which was audited and furnished with an unqualified audit opinion by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart ("**Closing Balance Sheet**").

4. Spin-off Assets

- 4.1 4bb AG transfers to 4bb SE within the framework of the Spin-off
- a) All 10,229 shares in 4bb S.L.U. with the current numbers 1 to 10,229, each of which represents a pro rata amount of EUR 30.06 of the share capital of 4bb S.L.U. of in total EUR 307,483.74 (the „**Spun-off SLU Shares**“); and
 - b) all 1,000 existing shares with a nominal value of GBP 0.001 in 4bb LTD and all further (1,000) shares in 4bb LTD to be created within the framework of the LTD Capital Increase (the „**Spun-off LTD Shares**“).

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- 4.2 The Spin-off Assets shall include all rights and obligations associated therewith, including the right for profit distributions for the period from the Spin-off Date.
- 4.3 Assets, rights, liabilities, contractual relationships, obligations, liabilities and other duties of 4bb AG, which are not part of the Spin-off Assets described in detail in Clause 4.1, shall not be transferred to 4bb SE.

The Parties shall issue all declarations, deeds and certificates and shall take all other measures which are or will become required or expedient within the framework of the transfer of the Spin-off Assets, in particular, conclude and execute separate transfer agreements or forms required under local law.

5. Effectiveness, Effective Date

The transfer of the Spin-off Assets becomes legally effective at the time the Spin-off is registered with the Commercial Register of 4bb AG at the Local Court of Mannheim ("**Effective Date**").

6. Fallback Provisions

- 6.1 If and to the extent that the Spin-off Assets are not already transferred to 4bb SE by law upon registration of the Spin-off, 4bb AG shall transfer them to 4bb SE without undue delay and 4bb SE shall consent to such transfer. Internally, the Parties shall deem the transfer to economically have occurred as of the Spin-off Date.
- 6.2 The Parties will provide each other, both before and after the Spin-off becomes effective, with all information and documents concerning the Spin-off Assets which they require for accounting in accordance with IFRS or local accounting principles and for publications which they are obliged to make in accordance with law, administrative regulations, stock exchange rules and orders of administrative authorities, courts or stock exchanges in Germany and abroad.

7. Protection for Creditors and Internal Compensation

- 7.1 If and to the extent that claims are asserted against 4bb AG based on the provisions in Sec. 133 UmwG or other provisions on the protection of creditors for liabilities, obligations or contingent liabilities of 4bb AG that are being transferred to 4bb SE in accordance with the provisions of this Agreement, 4bb SE shall in-

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demnify 4bb AG from the relevant liability or obligation on first demand. This shall also apply in the event that such creditors assert claims against 4bb AG for the provision of security.

- 7.2 If and to the extent that claims are asserted against 4bb SE on the basis of the provisions in Sec.133 UmwG or other provisions by creditors for 4bb AG's liabilities, obligations or relationships involving liability that are not being transferred to 4bb SE in accordance with this Spin-off and Transfer Agreement, 4bb AG must indemnify 4bb SE against the relevant liability or obligation on first demand. This also applies in the event that such creditors assert claims against 4bb SE for the provision of security.

8. Warranties

- 8.1 Die 4bb AG warrants as of the Effective Date that it is the owner of the Spun-off SLU Shares and the Spun-off LTD Shares, that it can freely dispose of the Spun-off SLU Shares and the Spun-off LTD Shares and that they are not encumbered with rights of third parties. Aside from this, no quality of the Spin-off Assets, especially specific features or a value of the Genomics & DNA Business, are agreed.
- 8.2 To the extent legally permissible, all rights and warranties relating to the quality of the Spin-off Assets that might exist in addition to those in Clause 8.1 of this Agreement under statutory provisions or otherwise are excluded. The provision in this Clause 8.2 applies to all rights and warranties, regardless of the legal nature (contractual or pre-contractual rights, rights under tort or other rights), and especially also to those rights that could result in the cancellation or unwinding of this Agreement or any similar legal effect.

9. Consideration

- 9.1 As consideration for the transfer of the Spin-off Assets to 4bb SE the shareholders of 4bb AG shall receive for each six (6) 4bb AG Shares one (1) 4bb SE Share at no charge in accordance with their present participation (preserving the proportionate shareholdings). In aggregate, 8,622,231 4bb SE Shares shall be granted to the shareholders of 4bb AG. 4bb AG shall procure that on the Effective Date the number of issued 4bb AG Shares shall exactly amount to 51,733,386 in aggregate. The shares in 4bb SE to be granted pursuant to this Clause 9 of this Agreement are the new shares to be created by means of the capital increase pursuant to Clause 9.2 of this Agreement.

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- 9.2 For purposes of carrying out the Spin-off 4bb SE shall increase its registered share capital by EUR 8,622,231 to EUR 12,317,473 by issuance of 8,622,231 no-par-value registered shares (the „**New 4bb SE Shares**“). A *pro rata* amount of the share capital of EUR 1.00 is attributable to each New 4bb SE Share. No additional premium (*Agio*) is owed.
- 9.3 The contribution in kind for the Spin-off Capital Increase will be rendered by means of the transfer of the Spin-off Assets. To the extent that the value at which the contribution in kind rendered by 4bb AG is recognized (for accounting purposes) by 4bb SE, i.e. the book value of the Spin-off Assets under commercial law as of the Spin-off Date, exceeds the amount of the Spin-off Capital Increase, this amount shall be allocated to the other capital reserve of 4bb SE in accordance with Sec 272 para. 2 no. 4 German Commercial Code (*HGB*).
- 9.4 Die 4bb AG will appoint mwb fairtrade Wertpapierhandelsbank AG, Gräfeling, or a third party acting on behalf of mwb fairtrade Wertpapierhandelsbank AG as trustee for receiving the New 4bb SE Shares and for disbursing them to the shareholders of 4bb AG. The trustee will be instructed to provide the shareholders of 4bb AG with the New 4bb SE Shares upon registration of the Spin-off with the Commercial Register of 4bb AG and the effectiveness of the SE Seat Transfer.

10. **Compensation Offer**

4bb SE offers to each shareholder of 4bb AG who objects within the framework of the general meeting of 4bb AG which resolves on the Spin-off against the resolution on the Spin-off by making a corresponding declaration to the minutes of such meeting, to acquire the New 4bb Shares of the respective shareholder of 4bb AG, which have been granted as consideration for the Spin-off pursuant to Clause 0, against a cash compensation of EUR 1.30 per New 4bb SE Share.

11. **Specific Rights within the meaning of Sec. 126 para. 1 no. 7 UmwG**

- 11.1 4bb AG has granted a total of 2,115,000 still outstanding stock options from the 2017 and 2019 stock option plans (together the "**4bb AG Stock Options**") to members of the management board and employees of 4bb AG group companies (such group companies jointly with 4bb AG "**4bb AG Group**" and the owners of the stock options jointly the "**Entitled Parties**"), of which 1,000,000 have been allocated to the management board member Heikki Lanckriet, 750,000 to the man-

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- agement board member David Roth and a further 365,000 to employees of 4bb AG group. Since the stock option plans 2017 and 2019 were not tailored to the changed circumstances following the Spin-off, it is currently intended to settle the 4bb AG Stock Options against cash payment the details of which will be determined by the Supervisory Board (with respect to the Management Board of 4bb AG) or the Management Board (with respect to employees of the 4bb AG Group) of 4bb AG.
- 11.2 The holders of 4bb AG Stock Options shall receive additional new stock options to be issued by 4bb SE (the "**4bb SE Stock Options**") in accordance with Sec. 23 UmwG in connection with Sec. 125 sentence 1 UmwG. In proportion to the amounts of the share capital of 4bb AG and 4bb SE after the Spin-off of EUR 51,733,386 and EUR 12,317,473, respectively, the Entitled Parties shall receive 1 (one) 4bb SE Stock Option for every 4.2 (four point two) 4bb AG Stock Options. For this purpose, 4bb SE shall implement a stock option plan based on the 2017 and 2019 stock option plans of 4bb AG, whose performance targets shall be determined on the basis of a combination of service period and share price targets. 4bb SE Stock Options will be exercisable in accordance with the local laws applicable at that time.
- 11.3 At the time this Agreement is concluded, 4bb AG has not issued any convertible bonds or option bonds.
- 11.4 Apart from this, 4bb AG does not have any special rights within the meaning of Sec. 126 para. 1 no. 7 UmwG. The shareholders of 4bb AG will not be granted any such rights as part of the Spin-off.
- 12. Specific advantages within the meaning of Sec. 126 para. 1 no. 8 UmwG**
- 12.1 The current board members of 4bb AG, Heikki Lanckriet and David Roth, are also managing directors of 4bb SE. Until now they have not yet received a separate remuneration as managing directors of 4bb SE. The total remuneration paid to Mr. Lanckriet and Mr. Roth by the 4bb AG Group will not change as a result of the Spin-off. However, the remuneration of Mr. Lanckriet and Mr. Roth as members of the Management Board of 4bb AG will be reduced after the Spin-off to the extent that they receive remuneration as managing directors of 4bb SE after the Spin-off. The respective remuneration portions attributable to 4bb AG and 4bb SE will be determined by the executive bodies of 4bb AG and 4bb SE after the Spin-off takes effect. In the future, Mr. Lanckriet's and Mr. Roth's compensation as managing director of 4bb SE is expected to account for all or most of their

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- compensation granted by 4bb AG Group. With regard to the 4bb AG Stock Options already granted to Mr. Lanckriet and Mr. Roth and the 4bb SE Stock Options to be granted in the course of the Spin-off, reference is made to sections 11.1 and 11.2.
- 12.2 In addition to Mr. Hansjoerg Plaggemars, who is already a member of the Administrative Board of 4bb SE in addition to his membership in the Supervisory Board of 4bb AG, the 4bb AG Supervisory Board members Joseph M. Fernandez, Pilar de la Huerta and Tim McCarthy will also become members of the Administrative Board of 4bb SE after the Spin-off becomes effective. According to the future articles of association of 4bb SE, the members of the Administrative Board of 4bb SE will receive a remuneration the amount of which is still to be determined by the Administrative Board within the framework set by the General Meeting of 4bb SE.
- 12.3 Furthermore, no member of a managing or supervisory body of one of the legal entities involved in the Spin-off, no shareholder, no auditor or spin-off auditor has been or will be granted special advantages in the meaning of Sec. 126 para. 1 no. 8 UmwG in the course of the Spin-off.
- 13. Cash Capital Increase and SE Seat Transfer**
- 13.1 The Parties undertake to ensure that prior to the Spin-off taking effect, the implementation of the Cash Capital Increase is registered with the Commercial Register of 4bb SE and that 4bb SE's corporate seat is transferred without undue delay after the Spin-off takes effect in accordance with the plan for the SE Seat Transfer published in the Federal Gazette on 4 September 2020.
- 13.2 The Parties undertake to issue all declarations, deeds and certificates and to take all other measures required or expedient for admission of all 4bb SE Shares (including the existing 4bb SE Shares, the 4bb SE Shares issued in the course of the Cash Capital Increase and the New 4bb SE Shares issued in the course of the Spin-off Capital Increase) for trading at the London Stock Exchange (AIM) without undue delay after the Spin-off and the SE Seat Transfer have become effective.
- 14. Legal consequences of the Spin-off for Employees and their Representatives**
- 14.1 Legal consequences for Employees

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The Spin-off Assets are limited to the Spun-off SLU shares and the Spun-off LTD shares. 4bb S.L.U. and 4bb LTD will thus continue to exist as separate legal entities in their current form after the Spin-off. There will therefore be no transfer of employment relationships to another existing or newly established legal entity. The employment relationships with the respective company with all rights and obligations remain unchanged. The Spin-off therefore does not result in a Transfer of Undertakings (Protection of Employment) in accordance with Sec. 613 a BGB or comparable regulations under foreign law.

14.2 No Employee Representatives

There are no employee representatives at 4bb AG and 4bb SE, nor at 4bb S.L.U. or 4bb LTD. The Spin-off will not result in any changes at the operational level or in the operational organization. The identity of the companies is not affected by the Spin-off. No organizational changes are planned in connection with the Spin-off, in particular no plant closures, plant mergers, personnel rationalization or transfers. There will be no changes in co-determination law, as the legal requirements for employee co-determination will still not be met after the Spin-off.

15. Costs and Taxes

15.1 The parties assume that the Spin-off is not a taxable transaction within the meaning of Sec. 1 German Value Added Tax Law (*UStG*). If - for whatever reason - the tax authorities take the view that the Spin-off is a taxable and non-tax-free transaction, 4bb AG undertakes to issue a corresponding invoice to 4bb SE. Correspondingly, 4bb SE undertakes to assign the input tax deduction to which it is entitled from such invoice to 4bb AG.

15.2 4bb AG shall bear the costs incurred and still to be incurred by 4bb AG and 4bb SE in connection with the preparation, conclusion, and execution of this Agreement until its execution (including the costs of the respective General Meeting and the costs of registrations with the Commercial Register), of the joint spin-off report, the spin-off audit and the audits in connection with the Spin-off Capital Increase and post-formation and the planned stock exchange listing, as well as the respective associated costs of the consultants and banks by 4bb AG and transaction taxes (with the exception of value added tax, which is referred to in Clause 15.1).

16. Miscellaneous

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- 16.1 This Agreement is subject to the approval of the respective General Meetings of the Parties.
- 16.2 If the Spin-off has not become effective by the end of 31 December 2020, either Party may withdraw from this Agreement by written notice to the other Party.
- 16.3 Amendments and supplements to this Agreement, including the amendment or waiver of this provision itself, shall be made in writing, unless stricter formal requirements are to be complied with.
- 16.4 Should one or more provisions of this Agreement be or become invalid, ineffective or unenforceable in whole or in part, the validity of this Agreement and its other provisions shall not be affected. The void, ineffective or unenforceable provision shall be replaced by a provision which comes closest in form, content, time, measure and scope to what the parties intended in terms of the economic rationale and purpose of the void, ineffective or unenforceable provision. The same shall apply to any loopholes in this Agreement.
- 16.5 This Agreement and all disputes, differences of opinion or claims arising from or in connection with this Agreement shall be governed by the substantive law of the Federal Republic of Germany (German substantive law - *Sachnormverweisung*) to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG). The place of jurisdiction is, as far as legally permissible, Frankfurt am Main.