

THE REMUNERATION REPORT

**ON REMUNERATION OF MEMBERS OF THE MANAGEMENT AND
SUPERVISORY BOARD OF RYVU THERAPEUTICS S.A.**

FOR 2019 AND 2020

Report on the remuneration of members of the Management Board and Supervisory Board of Ryvu Therapeutics S.A. (hereinafter "**Ryvu**" or "**the Company**") was prepared on the basis of:

a) Art. 90g of the Act of July 29, 2005 on public offering and conditions for introducing financial instruments to an organized trading system and on public companies;

b) Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36 / EC as regards encouraging shareholders to long-term commitment.

This Report presents the financial years 2019-2020, as well as comparative data from previous years, and provides an overview of the remuneration granted to members of the Company's governing bodies in accordance with the applicable internal regulations contained in the Remuneration Policy for Members of the Management Board and Supervisory Board of Ryvu Therapeutics S.A. adopted by the General Shareholders Meeting of the Company on August 31, 2020 ("**Remuneration Policy**").

Due to and as a result of the corporate split of Ryvu Therapeutics S.A. (formerly operating under the name Selvita S.A.), which was accomplished on October 1, 2019, an organized part of the enterprise (currently operating under the name Selvita S.A.) encompassing tangible and intangible assets intended for conducting services of a Contract Research Organization as well as shares in the affiliated companies: Selvita Services sp.z o.o., Selvita Inc., Selvita Ltd., BioCentrum sp.z o.o. (merged with Selvita Services sp. z o.o. on November 29, 2019), as well as Ardigen S.A., the data presented below for the financial year 2019 in relation to the Members of the Management Board: Mr. Bogusław Sieczkowski, Mr. Miłosz Gruca, Mrs. Mirosława Zydrón and Mrs. Edyta Jaworska cover the period from January 1, 2019 to September 30, 2019. As a result of the corporate split of Ryvu Therapeutics SA, the indicated Management Board Members resigned from positions as Management Board Members of the Company (effective as of September 30, 2019), further holding positions as Management Board Members of Selvita S.A.

The amount of the total remuneration and its components and the mutual proportions between these remuneration components

The remuneration of the Members of the Management Board consists of:

- a) **Fixed Remuneration**, constituting monthly remuneration in cash, paid for performing functions on the Management Board;

- b) **Variable Remuneration**, constituting supplementary remuneration paid quarterly or less often, constituting additional remuneration dependent on achievement of the Management Objectives.

In shaping the amount of the Variable Remuneration of the Members of the Management Board, the Supervisory Board shall take into account the Management Objectives, including, in particular:

- a) the achievement of the short-, medium- and long-term tasks respectively, arising from the Company's business strategy and relating to the pursuit of its interests;
- b) the accomplishment of quantitative or qualitative tasks in a given area for which a given Member of the Management Board is responsible.

The Management Objectives shall be specified by the Supervisory Board each year at the beginning of each calendar year. The Management Objectives set by the Supervisory Board should take into account the Company's current operating and strategic objectives for a given period, along with the criteria (measures) for assessing the achievement thereof. According to the Remuneration Policy, the Company's Supervisory Board may assign appropriate weights to the individual Management Objectives which determine the amount of Variable Remuneration of the Members of the Management Board, and to establish a proportion between Fixed Remuneration and Variable Remuneration and Additional Benefits, to ensure a proper balance from the perspective of the total remuneration received by a Member of the Management Board in order to ensure the sustainable development of the Company and to achieve an increase in its value.

In terms of the Variable Remuneration of Management Board Members paid for 2019 and 2020, the Supervisory Board established corporate goals and measures (criteria for their implementation) aimed at strengthening the Company's position, setting goals in three main areas, i.e. in the area of clinical development related mainly to the project RVU120 and SEL24; in the field of discovering and developing new oncological therapies and providing new candidates for drugs in the preclinical area, related to the achievement of the assumed strategic milestones related to the implementation of the Company's research projects, as well as in the area of the Company's corporate development, including issues related to concluding new partnering agreements, obtaining external financing, operational activities and HR.

In addition, appropriate weights have been assigned to individual Management Objectives and their measures, which allows to determine the amount of the awarded Variable Remuneration of Management Board Members in 2020, if the goal was achieved. The entire Variable Remuneration was awarded based on the Management Objectives established at the beginning of the calendar year 2020.

Irrespective of the Fixed Remuneration and the Variable Remuneration the Members of the Management Board may receive an Additional Benefit consisting of other additional benefits, including non-cash benefits.

In deciding about the award of Additional Benefits, in particular the impact of a given benefit on the possibility and effectiveness of the performance of a function by a Member of the Management Board, including by providing factors other than remuneration in cash, mobilizing and motivating to perform the function entrusted, have been taken into account.

Additional Benefits include in particular:

- a) the possibility to use a company car, computer, mobile phone;
- b) coverage of travel expenses;
- c) the provision of health services (including private healthcare), sports, artistic or educational services;
- d) payment cards to cover business expenses;
- e) provision of a company apartment awarded if the place of work is significantly distant from the place of residence.

The Members of the Supervisory Board are entitled to fixed monthly remuneration. The remuneration of the Members of the Supervisory Board may differ depending on the function performed, including, in particular, due to the performance of the function of the Chairman or Deputy Chairman of the Supervisory Board or being a member of the given Committee within the Supervisory Board. Members of the Supervisory Board are also entitled to reimbursement of travel expenses, board and lodging related to participating in meetings of the Supervisory Board.

Table no. 1: Remuneration of Members of the Management Board for 2019

Name	Fixed Remuneration	Variable Remuneration	Additional Benefits	Remuneration in Affiliated Companies	Remuneration [TOTAL]	Variable Remuneration in total Remuneration [%]
Paweł Przewięźlikowski	292 511	227 340	4 275	40 680	564 806	40%
Setareh Shamsili*	540 222	-	66 927		607 149	-
Krzysztof Brzózka	393 768	192 931	4 955		591 654	33%
Steffen Heeger**	160 378	237 873	97 300		495 551	48%
Bogusław Sieczkowski***	95 400	224 314	3 126	102 600	425 440	53%
Miłosz Gruca***	126 519	334 320	-		460 839	72%
Mirosława Zydróż***	55 645	89 100	-		144 745	61%
Edyta Jawroska***	156 793	209 700	3 575		370 068	57%

* Mrs. Setareh Shamsili's remuneration relates to the period from her appointment to the Management Board, i.e. from October 14, 2019.

** Mr. Steffen Heeger's remuneration relates to the period of holding the Management Board position in the Company, i.e. from March 15, 2019 till July 17, 2019.

*** The remuneration of Mr. Bogusław Sieczkowski, Mr. Miłosz Gruca, Mrs. Mirosława Zydróż and Mrs. Edyta Jawroska relates to the period of holding positions in the Management Board of the Company, i.e. from January 1, 2019 to September 30, 2019. As a result of the corporate split of Ryvu Therapeutics S.A., which took place on October 1, 2019, the indicated

Members of the Management Board resigned from positions in the Management Board of the Company (effective as of September 30, 2019), while continuing to perform the functions of members of the Management Board of Selvita S.A.

Table no. 2: Remuneration of Members of the Management Board for 2020

Name of Director	Fixed Remuneration	Variable Remuneration	Additional Benefits	Remuneration [TOTAL]	Variable Remuneration in total Remuneration [%]
Paweł Przewięźlikowski	330 874	243 198	8 016	582 088	42%
Setareh Shamsili	1 337 878	135 000	86 203	1 559 081	9%
Krzysztof Brzózka	583 553	187 974	9 146	780 673	24%
Kamil Sitarz*	49 300	-	734	50 034	-

* Mr. Kamil Sitarz was appointed to the Management Board on November, 23 2020.

Table no. 3: Remuneration of Members of the Supervisory Board for 2019

Name of Supervisory Board Member	Remuneration [PLN]
Piotr Romanowski	68 027
Tadeusz Wesołowski	64 718
Rafał Chwast	62 087
Axel Glasmacher*	33 830
Colin Goddard*	33 830
Jarl Ulf Jungnelius*	34 488
Thomas Turalski*	-
Wojciech Chabasiewicz**	26 780
Wojciech Sobieraj**	26 780

* The remuneration of Mr. Axel Glasmacher, Mr. Colin Goddard, Mr. Jarl Ulf Jungnelius and Mr. Thomas Turalski relates to the period from 19 September 2019. Remuneration for Mr. Thomas Turalski for 2019 was paid in 2020 (presented in the table below).

** The remuneration of Mr. Wojciech Chabasiewicz and Mr. Wojciech Sobieraj relates to the period from January 1, 2019 to September 19, 2019.

Due to the corporate split of Ryvu Therapeutics S.A., which took place on October 1, 2019, the Company decided to adjust the remuneration of Supervisory Board to the remuneration of supervisory authorities in foreign (US

and European) biotechnology companies comparable in size to Ryvu Therapeutics S.A. on the peer-group basis. The General Meeting of Shareholders of the Company adopted the new remuneration scheme under Resolution No. 11 of September 19, 2019, which entered into force on October 1, 2019.

Table no. 4: Remuneration of Members of the Supervisory Board for 2020

Name of the Supervisory Board Member	Remuneration [PLN]
Piotr Romanowski	142 847
Tadeusz Wesolowski	140 745
Rafał Chwast	142 847
Axel Glasmacher	140 745
Colin Goddard	140 745
Jarl Ulf Jungnelius	141 403
Thomas Turalski	176 334

1. Information on how the remuneration complies with the Remuneration Policy including how it contributes to the Company's long-term performance

The company pays remuneration to members of the Management Board and Supervisory Board strictly in accordance with the Remuneration Policy. The remuneration of the members of the Management Board contributes to their full involvement in the performance of specific functions, motivates them to achieve the Company's business goals. The remuneration is adequate to the positions held by the Management Board Members.

2. Comparative information on the change of remuneration and Company performance and the average remuneration of employees of the Company, who are not members of the Management Board or the Supervisory Board, over the period of five financial years

Table no. 5: Comparison of the remuneration of members of the Management Board on annual basis

Name	Rok 2016	Rok 2017	Rok 2018	Rok 2019	Rok 2020
Paweł Przewięźlikowski	388 191	655 255	522 781	564 806	582 088
Change [%]		68,8 %	-20,22%	8,04%	3,06%

Setareh Shamsili*	-	-	-	607 149	1 559 081
Change [%]					156,79%
Krzysztof Brzózka	312 056	620 089	506 749	591 654	780 673
Change [%]		98,71%	-18,28%	16,75%	31,95%
Kamil Sitarz	-	-	-	-	50 034
Change [%]					

* Mrs. Setareh Shamsili was appointed to the Management Board on August, 1 2019.

The table above is presented only illustratively. Taking into account the specificity of the industry in which Ryvu Therapeutics operates, the current Variable Remuneration of the Members of the Management Board of the Company depends on the progress in the development of clinical and preclinical projects, and not on the current financial results, i.e. revenues or operating profit.

Table no. 6: Comparison of Ryvu's results on annual basis*

Financial Results	2016*	2017*	2018*	2019**	2020**
Net sales (including subsidies) from continuing operations	66 237 284	105 411 918	109 219 840	33 720 267	36 950 683
Change [%]		59%	4%	-69%	10%
Operating profit / EBIT from continuing operations (without impact of the incentive program)	4 646 440	13 221 633	-13 611 140	-45 385 247	-35 697 025
Change [%]		185%	-203%	-233%	21%
EBITDA from continuing operations (without impact of the incentive program)	8 263 897	18 461 730	-5 386 070	-37 396 612	-23 339 902
Change [%]		123%	-129%	-594%	38%

Net profit from continuing operations	2 685 391	6 731 925	892 484	-44 270 284	-31 687 588
Change [%]		151%	-87%	-5060%	28%

* According to the Consolidated Financial Statements of Selvita Capital Group prepared in accordance with the International Financial Reporting Standards ("IFRS") - all segments were included, i.e. services, innovative segment, bioinformatics.

** According to the financial statements of Ryvu Therapeutics S.A. prepared in accordance with the International Financial Reporting Standards ("IFRS"). In addition, on October 1, 2019, the corporate split of Ryvu Therapeutics S.A. has been accomplished (formerly Selvita S.A.) by transferring to Selvita S.A. (formerly Selvita CRO S.A.) in the form of an organized part of the enterprise (CRO), therefore the presented data relates only to the innovative segment.

Table no. 7: Comparison of the average salary of employees employed in Ryvu on annual basis *

	2016	2017	2018	2019	2020
Average salary [PLN]	5 367	5 938	6 438	8 072	9 139
Change [%]		10,64%	8,42%	25,38%	13,22%

*The average remuneration of the Company's employees constitutes the sum of the remuneration (fixed remuneration, bonuses and other awards, commissions, non-cash benefits and all other payments) paid to employees in a given calendar year (over a 12-month period) divided by average employment (average number of full-time employees) in a given year. The calculation of the average employee remuneration in 2016, 2017 and 2018 includes the remuneration paid to employees of the former Capital Group, i.e. employees who, as a result of the corporate split of Ryvu Therapeutics SA, which took place on October 1, 2019, were transferred (as part of an organized part of the enterprise) to a new employer, i.e. Selvita S.A.

3. Information on the number of shares and share options granted or offered to directors, and the main conditions for the exercise of the rights including the exercise price and date and any change thereof

In 2019 and 2020, neither the Members of the Management Board nor the Supervisory Board Members were granted or offered Company's financial instruments.

4. Information on use of the right to reclaim the return of Variable Remuneration components

The right to reclaim the return of Variable Remuneration components is not provided in the Remuneration Policy.

5. Derogations and deviations from the Remuneration Policy and from the procedure for its implementation including the explanation of the nature of the exceptional circumstances and the indication of the specific elements derogated from

Pursuant to the Remuneration Policy, the derogation from its application may only take place if it is necessary to achieve the long-term interests and financial stability of the Company or to guarantee its profitability. In 2020 the Supervisory Board did not decide to depart from the adopted Remuneration Policy.

Conclusions:

The Supervisory Board reviewed the remuneration and other benefits received by individual members of the Management Board and Supervisory Board and assessed the overall compliance with the applicable Remuneration Policy and states that:

1. remuneration and other benefits paid to members of the Management Board and Supervisory Board comply with the applicable Remuneration Policy and meet the requirements provided for by law,
2. The current Remuneration Policy is an effective tool for granting the remuneration to Management Board Members and enables a flexible policy of awarding variable remuneration components.