

Lead Investor

Resource Link

Equity Financing
1.000.000 euro

Optional: **+**
Business Angel(s)

Convertible Loan
1.250 - 50.000 euro

+ SOSV
THE ACCELERATOR VC INDIE BIO

Convertible Loan
228.000 euro

Rius Medical
A biotechnology start-up company

Phase 1
Prototype Assembly
within 2 Years

Leading to M&A in year 2 for

Encapsulated red blood cells
- with antigen targeting cardiovascular diseases
- with enzyme targeting multiple cancers

Phase 2

Geneva-based
Subsidiary at Year 3 onwards



Protein L-Asparaginase
(Enzyme)

Targeting Multiple cancers



Phenylalanine Ammonia Lyase
(Enzyme)

Phenylketonuria (PKU)
a metabolism disease

Fighting Autoimmune diseases
(Antigen) Fighting cardiovascular
diseases

Arteriosclerosis, Type 1 Diabetes
& Multiple Sclerosis

Project revenue: 130 million euro on FIVE products at year 2 (i.e. December 2021)

Social/Financial Benefits of Rius Medical:

Rius Medical bridges the gap between [scientific advancements](#) and [commercial solutions](#) with its highly innovative platform technology. In doing cellular based therapy for drug delivery, the emphasis of the company is on engineering stem cells for the delivery of therapeutic proteins.

Engineering stem cells into “red blood cells for drug delivery” offers an [EXIT opportunity at year 2](#) for early investors. For example, the Lead Investor making a 1 million euro equity investment results in 54 million euro financial benefit for FIVE products, if not **10,5 million euro financial benefit for TWO products** being transformational improvements on biopharmaceutical.

Phase 1: Delivery of protein encapsulated in red blood cells for M&A at year 2.

- Fighting Ageing and Ageing-related diseases [through delivery of antigen encapsulated in red blood cells](#).
- Fighting multiple cancers [through delivery of L-Asparaginase enzyme encapsulated in red blood cells](#).
- 1.250 – 50.000 euro Convertible Loan for claim on 130 million Revenue at year 2
- 1.228.000 euro equity/Convertible Loan for claim on 130 million Revenue at year 2

Phase 2: Management of acquired/licensed-out products from Geneva-based branch office.

- Boost Geneva economy through Job creation [with Phase 2](#) - proximity to Lyon-based **Erytech Pharma** and Swiss based company **Orphan Technologies** ¹.

[1] Lead Investor **Resource Link Consulting Group** agreed to a total investment value of 1.000.000 € against 20% ownership as a silent partner to Rius Medical. **Rius Medical** has the following CapTable for negotiating this partnership deal with Resource Link Consulting Group.

CapTable

Rius Medical UG

Financed Round

Series A

Investment Pre-Money

3.500.000,00 €

Price per Share

1,00 €

Shareholder	Establishment of the Company		Financing Round A		Fully Diluted	
	Shares	in %	Investment	Shares	Shares	in %
Founder 1	3.500.000	100.00%			3.500.000	70.00%
Convertible Loan			50.000,00 €	100.000	100.000	2.00%
Investor 1			1.000.000,00 €	1.000.000	1.000.000	20.00%
Investor 2			228.000,00 €	400.000	400.000	8.00%
Total	3.500.000	100.00%	1.278.000,00 €	1.500.000	5,000,000	100.00%

Founder 1: Denis Demarais, Founder and CEO at Rius Medical UG

Optional Convertible Loan: Bridge financing from third-party as investor 2, prior to Resource Link Consulting Group

Investor 1: Resource Link Consulting Group / Khun Navaporn Santichai, President and CEO (LEAD Investor)

Investor 2: A second investor through Convertible Loan at 0,57 euro per share

General Surety Bond Information [www](#)

Within the insurance industry, a surety bond is a written commitment between three individual parties, which guarantees a contract's execution as it has been agreed upon. Contractual aspects, which are addressed by Surety Bond, include price, performance and payment agreements.

1.000.000 € Equity Capital transfer from Lead Investor Memorandum of Understanding issued on 14 October 2019	US-based Escrow company Third party custodian of 1.000.000 € Equity Capital. Escrow Opening Fees: 2.500 € born by Rius Medical	Surety Bond (payment pending) 1.000.000 € disbursement taking effect only when Surety Bond is issued. Surety Bond premium at 24.000 € and Surety Bond fee at 1.600 € born by Rius Medical
Resource Link Consulting Group.	Accrued Equities Inc	Ability Insurance Company
Khun Navaporn Santichai, President and CEO. Address: 1, Glas Haus Bldg., 14th Fl., Room 1401/1, Sukhumvit 25, Klongtoey Nua, Wattana, Bangkok, 10110 Thailand.	Frank D. Stifler Chief Operation Officer Address: 150 Broadhollow Road, Suite Ph-02 Melville, New York 11747, USA	Jeffery A. Moyer Head Account Department Address: Office No. 1515 South 75Th Street, Omaha. P.O.Box 3735, Nebraska 68103, USA

[2] **Optional:** Rius Medical is issuing to Business Angels a 1.250 – 50.000 € **Convertible Loan** at a discounted rate of 0,50 € per share. A 1.250 € investment with **EXIT opportunity at year 2** implies 135.000 € financial benefit for FIVE products, if not **26.250 € financial benefit for TWO products** being transformational improvements on biopharmaceutical. In addition there is 228.000 € Convertible Loan investment at 0,57 € per share. EXIT option at year 2 (i.e. December 2021).

(Part 1) Red Blood Cells - Drugs Platform development

Putting to work 1 M euro investment:

Rius Medical mission is to **make its highly innovative platform technology available** to pharmaceutical and biotech partners. The prototype assembly is implemented within 2 years and on the 2nd year, a branch office in Geneva Switzerland is implemented as of July 2021 on 280.000 euro / 4 months budget to manage **FIVE-assets acquisition** by third parties under licensing agreement with upfront payments starting September 2021.

The 2 years prototype assembly budget is depicted within the 2 years German Book. The 4 months budget for the branch office in Geneva (task to manage **red blood cells drug delivery assets** of Rius Medical) is depicted in the Switzerland Book. **Revenue from the licensing deal** (upfront payments) as of September 2021 is to take over operation cost for the Geneva branch office.

Rius Medical, Germany retains all intellectual property rights as well as initiate new projects e.g. **October 2020, a project** on Immuno-Oncology with natural killer cells in cancer immunotherapy².

			Germany BOOK	Annually	2 YEARS	
<input type="checkbox"/>	Convertible Loan of 1.250 - 50.000 euro		Salary Managing Director	70.800,00 €	141.600,00 €	19.67%
<input type="checkbox"/>	Equity Agreement Series A financing February 2020		Admin cost	127.200,00 €	254.400,00 €	35.33%
	Rius Medical Start of prototype assembly March 2020		Lab Operation cost	144.000,00 €	288.000,00 €	40.00%
	Switzerland Operation Start July 2021 at 2 years subsidiary to manage M&A licensing deals		Business Travel	18.000,00 €	36.000,00 €	5.00%
				360.000,00 €	720.000,00 €	100.00%
Upfront payment at 2 yrs			Switzerland BOOK	Annually	4 Months	
	Erytech Pharma	September 2021 20.000.000,00 €	License Assistant	89.700,00 €	29.900,00 €	32.68%
	Rubius Therapeutics	October 2021 20.000.000,00 €	HR Assistant	89.700,00 €	29.900,00 €	32.68%
	Type-1 diabetes	November 2021 30.000.000,00 €	Finance assistant	89.700,00 €	29.900,00 €	32.68%
	Multiple Sclerosis	30.000.000,00 €	Staff Buffer	5.400,00 €	1.800,00 €	1.97%
	LUPUS	30.000.000,00 €		274.500,00 €	91.500,00 €	100.00%
		130.000.000,00 €	Staff Payroll	274.500,00 €	91.500,00 €	32.68%
	Retained Earnings	22.000.000,00 €	Business Buffer	163.500,00 €	54.500,00 €	19.46%
			Admin cost	228.300,00 €	76.100,00 €	27.18%
			Building Rent cost	50.100,00 €	16.700,00 €	5.96%
			Lab Operation cost	67.800,00 €	22.600,00 €	8.07%
			Business Travel	55.800,00 €	18.600,00 €	6.64%
				840.000,00 €	280.000,00 €	100.00%
Equity Investment of up to 1 M euro (Series A round) If not oversubscribed			Germany BOOK	240.000,00 €	720.000,00 €	72.00%
<input type="checkbox"/>	Convertible Loan of 1.250 - 50.000 euro		Switzerland BOOK		280.000,00 €	28.00%
<input type="checkbox"/>	Loan of 200.000 euro				1.000.000,00 €	100.00%
<input type="checkbox"/>	Equity of 1.000.000 euro by Lead Investor					
<input type="checkbox"/>	Convertible Loan of 228.000 euro by second Investor					

Figure 1, illustrates the finance plan for the 1 million euro investment from early investors.

An **EXIT opportunity at year 2** for early investors investing up to 1 million euro results in 54 million euro financial benefit for FIVE products, if not **10,5 million euro financial benefit for TWO products** being transformational improvements on biopharmaceutical.

Detailed Financial Plan on the German Book (720.000 euro)

The platform technology by Rius Medical leads to 5x proprietary cell lines for drug delivery within 22 months (almost 2 years). The German Book represents the 720.000 euro 2-year budget allocated to product maturity. There are three objectives to be met within 22 months.

Objective 1: GenScript (5 months Outsourced laboratory work)

Engineering stem cells into proprietary cell lines for drug delivery is made through transcription factors and therapeutic protein genes on plasmids. GenScript performs DNA/plasmids assembly within 5 months.

Objective 2: Trans Chromosomics (6 months Outsourced laboratory work)

Plasmids are then added to the Human Artificial Chromosome (HAC) vector for engineering of stem cells. Professor Mitsuo Oshimura at Trans Chromosomics is the inventor of the HAC vector and provides expertise, laboratory staffs and laboratory facility for the required work by Rius Medical.

Objective 3: CLS GmbH (11 months Quality Control)

The 5x proprietary cell lines for drug delivery are validated within 11 months at CLS GmbH, near Heidelberg. Only pre-clinical studies are conducted for (1.) long-term expansion of cell lines and (2.) on-demand red blood cells maturation inclusive therapeutic protein.

Figure 2, illustrates the detailed finance plan for the German BOOK.

German BOOK	Annually	2 YEARS	
Salary Managing Director	70.800,00 €	141.600,00 €	19.67%
Admin cost	127.200,00 €	254.400,00 €	35.33%
Lab Operation cost	144.000,00 €	288.000,00 €	40.00%
Business Travel	18.000,00 €	36.000,00 €	5.00%
	360.000,00 €	720.000,00 €	100.00%

GenScript	5 Months	1 Month	
Salary Managing Director	29.500,00 €	5.900,00 €	14.05%
Admin cost	85.500,00 €	17.100,00 €	40.71%
Lab Operation cost	90.000,00 €	18.000,00 €	42.86%
Business Travel	5.000,00 €	1.000,00 €	2.38%
	210.000,00 €	42.000,00 €	100.00%
Trans Chromosomics	6 Months	1 Month	
Salary Managing Director	35.400,00 €	5.900,00 €	16.86%
Admin cost	74.600,00 €	12.433,33 €	35.52%
Lab Operation cost	94.000,00 €	15.666,67 €	44.76%
Business Travel	6.000,00 €	1.000,00 €	2.86%
	210.000,00 €	35.000,00 €	100.00%
CLS	11 Months	1 Month	
Salary Managing Director	64.900,00 €	5.900,00 €	21.63%
Admin cost	120.100,00 €	10.918,18 €	40.03%
Lab Operation cost	109.000,00 €	9.909,09 €	36.33%
Business Travel	6.000,00 €	545,46 €	2.00%
	300.000,00 €	27.272,73 €	100.00%

The **Convertible Loan of 1.250 – 50.000 euro** at a discounted rate of 0,50 euro per share, alongside a 228.000 euro Convertible Loan at a discounted rate of 0,57 euro per share, provides liquidity for **bridge financing** until **Lead Investor's** Equity Agreement initiated in February 2020, is implemented following procurement of a Surety Bond.

Benchmark to Intrexon-Merck (CAR-T) cell development

Rius Medical, active in the engineering and industrialization of biology, specialises in the development of innovative gene and cellular therapies to improve the lives of patients. In [making its highly innovative platform technology available](#) to pharmaceutical and biotech partners, Rius Medical benchmarks its pharmaceutical deal to Intrexon-Merck (CAR-T) cell development agreement.

FierceBiotech

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Biotech

UPDATED: Merck KGaA forges a \$941M CAR-T development deal with Intrexon

by John Carroll | Mar 30, 2015 8:56am

Intrexon-Merck (CAR-T) cell development agreement, for the development of Chimeric Antigen Receptor T-cell (CAR-T) cancer therapies, which are genetically engineered T-cells with synthetic receptors that recognise a specific antigen expressed on tumor cells, established a [877.8M € CAR-T development deal](#) ² in 2015. Under the terms of the agreement, Intrexon will receive an [upfront payment of 107.3M € for the first two targets](#) of interest selected by Merck Serono.

	Two Products	Five Products
Two Targets (enzyme-loaded red blood cells) PALYNZIQ™ - Rare Disease phenylketonuria (PKU) KIDROLASE® - Oncology	40 M €	40 M €
Three Targets (antigen-loaded red blood cells) Arteriosclerosis Type1 diabetes Multiple sclerosis		90 M €
Revenue at 2 years	40 M €	130 M €
	upfront payment	upfront payment
Return on Investment from 1 M € equity investment	10,5 M €	54 M €

[An industry update](#) ³ (by European Biotechnology 25.06.2019) on [drug delivery using red blood cells](#) reflecting the technology-oriented **B2B partnership** of the industry, is the USD 57 million deal between SQZ Biotech and Erytech Pharma.

Founder

Investment at Series A		Return on Investment	
Input of Technology		Dividends (Brutto)	77.760.000 €
		Yield tax at 25%	19.440.000 €
		Dividends (Netto)	58.320.000 €
Shares	3.600.000	Buy Back / EXIT option	
Ownership	72,00%	1.000.000 shares	32.400.000 €
32,40 euro per share		400.000 shares	12.960.000 €
		Financial Benefits	12.960.000 €

Lead Investor

Investment at Series A		Return on Investment	
Equity	1.000.000 €	EXIT option	32.400.000 €
		Dividends	21.600.000 €
Shares	1.000.000	Financial Benefits	54.000.000 €
Ownership	20,00%	Capital Gain (2 Yrs)	53.000.000 €
32,40 euro per share		Interest p.a.	26.500.000 €
			2,650.00%

Investor by Convertible Loan (228.000 € / 400.000 shares)

Investment at Series A		Return on Investment	
Conv. Loan	228.000 €	EXIT option	12.960.000 €
		Dividends	8.640.000 €
Shares	400.000	Financial Benefits	21.600.000 €
Ownership	8,00%	Capital Gain (2 Yrs)	21.372.000 €
32,40 euro per share		Interest p.a.	10.686.000 €
			4,686.84%

2 YEARS		
Upfront by Erytech Phama	20.000.000,00 €	
Upfront by Rubius Therapeutics	20.000.000,00 €	
Upfront by (type-1 diabetes)	30.000.000,00 €	
Upfront by (multiple sclerosis)	30.000.000,00 €	
Upfront by (lupus)	30.000.000,00 €	
	130.000.000,00 €	
Retained Earnings	22.000.000,00 €	16,92%
Profits by Rius Medical	108.000.000,00 €	
Series A investor, lead investor (Return on Investment)		
Shares in hand	1.000.000	
Dividends	21.600.000,00 €	20,00%
Capital Gain (2 Yrs)	20.600.000,00 €	
Interest p.a.	10.300.000,00 €	1.030,00%
Investment at Series A		
Capital for 20,00% Ownership at through 1.000.000 € equity	1.000.000,00 €	
Series A investor, Investor by Convertible Loan (Return on Investment)		
Shares in hand	400.000	
Dividends	8.640.000,00 €	8,00%
Capital Gain (2 Yrs)	8.412.000,00 €	
Interest p.a.	4.206.000,00 €	1.844,74%
Investment at Series A		
Capital for 8,00% Ownership at through 228.000 € Convertible Loan at 0,57 € per share	228.000,00 €	

Figure 3. illustrates how the 130 million euro revenue at 2 years from FIVE products leads financial benefits at 2 years to early investors.

Equity Investment is the following:

- (1) **Option:** Convertible Loan at 1.250 – 50.000 euro from third party [e.g. Business Angel(s)]
Filing of amendments to Articles of Association with **Lead Investor** for disbursement -
- (2) Equity investment at EUR 210.000 after registration with the commercial register by April 2020.
- (3) **Milestone 01** Payment of EUR 195.000 at 3 months following Proof of “business payment to GenScript” by July 2020.
- (4) **Milestone 02** Payment of EUR 195.000 at 3 months following Proof of “business payment to Trans Chromosomics” by November 2020.
- (5) **Milestone 03** Payment of EUR 200.000 at 3 months following Proof of “business payment to CLS Cell Lines Service” by January 2021.
- (6) **Milestone 04** Payment of EUR 200.000 at 6 months following Proof of “business payment to CLS Cell Lines Service” by April 2021.

Altogether over 2 years it is 1.000.000 euro equity investment from **Lead Investor** as equity capital against **20% Ownership** in Rius Medical (post-Money-valuation at 5.000.000 euro). In addition to 228.000 euro Convertible Loan from **second Investor** against **8,00% Ownership** in Rius Medical.

Founder

Investment at Series A		Return on Investment	
Input of Technology		Dividends (Brutto)	12.960.000 €
		Yield tax at 25%	3.240.000 €
		Dividends (Netto)	9.720.000 €
Shares	3.600.000	Buy Back / EXIT option	
Ownership	72,00%	1.000.000 shares	6.900.000 €
6,90 euro per share		400.000 shares	2.760.000 €
		Financial Benefits	60.000 €

Lead Investor

Investment at Series A		Return on Investment	
Equity	1.000.000 €	EXIT option	6.900.000 €
		Dividends	3.600.000 €
Shares	1.000.000	Financial Benefits	10.500.000 €
Ownership	20,00%	Capital Gain (2 Yrs)	9.500.000 €
6,90 euro per share		Interest p.a.	4.750.000 €
			475,00%

Investor by Convertible Loan (228.000 € / 400.000 shares)

Investment at Series A		Return on Investment	
Conv. Loan	228.000 €	EXIT option	2.760.000 €
		Dividends	1.440.000 €
Shares	400.000	Financial Benefits	4.200.000 €
Ownership	8,00%	Capital Gain (2 Yrs)	3.972.000 €
6,90 euro per share		Interest p.a.	1.986.000 €
			871,05%

		2 YEARS	
Upfront by Erytech Phama		20.000.000,00 €	
Upfront by Rubius Therapeutics		20.000.000,00 €	
Upfront by (type-1 diabetes)		0,00 €	
Upfront by (multiple sclerosis)		0,00 €	
Upfront by (lupus)		0,00 €	
		40.000.000,00 €	
Retained Earnings		22.000.000,00 €	55,00%
Profits by Rius Medical		18.000.000,00 €	
Series A investor, lead investor (Return on Investment)			
Shares in hand		1.000.000	
Dividends		3.600.000,00 €	20,00%
Capital Gain (2 Yrs)		2.600.000,00 €	
Interest p.a.		1.300.000,00 €	130,00%
Investment at Series A			
Capital for 20,00% Ownership at through 1.000.000 € equity		1.000.000,00 €	
Series A investor, Investor by Convertible Loan (Return on Investment)			
Shares in hand		400.000	
Dividends		1.440.000,00 €	8,00%
Capital Gain (2 Yrs)		1.212.000,00 €	
Interest p.a.		606.000,00 €	265,79%
Investment at Series A			
Capital for 8,00% Ownership at through 228.000 € Convertible Loan at 0,57 € per share		228.000,00 €	

Figure 4. illustrates how the 40 million euro revenue at 2 years from TWO products leads financial benefits at 2 years to early investors.

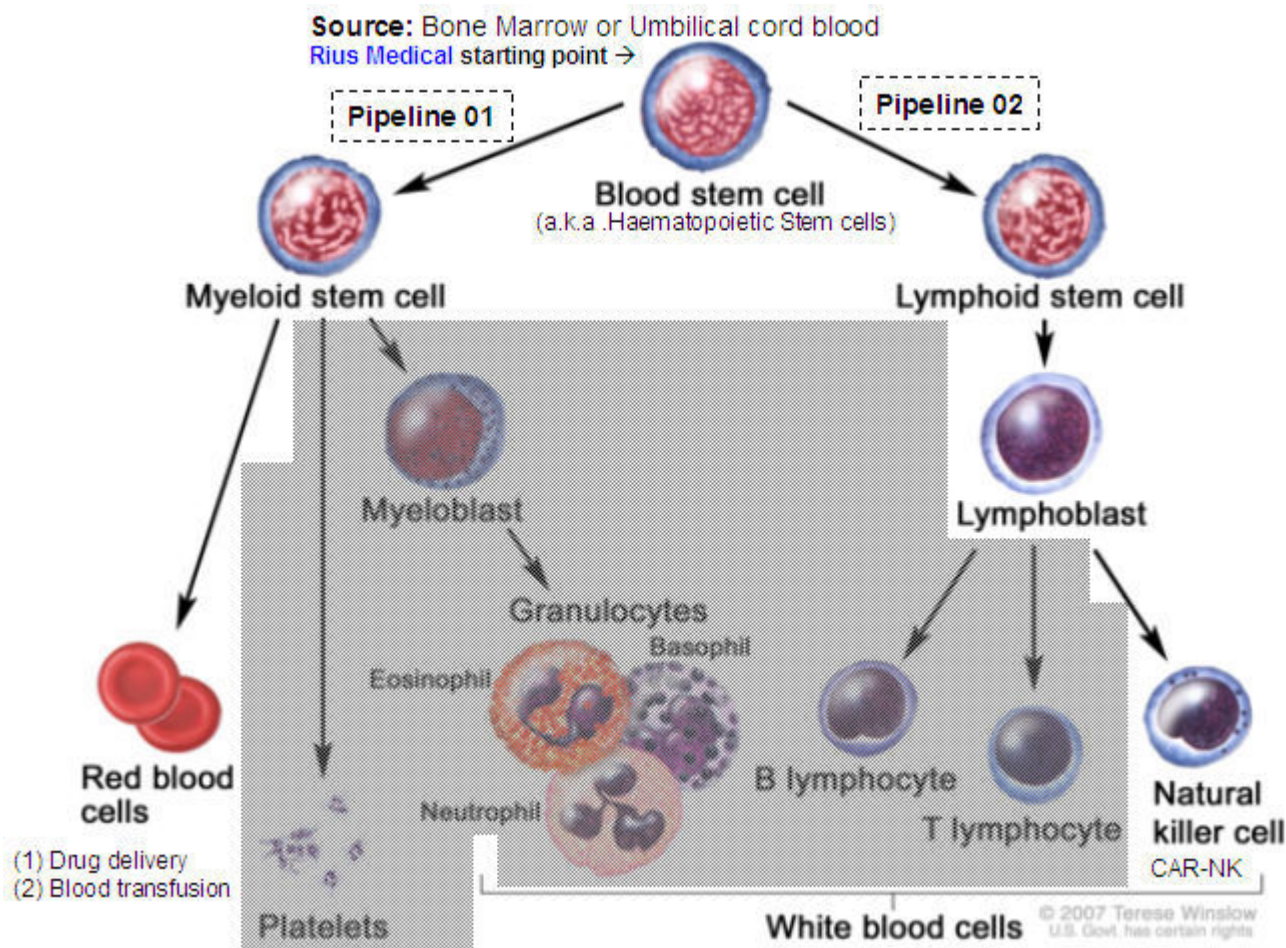
Rius Medical is raising up to 1 million euro Series A capital with an **EXIT opportunity at year 2** for early investors resulting in EUR 54 million financial benefit for FIVE products, if not **EUR 10,5 million** financial benefit for TWO products being transformational improvements on biopharmaceutical.

[1] With enzyme-loaded red blood cells Rius Medical is able to target Rare Disease of metabolism phenylketonuria (PKU) with PAL recombinant enzyme or Oncology with L-Asparaginase recombinant enzyme. At EUR 20 million each as upfront payment at year 2, this brings EUR 40 million revenue.

[2] With antigen-loaded red blood cells Rius Medical is able to target cardiovascular, immune-inflammatory and neurodegenerative diseases. At EUR 30 million each as upfront payment at year 2, this brings EUR 90 million revenue.

Development of **enzyme-loaded red blood cells** is much advanced than with **antigen-loaded red blood cells**. Thus the former is more mature for licensing-OUT to third-party within the 2 years project window.

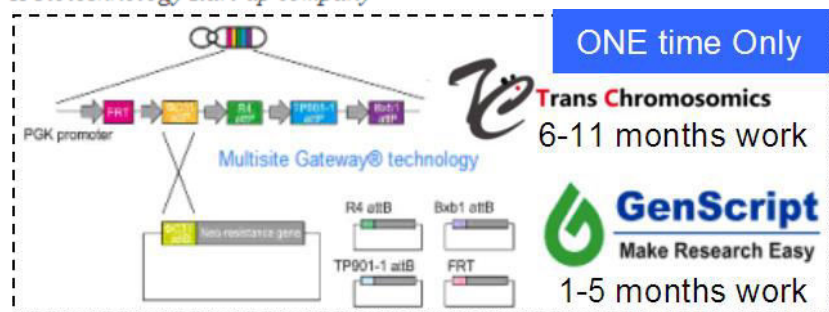
Rius Medical engineering stem cells into [proprietary cell lines](#) has (A) a red blood cells component for (1) drug delivery and (2) blood transfusion, and (B) a NK cells component for **CAR-NK cells** therapies.



Rius Medical

A biotechnology start-up company

Rius Medical adds genes to blood stem cells (i.e. CD34+ cells) through the [Human Artificial Chromosomes](#) for either myeloid or lymphoid cells!



Outsourced laboratory Work (save time & money)

11 months development stage is a **ONE time only** event as once the [Human Artificial Chromosome vector](#) is loaded with foreign genes/DNA designed by Rius Medical, the engineered stem cells [self-renew long term](#) in large volume bioreactor culture. This provides [multiple batches of desired cell therapies](#) long term.

Figure 5. illustrates the platform technology being implemented by Rius Medical.

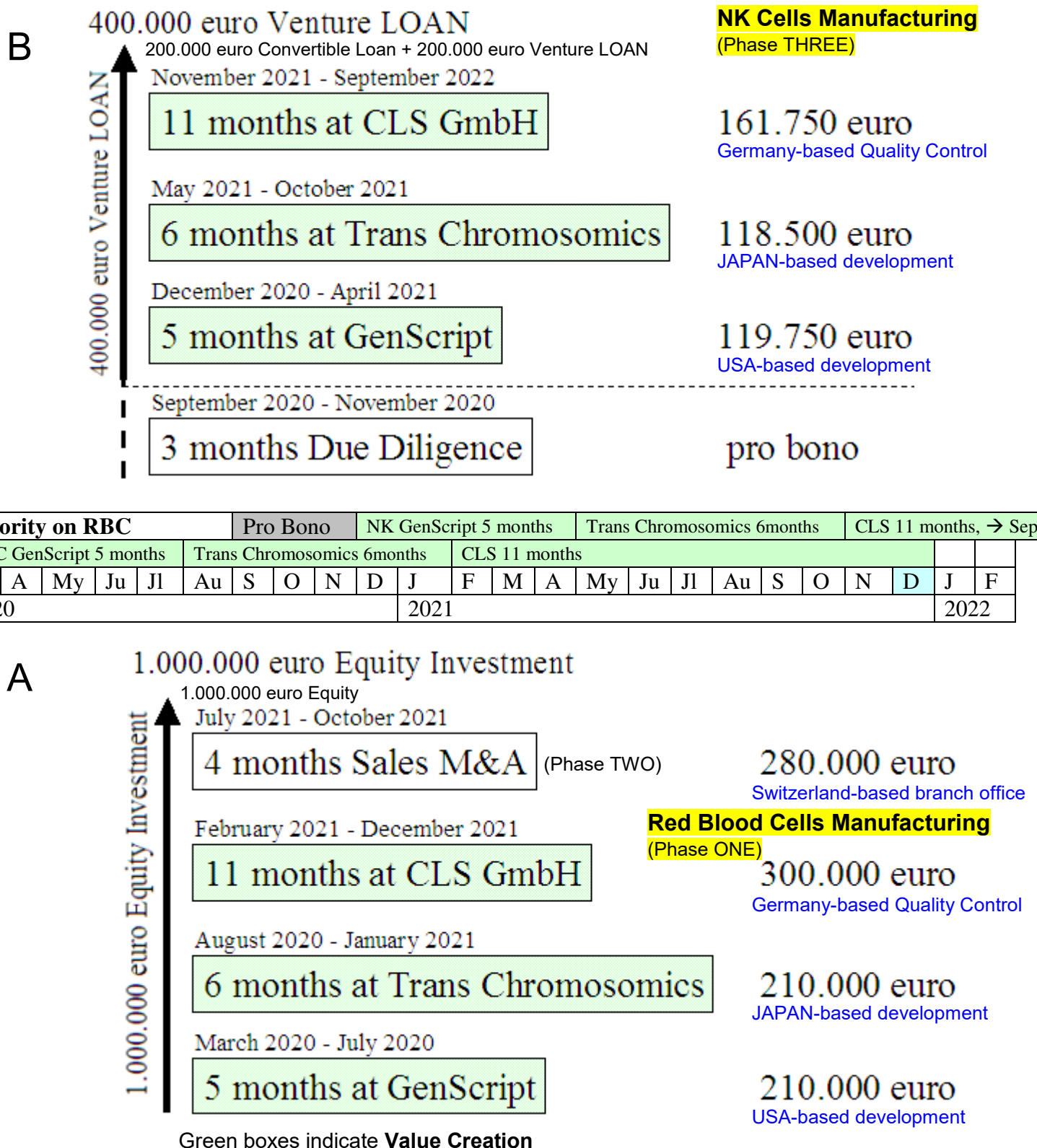


Figure 6, illustrates the workflow regarding red blood cell for drug delivery project as well as the extension into NK cells project.

(Part 2) Natural Killer Cells - Drugs Platform development

Detailed Financial Plan on the NK extension Book (400.000 euro)

The platform technology by Rius Medical leads to 4x proprietary cell lines for cell therapy within 22 months (almost 2 years). The NK extension Book represents the 400.000 euro 2-year budget allocated to product maturity. There are three objectives to be met within 22 months.

□ Objective 1: GenScript (5 months Outsourced laboratory work)

Engineering stem cells into proprietary cell lines for cell therapy is made through transcription factors and therapeutic protein genes on plasmids. GenScript performs DNA/plasmids assembly within 5 months.

□ Objective 2: Trans Chromosomics (6 months Outsourced laboratory work)

Plasmids are then added to the Human Artificial Chromosome (HAC) vector for engineering of stem cells. Professor Mitsuo Oshimura at Trans Chromosomics is the inventor of the HAC vector and provides expertise, laboratory staffs and laboratory facility for the required work by Rius Medical.

□ Objective 3: CLS GmbH (11 months Quality Control)

The 4x proprietary cell lines for drug delivery are validated within 11 months at CLS GmbH, near Heidelberg. Only pre-clinical studies are conducted for (1.) long-term expansion of cell lines and (2.) on-demand NK cells maturation inclusive therapeutic protein (e.g. chimeric antigen receptor).

Figure 7, illustrates the detailed finance plan for the NK cells extension BOOK.

NK extension BOOK	11 Months	22 Months	
Admin cost	70.050,00 €	140.100,00 €	35.03%
Lab Operation cost	121.450,00 €	242.900,00 €	60.73%
Business Travel	8.500,00 €	17.000,00 €	4.25%
	200.000,00 €	400.000,00 €	100.00%

GenScript	5 Months	1 Month	
Admin cost	42.750,00 €	8.550,00 €	35.70%
Lab Operation cost	72.000,00 €	14.400,00 €	60.13%
Business Travel	5.000,00 €	1.000,00 €	4.18%
	119.750,00 €	23.950,00 €	100.00%
Trans Chromosomics	6 Months	1 Month	
Admin cost	37.300,00 €	6.216,67 €	31.48%
Lab Operation cost	75.200,00 €	12.533,33 €	63.46%
Business Travel	6.000,00 €	1.000,00 €	5.06%
	118.500,00 €	19.750,00 €	100.00%
CLS	11 Months	1 Month	
Admin cost	60.050,00 €	5.459,09 €	37.13%
Lab Operation cost	95.700,00 €	8.700,00 €	59.17%
Business Travel	6.000,00 €	545,45 €	3.71%
	161.750,00 €	14.704,55 €	100.00%

Rius Medical is seeking partnership with EIT Health's partner, **kENUP Foundation** on NK cells-based [treatment of Malaria](#). kENUP develops projects to pursue market-leading positions for European innovation businesses. In this capacity, kENUP is supporting the execution of the European Fund for Strategic Investments (EFSI, the so-called "Juncker Plan"), alongside its successor EFSI 2.0 and of the upcoming InvestEU Fund. The European Investment Bank (EIB) and kENUP foundation have also joined forces on the **EU Malaria Fund**, a novel investment instrument aimed at the control of Malaria ⁴.

Many of kENUP's projects make use of EIB's innovative venture debt product. In this Financial Plan, [200.000 euro Venture debt/LOAN](#) and [200.000 euro Convertible Loan](#) are allocated to engineering stem cells for NK cells-based drug delivery leading to **FOUR products** (HER2, CD33, MDA5 and NKG2D).

Rius Medical

A biotechnology start-up company

Financial Plan for RBC/NK cells Manufacturing

Investment in Cell and Gene therapy, one of the big ideas in biotech

Ref. No. 200326FN-STR050

Date: March 26, 2020

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Lead Investor

Resource Link

Equity Financing
1.000.000 euro

Optional: **+**
Business Angel(s)

Convertible Loan
1.250 - 50.000 euro

+ SOSV
THE ACCELERATOR VC INDIE BIO

Convertible Loan
228.000 euro

Rius Medical

A biotechnology start-up company

Phase 1

Prototype Assembly
within 2 Years

Leading to M&A in year 2 for

CAR Natural Killer cells targeting
- solid tumors, including breast cancer and glioblastoma
- relapsed and refractory acute myeloid leukemia

Phase 2

Geneva-based
Subsidiary at Year 3 onwards



Protein HER2
(Antigen)

Targeting solid tumors,
incl. breast cancer
and glioblastoma



a Kiadis Pharma company
CD33
(Antigen)

relapsed and refractory
acute myeloid leukemia

Malaria

Plasmodium falciparum

MDA5
(receptor)

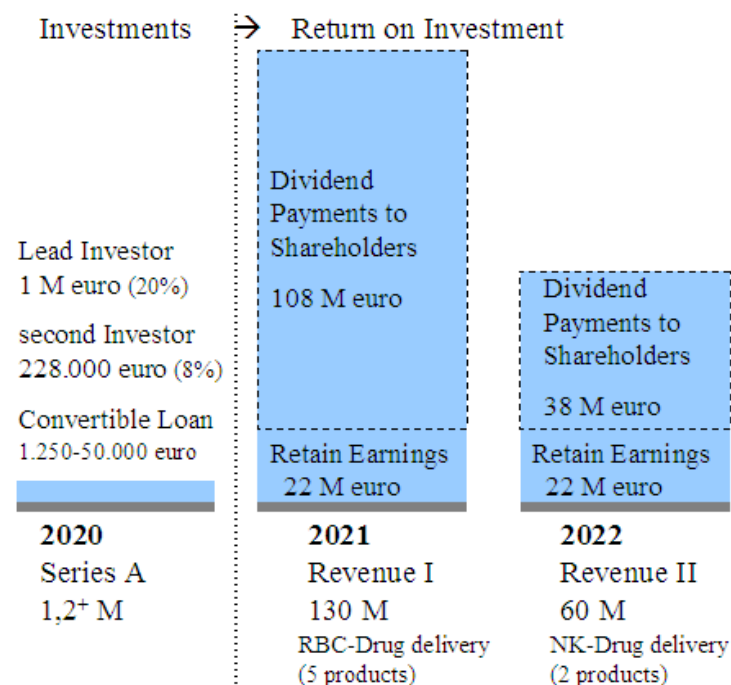
malaria-infected
red blood cells

Human Immunodeficiency Virus type 1 (HIV-1)

NKG2D
(receptor)

HIV-infected
CD4+ T cells

Project revenue: 60 million euro on TWO products at year 3 (i.e. December 2022)



This chart summarises the Financial Plan in this document. Rius Medical has a platform technology for **engineering stem cells into cellular-based** drug delivery as depicted in this document.

Rius Medical is a biotechnology company that **develops cell therapies** for cancer, enzyme deficiency diseases and for the treatment of autoimmune, metabolic and other diseases. **Think of Rius Medical** as a contractor providing third parties with "upgrade software." Just as Microsoft is a provider to computer companies - IBM, DELL, Toshiba, etc. with it's operating system, Rius Medical is bringing to Erytech Pharma, Rubius Therapeutics, etc. a new "**gene technology**" operating system.

End of Document

Rius Medical UG

A biotechnology start-up company

Lead Asset: Encapsulated Cell Therapy for drug delivery
through Red Blood Cells

Series A funding required: 1.000.000 euro

Prototype Development time: 2 Years

Return on Investment: 54 million euro at 2 years
(54-fold financial return)

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Supporting Document:

- Denis Demarais curriculum vitae

1. Executive Summary

Rius Medical is a biotechnology company that develops cell therapies for cancer, enzyme deficiency diseases and for the treatment of autoimmune, metabolic and other diseases. My company, Rius Medical develops a recombinant DNA technology for stem cells. The lead asset implements a patented technology for engineering adult stem cells to serve as mini-factories for the manufacture of recombinant Plasma proteins with the waste cells further processed to yield encapsulated cell therapies for drug delivery or simply used as native red blood cells for blood transfusion.

This product, a platform technology for the delivery of protein therapeutic to patients, has Rius Medical not just matching Rubius Therapeutics; it simply outperforms the competition. So doing allow you the early investor to capitalise **54x Return on Investment at 2 years**, thus comfortably exceeding the “Golden Rule of Equity Investment” being 10x Return on Investment in a 5-year window. Or 30x return, reflecting the even higher risk levels faced by early stage investors in Life Sciences. And that means a clear bottom line through **1.000.000 euro investment over 2 years** in Rius Medical for **at most 54 million euro financial benefits** to early investors at year 2 (i.e. December 2021).

Why red blood cells for drug delivery? Most importantly, red blood cells possess a lifespan in circulation of approximately 120 days, which is significantly longer than any of the currently existing artificial carriers for drug delivery. With encapsulated cell therapies for drug delivery, encapsulation of L-asparaginase into red blood cells for the treatment of acute lymphoblastic leukemia is the most advanced candidate having successfully completed Phase III clinical trials ¹ but short of one thing, affordable manufacturing. Using red blood cells for drug delivery of L-asparaginase enzyme by Erytech Pharma is Phase III approved ² for acute lymphoblastic leukemia but too expensive for commercial deployment. In fact, in spite of no safety issues ³, it is too expensive to finish the additional data requested by the FDA and the EMA. Thus leading Erytech Pharma in June 2018 to discontinue ⁴ its leukemia program and to shift focus to solid tumors at pre-clinical development.

Market entry is achieved at year 2 following Series A investment through strategic collaboration with Erytech Pharma, Rubius Therapeutics and Big Pharma like Novo Nordisk. Rius Medical’s proprietary technology to engineer stem cells into red blood cells for drug delivery has the following **first five targets**: (1) L-asparaginase targeting various types of cancer among them acute lymphoblastic leukemia, acute myeloid leukemia, pancreatic cancer and triple negative breast cancer for Erytech Pharma and (2) Phenylalanine ammonia lyase (PAL) targeting metabolism disease Phenylketonuria (PKU) for Rubius Therapeutics (3-5) antigen targeting autoimmune diseases like type-1 diabetes, multiple sclerosis and lupus for Big Pharma such as Novo Nordisk.

For the early investor, the Return on Investment at 2 years following Series A investment is at most **54 million euro in financial returns** at year 2 on 1.000.000 euro investment for 20% ownership, i.e. 54-fold return on investment. Rius Medical is willing to purchase back all of the issued preferred Shares of the Series A investors at 32,40 euro per share, originally issued at 1 euro per share. Higher valuation than 32,40 euro per share is welcome by Third Party investors.



Entrepreneur / Founder:
Denis Demarais (BSc)

Brief description:

Denis Demarais has spent 3,5 years as a CEO of Rius Medical, as well as 13 years dedicated to biotech and life sciences.

In 2006, due to the discovery that mature cells can be reprogrammed to become pluripotent (induced pluripotent stem cells), Mr. Demarais turned his attention to specific genes encoding transcription factors to reprogrammed cells.

From 2015 to 2020, he helped build the company by establishing strategic partnership focused on reducing the complexity and cost of mammalian cell culture manufacturing.

Denis Demarais earned his bachelor's degree Biochemistry from the National University of Singapore, Singapore.

2. Background of the founder / managing director:

Description of the medical research Expertise

Institute of Medical Biology March 2003 to August 2008	At the Institute of Medical Biology, Singapore for almost 6 years I, Denis Demarais was involved in regenerative medicine for the use of adult stem cells in medical research. At that time there as a researcher in the laboratory of project leader Dr. Gerald Udolph, we worked on the therapeutic treatment for Parkinson's disease with the use of mesenchymal stem cells. It is during that Singapore assignment in stem cell biology that I developed this business idea "Rius Medical". However, the project idea was not complete. My next assignment in Ulm Germany brought the missing component.
Institute for Experimental Cancer research January 2010 to December 2013	At the Institute for Experimental Cancer research, Ulm Germany I, Denis Demarais was involved for 4 years in cancer research, with emphasis on acute myeloid leukaemia. At that time there, as a researcher in the laboratory of Director Prof. Dr. Christian Buske; we worked on the biology of blood formation and how this goes wrong in leukaemia disease. In Ulm I finalised the business idea of Rius Medical as well as making the first contact with Professor Mitsuo Oshimura from Japan. Professor Oshimura from Tottori University - Japan is one of the research partners for Rius Medical reprogramming stem cell technology.
Rius Medical Entrepreneur as of November 2014	With the project idea finalized, it was time for a spin-off from academia: i.e. Rius Medical. My main activity as an entrepreneur since leaving academia has been identifying business elements within the innovation of my project that enables the commercialisation of groundbreaking research. The biotechnology industry is a very research-intensive enterprise as such grants and equity capital are the typical initial financing for biotechnology companies like Rius Medical, at an early development start-up phase. Key funding agencies from the Federal German government and European Union have been identified alongside local and international financial intermediaries.
Rius Medical UG Founded since August 2016	Rius Medical was founded with a vision of making biopharmaceuticals affordable and accessible to all patients through manufacturing innovation. To achieve this vision I, Denis Demarais am leading a team of world-class partners providing outsourced laboratory facilities for implementing a platform technology for the development a prototype, a human artificial chromosome with selected genes to reprogram adult stem cells into a Mammalian Expression System. Rius Medical is leveraging the latest process and engineering technologies to reduce the complexity and cost of mammalian cell culture manufacturing. The lead asset implements a patented technology for engineering adult stem cells to serve as mini-factories for the manufacture of recombinant Plasma proteins with the waste cells further processed to yield encapsulated cell therapies for drug delivery or simply used as native red blood cells for blood transfusion.

3. Business idea on a single sheet

Company Name	Rius Medical UG	Date of establishment	August 2016
Address	Schulstraße 16, 72178 Waldachtal	Founder	Denis Demarais
Tel.	+49 15775198090	E-Mail	denisdemarais@riusmedical.de
Management team	Denis Demarais, who is the sole shareholder, CEO and Chief Scientific Officer; Simon Billson is an Advisory-board member and provides financial/accounting consulting and Professor Mitsuo Oshimura, research collaborator from Tottori University, Japan.		
Industry	Red biotechnology, engineering and regenerative medicine		

Business concept in a sentence

Encapsulated cell therapy for drug delivery by Rius Medical implements the use of artificial chromosome technology for engineering haematopoietic stem cells into a Mammalian expression System and thus offers a business-to-business solution that brings the latest process and engineering technologies to reduce the complexity and cost of mammalian cell culture manufacturing for third parties such as Erytech Pharma, Rubius Therapeutics and Big Pharma like Novo Nordisk or Servier Laboratories for the delivery of the protein therapeutic to patients.

Product & customer benefit

(1.) Plasma Protein Therapeutics market is expected to grow US\$ 31 Billion by 2024. The rising demand for plasma proteins reflects the rising prevalence of rare diseases across the world. (2.) Encapsulated cell therapy such as encapsulation of L-asparaginase into red blood cells has become popular to circumvent immunogenicity from the exogenous protein. The rise of biologic drugs (exogenous protein) over traditional small molecule in drug discovery leads to new challenges, because a small percentage of patients have an immune response (immunogenicity) to the biologic drug resulting in the drug losing their effectiveness over time. The **delivery of protein therapeutics to patients** has clear benefits in cancer treatment, metabolism disease and autoimmune diseases like type-1 diabetes, multiple sclerosis and lupus.

Technology or unique selling propositions, patents

Rius Medical engineers adult stem cells to serve as mini-factories for the manufacture of recombinant Plasma proteins with the waste cells further processed to yield encapsulated cell therapies for drug delivery or simply used as native red blood cells for blood transfusion. The unique selling proposition is a Business-to-Business solution that brings the latest process and engineering technologies to reduce the complexity and cost of mammalian cell culture manufacturing. The technology implements a human artificial chromosome vector, a patented technology (US8703482B2), for delivery of foreign genes to stem cells that results in therapeutic recombinant Plasma proteins and encapsulated cell therapies for drug delivery. The prototype gives rise to a new patent and for the early investors, **at least 54 million euro financial benefits at 2 years.**

Market information (customers, partners, competitors & market volume)

Cancer is a Big challenge in our time: despite significant progress over the last four decades against cancer, cancer incidence and mortality continue to increase worldwide. However, the story of cancer in the 21st century is much more positive than ever: improved survival with the more treatable cancers has saved millions of lives thanks to start-up companies such as Rius Medical that are bringing innovative therapies to market. Rius Medical has aligned three partners for outsourced laboratory work so that prototype development within 2 years is at 1.000.000 euro budget. Otherwise US \$ 25 million budget would be required as per Rubius Therapeutics. Rius Medical's **Business-to-Business solution** to Erytech Pharma, Rubius Therapeutics and Big Pharma like Novo Nordisk provides a cost-effective production for the successful commercialisation of their biologic products targeting for example pancreatic cancer, acute myeloid leukemia among others with enzyme delivery. And autoimmune diseases like type-1 diabetes with antigen delivery. The treatment of cancer is big business in Germany and even bigger business in America - in fact it's a USD 200 billion business annually there. In providing sustainable, affordable manufacturing of therapeutic products, Rius Medical will occupy a substantial market volume addressing the global burden of cancer, metabolism disease and autoimmune diseases.

Operational Years	2020	2021	2022	2023
Expected Revenue	0	130.000.000 euro	60.000.000 euro	Phase 3
Capital requirement	570.000 euro	668.250 euro	22.000.000 euro	

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 Email: denisdemarais@riusmedical.de

Confidentiality Disclosure Agreement
 Information contained in this document are confidential

4. Introduction: Rius Medical encapsulated drug delivery

The clinical application of cells and the development of new delivery systems have allowed significant advances in the field of cell therapy and encapsulation in recent years. The ability to use cells for the delivery of biologics has provided new therapeutic alternatives in the development of new therapies.

Engineering red blood cells to fight the most severe cancers implies genetically engineering red blood cells to turn them into drug-delivery. The red blood cells are engineered to do more than simply carry oxygen. The most advanced encapsulated drug delivery focuses on using red blood cells to deliver asparaginase — an enzyme treatment that depletes the amino acid asparagine from the bloodstream to starve the tumor cells that, unlike healthy cells, cannot produce their own asparagine. In acute lymphoblastic leukemia, asparaginase has shown that, if the patient can tolerate it, it can bring pediatric long-term survival to more than 90-95%.

L-asparaginase is an established biologic treatment ⁵ for acute lymphoblastic leukemia (ALL), acute myeloid leukemia (AML), and non-Hodgkin's lymphoma. Inactivation due to antibodies in patients led to Erytech Pharma developing “functionalised red blood cells” as drug delivery for L-asparaginase, thus shielding the drug from antibodies. Upgraded red blood cells by Erytech Pharma is Phase III approved for acute lymphoblastic leukemia but too expensive for commercial deployment. In fact, in spite of no safety issues, it is too expensive to finish the additional data requested by the U.S. Food and Drugs Administration, FDA and the European Medicines Agency, EMA. Thus leading Erytech Pharma in June 2018 to discontinue its leukemia program and to shift focus to solid tumors.

Rius Medical brings the latest process and engineering technologies to reduce the complexity and cost of mammalian cell culture manufacturing for encapsulated drug delivery. Rius Medical is an early stage company that utilises genomics to improve human health by pioneering new applications of nucleic acid resulting in therapeutic products. The platform technology with broad application is based on a Japan patented technology ⁶ by Professor Mitsuo Oshimura of Tottori University that Rius Medical further develops. Rius Medical develops a recombinant DNA technology for stem cells resulting in genetically modifying adult stem cell progenitor to serve as mini-factories for the manufacture of recombinant Plasma proteins with the waste cells further processed to yield encapsulated cell therapies for drug delivery or simply used as native red blood cells for blood transfusion.

5. Rius Medical, a business with multiple products

Rius Medical has a unique platform technology resulting in the following products: (1) mammalian cell culture as mini-factories for the manufacture of recombinant Plasma proteins (2) waste cells further processed to yield encapsulated cell therapies for drug delivery.

L-asparaginase targeting cancer: encapsulated cell therapy for drug delivery with L-asparaginase by Rius Medical as Business-to-Business solution to Erytech Pharma.

Phenylalanine ammonia lyase (PAL) targeting metabolism disease PKU: encapsulated cell therapy for drug delivery with phenylalanine ammonia lyase by Rius Medical as Business-to-Business solution to Rubius Therapeutics.

Key antigen targeting autoimmune diseases: Delivery of protein therapeutics such as antigen with “aged” red blood cells targeting type-1 diabetes, multiple sclerosis and lupus by Rius Medical as Business-to-Business solution to Big Pharma like Novo Nordisk or Servier Laboratories.

The encapsulated cell therapies for delivery of protein therapeutics by Rius Medical are manufactured in unlimited quantities, in uniform batches, from a single donor, and at the lowest cost – a powerful combination of advantages.

6. Description of technology

Patent ownership: Kyowa Hakko Kirin Co Ltd, Japan owns the patent on HAC vector (US8703482 B2) with Professor Oshimura as one of the inventors. The patented invention relates to a human artificial chromosome (HAC) vector. The invention concerns a process for the introduction of foreign DNA to a human artificial chromosome vector and a method for the production of a cell, which expresses the foreign DNA. This vector was described in the scientific journal: Yamaguchi *et al.* PLoS One 2011 vol. 6,2. Briefly this vector is a small chromosome without “endogenous” genes and remains in both cells at each cell division. The use of this scientific tool by Rius Medical leads to a reprogramming technology for adding selected foreign genes for a manufacturing platform at the lowest production cost.

Prototype Assembly: The reprogramming technology of Rius Medical uses the HAC vector as the delivery of carefully selected foreign genes. Furthermore the human artificial chromosome is far superior to the viral vectors technology in specificity as peer-review published by Professor Oshimura. Rius Medical prototype assembly is thus based on this superior technology in adding peer-review published foreign genes to stem cells. Carefully selected foreign genes – transcription factors genes, achieved that by not requiring the addition of growth factors. The addition of growth factors leads to the activation of specific transcription factor genes in haematopoietic stem cells. Rius Medical method bypasses the requirement to add growth factors by having engineered haematopoietic stem cells with the desired transcription factors.

The **Proof of Concept** for expansion of stem cells without maturation was published in the scientific journal: Hui yu *et al.* Blood 2014 vol. 124 (11), where forced co-expression of sPrdm16 and HOXB4 led to increased self-renewal, myeloid expansion and leukaemia. However, leukaemia or “long-term expansion without maturation” is the desired manufacturing process of expanding stem cells without growth factors/supplements, i.e. lowest production cost. The intellectual property of Rius Medical is the molecular switch to “off-expansion” and “on- maturation” of stem cells into mature blood cells. As a new and useful improvement on the Japan patent, Rius Medical prototype assembly results in a new invention, hence a new patent. Maturation of haematopoietic stem cells to laboratory-manufactured red blood cells is published in the scientific journal: Cheng-Tao Yang *et al.* Stem Cells 2016, where foreign expression of KLF1 gene leads to maturation of stem cells into mature red blood cells. The upgrade to “high value” red blood cells through defined foreign genes aims at Rius Medical providing a Business-to-Business solution to Erytech Pharma and Rubius Therapeutics.

Safe in human: Laboratory-manufactured red blood cells from stem cells are identical to red blood cells from blood donation. Both have no cell nucleus; i.e. no evidence of engineering/reprogramming technology present on the product (red blood cells). Professor Luc Douay and colleagues published in the scientific journal: Giarratana *et al.* Blood 2011 vol. 118 (19), were first to demonstrate “safety in human” of laboratory-manufactured red blood cells from stem cells. Furthermore “High Value” red cells by Erytech Pharma successfully completed Phase III clinical trials to 'starve' cancer cells to death in June 2015.

7. Overview of Platform Technology

The intellectual property of Rius Medical is summarised in the following illustration. The **current process** is derived from Yukio Nakamura and colleagues' 2006 publication in the scientific journal Nature Biotechnology Vol. 24 a "growth factors only" method to produce red blood cells from haematopoietic stem cells. The overall cost is thus derived from the "Supplementary Methods" section. By adding a fully loaded genes-delivery vector with the desired foreign genes **Rius Medical process** does not require growth factors for cell culture. This dramatically reduces the manufacturing cost as displayed.

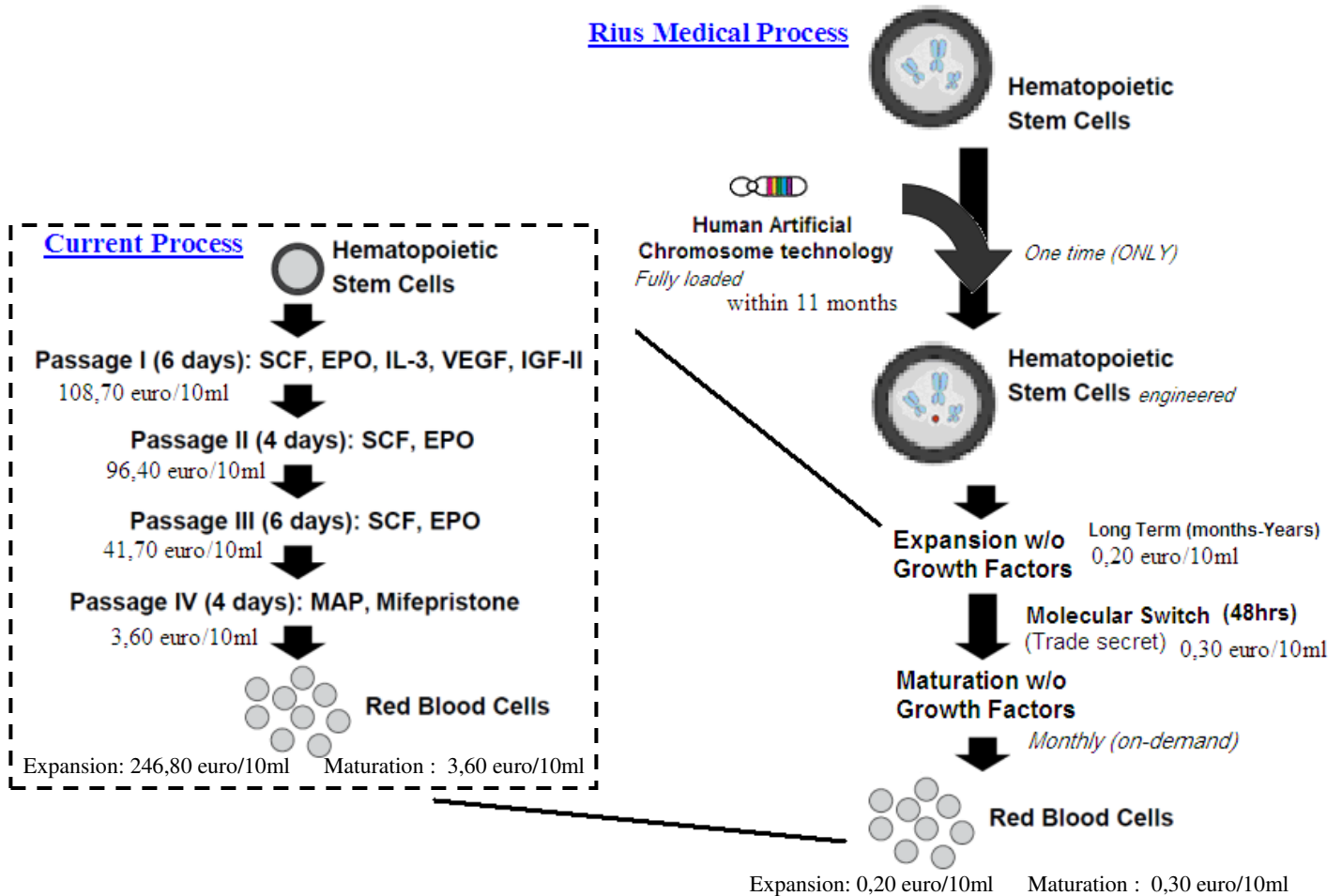


Figure 1, illustrates the engineering of haematopoietic stem cells by foreign genes through the human artificial chromosome vector. For Nakamura's method (current process) in passage I, start cell culture was 1×10^5 CD34+ cells in 10 ml.

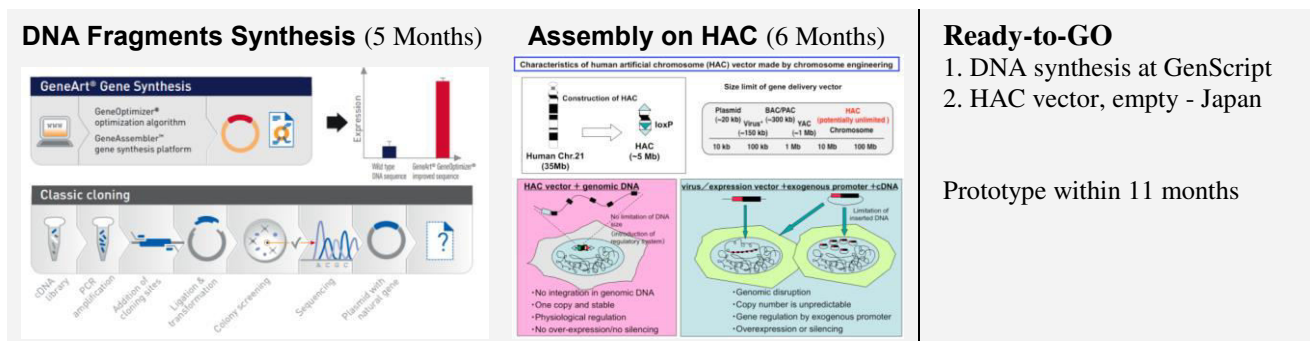


Figure 2. illustrates the prototype assembly for a fully loaded human artificial chromosome vector over 11 months for "native" red blood cells

8. Rius Medical – Business-to-Business Overview

The business proposal to the Series A investors is summarised here. The platform technology is the “Mammalian expression System” as depicted below.

Rius Medical – Business-to-Business solution

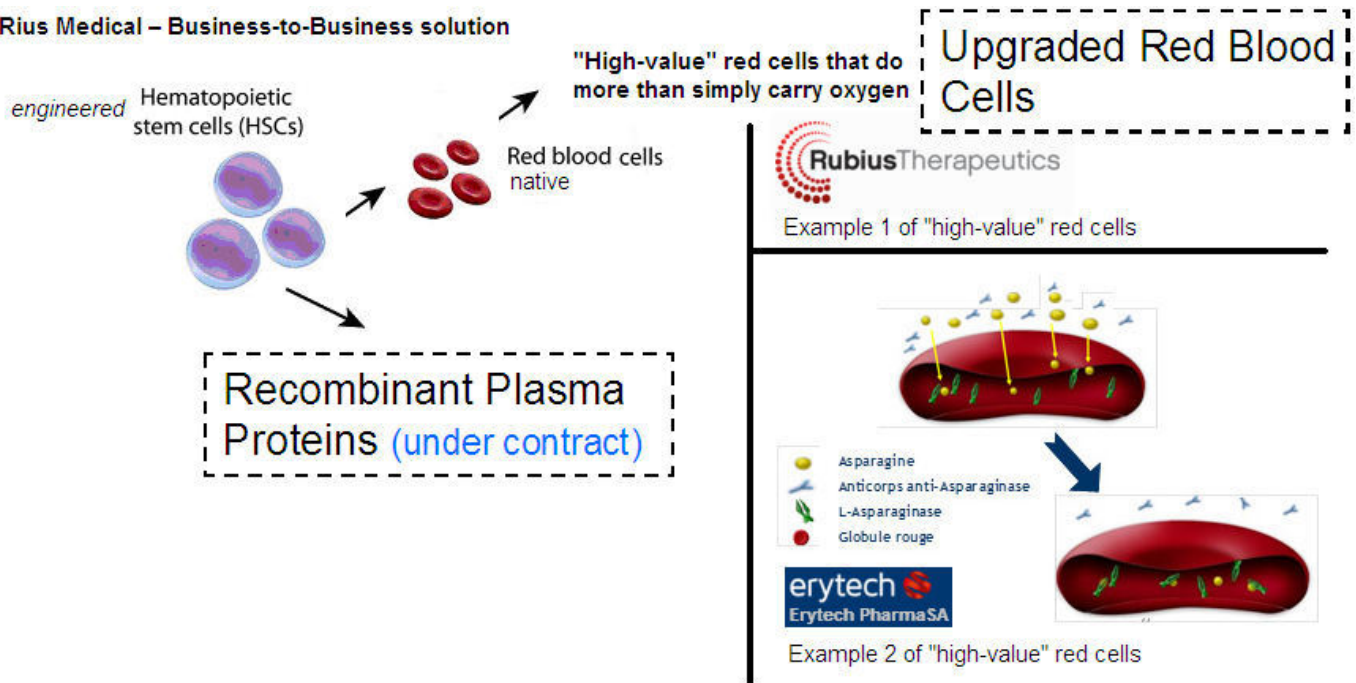


Figure 3, illustrates the Business-to-Business solution of five therapeutic products on behalf of third parties.

The human artificial chromosome vector is ready for use. The required engineering is depicted below.

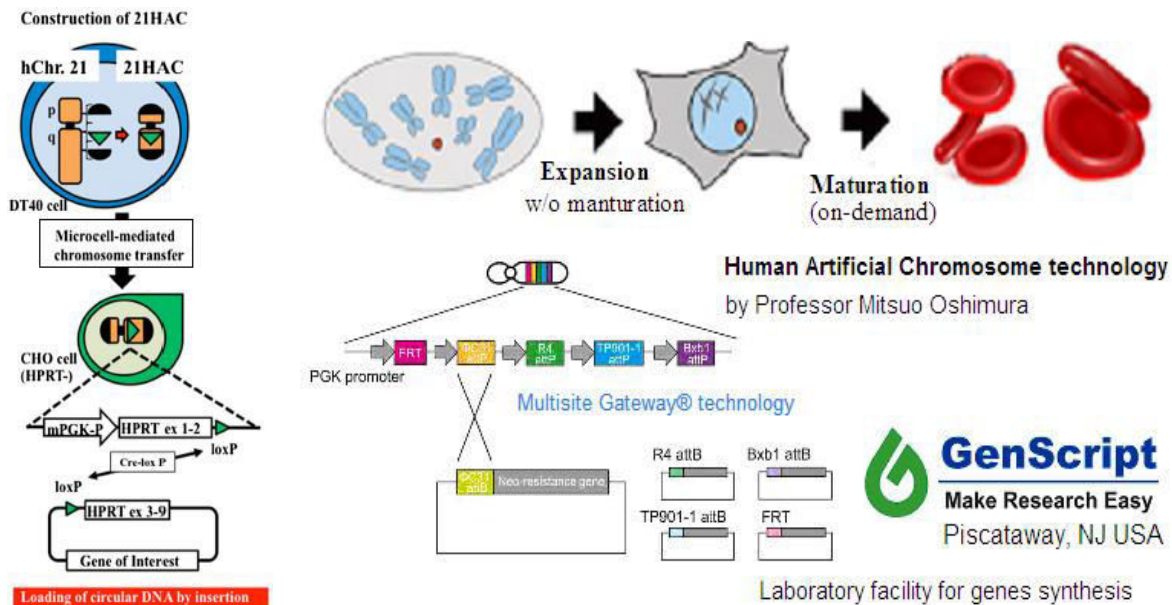


Figure 4, illustrates the engineering of haematopoietic stem cells by foreign genes through the human artificial chromosome vector.

9.1. Delivery Technology for Therapeutic Proteins /enzyme

How amazing would it be if we could use our own cells to transport cancer therapies to their target and avoid unwanted side effects? 41 years ago (1978) **protein therapeutic L-Asparaginase** got market entry against acute lymphoblastic leukemia (ALL) ⁷. Therapeutic agent L-asparaginase from *Escherichia coli* works by depleting the levels of non-essential amino acid, asparagine in blood serum. Healthy cells make this amino acid but not cancer cells. For patients who develop hypersensitivity to E.coli-derived formulations of L-asparaginase, the use of Polyethylene Glycol (PEG) coating the enzyme or Asparaginase from another bacteria such as *Erwinia chrysanthemi* is recommended.

As early as 1983, so 36 years ago improvement led by some researchers internalised L-asparaginase into **animal red blood cells**. The closest to market entry is Erytech Pharma with L-asparaginase in human red blood cells. A successful 2017 Phase 3 trial showed that Erytech Pharma's L-Asparaginase red blood cells brought 65% of ALL patients into complete remission, as opposed to 39% who were given asparaginase alone, and reduced toxicity in the liver and the pancreas. Nonetheless **in June 2018** Erytech Pharma discontinued its Leukaemia program and shifted focus to solid tumors. In fact, in spite of no safety issues, it is too expensive ⁸ to finish the additional data requested by the European Medicines Agency, EMA.

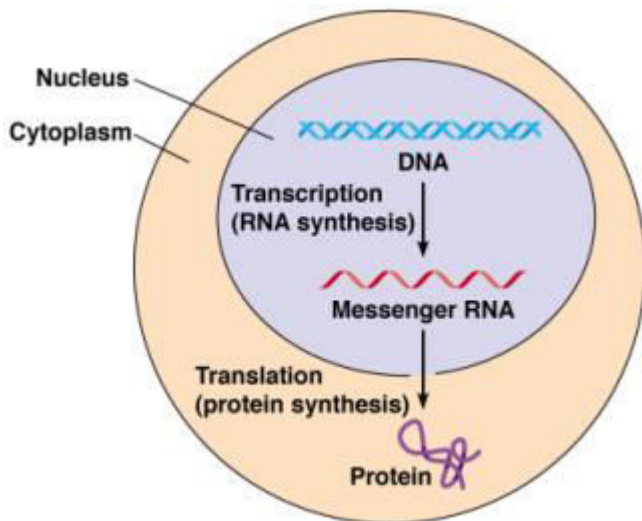


Figure 5, illustrates the flow of genetic information within a cell: the expression of genetic information.

Rius Medical builds-on it's engineering of stem cells into red blood cells for the delivery of therapeutic proteins by including DNA of the desired therapeutic protein in engineered stem cells.

Where Erytech Pharma encapsulates therapeutic proteins in mature red blood cells, Rubius Therapeutics genetically engineers stem cells into red blood cells as on-demand production for a specific patient per batch. Therefore, the **biggest shortcoming** of Rubius Therapeutics is manufacturing cost being too expensive.

With **off-the-self** therapeutic products much like blood transfusion, as in one batch for multiple patients, in addition to manufacturing at the lowest cost, the delivery of therapeutic proteins by Rius Medical outperforms Rubius Therapeutics!

This product, a platform technology for the delivery of protein therapeutic to patients, has Rius Medical not just matching Rubius Therapeutics; it simply outperforms the competition. So doing allow early investors to capitalise at least **54x Return on Investment at 2 years**, thus comfortably exceeding the "Golden Rule of Equity Investment" being 10x Return on Investment in a 5-year window. Furthermore such Return on Investment aligns to many early stage investors targeting at least 30x return ⁹, reflecting the even higher risk levels faced by very early stage investors in Life Sciences.

Limited partners have a clear bottom line through **1.000.000 euro investment over 2 years** in Rius Medical for **at least 54 million euro financial benefits** at 2 years. The **first two targets are to deliver**: (1) L-asparaginase targeting various types of cancer among them acute lymphoblastic leukemia, acute myeloid leukemia, pancreatic cancer and triple negative breast cancer for Erytech Pharma and (2) Phenylalanine ammonia lyase targeting metabolism disease Phenylketonuria (PKU) for Rubius Therapeutics, bring 20 million euro revenue each (upfront payment) at 2 years.

9.2. Delivery Technology for Therapeutic Proteins /antigen

Red blood cells used for delivery of therapeutic proteins such as antigen to induce specific immune tolerance is peer-reviewed published as early as February 2013¹⁰ by Erytech Pharma, July 2015¹¹ by Anokion Therapeutics and March 2017¹² by Rubius Therapeutics in studies conducted in mice. A key understanding for antigen-delivery by red blood cells leading to stronger immune tolerance arose with red blood cells treatment for enhance clearance by liver and spleen resulting in higher percentage of regulatory T cells.

Rius Medical, keeping to **off-the-self** therapeutic products much like blood transfusion, as in one batch for multiple patients (i.e. blood type O negative), in addition to manufacturing at the lowest cost, is ready to deliver therapeutic proteins through its proprietary and complementary suite of technologies to engineer stem cells into “aged”-red blood cells for enhance clearance by liver and spleen.

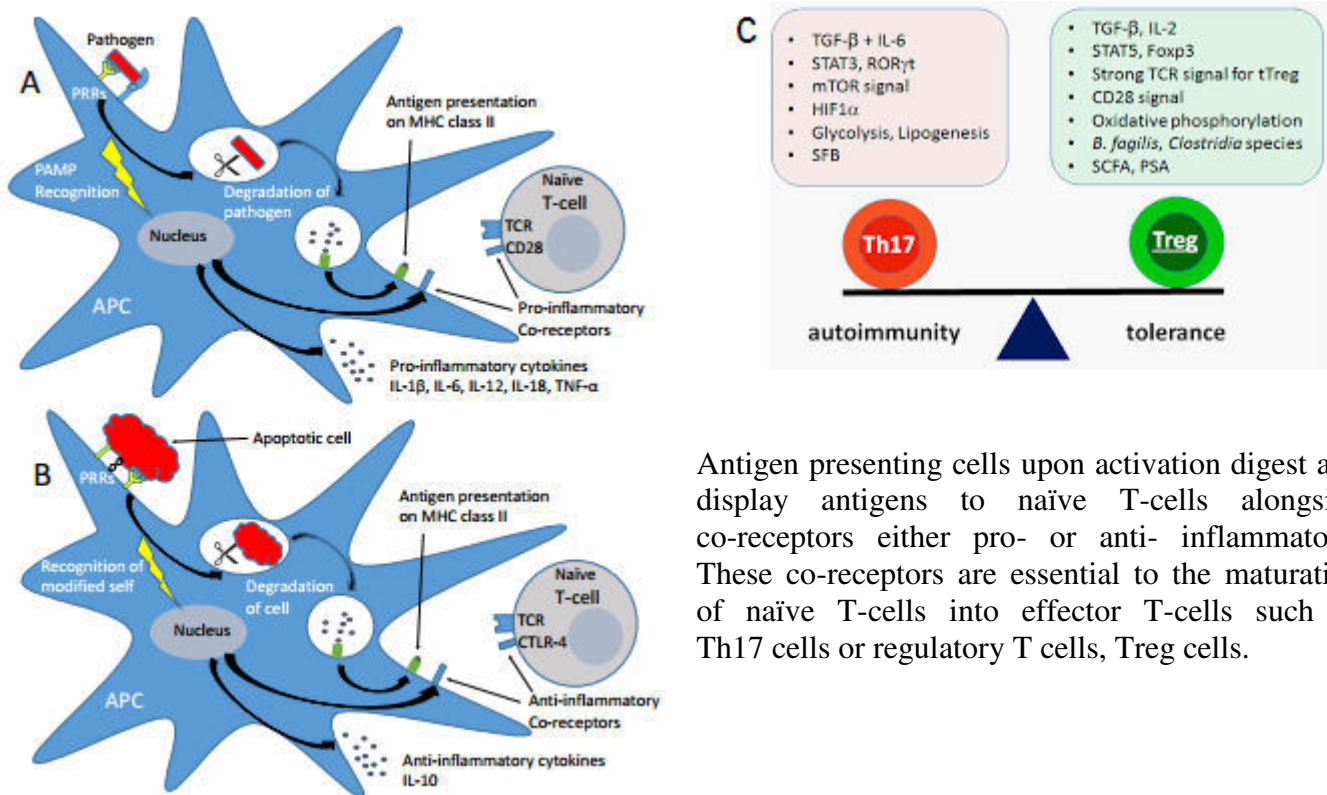


Figure 6, illustrates naïve T-cells being stimulated by antigen presenting cells following clearance of: (A) pathogen /foreign proteins present in blood serum leading to effector T-cells such as Th17 cells that drive immune response as well as autoimmunity, (B) Apoptotic cells and senescent red blood cells present in blood serum leading to regulatory T cells. (C) The balance between effector T-cells such as Th17 cells and regulatory T cells, Treg determine autoimmunity or tolerance.

Antigen presenting cells such as the red pulp macrophages of the spleen and macrophages of the liver (also known as Kupffer cells) are involved in removal of senescent red blood cells and other "waste" from the circulation. Senescent or “aged” red blood cells are equipped with signals to instruct antigen-presenting cells for mediating anti-inflammatory response.

Rius Medical platform technology for the delivery of protein therapeutic to patients, with additional proprietary and complementary suite of technologies to engineer stem cells into “aged”-red blood cells, also contributes towards early investors capitalising at least **54x Return on Investment at 2 years**. The additional **three targets** are: (1) type-1 diabetes, (2) multiple sclerosis and (3) lupus, bring 30 million euro revenue each (upfront payment) per antigen at 2 years.

10. Immune tolerance with regulatory T cells in type-1 diabetes

Most diabetes-modifying immunotherapies target the T-cell compartment directly because pancreatic β -cell destruction is primarily mediated by $CD4^+$ and $CD8^+$ T-cells¹³. However, B-lymphocyte cells play a significant role in the onset of diabetes, with the main observation that the disease does not progress in the absence of B-lymphocyte cells. B-lymphocyte cells are among the earliest cells to infiltrate the pancreatic islets and autoantibodies against islet antigens indicate disease onset in humans. Despite this, the autoantibody production is not sufficient to initiate disease and is disconnected from the occurrence of diabetes. Rather, B-lymphocyte cells are multifunctional and are crucial antigen-presenting cells (APCs) for priming proinflammatory T-cell responses to pancreatic β -cell antigens.

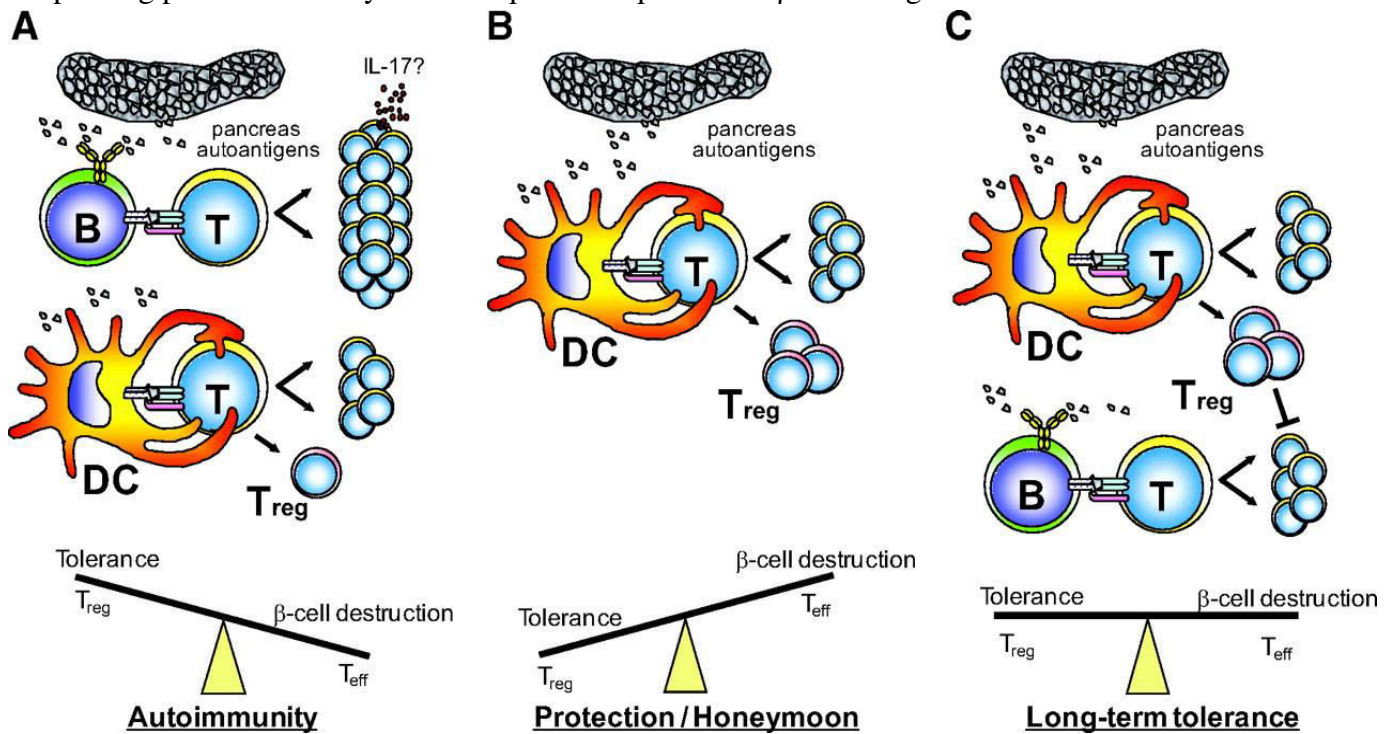


Figure 7, illustrates transient B-lymphocyte cells depletion as a powerful therapeutic tool for reducing diabetes severity. Restoring health in autoimmune diseases is the balance between regulatory T cells, T_{reg} and effector T-cells, T_{eff}.

11. Immune tolerance versus Immuno suppressant

Intravenous injection of soluble antigen being unsuccessful in human clinical trials of autoimmune diseases highlights the importance of red blood cells in the delivery of antigen for immune tolerance. The state of immune tolerance induced is long lasting and antigen-specific. However, T cell-directed immunosuppression remains the first-line treatment for patients with autoimmune diseases like type 1 diabetes. Immunosuppression transiently delays the loss of pancreatic β cell function, with the effect vanishing after drug withdrawal. Furthermore, sustained immunosuppression increases the risk of infection. Therefore the goal remains the development of **antigen-specific immune intervention** to achieve tolerance, while sparing desirable effector immune responses, such as those directed against pathogens.

Although insulin injections have changed the life of type I diabetics, they neither cure the disease nor prevent its severe complications. Rius Medical providing **off-the-self** therapeutic products through its proprietary and complementary suite of technologies to engineer stem cells into “aged”-red blood cells for the delivery of therapeutic proteins /antigens, and thus enhance immune tolerance, is well position to make a real difference to patient lives worldwide, helping fight diseases and the suffering they cause.

12.1. Business-to-Business Solution for Rubius Therapeutics

Rubius Therapeutics is advancing a broad pipeline of potential RCT medicines. Their RED PLATFORM enables them to engineer and culture RCT product candidates with a wide array of biotherapeutic proteins and biological functions that enable their use in rare diseases, cancer and autoimmune diseases. In March 2019, Rubius Therapeutics received Investigational New Drug Application with RTX-134 for the treatment of phenylketonuria (PKU) and its Phase 1 clinical trial data is due by the end of 2019.

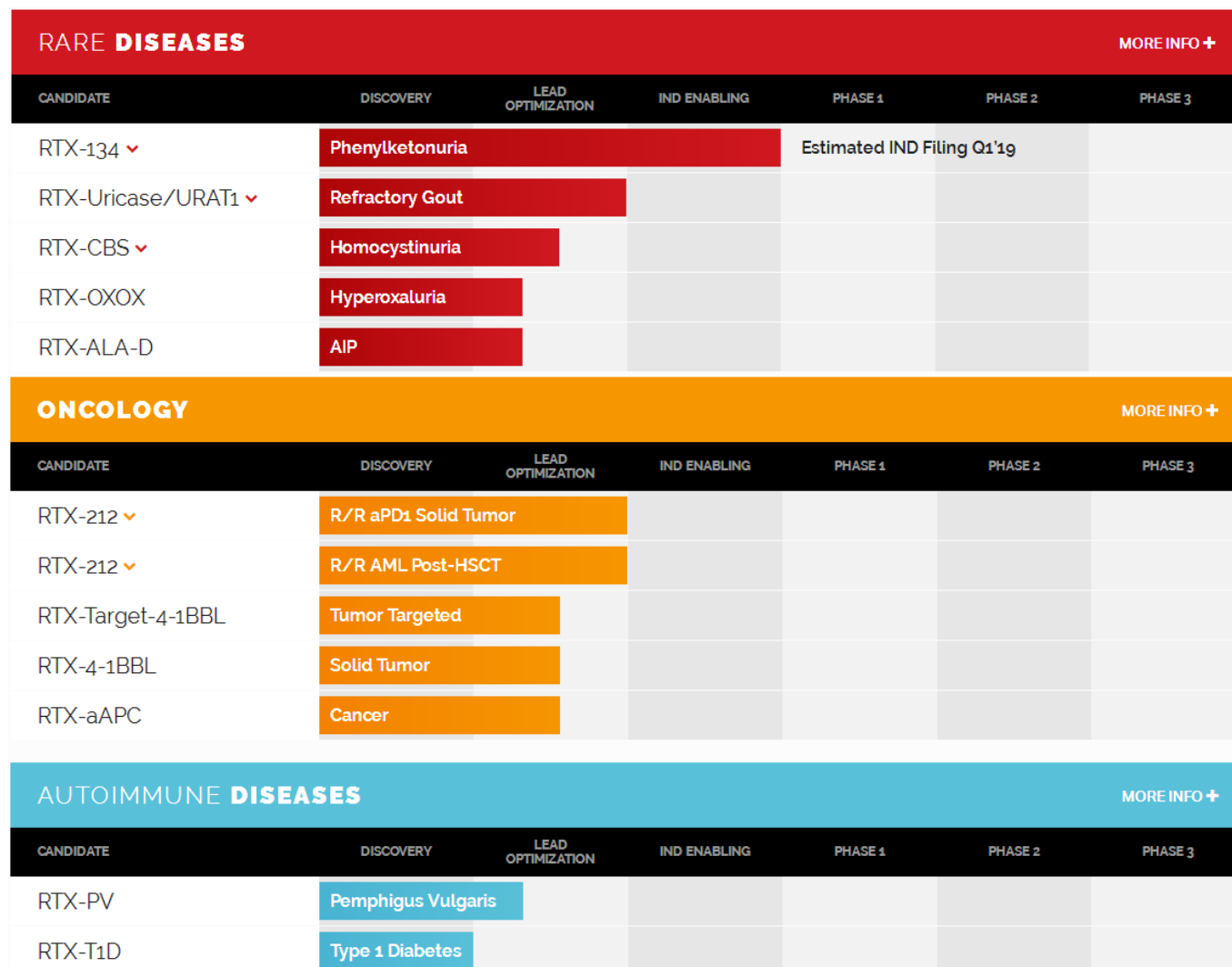





Figure 8, illustrates the development pipeline by Rubius Therapeutics.

The acquisition of the **Business-to-Business solution** by Erytech Pharma and Rubius Therapeutics is the **fastest way for Rius Medical** to generate 40 million euro revenue at year 2 following Series A investment of 1.000.000 euro. To date, neither Erytech Pharma founded in 2004 nor Rubius Therapeutics founded in 2013 has market entry for their encapsulated cell therapies for drug delivery. Their financing is through several round of equity funding and IPO: respectively 23 April 2013 for 64.3 million € market valuation and 19 July 2018 for \$ 2 billion market valuation.

12.2. Business-to-Business Solution for Erytech Pharma

Broad clinical and preclinical pipeline

Mode of action	Product Candidate/ PROGRAM	Drug substance	Indication	Discovery	Pre-clinical	Phase 1	Phase 2	Phase 3/ Pivotal	Commercial Rights	
Cancer metabolism Tumor starvation	eryaspase (GRASPA®)	Asparaginase	PDAC	→						
			TNBC	→						
			Other solid tumors	→						
	ery-methionase	Methionine-γ-lyase	Solid tumors	→						
Immuno-oncology	ERYMMUNE	Tumor antigens or adjuvants	Solid tumors	→						
Enzyme therapies	ERYZYME	Therapeutic enzymes	Metabolic diseases	→						

Arrow indicates most advanced study within an indication or program

Figure 9, illustrates the development pipeline by Erytech Pharm.

Rather than competing with those well-established companies, Rius Medical sees a much more efficient opportunity in establishing collaborations. Capitalising on the respective strength Rius Medical provides a Business-to-Business solution to Erytech Pharma and Rubius Therapeutics. Therefore the task of the Business-to-Business solution is to make available a platform technology for the manufacturing at the lowest cost of advanced therapeutic products. Rius Medical reduces the complexity and cost of mammalian cell culture manufacturing for encapsulated cell therapies with red blood cells as drug delivery.

13. Management team (Prototype to market entry)

The management team comprises of Denis Demarais, the founder bringing a combine nearly 10 years expertise in stem cells and leukaemia research for scientific leadership of the prototype development, in addition to entrepreneur leadership of the business. With all laboratory works outsourced to GenScript, further recruitment is not required. Outsourcing all laboratory works is the most effective way to minimise both cost and time in establishing the prototype, i.e. the modified “Human Artificial Chromosome” vector. GenScript offers full service with highly qualified employees to handle the laboratory needs of Rius Medical. This keep the budget for prototype development lean and prototype acquisition by Erytech Pharma and Rubius Therapeutics follows thereafter.

Advisors to Rius Medical: Dr. Marion Kauth handles start-up consulting on behalf of the Baden-Württemberg government with emphasis on biotechnology sector. Martin Cremer handles high-tech enterprise consulting to businesses and their innovation processes across the whole value chain so as to foster the growth of high-tech startups. Simon Billson is a member of “Rius Medical advisory board” and provides non-binding strategic advice in the area of accounting. He is employed as a Financial Accountant/ Engineering Controller at Lear Corporation with over 16 years expertise.

14.1. Partner: Professor Oshimura, Tottori University - Japan

The reprogramming technology of Rius Medical is based on the human artificial chromosome (HAC) vector, a patented invention by Professor Mitsuo Oshimura, Japan. Rius Medical and Professor Oshimura have a collaboration agreement to implement the genes delivery vector in the manufacturing of therapeutic products. Rius Medical has sole ownership right on all products developed from engineered stem cells using the HAC vector, inclusive commercialisation rights. In the established partnership, Professor Oshimura provides expertise and assistance in the handling of the human artificial chromosome.

14.2. Partner: GenScript, USA

Genes Synthesis is outsourced to GenScript Piscataway, NJ USA. Laboratories in Germany do not provide the sort after expertise, i.e. full ownership of the invention. With GenScript partnership, Rius Medical retains all ownership rights of the invention, which is crucial for implementing Rius Medical manufacturing, where the invention gets monetized.

GenScript is a biotech company that specializes in biological research and early-stage drug services for customers from university worldwide and private companies. The services include custom gene synthesis and molecular biology, and user-defined cell line development among other things. Being the leading experts in synthesizing any DNA sequence, GenScript gene synthesis service saves time and money, and provides customisation unparalleled from top to bottom. A unique feature of GenScript is customers retaining all rights to the sequence data and related intellectual property. The “Human Artificial Chromosome, HAC” vector is the vehicle for genes synthesized at GenScript acting on desired cells.

14.3. Partner: CLS Cell Lines Service GmbH

The pre-clinical validation of therapeutic products derived from engineered haematopoietic stem cells is outsourced to cell culture facilities in Germany such as CLS Cell Lines Service. CLS Cell Lines Service supports the scientific community with respect to conserve cell lines. CLS support clients in their cell culture work such as Expansion of cells, Conducting proliferation assays, Establishing growth curves and Cell-based assays among others.

Pre-clinical Data ready at year 2: The above named partners for the prototype assembly are hence confirmed and ready to begin work. Denis Demarais, as the Chief Scientific Officer at Rius Medical designs the genes thereafter synthesised at GenScript over 5 months. The genes in customised plasmids are then added to an empty human artificial chromosome vector at Tottori University over 6 months. The fully loaded HAC vector is then transferred to human haematopoietic stem cells from commercially available Bone Marrow or cord blood samples at Tottori University. The engineered haematopoietic stem cells (i.e. the prototype) are submitted for validation, more like quality control, at a cell culture facility such as CLS Cell Lines Service GmbH over 10 months for pre-clinical data.

Acquisition at year 2: The prototype and pre-clinical data enables acquisition deals of the developed five products (i.e. prototypes) by Erytech Pharma, Rubius Therapeutics and Big Pharma like Novo Nordisk, Eli Lilly or Sanofi thereby bringing 130 million euro revenue (upfront payment) at 2 years from five products for **54 million euro financial benefits at 2 years** to the early investor!

15. Rius Medical financial plan – Project Expenses

Rius Medical puts to work the 1.000.000 euro capital over 2 years as depicted below. The most efficient use of the available finances is through outsourced laboratory operations closely monitored by the Chief Scientific Officer of Rius Medical. The outsourced laboratory operations are exclusively assigned for the engineering of red blood cells for drug delivery targeting thereafter business partnership with Erytech Pharma, Rubius Therapeutics and Novo Nordisk. This comprises of 5 months DNA synthesis at GenScript, USA and 6 months prototype assembly of the human artificial chromosome vector at Trans Chromosomics, Japan. The prototype assembly, i.e. the engineered red blood cells for five therapeutic products, is therefore only performed in 1 year. The prototype validation, as in quality control, is performed in year 2 outsourced to the laboratory facility of CLS Cell Lines Service, Germany. Year 2 entails **acquisition** by Erytech Pharma, Rubius Therapeutics and Novo Nordisk.

1.000.000 euro Equity Investment

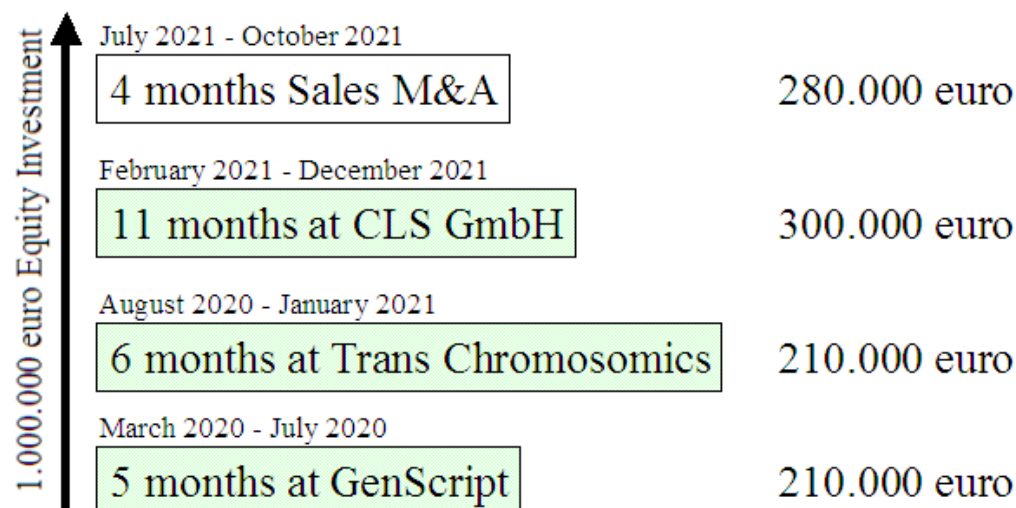


Figure 10, illustrates the financial plan for the invested 1.000.000 euro.

Managing Director: Rius Medical has a managing director (i.e. CEO) responsible for managing the affairs of the company and providing it with directions. The task as Chief Scientific Officer is foremost in the design of foreign genes prior to synthesis by GenScript. Thereafter the CSO is responsible for the good implementation of the project outsourced laboratory operations.

Project Objectives: The objectives at year 2 are (1) acquisition of the prototype by Erytech Pharma and Rubius Therapeutics, (2) acquisition of the platform technology for delivery of protein therapeutic /antigen with three targets i.e. type-1 diabetes, multiple sclerosis and lupus by Novo Nordisk or Sanofi.

Rubius Therapeutics: A benchmark for Rius Medical’s encapsulated cell therapy for drug delivery is Rubius Therapeutics. December 2015 Rubius Therapeutics secured \$ 25 million¹⁴ from the incubator at Cambridge, Massachusetts i.e. Flagship Ventures (now Flagship Pioneering) to further develop its technology and initially apply it toward a rare metabolic disease in children—phenylketonuria (PKU). June 2017, Rubius Therapeutics raised \$ 120 million¹⁵ to take two of its off-the-shelf red blood cell therapies into the clinic. The Phase 1 clinical trial results of Rubius Therapeutics is due end of 2019.

However, Rius Medical has a platform technology for drug delivery using red blood cells that clearly outperforms Rubius Therapeutics (a \$ 2 billion market valued company at its July 2018 IPO¹⁶). Instead of \$ 25 million for one target, Rius Medical develops five targets with a 1.000.000 euro budget. This is possible through Rius Medical’s proprietary technology and the emphasis on outsourced laboratory operations.

16. Rius Medical financial plan – Return on Investment

The **Business-to-Business solution** generates revenue at 2 years following Series A investment through a strategic collaboration for prototype acquisition by Erytech Pharma, Rubius Therapeutics and Big Pharma such as Eli Lilly if not Novo Nordisk or Sanofi. The strategic collaboration comprises of upfront payment, milestones payments and royalty payment benchmark to Merck Serono and Intrexon March 2015 strategic collaboration ¹⁷.

Rius Medical's proprietary technology to engineer stem cells into red blood cells for delivery of protein therapeutics has the following **first five targets**: (1) L-asparaginase targeting cancer for Erytech Pharma, (2) Phenylalanine hydroxylase targeting metabolism disease PKU for Rubius Therapeutics and (3 – 5) antigen against type-1 diabetes, multiple sclerosis and lupus, i.e. autoimmune diseases for Novo Nordisk or Servier thus brining at least **130 million euro at 2 years**.

Merck Serono and Intrexon, to develop CAR-T Therapy [labiotech.eu, March 2015]

Merck Serono entered an agreement for exclusive access to Intrexon's proprietary and complementary suite of technologies to engineer T-cells with optimised and inducible gene expression, while Intrexon will be responsible for all platform and product developments until IND filing.

Under the terms of the agreement, Intrexon will receive an upfront payment of 107.3M €. For the **first two targets** of interest selected by Merck Serono, Intrexon will receive research funding and is eligible to receive up to 770.5M € development, regulatory and commercial milestones, as well as tiered royalties on product sales. In addition, Intrexon is also eligible to receive further payments upon achievement of certain technology development milestones.

Founder

Investment at Series A		Return on Investment	
Input of Technology		Dividends (Brutto)	80.190.000 €
		Yield tax at 25%	20.047.500 €
		Dividends (Netto)	60.142.500 €
Shares	3.712.500	Buy Back / EXIT option	
Ownership	74,25%	1.000.000 shares	32.400.000 €
32,40 euro per share		287.500 shares	9.315.000 €
		Financial Benefits	18.427.500 €

Lead Investor

Investment at Series A		Return on Investment	
Equity	1.000.000 €	EXIT option	32.400.000 €
		Dividends	21.600.000 €
Shares	1.000.000	Financial Benefits	54.000.000 €
Ownership	20,00%	Capital Gain (2 Yrs)	53.000.000 €
32,40 euro per share		Interest p.a.	26.500.000 €
			2,650.00%

Second Investor

Investment at Series A		Return on Investment	
Conv. Loan	43.750 €	EXIT option	9.315.000 €
Equity	200.000 €	Dividends	6.210.000 €
Shares	287.500	Financial Benefits	15.525.000 €
Ownership	5,75%	Capital Gain (2 Yrs)	15.281.250 €
32,40 euro per share		Interest p.a.	7.640.625 €
			17,464.29%

		2 YEARS	
Upfront by Erytech Pharma		20.000.000,00 €	
Upfront by Rubius Therapeutics		20.000.000,00 €	
Upfront by (type-1 diabetes)		30.000.000,00 €	
Upfront by (multiple sclerosis)		30.000.000,00 €	
Upfront by (lupus)		30.000.000,00 €	
		130.000.000,00 €	
Retained Earnings		22.000.000,00 €	16,92%
Profits by Rius Medical		108.000.000,00 €	
Series A investor, lead investor (Return on Investment)			
Shares in hand		1.000.000	
Dividends		21.600.000,00 €	20,00%
Capital Gain (2 Yrs)		20.600.000,00 €	
Interest p.a.		10.300.000,00 €	1.030,00%
Investment at Series A			
Capital for 20,00% Ownership at		1.000.000,00 €	
through 1.000.000 € equity			
Series A investor, Second Investor (Return on Investment)			
Shares in hand		287.500	
Dividends		6.210.000,00 €	5,75%
Capital Gain (2 Yrs)		5.966.250,00 €	
Interest p.a.		2.983.125,00 €	1.223,85%
Investment at Series A			
Capital for 5,75% Ownership at		243.750,00 €	
through 43.750 € Convertible Loan + 200.000 € equity			

Figure 11, illustrates Return on Investment for the Series A investor/shareholder with EXIT at year 2.

The upfront payment per therapeutic product is benchmark to market standard for cell therapy. The acquisition deals enables Dividends payment to the Series A investors/shareholders.

- Appendix A -

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Curriculum Vitae



Personal

	Demarais, Denis Jerome	Date of birth	24. March 1980
Address	Schulstrasse 16 72178 Waldachtal Baden-Württemberg, Germany	Place of birth	Mauritius
Contact	Mobile: +49 1577-5198090 Skype: djdemarais Email: denisdemarais@riusmedical.de	Gender	Male
		Nationality	Mauritian
		Marital status	Single, 1 son
		Residence	Permanent Residence Germany

Work History

August 2016 – Present **Founder, CEO/Chief Scientific Officer** at Rius Medical, a biotechnology start-up company.

Rius Medical mission is affordable cell based therapies for patients by combining stem cell technology with reprogramming technology to provide a superior, low cost stem cells expansion protocol prior to differentiation. Rius Medical initial focus is on blood transfusion with the development of a low-cost manufacturing method for laboratory cultured red blood cells derived from umbilical cord blood stem cells as the alternative to blood donation.

Rius Medical laboratory operations for the 4 years prototype development are outsourced to GenScript in Piscataway, NJ, U.S. under very close collaboration. My main activity as Founder-CEO is that of a “**partnership builder**”, bringing to the project investors who want return on investment, government who wants innovation to boost economy along with local jobs creation and healthcare who wants low-cost solutions that improve the welfare of patients. Rius Medical addresses all of that – investors, government and healthcare.

November 2014 – August 2016 **Entrepreneur** at self-employed.

Implementing my business plan of an innovative healthcare solution based on my near decade scientific expertise that combines Regenerative Medicine and Oncology with emphasis on Acute Myeloid Leukaemia. Interacting with business angels, venture capital companies, European Commission programs, German government programs and US government programs so as to unlock financing opportunities. **Partnership** with BIOPRO Baden-Württemberg GmbH and Baden-Württemberg: Connected e.V. / bwcon GmbH for access to the Baden-Württemberg government development support to medical technology and biotechnology in the healthcare industry of Baden-Württemberg, Germany.

January 2010 – December 2013 **Laboratory technician** at the “Institute for Experimental Cancer Research”, Ulm Baden-Württemberg, Germany with director Professor Dr. Med. Christian Buske. The institute’s research emphasis is Acute Myeloid Leukaemia.

Provide technical support with various molecular biology techniques such as cDNA synthesis, PCR, real time PCR, shRNA cloning, southern blot, western blot and FACs analysis/sorting. Isolation of mouse bone marrow cells for culture and retroviral transfection. Isolation of mononuclear cells from human umbilical cord blood sample, Acute Myeloid Leukaemia and Acute Lymphoid Leukaemia patients’ blood. Expression of genes in cell lines and patient samples. Setting up the FACs sorting core facility and chief Operator of FACs Aria III cell sorter for the beginning 6 months.

Acquired expertise: Hematology and Leukaemia over 4 years work assignment

March 2003 – August 2008 **Research officer** at the “Institute of Medical Biology”, Biopolis Singapore in the laboratory of Dr. Gerald Udolph. The laboratory’s research emphasis was on Adult stem cells and Regenerative Medicine with emphasis on mesenchymal stem cells differentiation into neurons as a treatment for Parkinson Disease.

Handling of the laboratory procurement duties. Development of mouse model of Parkinson Disease by selective cell death of neurons of Substantia Nigra by 6-OHDA injection. Thereafter investigation of cells grafts in mouse brain as a cell replacement study for Parkinson Disease. Analysis by behaviour studies and molecular biology such as cDNA synthesis, PCR, real time PCR, fluorescent and confocal microscopy analysis.

Acquired expertise: Regenerative Medicine and Neurobiology over 5.5 years work assignment

Education

July 1999- **University degree – Bachelor of Science BSc with Major in Biochemistry** at the
September 2002 National University of Singapore, Faculty of Science, Singapore

January 1997- **Higher School certificate GCE A-Level**, by the University of Cambridge, Local Examination Syndicate
November 1998 at College de la Confiance, Mauritius

Dear Business Angel,

Here you have the update on Rius Medical.

Business Angel(s)

1. Convertible Loan
1.250 - 100.000 euro
 - 1.250 EUR Silke Thrainsson
 - 12.000 EUR Georget Demarais
 - 20.000 EUR Business Angels

2.

Resource Link

Pending Surety Bond payment

EQUITY (US) 1.000.000 EUR →

- 2.500 EUR Escrow Opening Fees
- 1.000.000 EUR Fund on Escrow Account
- 25.600 EUR Surety Bond Fees

3.

Rius Medical

A biotechnology start-up company
Company DE Bank account (Budget)
2020-2021: 1.000.000 EUR

Bank Transfer

210.000 EUR

first disbursement

4. **Project revenue: 130 million EUR on FIVE products at year 2**
(i.e. December 2021)

The Financial Plan February 2020 update (#021) is also included where the project by Rius Medical is set to begin as of **March 2020**.

Lead Investor, Resource Link Consulting Group agreed to a total investment value of 1.000.000 € **against 20% ownership** as a silent partner to Rius Medical.

The 18.02.2020 Bank Transfer from **Resource Link Consulting Group** is USD 1,090,045.00 (about EUR 1,009,231) to Accrued Equities Inc. Escrow Service charge of EUR 4,380 approx \$4,726.61 (\$4,727) and the Cost of Transfer (Transfer charge) is \$6,778 USD, which is one time, are applied. The remaining Fund (EUR 1,000,000 approx \$1,079,495 USD) once on the Escrow account is **locked until surety bond** from **Ability Insurance Company** is issued.

Ending March 2020:

Therefore the priority for me is the **20.000 EUR investments** through either a classical LOAN or the Convertible Loan at a discounted rate of 0,50 EUR per share.

Classical LOAN (1 year maturity) with 30% interest yet full repayment of loan is made earlier before the 1 year maturity. Thus the Classical LOAN is paid back at **26.000 EUR with 30% interest p.a.** Ideally following **210.000 EUR disbursement** from Rius Medical Escrow account, the Classical LOAN is **cleared March 2020** in ONE lump sum payment.

Convertible Loan: An investment of 20.000 EUR through Convertible Loan at a discounted rate of 0,50 EUR per share implies 2.160.000 EUR financial benefits for FIVE products, if not **420.000 EUR financial benefits for TWO products** at year 2 (i.e. December 2021).

Furthermore, I am actively looking for Business Angels on UK **Angel Invest Network** www.angelinvestnetwork.com. For example, on this network I have reached out to **200 Business Angels** globally to date.

So here you have the latest update regarding Rius Medical. If you have any inquiries, feel free to contact me.

Denis Demarais

Option 01:

From Business Angels
(e.g. Angel Investment Network)

as Convertible Loan at a discounted rate
of 0,50 EUR per share

2.160.000 EUR

Financial Benefits on **FIVE** products
at Year 2 (i.e. December 2021)

Investment of **20.000 EUR**

Option 02:

as Classic Loan with 30% interest p.a
Time to maturity 12 months

26.000 EUR

Classic Loan full repayment
within 12 months (e.g. March 2020)

420.000 EUR

Financial Benefits on **TWO** products
at Year 2 (i.e. December 2021)



Kontoinhaber	Rius Medical UG
IBAN	DE05700222000020162864
Transaktionsübersicht für den Zeitraum	vom: 30.01.2020 bis: 29.02.2020
Verfügbarer Betrag (inkl. Dispolinie)	8.156,09 €
Kontostand am 29.02.2020	8.156,09 €
Vorgemerkte Umsätze	0,00 €

Accrued Equities

To	From	Statement #007612
Customer Name: Demarais Denis	Accrued Equities Inc	
Account Number: 0247999851	150 Broadhollow Road Suite Ph-02	
Account Type: Savings Account	Melville, NY 11747 United States	
Address: Schulstraße 16 Baden Württemberg, Waldachtal 72178	Phone: Operations: (917) 768-9877	
Phone Number: 49 1577-519-8090	Trading Desk: (917) 768-9877	
Email: denisdemarais@riusmedical.de	Email: customercare@accruedequitiesinc.com	

Date	Reference Number	Transaction Description	Debit	Credit	Balance
2020-02-19	SF380840	Escrow Account appending Fee	\$0.00	\$2725.54	\$2725.54
2020-02-20	SF283808	Desc: Khun Navaporn: Bangkok PCL B2357897, Intl 18/2/20	\$0.00	\$1090045.00	\$1092770.54



ABILITY INSURANCE COMPANY
#150 1515 South 75th Street, Omaha
P.O.Box 3735, NE 68103, USA
Tel: (402) 979-7334

DOCUMENT NUMBER	PAGE NO	
656320/3	1	
CLERK	AGENT	DATE/TIME
ISB	MARIETTA_N.	24/02/20 03:20

BILL TO: Mr Denis Demarais
Rius Medical UG
Address: Schulstraße 16, 72178 Waldachtal, Germany

INVOICE

DUE DATE	TERMS
02/03/2020	BANK TRANSFER

LN#	DESCRIPTION	QTY	REFERENCE NUMBER	UNIT PRICE (€)	AMOUNT (€)
1	INVESTMENT SECURITY BOND	1	PGF26035/002	24,000	24,000.00
2	SERVICE CHARGE			1,800	1,733.00
SUBTOTAL					27,743.36
TAX					0.00
TOTAL					27,743.36



TRANSFERS

You transfer

EUR 24,928.89

Your rate **1.1129**

Recipient gets

USD 27,743.36

TRANSFER NOW

Surety Bond, include price, performance and payment agreements.

1.000.000 € Equity Capital transfer from Lead Investor Memorandum of Understanding issued on 14 October 2019	US-based Escrow company Third party custodian of 1.000.000 € Equity Capital. Escrow Opening Fees: 2.500 € born by Rius Medical	Surety Bond (payment pending) 1.000.000 € disbursement taking effect only when Surety Bond is issued. Surety Bond premium at 24.000 € and Surety Bond fee at 1.600 € born by Rius Medical
Resource Link Consulting Group.	Accrued Equities Inc	Ability Insurance Company
Funding	Locked	KEY
Khun Navaporn Santichai, President and CEO. Address: 1, Glas Haus Bldg., 14th Fl., Room 1401/1, Sukhumvit 25, Klongtoey Nua, Wattana, Bangkok, 10110 Thailand.	Frank D. Stifler Chief Operation Officer Address: 150 Broadhollow Road, Suite Ph-02 Melville, New York 11747, USA	Edwin H. Wright Managing Director Address: Office No. 1515 South 75Th Street, Omaha. P.O.Box 3735, Nebraska 68103, USA

[1] Lead Investor **Resource Link Consulting Group** agreed to a total investment value of 1.000.000 € **against 20% ownership as a silent partner** to Rius Medical. **Rius Medical** has the following CapTable for negotiating this partnership deal with Resource Link Consulting Group.

CapTable **Rius Medical UG**

Financed Round

Series A

Investment Pre-Money

3.500.000,00 €

Price per Share

1,00 €

Shareholder	Establishment of the Company		Financing Round A		Fully Diluted	
	Shares	in %	Investment	Shares	Shares	in %
Founder 1	3.500.000	100.00%			3.500.000	70.00%
Convertible Loan			50.000,00 €	100.000	100.000	2.00%
Investor 1			1.000.000,00 €	1.000.000	1.000.000	20.00%
Investor 2			228.000,00 €	400.000	400.000	8.00%
Total	3.500.000	100.00%	1.278.000,00 €	1.500.000	5,000,000	100.00%

Founder 1: Denis Demarais, Founder and CEO at Rius Medical UG

Optional Convertible Loan: Bridge financing from third-party as investor 2, prior to Resource Link Consulting Group

Investor 1: Resource Link Consulting Group / Khun Navaporn Santichai, President and CEO (**LEAD Investor**)

Investor 2: A second investor through Convertible Loan at **0,57 euro per share**

Founder

Investment at Series A		Return on Investment	
Input of Technology		Dividends (Brutto)	85.536.000 €
		Yield tax at 25%	21.384.000 €
		Dividends (Netto)	64.152.000 €
Shares	3.960.000	Buy Back / EXIT option	
Ownership	79,20%	1.000.000 shares	32.400.000 €
32,40 euro per share		40.000 shares	1.296.000 €
		Financial Benefits	30.456.000 €

Lead Investor

Investment at Series A		Return on Investment	
Equity	1.000.000 €	EXIT option	32.400.000 €
		Dividends	21.600.000 €
Shares	1.000.000	Financial Benefits	54.000.000 €
Ownership	20,00%	Capital Gain (2 Yrs)	53.000.000 €
32,40 euro per share		Interest p.a.	26.500.000 €
			2,650.00%

Investor by Convertible Loan (20.000 € / 40.000 shares)

Investment at Series A		Return on Investment	
Conv. Loan	20.000 €	EXIT option	1.296.000 €
		Dividends	864.000 €
Shares	40.000	Financial Benefits	2.160.000 €
Ownership	0,80%	Capital Gain (2 Yrs)	2.140.000 €
32,40 euro per share		Interest p.a.	1.070.000 €
			5,350.00%

2 YEARS		
Upfront by Erytech Phama	20.000.000,00 €	
Upfront by Rubius Therapeutics	20.000.000,00 €	
Upfront by (type-1 diabetes)	30.000.000,00 €	
Upfront by (multiple sclerosis)	30.000.000,00 €	
Upfront by (lupus)	30.000.000,00 €	
	130.000.000,00 €	
Retained Earnings	22.000.000,00 €	16,92%
Profits by Rius Medical	108.000.000,00 €	
Series A investor, lead investor (Return on Investment)		
Shares in hand	1.000.000	
Dividends	21.600.000,00 €	20,00%
Capital Gain (2 Yrs)	20.600.000,00 €	
Interest p.a.	10.300.000,00 €	1.030,00%
Investment at Series A		
Capital for 20,00% Ownership at through 1.000.000 € equity	1.000.000,00 €	
Series A investor, Investor by Convertible Loan (Return on Investment)		
Shares in hand	40.000	
Dividends	864.000,00 €	0,80%
Capital Gain (2 Yrs)	844.000,00 €	
Interest p.a.	422.000,00 €	2.110,00%
Investment at Series A		
Capital for 0,80% Ownership at through 20.000 € Convertible Loan	20.000,00 €	

Figure 1. illustrates how the 130 million euro revenue at 2 years from FIVE products leads financial benefits at 2 years to early investors.

Investment of **20.000 EUR**

as **Convertible Loan** at a discounted rate of 0,50 EUR per share



2.160.000 EUR

Financial Benefits on **FIVE** products at Year 2 (i.e. December 2021)

Founder

Investment at Series A		Return on Investment	
Input of Technology		Dividends (Brutto)	14.256.000 €
		Yield tax at 25%	3.564.000 €
		Dividends (Netto)	10.692.000 €
Shares	3.960.000	Buy Back / EXIT option	
Ownership	79,20%	1.000.000 shares	6.900.000 €
6,90 euro per share		40.000 shares	276.000 €
		Financial Benefits	3.516.000 €

Lead Investor

Investment at Series A		Return on Investment	
Equity	1.000.000 €	EXIT option	6.900.000 €
		Dividends	3.600.000 €
Shares	1.000.000	Financial Benefits	10.500.000 €
Ownership	20,00%	Capital Gain (2 Yrs)	9.500.000 €
6,90 euro per share		Interest p.a.	4.750.000 €
			475,00%

Investor by Convertible Loan (20.000 € / 40.000 shares)

Investment at Series A		Return on Investment	
Conv. Loan	20.000 €	EXIT option	276.000 €
		Dividends	144.000 €
Shares	40.000	Financial Benefits	420.000 €
Ownership	0,80%	Capital Gain (2 Yrs)	400.000 €
6,90 euro per share		Interest p.a.	200.000 €
			1.000,00%

2 YEARS		
Upfront by Erytech Phama	20.000.000,00 €	
Upfront by Rubius Therapeutics	20.000.000,00 €	
Upfront by (type-1 diabetes)	0,00 €	
Upfront by (multiple sclerosis)	0,00 €	
Upfront by (lupus)	0,00 €	
	40.000.000,00 €	
Retained Earnings	22.000.000,00 €	55,00%
Profits by Rius Medical	18.000.000,00 €	
Series A investor, lead investor (Return on Investment)		
Shares in hand	1.000.000	
Dividends	3.600.000,00 €	20,00%
Capital Gain (2 Yrs)	2.600.000,00 €	
Interest p.a.	1.300.000,00 €	130,00%
Investment at Series A		
Capital for 20,00% Ownership at through 1.000.000 € equity	1.000.000,00 €	
Series A investor, Investor by Convertible Loan (Return on Investment)		
Shares in hand	40.000	
Dividends	144.000,00 €	0,80%
Capital Gain (2 Yrs)	124.000,00 €	
Interest p.a.	62.000,00 €	310,00%
Investment at Series A		
Capital for 0,80% Ownership at through 20.000 € Convertible Loan	20.000,00 €	

Figure 2. illustrates how the 40 million euro revenue at 2 years from TWO products leads financial benefits at 2 years to early investors.

Investment of **20.000 EUR**

as **Convertible Loan** at a discounted rate of 0,50 EUR per share



420.000 EUR

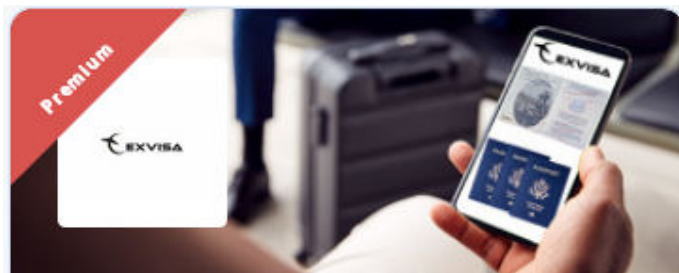
Financial Benefits on **TWO** products at Year 2 (i.e. December 2021)



Angel Investment

Network

Auf der Suche nach Anlagemöglichkeiten?



Visa & Pass Blockchai...

Nordrhein-Westf., Deutschland

EXVISA ist eine in Düsseldorf ansässige GmbH, die auf dem Markt für elektronische Visa und Reisegenehmigungen tätig ist. EXVISA ist bereits seit August 2018 erfolgreich in Betrieb.

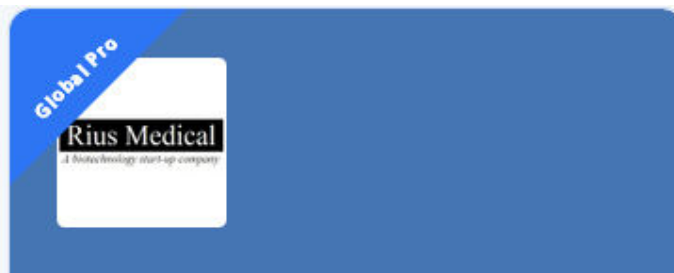
2.500.000 €

Ziel

25.000 €

Minimum pro Investor

Mehr erfahren



Cellular Drug Delivery

Baden-Württ., Deutschland

Rius Medical develops drug delivery devices cheaper than the competition so that individuals can afford healthcare. These are off-the-shelf, ready to use advanced therapies with Novel and Innovative proprietary cell lines for drug delivery.

50.000 €

Ziel


15.000 €

Minimum pro Investor

Mehr erfahren

<https://www.angelinvestmentnetz.de/business-proposals/cellular-drug-delivery-15-1019747>

Wir helfen Investoren und Unternehmern dauerhafte Geschäftsbeziehungen aufzubauen.



RS

Lübeck, Deutschland

Rene Stelley
Bankkaufmann

10.000€ - 100.000€

Investitionshöhe

Due-Diligence

Profil anschauen

Vor 6 Tagen

René Stelley, Geschäftsführer

bei makersfield UG (haftungsbeschränkt)
Dankwartsgrube 72-74, 23552 Lübeck

Mobil: 0176 - 32023963

Telefon: 0451 - 20 22 1777


renestelley@makers-field.de

Web: www.makers-field.de



**Angel
Investment
Network**

Requested:
20.000 EUR investment as **classic Loan**



100.000€ - 1.000.000€

Frankfurt, Deutschland

Über mich

Habe als Bankkaufmann bei der UNICREDIT sowie bei der Commerzbank gear...

Fachgebiete

Technologie, E-Commerce, Erfindungen, IT...

Anstupsen

Weitere Details

Konstantinos Chrysagis

Early Stage Investor | Advisor | Incubator | Accelerator | Venture Capital for Projects and Startups by Angel Investors [LinkedIN](#)
Frankfurt am Main, Hessen, Germany

Investor at BlackRock
Financial Services New York, NY

Investor at Franklin Templeton
Financial Services San Mateo, California

Investor at Fidelity International
Financial Services London, UK



**Angel
Investment
Network**

Requested:
20.000 EUR investment as **Convertible Loan**



Hi, Demarais Denis ▾

E-STATEMENT

Accrued Equities

To	From	Statement #007612
Customer Name: Demarais Denis	Accrued Equities Inc	
Account Number: 0247999851	150 Broadhollow Road Suite	
Account Type: Savings Account	Ph-02	
Address: Schulstraße 16 Baden	Melville, NY 11747 United	
Württemberg, Waldachtal 72178	States	
Phone Number: 49	Phone: Operations: (917)	
1577-519-8090	768-9877	
Email:	Trading Desk: (917) 768-9877	
denisdemarais@riusmedical.de	Email:	
	customercare@accruedequitiesinc.com	

Date	Reference Number	Transaction Description	Debit	Credit	Balance
2020-02-19	SF380840	Escrow Account appending Fee	\$0.00	\$2725.54	\$2725.54
2020-02-20	SF283808	Desc: Khun Navaporn: Bangkok PCL B2357897, Intl 18/2/20	\$0.00	\$1090045.00	\$1092770.54

[Print](#)

Accrued Equities Inc

333 Silom Road, Silom,
Bangrak, Bangkok 10500
Thailand

 Date: 18th February 2020
FROM REMITTER: (Please Print Clearly)

 Name: Khun Navaporn Santichai

 Address: 1, Glas Haus Bldg., 14th Fl., Room 1401/1, Sukhumvit 25,
Klongtoey Nua, Wattana, Bangkok, 10110 Thailand.

 Type of Address: Residential Business

HomeTel.: _____ OfficeTel.: _____

 Type of Identification: Drivers license

 ID Number: B2357897 Expiry Date: 07/07/2021

 Email: ns@resourcelinkthailand.com

 Occupation: Business Man.

 Employer Name: self.

 Employer Address: 1, Glas Haus Bldg., 14th Fl., Room 1401/1,
Sukhumvit 25, Klongtoey Nua, Wattana, Bangkok, 10110 Thailand.

 Source of Fund: Company Revenue

 Purpose: Investment capital

 Beneficiary's Relationship with You: Business Partner
CUSTOMER CODE:

2	1	6	4	8	2	N	T
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For Bangkok Bank Public Company Limited's user only

US\$

 Amount of Remittance Check

<input type="checkbox"/> C as h	US\$45
Total Charges (Including Comm.)	US\$
New York Branch Exchange Rate	US\$
Remittance in USD*	1,090,045.00

* Amount may be reduced by the fees imposed by Destination Bank.

 AMOUNT OF REMITTANCE: US\$1,090,045.00

 AMOUNT IN WORDS: One million ninety thousand forty-five US dollars only.
TO: (Please Print Clearly)

 Beneficiary Name: Accrued Equities Inc Email: operations@accruedequitiesinc.com

 Beneficiary Address: 150 Broadhollow Road, Suite Ph-02 Melville, NY11747 Phone: (631) 268-0705

 Beneficiary's Bank Name: Wellsfargo NY Swift Code: PNBPUS3NNYC

 Branch Address: 375 PARK AVENUE NY 4080, 10152.

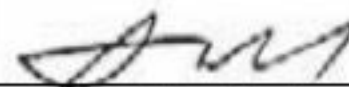
 Beneficiary's Account Number: 0238877988

 Date of Confirmation: 19th February 2020

 RECEIVED TOTAL CASH
CHECK

 Authorized Signature
 Bangkok Bank PCL, Silom, Bangrak, Bangkok.

I/We request the above remittance in accordance with terms and conditions stipulated on the reverse side.


 Remitter's Signature

 Our Reference No. TT216482NT



INSURANCE BOND TERMS AND CONDITIONS

The issuance of a Security/Surety Bond was enforced by the US Financial Institution and also dully authorized by the ICC Regulatory Policy for protection of assets for Investment purpose passed on 14th September 2016. Whereas the investment security bond (ISB) is backed by the Thailand office of insurance commission and stands as an insurance coverage to protect against credit related loses in foreign investment portfolios.

This is issued in a certificated book-entry form with the legal title thereto being evidenced in the register in other to be maintained (as defined below) on behalf of the beneficiary.

SECTION 1: DEFINITIONS

In these Conditions, unless otherwise provided:

“Bond” means Investment Security Bond.

“Bondholder” and “holder” means the beneficiary and authorized signatory of the company (applicant) and is registered in an account in the book-entry settlement system where Bonds are held through a registered nominee pursuant to such Act, the nominee shall be deemed to be the holder for the purposes of these Conditions which shall be in this context Ruis medical.

“business day” means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

“Closing Date” means The exact date that the invoice issued on behalf of the bond payment expires in regards to it’s validity for payment.

In this Act “securities” means

- (1) treasury bills;
- (2) Investment Security;
- (3) bills;
- (4) any other instruments as specified by the SEC.

“bill” means any bill issued for raising funds from the public as specified in the notification of the SEC.

“prospectus” means any document issued for the purpose of inviting any person to subscribe or purchase the securities issued or offered for sale by the issuer or the seller.

“company” means any limited company, public limited company and shall include:

- (1) public organization;
- (2) provincial administration organization, municipality, and other States specified by law as special organization;
- (3) unit or organization of foreign government, international organization and juristic person under law of foreign jurisdiction;
- (4) juristic person established by specific law; and
- (5) issuing entity established in any other forms as specified in the notification of the SEC.

“securities company” means any company, or financial institution licensed to undertake securities business bond procurement (In this context the investment security bond can be issued precisely by insurance firms endorsed by the Office of Insurance Commission OIC).

“Issuing Agent” means an issuing institution or agent that the holder appoints to manage certain tasks in accordance with these Conditions, which shall be Ability Insurance Company currently located at No. 1515 South 75Th Street, Omaha, P.O.Box 3735, Nebraska 68103

“Registration Date” has the meaning outlined in the Conditions below

“Relevant Currency” means United State Dollar (USD) or Great Britain Pounds (GBP) or European Union Currency (Euro), if at the relevant time or for the purposes of the relevant calculation or the currency in which the Investment Capital is quoted or dealt in on the Relevant Stock Exchange at such time.

“securities business” means any of the following securities businesses:

Securities Brokerage;

Investment Security

Investment Advisory service;

Mutual Fund Management;

Private Fund Management;

“securities brokerage” means brokering or representing any person in the purchase, sale or exchange of securities in the normal course of business in consideration of a commission, fee or other remuneration therefrom.

“Investment Security Bond” means an investment security document, which must be obtained by foreign business parties from an approved insurance commission through an Insurance Company before venturing into business partnerships . This occurrence involves individual investors, entrepreneurs in form of Equity, Convertible debt, Joint Venture and Loan. This must be catered for by the entrepreneur to ensure safety of the disbursed capital.

SECTION 2: INVESTMENT SECURITY BOND

This Act shall be called the “Bond” according to “The Securities Exchange Act of 1934” and the following Acts shall be repealed:

- (1) The United State of America Securities Exchange Act of 1934;
- (2) The United State of America securities exchange act of 1933.

Form, Denomination, Title, Guarantee and Status

Form and Denomination

The Bond is “DEMAT” form that varies in accordance to the capital (€1,000,000.00) and will be registered on behalf of the Rius Medical which should be in accordance with the Thailand office of insurance commission and US Financial Institution Act on investment purpose.

Title

Title to the Bonds will be determined by the Bondholder/Beneficiary perfected in accordance with the Rules (as defined).

Status

The Bond constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer ranking, without any preference among themselves, and equally with all other existing and future unsecured and unsubordinated obligations of the Issuer preferred by mandatory provisions of law. The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor ranking equally with all other existing and future unsecured and unsubordinated obligations of the Guarantor but, in the event of a winding up, save for such obligations that may be preferred by mandatory provisions of law.

SECTION 3: PAYMENTS

Principal, interest and other amounts

The bond cost is charged according to the capital (i.e 2.4%) and all payments is mandated to be effected in accordance with these Conditions and the Rules.

SECTION 4: EVENTS OF PAYMENT DEFAULT

If one or more of the following events shall have occurred and is continuing:

- i. *Non-payment:* there is a default for more than 14 business days in the payment of the principal amount or any other charges due under the Bond instructed proforma invoice prior to the confirmation of the investment capital by the beneficiary the invoice will be invalid.

SECTION 5: REGISTER OF BONDHOLDERS

Information in respect of a Bondholder is strictly confidential. However, the Issuer is entitled to only access the information contained in the registered file of the Bondholders according to the filled bond application form.

SECTION 6: PRESCRIPTION AND VALIDITY

The Bond will only be valid for one (1) business dealing thereafter it will be registered to that business until expiration or exit period.

Claims in respect of any other amounts payable in respect of the Bonds shall be prescribed and become void unless made 14 days after the exit period following the due date for payment thereof

Be Insured-Be Secured

SECTION 7: ROLE OF ISSUING AGENT, LIMITATION OF LIABILITY

APPOINTMENT OF THE ISSUING AGENT AND USEFULNESS OF BOND:

- i. The Issuing Agent shall act independently of the Issuer and the Bondholder in accordance with these Conditions, rules, regulations.
- ii. The Issuing Agent shall be liable for any damage arising due to a US or foreign legal decree, or foreign action by public authority, war, strike, blockade, boycott and lockout or any similar circumstances. This shall apply even if the Issuing Agent itself undertakes, or is subject to, such actions.

USEFULNESS OF BOND.

- i. The Investment Security bond shall stand as an insurance coverage to protect against credit-related losses in the investment portfolio.
- ii. The bond ensures that the €1,000,000.00 investment capital is contractually prioritized over other subordinated debts just in case of a bankruptcy.
- iii. The bond protects entrepreneurs from the investors and prevents a case of complete ownership and control of the business establishment and limits the investors of any possessive rights to the assets owned by the companies they funded in case of dissolution of the signed indenture.
- iv. It prevents investors from filing a lawsuit and distorting the activities of the funded companies due to any unforeseen complications because it is assumed that any issue that is being raised must firstly be treated by the Thailand office of insurance commission accordingly.

REPLACEMENT OF ISSUING AGENT:

- i. The Issuing Agent may resign its appointment at any time, but will remain active until a new Issuing Agent has been appointed. The appointment of the Issuing Agent shall forthwith terminate if the Issuing Agent is subject to bankruptcy or financial reconstruction according to law or regulations from a supervising authority or if an Extraordinary Resolution is passed to replace the Issuing Agent, and, in such circumstances the Issuer shall immediately appoint a new issuing agent.

SECTION 8: GOVERNING LAW AND JURISDICTION

Governing Law: The Bond and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with the International law.





ABILITY INSURANCE COMPANY
 #150 1515 South 75Th Street, Omaha
 P.O.Box 3735, NE 68103, USA
 Tel: (402) 979-7334

DOCUMENT NUMBER
656320/3

PAGE NO
1

BILL TO: Mr Denis Demarais
 Rius Medical UG
 Address: Schulstraße 16, 72178
 Waldachtal, Germany

CLERK	AGENT	DATE / TIME
ISB	MARIETTA .N.	24/02/20 03:20

INVOICE

DUE DATE	TERMS
02/03/2020	BANK TRANSFER

LN#	DESCRIPTION	QTY	REFERENCE NUMBER	UNIT PRICE (€)	AMOUNT (\$)
1	INVESTMENT SECURITY BOND	1	PGF26635/092	24,000	26,009.40
2	SERVICE CHARGE			1,600	1,733.96

SUBTOTAL 27,743.36

TAX 0.00

TOTAL 27,743.36

AMOUNT IN WORDS: TWENTY-SEVEN THOUSAND SEVEN HUNDRED AND FORTY-THREE DOLLARS ONLY.

EDWIN WRIGHT
 MANAGING DIRECTOR