

DATED

6 December 2024

SHIELD THERAPEUTICS PLC
and
AOP HEALTH INTERNATIONAL MANAGEMENT AG

RELATIONSHIP AGREEMENT

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TaylorWessing

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THIS AGREEMENT is made on

6 December 2024

BETWEEN

- (1) **SHIELD THERAPEUTICS PLC** incorporated in England and Wales with registered number 09761509, and whose registered office is at Northern Design Centre, Studio 6, 3rd Floor, Baltic Business Quarter, Gateshead Quays, NE8 3DF (the "**Company**"); and
- (2) **AOP HEALTH INTERNATIONAL MANAGEMENT AG**, a company limited by shares (*Aktiengesellschaft*) incorporated in Liechtenstein (commercial register number FL-0002.512.656-2) under the laws of the Principality of Liechtenstein, with registered address at Industriering 20, 9491 Ruggell, Liechtenstein ("**AOP**").

INTRODUCTION

- (A) The Company's issued share capital is admitted to trading on the AIM market of the London Stock Exchange plc.
- (B) On or about the date hereof, the Company and AOP entered into a subscription letter pursuant to which AOP conditionally agreed to subscribe for 256,410,256 new ordinary shares of 1.5p each in the capital of the Company (the "**Subscription Shares**") at an issue price of 3.0p per Subscription Share for an aggregate subscription amount of \$10,000,000 (the "**Subscription**").
- (C) The Subscription is conditional on, among other things, Admission.
- (D) Upon Admission, AOP and its concert parties, will be entitled to exercise or control the exercise of voting rights in respect of an aggregate of 54.51% per cent. of the enlarged issued share capital of the Company, assuming full take up of the RetailBook Offer and 56.26% if no Shares are issued pursuant to the RetailBook Offer.
- (E) AOP and the Company had entered into a relationship agreement dated 4 May 2023 (the "**Original Relationship Agreement**") and, following the increase of voting rights acquired by AOP pursuant to the Subscription, AOP and the Company wish to enter into a new agreement to manage the relationship between them.

AGREED TERMS

1. Definitions and interpretation

- 1.1 In this Agreement, the following words and expressions shall, unless the context otherwise requires, have the following meanings:

"**Admission**" means the admission of the Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules;

"**AIM**" means the market of that name operated by the London Stock Exchange;

"**AIM Rules**" means the "AIM Rules for Companies" (including the guidance notes thereto) published by the London Stock Exchange governing, *inter alia*, admission to AIM and the continuing obligations of AIM companies, as may be amended from time to time;

"**AOP Agreements**" means the AOP Distribution Agreement and the AOP Milestone Arrangement;

"**AOP Directors**" means those Directors appointed to the Board at the request or direction of AOP, who are not independent of AOP, at the date of this Agreement being Dr Christian Schweiger and Dr Rudolf Widmann;

"**AOP Distribution Agreement**" means the Amended and Restated Exclusive Distributorship Agreement dated 15 May 2017 between Shield TX (UK) Limited and AOP Orphan Pharmaceuticals AG;

"**AOP Group**" means AOP and any Associate of AOP but not including the Company or any member of the Group;

"**AOP Milestone Arrangement**" means the agreement entered into between the Company, STX and AOP on 2 July 2024 pursuant to which, in exchange for an upfront payment from AOP, the Company and STX agreed to pay to AOP certain amounts due under a licence agreement made between STX and Jiangsu Aosaikang Pharmaceutical Co., Ltd upon a particular milestone being fulfilled, as further described therein;

"**Articles**" means the articles of association of the Company from time to time;

"**Associate**" has the meaning given to the term "**associate**" in the definition of "**related party**" in the AIM Rules and, in the case of AOP, shall include its concert parties;

"**Board**" means the board of directors of the Company or a duly authorised committee thereof;

"**Circular**" means the circular to shareholders of the Company dated on or around the date of this Agreement in relation to the Subscription;

"**concert parties**" means persons acting in concert as defined in the Takeover Code;

"**Confidential Information**" means any information of a confidential nature relating to the directors, employees, customers, business, assets or affairs of the Company or its Group, or of AOP or any of its Associates, as the case may be, which one party may have or have acquired prior to the date of this Agreement or may have or acquire through the exercise of its rights or performance of its obligations under this Agreement or otherwise and, in addition, in the case of AOP, through its ownership of an interest in the Company;

"**connected**" has the meaning given in sections 1122 and 1123 of the United Kingdom Corporation Tax Act 2010;

"**Directors**" means the directors of the Company from time to time (and "**Director**" shall mean any one of them);

"**Disclosure and Transparency Rules**" means the disclosure and transparency rules of the FCA made in accordance with section 73A of FSMA;

"**Encumbrance**" means any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"**FCA**" means the Financial Conduct Authority;

"Financial Year" means the accounting reference period of the Company being, as at the date of this Agreement, 1 January to 31 December;

"FSMA" means the Financial Services and Markets Act 2000;

"Group" means the Company and its subsidiary undertakings (within the meaning of section 1162 of the Companies Act 2006);

"Independent Director" means, for the purposes of this Agreement only, a Director who is independent of AOP and its Associates and of the management of the Company and free from any business or other relationship which could materially interfere with the exercise of his/her judgment independently of AOP and who upon Admission will comprise Hans Peter Hasler, Peter Llewellyn-Davies, Fabiana Lacerca-Allen and Anders Lundstrom;

"London Stock Exchange" means London Stock Exchange plc;

"Related Party" means has the meaning defined in the AIM Rules;

"RetailBook Offer" has the meaning given in the Circular;

"Shares" means the ordinary shares of 1.5p each in the capital of the Company (including any shares derived from such shares);

"STX" means Shield (TX) UK Limited, a wholly owned subsidiary of the Company; and

"Takeover Code" means the City Code on Takeovers and Mergers.

- 1.2 References to recitals, clauses and sub-clauses are to the recitals, clauses and sub-clauses of this Agreement.
- 1.3 Headings shall be ignored in construing this Agreement.
- 1.4 The Recitals shall form part of this Agreement.

2. Condition

- 2.1 This Agreement is conditional upon Admission occurring and shall thereafter continue until terminated pursuant hereto.
- 2.2 If the condition set out in clause 2.1 is not satisfied, or shall have become incapable of being satisfied, on or before 8:00 a.m. on 10 January 2025 (or such other later date as may be agreed in writing between the Parties), this Agreement shall automatically terminate and all rights and obligations of the parties shall cease and determine with immediate effect.
- 2.3 This Agreement replaces the Original Relationship Agreement, which is hereby terminated and of no further effect with effect from Admission.

3. General assurances as to the independence of the Group

- 3.1 AOP acknowledges the independence of the management of the Company from the involvement of AOP in the day-to-day governance of the Group. AOP undertakes to the Company that it shall exercise all powers and rights which it has as a shareholder of the Company to procure that all transactions and relationships between:

- (a) AOP and its Associates on the one hand; and
- (b) members of the Group on the other hand,

shall be at arm's length and on normal commercial terms and in accordance with this Agreement and the related party rules set out in the AIM Rules.

- 3.2 Subject to clause 3.1 and 5, AOP shall not, and shall use reasonable efforts to procure that none of its Associates shall, do anything which, at any time, would (i) result in any member of the Group not being capable of carrying on its business independently of AOP or any of its Associates, (ii) without prejudice to the presence of Dr Christian Schweiger and Dr. Rudolf Widmann as Directors, interfere in the day-to-day management of the Group or prevent the Board from managing the Company in the interests of the shareholders of the Company as a whole independently of the AOP Group.
- 3.3 For the purposes of clause 3.1, AOP hereby notifies the Company of the AOP Agreements and the parties hereby confirm that the AOP Agreements are conducted on arm's length terms and on a normal commercial basis.

4. Constitution of the Company

AOP undertakes to the Company that, save with the prior written consent of the Company, it shall not, and shall take reasonable steps to ensure that none of its Associates shall, exercise any of its voting rights in the Shares held by it from time to time in favour of any proposed amendment to the Articles which violates or would otherwise prejudice any of the provisions of this Agreement.

5. Restrictions

AOP undertakes with the Company that it shall:

- (a) abstain from voting on any shareholder resolution in relation to any proposed transaction between the Group and the AOP Group and on any resolution involving the AOP Group, or any other person connected with AOP as the Related Party that is not on arm's length terms and in the ordinary course of business;
- (b) not propose or procure the proposal, and procure that its Associates shall not propose or procure the proposal, of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the AIM Rules;
- (c) not take any action that would have the effect of preventing the Company from complying with its obligations under the AIM Rules, the Disclosure and Transparency Rules or any other applicable regulatory obligations;
- (d) prior to the annual general meeting of the Company held in 2026, not request or direct the appointment or removal or resignation of Directors such that a majority of the Board are AOP Directors unless the Group is materially underperforming, as determined by AOP (acting reasonably), in which case AOP may request or direct the appointment or removal or resignation of Directors at its discretion (subject, only to clause 5(e));
- (e) not take any steps and procure that its Associates shall not take any steps which would cause the Company to have fewer than two Independent Directors.

6. Information rights

The Company shall, and shall procure that each member of the Group shall, provide AOP and its auditors or other relevant professional advisers the following information within the timelines set out below (or any other timeframe requested by AOP in writing, acting reasonably):

- (a) in the final quarter of each Financial Year, the budget of the Company for the next 24 months approved by the Board (the "**Budget**") and any update of the budget for the subsequent Financial Year that has been approved by the Board;
- (b) within 4 weeks from the end of each quarter comparisons of actual financial performance against the budgeted financial performance for such quarter;
- (c) within 4 weeks from the end of the Financial Year, an unaudited year-end trial balance for such Financial Year (including projected ranges where appropriate if the relevant balance is not final at such time);
- (d) within 4 weeks from the end of the Financial Year, the unaudited financial statements for such Financial Year (including projected ranges where such financial statements are not final at such time);
- (e) within 4 months from the end of the Financial Year, the audited financial statements for such Financial Year; and
- (f) as soon as reasonably practicable following any director of the Group becoming aware, detailed reports relating to any litigation, arbitration, mediation or other proceedings: (i) in excess of USD 250,000 or (ii) which could reasonably be expected to have a materially adverse impact on the reputation of the Group.

7. Reserved matters

The Company shall give AOP reasonable notice, and in any event, no less than 5 Business Days' notice, of any matter or action to be undertaken by the Group involving any of the matters set out in the Schedule to this Agreement and any such matter or action shall not be approved by the Board, nor will such matter or action be undertaken by the Company, without the written approval of AOP or one of the AOP Directors notified by AOP, in writing, to the Company (being, as at the date of this Agreement, Dr. Rudolf Widmann only).

8. Duration

8.1 The provisions of this Agreement shall remain in full force and effect for so long as:

- (a) AOP and its Associates are the beneficial owners of an aggregate of at least 20 per cent. of the Company's issued share capital (irrespective of where such shares are admitted to trading);
- (b) AOP and its Associates are the beneficial owners of an aggregate of less than 60 per cent. of the Company's issued share capital (irrespective of where such shares are admitted to trading);
- (c) the share capital of the Company does not become admitted to trading on a securities market other than AIM; and
- (d) the share capital of the Company remains admitted to trading on the AIM market of the London Stock Exchange.

- 8.2 The Parties may agree to terminate this Agreement at any time, provided a majority of the Independent Directors agree in writing to such termination.
- 8.3 If any of the circumstances set out in clauses 8.1(a), 8.1(b), 8.1(c) or 8.1(d) cease to exist, this Agreement shall terminate automatically and immediately and neither Party shall be required to take any further steps to terminate this Agreement, and each Party shall irrevocably release and discharge in full the other Party from all of its obligations and liabilities (whether present or future, or actual or contingent) under this Agreement (save for any rights or obligations accrued to the Party prior to the date of such automatic termination).
- 8.4 Notwithstanding the provisions of this clause 8, clauses 10, 11 and 12 shall continue to bind the Parties.

9. Conflict between this Agreement and the Articles

In the event of any conflict between the provisions of this Agreement and the Articles, the provisions of this Agreement shall prevail as between the parties to this Agreement, to the extent permitted by applicable law and regulation. The parties to this agreement shall, at all times, exercise all voting and other rights and powers available to them so as to give effect to the provisions of this Agreement and shall, further (if necessary) procure any required amendment to the Articles (as may be necessary) in order to remove such conflict.

10. Confidentiality

- 10.1 Subject to the remainder of this clause 10, any Confidential Information received or acquired by a party (the "**Recipient**") from the other party (the "**Disclosing Party**") shall be treated by the Recipient in confidence and shall not be used or disclosed by the Recipient to any other person (except as provided by this Agreement or any other agreement with the Disclosing Party) without the prior written consent of the Disclosing Party (such consent not to be unreasonably conditioned, withheld or delayed), and no information about the relationship or agreements between the parties (including the existence of this Deed) shall be disclosed by either party without the prior written consent of the other party (such consent not to be unreasonably conditioned, withheld or delayed).
- 10.2 A Recipient may disclose any Confidential Information to its financial or legal advisers or accountants or auditors without the prior written consent of the Disclosing Party, provided that the Recipient procures that any such adviser, accountant or auditor shall agree and undertake to keep such information confidential as if bound by this clause 10.
- 10.3 AOP may disclose Confidential Information without the prior written consent of the Company to those persons who require it for the exercise of their functions within AOP or any of its Associates, provided that AOP procures that any such persons shall agree and undertake to keep such information confidential as if bound by this clause 10.
- 10.4 Clause 10.1 shall not apply to information which:
- (a) the Recipient is bound by applicable public, statutory, legal or regulatory obligations or requirements to disclose;
 - (b) is in, or comes into, the public domain otherwise than as a result of a breach of this Agreement or any other agreement between the parties or as a result of any breach of any other duty of confidence owed by a Recipient to the Disclosing Party;

- (c) is in the possession of the Recipient prior to its receipt from the Disclosing Party;
- (d) is independently received from a person possessing it otherwise than as a result of any breach by any person of a duty of confidentiality; or
- (e) the parties otherwise agree in writing in advance can be disclosed.

10.5 The Recipient shall remain responsible for any breach of this clause 10 by the person to whom that Confidential Information is disclosed by the Recipient.

10.6 The provisions of this clause 10 shall continue to apply after the termination of this Agreement without limit in time.

11. Notices

11.1 Any notices or other communication required to be given or served under or in connection with this Agreement shall be in writing (email being sufficient) and shall be sufficiently given or served if delivered:

- (a) in the case of the Company, to the Company Secretary at its address set out at the beginning of this Agreement; and
- (b) to AOP, at its address set out at the beginning of this Agreement, or to such other addresses either party may specify by notice in writing to the others,

or to such addresses (including email addresses) either Party may specify by notice in writing (email being sufficient) to each other.

11.2 Any such notice shall be delivered by hand or sent by pre-paid first class post and if delivered by hand or sent by post shall conclusively be deemed to have been given or served at the time of despatch and if sent by post shall conclusively be deemed to have been received 48 hours after the time of posting. Any notice given or served under this Agreement by email shall be deemed to have been validly given or served when it is sent (provided that the sender does not receive an automated notice of non-delivery).

12. General

12.1 This Agreement constitutes the entire and the only legally binding agreement between the Company and AOP relating to AOP's holding of Shares in the Company and no variations of this Agreement shall be effective unless made in writing signed by or on behalf of the parties hereto and expressed to be such a variation.

12.2 If any provision of this Agreement is or becomes (whether or not pursuant to any judgment or otherwise) illegal, invalid or unenforceable, in whole or in part, the provisions shall apply with whatever deletion or modification is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention of the parties to this Agreement.

12.3 This Agreement may be entered into in any number of counterparts and by the parties to it on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts shall together constitute one and the same instrument.

12.4 This Agreement may only be amended (or waivers provided in relation to this Agreement) with the consent in writing of (i) a majority of the Independent Directors and (ii) AOP. The Independent Directors from time to time shall be entitled to enforce this

provision pursuant to the Contracts (Rights of Third Parties Act) 1999, but no other person will have any rights under that Act in relation to this Agreement.

- 12.5 Each party to this Agreement shall, and shall use reasonable endeavours to procure that any necessary third party shall, from time to time, execute such documents and do such acts and things as the requesting party may reasonably require for the purposes of giving the full benefit of this Agreement to the requesting party.
- 12.6 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by English law and the parties hereby submit to the exclusive jurisdiction of the English Courts.

SCHEDULE

Reserved Matters

1. The making of an investment or acquisition by the Company or any other member of the Group of any nature (including, but not limited to, the acquisition of (in each case, whether as a single transaction or as a series of related transactions): (i) capital or operational assets or other movable or immovable property for any member of the Group; (ii) shares in, or assets or equity, membership or voting interests of, a third-party; or (iii) any securities listed on a recognised stock exchange, time deposits or other liquid securities or guaranteed obligations), in each case where the investment amount is greater than or equal to USD 2,500,000.
2. The transfer, sale or disposal (in each case, whether as a single transaction or as a series of related transactions) by any means of the whole or a substantial part of the business, undertaking or assets of the Company or any other member of the Group (or any interest therein) or the entry into any contract or agreement to do so, in each case where the disposal proceeds would be greater than or equal to USD 2,500,000.
3. The entry into any contract or agreement (in each case, whether as a single transaction or a series of related transactions) to incur any indebtedness in excess of USD 2,500,000.
4. The entry into any contract or agreement (in each case, whether as a single transaction or a series of related transactions) to grant any mortgage, charge, lien, security interest or other Encumbrance over the assets of any member of the Group, or the assumption by any member of the Group of any liability (actual or contingent) in respect of any obligation of any person other than a wholly-owned subsidiary undertaking of the Company in each case, in excess of USD 2,500,000.
5. The entry into any contract or agreement (in each case, whether as a single transaction or a series of related transactions) to monetise any of the Group's assets (present or future) through any means (excluding by an Encumbrance) in excess of USD 2,500,000.
6. The entry into any contract or agreement) (in each case, whether as a single transaction or a series of related transactions) to license, or otherwise acquire, any products, technology or intellectual property in excess of USD 2,500,000.
7. The entry into any contract or agreement (in each case, whether as a single transaction or a series of related transactions) to grant a license over, or otherwise dispose of, any of the Group's products, technology or intellectual property in excess of USD 2,500,000.
8. The entering of into any agreement to do any of the foregoing or the taking of any other step or action to do any of the foregoing where the taking of such step or action could be irrevocable or could result in the Group or AOP incurring any material costs or expenses to undo such step or action.

IN WITNESS of which this document has been duly executed and delivered as a deed by each of the parties on the day and the year first stated above.

**Executed as a deed by SHIELD)
THERAPEUTICS PLC acting by two)
directors)**

) DocuSigned by:
) *Hans Peter Hasler*
)A9A9F3ED334C40A.....
)
Director

) Signed by:
) *Anders Lundstrom*
)DB29A3F4CC374DA.....
)
Director

**Executed as a deed by AOP HEALTH)
INTERNATIONAL MANAGEMENT AG)
acting by two authorised signatories in)
accordance with the laws of the territory)
of its incorporation)**

DocuSigned by:
Martin Estoel
.....403379F710714E1:.....
Authorised Signatory

DocuSigned by:
Michael Steiger
.....1F15B582C6014FB:.....
Authorised Signatory