

# Key information sheet

## Purpose

This information sheet provides you with essential information about this investment product. It is not advertising material. This information is required by law to help you understand the nature, risk, cost, and potential profits and losses of this product and to help you compare it with other products.

## Product

**Companisto Aresus Pharma GmbH\_B-Shares\_2019\_PPC.** The product manufacturer is **Companisto Trust Service I GmbH** ("Manufacturer"/ "Issuer"). ISIN **DE000A2PM8Z0**. [www.companisto-trust-service.de/i/bib](http://www.companisto-trust-service.de/i/bib). Further information can be obtained by telephone at **+49 30 208 48 49 40**. The authority responsible for the manufacturer in the matter of basic information sheets: **Federal Financial Supervisory Authority (BaFin), Germany**. This document was drawn up on **02.07.2019**.

**You are about to purchase a product that is not easy and can be difficult to understand.**

## What type of product is it?

### manner

The offered product "Companisto Aresus Pharma GmbH\_B-Shares\_2019\_PPC" (the "Profit Participating Certificates") are Profit Participating Certificates (Genussscheine) in the form of bearer securities which are issued by the PRIIP manufacturer (issuer) and are subject to German law. The profit participation certificates represent a participation in the young growth company Aresus Pharma GmbH (the "target company").

### aims

The issuer will use the proceeds from the issue of the profit participation certificates exclusively for the acquisition of the participation in the target company as well as to establish a liquidity reserve amounting to 5% of the paid-up profit participation certificate capital ("liquidity reserve"), which will initially remain with the issuer to cover the costs of carrying out the issue and unforeseen costs and which will be distributed to you as the investor, if applicable, after the profit participation certificates have been effectively terminated.

The issuer makes the net proceeds of the issue available to the target company as equity capital. The target company is active in the pharmaceutical industry. It markets a drug that is currently approved for the treatment of HPV (human papilloma viruses). The target company intends to strengthen its sales activities and expand them to other target countries. In addition, the Target Company intends to conduct clinical trials to extend the scope of its product to HSV (Herpes Simplex Viruses). The expansion of sales activities has already begun. The start of clinical trials is planned for 2020.

The issuer will acquire an interest in the target company at a price of EUR 362.44 per share; if all participation certificates are placed, this will be up to 4.73% in total. The issuer thereby becomes a shareholder of the target company. As an investor, you do not acquire a direct interest in the target company through the participation certificates. Rather, they participate indirectly through the issuer in the income and losses of the target company (after costs incurred at the issuer level). The purpose of this structure is to enable you as an investor to participate in the opportunities and risks of the target company by means of a security.

**Variable distribution** - After the acquisition of the securitised participation, the issuer makes a variable distribution (the "variable distribution") to you as the investor. This consists of the profits (dividends) possibly distributed by the target company to the issuer and the possible profits of the issuer from a sale of the securitised participation, in each case less all senior liabilities of the issuer (for more details, please). The issuer is a so-called securitisation special purpose company, i.e. a company which was founded exclusively for the purpose of acquiring the securitised participation and issuing profit participation certificates. As the assets of the issuer consist exclusively of the securitised participation and the issuer does not or will not conduct any business other than the acquisition of the securitised participation, your income as an investor depends entirely on the issuer receiving distributions from the securitised participation and/or being able to sell the securitised participation at a later date at a profit.

**Due date of the distribution** - If the variable distribution is based on profit distributions from the securitised participation, the variable distribution will take place annually on 30 September ("distribution date"), but at the earliest as soon as the issuer has received the corresponding distribution from the target company. Where the variable distribution is based on the issuer's profits from the sale of shares in the offeree company, it shall take place within one month after the issuer has received the proceeds from the sale.

**Senior liabilities** - The variable distribution will only be paid if the income generated by the issuer exceeds the issuer's senior liabilities due at the time, if the distribution attributable to a profit participation certificate exceeds EUR 5.00 and if the issuer has a liquidity reserve of at least 5% of the paid-up profit participation capital plus the expected costs up to the next distribution date. Senior obligations of the issuer are: Tax liabilities and any other statutory liabilities; liabilities in connection with the transaction agreements and necessary for their execution, for maintaining the issue structure and/or for safeguarding the interests of investors, such as in particular costs for paying agents, tax advisors and other advisors, including legal advice costs where necessary; payment of any profit participation to Companisto Beteiligungs GmbH & Co. KG entitled to participate in profits. In return for the organisational support of the profit participation certificate holder resolutions, the latter receives (immediately) a share of the issuer's profits ("profit participation", carried interest) in the following cases: In the event of a sale of shares in the target company by the issuer, in the event of an IPO of the target company and in the event of dividend payments by the target company to the issuer. The profit participation amounts to 10% of the increase in value of the shares or 10% of the distributed dividends. When calculating the profit participation, a minimum annual yield of the issuer of 6% must be deducted (based on the purchase price of the shares sold and the period between purchase and dividend payment or sale of the shares or IPO, "hurdle rate"). This means that the beneficiary of the profit participation only receives a percentage share of the sum of increases in value and dividends that exceed the minimum return of the issuer accumulated over the participation period.

**Equity character of the profit participation certificates, further payment reservations and loss participation** - Profit participation capital is equity in the sense of the German Commercial Code ("HGB"). The obligations of the issuer under the profit participation certificates are therefore also conditioned and limited in the following manner: Distributions on the profit participation certificates must not result in a balance sheet loss for the issuer. Distributions must be made from equity components of the issuer which are not specially protected against distributions. In the event of insolvency or liquidation of the issuer, claims arising from the profit participation certificates may only be satisfied after all claims of other creditors of the issuer have been satisfied (subordination). In addition, the investors' repayment claim is subject to the issuer's sufficient liquidity and participates in losses of the issuer, i.e. the repayment claim of each investor is reduced by balance sheet losses or capital reductions of the issuer, insofar as these losses cannot be borne by equity components that are not specially protected against distributions. If profits are made in the following financial years after investors have participated in the loss, the redemption claims must be increased from these up to the nominal value of the profit participation certificates before any other appropriation of profits is made.

**No personal liability, no obligation to make additional contributions** - Personal liability on your part as an investor in excess of the amount invested is excluded. Investors are not obliged to make additional contributions in excess of the amount invested.

**No membership rights** - The profit participation certificates do not grant any membership rights in the issuer or the target company, in particular no voting rights. In certain situations, however, the issuer will require the holders of the profit participation certificates to vote on certain issues relating to the management of the securitised participation ("profit participation certificate holder decisions").

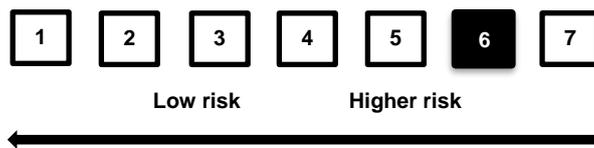
**retail investor target group**

The product is aimed at (speculative) investors who, in exchange for possibly higher returns, run the risk of losing part or all of their invested capital and can also cope with this loss. The investor should have a long-term investment horizon and should not attach importance to special capital protection against market risks. This product is intended for clients with sufficient financial resources and the necessary knowledge and experience in complex financial matters.

**term**

The profit participation certificates are issued for an indefinite period (there is no predetermined maturity date). Investors are entitled to terminate the profit participation certificates with a notice period of six months to the end of a financial year (ordinary termination), but not before 31.12.2034. Any termination by the holders of profit participation certificates (ordinary as well as extraordinary in the case of good cause) requires for its effectiveness that it is uniformly declared by holders of profit participation certificates who hold at least 25% of the outstanding profit participation capital. The issuer has an extraordinary right of termination, inter alia, if all the shares held by the issuer in the target company have been sold to one or more purchasers and if the issuer should become legally prevented or prohibited from fulfilling its obligations under the profit participation certificates (e.g. as a result of a change in the law).

**What are the risks and what could I get in return?**



 This risk indicator is based on the assumption that you will hold the product until 31.12.2034. If you liquidate the investment early, the actual risk may vary significantly and you may receive less back. Premature dissolution may not be possible.

The Overall Risk Indicator helps you to assess the risk associated with this product compared to other products. It shows how high the probability is that you will lose money on this product because the markets are developing in a certain way or because we are unable to pay you off. We have classified this product in risk class 6 on a scale from 1 to 7, with 6 being the second highest risk class. The risk of potential losses from future performance is classified as high. In unfavorable market conditions, it is very likely that our ability to pay you out will be compromised.

The product represents a risky equity investment in a young growth company with a limited operating and performance history. This product does not protect you from future market developments, so you may lose all or part of your invested capital. If we cannot pay you what you are entitled to, you could lose all the capital invested. Please also note the comments on termination regulations in the section "How long should I hold the investment and can I withdraw money prematurely? ".

**performance scenarios**

The performance of the product depends to a large extent on the development of the target company and the question whether the issuer can generate profits from the participation in the target company or from a sale of this participation. The development can be very different.

| <b>Annex: EUR 10.000 scenarios</b> |   | <b>1 year</b>             | <b>8 years</b>            | <b>15 years</b><br>(Recommended holding period) |
|------------------------------------|---|---------------------------|---------------------------|---|
| <b>stress scenario</b>             | <b>What you could get after deducting costs</b> | <b>EUR 0</b> (total loss) | <b>EUR 0</b> (total loss) | <b>EUR 0</b> (total loss)                       |
|                                    | Annual average return                           | - 100 %                   | - 100 %                   | - 100 %   |
| <b>Pessimistic scenario</b>        | <b>What you could get after deducting costs</b> | <b>EUR 0</b> (total loss) | <b>EUR 0</b> (total loss) | <b>EUR 0</b> (total loss)                       |
|                                    | Annual average return                           | - 100 %                   | - 100 %                   | - 100 %   |
| <b>Medium scenario</b>             | <b>What you could get after deducting costs</b> | <b>EUR 0</b> (total loss) | <b>EUR 0</b> (total loss) | <b>EUR 0</b> (total loss)                       |
|                                    | Annual average return                           | - 100 %                   | - 100 %                   | - 100 %   |
| <b>Optimistic scenario</b>         | <b>What you could get after deducting costs</b> | <b>EUR 0</b> (total loss) | <b>EUR 22.859,09</b>      | <b>EUR 44.799,30</b>                            |
|                                    | Annual average return                           | - 100 %                   | 10,89 %                   | 10,51 %   |

This table shows how much you could get back in the next 15 years under different scenarios if you invest EUR 10,000. The scenarios shown show how your investment could develop. You can compare them with the scenarios for other products. The scenarios presented represent an estimate of future performance based on past changes in the value of similar investments; they are not an accurate indicator. How much you actually receive depends on how the market develops and how long you keep the product. The stress scenario shows what you could get back in the event of extreme market conditions and does not take into account the case that we may not be able to make the payouts. This product cannot be easily dissolved. It is therefore difficult to estimate how much you will get back if you redeem it before the end of the recommended holding period. You may not be able to redeem it prematurely or you may incur a large loss if you redeem it prematurely. The figures quoted include all the costs of the product itself and the costs of your consultant or distributor. The above figures do not take into account your personal tax situation, which may also affect how much you receive back.

**What happens if Companisto Trust Service I GmbH is unable to make the payment?**

They are exposed to the default risk of the issuer (manufacturer) Companisto Trust Service I GmbH and the default risk of the target company Aresus Pharma GmbH. You may suffer a financial loss due to the default of the issuer and/or the target company up to the total amount invested by you. Such a loss is not covered by a compensation or guarantee scheme for investors.

**What are the costs?**

Reduction in Yield (RIY) shows how the total cost you pay affects the return you could receive on your investment. The total costs include one-off, current and additional costs.

The amounts shown here represent the cumulative cost of the product at the recommended holding period indicated. The figures given assume that you are creating EUR 10,000. The figures are estimates and may turn out differently in the future.

### Costs over time

The person who sells or advises you on this product may charge you additional costs. If this is the case, the person informs you about these costs and shows you how all costs will affect your system over time.

| <b>Annex: EUR 10.000 scenarios</b> | <b>If you redeem at the end of the recommended holding period</b> |
|------------------------------------|---|
| <b>total cost</b>                  | EUR 3,200.70  |
| Impact on return (RIY) per year    | 0,51 %  |

### Composition of costs

The table below shows the following:

- how the different types of costs affect the return on investment each year that you could receive at the end of the recommended holding period,
- what the different cost categories include.

| <b>This table shows the impact on the return per year</b> |                             |        |   |
|---|-----------------------------|--------|---|
| Running costs   | portfolio transaction costs | 0,07 % | Effects of the costs incurred in buying or selling shares in the target company.  |
|   | Other current expenses      | 0,06 % | Effects of the costs of managing your investment, in particular distributions to custody accounts by the paying agent.  |
| Additional costs  | Carried Interests           | 0,37 % | Effects of carried interests amounting to 10 % of the remaining increase in the value of the shares or 10 % of the remaining dividends distributed after deduction of a minimum yield of the issuer of 6 % per year (see above "What kind of product is this? "Senior debt"). |

### How long should I hold the investment and can I withdraw money prematurely?

**Mandatory minimum holding period: 31.12.2034**

**Reasons for the prescribed minimum holding period** - As the target company is a young growth company, a negative result can initially be achieved due to start-up losses in the first few years. In addition, any profits of the Target Company are not to be distributed to the issuer until further notice, but used to finance further corporate growth of the Target Company in order to increase its enterprise value in the medium and long term. The participation which the issuer acquires in the target company is not readily saleable, so that an increase in the enterprise value of the target company may not lead to a short-term inflow of corresponding liquid funds to the issuer. In addition, it may be economically advantageous for the issuer to sell the holding together with other shareholders of the target company and/or as a whole in order to maximise the proceeds from the sale. Higher yields can therefore only be hoped for in the long term.

For these reasons, the investors' ordinary right of termination is excluded until 31.12.2034. In addition, it can only be exercised with a period of notice of six months to the end of a financial year. Any termination by the holders of profit participation certificates (ordinary or extraordinary in the case of good cause) also requires that it be declared effective by holders of profit participation certificates who hold at least 25% of the outstanding profit participation capital (minimum quorum).

**Possibilities for dissolving the investment** - There is currently no liquid secondary market for this product. It is generally permissible to sell the profit participation certificates. However, the possibility of sale is not assured due to the small size of the market and presumably low trading activity. The invested capital can therefore be permanently tied up and/or a sale can only be possible by accepting losses.

### How can I complain?

If you wish to complain about the product, the intermediary or the issuer, you can file such a complaint via our website [www.companisto-trust-service.de/i/bib](http://www.companisto-trust-service.de/i/bib), in writing (Companisto Trust Service I GmbH, Köpenicker Str. 154, 10997 Berlin) or by e-mail to [service@companisto.com](mailto:service@companisto.com)

### Other relevant information

Further information (such as the legally prescribed "Information for Consumers" as well as the legally prescribed cancellation policy) can also be found on our website under the link [www.companisto-trust-service.de/i/bib](http://www.companisto-trust-service.de/i/bib).