

LAUSANNE, AUGUST 17, 2021

PERFECT HOLDING SA PUBLISHES THE FOLLOWING PRESS RELEASE AND AD HOC ANNOUNCEMENT:

SIGNATURE OF A MEMORANDUM OF UNDERSTANDING WITH KINARUS AG

Perfect Holding SA ("Perfect Holding") announces that it has signed on August 16, 2021 a non-binding Memorandum of Understanding ("MoU") with the clinical-stage pharmaceutical company Kinarus AG ("Kinarus") regarding Perfect Holding's envisaged acquisition of Kinarus by way of a share exchange.

The transaction contemplated by the MoU is an issuance of new shares by Perfect Holding to the shareholders of Kinarus in exchange for the contribution in kind by such shareholders to Perfect Holding of all or a qualified majority of the shares in Kinarus. This transaction would enable the Perfect Holding Group to enter the pharmaceutical sector, which offers much more growth potential than the current business activities of the Group.

In view of the respective valuations of Perfect Holding and Kinarus which are currently being reviewed and confirmed, such transaction (designated as a "reverse take-over" or "RTO") would naturally result in a dilution of the shareholding of the existing shareholders of Perfect Holding. Perfect Holding will prepare, in accordance with applicable regulations, a prospectus for the issuance of such new shares in view of their planned listing on SIX Swiss Exchange.

Kinarus (www.kinarus.com) is a privately owned clinical-stage pharmaceutical company formed in Basel, Switzerland, in 2017. Managed by experienced healthcare executives, Kinarus is focused on bringing novel treatments to patients suffering from serious viral, respiratory and ophthalmic diseases. The company's unique and innovative combinatorial therapeutic candidate KIN001 has the potential to transform numerous therapeutic areas such as Covid-19 (currently in phase 2 clinical trials), age-related macular degeneration (wet AMD) and idiopathic pulmonary fibrosis (IPF).

The implementation of the transaction is subject to conditions, including finalisation of the ongoing valuation and contract negotiations, satisfactory completion of other pre-transaction legal, administrative and regulatory steps, successful completion of a pre-RTO funding round at Kinarus to ensure the funding of its development projects, and approval of the envisaged transaction by shareholders of both companies.

The Board of directors of Perfect Holding plans to present this very interesting project for approval to its shareholders in the coming months.

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