

Occentis

RISK FACTORS

Any investment in the Company involves substantial risks. Before deciding to purchase shares, potential investors should carefully review and consider the following risk factors and the other information contained in this document. The occurrence of one or more of the risks described below may have a material adverse effect on the Company's cash flows, result of operations and financial condition and endanger the Company's ability to continue as a going concern. Moreover, the Company's value could fall significantly if any of these risks were to materialise, in which case investors could lose all or part of their investment. Any prospective investor should note that the risks discussed below are not the only risks to which the Company is exposed. Additional risks and uncertainties, which are not currently known to the Company or which the Company currently believes to be immaterial, could likewise impair its business operations or have an adverse effect on the Company's cash flows, results of operations, financial condition, the Company's ability to continue as a going concern or the price of its shares. The order in which the risks are presented does not necessarily reflect the likelihood of their occurrence or the magnitude of their potential impact on the Company's cash flows, results of operations and financial condition, the Company's ability to continue as a going concern or the price of its shares. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this document. Investors should consider carefully whether an investment in the Company is suitable for them in light of the information contained in this document and their personal circumstances.

Risks related to Occentis' business

Occentis expects to incur operating losses in the current and future financial years as its research and development activities continue.

There can be no assurance that Occentis will ever earn significant revenues or achieve profitability, which could impair the Company's ability to sustain operations or obtain any required additional funds and could result in investors' losing all or a part of their investment.

Occentis has to date no approved product yet. Its products will require development and significant marketing efforts and substantial investment before it can provide the Company with any significant revenues. It cannot be excluded that additional clinical investigation may be required. Due to the inherent risk in the development of medicinal products, it is probable that not all of the product candidates in Occentis' portfolio will successfully complete development and be launched or licensed to a pharmaceutical company.

The Company does not expect to be able to market any of the Company's products for a number of years. If the Company is unable to develop, receive approval for, or successfully commercialise one or more of its products, it may be unable to generate significant revenues.

Occentis will require access to additional funding in the future, and if the Company fails to obtain such funding, the Company may need to delay, scale back or eliminate the development of some of its research and development programmes.

The amount and timing of any expenditures needed to implement the Company's development and commercialisation programmes will depend on numerous factors, some of which are outside Occentis' control.

The Company is currently not generating its own revenues to finance its research, development and commercialisation programmes and other operations, and there can be no assurance that it will do so in the future. It is likely that additional funds would be required. There can be no assurance that additional funds will be available on a timely basis, on favourable terms, or at all, or that such funds, if raised, would be sufficient to enable the Company to continue to implement its business strategy. If Occentis is unable to raise additional funds through equity, corporate deals or other financing, it may need to delay, scale back or eliminate expenditures for some of its research, development and commercialisation programmes, or grant rights to develop and market products that it would otherwise prefer to develop and market itself, thereby reducing their ultimate value to the Company.

Regulatory approval of Occentis' unapproved products as medicinal products may be delayed or not obtained.

Occentis may experience delays in or fail to complete its clinical trials, both of which could affect its financial position and commercial prospects.

The Company relies or may rely on third parties for certain of its research, clinical trials, technology, manufacturing and sales and marketing.

The Company may not be able to adequately protect its proprietary technology or enforce any related rights thereto, nor can it be certain to be free to operate the same.

Occentis' success depends on its key people, and it must continue to attract and retain key employees and consultants.

Occentis may be unable to compete effectively against new technologies or competitors that could develop products that may be cheaper, more effective or safer than Occentis' products.

Market acceptance of Occentis' products is uncertain.

There may be uncertainty over reimbursement from third parties for newly approved healthcare products.