

Report by the merger certifying accountants on the remuneration of the capital contributions

pursuant to Article L. 236-10 of the Commercial Code

Merger by way of absorption of Topotarget A/S
by BioAlliance Pharma S.A.

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The participating companies

Topotarget A/S

Aktieselskab

with a registered capital of DKK 143,317,144

Fruebjergvej 3,
DK-2100 Copenhagen
Denmark

BioAlliance Pharma S.A.

Société anonyme

with a registered capital of €5,170,748

49, boulevard Martial Valin
75015 Paris
France

The merger certifying accountants

Thierry Bellot

11, rue de Laborde
75008 Paris
France

Olivier Marion

66, avenue des Champs Elysées
75008 Paris
France

Extraordinary General Meeting of BioAlliance Pharma S.A. of [30 June] 2014

Report dated 22 May 2014

Merger certifying accountants' report on the remuneration of the capital contributions

pursuant to Article L. 236-10 of the Commercial Code

Merger by absorption of Topotarget A/S by BioAlliance Pharma S.A.



Dear shareholders,

Carrying out the tasks which have been entrusted to us by order of the Presiding Judge of the Paris *Tribunal de Commerce* (Commercial Court) of 19 March 2014, concerning the merger by way of the absorption of Topotarget A/S ("Topotarget" or the "Absorbed Company") by BioAlliance Pharma S.A. ("BioAlliance" or the "Absorbing Company"), we have drawn up this report on the remuneration of the capital contributions as provided for by Article L. 225-147 of the Commercial Code, it being specified that our assessment concerning the value of the capital contributions is the subject of a separate report.

The remuneration for the contributed assets derives from the exchange ratio which has been defined in the draft merger agreement dated 16 April 2014. It is our task to express an opinion as to the fair nature of this exchange ratio.

We have carried out our tasks in accordance with the professional standards of the *Compagnie Nationale des Commissaires aux Comptes* (National Society of Statutory Auditors). They consisted essentially in:

- verifying that the relative values attributed to the shares in the companies participating in the operation are pertinent;
- analysing the positioning of the exchange ratio compared to relative values which have been deemed to be pertinent.

Since our tasks end with the filing of our reports, it is not for us to update this report in order to take account of any facts or circumstances postdating its signature.

We did not at any time find ourselves in one of the cases of incompatibility, prohibition or disqualification laid down by law. In accordance with the order appointing us, we have sent a certificate of independence and impartiality to the senior management of the companies concerned by the operation.

You will find our observations below, presented in the following order:

1. **Presentation of the operation**
2. **Verification of the pertinence of the relative values attributed to the shares in the companies participating in the operation**
3. **Assessment of the fair nature of the proposed exchange ratio**
4. **Conclusion**

1 Presentation of the operation and description of the capital contributions

1.1 Context of the operation, reasons for and aims of the merger

The aim of the merger is to create a leader in biotechnologies specialising in orphan oncological diseases, by developing a portfolio of diversified products making it possible to reduce the risk associated with research and development.

1.2 Participating companies

- **Absorbing Company: BioAlliance Pharma S.A.**



BioAlliance is a biotechnology company specialising in researching, developing and putting on the market of medicines which are more specifically intended to treat rare cancers and their associated pathologies.

In its portfolio, it has in particular Livatag®, a medicine which is currently in phase 3, intended for the treatment of a type of liver cancer, and Validive®, a treatment administered for the prevention and treatment of oral mucositis provoked by ENT cancer treatments.

Created in 1997, BioAlliance is a *société anonyme* (corporation) having its registered offices at 49, boulevard Martial Valin, 75015 Paris. It is registered in the Paris Trade and Companies Register under the number 410 910 095. Listed on the stock market since 2005, its shares are admitted to trading in compartment C of NYSE Euronext Paris (ISIN FR0010095596). Before the announcement of the merger, its market capitalisation was around €150m.

At the date of signature of the draft merger agreement, the registered capital of BioAlliance amounted to €5,170,748, divided into 20,682,992 ordinary shares of a par value of €0.25. Its main shareholders are Financière de la Montagne (13.6%) and the Idinvest fund (5.2%).

In addition, it should be emphasised that there are two types of instrument providing access to the registered capital of BioAlliance:

- share subscription options, making it possible to subscribe to 1,038,368 ordinary shares in BioAlliance of €0.25 each, of which 449,071 may be exercised;
 - share warrants making it possible to subscribe to 173,730 ordinary shares in BioAlliance of €0.25 each, of which 75,328 may be exercised.
- **Absorbed Company: Topotarget A/S**

Topotarget is a Danish biopharmaceutical company. It has developed the Belinostat molecule, which can be used for the treatment of various types of cancers, notably haematological ones.

Topotarget is an *Aktieselskab*, equivalent to a French *société anonyme* (corporation), having its registered offices at Fruebjergvej 3 – DK-2100 Copenhagen, Denmark. It is registered under the number 25695771. Since 2005, its shares are traded on NASDAQ OMX of Copenhagen (ISIN DK0060003556). Before the announcement of the merger, its stock market capitalisation was around DKK 430m (i.e. approximately €58m).

At the date of signature of the draft merger agreement, the registered capital of Topotarget amounted to DKK 143,317,114 (DKK meaning *danske kroner*, Danish kroner), divided into ordinary actions of a par value of DKK 1.00. The company's share capital is atomised, and only one shareholder has more than 5% of the share capital, the HealthCap fund with 10%.

It should be noted that Topotarget has issued share warrants making it possible to subscribe to 6,580,888 new ordinary shares in Topotarget, of which 3,977,365 may be exercised¹.

- **Capital ties between the participating Companies**

Prior to the capital contribution, BioAlliance and Topotarget (referred to together as the "Companies") have no capital ties between them, of any nature whatsoever.

1.3 Legal and tax organisation

From an accounting standpoint, the merger will have retrospective effect as of 1 January 2014.

On the legal level, the merger will be effective once the Danish Business Authority has issued the certificate required by Article 289(1) of the Danish Companies Act, the merger has been registered with the competent French authority and the conditions described below have been fulfilled:

- approval of the merger by the general meeting of Topotarget planned for 27 June 2014;
- approval of the merger by the general meeting of BioAlliance planned for 30 June 2014;
- the registration of Document E by the *Autorité des marchés financiers* (French financial markets authority), and issue of approval by the *Autorité des marchés financiers* of the admission prospectus which will be used to obtain the passport in Denmark;
- the passport procedure for the admission prospectus in Denmark;
- no material adverse event (as defined in the draft merger agreement), affecting either of the companies, either occurs or is in the process of occurring or threatens to occur;
- the number of shares issued by Topotarget, held by its shareholders who, at the general meeting called for the purposes of approving the merger, (i) oppose the merger and (ii) who, on the request of the chairman of the general meeting of Topotarget pursuant to Article 110(2) of the Danish Companies Act, state their wish to exercise their right to reimbursement pursuant to Article 286 of the Danish Companies Act, do not exceed 14,331,711 shares (i.e. 10% of the total registered capital of Topotarget in circulation on the date of the draft merger agreement).



¹ At the end of the subscription period, 2,473,998 Topotarget shares were subscribed to, cf. below.

If the companies consider it to be appropriate, approval of the merger may be pushed back to a later date, without this being able to be later than 31 August 2014. If the conditions are not fulfilled by 31 August 2014, the draft merger agreement shall automatically lapse and cease to produce its effects.

In tax terms, the operation is:

- eligible for the tax provisions applicable to mergers as provided for by Council Directive 90/434/EC of 23 July 1990, as amended and re-codified by Directive 2009/193/EC of 19 October 2009, defining the main provisions applicable to mergers of companies of different Member States of the European Community.
- for matters of stamp duty in France, placed under the legal framework organised by Article 816 of the General Tax Code, and will give rise to a fixed duty of €500.

It should be noted that as a consequence of the merger, BioAlliance will constitute a stable establishment in Denmark

1.4 Description, assessment and remuneration of the capital contributions

Since the operation involves companies which are under distinct control, and pursuant to the provisions of CRC (French accounting regulatory body) Regulation No. 2004-01, the transferred assets and liabilities shall be contributed at their actual value.

Under the draft merger agreement dated 16 April 2014, the contributions by Topotarget represent a global value of €78,727,196, breaking down as follows:

Breakdown of the net contributed assets	
Actual value of the contributed assets	€81,679,490
Actual value of the transferred liabilities	€-2,952,294
Net contributed assets	€78,727,196

It should be noted that the liabilities transferred by Topotarget, of a value of €2,952,294, do not take account of the success fees to be paid to the relevant parties in the event that the merger takes place, estimated at €1,226,000 in the draft merger agreement.



The global value of the capital contributions has been determined as follows:

Determining the contribution value of Topotarget		
BioAlliance spot price (14 March 2014-	A	€7,29
Exchange ratio	B	0.074074x
Exchange value per Topotarget share	$C = A \times B$	€0.54
Number of Topotarget shares ⁽¹⁾	D	147,294,479
Global contribution value of Topotarget	$E = C \times D$	€78,727,196

⁽¹⁾ of which 2,473,998 shares arising from the exercise of options

meaning as a function of:

- the closing price for BioAlliance of 14 April 2014, two days before the announcement of the merger between the two Companies, i.e. €7.29;
- the exchange ratio fixed by the parties at 0.074074 new BioAlliance shares for one Topotarget share (or 2 new BioAlliance shares for 27 Topotarget shares);
- the 145,791,112 Topotarget shares, corresponding to the 143,317,114 Topotarget shares in circulation plus the 2,473,998 new Topotarget shares arising from the exercise² of warrants.

On the basis of the above elements, the net contributed assets of €78.7m will be remunerated by the attribution to Topotarget shareholders of 10,799,341 new BioAlliance shares of a par value of €0.25 each, i.e. a capital increase of €2,699,835.25, together with a contribution premium equal to the difference between the amounts of the contributed assets and of the capital increase, i.e. €76,027,360.75, as set out below:

Calculation of the amount of the capital increase and merger premium		
Number of Topotarget shares	A	145,791,112
Exchange ratio	B	0.074074x
Number of new BioAlliance shares issued	$C = A \times B$	10,799,341
Value of the contributions	D	€78,727,196
Capital increase for BioAlliance	$E = C \times €0.25$	€2,699,835.25
Merger premium	$F = D - E$	€76,027,360.75



2 Verification of the pertinence of the relative values attributed to the shares in the companies participating in the operation

2.1 Tasks undertaken

We have undertaken those tasks that we deemed necessary, in accordance with the professional standards of the *Compagnie Nationale des Commissaires aux Comptes* (National Society of Statutory Auditors), in order to assess the pertinence of the relative values presented in the draft prospectus and to fix the relative weight of the value of the capital contributions compared to that of the beneficiary company as proposed in the draft merger agreement.

² Out of a total of 3,977,365 warrants in the money.

In addition to the tasks described in our report on the value of the contributions, this mainly consisted in:

- examining the BioAlliance's draft registration document (*document de référence*) for the 2013 financial year;
- examining BioAlliance's 2014-2050 business plan drawn up by its management with the assistance of the investment bank Centerview Partners;
- studying the assessment report concerning BioAlliance produced by Centerview Partners;
- making a multi-criteria approach to the global value of BioAlliance and carrying out analyses as to the sensitivity of the obtained values to variations in the assumptions which are structural to these valuations;
- obtaining a letter of affirmation from BioAlliance's management, pertaining in particular to the absence, until the closing date of the operation, of any facts or circumstances which might materially change the value of the contribution.

Our tasks, laid down by law, are not those of an audit or of a limited inspection. Their aim is therefore neither to give any opinion on the financial statements nor to proceed with any particular verifications as to compliance with company law. In particular, they cannot be likened to the due diligence carried out by a lender or purchaser and do not include the work required for this type of intervention. Therefore, our report enters only within the strict framework of our tasks and cannot be used in any other context.

2.2 Valuation methods and relative values attributed to the shares in the companies which are party to the operation

With respect to Topotarget, the value of the contributions representing the entirety of the share capital and voting rights has been fixed at €78.7m on the basis of the BioAlliance stock market price on 15 April 2014, an exchange ratio fixed between the parties at two BioAlliance shares for 27 Topotarget shares, i.e. 0.07407x, and a number of Topotarget shares which includes 2,473,998 new shares arising out of the exercise of the Absorbed Company's warrants, i.e. a total of 145,791,112 shares.



The valuation methods and criteria applied by Centerview Partners, BioAlliance's advising bank (hereinafter Centerview Partners or the Advising Bank) are described in our report on the value of the contributions. They have been applied to BioAlliance in the same manner as to Topotarget. However, with respect to the calculation of the exchange ratio, the method consisting in applying a control premium has not been used. To summarise, the exchange ratio sits within a broad range as presented in the table below:

Value of shareholders' equity	Topotarget in €/share			BioAlliance in €/share			Exchange ratio Topo/BioA.		
	Min.	Central	Max.	Min.	Central	Max.	Min.	Central	Max.
<i>Main methods</i>									
DCF without synergies	€0.74	€0.81	€0.89	€7.71	€8.45	€9.28	0.080x	0.096x	0.115x
DCF with synergies (1)	€0.79	€0.86	€0.95	€7.71	€8.45	€9.28	0.085x	0.102x	0.123x
DCF without synergies & sensi. PoS: -5% / 0%	€0.70		€0.81	€7.75		€8.45	0.082x		0.104x
Enterprise value of comparable companies	€0.48		€1.01	€3.18		€6.77	0.070x		0.317x
<i>As cross-reference or for information</i>									
Stock market price (min/max 52 weeks)	€0.28		€0.46	€3.37		€11.74	0.024x		0.144x
Analysts' target price		€0.43		€9.40		€10.20	0.042x		0.046x

(1) Allocated to Topotarget
(2) Min. Topotarget / Max. BioAlliance
(3) Max. Topotarget / Min. BioAlliance

On the basis of these elements, we observe that the proposed exchange ratio of 0.07407x is generally positioned in favour of the shareholders of the company benefiting from the contributions, particularly under the main methods used.

2.3 Assessment of the relative values

In order to assess the relative values attributed to the shares in the companies which are party to this operation, we have undertaken and developed our own valuation work. In particular:

- we did not retain the method based on the enterprise values of listed companies or arising out of transactions since it appears to us that this method, disconnected from the respective aggregate line items of both companies, leads to setting very wide limits to the value of shareholders' equity rather than actually assessing its value;
- we completed the classical DCF approach by implementing a Monte Carlo-type simulation for both companies as described in our report on the value of the contributions;
- we privileged volume-weighted averages of recent stock market prices for the two companies, i.e. 20 days and 3 months, rather than the extreme prices observed over the last 12 months.



2.3.1 Topotarget

Concerning Topotarget, our work, set out in more detail in our report on the value of the contributions, led to the following values per share, compared to those arising out of the Advising Bank's work:

Topotarget Value of shareholders' equity	Merger Certifying Accountants in €/share			Advising Bank in €/share		
	Min.	Central	Max.	Min.	Central	Max.
<i>Main methods</i>						
DCF	€0.81	€0.85	€0.89	€0.70		€0.95
Monte Carlo DCF	€0.76	€0.80	€0.84			
<i>As cross-reference or for information</i>						
Stock market price (20 days - 3 months) (1)	€0.42	€0.42	€0.42	€0.28		€0.48
Stock market price plus control premium (2)	€0.49	€0.51	€0.64	€0.50		€0.74
Analysts' target price	€0.43	€0.50	€0.56		€0.43	

(1) For Centerview, max. and min. intraday price 52 weeks

(2) For Centerview, control premiums observed 2008-2013; for the MCAs: 2012-2013

2.3.2 BioAlliance

We developed the same methods and criteria in order to value BioAlliance.



Discounted cash flow approach

The forecast business levels are based on the knowledge that BioAlliance's management has of the healthcare and economic potential of the molecule which is in the process of being developed. The estimates therefore concern the number and sale price of future treatments, together with their probable market share. These projections are then attributed a probability of success according to state of progress of clinical trials required for them to obtain marketing authorisation from the health authorities.

It should be pointed out that both the sale price and the market share of the products in question are subject to a degree of uncertainty and that future achievements, even in the event that marketing authorisation is obtained, may diverge from current expectations.

BioAlliance's management confirmed to us that these forecasts correspond to their best estimate, at the date of our report, of the future revenues and margins of the Absorbing Company. In addition, concerning the probabilities of success, we ensured that they were coherent with the practices of investors in the biotechnology sector according to each of the three successive trial phases required to obtain marketing authorisation. The probabilities of success applied in the business plan are thus close to 45% (excluding treatments which are already being marketed) on average.

It should be noted that BioAlliance is involved in two disputes, with Eurofins Scientific and Spopharm Holding. These disputes are described in the registration document (*document de référence*) of the Absorbing Company which, in agreement with its Statutory Auditors, considers that there is no basis for recognising contingency provisions. The most significant dispute, with Spopharm Holding, has reciprocal claims for damages of between €45m and €50m. Considering the high degree of uncertainty as to the financial outcome of these proceedings, we have applied a negative sum to the valuation of BioAlliance for

the net balance of the reciprocal claims, with a probability of 50%, and we would note that taking this risk into account via this approach does not have a significant impact on the value of BioAlliance shares. It should however be noted that the resolution of the current proceedings could nevertheless give rise to significantly different financial consequences, whether positive or negative.

In the same way as the Advising Bank, we assessed the value of the Absorbing Company on the basis of revenues which would potentially be obtained from treatments which have currently already attained the first phase of clinical trials in the marketing authorisation procedure. Indeed, we consider it to be prudent and reasonable to thus limit the assessment to applications which have sufficient probability of commercialisation to be able to contribute materially to the valuation of the company. It should be noted that by taking the 2050 financial year as forecasting horizon, the assessment by the DCF method includes the whole of the probable marketing cycle for each treatment, from it being put on the market until the end of protection from its patent followed by the progressive extinction of sales.

We validate the discounting rate of 14.30% used by Centerview Partners and its application to both the valuation of Topotarget and that of BioAlliance. According to our analysis, this 14.30% rate incorporates a specific risk premium of 2.0% to take account of the relative high dispersion of possible forecast flows around their anticipated amount, which stems from the probability of success attributed to each molecule in the development phase. This 14.30% rate can therefore, in our opinion, be broken down as follows:

- a beta coefficient of 1.43 equal to the average, weighted by coefficients of determination, of betas for comparable companies, calculated by us using three French and international samples (Europe outside France and United States), which cover a total of 25 companies;
- a share risk premium of 5.84%, calculated at the end of March 2014 from the average of the last 6 monthly risk premiums produced by the firm Fairness Finance on the basis of a prospective model for discounting forecast cash flows;
- an average return for OAT TEC 10 of 2.28%, calculated over the same period as that used for the share risk premium;
- an illiquidity / size premium of 1.67% as arising on average over the last six months in the calculations of the firm Fairness Finance for companies with a stock market capitalisation equal to that which would arise from the combination of the Absorbing Company and the Absorbed Company;
- as stated beforehand, a specific risk premium of around 2% in order to take account of the particular distribution function of future flows, stemming from the probabilities of success of the various treatments currently in development and the forecast flows scenarios arising from their combination.

As opposed to the Advising Bank, we have not based our assessment solely on the median scenario arising from the anticipated future revenues but we also implemented a simulation of the Monte Carlo type which takes account of other possible scenarios, between the failure of all of the treatments and the success of each of them. By this approach, we assessed the forecasting risk of the Absorbed Company and Absorbing Company. As a result, considering the distribution between fixed costs and variable costs in BioAlliance's operating accounts, the approach that we have applied is more conservative in that it leads to a lower anticipated level of cash flows than what was retained by Centerview Partners, which based its margin calculations on one single scenario. However, insofar as the prospective risk premiums that we use were based on more specific models than those used by Centerview Partners (based on a single scenario) and the Monte Carlo approach would lead to risk premiums which are generally lower than those produced by Fairness Finance, we finally opted for a discounting rate of 14%, slightly lower than that described



above, which according to our calculations would lead via the Monte Carlo method to an anticipated value per share which is identical to that which would arise from the application of a single scenario with a rate of 14.30%.

Again according to our calculations, the business plan drawn up by management leads to a BioAlliance share value of €7.58, with a coefficient of variation of 76%³ according to the various possible combinations of the treatments currently in development attaining marketing authorisation. The result is a value of shareholders' equity of €156.8m on the basis of 20.7 million shares. This value includes that portion of the costs connected with the merger that will be borne by the Absorbing Company. In addition, a variation of 0.50% in the discounting rate has an impact of +/- €0.40 on the value of the share..

Stock market price criterion

We also analysed the stock market price for BioAlliance which is a pertinent criterion insofar as the share is regularly listed, and has substantial float and liquidity. The table below shows the average volume-weighted price over various periods as of 15 April 2014, the day before the announcement of the merger, and the value of shareholders' equity which derives therefrom (Mkt. Cap. in €m):

Weighted average market price at 15 April 2014	BioAlliance	
	€/share	Mkt. Cap. in €m
36 months	€6.74	139.3
24 months	€7.04	145.7
12 months	€7.60	157.3
6 months	€7.95	164.4
3 months	€8.48	175.3
20 days	€8.49	175.5
Spot	€7.16	148.1
Max. 3 months	€11.74	242.8
Min 3 months	€4.68	96.8

By adopting the most recent weighted averages (20 days and 3 months), the value of BioAlliance comes out at approximately €175m.

Criterion of analysts' target price

BioAlliance is only followed by three analysts, CM-CIC, Invest Securities and Edison. This modest coverage leads us to present this criterion only for information.



³ Standard deviation of values of the share (€0.58) divided by the anticipated value of the share (0.80).



The last published price objectives were as follows:

Company	Analyst	Date	Target price	Reference market price in €
BioAlliance	Edison (1)	8 Jan 2014	€5.71	€4.64
	Invest Securities	2 Apr 2014	€9.40	€8.60
	CM-CIC	15 Apr 2014	€10.20	€7.29

(1) Edison does not present a target price with a horizon, but the result of its DCF

Retaining only the CM-CIC and Invest Securities targets, since the one determined by Edison appears to be too far from the current stock market price which takes account of the announcement of "Fast Track" status for Validive® on 23 January 2014, the value of shareholders' equity for BioAlliance comes to between €194.4m and €211m.

Summary

The table below presents a summary of the results concerning the value of the shareholders' equity of BioAlliance arising out of our work:

Value of shareholders' equity	in €m			in €/share		
	Min.	Central	Max.	Min.	Central	Max.
<i>Main methods</i>						
DCF	161.7	162.6	163.4	€7.82	€7.86	€7.90
Monte Carlo DCF	155.9	156.8	157.6	€7.54	€7.58	€7.62
<i>As cross-reference or for information</i>						
Stock market price (20 days - 3 months)	175.3	175.4	175.5	€8.48	€8.48	€8.49
Analysts' target price	194.4	202.7	211.0	€9.40	€9.80	€10.20

As with Topotarget, the value of BioAlliance's shareholders' equity is tied to the success of the marketing of its molecules. In addition, it should be borne in mind that these values take account of a limited financial impact of current litigation, particularly the one with Spepharm, which is the subject of reciprocal claims by each of the parties of around €50m.

3 Assessment of the fair nature of the proposed exchange ratio

We undertook our own approach to the relative values attributed to Topotarget and BioAlliance and, according to our work, the positioning of the range of exchange ratios is as follows, depending on the various criteria and methods used:

Value of shareholders' equity	Topotarget in €/share			BioAlliance in €/share			Exchange ratio Topo./BioA.		
	Min.	Central	Max.	Min.	Central	Max.	Min.	Central	Max.
<i>Main methods</i>									
DCF	€0.81	€0.85	€0.89	€7.82	€7.86	€7.90	0.104x	0.108x	0.113x
Monte Carlo DCF	€0.76	€0.80	€0.84	€7.54	€7.58	€7.62	0.101x	0.106x	0.110x
<i>As cross-reference or for information</i>									
Stock market price (20 days - 3 months) (1)	€0.42	€0.42	€0.42	€8.48	€8.48	€8.49	0.049x	0.050x	0.050x
Analysts' target price	€0.43	€0.50	€0.56	€9.40	€9.80	€10.20	0.046x	0.051x	0.055x

As stated above, as opposed to the Advising Bank, we did not retain the enterprise value of comparable companies. In addition, concerning the stock market prices, we privileged recent volume-weighted averages compared to the extreme prices over 12 months retained by Centerview Partners. Finally, we calculated the exchange ratios by comparing the minima and maxima to themselves, and not by comparing the minima of one with the maxima of the other as the Advising Bank has done.

The DCF method used as main method for assessment, both in its classic form and via a Monte Carlo simulation, shows exchange ratios which are advantageous to the shareholders of BioAlliance.

Conversely, the exchange ratios arising out of the market price and target price criteria are positioned below the proposed exchange ratio. However, the pertinence of these criteria, which we have retained here to provide a cross-reference, should be kept in perspective since (i) the stock market price for Topotarget does not include a control premium, which can attain very high levels (more than 80%) in the biotechnology sector, and (ii) for the analysts' target prices, there is little coverage of the companies involved in the operation.

Finally, it should be borne in mind that the failure of a molecule, or a delay in or rejection of marketing authorisation, for either of the companies involved in the operation, could lead to a downwards adjustment of the relative values for the company in question and would have the consequence of changing the exchange ratios presented above.

4 Conclusion

As conclusion for our work, it is our opinion that the proposed exchange ratio of 0.074074 new BioAlliance shares for one Topotarget share is fair.

Done in Paris, on 22 May 2014

The Merger Certifying Accountants



Thierry Bellot
Signature

Olivier Marion
Signature

Members of the *Compagnie Régionale des Commissaires aux Comptes de Paris*
(Paris Regional Society of Statutory Auditors)