



Celyad
Oncology

SUMMARY NOTE

This summary note (the “**Summary Note**”) has been prepared by Celyad Oncology SA (the “**Company**” or “**Celyad**”) in relation to the admission to trading of 6,500,000 new shares (the “**New Shares**”) on the regulated markets of Euronext Brussels and Euronext Paris (the “**New Shares**”). This Summary Note has been approved by the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers*, the “**FSMA**”) on 1st February 2022 and subsequently passported to the French Financial Markets Authority (*Autorité des Marchés Financiers*, the “**AMF**”), and should be read in conjunction with the following documents:

- the Company’s registration document as approved by the FSMA on 1st June 2021 (the “**Registration Document**”);
- the Company’s securities note in relation to the admission to trading of the New Shares on Euronext Brussels and Euronext Paris as approved by the FSMA on 1st February 2022 and as subsequently passported to the AMF (the “**Securities Note**”); and
- the supplement n°1 dated 7 September 2021 to the Registration Document of 1st June 2021 as approved by the FSMA on 8 September 2021 (the “**Supplement n°1 to the Registration Document**”).

The Registration Document, the Securities Note and the Supplement n°1 to the Registration Document, together with this Summary Note, constitute a prospectus within the meaning of article 10 of the Prospectus Regulation 2017/1129 (the “**Prospectus Regulation**”).

The Board of Directors of Celyad assumes responsibility for the content of the Prospectus. The Board of Directors declares that, to the best of its knowledge, the information contained in the Summary Note makes no omission likely to affect its import.

On behalf of the Board of Directors,

DocuSigned by:

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Filippo Petti
Managing Director

Summary of the Prospectus

*This Summary Note is to be read together with the Registration Document and the Securities Note, which together constitute a prospectus (the “**Prospectus**”) within the meaning of article 10 of the Prospectus Regulation.*

This Summary Note is prepared in accordance with article 7 of the Prospectus Regulation. In accordance with this provision, the Summary Note is divided into four main sections numbered from A to D.

A. Introductions and warnings

Element	Disclosure requirement
<p>A.1</p>	<p>Introduction</p> <p><i>Name and International Securities Identification Number</i></p> <p>6,500,000 new shares were issued by decision of the Company’s board of directors on 8 December 2021 in the framework of the authorised capital (the “New Shares”). The New Shares are all ordinary shares and rank <i>pari passu</i> in all respects with the other existing and outstanding shares of the Company (the “Shares”). The New Shares were offered to, and subscribed for by, through a private placement, CFIP CLYD LLC, a subsidiary of funds and accounts managed by affiliates of Fortress Investment Group LLC, a US global investment manager. All the New Shares are registered shares. The subscription of the New Shares occurred for a price of EUR 4.42 per Share, which corresponds to a premium of 18.5 % to the 30 days before signing volume weighted average price (VWAP), which was EUR 3.58.</p> <p>The international securities identification number (ISIN) of the New Shares is BE0974260896-XBRU</p> <p><i>Identity and contact details of the Company</i></p> <p>Celyad Oncology SA, a public limited liability company organized under the laws of Belgium with registered office located at rue Edouard Belin 2, 1435 Mont-Saint-Guibert, registered with the Belgian legal entities (Nivelles) under enterprise number 0891.118.115 and with 549300ORR0M8XF56OI64 as Legal Entity Identifier (LEI), the Company’s telephone number is +32(0) 10 39 41 00</p> <p><i>Competent authority</i></p> <p>Belgian Financial Services and Markets Authority (FSMA), Congresstraat 12-14, 1000 Brussels, its telephone number is +32(0)2 220 52 11.</p> <p><i>Date of approval of the Prospectus</i></p> <p>The Registration Document has been approved by the FSMA on 1st June 2021. The Securities Note and the Summary Note have been approved by the FSMA on 1st February 2022.</p>
<p>A.2</p>	<p>Warnings</p> <p>This Summary Note must be read as an introduction to the Prospectus and includes certain important information included in the Prospectus, but does not include all the information that may be important or relevant to the investors. This Summary Note must be read in conjunction with the more detailed information included in the Prospectus (including the information incorporated by reference). It should also be read together with the matters included in the section “Risk Factors” of the Prospectus. Any decision to invest in the securities of Celyad should be based on the investor’s consideration of the Prospectus as a whole. While acquiring securities issued by Celyad, investors must be aware that they could lose all or part of the invested capital.</p> <p>No civil liability will attach to the persons responsible for this Summary Note, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus, or it does not provide, when read together with the other parts of this Prospectus, key information in order to help investors when considering whether to invest in the Shares. Where a claim relating to this Prospectus is brought before a court in a Member State of the</p>

	European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs translating this Prospectus before the legal proceedings are initiated.
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B. Key information on the Company

Element	Disclosure requirement																																																							
B.1	<p>Who is the issuer of the securities ?</p> <p>Identification – The issuer is a public limited liability company organized under the laws of Belgium with registered office located at rue Edouard Belin 2, 1435 Mont-Saint-Guibert, registered with the Belgian legal entities (Nivelles) under enterprise number 0891.118.115 and with 549300ORR0M8XF56OI64 as Legal Entity Identifier (LEI).</p> <p>Principal activities – Celyad is a clinical-stage biotechnology company focused on the discovery and development of chimeric antigen receptor T (CAR T) cell therapies for cancer. The Company is developing a pipeline of allogeneic and autologous CAR T cell therapy candidates for the treatment of both hematological malignancies and solid tumors.</p> <p>Its clinical drug product candidates include the autologous cell therapy CYAD-02 for the treatment of relapsed / refractory acute myeloid leukemia (r/r AML) and the following allogeneic, or off-the-shelf, cell therapies: (a) CYAD-101 for the treatment of metastatic colorectal cancer (mCRC), (b) CYAD-211 for the treatment of patients with multiple myeloma, as well as other candidates from CYAD-200 series generated from the shRNA non-gene-edited platform.</p> <p>Major shareholders – At the date of this Summary Note, the following parties are the shareholders of the Company that hold 5% or more of the total number of Shares (i.e. 22,593,956 Shares):</p> <p>CFIP CLYD LLC owns 6,500,000 Shares, representing 28.77 % of the capital (and 26.04% of the voting rights).</p> <p>TOLEFI SA owns 2,295,701 Shares, representing 10.16 % of the capital (and 18.65% of the voting rights).</p> <p>As of the date of this Summary Note, the Company is not being controlled in the sense of Article 1:14 BCCA.</p> <p>Board of directors – The Board of Directors of the Company consists of nine members: (i) Mel Management represented by Michel Lussier (non-executive director and Chairperson), (ii) Filippo Petti (CEO), (iii) Serge Goblet (non-executive director), (iv) Chris Buyse (non-executive director), (v) Christopher LiPuma (non-executive director), (vi) Hilde Windels (independent director), (vii) Dominic Piscitelli (independent director), (viii) Marina Udier (independent director) and (ix) Ami Patel Shah (non-executive director).</p> <p>Statutory auditor - CVBA E&Y Bedrijfsrevisoren-Réviseurs d’Entreprises, having its registered office at De Kleetlaan 2, B – 1831 Diegem, Belgium, represented by Carlo-Sébastien d’Addario, has been appointed as Statutory Auditor of the Company on 5 May 2020 for a term of three years.</p>																																																							
B.2	<p>What is the key financial information regarding the issuer?</p> <p>The following tables set out the selected key consolidated historical financial information of Celyad as at the dates and for the periods indicated. Unless indicated otherwise, the figures set forth in the table below are in EUR thousands.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">31/12/2020</th> <th style="text-align: center;">31/12/2019</th> <th style="text-align: center;">30/06/2021</th> <th style="text-align: center;">30/06/2020</th> </tr> </thead> <tbody> <tr> <td>Income statement</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total revenue</td> <td style="text-align: center;">5</td> <td style="text-align: center;">6</td> <td style="text-align: center;">-</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Gross profit</td> <td style="text-align: center;">5</td> <td style="text-align: center;">6</td> <td style="text-align: center;">-</td> <td style="text-align: center;">5</td> </tr> <tr> <td>R&D expenses</td> <td style="text-align: center;">(21,522)</td> <td style="text-align: center;">(25,196)</td> <td style="text-align: center;">(9,956)</td> <td style="text-align: center;">(11,141)</td> </tr> <tr> <td>General and administrative expenses</td> <td style="text-align: center;">(9,315)</td> <td style="text-align: center;">(9,070)</td> <td style="text-align: center;">(4,785)</td> <td style="text-align: center;">(4,789)</td> </tr> <tr> <td>Operation loss</td> <td style="text-align: center;">(16,987)</td> <td style="text-align: center;">(28,879)</td> <td style="text-align: center;">(14,877)</td> <td style="text-align: center;">(16,555)</td> </tr> <tr> <td>Financial income/(expense)</td> <td style="text-align: center;">217</td> <td style="text-align: center;">239</td> <td style="text-align: center;">23</td> <td style="text-align: center;">(42)</td> </tr> <tr> <td>Loss for the period</td> <td style="text-align: center;">(17,204)</td> <td style="text-align: center;">(28,632)</td> <td style="text-align: center;">(14,854)</td> <td style="text-align: center;">(16,597)</td> </tr> <tr> <td>Earnings per share (in EUR)</td> <td style="text-align: center;">(1.23)</td> <td style="text-align: center;">(2.29)</td> <td style="text-align: center;">(1.02)</td> <td style="text-align: center;">(1.19)</td> </tr> <tr> <td>Balance sheet</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		31/12/2020	31/12/2019	30/06/2021	30/06/2020	Income statement					Total revenue	5	6	-	5	Gross profit	5	6	-	5	R&D expenses	(21,522)	(25,196)	(9,956)	(11,141)	General and administrative expenses	(9,315)	(9,070)	(4,785)	(4,789)	Operation loss	(16,987)	(28,879)	(14,877)	(16,555)	Financial income/(expense)	217	239	23	(42)	Loss for the period	(17,204)	(28,632)	(14,854)	(16,597)	Earnings per share (in EUR)	(1.23)	(2.29)	(1.02)	(1.19)	Balance sheet				
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	Intangible assets	36,171	39,199	36,127	
	Cash and cash equivalent	17,234	39,338	12,017	
	Total assets	66,084	89,836	62,688	
	Total equity	30,994	45,619	24,861	
	Non-current liabilities	23,256	32,395	25,290	
	Current liabilities	11,834	11,922	12,537	
	Total equity and liabilities	66,084	89,836	62,688	
	Net financial debt	6,376	(7,423)	11,914	
	Cash flow statements				
	Net cash generated from operating activities	(27,665)	(28,202)	(12,185)	(14,633)
	Net cash generated from investing activities	157	8,987	(94)	50
	Net cash generated from financing activities	5,396	18,276	7,052	1,929
B.3	<p>What are the key risks that are specific to the issuer?</p> <p><u>Financial Risks</u></p> <ul style="list-style-type: none"> - The Company will need substantial additional funding, which may not be available on acceptable terms when needed, if at all. The Company has substantial financial commitments resulting from material agreements (to Celdara, Dartmouth, Horizon), for which the Company will need substantial additional funding. - The Company has incurred net losses in each period since its inception and anticipates that it will continue to incur net losses in the future. <p><u>Risks related to business</u></p> <ul style="list-style-type: none"> - The Company's drug product candidates are new approaches to cancer treatment that present significant challenges. - The Company's drug product candidates are biologics, which are complex to manufacture, and the Company may encounter difficulties in production, particularly with respect to process development or scaling-out of its manufacturing capabilities. If the Company or any of its third-party manufacturers encounters such difficulties, its ability to provide supply of its drug product candidates for clinical trials or its products for patients, if approved, could be delayed or stopped, or the Company may be unable to maintain a commercially viable cost structure. <p><u>Risks related to clinical development</u></p> <ul style="list-style-type: none"> - The Company may encounter substantial delays in its clinical trials or may fail to demonstrate safety and efficacy to the satisfaction of applicable regulatory authorities. - The Company may be adversely affected by natural disasters and/or global health pandemics (such as COVID-19), and its business, financial conditions and results of operations could be adversely affected. <p><u>Risks related to regulatory</u></p> <ul style="list-style-type: none"> - The Company is heavily dependent on the regulatory approval of CYAD-02, CYAD-101 and CYAD-211 in the United States and Europe, and subsequent commercial success, both of which may never occur. <p><u>Risks related to intellectual property</u></p> <ul style="list-style-type: none"> - The Company could be unsuccessful in obtaining, maintaining or protecting its intellectual property rights for one or more of its drug product candidates. <p><u>Post-authorization risks</u></p> <ul style="list-style-type: none"> - The Company has not yet finalized its clinical development program for its product candidates. The FDA and comparable foreign regulators may not agree with its proposed protocols for these clinical trials, or may withdraw approvals, which could result in delays or cancellation of the programs. <p><u>Risks related to reliance on third parties</u></p> <ul style="list-style-type: none"> - Cell-based therapies rely on the availability of specialty raw materials, which may not be available to the Company on acceptable terms or at all. 				

- The Company relies on third parties to conduct, supervise and monitor its clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, the Company may not be able to obtain regulatory approval for or commercialize its drug product candidates and its business could be substantially harmed.

C. Key information on the securities

Element	Disclosure requirement
C.1	<p>What are the main features of the securities – An application will be made to admit 6,500,000 New Shares to trading on the regulated markets of Euronext Brussels and Euronext Paris under the symbol “CYAD” and with the ISIN code BE0974260896-XBRU.</p> <p>Rights attached to the Shares – All New Shares have been issued in euro, in accordance with Belgian law and are ordinary Shares representing the capital, of the same class as the existing Shares, fully paid up, with voting rights and without nominal value. They have the same rights as the existing Shares. The New Shares are profit sharing as from any distribution in respect of which the relevant dividend date falls after the date of their issuance.</p> <p>Seniority – All Shares represent an equal part of the Company’s share capital and have the same rank in the event of insolvency of the Company.</p> <p>Restriction on the free transferability of the New Shares The New Shares are subject to a lock-up period, subject to limited exceptions.</p> <p>Dividend policy – The Company has not declared or paid dividends on its Shares in the past. In the future, the Company’s dividend policy will be determined and may change from time to time by determination of the Company’s Board of Directors. Any declaration of dividends will be based upon the Company’s earnings, financial condition, capital requirements and other factors considered important by the Board of Directors. Belgian law and the Company’s Articles of Association do not require the Company to declare dividends. Currently, the Board of Directors of the Company expects to retain all earnings, if any, generated by the Company’s operations for the development and growth of its business and does not anticipate paying any dividends to the shareholders in the foreseeable future. As a consequence of all of these factors, there can be no assurance as to whether dividends or similar payments will be paid out in the future nor, if they are paid, as to their amount.</p>
C.2	<p>Where will the securities be traded</p> <p>An application will be made to admit all or part of the New Shares to trading on the regulated markets of Euronext Brussels and Euronext Paris under the symbol “CYAD” and the ISIN code BE0974260896-XBRU. The New Shares can also be traded through ADSs on the NASDAQ Global Market under the symbol “CYAD” at first request of their holder.</p>
C.3	<p>What are the key risks that are specific to the securities</p> <ul style="list-style-type: none"> - The market price of the Shares may fluctuate widely in response to various factors, such as changes in the operating results of the Company and its competitors or announcements of technological innovations or results concerning the product candidates. - Future sales of substantial amounts of Shares, or the perception that such sales could occur, could adversely affect the market value of the Shares. - Certain significant shareholders of the Company may have different interests from the Company and may be able to control the Company, including the outcome of the shareholder votes. On the basis of the transparency notifications received by the Company as of the date of this Prospectus, TOLEFI SA owns 10.16 % of the capital (and 18.65% of the voting rights) and CFIP CLYD LLC owns 28.77 % of the capital (and 26.04% of the voting rights). As a consequence, the two main shareholders of the Company hold together 44.69% of the voting rights attached to the Shares. The Company is not aware of shareholders of the Company that have entered into a voting agreement or have otherwise agreed to act in concert. - The Company cannot guarantee the extent to which a liquid market for the Shares will be sustained. In the absence of such liquid market for the Shares, the price of the Shares could be impacted negatively.

D. Key information on the admission to trading on a regulated market

Element	Disclosure requirement
D.1	<p>Under which conditions and timetable can I invest in this security?</p> <p>The New Shares were offered to, and subscribed for by, through a private placement, CFIP CLYD LLC. No offering to the public took place.</p> <p>Admission to trading – An application will be made to admit all or part of the New Shares on the regulated markets of Euronext Brussels and Euronext Paris under the symbol “CYAD” and the ISIN code BE0974260896-XBRU. The New Shares can also be traded through ADSs on the NASDAQ Global Market under the symbol “CYAD”. The New Shares should be admitted to trading on Euronext Brussels and Euronext Paris on or around the second trading day following the approval of the Prospectus by the FSMA.</p> <p>Dilution – As the preferential subscription rights of the existing shareholders has been cancelled in the context of the issuance of the New Shares, they underwent a dilution of voting rights and dividend right. An existing shareholder that held 1% of the share capital of the Company prior to the issuance of the New Shares, held, immediately after the issuance of the New Shares, but without taking into account the outstanding subscription rights, 0.71 % of the share capital of the Company.</p> <p>Costs in relation to the issuance and listing of the New Shares – The fees and commissions payable by the Company with respect to the placement of the New Shares corresponds to 6% of the gross proceeds received by the Company (which is EUR 28.7 million). In addition, the aggregate of the administrative, legal, tax and audit expenses related to the placement and issuance of the New Shares is estimated to around EUR 0.5 million. The other costs in connection with the listing of the New Shares are estimated to EUR 30,000 (among which the remuneration of the FSMA estimated to EUR 10,660 and the remuneration of Euronext Brussels and Paris estimated to approximately EUR 15,000).</p>
D.2	<p>Why is this Prospectus being produced?</p> <p>Brief description of the reasons for the admission of the New Shares on a regulated market – This Prospectus constitutes a listing prospectus for purposes of article 3 of the Prospectus Regulation. It relates to the admission to listing of the New Shares on the regulated markets of Euronext Brussels and Euronext Paris.</p> <p>Amount of the proceeds and description of their main uses – The net proceeds of the placement of the New Shares amounts to approximately EUR 26.6 million. The Company intends to use the net proceeds to advance the development of its product candidates and to support its growth globally by expanding general, administrative and operational functions in its headquarter in Belgium and its subsidiary in the United States, and general corporate purposes, which may include working capital, acquisitions or investments in businesses, products or technologies, and capital expenditures. Being noted that (a) the Company shall use USD 1 million of the net proceeds to pay a license fee in relation to the Dartmouth IP and at least USD 2.5 million of the net proceeds to identify opportunities and enable expansion of claims within the intellectual property portfolio, pursue strategic patent prosecution and fund a licensing program, in each case as agreed between CFIP CLYD LLC and the Company within 30 days following the issuance of the New Shares, and (b) the net proceeds shall not be used for any declaration or payment of dividends or distributions to the Company’s shareholders.</p> <p>Subscription agreement – The terms and conditions of the subscription of the New Shares have been defined in a subscription agreement and in a shareholders rights agreement signed on 2 December 2021.</p> <p>Conflict of interest – To the knowledge of the Company, there are, on the date of this Prospectus, no potential conflicts of interest between any duties of the members of the board of directors and members of the executive management to the Company and their private interest and/or other duties.</p>