

BIONXT SOLUTIONS INC.
(FORMERLY XPHYTO THERAPEUTICS CORP.)
(the “Company”)

Form 51-102F6V
Statement of Executive Compensation
For the Financial Year Ended December 31, 2022

The Company is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V.

The following persons are considered the “Named Executive Officers” or “NEOs” for the purposes of this disclosure:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year;
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer and director of the Company during the Company’s two most recent financial years ended December 31, 2021 and 2022.

Table of compensation excluding compensation securities							
Name and Position	Year	Salary, consulting fee, retainer or commission ⁽¹⁾ (\$)	Bonus (\$)	Committee or meeting fees ⁽²⁾ (\$)	Value of perquisites ⁽³⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
Hugh Rogers, CEO and Director	2022	231,000	Nil	N/A	N/A	9,457	240,457
	2021	216,000	Nil	N/A	N/A	8,709	224,709
P. Joseph Meagher, CFO ⁽⁴⁾	2022	72,000 ⁽⁵⁾	Nil	N/A	N/A	Nil	72,000
	2021	8,400 ⁽⁵⁾	Nil	N/A	N/A	Nil	8,400
Christopher Ross, Former CFO ⁽⁶⁾	2021	146,000	Nil	N/A	N/A	37,436 ⁽⁷⁾	183,436
Wolfgang Probst, Director and Former Chief Operating Officer ⁽⁸⁾	2022	127,960	Nil	N/A	N/A	Nil	127,960
	2021	215,526	Nil	N/A	N/A	Nil	215,526
Raimar Löbenberg, Director	2022	51,000 ⁽⁹⁾	Nil	N/A	N/A	Nil	51,000
	2021	69,000 ⁽⁹⁾	Nil	N/A	N/A	Nil	69,000

Table of compensation excluding compensation securities							
Name and Position	Year	Salary, consulting fee, retainer or commission ⁽¹⁾ (\$)	Bonus (\$)	Committee or meeting fees ⁽²⁾ (\$)	Value of perquisites ⁽³⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
Per S. Thoresen, Director	2022	12,000	Nil	N/A	N/A	Nil	12,000
	2021	9,000	Nil	N/A	N/A	Nil	9,000
Peter Damouni, Director ⁽¹⁰⁾	2022	219,000 ⁽¹¹⁾	Nil	N/A	N/A	Nil	219,000
	2021	96,000 ⁽¹¹⁾	Nil	N/A	N/A	Nil	96,000
Thomas Beckert, Managing Director of Vektor Pharma TF GmbH ⁽¹²⁾	2022	221,875 ⁽¹³⁾	Nil	N/A	N/A	Nil	221,875
	2021	242,444 ⁽¹³⁾	Nil	N/A	N/A	Nil	242,444
Heinrich Jehle, Managing Director of 3a-diagnostics GmbH ⁽¹⁴⁾	2022	164,352 ⁽¹⁵⁾	Nil	N/A	N/A	Nil	164,352
	2021	14,463	Nil	N/A	N/A	Nil	14,463

- (1) Paid or accrued salaries and/or consulting fees.
- (2) There is no standard meeting fee or committee fee for attendance at Board meetings or for service on committees.
- (3) The value of perquisites and benefits, if any, was less than \$15,000.
- (4) Mr. Meagher was appointed CFO on November 19, 2021.
- (5) Consulting fees paid to a company wholly owned by Mr. Meagher.
- (6) Mr. Ross resigned as CFO on November 19, 2021.
- (7) Includes \$33,168 of professional fees paid to a company controlled by Mr. Ross.
- (8) Mr. Probst acted as Chief Operating Officer from April 20, 2021 to December 12, 2021.
- (9) Includes research and lab expense paid or accrued to a company controlled by Mr. Löbenberg.
- (10) Mr. Damouni was elected a director by the shareholders of the Company on July 30, 2021.
- (11) Includes consulting fees paid to a company controlled by Mr. Damouni.
- (12) Vektor Pharma TF GmbH is a wholly owned subsidiary of the Company, the acquisition of which was completed on September 13, 2019.
- (13) Mr. Beckert was paid €162,000. The Canadian dollar amount was calculated using the average rate of conversion for the year multiplied by the amount paid in Euros.
- (14) 3a-diagnostics GmbH is a wholly owned subsidiary of the Company, the acquisition of which was completed on December 1, 2021.
- (15) Mr. Jehle was paid €120,000. The Canadian dollar amount was calculated using the average rate of conversion for the year multiplied by the amount paid in Euros.

Stock Options and Other Compensation Securities

The Company did not grant any compensation securities to the Named Executive Officers or directors of the Company during the Company's most recent financial year ended December 31, 2022.

No compensation securities were exercised by the Named Executive Officers or directors during the most recent financial year ended December 31, 2022.

Stock Options Plans and Other Incentive Plans

The Company has in place a stock option plan (the "**Option Plan**"), approved by shareholders on October 12, 2022. The Option Plan is administered by the Board of Directors of the Company (the "**Board**"). In determining the number of incentive options to be granted, the Board considers previous grants of options and the overall number of outstanding options relative to the number of outstanding common shares, as well as the degree of effort, time, responsibility, ability, experience and level of commitment of the executive officer or director.

The following is a summary of the material terms of the Option Plan:

- (i) the maximum number of options which may be granted to any one holder under the Option Plan within any 12 month period shall be 5% of the number of issued and outstanding common shares (unless the Company has obtained disinterested shareholder approval if required by applicable laws);
- (ii) if required by applicable laws, disinterested shareholder approval is required to the grant to related persons, within a 12 month period, of a number of options which, when added to the number of outstanding Options granted to related persons within the previous 12 months, exceed 10% of the issued common shares;
- (iii) the expiry date of an option shall be no later than the tenth anniversary of the grant date of such option;
- (iv) the maximum number of options which may be granted to any one consultant within any 12 month period must not exceed 2% of the number of issued and outstanding common shares;
- (v) the maximum number of options which may be granted within any 12 month period to employees or consultants engaged in investor relations activities must not exceed 2% of the number of issued and outstanding common shares and such Options must vest in stages over 12 months with no more than 25% of the options vesting in any three month period;
- (vi) the exercise price of any option issued under the Option Plan shall not be less than the Market Value (as defined in the Option Plan) of the common shares as of the grant date; and
- (vii) the Board, or any committee to whom the Board delegates, may determine the vesting schedule for any Option.

The Company also has in place a Restricted Share Unit Plan (the “**RSU Plan**”) approved by shareholders on July 30, 2021. The following is a summary of the material terms of the RSU Plan:

Administration

The RSU Plan shall be administered by the Board, which will have the full and final authority to provide for the granting, vesting, settlement and the method of settlement of Restricted Share Units (“**RSUs**”) granted thereunder. RSUs may be granted to directors, officers, employees or consultants of the Company, as the Board may from time to time designate. The Board has the right to delegate the administration and operation of the RSU Plan to a committee and/or any member of the Board.

Number of Common Shares Reserved

Subject to adjustment as provided for in the RSU Plan, the aggregate number of common shares which will be available for issuance under the RSU Plan will not, when combined with common shares reserved for issuance pursuant to other share compensation arrangements (including the Option Plan) exceed 20% of the number of common shares which are issued and outstanding on the particular date of grant. If any RSU expires or otherwise terminates for any reason without having been exercised in full, the number of common shares in respect of such expired or terminated RSU shall again be available for the purposes of granting RSUs pursuant to the RSU Plan.

Granting, Settlement and Expiry of RSUs

Under the RSU Plan, eligible persons may (at the discretion of the Board) be allocated a number of RSUs as the Board deems appropriate, with vesting provisions also to be determined by the Board. Upon vesting, subject to the provisions of the RSU Plan, the RSU holder may settle its RSUs during the settlement period applicable to such RSUs, provided that no expiry date or any vesting date is a date that is more than three years from the Grant Date (as such term is defined in the RSU Plan). A RSU holder shall be entitled to receive one common share for each vested RSU or, at the sole option of the Company, a cash payment equal to the number of RSUs vested, multiplied by the market price of common shares on the redemption date.

Termination

Except as otherwise determined by the Board:

- (a) all RSUs held by the RSU holder (whether vested or unvested) shall terminate automatically on the date which the RSU holder ceases to be eligible to participate in the RSU Plan or otherwise on such date on which the Company terminates its engagement of the RSU holder (the “**RSU Holder Termination Date**”) for any reason other than as set forth in paragraph (b) and (c) below;
- (b) in the case of a termination of the RSU holder’s service by reason of (A) termination by the Company or any subsidiary of the Company other than for cause, or (B) the RSU holder’s death or disability, the RSU holder’s unvested RSUs shall vest automatically as of such date, and on the earlier of the original expiry date and any time during the 90 day period commencing on the date of such termination of service (or, if earlier, the RSU Holder Termination Date), the RSU holder (or their executor or administrator, or the person or persons to whom the RSUs are transferred by will or the applicable laws of descent and distribution) will be eligible to request that the Company settle their vested RSUs. Where, prior to the 90th day following such termination of service (or, if earlier, the RSU Holder Termination Date) the RSU holder fails to elect to settle a vested RSU, the RSU holder shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the RSU Holder Termination Date) and to receive common shares in respect thereof;
- (c) in the case of a termination of the RSU holder’s services by reason of voluntary resignation, only the RSU holder’s unvested RSUs shall terminate automatically as of such date, and any time during the 90 day period commencing on the date of such termination of service (or, if earlier, the RSU Holder Termination Date), the RSU holder will be eligible to request that the Company settle their vested RSUs. Where, prior to the 90th day following such termination of service (or, if earlier, the RSU Holder Termination Date) the RSU holder fails to elect to settle a vested RSU, the RSU holder shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the RSU Holder Termination Date) and to receive common shares in respect thereof;
- (d) for greater certainty, where a RSU holder’s employment, term of office or other engagement with the Company terminates by reason of termination by the Company or any subsidiary of the Company for cause then any RSUs held by the RSU holder (whether unvested or vested) at the RSU Holder Termination Date, immediately terminate and are cancelled on the RSU Holder Termination Date or at a time as may be determined by the Board, in its discretion;
- (e) a RSU holder’s eligibility to receive further grants of RSUs under the RSU Plan ceases as of the earliest of the date the RSU holder resigns from or terminates its engagement with the Company or any subsidiary of the Company and the date that the Company or any subsidiary of the Company provides the RSU holder with written notification that the RSU holder’s employment, term of office or engagement, as the case may be, is terminated, notwithstanding that such date may be prior to the RSU Holder Termination Date; and
- (f) for the purposes of the RSU Plan, a RSU holder shall not be deemed to have terminated service or engagement where the RSU holder: (i) remains in employment or office within or among the Company or any subsidiary of the Company or (ii) is on a leave of absence approved by the Board.

Employment, Consulting and Management Agreements

Hugh Rogers - The Company entered into an employment agreement with Hugh Rogers (“**Rogers**”) dated January 1, 2019 (the “**Rogers Agreement**”), to remain in force subject to termination as provided in the Rogers Agreement. Rogers currently receives a gross salary of \$240,000 per annum, payable in equal monthly installments and reviewable by the Company on an annual basis. Rogers is entitled to stock options as determined by the Company. Rogers may receive bonus payments at the sole discretion of the Board. The Company can terminate the Rogers Agreement for just cause without notice, at which time only the amounts owing at termination will be payable. Should the Company terminate Rogers’ employment without just cause or Rogers terminates the Rogers Agreement for good reason, the Company must pay Rogers a termination fee equal to 24 months of Rogers’ then current monthly salary. If in 12

months following a change of control, the Company terminates Rogers' employment without just cause or if Rogers terminates the Rogers Agreement within six months after a change of control for good reason, then the Company shall pay Rogers an amount equal to 24 months of Rogers' then current monthly salary. Assuming a change of control occurred as of the date hereof and Rogers' employment was terminated without just cause or Rogers terminated the Rogers Agreement for good reason, Rogers would be entitled to an estimated payment of \$480,000.

Patrick Joseph Meagher – The Company entered into a consulting agreement with P. Joseph Meagher and Meagher Consulting Inc. (together “**Meagher**”) on November 8, 2021, to remain in effect for 12 months, unless extend by mutual written agreement, by which Meagher acts as CFO of the Company and provides related services. Under the terms of the agreement, Meagher receives a fee of \$6,000 (plus GST) per month.

Wolfgang Probst – BUNKER Pflanzenextrakte GmbH (“**Bunker**”), a wholly-owned subsidiary of the Company, entered into an employment agreement with Wolfgang Probst effective January 1, 2019, under which Mr. Probst received a salary of €12,000 per month. This employment agreement was terminated during 2022. The Company and Mr. Probst entered into a consulting agreement effective September 1, 2022, under which Mr. Probst receives a monthly consulting fee of €10,000 per month. The consulting agreement has a term of one year.

Except as disclosed above, none of the Named Executive Officers or directors of the Company entered into any employment, consulting or management agreements with the Company during the financial year ended December 31, 2022, nor were any outstanding as of that date. The Named Executive Officers and directors who do not have a written agreement with the Company or a subsidiary of the Company and received compensation did so under verbal agreements with the Company.

Oversight And Description of Director and Named Executive Officer Compensation

The Board determines director compensation from time to time.

The Board determines executive compensation from time to time. The Company does not have a formal compensation policy. The main objectives the Company hopes to achieve through its compensation are to attract and retain executives critical to the Company's success, who will be key in helping the Company achieve its corporate objectives and increase shareholder value. The Company looks at industry standards and the economic position of the Company when compensating its executive officers.