HALF-YEAR FINANCIAL REPORT 2020

abivax

Contents

1 LEADERSHIP

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2.1 Abivax – an overview

Abivax is an innovative biotech company that is mobilising the body's natural immune "machinery" to treat patients suffering from inflammatory diseases, infectious diseases and cancer. A clinical-stage biotechnology company, Abivax uses its three platforms to discover and optimise drug candidates, two of which are currently being tested in various clinical trials for the treatment of inflammatory bowel disease, rheumatoid arthritis, COVID-19, HIV and liver cancer. The anti-inflammatory and antiviral products and immunotherapies developed by Abivax come from three proprietary technology platforms:

1. **A "Modulation of RNA Biogenesis" platform**, based on technologies developed jointly by the CNRS (Montpellier, France) and the Institut Curie (Orsay, France). In addition to ABX464, this platform has generated a chemical library of more than 2,200 small molecules that act on RNA maturation phases to specifically block virus reproduction mechanisms using new modes of action. ABX464 is the flagship molecule generated by this platform. This molecule targets the HIV virus and has shown an action for the RNA splicing process, thus also generating an anti-inflammatory effect that has led the company to further assess its potential for inflammatory diseases and COVID-19. The platform has also generated different molecules targeting viruses such as the Respiratory Syncytial Virus, dengue fever, and influenza, with the first active molecules identified.
2. **An "Immune Stimulation" platform** based on intellectual property licensed from the Scripps Research Institute (United States). This platform focuses on "iNKT" agonist compounds which stimulate immune responses at both the humoral and cellular levels. These compounds have clinical applications in oncology and infectious diseases. The safety of ABX196, the target product derived from this platform, has already been demonstrated in a Phase 1 trial on healthy volunteers. Preclinical development also demonstrated that ABX196 was able to convert tumours that were not responsive to treatment into responsive tumours with checkpoint inhibitors. Given that immuno-oncology is not one of its core sectors, Abivax wishes to sign a licence agreement for this high-potential drug candidate once the proof-of-concept study in progress has been completed.
3. **A "Polyclonal Antibody" platform** based on the generation of neutralising antibodies, including the flagship drug candidate, ABX544, designed to treat and prevent infections caused by the Ebola virus. Due to the approval of the ERVEBO® vaccine (Ebola Zaire Vaccine, Live) and the difficulty of accessing public funding, Abivax has decided to stop the development of this molecule, but the platform remains available to the company and can be reactivated whenever necessary.

Abivax conducts its R&D activities mainly in Montpellier and has its registered office in Paris. It has 27 employees at both locations. The Abivax management team has extensive experience in the development and marketing of biopharmaceutical products for inflammatory and infectious diseases and antivirals. The Company has a world-renowned Scientific Committee and a Board of Directors comprising members with solid experience gained at major pharmaceutical laboratories and international vaccine manufacturers.

Abivax is currently focusing its efforts on the following points:

- **Continuing the clinical development programme for ABX464**, with a strategic priority given to treating inflammatory bowel disease (IBD), rheumatoid arthritis and COVID-19, then, secondly, to searching for a functional cure for HIV
- **Continuation of other therapeutic indications of ABX464** based on the relevance of the scientific data and **search for potential molecules derived from ABX464**
- **Continuation of clinical development programme for ABX196** in the treatment of hepatocellular cancer, in combination with the nivolumab checkpoint inhibitor
- **Further research** of target molecules for the treatment of respiratory syncytial virus (RSV)
- **Finally, the research for new molecules** to treat major viral infections ("Modulation of RNA Biogenesis" platform)

The Company was incorporated as a société anonyme (public limited company) on 6 December 2013 and absorbed Splicos, Wittycell and Zophis in 2014 via a full transfer of the assets and liabilities of these companies. The Company is listed on Euronext Paris since 26 June 2015. Abivax is currently listed on Compartment C of Euronext Paris.

It does not have any subsidiaries and is thus not required to present consolidated financial statements under IFRS rules. Its annual financial statements are therefore prepared in accordance with French accounting standards and principles.

2.2 Description of the highlights and activities of Abivax in the first half of 2020

"Modulation of RNA Biogenesis" platform

ABX464
Ulcerative colitis
Phase 2a

Abivax organises a symposium at the 15th Congress of the European Crohn's and Colitis Organisation (ECCO) in Vienna - February 2020

On 13 February 2020, Abivax presented the new mechanism of action for ABX464, as well as clinical data from the Phase 2a induction study and its maintenance study. The ECCO congress is the most important world congress in the field of chronic inflammatory bowel diseases (IBD).

Phase 2b

Abivax receives approval from US regulatory authorities (FDA) to launch clinical trials with ABX464 in the treatment of moderate to severe ulcerative colitis - January 2020

Abivax announced on 20 January 2020 that the Food and Drug Administration (FDA) has approved an Investigational New Drug (IND) application for its flagship drug candidate ABX464, thus enabling the launch of clinical trials in the United States to treat patients with moderate to severe ulcerative colitis (UC).

COVID-19
Phase 2b/3

Abivax obtains approval from the ANSM and the Ethics Committee to test its developing drug ABX464 in 1,034 COVID-19 patients in a randomised Phase 2b/3 clinical trial - May 2020

The Company has obtained authorisation from the French regulatory authorities (ANSM) and the French Ethics Committee (CPP) to initiate a Phase 2b/3 clinical study with ABX464 to prevent severe inflammation leading to acute respiratory distress syndrome (ARDS) in 1,034 elderly or high-risk patients with COVID-19 (miR-AGE study). The trial carried out in 50 French and European hospitals will be a randomised, double-blind, placebo-controlled trial. An interim analysis will be performed after the treatment of 300 patients and, subject to the evolution of the pandemic, Abivax envisages to complete recruitment in Q4 2020.

ABX464 inhibits replication of SARS-CoV-2 virus (COVID-19) in a reconstituted human respiratory epithelium model. Abivax is the only drug candidate with a potential triple effect for the treatment of COVID-19: Anti-viral, anti-inflammatory and tissue respiration - May 2020

ABX464, as evaluated by RTqPCR, inhibits the in vitro viral replication of SARS-CoV-2 (COVID-19). Patients with COVID-19 die of acute respiratory failure due to viral replication inducing pulmonary hyperinflammation. ABX464 is thus the only drug with such a promising triple effect, inhibiting SARS CoV-2 replication, shown in vitro, reducing inflammation and contributing to tissue repair, as demonstrated in patients suffering from ulcerative colitis. ABX464 meets the U.S. NIH/NIAID's strategic priorities for new treatments addressing COVID-19: antiviral, anti-inflammatory, tissue repair, and simple once-daily oral administration.

Abivax treats a first patient in the Phase 2B/3 trial of ABX464 in COVID-19 – July 2020

"Immune stimulation" platform
ABX196
Phase 1/2

Abivax includes a first patient in its US Phase 1/2 clinical trial with ABX196 in the treatment of hepatocellular carcinoma - February 2020
A first patient was treated with ABX19, an iNKT (invariant natural killer T-cell) agonist, administered in combination with nivolumab. The Phase 1/2 clinical trial will evaluate the tolerance as well as the preliminary efficacy of this treatment combination. The study is carried out in collaboration with the Scripps MD Anderson Cancer Center in San Diego, California, and the MD Anderson Cancer Center in Houston, Texas.

Financing

Abivax received pre-funding for its 2019 CIR - February 2020
In order to optimise its cash management, Abivax arranged for the pre-financing of its 2019 CIR with the Acofi Gestion management companies. The transaction was arranged by Neftys Conseil.

Liquidity agreement – April 2020
The company has decided to reduce by €500,000 the envelope allocated under the liquidity agreement with TSAF in April 2020, thereby optimising the amount necessary for efficient management of this activity.

Bpifrance non-dilutive funding for Abivax's ABX464-COVID-19 programme for €36 million - May 2020
Bpifrance is funding this ABX464-COVID-19 project with non-dilutive financing of €36 million (grant of €20.1 million grant and refundable advance of €15.9 million in case of project success) intended to finance the Phase 2b/3 trial of ABX464 on patients with COVID-19 and for the increase in production and additional costs related to the clinical programme and development of ABX464. This financing is explained in Note 10 - Conditional Advances and Grants.

Abivax has obtained a non-dilutive financing from Société Générale of €5 million in the form of an SGL – May 2020
The €5 million loan is structured as an SGL (State Guaranteed Loan) with an initial maturity of 12 months at 0.25% and a 5 year extension option. This loan provides additional non-dilutive financing to the €36 million non-dilutive financing granted by Bpifrance.

Impact COVID-19 - 2020
The health crisis caused by the COVID-19 pandemic and the promulgation of the state of emergency for health reasons by Act No. 2020-290 of 23 March 2020 constitute a major event.
However, Abivax is aware of the risks associated with the global outbreak of the COVID-19 coronavirus that could have a significant impact on the company's business. The extent to which the COVID-19 coronavirus is likely to have an effect on the Company's activity and clinical trials will depend on future developments, which can hardly be predicted with certainty. In addition, the short- and medium-term magnitude of the negative impact of this epidemic on financial markets, the stock price of the Company and its ability to finance itself is currently unknown. Given the above, it is currently difficult for the Company to provide a comprehensive and realistic assessment of the risks associated with the COVID-19 coronavirus pandemic. Given the nature of the company's activity in the health sector, the importance of which is confirmed by the current pandemic, Abivax considers that business continuity has not been affected by COVID-19.

POST BALANCE SHEET EVENTS

Abivax presents long-term clinical results on the efficacy and safety of ABX464 after two years of Phase 2a maintenance in ulcerative colitis - September 2020
The results of the Phase 2a open-label maintenance study after two years of treatment confirm the good safety and long-lasting efficacy of 50 mg of ABX464 administered orally daily. After two years of treatment,

69% of patients have reached the stage of clinical remission and 94 benefit from a clinical response. At the same time, admission of patients in the Phase 2b study in ulcerative colitis continues as planned with 69% (159/232) of patients randomised to date. Recruiting is expected to end in late 2020 with results expected in the second quarter of 2021.

2.3 Financial situation and results: notes on the figures

The financial statements of Abivax at 30 June 2020 mainly reflect:

- **Half-year results of -€15.4 million (-€1.2 million compared to -€14.2 million as of 30 June 2019). These results mainly reflect the continued investment in the development of ABX464 in inflammatory indications (-€2.1 million) and the launch of the COVID-19 study (-€0.8 million) as well as the continuation of the clinical study of ABX196 clinical study preparation in hepatocellular carcinoma (+€0.6 million) and the RNP-VIR research programme (+1.2 million) with lighter investments over the period.**
    - R&D expenses amounted to €13.5 million, focused on ABX464 development costs (representing 92% of R&D investments in the first half of 2020).
    - Administrative costs and overheads amounted to €2.8 million in H1 2020 (17% of operating expenses) compared to €2.3 million (13%) in H1 2019.
    - Given the receipt of Bpifrance subsidies and repayable advances (€7.9 million), which reduce the expenditure eligible for tax credit, no CIR was recorded for the first half of 2020.

- **Financial resources guaranteeing funding for the main projects until the end of Q2 2021**

    - Cash at the end of June 2020 totalled €12.1 million, compared to €11.6 million at the end of 2018.
    - The Company's cash consumption stood at €2.5 million per month during the first half of 2020
    - In June 2020, the company received the first tranche of the Bpifrance COVID-19 financing (€7.9 million) and benefited from the Société Générale SGL (€5.0 million). The Company also benefited from the pre-financing of the CIR 2019 over the first half of 2020, enabling it to receive an initial amount of €3.8 million in February 2020.
    - Taking into account the level of cash available at 30 June 2020, the €36 million in financing obtained under the COVID-19 programme from Bpifrance, and the equity financing line of credit in place with Kepler Cheuvreux, the Company should be able to cover its research project expenses and meet its financial commitments until the start of 2021.
    - Research and the future finalisation of additional public and/or private funding and/or partnering would enable it to meet scheduled payments until at least the second quarter of 2021, on the basis of the current assessment of its forecast R&D needs.

KEY FIGURES

The following tables summarise the key items from the half-yearly results drawn up according to French accounting standards, for the first half of 2020 and 2019 and certain items as at 31 December 2019.

Income statement items in thousands of euros	**H1 2020**	**H1 2019**	**Change**
Total operating income	1,633	40	1,592
Total operating expenses	-16,258	-17,268	1,010
of which Research and Development costs	*-13,468*	*-14,981*	*1,513*
of which administrative costs and overheads	*-2,790*	*-2,288*	*-502*
Operating income	**-14,625**	**-17,228**	**2,602**
Net Financial Income	-963	-655	-308
Income from continuing operations	**-15,588**	**-17,883**	**2,295**
Extraordinary income	166	-47	213
Income tax	0	-3,759	3,759
Income for the period	**-15,422**	**-14,172**	**-1,250**

ASSETS - in thousands of euros	**30/06/2019**	**31/12/2019**	**Change**
Fixed assets			
Intangible assets	32,095	32,090	5
Property, plant and equipment	104	134	-30
Financial assets	925	1,259	-334
Total Fixed assets	33,123	33,483	-360
Current assets			
Receivables	4,281	8,131	-3,850
Marketable securities	6	6	0
Cash and cash equivalents	12,050	9,765	2,285
Prepaid expenses	351	342	9
Total Current assets	16,687	18,244	-1,557
Total Assets	**49,811**	**51,728**	**-1,917**
LIABILITIES			
Shareholders' equity	**-3,592**	**11,775**	**-15,367**
Conditional advances	**13,196**	**6,816**	**6,380**
Provisions for risks and contingencies		**0**	**0**
Total Other capital	9,604	18,591	-8,987
Payables			
Convertible bonds	4,000	4,000	
Non-convertible bonds	15,480	16,743	-1,263
SGL Loans	5,000		5,000
Trade payables and related accounts	13,508	10,545	2,963
Accrued taxes and personnel expenses	2,188	1,843	345
Other payables	30		30
Total Payables	40,207	33,132	7,075
Currency translation losses		5	-5
Total liabilities	**49,811**	**51,729**	**-1,918**

OVERVIEW OF RESULTS AT 30/06/2020

Operating income

Income Statement Items in thousands of euros	H1 2020	H1 2019	Change
Sales of goods			
Production sold			
Operating grants	1,587	-21	1,608
Other income	46	61	-15
Total operating income	**1,633**	**40**	**1,593**

Given the early stage of its projects, the Company did not generate any revenue for the year.

Operating grants

The grants that appear in the income statement depend on project progress. Abivax receives grants from Bpifrance, the French public investment bank for the COVID-19, CARENA and RNP-VIR projects. During the first half of 2020, Abivax received €1,587,000 in grants corresponding to the initial key stage of the COVID-19 project. During the first half of 2019, the amount corresponding to the completion of milestone 2 of the RNP-VIR project, booked in 2018, was adjusted, resulting in an adjustment of €21,000. As such, Abivax received €290,000 from Bpifrance for key stage 2 of the RNP-VIR project, rather than the €311,000 initially recognised.

Other income

In H1 2020, operating income amounted to €46,000 compared to €61,000 in 2019. These correspond to transfers of miscellaneous operating expenses.

Net operating expenses by type:

Income Statement Items in thousands of euros	H1 2020	H1 2019	Change
Purchases of raw materials	1	16	-15
External studies	10,063	11,927	-1,864
General subcontracting	288	170	118
Supplies	55	42	13
Rents, maintenance and upkeep costs	249	237	11
Miscellaneous expenses	191	208	-17
Documentation, technological intelligence and seminars	31	21	9
Patents	482	487	-5
Professional fees	1,695	1,338	357
Work assignments and travel	106	177	-71
Other purchases and external expenses	13,158	14,607	-1,449
Taxes and similar levies	55	67	-12
Wages and salaries	2,165	1,776	389
Social security contributions	800	728	72
Depreciation expense	33	45	-12
Other expenses	45	29	16
Total operating expenses	**16,258**	**17,268**	**-1,010**

As at 30 June 2020, operating expenses were €16,258,000. 81% of the operating expenses were made up of "other purchases and external expenses", with more than 76% of these relating to external studies and scientific sub-contracting (clinical trials, laboratory research studies, toxicology, and industrial process development).

Costs associated with external studies and sub-contracting in the first half of 2020 are mainly linked to the following events:

- COVID-19: Launch of a Phase 2b/3 clinical trial with ABX464 to prevent the severe inflammation that leads to Acute Respiratory Distress Syndrome (ARDS) in some people affected with COVID-19. This study will be conducted in 1,034 elderly or high-risk patients with COVID-19 ("miR-AGE" study) with a calibrated duration of administration at twenty-eight days. This trial is conducted in a randomised, double-blind, placebo-controlled manner. First patient admitted in July 2020. An interim analysis will be performed after the treatment of 300 patients and, subject to the evolution of the pandemic, Abivax envisages to complete recruitment in Q4 2020.
- Ulcerative colitis: Extension study of the Phase 2a clinical study, ABX464-102 extended to three years of treatment (study started in January 2018 with two-year results published in September 2020), continuation of the Phase 2b induction study, ABX464-103 launched at the end of 2018 (232 patients, 16 weeks, first patient in August 2019) with FDA approval of the IND in January 2020. Results are expected in the second quarter of 2021. This induction study is completed with a maintenance study; ABX464-104 launched in July 2019 with a first patient involved in January 2020.
- Rheumatoid arthritis: Continuation of Phase 2a of the induction study in Q2 2019 (12 weeks, 60 patients) with a first patient admitted in August 2019. First results expected in the second quarter of 2021. This study is completed by a maintenance study of at least one year with a first patient admitted in November 2019.

- Continuation of the Phase 1/2 clinical trial on the treatment of liver cancer with the ABX196 drug candidate; with a first patient admitted in February 2020.
- Development of the Abivax antiviral platform in the treatment of Respiratory Syncytial Virus, Influenza and Dengue Fever.

Costs associated with external studies and sub-contracting in the first half of 2019 were mainly linked to the following events:

- Ulcerative colitis: Extension study of the Phase 2a clinical trial, i.e. the ABX464-102 study extended to two years of treatment (study started in January 2018 and for which the results at six months and nine months were published in the first half of 2019), launch of the Phase 2b induction study (16 weeks, 232 patients) in Q2 2019 with a first patient included in August 2019.
- Rheumatoid arthritis: Launch of the induction study in Q2 2019 (12 weeks, 60 patients) with a first patient included in August 2019.
- HIV: Finalisation of the ABX464-005 study
- In-depth research into understanding the mechanism of action of ABX464
- Preparation of the Phase 1/2 clinical trial on the treatment of liver cancer with the ABX196 drug candidate; launch planned in summer 2019.
- Development of the Abivax antiviral platform on the treatment of the Respiratory Syncytial Virus, Influenza, and Dengue with the crossing of key stage 2 of the RNP-VIR project (identification of five hits for 2 indications (RSV, Dengue Fever) and identification of the specific RNP involved in viral replication for RSV.

Net Financial Income:

Income Statement Items in thousands of euros	**H1 2020**	**H1 2019**	**Change**
Financial income	0	5	-6
Financial expenses	963	661	302
Net financial income	-963	-655	-307

In the first quarter of 2020, the financial expenses mainly consisted of interests on the Kreos borrowing (-€927,000) and the interests incurred to be paid in the context of the CARENA and RNP-VIR projects (-€36,000). No financial income was recognised in the first half of 2020.

Net Profit (Loss):

Income Statement Items in thousands of euros	**H1 2020**	**H1 2019**	**Change**
Income from continuing operations before tax	-15,588	-17,883	2,295
Extraordinary income	166	-47	213
Income tax (CIR)	0	3,759	-3,759
Loss	**-15,422**	**-14,172**	**-1,250**

Extraordinary income

Exceptional income for the first half of 2020 was €166,000, consisting mainly of capital gains on the sale of treasury shares (€167,000).

Extraordinary result in the first half of 2019 was a loss of -€47,000, comprised of extraordinary losses of -€59,000 corresponding to the capital losses realised on treasury share sales (-€13,000) and impairment of treasury shares due to the stock market price at 30 June 2019 (-€46,000), an adjustment of the provision linked to the tax audit (-€49,000) as well as €61,000 linked to capital gains realised during the sale of treasury shares. In July 2019, Abivax received final notice from the general management of the public finance

authority with regard to the tax audit. This led Abivax to make an immaterial adjustment to the amount of the expected corrections.

Income tax (CIR)

Taking into account the repayable advances and subsidies received as part of COVID-19 financing (€7,934,000), no CIR was recorded in the first half of 2020. The Research Tax Credit (CIR) for the first half of 2019 was estimated to be €3,759,000 million. The amount of the tax credit is calculated on the eligible expenditure for the half-year, less any subsidies and repayable advances acquired.

Net Profit (Loss)

The operating loss was -€15,422,000 (compared to -€14,172,000 at 30 June 2019, reflecting continued activity on the ABX464 on the various studies.

SHOWN ON THE BALANCE SHEET AT 30/06/2020

Intangible assets

During the second half of the 2014 financial year, three full transfers of assets and liabilities were completed: Wittycell and Zophis were absorbed on 31 July 2014 and Splicos was absorbed on 31 October 2014. These three transactions resulted in the recording of technical losses, which replaced contributed equity under Assets in the amount of €32,745,000. These technical losses represent the differences between the net assets received as measured at the effective accounting date and the book value of the holdings at Abivax for each of the companies absorbed. These are technical losses and not financial losses, since they account for the value of the research and development costs incurred by these three predecessor companies that was recognised by Abivax upon acquisition of the holdings, plus that of the research and development programmes undertaken in early 2014. These research and development costs were not capitalised by the three dissolved companies, but instead were expensed as incurred. Technical losses were maintained in the absence of any indication of impairment over the period.

Financial assets

Financial assets correspond primarily to items relating to the liquidity agreement signed by the Company at the end of June 2015 and to security deposits paid for the premises occupied by the Company and in as part of the bond loan taken from Kreos in July 2018 and June 2019.

The liquidity agreement was signed on 26 June 2015 for a period of 12 months and renews automatically. A sum of €1 million was paid to the provider when the agreement was signed and the first transactions to build up a reserve of shares were carried out between 26 and 29 June 2015. The company requested a cash refund of €500,000 in April 2020.

At 30 June 2020, the company held 17,100 treasury shares via this liquidity agreement, i.e. less than 10% of its capital, for an acquisition cost of €302,000. The balance of the cash account with the service provider is €92,000.

The transactions related to the liquidity agreement are listed in the table below:

In thousands of euros	Quantity	Average price in euros*	Book value of shares held	Other financial assets
Balance at 31 December 2018	23,970	8	180	426
Purchases	30,729	9.46	291	-291
Sales	27,299	9.72	265	265
Realised capital gains or losses			48	
Balance at 30 June 2019	27,400	9	254	401
Purchases	57,569	9.92	571	-571
Sales	60,609	10.66	646	646
Realised capital gains or losses			122	
Balance at 31 December 2019	20,930	11	227	501
Purchases	18,977	17.86	339	-339
Sales	22,807	18.87	430	430
Realised capital gains or losses			166	
Balance at 30 June 2020	17,100	18	302	92

*average values for 2020, for example, €18 = €302,000/17,100 shares

The share price at 30 June 2020 was €20.8. The market value at 30 June 2020 of the treasury shares was therefore €356,000.

Receivables:
Receivables on fixed assets correspond to the amount available under the liquidity agreement entered into by the Abivax and deposits and guarantees paid by the Company.

Other receivables are mainly made up of:

in thousands of euros	**Amount**
2014 CIR balance receivable (including deferred payment interest)	64
2019 CIR balance receivable (including deferred payment interest)	363
VAT	2,439
Trade receivables-CIFRE revenue	7
Reimbursement premium - Kreos	1,183
Loan issue costs - Kreos	208
Other receivables	17
Prepaid expenses	351
Total	4,632

Marketable securities:
Marketable securities break down as follows:

in thousands of euros	**30/06/2020**	**Immediate availability**
Term deposits		
SICAV/UCITS	6	6
Cash and cash equivalents	12,050	12,050
Total	12,056	12,056

Share capital

The exercise of 1,300 BCE-2016-1 warrants on 7 January 2020, resulting in the issuance of 1,300 Company shares, resulted in an increase in the share capital of €13.00, raising the share capital from €122,019.59 to €122,032.59.
The exercise of 164 BSA-2014-3 warrants on 11 January 2020, resulting in the issuance of 16,400 Company shares, resulted in an increase in the share capital of €164.00, raising the share capital from €122,032.59 to €122,196.59.
The exercise of 3,000 BCE-2016-1 warrants on 16 January 2020, resulting in the issuance of 3,000 Company shares, resulted an increase in the share capital of €30.00, raising the share capital from €122,196.59 to €122,226.59.
The exercise of 10 BCE-2018-1 on 17 January 2020, resulting in the issuance of 10 Company shares, shares, resulted an increase in the share capital of €0.10, raising the share capital from €122,226.59 to €122,226.69.
The exercise of 1,400 BCE-2016-1 warrants on 22 January 2020, resulting in the creation of 1,400 Company shares, resulted an increase in the share capital of 14.00, raising the share capital from €122,226.69 to €122,240.69.
The exercise of 1,600 BCE-2016-1 warrants on 11 February 2020, resulting in the issuance of 1,600 Company

shares, resulted an increase in the share capital of €16.00, raising the share capital from €122,240.69 to €122,256.69.

The Board of Directors has recognised all these capital increases.

The exercise of 26 BSA-2014-7 warrants on 17 March 2020, resulting in the issuance of 2,600 Company shares, resulted an increase in the share capital of €26.00, raising the share capital it from €122,256.69 to €122,282.69. The Board of Directors has not yet recognised this capital increase.

Note 6 of the Notes to the interim financial statements provides further details on shareholders' equity and the dilutive financial instruments currently in force.

Conditional advances

The variation between 31 December 2019 and 30 June 2020 can be summarised as follows:

in thousands of euros	Balance at 31/12/2020	Interest accrued over the period	Advances received over the period	Advances repaid over the period	Balance at 30/06/2020	*Including conditional advances*	*Including accrued interest*
BPI CARENA	**2,361**	15			**2,377**	*2,187*	*190*
BPI EBOLA	**373**			3	**370**	*370*	
BPI RNP-VIR	**4,081**	21			**4,102**	*4,032*	*70*
BPI COVID-19			6,348		**6,348**	*6,348*	
Total	**6,815**	36	6,348	3	**13,197**	*12,937*	*260*

Borrowings and financial debt – Other

At 30/06/2020, borrowings and financial debt include the Kreos loan with a convertible bond loan (€4,000,000), a non-convertible bond loan (€13,680,000) and a repayment premium (€1,800,000).

2.4 Principal risk factors

On the occasion of its introduction on Euronext – Compartment B, in June 2015, Abivax had set out the risk factors likely to affect it in the Background Document, available on its website. More recently, the said risk factors were updated in the 2020 Universal Registration Document, published on 25 May 2020.
This document is available on the Company's website at www.Abivax.com.

The Company reiterates, as indicated in the Universal Registration Document mentioned above, that its activities are essentially based on biotechnology Research and Development operations, aimed at discovering, developing and marketing novel antiviral drugs and immunotherapy products for the treatment of potentially fatal infectious diseases.

The future of the Company depends on the success of clinical development and, where appropriate, on the transfer or concession to an industrial third party of the development and/or marketing rights for one of its products.

3 INTERIM FINANCIAL STATEMENTS AT 30 JUNE 2020

3.1 Income statement

Income Statement Items in thousands of euros	H1 2020	H1 2019	Change
Operating income	**1,633**	**40**	**1,592**
Production sold			0
Operating grants	1,587	-21	1,608
Other income	46	61	-16
Operating expenses	**16,258**	**17,268**	**-1,010**
Purchases of raw materials and supplies	1	16	-15
Other purchases and external expenses	13,158	14,607	-1,449
Taxes and duties	55	67	-12
Salaries and social security contributions	2,966	2,504	461
Amortisation, depreciation and provisions	33	45	-12
Other expenses	45	29	16
Operating income	-14,625	-17,228	2,603
Financial income	0	5	-6
Financial expenses	963	661	302
Net financial income	-963	-655	-307
Income from continuing operations	-15,588	-17,883	2,295
Extraordinary income	166	-47	213
Income tax (CIR)	0	3,759	-3,759
Income for the period	**-15,422**	**-14,172**	**-1,250**

3.2 Balance sheet

in thousands of euros ASSETS	30/06/2020	31/12/2019	Change
Fixed assets			
Intangible assets			
Concessions, patents, licences, software	32,094	32,090	4
Property, plant and equipment			
Technical facilities, industrial tools and equipment	83	103	-20
Other property, plant and equipment	21	31	-10
Financial assets			
Other financial assets	925	1,259	-334
Total Fixed assets	33,123	33,483	-359
Current assets			
Receivables	4,281	8,131	-3,850
Cash instruments			
Marketable securities	6	6	0
Cash and cash equivalents	12,050	9,765	2,285
Prepaid expenses	351	342	9
Total Current assets	16,687	18,244	-1,557
Total Assets	**49,811**	**51,728**	**-1,917**
LIABILITIES			
Shareholders' equity			
Capital	122	122	0
Issue, merger, transfer premiums	11,708	104,686	-92,978
Retained earnings	0	-62,398	62,398
Income for the financial year (profit or loss)	-15,422	-30,634	15,212
Total Other capital	-3,592	11,775	-15,367
Other equity			
Conditional advances	13,196	6,816	6,380
Total Other capital	9,604	18,591	-8,987
Provisions			
Provisions for risks and contingencies		0	0
Payables			
Convertible bonds	4,000	4,000	0
Non-convertible bonds	15,480	16,743	-1,263
Borrowings and financial debt – Other	5,000		5,000
Trade payables and related accounts	13,508	10,545	2,963
Accrued taxes and personnel expenses	2,188	1,843	345
Other payables	30		30
Total Payables	40,207	33,132	7,075
Currency translation losses		5	-5
Total liabilities	**49,811**	**51,723**	**-1,912**

3.3 Cash flow statement

in thousands of euros	H1 2020	H1 2019	Change
Cash flows linked to operations			
Operating income	-14,625	-17,228	2,603
+ Amortisation, depreciation and provisions	33	43	-10
- Change in operating receivables	-4	-66	62
+ Change in trade payables	2,963	3,501	-538
= Net operating cash flow	-11,633	-13,750	2,116
- Financial expenses	-687	-483	-204
+ Financial income	0	5	-5
- Extraordinary expenses linked to activity			
+ Extraordinary income linked to activity			
- Change in other receivables linked to activity	3,604	2,847	757
+ Change in other payables linked to activity	372	-142	514
= Net cash flow generated by activity (A)	-8,344	-11,523	3,178
Cash flow linked to investment			
- Acquisitions of fixed assets	-346	-568	222
+ Disposals of fixed assets	430	265	165
+ Reduction of financial assets	0		0
+/- Change in other payables and receivables	409	25	384
= Net cash flow linked to investment (B)	493	-277	770
Cash flow linked to financing			
+ Capital increase in cash and payments made by partners	55	404	-350
+ Loans and borrowings issued and repayable advances received	11,348	10,000	1,348
- Repayment of loans and borrowing and repayable advances	-1,266		-1,266
+/- Change in trade payables and receivables related to financing activities		-50	50
= Net cash flow linked to financing (C)	10,136	10,354	-218
Change in cash position (A+B+C)	**2,285**	**-1,446**	**3,731**
+ Cash at the beginning of the period	9,771	13,002	-3,231
= Cash at the end of the period*	**12,056**	**11,556**	**500**

* The amounts listed under Cash correspond to the Marketable securities and Cash and cash equivalents shown on the Balance Sheet

3.4 Statement of changes in shareholders' equity share

	Number of shares issued	Capital	Premiums	BCEs/ BSAs	Retained earnings	Total
At 31 December 2018	10,199,189	102	90,758	283	-62,398	28,744
Share offering – BoD Meeting 9 July 2019	1,500 000	15	11,985			12,000
Exercise of founder warrants/stock subscription warrants	294,770	3				3
Kepler Cheuvreux equity line	208,000	2	1,776			1,778
Issue costs			-116			-116
Stock subscription warrants issued				1		1
2019 loss					-30,636	-30,636
At 31 December 2019	12,201 959	122	104,403	283	-93,032	11,776
Exercise of founder warrants/stock subscription warrants	26,310	0	54			55
Kepler Cheuvreux equity line						
Stock subscription warrants issued				0		0
Allocation to retained earnings on issue premium			-93,033		93,033	0
Loss at 06/2020					-15,422	-15,422
At 30 June 2020	12,228 269	122	11,425	283	-15,422	-3,592

3.5 Notes to the financial statements

Notes to the balance sheet before appropriation of total earnings of €49,811,000 at 30 June 2020 and to the income statement, presented in list form, generating a loss of -€15,422,000.

The interim financial statements cover a six-month period from 1 January 2020 to 30 June 2020.

The notes and statements below are integral to the financial statements on 30 June 2020 as agreed by the Board of Directors on 22 September 2020.

Unless otherwise indicated, the figures provided are expressed in thousands of euros.

References to the first half of 2019 and to full year 2019 enable a more meaningful comparison of changes in the data concerned to assist in understanding the company's interim income statement at 30 June 2020.

NOTE 1: THE COMPANY

Abivax is an innovative biotech company that is mobilising the body's natural immune "machinery" to treat patients suffering from inflammatory diseases, infectious diseases and cancer. A clinical biotechnology company, Abivax uses its three platforms to discover and optimise drug candidates, two of which are currently being tested in various clinical trials for the treatment of inflammatory bowel disease, rheumatoid arthritis, COVID-19, HIV and liver cancer.
The anti-inflammatory and antiviral products and immunotherapies developed by Abivax come from three proprietary technology platforms:

1. **A "Modulation of RNA Biogenesis" platform**, based on technologies developed jointly by the CNRS (Montpellier, France) and the Institut Curie (Orsay, France). In addition to ABX464, this platform has generated a chemical library of more than 2,200 small molecules that act on RNA maturation phases to specifically block virus reproduction mechanisms using new modes of action. ABX464 is the flagship molecule generated by this platform. This molecule targets the HIV virus and has shown an action for the RNA splicing process, thus also generating an anti-inflammatory effect that has led the company to further assess its potential for inflammatory diseases and COVID-19. The platform has also generated different molecules targeting viruses such as the Respiratory Syncytial Virus, dengue fever, and influenza, with the first active molecules identified.
2. **An "Immune Stimulation" platform** based on intellectual property licensed from the Scripps Research Institute (United States). This platform focuses on "iNKT" agonist compounds which stimulate immune responses at both the humoral and cellular levels. These compounds have clinical applications in oncology and infectious diseases. The safety of ABX196, the target product derived from this platform, has already been demonstrated in a Phase 1 trial on healthy volunteers. Preclinical development also demonstrated that ABX196 was able to convert tumours that were not responsive to treatment into responsive tumours with checkpoint inhibitors. Given that immuno-oncology is not one of its core sectors, Abivax wishes to sign a licence agreement for this high-potential drug candidate once the proof-of-concept study in progress has been completed.
3. **A "Polyclonal Antibody" platform** based on the generation of neutralising antibodies, including the flagship drug candidate, ABX544, designed to treat and prevent infections caused by the Ebola virus. Due to the approval of the ERVEBO® vaccine (Ebola Zaire Vaccine, Live) and the difficulty of accessing public funding, Abivax has decided to stop the development of this molecule, but the platform remains available to the company and can be reactivated whenever necessary.

Abivax conducts its R&D activities mainly in Montpellier and has its registered office in Paris. It has 27 employees at both locations. The Abivax management team has extensive experience in the development and marketing of biopharmaceutical products for inflammatory and infectious diseases and antivirals. The Company has a world-renowned Scientific Committee and a Board of Directors comprising members with solid experience gained at major pharmaceutical laboratories and international vaccine manufacturers.

Abivax is currently focusing its efforts on the following points:

- **Continuing the clinical development programme for ABX464**, with a strategic priority given to treating inflammatory bowel disease (IBD), rheumatoid arthritis and COVID-19, then, secondly, to searching for a functional cure for HIV

- **Continuation of other therapeutic indications of ABX464** based on the relevance of the scientific data and **search for potential molecules derived from ABX464**

- **Continuation of clinical development programme for ABX196** in the treatment of hepatocellular cancer, in combination with the nivolumab checkpoint inhibitor

- **Further research** of target molecules for the treatment of respiratory syncytial virus (RSV)

- **Finally, the research for new molecules** to treat major viral infections ("Modulation of RNA Biogenesis" platform)

The Company was incorporated as a Société Anonyme (French limited company) on 6 December 2013 and, in 2014, it acquired Splicos, Wittycell and Zophis by means of a universal transfer of assets and liabilities. The Company is listed on Euronext Paris since 26 June 2015. Abivax is currently listed on Compartment C of Euronext Paris.

It does not have any subsidiaries and is thus not required to present consolidated financial statements under IFRS rules. Its annual financial statements are therefore prepared in accordance with the French accounting standards and principles.

NOTE 2: ACCOUNTING PRINCIPLES, RULES AND METHODS

Abivax's interim financial statements for the six-month period ending 30 June 2020 were adopted on 22 September 2020 by the Board of Directors.

These financial statements are comprised of a balance sheet totalling €49,811,000, an income statement showing a loss of €15,422,000, a cash flow statement, a statement of changes in shareholders' equity and the Notes to the financial statements.

The interim financial statements are presented in thousands of euros. Unless otherwise indicated, the figures provided in the Notes are expressed in thousands of euros.

General rules

The interim financial statements as at 30/06/2020 were prepared in accordance with the standards defined by ANC Regulation No. 2015-06, and with Articles L. 123-12 to L. 123-28 and R. 123-172 to R. 123-208 of the French Commercial Code.

The basic method selected for the valuation of accounting items is the historical cost method.

Accounting conventions have been applied in good faith in accordance with the principle of prudence and the following basic principles:

- Going concern,

The going concern assumption has been applied by the Board of Directors despite the losses that have accumulated since the founding of the Company. Taking into account the level of cash available at 30 June 2020, the €36 million loan obtained under the COVID-19 programme from Bpifrance, the financing line of credit with Kepler Cheuvreux, and the ongoing discussions for acquiring private funding, the Company should be able to cover its research project expenses and meet its financial commitments until the last quarter of 2020. Research and finalisation of public or private funding or partnering would enable it to meet its deadlines until the second quarter of 2021,

- Consistency of accounting methods from one financial year to the next,

- Independence of financial years.

Accounting conventions have also been applied in accordance with the general rules on the preparation and presentation of annual financial statements.

Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are valued at acquisition cost for assets acquired against payment, at production cost for assets produced by the Company, and at market value for assets acquired for free or via an exchange.

The cost of an asset is made up of its purchase price, including non-recoverable customs duties and taxes, net of rebates, trade discounts and cash discounts, and all directly attributable costs incurred to install and commission the asset according to its intended use. Any transfer costs, fees or commissions and legal costs associated with the acquisition are added to the acquisition cost.

Any costs that do not form part of the asset acquisition price and which may not be directly attributed to the costs incurred in installing and commissioning the asset according to its intended use are recognised as expenses.

Amortisation and depreciation

Amortisation and depreciation are calculated on a straight-line basis over the likely useful life of the asset.

- Concessions, software and patents: 1 year
- Technical facilities: 5 to 10 years
- Industrial materials and equipment: 5 to 10 years
- Office equipment: 5 to 10 years
- IT equipment: 3 years
- Furniture: 10 years

For simplicity, the amortisation or depreciation term applied for assets that cannot be broken down further is the asset's useful life.

The technical losses recorded when subsidiaries are acquired by means of a universal transfer of assets and liabilities are similar to goodwill and are not amortised.

At the end of each financial year, the technical losses resulting from the mergers of Splicos and

Wittycell are compared to the market values of the molecules produced by the technological platforms associated with each company: “Modulation of RNA biogenesis” or the “splicing” platform for Splicos and the “iNKT agonists” technological platform for Wittycell. The Zophis technical loss was fully impaired when the universal transfer of assets and liabilities was carried out, as the partnership (licence option agreement regarding patents with the French National Institute for Agricultural Research (INRA) transferred by Zophis was abandoned.

If the estimated market value of the molecules is less than the corresponding technical loss, a provision for impairment is recorded to reduce the technical loss shown in the accounts to the market value of the projects.

In order to estimate the market value of a project, two references are taken into account:
- the adjusted net current value of expected cash flows generated by the sale of the molecules;
- the prices of recent transactions for acquisition or licensing agreements for comparable projects (therapeutic indication, stage of development, market size, etc.).

If there are discrepancies between the valuations obtained by these two methods, the current net value is used.

In the event of major adverse change in the development of the technology platform that would undermine its operation, the technical loss will be impaired in full.

If an impairment is recognised, it may not be reversed in the event of a subsequent improvement in the market value of the projects.

In accordance with ANC Regulation 2015-6 applicable from 1 January 2016, these technical losses were kept in goodwill and not allocated to tangible assets contributed because they correspond to non-capitalised expenditure incurred by the absorbed companies during the financial years preceding the full transfer of assets and liabilities.

This goodwill is not amortised, as the period during which the Company may receive economic benefits is indefinite. In fact, this goodwill concerns several projects that are at different stages in their development and for which the duration of any economic benefits cannot currently be estimated. Accordingly, given the current progress of the ongoing research projects, the duration of use for this goodwill is not restricted.

Receivables

Receivables are recorded at nominal value. A provision for impairment is recognised when the net asset value is lower than the carrying amount.

Transactions in foreign currencies

Transactions in foreign currencies are recorded at their equivalent value at the date of the transaction. Payables, receivables and cash in foreign currencies are reported on the balance sheet at period-end exchange rates. The difference resulting from the discounting of foreign currency payables and receivables at this rate is shown on the balance sheet under “Translation adjustments”.

Unrealised currency translation losses not fully or partially offset by gains are subject to a provision for risks.

Because of its business relationships with foreign service providers, the Company is exposed to foreign exchange risk for the US dollar, the Singaporean dollar, the Swiss franc and the British pound.

Repayable advances granted by public organisations

Advances received from public organisations to finance the Company’s research activities that are subject to conditional repayments are posted to liabilities under “Other equity – Conditional advances”.

Other advances received that are not subject to conditional repayments are posted under “Miscellaneous borrowings and financial debt”. Interest accrued on these advances is posted under liabilities per the same rules.

As from the financial year starting on or after 1 January 2018, the Company has amended the presentation in its annual financial statements of repayable advances to achieve consistency with the grants received under the Bpifrance contract. Refundable advances are recognised as soon as their payment is considered certain in the light of contractual conditions. This change has no impact on the outcome.

Operating grants

Any grants received are recorded upon confirmation of the corresponding receivable, in accordance with the conditions imposed on the grant. Operating grants are booked as operating income taking into account, where applicable, the rate at which they are spent to ensure compliance with the principle of matching expenditure with income.

Sub-contracting and external trial expenses

For contracts that subcontract certain research services to third parties, progress is assessed at each closing date to allow the cost of services already provided to be booked as accrued expenses.

Research and development costs

The company's research and development costs are booked as expenses for the period in which they are incurred.

The Company's former subsidiaries have applied the same principle. However, due to their acquisition by the company via a full transfer of assets and liabilities which took effect in 2014, expenses booked prior to the effective date (31 July 2014 for Wittycell and Zophis; 31 October 2014 for Splicos) are added to the technical losses (goodwill) booked as assets as at 31 December 2014. These technical losses are not amortised but their value is assessed once a year and a provision for impairment is booked if necessary, as was the case in 2014 for the technical loss generated when Zophis was acquired.

Share issue costs

These costs are offset against the amount of the share issue premium applicable to the capital increase, if the premium is sufficient. If applicable, the excess costs are recognised as expenses. These expenses are offset before tax, because the Company has been structurally loss-making during its development phase.

Pension liabilities

The Company's collective agreement provides for retirement benefits. No specific agreement has been signed. There are no provisions for the corresponding commitments, but the latter are described in these Notes.

Retirement benefits are calculated by applying a method that takes into account projected career-end salary, staff turnover rate, life expectancy and predicted payment discount assumptions.
The actuarial assumptions used are as follows:

- Discount rate: 0.70%
- Salary growth rate: 2%
- Retirement age: 62
- Staff turnover rate: low
- Mortality rate table: (INSEE table TV 88-90)

Tax credits

The tax credits recognised as assets under "Other receivables" include the research tax credit (Crédit d'Impôt Recherche or CIR). Also included under Other receivables are VAT credits for which reimbursement has been requested.

This tax credit was calculated on the basis of transactions that were actually carried out during the first half of 2020 and do not take into account any unforeseen transactions in the second half of the year. For example, the research tax credit will inevitably be negatively impacted in the event that grants or repayable advances are received for research and development projects. Grants and repayable advances that will definitely be received during the second half of the year were deducted from the CIR at 30 June 2020 at the rate of 100% of the expected amount.
Due to the receipt of grants and advances repayable in the first half of the year and the application of the ceiling on subcontracting expenditure, no research tax credit was recognised for this period.

This tax credit offsets the corporate income tax payable for the financial year in which it was recorded. In the absence of taxable earnings, the Company, considered an SME under EU regulations, may request an immediate refund when it files its tax return for the relevant financial year.

NOTE 3 – INTANGIBLE, TANGIBLE AND FINANCIAL ASSETS

Table of assets

in thousands of euros	At the beginning of the financial year	Increase	Decrease	At the statement date
Goodwill	32,745			32,745
Other intangible asset items	96	4		100
Intangible assets	**32,841**	**4**	**0**	**32,845**
• Technical facilities, industrial tools and equipment	420	0	0	420
• Office and IT equipment, furniture	148	3	0	151
Property, plant and equipment	**568**	**3**	**0**	**571**
Other long-term investments (treasury shares)	227	339	264	302
Loans and other financial assets	1031	430	839	623
Financial assets	**1,259**	**769**	**1,103**	**925**
Fixed assets	34,668	776	1,103	34,341

Intangible assets

in thousands of euros	30/06/2020	31/12/2019	Variation
Purchased assets			
Revalued assets			
Contributions in kind	32,745	32,745	0
Total	32,745	32,745	0

Intangible assets consist primarily of technical losses relating to the universal transfers of assets and liabilities carried out during the second half of 2014.

Technical losses were maintained in the absence of any indication of impairment over the period.

During the second half of financial year 2014, three universal transfers of assets and liabilities were completed: Wittycell and Zophis were absorbed on 31 July 2014 and Splicos was absorbed on 31 October 2014. These three transactions resulted in the recording of technical losses, which replaced contributed equity under Assets in the amount of €32,745,000.

These technical losses represent the differences between the net assets received as measured at the effective accounting date and the book value of the holdings at Abivax for each of the companies absorbed. These are technical losses and not financial losses, since they account for the value of the research and development costs incurred by these three predecessor companies that was recognised by Abivax upon acquisition of the holdings, plus that of the research and development programmes undertaken in early 2014. These research and development costs were not capitalised by the three dissolved companies, but instead were expensed as incurred.

Property, plant and equipment

Property, plant and equipment consist primarily of laboratory and research equipment and IT equipment.

Financial assets

Financial assets correspond primarily to items relating to the liquidity agreement signed by the Company at the end of June 2015 and to security deposits paid for the premises occupied by the Company and in as part of the bond loan taken from Kreos in July 2018 and June 2019.

Transactions related to the liquidity agreement are recognised in accordance with recommendation no. 98-D of the Emergency Committee (Comité d'urgence, CU) of the French National Accounting Board (Conseil national de la comptabilité, CNC) and with bulletin no. 137 of March 2005 of the French National Institute of Auditors (Compagnie nationale des commissaires aux comptes, CNCC):

- Treasury shares are recorded under "Other financial assets – Treasury shares". A provision for impairment is booked with reference to the average stock market price for the last month if this is lower than the purchase price. The first-in, first-out (FIFO) method is used to determine gains and losses on disposals.
- Cash paid to the intermediary and not yet used is recognised under "Other financial assets – Other long-term receivables".

The liquidity agreement was signed on 26 June 2015 for a period of 12 months and renews automatically. A sum of €1 million was paid to the provider when the agreement was signed and the first transactions to build up a reserve of shares were carried out between 26 and 29 June 2015. The company requested a cash refund of €500,000 in April 2020.

At 30 June 2020, the company held 17,100 treasury shares via this liquidity agreement, i.e. less than 10% of its capital, for an acquisition cost of €302,000. The balance of the cash account with the service provider is €92,000.

The transactions related to the liquidity agreement are listed in the table below:

In thousands of euros	Quantity	Average price in euros*	Book value of shares held	Other financial assets
Balance at 31 December 2018	23,970	8	180	426
Purchases	30,729	9.46	291	-291
Sales	27,299	9.72	265	265
Realised capital gains or losses			48	
Balance at 30 June 2019	27,400	9	254	401
Purchases	57,569	9.92	571	-571
Sales	60,609	10.66	646	646
Realised capital gains or losses			122	
Balance at 31 December 2019	20,930	11	227	501
Purchases	18,977	17.86	339	-339
Sales	22,807	18.87	430	430
Realised capital gains or losses			166	
Balance at 30 June 2020	17,100	18	302	92

*average values for 2020, for example, €18 = €302,000/17,100 shares

The share price at 30 June 2020 was €20.8 the market value at 30 June 2020 of the treasury shares was therefore €356,000.

Asset amortisation and depreciation

in thousands of euros	At the beginning of the financial year	Increase	Decrease	At the statement date
Other intangible asset items	11		0	11
Intangible assets	**11**	**0**	**0**	**11**
• Technical facilities, industrial tools and equipment	317	20	0	337
• Office and IT equipment, furniture	117	12	0	129
Property, plant and equipment	**434**	**33**	**0**	**467**
Financial assets				
Fixed assets	445	33	0	478

Asset impairment

in thousands of euros	Impairment at the beginning of the financial year	Provisions for the financial year	Reversals for the financial year	Impairment at the end of the financial year
Intangible assets	740			740
Property, plant and equipment				
Financial assets				
Total	740			740

NOTE 4 – RECEIVABLES

The total amount of Receivables and Other receivables at the end of the year was €5,254,000, or €3,863,000 excluding issuance and termination costs related to the Kreos loan. The detailed classification of receivables by maturity date is as follows:

in thousands of euros	Gross amount	Maturities of less than one year	Maturities of more than one year
Fixed asset receivables:			
Other financial assets	623		623
Payables on current assets:			
Advances and deposits paid on orders			
Trade receivables	7	7	
Social security and other social welfare bodies			
Income tax	427	427	
VAT	2,439	2,439	
Grants receivable			
Repayable advance receivable			
Other receivables	1,408	1,408	
Prepaid expenses	351	351	
Total	5,254	4,632	623

Receivables on fixed assets correspond to the amount available under the liquidity agreement entered into by Abivax and deposits and guarantees paid. Other payables on current assets are primarily composed of:

in thousands of euros	Amount
2014 CIR balance receivable (including deferred payment interest)	64
2019 CIR balance (including deferred payment interest)	363
VAT	2,439
Trade receivables-CIFRE revenue	7
Reimbursement premium - Kreos	1,183
Loan issue costs - Kreos	208
Other receivables	17
Prepaid expenses	351
Total	4,632

Prepaid expenses

in thousands of euros	Operating expenses	Financial expenses	Extraordinary expenses
Prepaid expenses	351		
Total	351		

Prepaid expenses are broken down as follows:

in thousands of euros	Amount
Leasing of equipment and offices	72
Other operating expenses	76
General and clinical trial insurance	203

Accrued income

in thousands of euros	Amount
Invoice to be issued	4
Continuing education	7
Other receivables/Insurance reimbursement	0
Other receivable/Supplier Equity	9
Grants and repayable advances receivable	
Total	20

NOTE 5 – CASH AND CASH EQUIVALENTS

in thousands of euros	30/06/2020	Immediate availability	Available in under a month
Term deposits			
SICAV/UCITS	6	6	
Cash and cash equivalents	12,050	12,050	
Total	12,056	12,056	0

NOTE 6 – SHAREHOLDERS' EQUITY

The financial information in this table is expressed in thousands of euros.

	Number of shares issued	Capital	Premiums	BCEs/ BSAs	Retained earnings	Total
At 31 December 2018	10,199,189	102	90,758	283	-62,398	28,744
Share offering – BoD Meeting 9 July 2019	1,500 000	15	11,985			12,000
Exercise of founder warrants/stock subscription warrants	294,770	3				3
Kepler Cheuvreux equity line	208,000	2	1,776			1,778
Issue costs			-116			-116
Stock subscription warrants issued				1		1
2019 loss					-30,636	-30,636
At 31 December 2019	12,201 959	122	104,403	283	-93,032	11,776
Exercise of founder warrants/stock subscription warrants	26,310	0	54			55
Kepler Cheuvreux equity line						
Stock subscription warrants issued				0		0
Allocation to retained earnings on issue premium			-93,033		93,033	0
Loss at 06/2020					-15,422	-15,422
At 30 June 2020	12,228 269	122	11,425	283	-15,422	-3,592

Share capital structure

The exercise of 1,300 BCE-2016-1 warrants on 7 January 2020, resulting in the issuance of 1,300 Company shares, resulted in an increase in the share capital of €13.00, raising the share capital from €122,019.59 to €122,032.59.

The exercise of 164 BSA-2014-3 warrants on 11 January 2020, resulting in the issuance of 16,400 Company shares, resulted in an increase in the share capital of €164.00, raising the share capital from €122,032.59 to €122,196.59.

The exercise of 3,000 BCE-2016-1 warrants on 16 January 2020, resulting in the issuance of 3,000 Company shares, resulted an increase in the share capital of €30.00, raising the share capital from €122,196.59 to €122,226.59.

The exercise of 10 BCE-2018-1 on 17 January 2020, resulting in the issuance of 10 Company shares, shares, resulted an increase in the share capital of €0.10, raising the share capital from €122,226.59 to €122,226.69.

The exercise of 1,400 BCE-2016-1 warrants on 22 January 2020, resulting in the creation of 1,400 Company shares, resulted an increase in the share capital of 14.00, raising the share capital from €122,226.69 to €122,240.69.

The exercise of 1,600 BCE-2016-1 warrants on 11 February 2020, resulting in the issuance of 1,600 Company shares, resulted an increase in the share capital of €16.00, raising the share capital from €122,240.69 to €122,256.69.

The Board of Directors has recognised all these capital increases.

The exercise of 26 BSA-2014-7 warrants on 17 March 2020, resulting in the issuance of 2,600 Company

shares, resulted an increase in the share capital of €26.00, raising the share capital it from €122,256.69 to €122,282.69.

The Board of Directors has not yet recognised this capital increase.

The capitalisation table below provides details of the shareholding at 30/06/2020:

30 June 2020	Number of shares	Undiluted % (capital)
Holding Incubatrice Medical Devices	210,970	1.73%
Truffle Capital	5,414,745	44.28%
Sofinnova Crossover	1,500,000	12.27%
Management	224,240	1.83%
Board of Directors	721,011	5.90%
Employees	5,838	0.05%
Other*	150,544	1.23%
Treasury shares	17,100	0.14%
Floating	3,983,821	32.58%
Total	**12,228,269**	**100%**

Other*: Long-standing minority shareholders or stock subscription warrant (BSA)/founder warrant (BCE) holders, Kepler Cheuvreux (based on the ownership disclosure thresholds declared on 3 July 2019) and former employees of the Company, former Board members and certain committee members.

Issuance of dilutive financial instruments (BSPCE and BSA)

The Company issued securities granting access to its capital (BCEs, or founder warrants and BSAs, or stock subscription warrants) detailed in the table provided below (data current as at 30 June 2020)

	Issued	Subscribed	Exercised	Expired	Balance	Number of shares to be issued
BCE-2014-1	2,750	2,750	2,750	0	0	0
BCE-2014-2	2,750	2,750	1,750	0	1,000	100,000
BCE-2014-3	1,389	1,389	763	626	0	0
BCE-2014-4	984	984	800	0	184	18,400
BCE-2014-5	197	197	28	169	0	0
BCE-2014-6	525	525	197	328	0	0
BCE-2014-7	1,650	1,650	0	1,650	0	0
BCE-2015-9	202,122	202,122	0	202,122	0	0
BCE-2016-1	84,000	84,000	9,810	17,499	56,691	56,691
BCE-2017-1	67,374	67,374	0	0	67,374	67,374
BCE-2017-2	150,000	150,000	0	0	150,000	150,000
BCE-2017-3	101,061	101,061	0	0	101,061	101,061
BCE-2017-4	67,374	67,374	0	0	67,374	67,374
BCE-2017-5	67,374	67,374	0	0	67,374	67,374
BCE-2018-1	22,000	22,000	30	0	21,970	21,970
BCE-2018-2	67,374	67,374	0	0	67,374	67,374
BCE-2018-3	33,687	33,687	0	0	33,687	33,687
BCE-2018-4	16,843	16,843	0	0	16,843	16,843
BCE-2018-5	22,000	22,000	0	10,000	12,000	12,000
Total BCE	911,454	911,454	16,128	232,394	662,932	780,148
BSA-2014-1	394	394	394	0	0	0
BSA-2014-2	677	677	448	229	0	0
BSA-2014-3	1,172	1,008	228	264	680	68,000
BSA-2014-4	1,315	1,315	473	0	842	84,160
BSA-2014-5	787	787	0	328	459	45,900
BSA-2014-6	52	52	52	0	0	0
BSA-2014-7	81	81	55	0	26	2,600
BSA-2015-9	122,274	0	0	122,274	0	0
BSA-2015-11	96,924	96,924	0	0	96,924	96,924
BSA-2015-12	82,000	32,800	0	65,600	16,400	16,400
BSA-2017-1	16,400	16,400	0	0	16,400	16,400
BSA-2018-1	49,200	32,800	0	16,400	32,800	32,800
BSA-2018-2	32,800	0	0	32,800	0	0
Total BSA	404,076	183,238	1,650	237,895	164,531	363,184
Total BCE + BSA	**1,315,530**	**1,094,692**	**17,778**	**470,289**	**827,463**	**1,143 332**

The maximum potential dilution associated with these financial instruments issued to employees, managers, members of the Board of Directors or committees and external consultants represents 1,143 332 shares, resulting in a potential 8.55% dilution of issued capital as at 30 June 2020.

These dilutive instruments may be exercised at a preferential price, but they have a limited term. They may be exercised gradually and/or subject to the achievement of objectives previously set by the Board of Directors or by the plan rules.

NOTE 7 – PROVISIONS FOR RISKS AND CONTINGENCIES

	Impairment at the beginning of the financial year	Provisions for the financial year	Reversals for the financial year	Impairment at the end of the financial year
Supplier allowances				
Other provisions for risks and contingencies		0		0
Provisions for foreign exchange risks				
Total provisions for risks and contingencies		0		0
Breakdown of provisions and reversals:				
Operating				
Financial		0		
Extraordinary				

NOTE 8 – CONDITIONAL ADVANCES AND GRANTS

Repayable advances granted by public organisations
Position for the first half of 2020:

in thousands of euros	Balance at 31/12/2020	Interest accrued over the period	Advances received over the period	Advances repaid over the period	Balance at 30/06/2020	*Including conditional advances*	*Including accrued interest*
BPI CARENA	**2,361**	15			**2,377**	*2,187*	*190*
BPI EBOLA	**373**			3	**370**	*370*	
BPI RNP-VIR	**4,081**	21			**4,102**	*4,032*	*70*
BPI COVID			6,348		**6,348**	*6,348*	
Total	**6,815**	36	6,348	3	**13,197**	*12,937*	*260*

Amounts still owed by the company:

At 30 June 2020 in thousands of euros	**Contract status**	**Amount awarded**	**Amount collected**	**Remaining amount to be collected**	**Amount repaid**	**Amount to be repaid except in the event of recorded failure**
CARENA (Grants portion)	Ongoing	1,397	1,187	210	-	-
CARENA (Repayable advances portion)	Ongoing	3,830	2,187	1,643	-	**4,397**
RNP-VIR (Grants portion)	Ongoing	2,112	1,122	990	-	-
RNP-VIR (Repayable advances portion)	Ongoing	6,298	4,032	2,266	-	**6,576**
EBOLA	Ongoing	390	390	0	-	**370**
COVID-19(Grants portion)	Ongoing	3,967	1,587	2,380	-	-
COVID-19(Repayable advances portion)	Ongoing	15,869	6,348	9,521	-	**16,576**

BPI CARENA

Bpifrance agreement signed with Splicos in 2013 to finance the "CARENA" strategic industrial innovation project. The agreement provides for a repayable advance of €3,830,000 at a repayment rate of 50% of total planned expenditure.

At 30 June 2020, the Company had received €2,187,000, of which €1,150,000 was received in December 2013, €1,008,000 in September 2014 and €29,000 received in June 2016.

Financial returns will be made through specified payments based on the forecast of revenue generated by

direct or indirect exploitation of the products or services derived from the project.

The amounts payable by the repayment deadlines include a discount at an annual rate of 1.66%, which will be calculated in accordance with the contractual conditions.

The Company obtained Bpifrance's agreement to change key stages 3 and 4 and the repayment timetable. The repayment timetable, which is contingent upon the success of the project, is as follows:

No later than 30 June 2023	€300,000
No later than 30 June 2024	€500,000
No later than 30 June 2025	€750,000
No later than 30 June 2026	€1,100,000
No later than 30 June 2027	€1,747,000
TOTAL	**€4,397,000**

This amount corresponds to the maximum amount of repayable advances initially provided for in the contract. In the event that the total amount of repayable advances actually paid by Bpifrance is less than the amount originally agreed, the repayments indicated above will be reduced in proportion to the amounts paid.

If applicable, the Company will also have to pay an annuity of 50% of the proceeds generated by the sale of the intellectual property rights resulting from the project, as well as the sale of the prototypes, preproduction and models produced as part of the project.

If the advance is repaid under the conditions outlined above, the Company will pay to Bpifrance, over a period of five consecutive years after the date on which the repayment schedule ends and provided that the Company has reached cumulative pre-tax revenue greater than or equal to €50 million, an amount equal to 1.20% of the annual revenue generated from the sale of the products developed as part of the project.
The supplementary payments amount is capped at €6,800,000.
The total period, including fixed payments and incentive payments, is limited to 15 years.

BPI EBOLA

Bpifrance and Occitanie region agreement to finance a project to develop a treatment for the EBOLA virus. The agreement provides for a repayable advance of €130,000 for the Occitanie region at a repayment rate of 16.55% of total planned expenditure. The agreement provides for a repayable advance of €260,000 for the BPI at a repayment rate of 33.11% of total planned expenditure.

At 30 June 2020, the amount received by the company was €390,000, of which €300,000 was received in August 2017 (€100,000 for the Occitanie region and €200,000 for BPI), and €90,000 received in November 2019 (€30,000 for the Occitanie region and €60,000 for BPI).

In 2019, €17,000 was already reimbursed, of which €13,000 for BPI and €3,000 for the Occitanie region. In the first half of 2020, €3,000 was reimbursed for the Occitanie Region. At 30 June 2020, the remaining balance to be repaid is €370,000. In view of COVID-19, the maturities of March (€10,000) and June (€10,000) were deferred and were effectively repaid in July 2020.

The repayment timetable, which is not contingent upon the success of the project, is as follows:

31/03/2020	*10,000*
30/06/2020	*10,000*
30/09/2020	15,000
31/12/2020	15,000
31/03/2021	15,000
30/06/2021	15,000
30/09/2021	20,000
31/12/2021	20,000
31/03/2022	20,000
30/06/2022	20,000
30/09/2022	25,000
31/12/2022	25,000
31/03/2023	25,000
30/06/2023	25,000
30/09/2023	27,500
31/12/2023	27,500
31/03/2024	27,500
30/06/2024	27,500
Total	**370,000**

This amount corresponds to the maximum amount of repayable advances initially stipulated in the agreement and actually received by the company. In September 2019, Abivax decided to terminate this programme, due to the existence of a vaccine in the process of being licensed for this indication as well as changes in the macroeconomic climate for public funding.

BPI RNP-VIR

Bpifrance agreement to finance the "RNP-VIR" Structuring R&D Projects for Competitiveness project. This financing was granted under the French Future Investments Programme.

The agreement provides for a repayable advance of €6,298,000 at a repayment rate of 50% of total planned expenditure.

At 30 June 2020, the Company had received €4,032,000, of which €1,756,000 was received in September 2017, €346,000 in August 2018 and €1,930,000 in November 2019.

Financial returns will be made through specified payments based on the forecast of revenue generated by direct or indirect exploitation of the products or services derived from the project.

The amount of repayment deadlines takes into account a discount at the annual rate of 0.95% calculated according to the terms of the agreement.

The repayment timetable, which is contingent upon the success of the project, is as follows:

No later than 31 December 2022	€1,644,000
No later than 31 December 2023	€1,644,000
No later than 31 December 2024	€1,644,000
No later than 31 December 2025	€1,644,000
TOTAL	**€6,576,000**

This amount corresponds to the maximum amount of repayable advances initially stipulated in the agreement. In the event that the total amount of repayable advances actually paid by Bpifrance is less than the amount originally agreed, the repayments indicated above will be reduced in proportion to the amounts paid.

If applicable, the Company will also have to pay an annuity of 50% of the proceeds generated by the sale of the intellectual property rights resulting from the project, as well as the sale of the prototypes, preproduction and models produced as part of the project.

If the advance is repaid under the conditions outlined above, the Company will pay to Bpifrance, over a period of five consecutive years following the date on which the repayment schedule ends and provided that the company has reached cumulative pre-tax revenue greater than or equal to €25 million, an amount equal to 3% of the annual revenue generated from the sale of products developed as part of the project.

The amount of additional payments is capped at €5,500,000.

The total period, including fixed payments and incentive payments, is limited to 15 years.

BPI – COVID-19

Bpifrance agreement to finance the "COVID-19" Structuring R&D Projects for Competitiveness project. This financing was granted under the French Future Investments Programme.

This study is carried out under the full ownership of Abivax with the collaboration of the University Hospital of Nice, which directly manages part of the financing of the programme, notably for the ABX464 COVID-19 "miR-AGE" clinical trial. The total amount of aid is €36,010,000, of which €19,836,000 is allocated to Abivax (€15,869,000 in repayable advances and €3,967,000 in subsidies), and €16,174 K is allocated to the University Hospital of Nice (100% subsidies at a rate of 100% of estimated expenditure).

The total repayable advance for the Abivax part is €15,869,000 at a repayment rate of 64% of total planned expenditure.
At 30 June 2020, the amount of the repayable advance received in June 2020 was €6,348,000.

Financial returns will be made through specified payments based on the forecast of revenue generated by direct or indirect exploitation of the products or services derived from the project.
The amount of repayment deadlines takes into account a discount at the annual rate of 0.78% calculated according to the terms of the agreement.

The fixed repayment schedule, which is contingent upon the success of the project, is as follows:

No later than 31 March 2023	€500,000
No later than 30 June 2023	€500,000
No later than 30 September 2023	€500,000
No later than 31 December 2023	€500,000
No later than 31 March 2024	€650,000
No later than 30 June 2024	€650,000
No later than 30 September 2024	€650,000
No later than 31 December 2024	€650,000
No later than 31 March 2025	€835,000
No later than 30 June 2025	€835,000
No later than 30 September 2025	€835,000
No later than 31 December 2025	€835,000

No later than 31 March 2026	€982,000
No later than 30 June 2026	€982,000
No later than 30 September 2026	€982,000
No later than 31 December 2026	€982,000
No later than 31 March 2027	€1,000,000
No later than 30 June 2027	€1,000,000
No later than 30 September 2027	€1,000,000
No later than 31 December 2027	€1,000,000
No later than 31 March 2028	€708,000
TOTAL	**€16,576,000**

This amount corresponds to the maximum amount of repayable advances initially stipulated in the agreement. In the event that the total amount of repayable advances actually paid by Bpifrance is less than the amount originally agreed, the repayments indicated above will be reduced in proportion to the amounts paid. In particular, this latter scenario would arise if ABX464 were to be brought to market more quickly, owing to the results from current development for the COVID-19 indication quickly proving satisfactory.

If applicable, the Company will also have to pay an annuity of 50% of the proceeds from the sale of the intellectual property rights resulting from the project, as well as the sale of the prototypes, preproduction and models produced under the project.

If the advance is repaid under the conditions outlined above, the company will pay Bpifrance, for four consecutive years after the date on which the repayment timetable ends and as soon as the company has achieved cumulative revenue, excluding taxes, of €1 million or more, an amount equal to 1.5% of the annual income generated from the sale of the products developed within the project.

The amount of additional payments is, however, capped at a total of €3,340,000.

The total period, including fixed payments and incentive payments, is limited to 15 years.

Grants awarded by public organisations

CARENA Project
The agreement with Bpifrance provides for a maximum payment of €1,397,000, i.e., a grant rate of 45% of the industrial research expenses for specific steps. At 30 June 2020, the Company had received a total amount of €1,187,000.

RNP-VIR Project
The agreement with Bpifrance provides for a maximum payment of €2,111,000, i.e., a grant rate of 50% of the industrial research expenses for specific steps. At 30 June 2020, the company already received an amount of €1,122,000 (of which €347,000 was received in September 2017, €485,000 in August 2018 and €290,000 in November 2019).

COVID-19 project
The agreement with Bpifrance provides for a maximum payment of €3,967,000, i.e., a grant rate of 16% of the industrial research expenses for specific steps. At 30 June 2020, the company had received €1,587,000.

NOTE 9 – PAYABLES

Total liabilities at the closing date amounted to €40,207,000 and the breakdown by maturity is as follows:

in thousands of euros	Gross amount	Maturities of less than one year	Maturities of more than one year	Maturities of more than five years
Convertible bonds	4,000		4,000	
including tranche A	*2,000*		*2,000*	
including tranche B	*2,000*		*2,000*	
Non-convertible bonds	15,480	4,282	*11,199*	
including tranche A	6,798	*2,219*	*4,579*	
including tranche B	8,682	*2,063*	*6,620*	
Trade payables and related accounts	13,508	13,508		
Borrowings and debts with credit institutions	5,000		5,000	
Personnel and related accounts	782	782		
Social security and other social welfare bodies	1,216	1,216		
Other taxes and duties and similar payments	190	190		
Other liabilities (**)	30	30		
Total	40,206	20,008	20,199	0
(*) Loans taken out during the financial year	5,000			
(*) Loans repaid during the financial year	1,263			
(**) Including intra-group				

Recognition of the termination fees for the bond subscribed in 2019 and in 2018 were recognised as "Bond redemption premium" raises the amount of financial debt ("non-convertible bonds") by an additional €1,800,000.

Accrued expenses

in thousands of euros	Amount
Suppliers – Invoices Not received	5,909
Provision for paid leave	329
Accrued personnel expenses	454
Provision for social security contributions	138
Other accrued social security contributions	178
State - Other accrued expenses	70
Apprenticeship levy	13
Social housing tax	21
Miscellaneous accrued expenses	7
Total	7,118

NOTE 10 – RESEARCH AND DEVELOPMENT COSTS

As indicated in the accounting rules and policies, the Company has expensed all its research and development costs for the year.

These expenses amounted to a total of €13,468,000 for the first half of 2020, compared with €14,981,000 for the first half of 2019 (€29,007,000 for the whole of 2019).

Some of these research and development costs relate to work subcontracted to partners. These subcontracting expenses amounted to €10,063,000 for the first half of 2020, compared with €11,927,000 for the first half of 2019 (€22,434,000 for the whole of 2019).

NOTE 11 – CORPORATE INCOME TAX

French Research Tax Credit

Because the Company carries out research and development activities, it is eligible for the French Research Tax Credit (CIR).

In 2015, the company had to pre-finance its 2014 CIR. As guarantees were provided to secure this pre-financing, there are still some amounts yet to be recovered; a total of €64,000 is set to be returned provided that there is no dispute.

The research tax credit for 2019 amounted to €4,251,000. It was pre-financed by an authorised body for €3,783,000 in February 2020. Due to the guarantees of the pre-financer and the absence of repayment by the tax authorities, there are still sums to be recovered for a total of €363,000.

The company's research and development activity during the first half of 2020 did not allow the calculation of a research tax credit. In fact, the amounts of deductible public funding received and to be received in respect of research and development activities in the first half of 2020 are deducted from expenses incurred and result in an insignificant research tax credit for the first half of 2020.

Corporate income tax

As the Company is a loss-making entity, it does not pay tax. The amount recorded under “Income tax” in the income statement corresponds to income from the research tax credit.

The Company’s tax loss and amortisation and depreciation carry-forwards amounted to €156,373,000 at 30 June 2020.

The offsetting of these losses is capped at 50% of the taxable profit for the year. This limit is applicable to the portion of the profits that exceeds €1 million. The unused loss balance remains deferrable to subsequent financial years and may be written off under the same conditions with no cut-off date.

NOTE 12 – RELATED PARTY DISCLOSURES

Balance sheet items

in thousands of euros	Related companies	Companies linked by a participating interest
Total assets		
Advances and deposits paid on orders	0	
Total Receivables	0	
Trade payables and related accounts	0	
Total Payables	0	

Relations with related parties:

None.

Financial income and expenses concerning related companies

Amount included in financial expenses: None.

NOTE 13 – FINANCIAL COMMITMENTS

Commitments given

in thousands of euros	
Pension commitment	636
Lease commitment	
Other commitments given	30,239
of which firm orders placed	*30,239*
Total	30,875
Includes amounts relating to:	
Executives	70

Commitments made under patent licensing agreements

The development programmes for several of the Company's products are part of long-term licensing agreements with academic institutions and research centres to develop its technology platforms and with patent-owning partners to supplement the portfolio of drug candidates.
These agreements include significant fixed and variable financial commitments. Fixed payment commitments are conditional on the achievement of various contractually defined milestones. The associated expense will be booked once all the contractual conditions have been met. Variable commitments consist of future royalty payments calculated based on the revenues generated once the developed products are marketed or when sub-licences are granted to third parties.

The main licensing agreements involving the product portfolio are as follows:
A "Modulation of RNA Biogenesis" platform, based on technologies developed jointly by the CNRS (Montpellier, France) and the Institut Curie (Orsay, France).
An "Immune Enhancer" platform based on intellectual property from the Scripps Research Institute (United States).

Firm agreements made

In order to carry out its development programmes, the Company frequently enters into cooperation agreements with public- or private-sector partners or subcontractors. Owing to the length of these programmes, these agreements may be for periods of several years and involve significant financial commitments. In order to carry out its development programmes, the Company frequently enters into cooperation agreements with public- or private-sector partners or subcontractors. Owing to the length of these programmes, these agreements may be for periods of several years and involve significant financial commitments. The amount of orders committed to but not yet supplied (and thus not recognised as either invoices receivable or trade accounts payable) was an estimated €30,239,000 at 30 June 2020.

Pension liabilities

The amount of commitments made for pensions, supplementary pensions and similar benefits: €636,000. Recommendation 03-R-01 of 1 April 2003 of the CNC has been applied for defined benefit schemes.

Commitments received

The maximum amounts receivable by Abivax after 30 June 2020 under the "Carena" and "RNP-VIR" and "COVID-19" innovation agreements entered into with Bpifrance, subject to the provision of evidence to support the forecast expenses and the completion of key scientific stages, are as follows:

in thousands of euros	
RNP-VIR repayable advance	2,266
CARENA repayable advance	*1,643*
Repayable advance COVID-19	*9,521*
RNP-VIR Grant	*989*
CARENA Grant	*210*
COVID-19 grant	*2,380*
Total	17,009
Includes amounts relating to: Executives	None

NOTE 14 – EMPLOYEES

At 30 June 2020, the Company had an average of 27 employees (compared to 25.75 employees at 31 December 2019).

	30/06/2020	31/12/2019
Managerial personnel	22	21.25
Non-managerial personnel	4	3.5
Corporate officers	1	1
Total	**27**	**25.75**

Average employees per site

	30/06/2020	31/12/2019
Paris	13	12.25
Montpellier	14	13.5
Total	**27**	**25.75**

NOTE 15 – STATUTORY AUDITOR'S FEES

in thousands of euros	30/06/2020	31/12/2019
Audit		
Statutory Auditor, certification of individual financial statements		
• Issuer	46	78
Services other than the certification of accounts		
• Issuer	0	10
Total	46*	88*

* Of this €46,000, only €41,000 corresponds to work carried out for the 2020 financial year, and €5,000 corresponds to the adjustment of fees provisioned at 31 December 2019.
* Of the €88,000, only €75,000 corresponds to work actually completed during the financial year ended 31 December 2019. The additional €12,000 corresponds to an adjustment for fees provisioned as at 31 December 2018.

NOTE 16 – EXTRAORDINARY INCOME AND EXPENSES

in thousands of euros	Expenses	Income
Premiums on sale of treasury shares		167
Extraordinary taxes		
Other extraordinary expenses:	1	
Prov. Depreciat. Amort. Extraordinary/Impairment treasury shares	0	
Total	1	167

The extraordinary result in the first half of 2020 is a loss of €166,000. It is comprised of:

- Extraordinary income of €167,000 correspond to the capital gains generated on the disposals of treasury shares.
- Extraordinary losses of -€1,000, mainly corresponding to the capital losses realised during treasury share sales

4 DECLARATION BY THE PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

I certify that, to the best of my knowledge, the accounts presented for the half-year ended in the half-year financial report have been prepared in accordance with the applicable French accounting standards and that they provide a true and fair view of the assets and liabilities, the financial position and results of the Company. I also certify that the half-year activity report (provided in pages 4 to 17) presents, to the best of my knowledge, a true and fair view of the important events that occurred in the first six months of the financial year and their impact on the interim financial statements, the main transactions between related parties and a description of the main risks and uncertainties for the remaining six months of the financial year.

[Document signed in the French version]

Pr. Hartmut Ehrlich
Chief Executive Officer

ABIVAX

Statutory Auditors' Review Report on the Interim Financial Information

(For the period from January 1, 2020 to June 30, 2020)

STATUTORY AUDITORS' REVIEW REPORT ON THE INTERIM FINANCIAL INFORMATION

(For the period from January 1, 2020 to June 30, 2020)

This is a free translation into English of the Statutory auditors' review report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

ABIVAX

5, rue de La Baume

75008 Paris

In compliance with the assignment entrusted to us by your General Meetings and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying interim financial statements of ABIVAX, for the period from January 1, 2020 to June 30, 2020,
- the verification of the information presented in the half-yearly financial report.

These interim financial statements have been established under the responsibility of the Board of Directors on the 22th September 2020, on the basis of the information available at that date in the evolving context of the Covid-19 crisis and difficulties understanding its impacts and the future outlook. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

Sur la base de notre examen limité, nous n'avons pas relevé d'anomalies significatives de nature à remettre en cause, au regard des règles et principes comptables français, la régularité et la sincérité des comptes semestriels et l'image fidèle qu'ils donnent du patrimoine de la société et de la situation financière à la fin du semestre ainsi que du résultat du semestre écoulé de la société.

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the assets and liabilities and of the financial position of the Company as at 30 June 2020, and of the results of its operations for the six-month period then ended, in accordance with French accounting principles.

II - Specific verification

We have also verified the information presented in the half-yearly financial report on the interim financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the interim financial statements.

Neuilly-sur-Seine, 25 September 2020

The Statutory Auditor

PricewaterhouseCoopers Audit

Cédric Mazille

[Document signed in the French version]


abivax