HALF-YEAR FINANCIAL REPORT 2022

abivax

Contents

1 LEADERSHIP

Board of Directors

Chairman:	Corinna zur Bonsen-Thomas

Directors:	Dr Philippe Pouletty Dr Carol L. Brosgart Jean-Jacques Bertrand Joy Amundson Sofinnova Partners represented by Dr Kinam Hong Santé Holding SRL represented by Dr Antonino Ligresti Truffle Capital represented by Christian Pierret

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Executive V.P., Chief Financial Officer and Board Secretary	Didier Blondel
Chief Commercial Officer and V.P. Business Development	Pierre Courteille
V.P. Process and Manufacturing Development	Jérôme Denis
V.P. Clinical Operations	Paul Gineste
V.P. Regulatory Affairs	Mary Mantock
V.P. Communication	Regina Jehle
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2 HALF-YEAR ACTIVITY REPORT

2.1 Abivax – an overview

Abivax aims to modulate the body's immune system to treat patients with chronic inflammatory diseases, viral infections and cancer. A Phase 3 clinical-stage biotech company, Abivax uses its three platforms to discover, optimise and develop drug candidates, two of which are currently being tested in various clinical trials for the treatment of inflammatory bowel disease, rheumatoid arthritis, 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 the obefazimod molecule (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. Obefazimod is the flagship molecule generated by this platform. This molecule targets the HIV virus and immediately showed an action enabling inhibition of HIV virus replication and for the RNA splicing process, thus also generating an anti-inflammatory effect that has led the Company to assess as a priority its potential for chronic inflammatory diseases, particularly those of the bowel, starting with ulcerative colitis.
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. Following these preclinical results, a Phase 1/2 clinical trial for treating hepatocellular carcinoma (HC) has produced initial positive results.
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 24 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:

- **Continuation of the obefazimod clinical development programme**, with priority given to the treatment of chronic inflammatory diseases. The specific order of priority is as follows: chronic inflammatory bowel disease (IBD), starting with ulcerative colitis, followed by Crohn's disease, and finally rheumatoid arthritis.
- **Continuation of other therapeutic indicators of obefazimod** according to the relevance of scientific data and **research into potential derivative molecules of obefazimod**.
- **Continuation of the ABX196 clinical development programme** in the treatment of hepatocellular cancer as a second priority, a pre-requisite for this being the creation of a development partnership.
- **Finally, research into new molecules** aimed at treating chronic inflammatory diseases and 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 (transmission universelle de patrimoine, or TUP). The Company is listed on Euronext Paris since 26 June 2015. Abivax is currently listed on Compartment B of Euronext Paris.

On 1 April 2022, the Company acquired Prosynergia SARL, a Luxembourg-based biotech company. In accordance with the exemption allowed by the French Code of Commerce, Abivax has not prepared consolidated financial statements, as the company that it controls represents a negligible interest and the Company is therefore not required to present consolidated financial statements under IFRS. 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 2022

"Modulation of RNA Biogenesis" platform

Obefazimod (ABX464)

Abivax to hold a Symposium at the 17th Congress of ECCO on 17 February 2022 – February 2022

On 8 February 2022, Abivax announced that it would hold a Satellite Symposium on the potential of obefazimod to respond to unmet medical needs in the area of ulcerative colitis (UC) on 17 February at the 17th Congress of ECCO, which will take place virtually from 16 to 19 February 2022. The Congress of ECCO (European Crohn's and Colitis Organisation) is one of the largest congresses in the field of chronic inflammatory bowel disease (IBD), such as ulcerative colitis and Crohn's disease.

Abivax publishes the results of the Phase 2a study for obefazimod in rheumatoid arthritis in the scientific journal, *Annals of the Rheumatic Diseases*, and is selected for presentation at EULAR 2022 – June 2022

On 1 June 2022, Abivax announced that the results of its Phase 2a study for the treatment of moderate to severe rheumatoid arthritis (RA) conducted with obefazimod had been published in the *Annals of the Rheumatic Diseases* (ARD), the leading peer-reviewed scientific journal.

It also announced that the data from the Phase 2a study had been selected for presentation at the 2022 EULAR Annual European Congress of Rheumatology. The presentation was given by the study's lead investigator, Claire Daien, on Wednesday, 1 June 2022 at 8.40pm (Paris time).

The Company also indicated that it was focusing on the development of obefazimod in the treatment of ulcerative colitis and recently announced excellent results from the Phase 2b maintenance study after one year. The Phase 3 programme in this indication is currently being finalised and the first patient should be included in the third quarter of 2022.

"Obefazimod" registered as an international nonproprietary name (INN) for ABX464 – June 2022

On 1 June, Abivax announced that "obefazimod" has been confirmed as an international nonproprietary name (INN) for the drug candidate ABX464. Obefazimod has been officially registered and published with the Organisation Management Service (OMS) and with the United States Adopted Names (USAN) Council.

Ulcerative colitis

Phase 2b

Abivax announces excellent efficacy and tolerance results after one year of treatment in the Phase 2b maintenance study for obefazimod in ulcerative colitis – April 2022

On 6 April 2022, Abivax announced excellent clinical results obtained from 217 patients having completed one year of daily treatment with 50 mg of obefazimod administered orally in the Phase 2b open-label maintenance study. These data confirm the potential of obefazimod to maintain and improve the clinical results over time, as well as its good tolerance profile.

Phase 3

Abivax receives a scientific opinion from the EMA supporting the advancement of the Phase 3 clinical programme for obefazimod in ulcerative colitis – January 2022

On 13 January 2022, Abivax announced that the European Medical Agency (EMA) had delivered its scientific opinion supporting the advancement of the Phase 3 clinical programme for obefazimod in the treatment of ulcerative colitis (UC), aiming to potentially achieve a marketing authorisation and the marketing of obefazimod.

Rheumatoid arthritis

Phase 2a

Abivax announces promising results from the Phase 2a maintenance study for obefazimod in rheumatoid arthritis after one year of treatment – March 2022

On 10 March 2022, Abivax announced promising results from its Phase 2a maintenance study in the treatment of rheumatoid arthritis (RA) after one year of continuous treatment with 50 mg once daily. Of the 40 patients included in this study with obefazimod, 23 patients completed the first year of treatment, and all patients achieved at least an ACR20 response, with 19 and 12 patients, respectively, achieving an ACR50 and an ACR70 response. The tolerance profile (50 mg of obefazimod once daily + MTX) was favourable and consistent with what had been observed in previous clinical trials. The results of the induction and maintenance studies validate the continuation of clinical development in rheumatoid arthritis and potentially in other rheumatological indications. The data generated during induction and maintenance studies in ulcerative colitis and in rheumatoid arthritis strengthen the potential of obefazimod to cover a broad range of chronic inflammatory diseases.

"Immune Stimulation" platform

ABX196

The results of the Phase 1/2 study of ABX196 in liver cancer will be presented on 21 January at the 2022 ASCO GI Cancers Symposium – January 2022

On 19 January 2022, Abivax announced the detailed results of its Phase 1/2 study for ABX196 in the treatment of hepatocellular carcinoma (HC), which were presented at the ASCO GI Cancers Symposium, held from 20 to 22 January 2022. These results validate the continuation of the clinical development of ABX196 in the treatment of HC. The ASCO GI Cancers Symposium is one of the largest international conferences for presentation and discussion of the most recent, innovative and promising advances in research into the treatment of cancers of the digestive system. It is held each year by the American Society of Clinical Oncology (ASCO), the world's leading cancer research organisation.

General

Abivax acquires Prosynergia SARL – April 2022

Abivax has announced the acquisition of Prosynergia SARL, a Luxembourg-based biotech company, on 1 April 2022, for €3.25 million, in order to strengthen Abivax's development portfolio. The terms of the transaction also include earn-outs of up to €4 million, depending on the potential increase in Abivax's market capitalisation.

POST BALANCE SHEET EVENTS

The protocols of the Phase 3 induction studies for obefazimod in the treatment of ulcerative colitis (UC) were approved by the US central ethics committee (the Institutional Review Board or IRB) – August 2022

On 4 August 2022, Abivax announced that it had received approval from the US central ethics committee (the Institutional Review Board or IRB), enabling it to start recruiting patients in the United States for Phase 3 induction studies with the drug candidate, obefazimod (ABX464), in the treatment of ulcerative colitis. The first patient is expected to be enrolled by the end of Q3 2022.

Following the responses of the US regulatory agency (Food and Drug Administration (FDA)) at the End-of-Phase-2 Meeting, and of the European regulatory agency (European Medical Agency (EMA)) in its scientific opinion, received in late 2021, Abivax submitted to the FDA, in June 2022, as part of its IND (Investigational New Drug) Application, the definitive protocols for the Phase 3 clinical trials and all of the required information.

In Europe, the clinical trial request for the Phase 3 protocols was submitted in August 2022, in accordance with the New Clinical Trial Regulation. European approval for the start of these studies is expected in December 2022.

Abivax announces a change in governance – August 2022

On 16 August 2022, Abivax announced a transition in the chairmanship of its Board of Directors. Philippe Pouletty, Abivax's founder and Chairman of the Board of Directors since the Company was created in 2013, informed the Board of Directors of his decision to resign as Chairman with immediate effect. However, after many years of successfully leading the Board of Directors, Mr Pouletty will continue to support the Company's development as a member of the Board of Directors.

Pending the appointment of a new, permanent independent Chair, Ms Corinna zur Bonsen-Thomas, an independent member of the Board of Directors of Abivax, will carry out the role of interim Chair.

Abivax announces successful oversubscribed €49.2 million cross-over financing with top-tier US and European investors – September 2022

On 2 September 2022, Abivax announced oversubscribed financing of around €49.2 million, led by TCGX with the participation of Venrock Healthcare Capital Partners, Deep Track Capital, Sofinnova Partners, Invus and Truffle Capital, top-tier investors specialising in the biotechnology sector. The financing consists of two transactions: a reserved capital increase of approximately €46.2 million through the issue of 5,530,000 new shares with a nominal value of €0.01 per share, representing 33% of its current share capital, at a subscription price of €8.36 per share, and an issue of royalty certificates amounting to €2.9 million. The proceeds of the Transaction will primarily be used to fund the advancement of Phase 3 clinical trials for obefazimod in ulcerative colitis, expanding the Company's cash runway to the end of Q1 2023.

Abivax publishes the results of the Phase 2b study for obefazimod in ulcerative colitis in the scientific journal, *The Lancet Gastroenterology & Hepatology* – September 2022

On 6 September 2022, Abivax announced the publication of a scientific article in the leading peer-reviewed international journal in the field of gastroenterology and hepatology, *The Lancet Gastroenterology & Hepatology*. The article is entitled "ABX464 (obefazimod) for moderate to severe active ulcerative colitis: a randomised, placebo-controlled Phase 2b induction trial and 48-week extension".

The scientific community has endorsed obefazimod's ability to ease the symptoms of patients suffering from long-term moderate to severe UC in a rapid and lasting way.

2.3 Financial situation and results: notes on the figures

The financial statements of Abivax at 30 June 2022 mainly reflect:

- **A half-year loss of -€29.6 million (-€13.0 million compared with the loss of -€16.5 million as at 30 June 2021). This result, which was strongly impacted by the -€11.0 million write-down of the technical loss of Wittycell relating to ABX196, was mainly due to operating expenses (-€18.7 million, down -€7.9 million compared with H1 2021). These expenses reflect the ongoing investment in the development of obefazimod in inflammatory indications and more particularly in ulcerative colitis (-€1.7 million compared with H1 2021).**

    - R&D expenses amounted to -€15.9 million in the first half of 2022, compared with -€24.0 million in the first half of 2021, representing a decrease of €8.1 million. Of this decrease, €3.6 million related directly to the termination of the COVID-19 programme. The decrease also reflects the prioritisation of research into the ulcerative colitis indication, which represents 62% of R&D investment (despite the termination of the COVID-19 study, total obefazimod development costs represented 88% of R&D investment in the first half of 2022).
    - Administrative costs and overheads amounted to -€2.8 million in H1 2022 (15% of operating expenses) compared with -€2.6 million (10%) in H1 2021.
    - The Company's research and development activity in the first half of 2021 gave rise to a research tax credit of €2.2 million.

- **Financial resources guaranteeing funding for the main projects until the end of Q1 2023**

    - Cash at the end of June 2022 totalled €26.6 million, compared with €60.7 million at the end of December 2021.
    - The Company's cash consumption was -€5.7 million per month during the first half of 2022.
    - In view of the level of available cash at 30 June 2022, the equity line with Kepler Cheuvreux, the repayment of the receivable of €3.4 million held with respect to the University Hospital of Nice in August 2022, the future 2021 research tax credit refund of €4.2 million, the capital increase of €43 million in September 2022 and the issue of royalty certificates for €2.9 million in September 2022, the Company is currently financed until the first quarter of 2023. Seeking out additional dilutive and non-dilutive financing will enable it to meet its debt maturities until the third quarter of 2023.

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 2022 and 2021 and certain items as at 31 December 2021.

Income Statement Items in € thousands	**H1 2022**	**H1 2021**	**Change**
Total operating income	56	9,640	-9,584
Total operating expenses	-18,681	-26,534	7,853
of which Research and Development costs	*-15,886*	*-23,955*	8,069
of which administrative costs and overheads	*-2,795*	*-2,579*	*-216*
Operating income	**-18,625**	**-16,894**	**-1,731**
Net Financial Income	-2,111	-1,347	-764
Income from continuing operations	**-20,736**	**-18,241**	**-2,495**
Extraordinary income	-11,034	99	-11,133
Income tax	-2,217	-1,611	-606
Income for the period	**-29,553**	**-16,531**	**-13,022**

ASSETS - in € thousands	**30/06/2022**	**31/12/2021**	**Change**
Fixed assets			
Intangible assets	21,145	32,098	-10,954
Property, plant and equipment	113	93	20
Financial assets	6,545	2,962	3,583
Total Fixed assets	27,802	35,153	-7,351
Current assets			
Advances and deposits paid on orders	5,963	4,000	1,963
Receivables	11,026	9,812	1,214
Marketable securities	6	6	0
Cash instruments	15,000	0	15,000
Cash and cash equivalents	11,565	60,695	-49,130
Prepaid expenses	280	699	-419
Total Current assets	43,840	75,212	-31,372
Currency translation gains	0	0	0
Total Assets	**71,642**	**110,365**	**-38,724**
LIABILITIES			
Shareholders' equity	**-752**	**28,775**	**-29,527**
Conditional advances	**6,833**	**6,837**	**-4**
Provisions for risks and contingencies	**65**	**98**	**-33**
Total Other capital	6,146	35,710	-29,564
Payables			
Convertible bonds	25,000	25,000	0
Non-convertible bonds	18,844	23,445	-4,601
SGL Loans	5,000	5,000	0
Interest on loans	628	652	-24
Trade payables and related accounts	14,455	18,551	-4,096
--Accrued taxes and personnel expenses	1,556	2,000	-444
Other payables	14	7	7
Total Payables	65,496	74,655	-9,159
Currency translation losses	0	0	0
Total liabilities	**71,642**	**110,365**	**-38,724**

OVERVIEW OF RESULTS AT 30/06/2022

Operating income

Income Statement Items in € thousands	H1 2022	H1 2021	Change
Sales of goods	0	0	0
Production sold	0	0	0
Operating grants	0	9,627	-9,627
Reversals of amortisation, depreciation and provisions, transfers of expenses	56	11	44
Other income	0	2	-1
Total operating income	**56**	**9,640**	**-9,584**

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. No grants were paid in the first half of 2022.

Other income

In H1 2022, operating income amounted to €56 thousand compared with €13 thousand in 2021. This mainly corresponds to reversals of provisions for risks and contingencies and miscellaneous transfers of operating expenses.

Net operating expenses by type:

Income Statement Items in € thousands	H1 2022	H1 2021	Change
Purchases of raw materials	58	0	58
External studies	11,031	17,904	-6,873
General subcontracting	1,787	1,030	757
Supplies	9	7	1
Rents, maintenance and upkeep costs	235	283	-49
Miscellaneous expenses	131	241	-110
Documentation, technological intelligence and seminars	25	15	10
Patents	456	955	-500
Professional fees	2,059	2,274	-215
Work assignments and travel	51	26	24
Other purchases and external expenses	15,783	22,738	-6,954
Taxes and similar levies	3	65	-62
Wages and salaries	1,927	2,578	-651
Social security contributions	794	988	-195
Depreciation expense on fixed assets	27	32	-4
Increase in provisions for risks and contingencies	12	33	-21
Other expenses	77	100	-23
Total operating expenses	**18,681**	**26,534**	**-7,853**

As at 30 June 2022, operating expenses were €18,681 thousand. "Other purchases and external expenses" represented 84% of operating expenses, with more than 70% of them 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 2022 are mainly linked to the following events:

- Ulcerative colitis (UC):
  - Completion of the Phase 2a maintenance study, i.e. the ABX464-102 study that began in January 2018;
  - Continuation of the Phase 2b maintenance study for ABX464-104, launched in July 2019 with the first patient enrolled in January 2020. Excellent efficacy and tolerance results obtained from 217 patients having completed one year of daily treatment with 50 mg of obefazimod, administered orally, were published in April 2022;
  - Merger upon their respective maturities of the Phase 2a and Phase 2b maintenance studies ABX464-102 and ABX464-104, into a single, open-label, long-term study, ABX464-108, in which patients from either of the merged studies can continue their treatment;
  - Preparation of the Phase 3 programme for obefazimod in UC. 1,200 patients with moderate to severe UC in 36 countries will be included in this pivotal Phase 3 programme, which consists of two induction studies and a single subsequent maintenance study (ABTECT-1 and ABTECT-2, ABX464-105 and ABX464-106 induction studies, and ABTECT maintenance study, ABX464-107). These studies will be conducted in Europe, the United States, Japan and in other geographical areas. To date, more than 430 investigation centres, of the 600 centres provided for, are already eligible to take part in the Phase 3 studies. In August 2022, Abivax received approval from the US central ethics committee (the Institutional Review Board or IRB), enabling it to start

recruiting patients in the United States for the two Phase 3 induction studies, with the enrolment of the first patient expected by the end of September 2022.

- Rheumatoid arthritis (RA): Completion of Phase 2a of the induction study launched in 2019 (12 weeks, 60 patients) with the first patient enrolled in August 2019, and continuation of the Phase 2a maintenance study. The excellent results of the Phase 2a study and their endorsement through publication in the ARD (*Annals of the Rheumatic Diseases*) journal, and through presentation at EULAR in June 2022, validate the continuation of clinical development with obefazimod in RA in a Phase 2b programme. The start of the next stages of a clinical development programme for obefazimod in RA depends on the availability of the necessary resources and financing, as Abivax is focused on the Phase 3 programme in UC.
- Liver cancer (HC): Continuation and completion of the Phase 1/2 clinical trial with ABX196 in the treatment of hepatocellular carcinoma (HC, liver cancer). This is a two-phase study comprising a dose escalation phase followed by an extension phase. The results of the dose escalation phase, presented at the ASCO GI Cancers Symposium in January 2022, validate the continuation of the clinical development of ABX196 in the treatment of HC, with the option of a potential partnership as the priority approach currently being considered by the Company.

Costs associated with external studies and sub-contracting in the first half of 2021 were mainly linked to the following events:

- Ulcerative colitis (UC):
  - Continuation of the Phase 2a maintenance study, ABX464-102, extended to four years of treatment (study started in January 2018 with promising three-year results published in September 2021);
  - Continuation and completion of the Phase 2b induction study, ABX464-103, launched at the end of 2018 (254 patients, 16 weeks, first patient in August 2019) with FDA approval of the IND in January 2020. Excellent efficacy and tolerance results were announced in May 2021.
  - This induction study, ABX464-103, was supplemented by a two-year maintenance study, ABX464-104, which was launched in July 2019 with the first patient enrolled in January 2020; positive preliminary data on 51 patients at 48 weeks in this maintenance phase were also announced at the same time as the Phase 2b results, in May 2021.
  - Given these very encouraging results, the Company planned to start the Phase 3 clinical programme, subject to a positive response from the American regulatory agency (FDA), expected by the end of 2021, and the scientific advice provided by the European Medical Agency (EMA), expected during the first quarter of 2022.
- Rheumatoid arthritis (RA): Continuation of Phase 2a of the induction study launched in 2019 (12 weeks, 60 patients) with a first patient admitted in August 2019. Excellent efficacy and tolerance results were announced in June 2021. The Phase 2a induction study is supplemented with a maintenance study, extended to two years in September 2020, with the first patient enrolled in November 2019. Following the positive results of this Phase 2a trial, initiation of the next steps in the clinical development of obefazimod in RA will depend on the decision made to prioritise the clinical programme with obefazimod.
- COVID-19: Cessation of the Phase 2b/3 clinical trial with obefazimod to prevent the severe inflammation that leads to Acute Respiratory Distress Syndrome (ARDS) in people affected with COVID-19. The interim analysis of the data of 305 patients in March 2021 showed no difference in the rate of progression to severe disease between the placebo group and the group treated with obefazimod. The Company therefore followed the recommendations of the Data and Safety Monitoring Board and terminated the study in March 2021. This study was conducted jointly with the University Hospital of Nice, which directly managed part of its financing.
- Liver cancer (HC): Continuation of the Phase 1/2 clinical trial on the treatment of liver cancer with the ABX196 drug candidate. Subject to positive results, the decision on the next stage of clinical development will also be taken on the basis of the availability of the necessary financial means or the possibility of concluding a licence agreement.

- Antiviral platform: Continued activity of the Abivax antiviral platform in the treatment of the respiratory syncytial virus, influenza and dengue fever. The research into new molecules to treat major viral infections also depended on the outcome of the prioritisation of the obefazimod clinical development programme, expected for the fourth quarter of 2021.

Net Financial Income:

Income Statement Items in € thousands	H1 2022	H1 2021	Change
Financial income	15	1	13
Financial expenses	2,126	1,348	778
Net financial income	-2,111	-1,347	-764

In the first half of 2022, financial expenses mainly comprised interest relating to the Kreos loans (-€1,199 thousand) and OCEANE bonds (-€752 thousand). Financial income in the first half of 2022 related to credit interest on term deposits (€15 thousand).

Net Profit (Loss):

Income Statement Items in € thousands	H1 2022	H1 2021	Change
Income from continuing operations before tax	-20,736	-18,241	-2,495
Extraordinary income	-11,034	99	-11,133
Income tax (CIR)	-2,217	-1,611	-606
Loss	**-29,553**	**-16,531**	**-13,022**

Extraordinary income

An extraordinary loss of -€11,034 thousand was recorded for the first half of 2022, comprising the €10,986 thousand write-down of the Wittycell technical loss, capital losses of -€25 thousand on the sale of treasury shares and an exceptional depreciation expense on the costs of acquiring shares of Prosynergia of -€23 thousand. Extraordinary income for the first half of 2021 was €99 thousand, mainly consisting of capital gains on the sale of treasury shares.

Income tax (CIR)

The estimated CIR (research tax credit) for the first half of 2022 was €2,217 thousand. The amount of the tax credit is calculated on eligible expenditure in the half-year, less any grants and repayable advances obtained.

The estimated CIR (research tax credit) for the first half of 2021 was €1,611 thousand. The amount of the tax credit had been calculated on eligible expenditure in the half-year, less any grants and repayable advances obtained.

Net Profit (Loss)

A net loss of -€29,553 thousand was recorded (compared with a net loss of -€16,531 thousand at 30 June 2021), reflecting the progress of research into obefazimod and the revaluation of goodwill on ABX196.

SHOWN ON THE BALANCE SHEET AT 30/06/2022

Intangible assets

The Company's assets at 30 June 2022 included goodwill, classed as intangible assets, resulting from the contributions of Wittycell (the "Immune Stimulation" platform that gave rise to ABX196) and Splicos (the "Modulation of RNA Biogenesis" platform that gave rise to obefazimod) to Abivax. The contributions in kind of Splicos, Wittycell and Zophis to Abivax took place in 2014 by means of a universal transfer of assets. This goodwill amounted to €32 million at the end of 2014.

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.

At each reporting date, the carrying amounts of the technical losses are examined to assess whether there is any indication that these assets are impaired. In the first half of 2022, management took into account dramatic and rapid changes in the hepatocellular carcinoma (HC) treatment landscape. These changes are expected to require a new, lengthy, heavy and risky development process, making a partnership with a licensing agreement for ABX196 an attractive option. Consequently, these new data entail the risk of an €11.0 million write-down of Wittycell's technical loss (please see Note 3). These intangible assets have therefore been revalued at €21,019 thousand.

Licences from CNRS and Scripps for €120 thousand and software for €5 thousand have been added to this amount.

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 the context of the bond loans subscribed by Kreos.

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 thousand in April 2020.

At 30 June 2022, the Company held 9,600 treasury shares via this liquidity agreement, i.e. less than 10% of its capital, for an acquisition cost of €209 thousand. The balance of the cash account with the service provider is €320 thousand.

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

in € thousands	Quantity	Average price in euros*	Book value of shares held	Other financial assets
--Balance at 31 December 2020	12,800	17	221	207
Purchases	4,101	26.41	108	-108
Sales	8,001	27.77	222	222
Realised capital gains or losses			99	
--Balance at 30 June 2021	8,900	23	206	321
Purchases	2,794	27.85	78	-78
Sales	3,094	28.99	90	90
Realised capital gains or losses			26	
--Balance at 31 December 2021	8,600	26	220	333
Purchases	5,871	18.34	108	-108
Sales	4,871	19.40	95	95
Realised capital gains or losses			-25	
--Balance at 30 June 2022	**9,600**	**22**	**209**	**320**

*average values at 30 June 2022, for example, €22 = €209 thousand/9,600 shares

The share price at 30 June 2022 was €10.46. The market value of treasury shares at 30 June 2022 was €100 thousand, resulting in a write-down of these treasury shares of €108 thousand.

Receivables:

Fixed asset receivables correspond to

- a loan granted to Prosynergia so that this company could refinance its debt;
- the amount available under the liquidity agreement entered into by Abivax and the deposits and guarantees paid by the Company.

in € thousands	Amount
Receivables from companies in which an equity interest is held	1,400
Other financial assets	1,329
Total fixed asset receivables	**2,729**

Other current asset receivables are primarily composed of:

in € thousands	Amount
Advances and deposits paid on orders	5,963
Receivables	2
Kreos issue and termination costs	802
OCEANE issue costs	24
Other (Grants receivable)	0
Sundry debtors	0
Receivables, other	6,791
2014 CIR balance receivable (including deferred payment interest)	26
2019 CIR balance receivable (including deferred payment interest)	106
CIR at 31/12/2021	4,204
Estimated CIR at 30/06/2022	2,217
Deductible VAT and VAT credits	3,646
Taxes	10,198
Prepaid expenses	280
Total current asset receivables	**17,270**

Cash and cash equivalents:
Cash and cash equivalents break down as follows:

in € thousands	30/06/2022	Immediate availability
Term deposits	15,000	15,000
SICAV/UCITS	6	6
Cash and cash equivalents	11,556	11,556
Interest accrued and not yet received	9	9
Total	26,570	26,570

Share capital
The following exercises of BCE and BSA took place in the first half of 2022:

	Number of warrants	Number of shares
BCE-2018-5	334	334
BSA-2014-3	188	18,800
Total	**522**	**19,134**

These various exercises resulted in the issuance of 19,134 Company shares, increasing the share capital by €191.34, from €167,640.51 to €167,831.85.

The Board of Directors has recognised all these capital increases.

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

Conditional advances

The variation between 31 December 2021 and 30 June 2022 can be summarised as follows:

in € thousands	--Balance at 31 December 2021	Interest accrued over the period	Advances repaid over the period	--Balance at 30 June 2022	*Including conditional advances*	*Including accrued interest*
BPI CARENA	**2,423**	15		**2,438**	*2,187*	*251*
BPI EBOLA	**250**		40	**210**	*210*	
BPI RNP-VIR	**4,164**	21		**4,185**	*4,032*	*153*
Total	**6,837**	36	40	**6,833**	*6,429*	*404*

Borrowings and financial debt – Other

At 30 June 2022, the Company's financial debt comprised two non-convertible bond loans subscribed by Kreos Capital and their termination costs, OCEANE bonds, a state-guaranteed loan taken out with Société Générale and interest associated with the OCEANE bonds and the state-guaranteed loan.

Financial debt thus amounted to €49.5 million at 30 June 2022. It breaks down as follows:

- Tranche A (€1.3 million) and Tranche B (€3.6 million) of the first Kreos loan and the termination costs of the two tranches (€1.8 million),
- Tranche A (€7.7 million) and Tranche B (€4.0 million) of the second Kreos loan and the termination costs of the two tranches (€0.6 million),
- OCEANE bonds (€25.0 million) and associated accrued interest of €0.6 million,
- the state-guaranteed loan (€5 million) and associated accrued interest (€3 thousand).

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 2022 Universal Registration Document, published on 28 April 2022.
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 2022

3.1 Income statement

Income Statement Items in € thousands	H1 2022	H1 2021	Change
Operating income	**56**	**9,640**	**-9,584**
Production sold	0	0	0
Operating grants	0	9,627	-9,627
Other income	56	13	43
Operating expenses	**18,681**	**26,534**	**-7,853**
Purchases of raw materials and supplies	58	0	58
Other purchases and external expenses	15,783	22,738	-6,954
Taxes and duties	3	65	-62
Salaries and social security contributions	2,721	3,566	-846
Amortisation, depreciation and provisions	39	65	-25
Other expenses	77	100	-23
Operating income	-18,625	-16,894	-1,731
Financial income	15	1	13
Financial expenses	2,126	1,348	778
Net financial income	-2,111	-1,347	-764
Income from continuing operations	-20,736	-18,241	-2,495
Extraordinary income	-11,034	99	-11,133
Income tax (CIR)	-2,217	-1,611	-606
Income for the period	**-29,553**	**-16,531**	**-13,022**

3.2 Balance sheet

in € thousands	30/06/2022			31/12/2021	
ASSETS	Gross	Amortisation, depreciation and provisions	Net	Net	Change
Fixed assets					
Intangible assets					
Concessions, patents, licences, software	145	19	126	93	33
Goodwill	32,745	11,726	21,019	32,005	-10,986
Property, plant and equipment					
Technical facilities, industrial tools and equipment	423	352	71	41	29
Other property, plant and equipment	167	125	42	42	0
Fixed assets in progress			0	10	-10
Financial assets					
Other financial assets	6,653	108	6,545	2,962	3,583
Total Fixed assets	40,132	12,330	27,802	35,153	-7,351
Current assets					
Advances and deposits paid on orders	5,963		5,963	4,000	1,963
Receivables	11,026		11,026	9,812	1,214
Cash instruments					
Marketable securities	6		6	6	0
Cash and cash equivalents	26,565		26,565	60,695	-34,130
Prepaid expenses	280		280	699	-419
Total Current assets	43,840		43,840	75,212	-31,372
Currency translation gains	0		0	0	0
Total Assets	**83,972**	**12,330**	**71,642**	**110,365**	**-38,724**

in € thousands LIABILITIES	30/06/2022	31/12/2021	Change
Shareholders' equity			
Capital	168	168	0
Issue, merger, transfer premiums	107,517	107,515	2
Retained earnings	-78,908	-37,551	-41,357
Income for the financial year (profit or loss)	-29,553	-41,357	11,804
Regulated provisions	23	0	23
Total Shareholders' Equity	-752	28,775	-29,527
Other equity			
Conditional advances	6,833	6,837	-4
Total Other capital	6,833	6,837	-4
Provisions			
Provisions for risks and contingencies	65	98	-33
Payables			
Convertible bonds	25,000	25,000	0
Non-convertible bonds	18,844	23,445	-4,601
Borrowings and financial debt – Other	5,000	5,000	0
Interest on loans	628	652	-24
Trade payables and related accounts	14,455	18,551	-4,096
--Accrued taxes and personnel expenses	1,556	2,000	-444
Other Payables	14	7	7
Total Payables	65,496	74,655	-9,159
Currency translation losses	0	0	0
Total liabilities	**71,642**	**110,365**	**-38,724**

3.3 Cash flow statement

in € thousands	30/06/2022	31/12/2021	Change
Cash flows linked to operations			
Net profit (loss)	-29,553	-41,357	11,804
Elimination of expenses and income with no effect on cash			0
or not related to activity			0
+ Operating Amortisation, depreciation, write-downs and provisions	39	156	-117
+ Financial Amortisation, depreciation, write-downs and provisions	431	636	-205
+ Extraordinary amortisation, depreciation, write-downs and provisions	11,010		11,010
- Reversals of Amortisation, depreciation, write-downs and provisions	-45	-1	-44
- Change in inventories			0
- Portion of grant transferred to the income statement			0
+ Carrying amount of assets sold			0
- Income from assets sold		0	0
- Transfers of charges to deferred charges account			0
- Increase in start-up costs			0
- Effect of changes in cash mismatches on operating activities	-7,638	-4,992	-2,646
= Net cash flow generated by activity (A)	-25,756	-45,558	19,802
Cash flow linked to investment			
- Acquisitions of intangible assets	-35		-35
- Acquisitions of property, plant and equipment	-45	-47	2
- Acquisitions of financial assets	-3,716	-1,535	-2,181
+ Disposals of property, plant and equipment			0
+ Disposal of financial assets	25	11	14
+ Investment grants received			0
+/- Change in payables and receivables relating to investments		-3	3
= Net cash flow from investment activities (B)	-3,771	-1,574	-2,198
Cash flow linked to financing			
+ Capital increase in cash and payments made by partners	3	65,466	-65,464
- Capital reduction			
- Dividends paid out			
+ Loans and borrowings issued and repayable advances received	36	25,123	-25,087
- Repayment of loans and borrowings and repayable advances	-4,641	-12,058	7,417
= Net cash flow from financing activities (C)	-4,603	78,531	-83,134
Change in cash position (A+B+C)	**-34,130**	**31,399**	**-65,530**
+ Cash* at the beginning of the period	60,701	29,302	31,399
= Cash* at the end of the period	**26,570**	**60,701**	**-34,131**

* 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

in € thousands	Number of shares issued	Capital	Premiums	BCE/BSA	Retained earnings	Regulated provisions	Total
At 31 December 2020	*14,320,271*	*143*	41,790	283	-37,551		4,665
Capital increase of 22 July 2021	*1,964,031*	20	59,982				60,001
Exercise of founder warrants/stock subscription warrants	*167,749*	2	1,520				1,522
Kepler Cheuvreux equity line	*312,000*	3	8,094				8,097
Stock subscription warrants issued				0			0
Issue costs			-4,153				-4,153
2021 loss					-41,357		-41,357
At 31 December 2021	*16,764,051*	*168*	107,232	283	-78,908		28,775
Exercise of founder warrants/stock subscription warrants	*19,134*	0	2				3
Kepler Cheuvreux equity line							0
Stock subscription warrants issued							0
Issue costs							0
Loss at 06/2022					-29,553		-29,553
Extraordinary amortisation and depreciation						23	23
At 30 June 2022	*16,783,185*	*168*	107,234	283	-108,461	23	-752

3.5 Notes to the financial statements

Notes to the balance sheet before appropriation of total earnings of €71,642 thousand at 30 June 2022 and to the income statement, presented in list form, generating a loss of -€29,553 thousand.

The interim financial statements cover a six-month period from 1 January 2022 to 30 June 2022.

The notes and statements below are integral to the financial statements on 30 June 2022 as agreed by the Board of Directors on 14 September 2022.

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

References to the first half of 2021 and to full year 2021 enable a more meaningful comparison of changes in the data concerned to assist in understanding the Company's interim income statement at 30 June 2022.

NOTE 1: THE COMPANY

Abivax aims to modulate the body's immune system to treat patients with chronic inflammatory diseases, viral infections and cancer. A Phase 3 clinical-stage biotech company, Abivax uses its three platforms to discover, optimise and develop drug candidates, two of which are currently being tested in various clinical trials for the treatment of inflammatory bowel disease, rheumatoid arthritis, 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 the obefazimod molecule (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. Obefazimod is the flagship molecule generated by this platform. This molecule targets the HIV virus and immediately showed an action enabling inhibition of HIV virus replication and for the RNA splicing process, thus also generating an anti-inflammatory effect that has led the Company to assess as a priority its potential for chronic inflammatory diseases, particularly those of the bowel, starting with ulcerative colitis.

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. Following these preclinical results, a Phase 1/2 clinical trial for treating hepatocellular carcinoma (HC) has produced initial positive results.

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 24 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:

- **Continuation of the obefazimod clinical development programme**, with priority given to the treatment of chronic inflammatory diseases. The specific order of priority is as follows: chronic inflammatory bowel disease (IBD), starting with ulcerative colitis, followed by Crohn's disease, and finally rheumatoid arthritis.
- **Continuation of other therapeutic indicators of obefazimod** according to the relevance of scientific data and **research into potential derivative molecules of obefazimod.**
- **Continuation of the ABX196 clinical development programme** in the treatment of

hepatocellular cancer as a second priority, a pre-requisite for this being the creation of a development partnership.

- **Finally, research into new molecules** aimed at treating chronic inflammatory diseases and 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 (transmission universelle de patrimoine, or TUP). The Company is listed on Euronext Paris since 26 June 2015. Abivax is currently listed on Compartment B of Euronext Paris.

On 1 April 2022, the Company acquired Prosynergia SARL, a Luxembourg-based biotech company. In accordance with the exemption allowed by the French Code of Commerce, Abivax has not prepared consolidated financial statements, as the company that it controls represents a negligible interest and the Company is therefore not required to present consolidated financial statements under IFRS. Its annual financial statements are therefore prepared in accordance with 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 2022 were adopted on 14 September 2022 by the Board of Directors.

These financial statements comprise a balance sheet totalling €71,642 thousand, an income statement showing a loss of €29,553 thousand, a cash flow statement, a statement of changes in shareholders' equity and these 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 June 2022 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.

General accounting conventions have been applied 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 Company was founded. In view of the level of available cash at 30 June 2022, the equity line with Kepler Cheuvreux, the repayment of the receivable of €3.4 million held with respect to the University Hospital of Nice in August 2022, the future 2021 research tax credit refund of €4.2 million, the capital increase of €43 million in September 2022 and the issue of royalty certificates for €2.9 million, the Company is currently financed until the first quarter of 2023. Seeking out additional dilutive and non-dilutive financing will enable it to meet its debt maturities until the third quarter of 2023.

- 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.

Depreciation, amortisation and write-downs

Depreciation and amortisation 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
- Furniture: 10

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

Technical losses

The technical losses recorded when subsidiaries are acquired by means of a universal transfer of assets and liabilities are included in goodwill.

In accordance with ANC Regulation 2015-6, these technical losses were kept in goodwill and not allocated to the tangible and intangible assets contributed because they correspond to non-capitalised expenditure incurred by the absorbed companies during the financial years preceding the universal 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 and development projects, the duration of use for this goodwill is not restricted.

Write-down and impairment testing

At the end of each financial year, the technical losses resulting from the mergers of Splicos and Wittycell are compared with the inventory 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 inventory value of the molecules is less than the corresponding technical loss, a write-down is recorded to reduce the technical loss shown in the accounts to the inventory value of the projects.

In order to estimate the inventory value of a project, the Company takes 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.

In the event of major adverse change in the development of the technology platform that would undermine its operation, the technical loss would be written down. This write-down cannot be reversed in the event of a subsequent improvement in the market value of the projects.

Financial assets

As well as security deposits, this item includes Abivax treasury shares held under a liquidity agreement.

Transactions related to the liquidity agreement are recognised in accordance with recommendation no. 98-D of the Emergency Committee (*Comité d'urgence* or CU) of the French National Accounting Board (*Conseil national de la comptabilité* or CNC) and with bulletin no. 137 of March 2005 of the French National Institute of Auditors (*Compagnie nationale des commissaires aux comptes* or CNCC):
- treasury shares are booked at their purchase cost under "Other financial assets – Treasury shares". A provision for impairment is booked with reference to the closing stock market price on the last day of the financial year if this is lower than the purchase price. In the event of disposal, the cost price of the shares disposed of is calculated using the "first in first out" method.
- cash paid to the intermediary and not yet used is recognised under "Other financial assets – Other long-term receivables".

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 and the British pound.

Provisions for risks and contingencies

Provisions for risks and contingencies are created according to known or estimated risks at the interim reporting date. If the risks and losses are not measurable at that date, information is provided in the notes.

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 repayment are posted under "Miscellaneous borrowings and financial debt".

Interest accrued on these advances is posted under liabilities per the same rules.

Loan issue payables and costs

The payables are recognised at their nominal repayment value.

Loan issue costs are recognised in assets under deferred charges and amortised on a straight-line basis over the life of the loans concerned.

Bond loans

Bond loans whose redemption is accompanied by premiums are recognised in liabilities under bond loans at their total value including redemption premiums.

A balancing entry to these premiums is recognised under bond redemption premiums in assets and the premiums are amortised over the term of the loan.

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.

If the amounts received are higher than those obtained, the excess amounts are recorded in liabilities under income collected in advance.

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 universal 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 since the year-end date of 31 December 2014.

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: 3.22%
- Salary growth rate: 3% for the management category and 2.5% for the non-management category
- Retirement age: 65 for the management category and 63 for the non-management category
- Staff turnover rate: low
- Mortality rate table: (INSEE table 2016-2018)

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 2022 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 2022 at the rate of 100% of the expected amount.

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

Change in gross assets

in € thousands	At the beginning of the financial year	Increase	Decrease	At the statement date
Goodwill	32,745			32,745
Other intangible asset items	110	35		145
Intangible assets	**32,855**	**35**	**0**	**32,890**
Technical facilities, industrial tools and equipment	382	44	3	423
Office and IT equipment, furniture	156	11		167
Property, plant and equipment in progress	10		10	0
Property, plant and equipment	**548**	**55**	**13**	**590**
Other equity investments	0	3,716		3,716
Other long-term investments (treasury shares)	220	108	119	209
Loans and other financial assets	2,742	95	108	2,729
Financial assets	**2,962**	**3,918**	**227**	**6,653**
Fixed assets	36,365	4,008	240	40,132

Change in net assets

in € thousands	At the beginning of the financial year	Change	At the statement date
Goodwill	32,005	-10,986	21,019
Other intangible asset items	93	33	126
Intangible assets	**32,098**	**-10,954**	**21,145**
Technical facilities, industrial tools and equipment	41	29	71
Office and IT equipment, furniture	42	0	42
Property, plant and equipment in progress	10	-10	0
Property, plant and equipment	**93**	**20**	**113**
Other equity investments	0	3,716	3,716
Other long-term investments (treasury shares)	220	-120	100
Loans and other financial assets	2,742	-13	2,729
Financial assets	**2,962**	**3,583**	**6,545**
Fixed assets	35,153	-7,351	27,802

Intangible assets

in € thousands	30/06/2022	31/12/2021	Change
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.

in € thousands	30/06/2022
Purchased assets	
Revalued assets	
Contributions in kind	32,745
Loss on TUP - Wittycell	*13,586*
Loss on TUP - Zophis	*740*
Loss on TUP - Splicos	*18,419*
Total	**32,745**

At each reporting date, the carrying amounts of the technical losses are examined to assess whether there is any indication that these assets are impaired.

In order to estimate the inventory value of these losses, the Company takes into account:

- the adjusted net current value of expected cash flows generated by the sale of the molecules to which they are attached. This calculation was based on key management assumptions, such as forecasts for revenue and the budgeted costs of molecules, the probability of success of the development stages and a discount rate of 13.5%, determined according to biotechnology sector studies.
  The Company has carried out a sensitivity analysis of the results of impairment testing.
- the prices of recent transactions for acquisition or licensing agreements for comparable projects.

In the first half of 2022, management took into account dramatic and rapid changes in the hepatocellular carcinoma (HC) treatment landscape. These changes are expected to require a new, lengthy, heavy and risky development process, making a partnership with a licensing agreement for ABX196 an attractive option. To determine the inventory value of Wittycell's technical loss, management considered two possible scenarios, the termination of current autonomous development and the signing of a partnership agreement in order to continue to develop ABX196, and determined a probability of occurrence for each scenario. Sales forecasts were established on the basis of studies relating to the treatment of hepatocellular carcinoma, the probabilities of success were constructed on the basis of public sector oncological studies, and hypothetical licensing agreement structures were created on the basis of public studies and transactions already carried out.
These new data resulted in a write-down of €11.0 million of Wittycell's technical loss.

Sensitivity analyses of the impairment testing were performed on the discount rate, revenue and probabilities of success. These values were calculated with reference to the baseline scenario.

		Discount rate		
		- 0.5	**0.0**	**+ 0.5**
Revenue	**- 5%**	101%	98%	95%
	0%	103%	100%	97%
	+ 5%	106%	102%	99%

With one additional half-point on the discount rate and a 5% decrease in revenue compared with the reference scenario, the net present value would be 95% of that of the reference scenario.

		Discount rate		
		- 0.5	**0.0**	**+ 0.5**
Probability of success	- 5%	100%	97%	94%
	0%	103%	100%	97%
	+ 5%	106%	103%	100%

		Revenue		
		- 5%	**0%**	**+ 5%**
Probability of success	- 5%	95%	97%	99%
	0%	98%	100%	102%
	+ 5%	100%	103%	105%

On the basis of the numerous sensitivity analyses performed, we believe that, as at 30 June 2022, there is no reasonable risk of additional asset impairment.

Property, plant and equipment

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

Financial assets

Financial assets primarily correspond to:

- items relating to the liquidity agreement entered into by the Company at the end of June 2015;
- the security deposit paid for the premises occupied by the Company;
- the security deposit paid in the context of the bond loans subscribed by Kreos.

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 thousand in April 2020.

At 30 June 2022, the Company held 9,600 treasury shares via this liquidity agreement, i.e. less than 10% of its capital, for an acquisition cost of €209 thousand. The balance of the cash account with the service provider is €320 thousand.

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

in € thousands	Quantity	Average price in euros*	Book value of shares held	Other financial assets
--Balance at 31 December 2020	12,800	17	221	207
Purchases	4,101	26.41	108	-108
Sales	8,001	27.77	222	222
Realised capital gains or losses			99	
--Balance at 30 June 2021	8,900	23	206	321
Purchases	2,794	27.85	78	-78
Sales	3,094	28.99	90	90
Realised capital gains or losses			26	
--Balance at 31 December 2021	8,600	26	220	333
Purchases	5,871	18.34	108	-108
Sales	4,871	19.40	95	95
Realised capital gains or losses			-25	
--Balance at 30 June 2022	**9,600**	**22**	**209**	**320**

*average values for 2022, for example, €22 = €209 thousand/9,600 shares

The share price at 30 June 2022 was €10.46. The market value of treasury shares at 30 June 2022 was €100 thousand, resulting in a write-down of these treasury shares of €108 thousand.

Asset amortisation and depreciation

in € thousands	At the beginning of the financial year	Increase	Decrease	At the statement date
Other intangible asset items	17	2		19
Intangible assets	**17**	**2**	**0**	**19**
• Technical facilities, industrial tools and equipment	341	11		352
• Office and IT equipment, furniture	114	11		125
Property, plant and equipment	**455**	**22**	**0**	**477**
Financial assets				
Fixed assets	472	24	0	496

Asset impairment

in € thousands	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	10,986		11,726
Property, plant and equipment				
Financial assets	0	108		108
Total	740	11,095	0	11,835

NOTE 4 – RECEIVABLES

The total amount of receivables and sundry debtors at the balance sheet date was €19,998 thousand, or €19,173 thousand excluding issue and termination costs related to the Kreos loans and OCEANE bonds. The detailed classification of receivables by maturity date is as follows:

in € thousands	Gross amount	Maturities of less than one year	Maturities of more than one year
Fixed asset receivables:			
Receivables from companies in which an equity interest is held	1,400		1,400
Other financial assets	1,329		1,329
Current assets receivables:			
Advances and deposits paid on orders	5,963	4,000	1,963
Trade receivables	2	2	
Social security and other social welfare bodies			
Income tax	6,552	6,552	
VAT	3,646	3,646	
Grants receivable			
Repayable advance receivable			
Sundry debtors	826	516	310
Prepaid expenses	280	280	
Total	19,998	14,996	5,002

Fixed asset receivables correspond to:

- a loan granted to Prosynergia so that this company could refinance its debt;
- the amount available under the liquidity agreement entered into by the Company and the deposits and guarantees paid by the same.

Other current asset receivables are primarily composed of:

in € thousands	Amount
2014 CIR balance receivable (including deferred payment interest)	26
2019 CIR balance receivable (including deferred payment interest)	106
CIR at 31/12/2021	4,204
Estimated CIR at 30/06/2022	2,217
VAT	3,646
Advances and deposits paid on orders	5,963
Trade receivables-CIFRE revenue	2
Redemption premium - Kreos	725
Loan issue costs - Kreos	77
OCEANE issue costs	24
Prepaid expenses	280
Total	17,270

Income tax

The total "income tax" amount of €6,552 thousand breaks down as follows:

- Estimated 2022 CIR at 30 June 2022 €2,217 thousand
- 2021 CIR at 31 December 2021 €4,204 thousand
- 2019 CIR balance receivable (including deferred payment interest) €106 thousand
- 2014 CIR balance receivable (including deferred payment interest) €26 thousand

Sundry debtors

The total "Sundry debtors" amount of €826 thousand breaks down as follows:

- Loan issue costs €101 thousand
- Bond redemption premium €725 thousand

The maturities of sundry debtors break down as follows:

in € thousands	Gross amount	Maturities of less than one year	Maturities of more than one year
Loan issue costs - Kreos	77	66	11
OCEANE issue costs	24		24
Redemption premium - Kreos	725	450	275
Total	826	516	310

Deferred charges: Loan issue costs

The issue costs of bond loans in July 2018, June 2019 and October and November 2020 have been booked as deferred charges and are reported in the income statement at the same frequency as the recording of interest. The same was done during the OCEANE bond issue in July 2021.

These costs total €420 thousand. The amounts expensed to the income statement were €34 thousand in 2018, €75 thousand in 2019, €82 thousand in 2020 and €86 thousand in 2021. The balance to be deferred at 30 June 2022 is €101 thousand after the recording of charges of €47 thousand corresponding to costs in the period from January to June 2022.

Bond redemption premiums

The redemption premiums related to the bond loans issued in 2018, 2019 and 2020 to the benefit of Kreos have been recognised in assets in the total amount of €2,400 thousand and are taken to the financial income statement at the same frequency as the loan interest.

The amount expensed to the income statement in the first half of 2022 was €275 thousand. The amount expensed to the income statement in 2018 was €100 thousand, followed by €317 thousand in 2019, €433 thousand in 2020 and €550 thousand in 2021. The remaining amount to be expensed appears in the balance sheet in the amount of €725 thousand as at 30 June 2022.

Prepaid expenses

in € thousands	Operating expenses	Financial expenses	Extraordinary expenses
Prepaid expenses	280		
Total	280		

Prepaid expenses are broken down as follows:

in € thousands	Amount
Leasing of equipment and offices	46
Other operating expenses	161
General and clinical trial insurance	72

Accrued income

in € thousands	Amount
Invoices to be issued	2
Sundry debtors - Grants receivable	0
Total	2

NOTE 5 – CASH AND CASH EQUIVALENTS

in € thousands	30/06/2022	Immediate availability	Availability at future date
Term deposits	15,000	15,000	
SICAV/UCITS	6	6	
Cash and cash equivalents	11,556	11,556	
Interest accrued and not yet received	9	9	
Total	26,570	26,570	0

NOTE 6 – SHAREHOLDERS' EQUITY

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

in € thousands	Number of shares issued	Capital	Premiums	BCE/BSA	Retained earnings	Regulated provisions	Total
At 31 December 2020	*14,320,271*	*143*	41,790	283	-37,551		4,665
Capital increase of 22 July 2021	*1,964,031*	*20*	59,982				60,001
Exercise of founder warrants/stock subscription warrants	*167,749*	*2*	1,520				1,522
Kepler Cheuvreux equity line	*312,000*	*3*	8,094				8,097
Stock subscription warrants issued				0			0
Issue costs			-4,153				-4,153
2021 loss					-41,357		-41,357
At 31 December 2021	*16,764,051*	*168*	107,232	283	-78,908		28,775
Exercise of founder warrants/stock subscription warrants	*19,134*	*0*	2				3
Kepler Cheuvreux equity line							0
Stock subscription warrants issued							0
Issue costs							0
Loss at 06/2022					-29,553		-29,553
Extraordinary amortisation and depreciation						23	23
At 30 June 2022	*16,783,185*	*168*	107,234	283	-108,461	23	-752

Share capital structure

The exercise of 334 BCE-2018-5 warrants on 8 March 2022, resulting in the issuance of 334 shares of the Company, increased the share capital by €3.34, from €167,640.51 to €167,643.85.

The exercise of 188 BSA-2014-3 warrants on 30 May 2022, resulting in the issuance of 18,800 Company shares, resulted in an increase in the share capital of €188.00, raising the share capital from €167,643.85 to €167,831.85.

The Board of Directors has recognised all these capital increases.

The capitalisation table below provides details of the shareholding at 30/06/2022:

At 30 June 2022	Number of shares	Undiluted % (capital)
Holding Incubatrice Medical Devices	210,970	1.26%
Truffle Capital	5,112,579	30.46%
Sofinnova Partners	1,945,739	11.59%
Management	138,371	0.82%
Board of Directors	877,080	5.23%
Employees	6,914	0.04%
Consultants*	400	0.00%
Other**	630,689	3.76%
Treasury shares	9,600	0.06%
Float	7,850,843	46.78%
Total	**16,783,185**	**100%**

*Consultants: persons with a consultancy agreement with Abivax (scientific and strategic consultants).
** 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, BSAs, or stock subscription warrants, and AGAs, or bonus shares) detailed in the tables provided below (data current as at 30 June 2022)

	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	40,006	21,499	22,495	22,495
BCE-2017-1	67,374	67,374	374	0	67,000	67,000
BCE-2017-2	150,000	150,000	0	0	150,000	150,000
BCE-2017-3	101,061	101,061	48,426	52,635	0	0
BCE-2017-4	67,374	67,374	1	0	67,373	67,373
BCE-2017-5	67,374	67,374	3,000	0	64,374	64,374
BCE-2018-1	22,000	22,000	6,930	0	15,070	15,070
BCE-2018-2	67,374	67,374	44,916	22,458	0	0
BCE-2018-3	33,687	33,687	16,843	0	16,844	16,844
BCE-2018-4	16,843	16,843	0	0	16,843	16,843
BCE-2018-5	22,000	22,000	5,750	10,250	6,000	6,000
Total BCE	911,454	911,454	172,534	311,737	427,183	544,399
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	416	264	492	49,200
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	81	0	0	0
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	16,400	16,400	16,400	16,400
BSA-2018-2	32,800	0	0	32,800	0	0
Total BSA	404,076	183,238	18,264	237,895	147,917	325,384
Total BCE + BSA	**1,315,530**	**1,094,692**	**190,798**	**549,632**	**575,100**	**869,783**

	Allotted	Accepted	Vested	Expired	Balance	Number of shares to be issued
AGA-2021-1	155,000	155,000	0	0	155,000	155,000
Total AGA	**155,000**	**155,000**	**0**	**0**	**155,000**	**155,000**

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 1,024,783 shares, resulting in a potential 5.75% dilution of issued capital as at 30 June 2022.

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	98	12	45	65
Provisions for foreign exchange risks	0		0	0
Total provisions for risks and contingencies	98	12	45	65
Breakdown of provisions and reversals:				
Operating		12	45	
Financial				
Extraordinary				

Other provisions for risks and contingencies correspond to the valuation of social and fiscal risk at 30 June 2022 and the valuation of the costs of relocating the registered office in the summer of 2022. As the specific situation of some employees could give rise to a different interpretation from that of the Company and its advisors, the provisioned amount corresponds to the risk estimated by the Company.

NOTE 8 – CONDITIONAL ADVANCES AND GRANTS

Repayable advances granted by public organisations
Position for the first half of 2022:

in € thousands	--Balance at 31 December 2021	Interest accrued over the period	Advances repaid over the period	--Balance at 30 June 2022	*Including conditional advances*	*Including accrued interest*
BPI CARENA	**2,423**	15	0	**2,438**	*2,187*	*251*
BPI EBOLA	**250**	0	40	**210**	*210*	*0*
BPI RNP-VIR	**4,164**	21	0	**4,185**	*4,032*	*153*
Total	**6,837**	36	40	**6,833**	*6,429*	*404*

Amounts still owed by the Company:

At 30 June 2022 in € thousands	**Contract status**	**Amount awarded**	**Amount collected**	**Revision of amount awarded**	**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	0	-
CARENA (Repayable advances portion)	Ongoing	3,830	2,187		1,643	0	**4,397**
RNP-VIR (Grants portion)	Ongoing	2,112	1,123		989	0	-
RNP-VIR (Repayable advances portion)	Ongoing	6,298	4,032		2,266	0	**6,576**
EBOLA	Ongoing	390	390		0	180	**210**

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 thousand at a repayment rate of 50% of total planned expenditure.
At 30 June 2022, the Company had received €2,187 thousand, of which €1,150 thousand was received in December 2013, €1,008 thousand in September 2014 and €29 thousand 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 move back milestones 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 thousand
No later than 30 June 2024	€500 thousand

No later than 30 June 2025	€750 thousand
No later than 30 June 2026	€1,100 thousand
No later than 30 June 2027	€1,747 thousand
TOTAL	**€4,397 thousand**

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 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 a period of five consecutive years after the date on which the repayment timetable ends and as soon as the company has achieved cumulative revenue, excluding taxes, of €50,000 thousand or more, an amount equal to 1.20% of the annual revenue generated from the sale of the products developed within the project.
The amount of additional payments is capped at €6,800 thousand.
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 thousand for the Occitanie region at a repayment rate of 16.55% of total planned expenditure. The agreement provides for a repayable advance of €260 thousand for BPI at a repayment rate of 33.11% of total planned expenditure.

At 30 June 2022, the amount received by the Company was €390 thousand, of which €300 thousand was received in August 2017 (€100 thousand for the Occitanie region and €200 thousand for BPI), and €90 thousand was received in November 2019 (€30 thousand for the Occitanie region and €60 thousand for BPI).

In the first half of 2022, €40 thousand was already repaid (€27 thousand for BPI and €13 thousand for the Occitanie region). €17 thousand was repaid in 2019, €53 thousand in 2020 and €70 thousand in 2021. At 30 June 2022, the remaining balance to be repaid is €210 thousand.

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

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	**210,000**

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 thousand at a repayment rate of 50% of total planned expenditure.
At 30 June 2022, the Company had received €4,032 thousand, of which €1,756 thousand was received in September 2017, €346 thousand in August 2018 and €1,930 thousand 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:

FY 2022	€1,644 thousand
FY 2023	€1,644 thousand
FY 2024	€1,644 thousand
FY 2025	€1,644 thousand
Total	**€6,576 thousand**

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 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 five consecutive years after the date on which the repayment timetable ends and as soon as the company has achieved cumulative revenue, excluding taxes, of €25,000 thousand or more, an amount equal to 3% of the annual income generated from the sale of the products developed within the project. The amount of additional payments is capped at €5,500 thousand.

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 provided for a maximum payment of €1,397 thousand, i.e., a grant rate of 45% of the industrial research expenses for specific steps. At 30 June 2022, the Company had received a total amount of €1,187 thousand.

RNP-VIR Project
The agreement with Bpifrance provides for a maximum payment of €2,111 thousand, i.e., a grant rate of 50% of the industrial research expenses for specific steps. At 30 June 2022, the Company had received an amount of €1,122 thousand (of which €347 thousand was received in September 2017, €485 thousand in August 2018 and €290 thousand in November 2019).

NOTE 9 – PAYABLES

Total liabilities at the closing date amounted to €65,496 thousand and the breakdown by maturity is as follows:

in € thousands	Gross amount	Maturities of less than one year	Maturities of more than one year	Maturities of more than five years
Convertible bonds (*)	25,000	0	25,000	
Other bond loans (*) (**)	18,844	9,407	9,436	
Borrowings and debts with credit institutions (*)	5,000	1,239	3,761	
Interest on loans	628	628		
Trade payables and related accounts	14,455	14,455		
Personnel and related accounts	777	777		
Social security and other social welfare bodies	653	653		
Other taxes and duties and similar payments	127	127		
Other payables (***)	14	14		
Total	**65,496**	**27,299**	**38,197**	**0**
(*) Of which loans taken out during the financial year				
(*) Of which loans repaid during the financial year	4,601			
(**) Of which €2,400 thousand relating to the cost of terminating the loans subscribed by Kreos Capital (€900 thousand per tranche for the first loan and €600 thousand per tranche for the second loan, €400 thousand for Tranche A and €200 thousand for Tranche B)	2,400			
(***) Of which intra-Group	0			

(*) Recognition of the termination fees for the bond loan subscribed in 2018, 2019 and 2020 were recognised as “Bond redemption premium” and increase the amount of financial debt by €2,400 thousand.

Accrued expenses

in € thousands	Amount
Suppliers - Inv. not received	5,664
Provision for paid leave	362
Accrued personnel expenses	415
Provision for social security contributions	158
Other accrued social security contributions	182
State - Other accrued expenses	127
Directors’ fees	1
Total	6,909

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 €15,886 thousand for the first half of 2022, compared with €47,202 thousand for the full-year 2021 and €23,955 thousand for the first half of 2021.

Some of these research and development costs related to work subcontracted to service providers. These subcontracting expenses amounted to €11,301 thousand for the first half of 2022, compared with €36,234 thousand for the full-year 2021 and €17,904 thousand for the first half of 2021.

NOTE 11 – EXTRAORDINARY INCOME AND EXPENSES

in € thousands	Expenses	Income
Capital loss on sale of treasury shares	-29	4
Exceptional depreciation expense on securities acquisition costs	-23	
Write-down of technical loss	-10,986	
Total	-11,039	4

An extraordinary loss of -€11,034 thousand was recorded for the first half of 2022. It is comprised of:

- €10,986 thousand for the write-down of the Wittycell technical loss,
- extraordinary expenses of €25 thousand corresponding to the capital losses generated on disposals of treasury shares,
- exceptional depreciation expense on securities acquisition costs of €23 thousand.

NOTE 12 – 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).

The research tax credit for 2019 amounted to €4,251 thousand. It was pre-financed by an authorised body for €3,783 thousand in February 2020. Due to the guarantees of the pre-financer and the absence of refunds by the tax authorities, there are still sums to be recovered totalling €106 thousand.

The research tax credit for 2021 amounted to €4,204 thousand. It is expected to be reimbursed at the start of Q4 2022.

The Company's research and development activity during the first half of 2022 gave rise to a research tax credit of €2,217 thousand.

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 €263,319 thousand at 30 June 2022.

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 €1,000 thousand. 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 13 – RELATED PARTY DISCLOSURES

Balance sheet items

in € thousands	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.

Prosynergia was acquired on 1 April 2022. In accordance with the exemption allowed by the French Code of Commerce, Abivax has not prepared consolidated financial statements, as the company that it controls represents a negligible interest.

NOTE 14 – FINANCIAL COMMITMENTS

Commitments given

in € thousands	
Pension commitment	634
Lease commitment	
Financial commitments	4,000
Other commitments given	29,123
of which firm orders placed	*29,123*
Total	33,757
Includes amounts relating to:	
Executives	150

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 Stimulation" platform based on intellectual property licensed 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.

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 €29,123 thousand at 30 June 2022.

Financial commitments

The terms of the transaction relating to the acquisition of Prosynergia on 1 April 2022 include earn-outs of up to €4 million, depending on the potential increase in Abivax's market capitalisation.

Pension liabilities

The amount of commitments made for pensions, supplementary pensions and similar benefits: €634 thousand. For a defined benefit scheme, CNC recommendation 03-R-01 of 1 April 2003, updated with the latest recommendations of IFRIC and the ANC, is applied.

Commitments received

The maximum amounts receivable by Abivax after 30 June 2022 under the "CARENA" and "RNP-VIR" 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	
RNP-VIR repayable advance	2,266
CARENA repayable advance	*1,643*
RNP-VIR Grant	*989*
CARENA Grant	*210*
Total	5,107
Includes amounts relating to: Executives	None

NOTE 15 – EMPLOYEES

At 30 June 2022, the Company had an average of 23.83 employees (compared with 27.08 employees at 31 December 2021).

	30/06/2022	31/12/2021
Managerial personnel	22.00	23.58
Non-managerial personnel	0.83	2.50
Corporate officers	1.00	1.00
Total	**23.83**	**27.08**

Average employees per site

These employees are divided between the Company's various geographical sites as follows:

	30/06/2022	31/12/2021
Paris	13.00	14.58
Montpellier	10.83	12.50
Total	**23.83**	**27.08**

NOTE 16 – STATUTORY AUDITOR'S FEES

in € thousands	30/06/2022	31/12/2021
Audit		
Statutory Auditor, certification of individual financial statements		
Issuer	43	80
Fully consolidated subsidiaries		
Other services required by law		
Issuer	100	86
Fully consolidated subsidiaries		
Subtotal	**143**	**166***
Other services rendered by the networks to the fully consolidated subsidiaries		
Legal, tax, social		
Other (to be specified if over 10% of audit fees)		
Subtotal	**0**	**0**
GENERAL TOTAL	**143**	**166***

* Of the €166 thousand, only €79 thousand corresponds to work actually carried out for the year ended 31 December 2021, and €1 thousand corresponds to the adjustment of fees provisioned at 31 December 2020.

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 20) 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.

Pr. Hartmut Ehrlich, M.D.
Chief Executive Officer

Name of Financial Reporting Officer:

Pr. Hartmut Ehrlich, M.D.

Chief Executive Officer

Address: 7–11 boulevard Haussmann – 75009 Paris, France

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Statutory auditors' review report on the interim financial information
For the period from January 1, 2022 to June 30, 2022

This is a free translation into English of the statutory auditors' review report interim financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Company's interim management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In compliance with the assignment entrusted to us by your shareholders' meeting 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 six months ended period from January 1, 2022 to June 30, 2022;
- the verification of the information presented in the *interim* management report.

These interim financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

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 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 June 30, 2022, and of the results of its operations for the period then ended, in accordance with French accounting principles.

Without qualifying the conclusion expressed above, we draw your attention to note 4 to the financial statements, which sets out the application of the going concern principle and the assumptions underlying the application of this principle.

II - Specific verification

We have also verified the information presented in the interim management 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, September 29, 2022

The Statutory auditor
PricewaterhouseCoopers Audit

Cédric Mazille


abivax