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STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF OXURION NV ON THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

We present to you our statutory auditor's report in the context of our statutory audit of the annual accounts of Oxurion NV (the "Company"). This report includes our report on the annual accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 3 May 2022, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2024. We have performed the statutory audit of the Company's annual accounts for 2 consecutive years.

Report on the annual accounts

Unqualified opinion

We have performed the statutory audit of the Company's annual accounts, which comprise the balance sheet as at 31 December 2023, and the profit and loss account for the year then ended, and the notes to the annual accounts, characterised by a balance sheet total of EUR 5.811.599 and a profit and loss account showing a loss for the year of EUR 13.354.949.

In our opinion, the annual accounts give a true and fair view of the Company's net equity and financial position as at 31 December 2023, and of its results for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "Statutory Auditor's responsibilities for the audit of the annual accounts" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to VOL 6.19 in the annual accounts, which indicates that the Group's cash balance at 31 December 2023 is not sufficient to fund the Group's operations during the next twelve months.

The Company entered into a second amendment to the Atlas Subscription Agreement for convertible bonds on 22 December 2023. This committed but conditional funding would be sufficient to fund operations during the next twelve months from the financial statement's issue date, assuming that an agreement can be reached regarding the decrease of the debt and that no significant unknown costs would arise. However, given the contingent nature of this funding and these uncertainties, the Company is actively exploring the possibility of obtaining additional funding through debt, equity, or non-dilutive funding, or alternatively reducing its costs and investments so that there should be sufficient cash to continue its operations during the next twelve months. The Company is also actively considering strategic acquisitions in the healthcare sector to ensure its going concern by, among others, increasing its value to attract further financing. The Company considers that it needs to achieve, by the end of 2024, a satisfactory debt restructuring and a strategic acquisition to ensure its going concern. At the date of this Report, the Company has not yet identified any potential target business for such an acquisition nor closed any financing agreement or transaction supporting such acquisitions.

Based on the above, the Board of Directors considers it may be reasonable to expect that there will be sufficient cash to continue its operations during the next twelve months, and therefore decided to continue its valuation rules under the assumption of going concern. However, there is a material uncertainty relating to going concern of the Company because it is uncertain that the above-mentioned committed but conditional funding will be available when needed given the conditions related to the funding, because the outcome of the debt restructuring is uncertain, and because it is not certain whether the Company will be able to achieve an acquisition or another corporate transaction and to timely obtain the necessary additional funding through debt, equity, or non-dilutive funding, partnering or to realize sufficient cost and investment reductions.

These events or conditions as set forth in VOL 6.19 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the "Material Uncertainty Related to Going Concern" section, we have determined the matters described below to be the key audit matters to be communicated in our report.

<u>Issuance and valuation of convertible under the Atlas Special Opportunities LLC subscription agreement</u>

Description of the Key Audit Matter

As described in the annual report, the Company entered into a Subscription Agreement for Convertible Bonds with Atlas Special Opportunities LLC ('Atlas'), providing for up to EUR 20 million in financing. Under the terms of the Atlas Subscription Agreement, Atlas committed to subscribe to up to EUR 20 million in mandatorily convertible bonds over a 24-month period at Oxurion's discretion. The conversion price was originally set at an eight percent discount to the average VWAP over the three lowest days in the ten consecutive trading days prior to the conversion notice. Oxurion paid a fee of EUR 0,8 million in bonds, which was issued together with part A of the first tranche, raising the total amount of bonds to be issued under the funding program to EUR 20,8 million. In September 2023 and December 2023, the parties amended the terms and conditions of the initial Subscription Agreement.

The initial value of the convertible loan equals an amount of cash received of EUR 11,5 million and EUR 1,6 million transaction commission.

The Company evaluated and determined that the convertible bonds described meet the definition of a financial liability. The nominal value of the outstanding convertible loan amounts to EUR 7,4 million as per 31 December 2023.

We identified the accounting and the valuation of the issuance of the convertible bonds as a key audit matter. Auditing the following elements involved especially challenging and complex auditor judgment with respect to (i) the Company's accounting assessment related to the financial instrument and (ii) the calculation of the valuation related to the financial liability.

How our Audit addressed the Key Audit Matter

- We have assessed the accuracy, existence and completeness of the financial liability as per 31 December 2023. This assessment included:

  - Analysing and reading the convertible transaction, issuance and subscription agreement to create an understanding of the impact on the financial statements and its disclosures.
  - Inquiries of management and in-house legal counsel.
  - Tracing of corroborative evidence of the amounts paid due to issuance of the convertible bonds and to the amounts converted.
  - Checking the classification of the liability in the financial statements.

- We have evaluated the appropriateness of management's application of accounting guidance for financial instruments as adopted by the Company in accordance with Belgian GAAP.
- We have assessed the adequacy of the Company's disclosures in the notes of the statutory financial statements.

<u>Issuance and valuation of convertible under Kreos Capital IV Ltd and Pontifax Medison Finance LP loan facility agreement</u>

Description of the Key Audit Matter

As described in the annual report, As described in annual report, the Company entered into an agreement whereby Kreos Capital VI Ltd. together with Pontifax Medison Finance L.P. as investors can subscribe to convertible bonds with each a nominal value of EUR 0,1 million, in an amount of EUR 10 million, and an uncommitted amount of EUR 10 million. The convertible bonds accrue interest in the amount of 7.95% per year.

The initial value of the convertible loan equals to an amount of cash received which is EUR 10 million as per 31 December 2021. The Company evaluated and determined that the convertible bonds described meets the definition of a financial liability. The nominal value per 31 December 2023 amounts to EUR 2 million.

We identified the accounting and the valuation of the issuance of the convertible bonds as a key audit matter. Auditing the following elements involved especially challenging and complex auditor judgment with respect to (i) the Company's accounting assessment related to the financial instrument and (ii) the calculation of the valuation related to the financial liability.

How our Audit addressed the Key Audit Matter

- We have assessed the accuracy, existence and completeness of the financial liability as per 31 December 2023. This assessment included:

    - Analysing and reading the convertible transaction, issuance and subscription agreement to create an understanding of the impact on the financial statements and its disclosures.
    - Inquiries of management and in-house legal counsel.
    - Tracing of corroborative evidence of the amounts repaid.
    - Checking the classification of the liability in the financial statements.

- We have evaluated the appropriateness of management's application of accounting guidance for financial instruments as adopted by the Company in accordance with Belgian GAAP.
- We have assessed the adequacy of the Company's disclosures in the notes of the statutory financial statements.

Responsibilities of the board of directors for the preparation of the annual accounts

The board of directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the annual accounts in Belgium. A statutory audit does not provide any assurance as to the Company's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Conclude on the appropriateness of the board of directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation;

We communicate with the board of directors and with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors and with the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors and with the audit committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report, the documents required to be deposited by virtue of the legal and regulatory requirements, as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Companies' and Associations' Code and the Company's articles of association.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report, certain documents required to be deposited by virtue of the legal and regulatory requirements, as well as compliance with the articles of association and of certain requirements of the Companies' and Associations' Code and to report on these matters.

Aspects related to the directors' report

In our opinion, after having performed specific procedures in relation to the directors' report, the directors' report is consistent with the annual accounts for the year under audit, and is prepared in accordance with the articles 3:5 and 3:6 of the Companies' and Associations' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statement related to the social balance sheet

The social balance sheet, to be deposited in accordance with article 3:12, §1, 8° of the Companies' and Associations' Code, includes, both in terms of form and content, the information required under this Code, including, but not limited to, in relation to salaries and education, and does not present any material inconsistencies with the information we have at our disposition in our engagement.

Statements related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the annual accounts and our registered audit firm remained independent of the Company in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the annual accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the annual accounts.

Other statements

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.
- There are no transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' and Associations' Code that we have to report to you.
- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014. The value of net assets has fallen to less than half of the capital. We would like to draw attention to the fact that, consequently and in accordance with article 7:228 of the Companies' and Associations' Code, the board of directors has submitted the matter of the Company's possible dissolution to the general meeting of shareholders within the legal term and has justified its proposals in a special report. A general meeting is called on 16 May 2024 to deliberate on these proposals. We also inform you of the fact that the Company's dissolution will be effective once approved by one quarter of the votes cast at the general meeting.
- Given the fact that the value of net assets has fallen to less than 61,500 euros, any party with an interest or the Public Prosecutor's Office may sue to have the company wound up by the court.

Diegem, 15 April 2024

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The statutory auditor
PwC Bedrijfsrevisoren BV / PwC Reviseurs d'Entreprises SRL
Represented by Didier Delanoye*
Partner
*Acting on behalf of Didier Delanoye BV

OXURION®

ADVANCING SCIENCE.®
ENHANCING VISION.

Annual Report of the Board of Directors on the Statutory Financial Statements

Dear Shareholder,

We are pleased to present the annual accounts as at December 31, 2023.

Comments to Statutory Accounts

The 2023 financial year closed with a loss of 13.4 million euro compared to a loss of 24.5 million euro for the 2022 financial year.

The operating income for the 2023 financial year amounted to 12.7 million euro compared to 19.9 million euro in 2022, consisting of:

- 0.2 million euro from product sales compared to 0.4 million euro in 2022.
- 0.1 million euro from royalties compared to 0.2 million euro in 2022.
- 11.0 million euro in capitalized R&D expenses compared to 17.9 million euro in 2022; and
- 1.4 million euro from costs carried forward and other operational revenue compared to 1.4 million euro in 2022.

The operating expenses for the financial year 2023 amounted to 25.4 million euro compared to 41.7 million euro for the financial year 2022. These operating expenses break down as follows:

- 2.2 million euro in purchases compared to 3.3 million euro in 2022;
- 9.2 million euro in services and various goods compared to 15.1 million euro in 2022;
- 2.8 million euro in salaries and social security contributions compared to 4.9 million euro in 2022;
- 11.1 million euro in depreciation and amortization compared to 18.0 million euro in 2022;
- 0.1 million euro in other operating expenses compared to 0.4 million euro in 2022; and

In 2023, the non-recurring operating income was 0.5 million euro mainly from settlement agreements with previous board members compared to non-recurring charges of 1.8 million euro due to impairment of Galapagos and the participation in ThromboGenics Inc.

Therefore, the operating loss amounts to 12.2 million euro, compared to a loss of 23.5 million euro a year earlier.

The financial results were as follows: 0.4 million euro in financial revenue in 2023 compared to 0.2 million euro in 2022, and 2.1 million euro in financial expenses in 2023 mainly due to expenses linked to the convertible bonds compared to 1.7 million euro in 2022.

Favorable adjustments of income taxes, tax credits, amounted to 0.6 million euro in 2023 and 0.6 million euro in 2022.

As a result, the 2023 financial year closed with a loss of 13.4 million euro compared to a loss of 24.5 million euro for the 2022 financial year.

For the financial year 2023, there were no investments compared to 0.06 million euro in 2022 which was mostly invested in IT & laboratory equipment and office modelling.

Capital raises and issue of new shares

Oxurion was incorporated on May 30, 2006, under its former name 'ThromboGenics', with a share capital of 62,000 euro represented by 11,124 shares. As of December 31, 2023, the share capital of the Company amounted to 73.0 million euro represented by 3,489,458,972 shares.

Description of the Principal Characteristics of the Company's Risks

The risks and uncertainties that the Company believes to be material are described below. The occurrence of one or more of these risks may have a material adverse effect on the Company's cash flows, results of operations, financial condition and/or prospects and may even endanger the Company's ability to continue as a going concern, which could lead to its liquidation or bankruptcy, and which will have a material adverse impact on the Company and its shareholders leading to the potential total loss of their entire investment. Moreover, the Company's share price could fall significantly if any of these risks were to materialize. Further, these risks and uncertainties may not be the only ones the Company faces. Additional risks, including those currently unknown or deemed immaterial, may also impair the Company's business operations.

The risk factors are presented in ten categories, depending on their nature. In each category, the risk factor which in the assessment of the Company is the most material, taking into account the negative impact on the Company (including any relevant mitigation measures) and the probability of its occurrence, is mentioned at the outset, and the remainder of the risks in each category are listed in order of importance based on the Company's assessment, although prospective investors should consider them all.

- Risks related to insufficient funding, continuation as a going Concern and potential bankruptcy.
    - Given the results of the trials regarding its two latest clinical assets, the Company is back to a preclinical stage biotech with no history of profitability due to substantial investments in product development, and the Company requires external funding on a going forward basis to continue its activities, which, if not available when needed, could threaten the Company's ability to continue as a going concern, which could lead to its liquidation or bankruptcy and which would have a material adverse impact on the Company and its shareholders leading to the potential total loss of their entire investment. The Company is of the opinion that it currently does not have sufficient working capital to meet its capital requirements from fully committed sources until December 31, 2024
    - The Company is also of the opinion that, even if it manages to obtain sufficient funding allowing it to cover its working capital needs until December 31, 2024, under the Atlas Funding Program, the Company will not have funds available after December 31, 2024, and will therefore continue to face working capital difficulties unless in the interim it is able to raise additional funds, and/or reduce its working capital requirements when it is required to do so, all of which is uncertain, in particular considering the negative results of its last two trials.
- Risks related to preclinical development.
    - The Company has no product in active development, and the absence of development of any new product would threaten the Company's ability to continue as a going concern, which could lead to its liquidation or bankruptcy, and which would have a material adverse impact on the Company and its shareholders leading to the potential total loss of their entire investment.
    - The development of any new product could be significantly delayed, which would threaten the Company's ability to continue as a going concern, which could lead to its liquidation or bankruptcy, and which would have a material adverse impact on the Company and its shareholders leading to the potential total loss of their entire investment.
    - Any new product developed by the Company may develop adverse side effects that may delay or prevent marketing approval, which could threaten the Company's ability to continue as a going concern given that the Company has currently no asset in development.
- Regulatory Risks
    - The Company may not obtain marketing authorization for developed products in important territories, which could have a significant adverse impact on shareholders given that Oxurion has currently no active product in the pipeline.
- Market Acceptance Risk
    - Even if any of the Company's developed product receive marketing approval, it may fail to achieve the degree of market acceptance by physicians, patients, third-party payors and others in the medical community necessary for commercial success.
    - Price setting, availability, and level of reimbursement for any developed product by third parties is uncertain and may impede Oxurion's ability to be commercially successful.
    - The Company may face substantial competition, which may result in a smaller than expected commercial opportunity and/or others discovering, developing or commercializing products before or more successfully than the Company.
- Legal Risks
    - A product developed by the Company may be deemed to infringe on the patents or other intellectual property rights of others, which could have a significant adverse impact on shareholders and other stakeholders.
    - Product liability claims could be successfully brought against Oxurion or its partners, which could have a significant adverse impact on shareholders and other stakeholders.
    - Data protection violation or data breach claims may have an adverse effect on Oxurion's business, prospects, financial condition and results of operations, which could have a significant adverse impact on shareholders and other stakeholders.

- Intellectual Property Protection
  - If the Company is unable to obtain or protect intellectual property rights related to any of its products or if Atlas could enforce its pledge on the Company's intellectual property rights, the Company may not be able to compete effectively in its market.
  - If Oxurion is not able to prevent disclosure of its trade secrets, know-how, or other proprietary information, the value of its technology could be significantly diminished, which could have a substantial adverse impact on shareholders and other stakeholders.
- Risks related to reliance on third parties, key personnel, grants and tax carry forwards.
  - Oxurion plans to rely upon third parties to carry out some of its preclinical activities, to conduct clinical trials and to manufacture any developed product, which creates interdependencies and risks.
  - Oxurion is subject to competition for its skilled personnel, and challenges in identifying and retaining key personnel could impair Oxurion's ability to do business.
  - Oxurion has obtained grants and subsidies, which would need to be reimbursed if it breaches the conditions.
  - Oxurion has significant deductible carry-forward tax losses and potential tax benefits in Belgium, which could be adversely affected by changes in Belgian legislation and regulation.
- Risk relating to the Contemplated Acquisitions
  - The Company considers that it needs to achieve, by the end of 2024, a Contemplated Acquisition to be able to ensure the survival of the company
  - The Company has not yet identified any potential target for a Contemplated Acquisition, and as such as of the date of this Annual Report, prospective investors have no basis on which to evaluate the possible merits or risks of a potential target business's operations, cash flows, liquidity, financial condition or prospects
  - The Company will need to arrange third-party financing in connection with a Contemplated Acquisition.
  - There can be no assurance that the Company will be able to obtain financing in connection with a Contemplated Acquisition, or obtain such financing on favourable terms, which could compel the Company to restructure or to abandon a particular Contemplated Acquisition or proceed with the Contemplated Acquisition on less favourable terms.
  - The Company may seek to complete a Contemplated Acquisition in a sector of the healthcare sector in which the management team does not have prior experience.
  - Any due diligence by the Company in connection with the Contemplated Acquisition may not reveal all relevant considerations or liabilities of the target company, which could have a material adverse effect on the Company's financial condition or results of operations.
  - The Contemplated Acquisition could take the form of an acquisition of a minority stake, which could adversely affect the Company's decision-making authority and result in disputes between the Company and third-party shareholders.
  - The Company may face significant competition for Contemplated Acquisition opportunities.
  - The Company is dependent upon the management team and the Company advisors to identify potential Contemplated Acquisition opportunities and the loss of the services of such individuals could materially adversely affect the Company intention.
  - A shareholder's only opportunity to evaluate a Contemplated Acquisition will be limited to a review of the materials published in connection with such Contemplated Acquisition and any related equity financing.
  - Future management may not have the necessary skills, qualifications or abilities to manage a public company.
  - The target's management team may resign upon completion of the Contemplated Acquisition. The loss of a target's key personnel could negatively impact the operations and profitability of the post-Contemplated Acquisition entity.
- Risks relating to the Shares
  - Conversions of Convertible Bonds issued by the Company under the Negma Funding Program and going forward under the Atlas Funding Program has, and will continue, to significantly dilute the interests of existing shareholders and such dilution is exacerbated by the sharp decrease in the Company's market price.
  - Dilution upon conversion of Convertible Bonds can be exacerbated by the increased discount that could apply under the Atlas Funding Program.
  - The market price of the Shares may fluctuate widely in response to various factors, including significant sales of new shares upon conversion of convertible bonds.
  - Future capital increases by the Company could have a negative impact on the price of the Shares and could significantly dilute the interests of existing shareholders.
  - The Company will not be in a position to pay dividends in the near future and intends to retain all earnings.
- Risk Related to the Company's shareholding
  - Atlas could be able to exercise control over matters requiring shareholder approval.

In 2023, financial risk management focused on:

- Market risk: The Group's activities are such that the Group's income is exposed to financial risks arising from currency exchange rate fluctuations because a substantial proportion of the research expenditure is invoiced in USD and pound sterling (GBP). The Group tries to compensate the inflows and outflows in foreign currency.
- Interest risk management: At the moment, the Group has external debt financing with a fixed interest rate. The Group does not have any contracts with a variable interest rate. Consequently, there is currently no need for a specific interest risk management policy in the Group.
- Credit risk management: Credit risk relates to the risk that a counterparty will fail to fulfill their contractual obligations with the result that the Group would suffer a loss. The Group's policy focuses on only working with credit-worthy counterparties and, where necessary, requiring adequate securities. Information about the creditworthiness of counterparties is provided by independent ratings agencies and, if this is not available, the Group uses information that is publicly available as well as its own internal records. Credit risk is managed by the financial department of Oxurion by means of individual follow-up of credit per counterparty.
- Liquidity risk management: The Group manages its liquidity risk by ensuring adequate reserves and by constantly checking the projected and actual cash flows. At the moment, the Group is not subject to any substantial liquidity risk.

Capital Increase by the Board of Directors with Respect to the Authorized Share Capital and Provisions that may be triggered in the Event of a Public Takeover on the Company (article 8:2 of the Royal Decree of April 29, 2019 (article 34 of the old Royal Decree of 14 November 2007))

The Powers of the Board of Directors with Respect to the Authorized Share Capital

Article 46 of the Articles of Association contains the following provisions with respect to the authorized share capital. The Board of Directors' powers with respect to the authorized share capital were renewed at the EGM of Oxurion held on May 24, 2022, for a period of five years starting from the publication of the notary deed pertaining to the modification of the Articles of Association in the Belgian Official Gazette (May 24, 2022). The Board of Directors is authorized to increase the share capital of the Company upon one or more occasions up to an amount of 67,931,161.32 euro (less the authorized capital which is used in view of the issuance of convertible bonds) through contribution(s) in cash, contribution(s) in kind, or by conversion of the reserves in accordance with the special report drawn up pursuant to Article 7:199 of the BCCA. As a result, on December 31, 2023, the authorized capital is 49,131,161,32 euro.

Events after the end of the financial year

To date, no events occurring after the 2023 year-end are being evaluated as having an impact on the 2023 financial statements.

Going concern – material uncertainty

According to Article 3:6, §1, 6° of the Belgian Code of Companies and Associations ("BCCA") and after deliberation, the Board of Directors has decided to preserve the valuation rules assuming continuation, for the following reason:

The statutory financial statements were prepared on a going concern basis.

The Company cash balance at December 31, 2023 of 1.7 million euro is not sufficient to fund the Company's operations during the next 12 months. The Company estimates that its monthly cash need until December 2024 amounts to 0.3 million euro, resulting in a total shortfall (absent further sources of funds) until 31 December 2024 estimated at approximately 4.9 million euro (assuming an 80% reduction of the invoices of main creditors of the Company) and at approximately 8.8 million euro should such reduction not be achieved at all. The Company also notes that that amount does not take into account potential additional costs unknown at the date of this Report.

However, the Group has entered into the Atlas Subscription Agreement described above providing committed but conditional funding of 20 million euro. As of December 31, 2023, the Company had drawn 11.5 million euro, leaving 8.5 million euro available as of December 31, 2023.

The undertaking of Atlas to subscribe to a new tranche is, among other things, subject to the fulfilment of (or waiver of) the conditions that (A) the total trading value of the Company's Shares during the preceding 22 trading days is at least equal to 1.5 million euro ("Liquidity Condition") and (B) the average market capitalisation of the Company over a period of thirty days preceding the issue date has not fallen below two times the amount of the envisaged tranche call ("Market Capitalization Condition").

The realization of the Liquidity and Market Capitalization Conditions, and therefore the Company's ability to draw new tranches under the Atlas Funding Program, is a significant risk that is beyond the Company's control.

However, on December 22, 2023, the Company entered into a second amendment to the Atlas Subscription Agreement. Pursuant to that Second Amendment, Atlas will continue to fund the Company until December 31, 2024, under the amended Atlas Funding Program through the subscription of monthly tranches of 12 Convertible Bonds each (or more in case of potential increments of 0.1 million euro subject to Atlas' written consent). Lighter conditions are applicable to that funding as Atlas has agreed to reduce (a) the average market capitalization of the Company over a period of thirty days preceding the issue date from (minimum) 4 million euro to 0.5 million euro and (b) the total trading value of the Company's shares during the preceding 22 trading days from 1.5 million euro to 0.2 million euro.

The Second Amendment eliminates part of the risk to the Company of not being able to issue new Tranches under the Atlas Funding Program (as amended) up to the aggregate amount of the monthly tranches described above that should be sufficient to cover the monthly cash flow until December 2024. As from January 2025, the Atlas Funding will be available to the Company under the ordinary conditions.

This committed but conditional funding would be sufficient to fund operations during the next twelve months from the financial statement's issue date, assuming that an agreement can be reached regarding the decrease of the debt and that no significant unknown costs would arise. Given the contingent nature of this funding and these uncertainties, the Company is actively exploring the possibility of obtaining additional funding through debt, equity, or non-dilutive funding, or alternatively reducing its costs and investments so that there should be sufficient cash to continue its operations during the next twelve months.

The Company is also actively considering strategic acquisitions in the healthcare sector to ensure its going concern by, among others, increasing its value to attract further financing.

The Company considers that it needs to achieve, by the end of 2024, a satisfactory debt restructuring and a strategic acquisition to ensure its going concern.

At the date of this Report, the Company has not yet identified any potential target business such acquisition nor closed any financing agreement or transaction supporting such acquisitions.

As the net-assets of the Company are below 61,500 euro (the statutory minimum amount of share capital of a Belgian public limited liability company), in accordance with article 7:229 of the BCCA, each interested party is entitled to request the competent commercial court to dissolve the Company. In such instance the court may order the dissolution of the Company or grant a grace period within which the Company is allowed to remedy the situation.

Based on the above, the Board of Directors considers it may be reasonable to expect that there will be sufficient cash to continue its operations during the next twelve months from the financial statement's issue date, and therefore decided to continue its valuation rules under the assumption of going concern.

However, there is a material uncertainty relating to going concern of the Company because it is uncertain that the above-mentioned committed but conditional funding will be available when needed given the conditions related to the funding, because the outcome of the debt restructuring is uncertain, and because it is not certain whether the Company will be able to achieve an acquisition or another corporate transaction and to timely obtain the necessary additional funding through debt, equity, or non-dilutive funding, partnering or to realize sufficient cost and investment reductions.

Corporate governance

General provisions

This section summarizes the rules and principles applicable to the corporate governance of Oxurion. It is based on the articles of association (the "**Articles of Association**") and on the corporate governance charter of the Company (the "**Corporate Governance Charter**") which was drawn up on October 19, 2006, and which has been updated since on a regular basis. The last update was approved by the Board of Directors in March 2023 and is published on Oxurion's website (https://www.oxurion.com/corporate-governance).

The Corporate Governance Charter of Oxurion contains the following specific appendices:

- Board of Directors
- Management Structure
- Dealing Code – Rules for the prevention of insider trading and market abuse
- Audit Committee (whose responsibilities and tasks are exercised by the Board of Directors)
- Nomination and Remuneration Committee (whose responsibilities and tasks are exercised by the Board of Directors)

Compliance with the Corporate Governance code

The Company notes that under principle 7.6 of the Corporate Governance Code, Non-Executive Directors should receive part of their remuneration in the form of shares in the Company. The Company does not comply with this provision of the Corporate Governance Code because the Company has no distributable reserves and therefore it cannot acquire its own shares to be granted to its Non-Executive Directors.

Principle 7.9 of the Corporate Governance Code requires the Board of Directors to set a minimum threshold of shares to be held by the Executives (as defined below). The Company deviates from this provision of the Corporate Governance Code because the Company has no distributable reserves and therefore it cannot acquire its own shares to be granted to its Executives (as defined below).

Principle 7.11 of the Corporate Governance Code provides that subscription rights should not vest and be exercisable within less than three years. The Company deviates from this standard because it considers it to be necessary to attract high quality biotech executives, where vesting of less than three years is not exceptional and Oxurion considers to be necessary to be competitive.

The Company does not consider that it is necessary to apply claw back provisions and therefore deviates from principle 7.12 of the Corporate Governance Code. The only variable compensation the Company pays are bonuses based on the achievement of corporate targets, which are paid only upon achievement of the objective. Subject to one deviation described and justified in Section 4.9.2.1 (D), the Company does not apply any other performance-based remuneration or variable compensation as the subscription rights granted to Executives generally vest over time and are not performance related.

Description of the Principal Characteristics of the Company's Internal Controls and Risk Analysis

The Corporate Governance Charter describes how the Company addresses internal controls and risk analysis.

The following paragraphs summarize the most relevant characteristics of the Company's internal controls and risk analysis which make part of the roles of the statutory bodies as described in the Corporate Governance Charter.

Internal control systems play a central role in directing the activities and in risk management. They allow for a better management and control of the possible risks (strategic risks, financial risks, compliance with rules and legislations), in order to achieve the corporate goals. The internal control system is based on five pillars:

- Control environment
- Risk analysis
- Control activities
- Information and communication
- Supervision and modification

Control environment

Oxurion's control environment includes both formal and informal rules on which the functioning of the Company relies.

Oxurion has defined Drive and Initiative, Teamwork, Flexibility and Quality of Work as being the values driving Oxurion's team with the aim to create an open corporate culture, in which communication and respect for patients, suppliers and staff play a central role. Oxurion's employees are required to manage the Company's resources with due diligence and to act with the necessary common sense. The informal rules are complemented by formal rules where necessary.

Oxurion's intent is to attract, motivate and retain qualified employees, in a cooperative work environment and with the possibility of personal development. Their expertise and experience will contribute to the Company's effective management.

The control environment is further created and supported by the Board of Directors (that also exercise the responsibilities and tasks of the Remuneration and Nomination Committee and Audit Committee), the CEO, the Executive Committee, and the staff.

Board

The Board of Directors consists of a majority of Non-Executive, Independent Directors. The Board of Directors undertakes the following functions in creating the control environment:

- The Board of Directors pursues sustainable value creation by the Company, by setting the Company's strategy, putting in place effective, responsible, and ethical leadership, and monitoring the Company's performance.
- The Board of Directors supports the CEO in the fulfilment of his duties and constructively challenges the CEO whenever appropriate.
- The Board of Directors decides on and regularly reviews the Company's medium and long-term strategy based on the proposals from the CEO.
- The Board of Directors approves the operational plans and main policies developed by the CEO to give effect to the approved Company strategy.
- The Board of Directors determines the risk appetite of the Company in order to achieve the Company's strategic objectives.

To achieve its duties, the Board of Directors also relies on the CEO and the Executive Committee as follows:

- The day-to-day management is the responsibility of the CEO who is supported by the Executive Committee, which is made up of the CEO and some of his direct reports. The CEO controls the operations and activities of the Executive Committee and all other personnel.
- For the sake of effective management, authority is partially delegated from the CEO to the various departments within Oxurion. The delegation of authorities is not linked to a person, but rather to the position. The CEO is responsible at a Group level and is finally responsible for the activities that have been delegated. All individuals concerned are informed of the extent of their authority (approval requirements and limitations of authority).
- In managing internal controls and risks, the CEO is entrusted with proposing, developing, implementing, and monitoring the Company strategy, taking into account Oxurion's values, its risk profile and key policies.

Risk analysis

As set forth above, the Board of Directors decides on the Group's strategy, risk profile and its policies. The Board of Directors is tasked with ensuring the Company's long-term success by employing appropriate risk assessment and management.

The CEO is responsible for the development of systems that identify, evaluate and monitor risks. The CEO undertakes a risk analysis in all departments of the Group and takes relevant risks into account in developing the Group's strategy. Implementation includes a set of means, codes of conduct, procedures and measures that fits with the Group's structure, which are intended to maintain risks at an acceptable level.

The control environment is supported by Oxurion's code of business conduct (the "**Code of Business Conduct**") covering a wide range of business practices and procedures. It does not cover every issue that may arise, but rather establishes basic principles to guide the motives and actions of Oxurion's directors, officers and employees. All directors, officers and employees must conduct themselves in accordance with those principles and seek to avoid even the appearance of improper behaviour. The Code of Business Conduct should also be provided to, and followed by, Oxurion's agents and representatives, including consultants.

The Code of Business Conduct seeks to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest in personal and professional relationships
- Full, fair, accurate, timely and understandable disclosure in reports and documents that Oxurion submits to the Financial Services and Markets Authority (the "FSMA") and in other public communications made by Oxurion
- Compliance with all applicable governmental laws, rules, regulations and industry codes
- Accountability for adherence to the Code of Business Conduct
- Prompt internal reporting of violations of the Code of Business Conduct

Oxurion divides its objectives into four categories:

- Strategic
- Operational
- Reliability of the internal and external information
- Compliance with rules and legislations and internal instructions

Risk identification consists of examining the factors that could influence the objectives put forward in each category. Internal or external factors may influence the realization of these objectives:

- Internal factors: are closely related to the internal organization and could have several causes (for example, change in the Company or Group structure, staff, ERP system).
- External factors: can be the result of changes in the economic climate, regulations or competition affecting the Company or the Group and the sector.

Control activities

In order to properly manage the identified risks, Oxurion takes the following control measures:

- Installation of access and security systems at the premises and offices
- Establishment of internal operational and control procedures
- Modifications and updates of the existing procedures; use of a reporting tool that permits financial data reporting on a regular basis (quarter, year). The reporting tool also permits development of KPIs and regular assessments thereof.

The risk mitigation comprises numerous day-to-day activities such as:

- Regular updates of the Company's risk management plans
- Management by operational supervisors
- Data exchange with third parties for confirmation purposes (e.g. suppliers/customers)
- Segregation of duties

Information and Communication

The Board of Directors takes all necessary measures to ensure the integrity and timely disclosure of the Company's financial statements and other material financial and non-financial information in accordance with applicable law.

In order to be able to present reliable financial information, Oxurion makes use of a standardized reporting of accounts and a global application of IFRS recognition criteria and applies a uniform administration and implementation of the same ERP system in all subsidiaries.

Oxurion has a robust information management system. Depending on the type of data at issue, controls are in place to ensure that the information is limited to authorized persons. A back-up policy is available, and all data is backed up centrally on a weekly base and locally on a daily base.

Supervision and risk mitigation

Supervision of the Company's activities is carried out by the Board of Directors, the Audit Committee and the Company's CEO.

Role of the Board of Directors

- The Board of Directors approves a framework of internal control and risk management, proposed by the CEO. The Board of Directors is also responsible for describing the main features of the internal control and risk management systems of the Company and disclosing them in the corporate governance statement in the Annual Report.
- The Board of Directors ensures that there is a process in place for monitoring the Company's compliance with laws and other regulations, as well as for the application of internal guidelines relating thereto.

Role of the Board of Directors while exercising the responsibilities and tasks of the Audit Committee

- At least once a year, the Board of Directors reviews the internal control and risk management systems established by the CEO. It ensures that the main risks are properly identified, managed, and disclosed in accordance with the framework approved by the Board of Directors.
- This role also includes review and approval of the statements on internal control and risk management included in the corporate governance statement in the Annual Report, as well as review of the specific arrangements in place which the staff of the Company may use, in confidence, to raise concerns about possible improprieties.
- The Board of Directors monitors the external auditor's work program and reviews the effectiveness of the external audit process and the responsiveness of the management to the recommendations made by the external auditor in his or her management letter. The external auditor must report to the Board of Directors on the key matters arising from the statutory audit of the financial statements, and in particular on material weaknesses in internal control in relation to the financial reporting process, if any.

Role of the CEO

- Supervising compliance with the legislation and regulations that apply to the Company.
- Establishing internal controls (i.e., systems to identify, assess, manage and monitor financial and other risks) without prejudice to the Board of Directors' monitoring role, based on the framework approved by the Board of Directors.
- Presenting a complete, timely, reliable, and accurate preparation of the Company's financial statements to the Board of Directors, in accordance with the applicable accounting standards and policies of the Company; and
- Presenting a balanced and understandable assessment of the Company's financial situation to the Board of Directors.

External Audit

External auditing within Oxurion is performed by the Statutory Auditor. This includes the auditing of the statutory financial statements and the consolidated financial statements of Oxurion and its subsidiaries.

In 2023, fees totalling 151,104 euro were paid for the audit mandate of Oxurion.

Composition of the Board of Directors

The Company is led by a collegiate Board of Directors, which is the Company's most senior administrative body. The Company establishes the Board of Directors' internal rules and regulations and publishes them in its Corporate Governance Charter. The Board of Directors is charged with achieving the Company's long-term success by guaranteeing entrepreneurial leadership and ensuring that risks are assessed and managed in an appropriate way. The Board of Directors' responsibilities are stipulated in the Articles of Association and in the Board of Directors' internal rules and regulations. The Board of Directors is organized in view of an effective execution of its tasks.

The Board of Directors decides upon the Company's strategic direction, policies geared towards achieving its objectives, and its risk profile.

The Board of Directors ensures that the necessary leadership and financial and human resources are available so that the Company is able to realize its goals. Also, when determining the values and strategies contained in the Company's overall business plan, the Board of Directors considers corporate social responsibility, gender diversity and diversity in general.

Charles Paris de Bollardière was appointed Chairman of the Board of Directors on December 28, 2023 replacing MeRoNo BV (represented by Dr. Patrik De Haes) as from December 28, 2023.

As of December 31, 2023, the Board of Directors consists of five members:

- Dr. Anat Loewenstein, Non-Executive, Independent Director
- Nathalie Laarakker, Non-Executive, Independent Director
- Charles Paris de Bollardière, Non-Executive, Independent Director
- James Hartmann, Non-Executive, Independent Director
- MARS SARL, permanently represented by its permanent representative Pascal Ghoson, Managing Director

The Board of Directors includes two female members and three male members.

Board of Directors' Meetings in the Financial Year 2023

The Board of Directors met regularly and had twenty-six formal board meetings in 2023. With regard to its supervisory responsibilities, the following topics were discussed and assessed:

- The Board of Directors decided to conduct an evaluation of the valorization of THR-687 in intermediate Age-related Macular Degeneration (iAMD) disease.
- The Board of Directors decided to stop the KALAHARI THR-149 trial after the negative results obtained in November 2023
- The Board of Directors ensures that the necessary financial resources are in place so as to allow the Company to meet its objectives. This included successfully entering into the Atlas Funding Program and amend it in September 2023 and December 2023, allowing the Company to access to (in aggregate) 20 million euro.
- The Board of Directors was actively involved in discussions regarding future funding opportunities.
- The Board of Directors is responsible for the corporate governance structure of the Company and compliance with the corporate governance stipulations. The Board of Directors has decided to adopt a one-tier governance structure and to have an Audit Committee and a combined Nomination and Remuneration Committee (until the end of December 2023).

The Board of Directors appointed Midico BV (represented by Michaël Dillen) as Company Secretary in March 2020. Midico BV (represented by Michaël Dillen) has been replaced by Vizelu SRL (represented by Samuel Darcheville), as from December 28, 2023.

Committees within the Board of Directors

The Board of Directors has established an Audit Committee and a combined Nomination and Remuneration Committee. The Board of Directors appoints the members and the chairman of each committee. Each committee consists of at least three members. The composition of the Committees for 2023 was as follows:

Audit Committee: INVESTEA SRL (represented by Emmanuèle Attout), chairman; Thomas Clay; Philippe Vlerick.
From May 2, 2023: Nathalie Laarakker, chairman; Thomas Clay

The Audit Committee held three meetings during 2023.

Nomination and Remuneration Committee: Thomas Clay, chairman; Dr. Adrienne Graves; Dr. David Guyer.

The Nomination and Remuneration Committee held one meetings during 2023.

The powers of these Committees are described in the Company's Corporate Governance Charter (Appendix 4 and 5), which is available on Oxurion's website (www.oxurion.com).

As of January 1, 2024, the responsibilities and tasks of the Audit Committee and the Nomination and Remuneration Committee are exercised by the Board of Directors.

Policy regarding Transactions and other Contractual Relationships between the Company, including Affiliated Companies, and its Directors and the CEO

Conflicts of Interest of Directors and the CEO

Article 7:96 of the BCCA contains special provisions which must be complied with whenever a director has a direct or indirect conflict of interest of a patrimonial nature in a decision or transaction within the authority of the Board of Directors.

According to Appendix 1 and 2 of the Corporate Governance Charter of the Company regarding transactions or other contractual relations between the Company including affiliated companies, and its directors and the CEO, such transactions need to be submitted to the Board of Directors.

In 2023, no conflicts of interest occurred.

Transactions with Affiliated Companies

Article 7:97 of the BCCA provides for a special procedure which must be followed for transactions with Oxurion's affiliated companies or subsidiaries. Such a procedure does not apply to decisions or transactions that are entered in the ordinary course of business under at arm's length conditions or for decisions and transactions whose value does not exceed one percent of the Company's consolidated net assets. According to Appendix 2 of the Corporate Governance Charter of the Company regarding transactions or other contractual relations between the Company including affiliated companies, and its directors and members of the CEO, such transactions need to be submitted to the Board of Directors.

In 2023, no such transactions occurred.

Protocol regarding transactions with Related Parties

Transactions with related parties are exclusively with members of the Board of Directors.

Market abuse regulations

Oxurion's Corporate Governance Charter Appendix 3 as published on its website describes the rules in place to prevent inside information being used illegally or the impression of such illegal use being created by directors, shareholders, members of the management and important employees (insiders).

The precautionary measures against insider trading include, among other things, the obligation to compose lists of insiders, the requirements concerning investment recommendations, the obligation to report insider transactions, and the obligation for the intermediary to report suspicious transactions. The measures are stipulated in Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on Market Abuse (the "**Market Abuse Regulation**") and repealing Directive 2003/6/EC of the European Parliament and the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

In accordance with the Market Abuse Regulation, Oxurion has drawn up a list of permanent insiders, including persons in the Company who are employed or consulted for the Company and who have regular or occasional access to insider information directly or indirectly concerning Oxurion. Moreover, the Company establishes ad hoc insider lists as required. These lists are updated frequently and remain at the disposal of the FSMA for five years.

In accordance with the Market Abuse Regulation, the members of the Board of Directors and the management are obliged to report their transactions involving shares of Oxurion to the FSMA.

The Company has established a disclosure committee and had a Chief Compliance Officer, Paisley BV (represented by Kathleen Paisley).

CEO

The CEO is appointed by the Board of Directors in accordance with Oxurion's Corporate Governance Charter. The CEO has the power to propose and implement the corporate strategy, taking into account the Company's values, its risk tolerance and key policies. The CEO is, among other things, entrusted with the day-to-day management of the Company.

The powers of the CEO are defined by the Board of Directors in close consultation with the CEO. The CEO supervises the Company's on-going activities.

Until 28 December 2023, the role of CEO was carried out by Tom Graney. MARS SARL, represented by Pascal Ghoson, replaced him as from 28 December 2023.

The details of the CEO's remuneration is laid out in the Remuneration Report.

Executive Committee

In addition to the CEO, several managers are members of the Executive Committee. The Executive Committee is not mentioned in the Corporate Governance Charter. The members of the Executive Committee includes the CEO and provides support and assistance to the CEO (members of the Executive Committee are referred to herein as "**Executives**"). The Executive Committee has no statutory delegated powers to represent the Company or to propose or implement corporate strategy.

Executive Committee meetings were attended by the following executives in 2023:

- Andy De Deene – Chief Development Officer
- Tom Graney – Chief Executive Officer and Chief Financial Officer
- Midico BV represented by Michaël Dillen – Chief Business Officer and Company Secretary
- Paisley BV represented by Kathleen Paisley – Chief Legal Officer and Compliance Officer

Remuneration Report Financial Year 2023

In accordance with Belgian law, the Company has adopted a new remuneration policy in 2021 (Article 3:6, §3 of the BCCA), the "**2021 Remuneration Policy**" or the "**Policy**"), which was approved by the Board of Directors on March 17, 2021, on the recommendation by the Nomination and Remuneration Committee. At the AGM in May 2021, the Company submitted its 2021 Remuneration Policy to the shareholders, which was approved. The Policy applies for the next four years unless materially modified by the Board of Directors and approved by the shareholders (the "**Remuneration Policy**" or the "**Policy**").

The purpose of a remuneration policy is to provide the fundamental principles based on which the Company will remunerate the members of its Board of Directors, CEO, and Executive Committee on a going forward basis.

This section of the Annual Report first provides an overview of the Remuneration Policy. This is followed by the remuneration report for 2023 applying the Policy.

The purpose of the Remuneration Report is to report on the remuneration paid by the Company in 2023 in accordance with the Belgian legislation (Article 7:89/1 of the BCCA) and the Policy.

Overview of Remuneration Policy

Executives

Structure

The CEO is appointed by the Board of Directors in accordance with Oxurion's Corporate Governance Charter. The CEO has the power to propose and implement corporate strategy, taking into account the Company's values, its risk tolerance and key policies. The CEO is, among other things, entrusted with the running of the Company.

The CEO is assisted by an Executive Committee, which provides support and assistance to the CEO but has no statutory delegated powers to represent the Company or to propose or implement corporate strategy.

The CEO and other members of the Executive Committee are all referred to in this Remuneration Report as the "**Executives**".

Remuneration of Executives

Oxurion's approach to remuneration of its Executives is geared at attracting, motivating, and retaining highly qualified individuals with the necessary skill set and experience to ensure its continuing sustainable and profitable growth. As such, the Policy is designed to support the retention and motivation of the Executives.

The total remuneration package for Oxurion Executives is made up of three components:

- Fixed compensation, including pension and other benefits.
- Variable compensation which is based on achieving corporate objectives.
- Equity-based compensation in the form of subscription rights.

Fixed Compensation

Each Oxurion Executive is entitled to a fixed annual compensation package including pension and other benefits.

Variable Compensation

Executives are also entitled to variable compensation based on achieving annual corporate performance objectives.

This variable component is an incentive linked to the achievement of annual corporate objectives. The level of achievement of each of the corporate objectives defines the total percentage of the target amount that is paid. As it is typically annual in nature, this component qualifies as a short-term cash incentive.

Share Subscription Rights

The Company offers subscription rights to Executives through various subscription rights plans (previously referred to as warrants).

Subscription rights are granted free of charge according to rules set by the Board of Directors on the advice of the Nomination and Remuneration Committee. The eligibility for subscription rights is not linked to individual performance but rather is based on continued service to ensure that Executives have a long-term commitment to maximizing long-term shareholder value.

The Company does not consider the subscription rights granted to Executives to be variable remuneration as defined by the BCCA.

At the EGM of November 20, 2017, it was decided that Oxurion would expressly deviate from the specific provisions of Art. 7:91 BCCA, according to which directors are not allowed to exercise subscription rights allocated to them prior to the expiry of a three-year period following their allocation. The decision to do so was not considered to be exceptional in the biotech and pharmaceutical industry where such plans are common in order to ensure longevity.

Oxurion generally does not provide for any performance-related premiums in shares, options, or other rights to acquire shares. However, a deviation was made in 2021 to grant Mr. Graney performance-based options when he was appointed CEO, as set forth in the 2021 Remuneration Report.

Ownership of Shares

The Company is not able to make share grants as it does not have distributable reserves and therefore is not able to hold treasury shares and hence has not put in place any requirements for share ownership by the Board of Directors or by Executives.

Claw backs

In line with its remuneration policy, Oxurion does not operate any claw back arrangements in relation to remuneration paid to Executives. The Company does not consider that it is necessary to apply claw back provisions and therefore deviates from principle 7.12 of the Corporate Governance Code on the basis that:

- The payout of the variable compensation, based on the achievement of corporate targets as set by the Board of Directors, is paid only upon achievement of the objective.
- The Company does not apply any other performance-based remuneration or variable compensation as the subscription rights granted to Executives vest over time and are not performance related.

Consequently, no claw back arrangements were applied during 2023.

Conflicts of interest

The remuneration of the non-executive directors is subject to approval by the general shareholders' meeting.

The CEO does not participate in the preparation and the decision making regarding his own remuneration. Furthermore, the Nomination and Remuneration Committee is composed exclusively of non-executive board members and a majority of its members qualify as independent directors. The CEO/executive director only participates in the meetings of the Nomination and Remuneration Committee in an advisory capacity. He recuses himself and does not participate in the discussions relating to his own remuneration in either the Nomination and Remuneration Committee or the Board of Directors.

Board of Directors

The procedure for establishing the remuneration policy and setting remuneration for members of the Board of Directors is determined by the Board of Directors on the basis of proposals from the Nomination and Remuneration Committee, taking into account relevant benchmarks with appropriate peer companies.

The remuneration of the Non-Executive Directors is submitted by the Board of Directors to the shareholders' meeting for approval and are only implemented after such approval.

The fixed and variable remuneration of the CEO (who is a member of the Board of Directors) is established by the Board of Directors based upon an authorization from the shareholders' meeting and described above. Executive Directors are not separately remunerated for their board role.

Non-Executive Directors

Based on a peer review of the compensation of the Board of Director against peer companies (Euronext listed biotech companies), the AGM of Oxurion of May 7, 2019, approved a new remuneration and compensation scheme and decided to issue a subscription rights plan for Non-Executive Directors with the objective of avoiding disadvantages compared to competitors and peer companies. This was further implemented in the Company's Remuneration Policy.

In accordance with the policy terms decided by the shareholders, Non-Executive Directors are entitled to the following fees:

Roles	**Board**	**Audit Co**	**Nom Rem Co**
Chairman	90,000	12,000	8,000
Board Member	30,000	6,000	4,000

At the end of December 2023, the Board of Directors decided to reduce these fees, as follows:

Roles	**Board**	**Audit Co**	**Nom Rem Co**
Chairman	15,000	1,000	1,000
Board Member	10,000	1,000	1,000

The Chairman of the Board of Directors does not receive any fees for his/her membership or chairmanship of any of the Committees. If a director attends less than at least 75% of the scheduled annual Board of Directors' or Committee meetings of which he or she is a member either in person or by phone, the fees are reduced on a pro rata basis. Where members attend Board of Directors' meetings in person, they are entitled to reimbursement of reasonable out-of-pocket expenses actually incurred as a result of participation in meetings of the Board of Directors.

Apart from the above remuneration, the shareholders decided at the AGM in May 2019 that Non-Executive Directors should be entitled to subscription rights for 7,500 shares in the Company per year. This was implemented by decision of the Board of Directors to adopt a Board of Directors' Subscription Rights Plan 2020 for 150,000 shares before the Public Notary on December 23, 2020. These rights are not subject to any vesting criteria and can be freely exercised during any exercise period for the life of the Plan. The Company does not consider them to be variable compensation.

The Company recognizes that the Corporate Governance Code recommends against granting subscription rights to Board of Directors' members, but at the same time advises companies that members of the Board of Directors should own shares of the Company. Oxurion is not able to grant shares to its directors because it does not have distributable reserves and cannot own treasury shares. Therefore, the Company considers that the grant of subscription rights to Non-Executive Directors that vest on grant operates as closely as possible to a share. The shareholders have already expressly agreed to the grant of subscription rights to the Board of Directors at the 2019 AGM and again at the 2021 AGM as part of the approval of the 2021 Remuneration Policy.

The Board of Directors' remuneration structure encourages an active participation in both Board of Directors' and Committee meetings. The fixed remuneration for the Non-Executive Directors is justified by the fact that the proper operation of these Committees requires adequate preparation by the members. The grant of subscription rights to Non-Executive Directors further aligns the Directors' interests with those of the shareholders and allows the Company to attract and retain top quality directors.

The objective and independent judgment of the Non-Executive Directors is further encouraged by the fact that they do not draw any other remuneration from the Company other than their fixed Directors' remuneration and their subscription rights, except for David Guyer who provides additional ad hoc consultancy services.

The remuneration of the Non-Executive Directors does not contain a variable component; hence no performance criteria apply to the remuneration of the Non-Executive Directors.

The Directors' mandate may be terminated "ad nutum" (at any time) without any form of compensation.

Executive Directors

Executive Directors are not compensated for their role on the Board of Directors in addition to the compensation they receive as Executives.

Remuneration report

Executives

Total Remuneration Summary for Executives

This Remuneration Report covers Oxurion Executives, including the CEO and the Executive Committee. During fiscal year 2023, the Executive Committee was made up by the following Executives (plus the CEO):

- Andy De Deene – Chief Development Officer
- Tom Graney – Chief Executive Officer and Chief Financial Officer (until December 22, 2023)
- Midico BV represented by Michaël Dillen – Chief Business Officer and Company Secretary (until December 22, 2023)
- Paisley BV represented by Kathleen Paisley – Chief Legal Officer and Compliance Officer (until December 22, 2023)

The global remuneration figures included in this Remuneration Report for the Executive Committee for fixed compensation, other benefits and pensions, where applicable, include amounts paid to all members of the Executive Committee and relating to the 2023 financial year in euros. The amounts included for variable compensation are those relating to the financial year regardless of when they were paid.

The overview below demonstrates the total remuneration of the CEO and Executive Committee members in 2023 in euros:

Name and Title	Fixed Compensation	Other Benefits	Pension	Variable compensation	Total	Ratio of Variable to Fixed Compensation
Tom Graney, CEO	431,000	54,000	13,000	0	498,000	N/A
Executive Committee	667,000	7,500	27,500	0	702,000	N/A

Fixed Remuneration

We refer to the table above that reflects the base compensation, pension and other benefits for the CEO and Executive Committee members in 2023 in euros.

Base Compensation

Each Oxurion Executive is entitled to base compensation in line with his/her position.

Other Benefits

Depending on their location and status, Executives may be entitled to statutory benefits plus a contribution to a healthcare plan, a company car, and/or similar arrangements. These amounts can vary from year-to-year but are reported here due to their recurring nature.

Pension

Depending on their location and status, Executives may receive defined contribution benefits under Oxurion's group insurance plan or through matching arrangements under 401 (k) plans in the US. These amounts can vary from year-to-year but are reported here due to their recurring nature.

Variable Compensation

According to the Remuneration Policy, the performance criteria are set at the beginning of the year together with the Nomination and Remuneration Committee and the Board of Directors to align with what they consider creates most shareholder and employee value. They have four primary components - (1) funding of the company in relation to a specific plan, developed by the Board of Directors; (2) delivery of the development programs via clinical trial milestones; (3) enhancing the Company's assets in key strategic areas, for example, through in/out-licensing and (4) a relevant people objective. Those four components of the performance criteria are weighted in light of their importance to the Company's success and linked to the specific year.

At year-end, the Nomination and Remuneration Committee and the Board of Directors decide whether corporate objectives are achieved. The objectives are SMART, so they are achieved or not achieved by the timeline set for the period. In some cases, they are partially achieved. In the latter case, the Nomination and Remuneration Committee and the Board of Directors shall award a reduced target incentive amount based on criteria for partial achievement that have been established in advance.

For the year 2023, the objectives were set relating to a contemplated transaction and clinical trial timelines for THR-149.

Subscription Rights

The Executives are also entitled to participate, free of charge, in the different subscription rights plans that Oxurion has in place for its personnel.

No subscription rights were granted to or exercised by Executives in 2023.

The table below sets forth the subscription rights outstanding and exercisable as of December 31, 2023, for the Executives including for our former CEO ViBio BV and former Chief Legal Officer Claude Sander:

Name	First Name	Date of grant	Plan	Exercise price	N° of SRs outstanding as of December 31, 2023	N° of SRs forfeited in 2023	Number of SRs exercisable as of December 31, 2023
Binon	Julie	03 07 2019	2017	3.822	0	15,000	0
Binon	Julie	26 06 2020	2017	2.847	0	12,500	0
Binon	Julie	28 04 2021	2021-1	2.6	0	7,500	0
Binon	Julie	30 09 2021	2021-2	1.75	0	9,844	0
Binon	Julie	30 12 2021	2021-3	1.82	0	32,500	0
Callewaert	Hanne	29 06 2018	2017	6.549	10,000	0	10,000
Callewaert	Hanne	03 07 2019	2017	3.822	4,000	0	4,000
Callewaert	Hanne	28 04 2021	2021-1	2.6	7,500	0	6,094
Callewaert	Hanne	30 09 2021	2021-2	1.75	47,500	0	32,656
Callewaert	Hanne	30 12 2021	2021-3	1.82	90,000	0	56,250
De Deene	Andy	28 12 2018	2017	3.4	25,000	0	25,000
De Deene	Andy	27 12 2019	2017	2.64	25,000	0	25,000
De Deene	Andy	28 04 2021	2021-1	2.6	40,000	0	40,000
De Deene	Andy	30 09 2021	2021-2	1.75	150,000	0	121,875
De Deene	Andy	30 12 2021	2021-3	1.82	220,000	0	165,000
Graney	Tom	28 04 2021	2021-1	2.6	375,000	25,000	375,000
Graney	Tom	30 09 2021	2021-1	1.75	0	165,000	0
Graney	Tom	30 09 2021	2021-2	1.75	200,000	35,000	200,000
Midico BV		28 04 2021	2021-1	2.6	49,218	3,282	49,218
Midico BV		30 09 2021	2021-2	1.75	45,000	0	33,750
Midico BV		30 12 2021	2021-3	1.82	84,375	5,625	67,500
Paisley BV		28 04 2021	2021-1	2.6	49,218	3,282	49,218
Paisley BV		30 09 2021	2021-2	1.75	55,000	0	41,250
Paisley BV		30 12 2021	2021-3	1.82	84,375	5,625	67,500
Sander	Claude	28 12 2017	2017	3.38	25,000	0	25,000
Sander	Claude	28 12 2018	2017	3.4	25,000	0	25,000
ViBio BV		28 12 2017	2017	4.593	100,000	0	100,000
ViBio BV		28 12 2018	2017	4.593	100,000	0	100,000
ViBio BV		27 12 2019	2017	4.593	100,000	0	100,000
ViBio BV		28 04 2021	2021-1	2.6	187,500	12,500	187,500

2023 Executive Remuneration and alignment with Remuneration Policy

The remuneration for 2023 is in line with the Remuneration Policy and contributes to the long-term performance of the Company as intended by the Remuneration Policy (as set out above).

The Oxurion remuneration policy is defined in a manner that remunerates the Company's executives to drive and reward actions, decisions and behavior that makes the Company successful in the long run. Variable compensation at the Company is directly linked to tangible corporate objectives, each one contributing to the Company's performance. Executives are incentivized to focus on those actions or decisions that will make the Company successful. This short-term incentive plan is expressed as a percentage of base salary. Oxurion also has a long-term incentive component, which is intended to focus its executives on value creation for the shareholders, employees, patients, and other stakeholders over the long run, this via a subscription rights plan.

Directors' remuneration

Non-Executive Directors

Cash Compensation

The 2023 remuneration of the Non-Executive Directors and the Chairman of the Board of Directors is set forth in the chart below. Note that no benefits are provided to members of the Board of Directors.

Name	Annual Fees	Audit Co Member	Audit Co Chair	Nom Rem Co Member	Nom Rem Co Chair	Total	Payments
Chairman, MeRoNo BV, represented by Patrik De Haes	15,000	0	0	0	0	15,000	15,000
Thomas Clay	7,333	0	0	0	0	7,333	7,333
Investea SRL, represented by Emmanuèle Attout	0	0	0	0	0	0	0
Philippe Vlerick	10,000	2,000	0	0	0	12,000	0
Dr. Adrienne Graves	6,250	0	0	833	0	7,083	0
Dr. David Guyer	6,250	0	0	833	0	7,083	0
Anat Loewenstein	23,750	0	0	3,167	0	26,917	5,667
Nathalie Laarakker	23,750	0	8,000	3,167	0	34,917	7,667

Share Subscription Rights

In 2023, no subscription rights were granted to each member of the Board of Directors.

Executive directors

Executive director Tom Graney does not receive any compensation for his Board of Director's mandate. The compensation paid in respect of his function as CEO is outlined above.

Evolution of Executives remuneration and average employee remuneration and pay ratio

Evolution of Executives remuneration and average employee remuneration

The chart below shows the evolution of the Executive Remuneration, share price (as a proxy for Company performance) and average remuneration:

Name and Title	Total Remuneration				
	2019	2020	2021	2022	2023
CEO (1)	557,000	455,000	652,000	562,000	498,000
Change year on year		-18.3%	43.3%	-13.8%	-11.4%
Non-Executive Directors (2)	206,000	196,949	252,250	280,000	110,000
Change year on year		-4.4%	28.1%	11.0%	-60.7%
Executive Committee (3)	1.472,000	1,674,000	1,860,000	1,134,000	702,000
Change year on year		13.7%	11.1%	-39.0%	-38.1%
Share Price at YE	2.95	2.56	1.82	0.02	0.0009
Change year on year		-13.2%	-28.9%	-98.9%	-95.5%
Average Compensation per FTE (4)	107,000	102,000	159,000	110,000	116,000
Change year on year		-4.7%	55.9%	-30.8%	5.5%

(1) The decrease in the remuneration 2023 of the CEO is mainly due to the fact that no variable compensation related to 2023 was granted and that December is not paid.
(2) In 2023, part of the board members waived their fees.
(3) The decrease in the Executive Committee remuneration in 2023 is mainly due to the fact that no variable compensation related to fiscal year 2023 was granted and that the number of Executive Committee members was reduced.
(4) The decrease in average compensation per FTE is mainly due to the fact that no variable compensation in 2023 was granted and the composition of the personnel changed due to restructuring and attrition.

For the calculation of the average compensation per FTE, the fixed remuneration and employee benefits in 2023 have been taken into account. The compensation data includes Belgian employees, in full time equivalent, employed in December 2023, and does not include Executive Committee members.

Ratio of the Total Remuneration of Highest Paid versus Lowest Remunerated Personnel

The ratio of the 2023 remuneration of the lowest full time FTE (in euro) to the highest fulltime FTE (in euro), was 1:8. This compares to 1:9 in 2022.

For the calculation of this ratio, the compensation data of US and Belgian employees, full time equivalent, and employed in December 2023, are considered and is based upon the fixed remuneration and employee benefits in 2023.

Financial instruments

The Company has trade receivables and payables and cash, cash equivalents and investments amounting to 1.7 million euro compared to 3.6 million euro in cash, cash equivalents and investments in 2022.

As of December 31, 2023, the majority of cash and cash equivalents are cash at banks available on demand.

Besides these financial instruments, the Company also issued convertible bonds since 2021 with three parties.

Financial assets and financial liabilities are included in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

OXURION®

ADVANCING SCIENCE.®
ENHANCING VISION.

Branches and subsidiaries

On December 31, 2023, Oxurion is a biopharmaceutical company focused on developing innovative treatments for GA, with two wholly owned subsidiaries – ThromboGenics Inc. and Oncurious NV ("Oncurious"). Oxurion, ThromboGenics Inc. and Oncurious are collectively referred to as the "**Group**".

R&D

Given the activities of Oxurion, R&D costs are very significant and represent more than 70% of total operating costs in 2023 and 2022.

Starting from financial year 2014, the government grants and income from recharge of costs have been deducted from the R&D expenses. These costs mainly consist of costs for clinical trials paid to third parties, personnel costs, and depreciation. In 2013, a first depreciation on the capitalized costs related to the Phase 3 development of ocriplasmin for the treatment of vitreomacular adhesion was booked. The JETREA® asset was impaired as of June 30, 2019, and from that date substantially lowered the depreciations.

Finally, we ask you to approve the annual accounts, as drawn up, and to grant discharge to the directors and the auditor for executing their mandate during the closed financial year.

Done on April 12, 2024,
On behalf of the Board of Directors

DocuSigned by:
Pascal Ghoson Oxurion
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MARS SARL,
represented by its permanent representative
Mr Pascal Ghoson
CEO