

This report was prepared in order to comply with the Belgian Royal Decree of November 14, 2007. You can also find this information on the website of Oxurion ([www.oxurion.com](http://www.oxurion.com)) in the Investor Information section.

Oxurion published its Interim Financial Report in Dutch. In the case of differences of interpretation between the English and the Dutch versions of the Report, the original Dutch version prevails.

## Interim Financial Report Half-year results as at June 30, 2019

### Consolidated key figures as at June 30, 2019

#### Unaudited consolidated statement of financial position

In '000 euro (as at)	30-Jun-19	31-Dec-18
Non-current assets	7,951	23,775
Current assets	72,210	91,089
<b>Total assets</b>	<b>80,161</b>	<b>114,864</b>
Total equity	72,284	105,310
Non-current liabilities	1,616	0
Current liabilities	6,261	9,554
<b>Total equity and liabilities</b>	<b>80,161</b>	<b>114,864</b>

#### Unaudited consolidated statement of profit and loss

In '000 euro (for the period ended on June 30)	2019	2018
<b>Income</b>	<b>1,807</b>	<b>3,752</b>
<b>Operating result</b>	<b>-33,365</b>	<b>-15,664</b>
Finance income	236	571
Finance expense	-175	-74
<b>Result before income tax</b>	<b>-33,304</b>	<b>-15,167</b>
Income tax expense	-7	-4
<b>Loss for the period</b>	<b>-33,311</b>	<b>-15,171</b>
<b>Result per share</b>		
Basic earnings/(loss) per share (euro)	-0.87	-0.39
Diluted earnings/(loss) per share (euro)	-0.87	-0.39

A full analysis of the interim financial statements, prepared in accordance with IAS 34, as declared applicable by the European Union, is included under the section "Condensed consolidated interim financial statements".

These statements were submitted to a review by the statutory auditor.

## Highlights

### Pipeline

- Positive topline data reported from Phase 1 safety study evaluating THR-149 (Plasma Kallikrein Inhibitor) for treatment of DME
  - THR-149 is well-tolerated and safe with no dose-limiting toxicities or drug-related serious adverse events reported.
  - Rapid onset of action starting at Day 1 with increasing average improvement in Best Corrected Visual Acuity (BCVA) at Day 14 following a single injection of THR-149.
  - Activity maintained at Day 90 following a single injection of THR-149.
- Mixed topline data reported from exploratory Phase 2a combination study evaluating THR-317 in combination with ranibizumab for the treatment of DME
  - Combination therapy did not show increase in BCVA in the overall population at Month 3.
  - Certain improvement in mean BCVA at Month 3 observed with the combination therapy in poor (or non) responders to prior anti-VEGF, and with patients with poor vision - baseline BCVA ≤65 letters.
  - Topline data confirm THR-317 in combination with ranibizumab is safe and well-tolerated.
- Patient enrolment completed in Phase 1 safety study evaluating THR-687 (pan RGD integrin antagonist) for treatment of DME
  - Company anticipates data read out by the end of 2019.

### Financial

- Oxurion reports €1.8 million JETREA<sup>®</sup> revenues for the period ending June 30, 2019 compared to €3.8 million for the same period in 2018. Based on these revenues, the company did proceed with the write-off of the remaining JETREA<sup>®</sup> intangible assets.
- Excluding intangible write-off, operating expenses are in line with corresponding period in 2018.
- Including €16.9 million intangible asset write-off, Oxurion shows a net loss of €33.3 million (or €-0.87 per share).
- Oxurion reports €67.6 million in cash, cash equivalents & investments at the end of June 2019. This compares to €85.1 million at the end of December 2018.

## Condensed consolidated interim financial statements

### Unaudited consolidated statement of profit and loss

In '000 euro (for the period ended on June 30)	Note	2019	2018
<b>Income</b>		<b>1,807</b>	<b>3,752</b>
Sales		1,804	3,750
Income from royalties		3	2
<b>Cost of sales</b>		<b>-1,224</b>	<b>-1,117</b>
<b>Gross profit</b>		<b>583</b>	<b>2,635</b>
Research and development expenses		-12,040	-13,349
General and administrative expenses		-3,329	-2,874
Selling expenses		-3,408	-2,541
Other operating income		1,720	465
Impairment losses	1.3.1	-16,891	0
<b>Operating result</b>		<b>-33,365</b>	<b>-15,664</b>
Finance income		236	571
Finance expense		-175	-74
<b>Result before income tax</b>		<b>-33,304</b>	<b>-15,167</b>
Taxes		-7	-4
<b>Loss for the period</b>		<b>-33,311</b>	<b>-15,171</b>
Attributable to:			
Equity holders of the company		-33,317	-15,028
Non-controlling interest		6	-143
<b>Result per share</b>			
Basic earnings/(loss) per share (euro)		-0.87	-0.39
Diluted earnings/(loss) per share (euro)		-0.87	-0.39

### Unaudited consolidated statements of other comprehensive income

In '000 euro (for the period ended on June 30)	2019	2018
<b>Loss for the period</b>	<b>-33,311</b>	<b>-15,171</b>
Exchange differences on translation of foreign operations	29	-58
<b>Other comprehensive income, net of income tax</b>	<b>29</b>	<b>-58</b>
Other comprehensive income that will not be reclassified to profit or loss	29	-58
<b>Total comprehensive income for the period</b>	<b>-33,282</b>	<b>-15,229</b>
Attributable to:		
Equity holders of the company	-33,288	-15,086
Non-controlling interest	6	-143

## Unaudited consolidated statement of financial position

In '000 euro (as at)	Note	30-Jun-19	31-Dec-18
<b>ASSETS</b>			
Property, plant and equipment		489	614
Right-of-use assets	1.2	2,453	0
Intangible assets	1.3.1	1,982	20,450
Other non-current assets		127	127
Non-current tax credit		2,900	2,584
<b>Non-current assets</b>		<b>7,951</b>	<b>23,775</b>
Inventories		413	1,036
Trade and other receivables		3,723	4,219
Current tax receivables		474	707
Investments		20,475	20,475
Cash and cash equivalents		47,125	64,652
<b>Current assets</b>		<b>72,210</b>	<b>91,089</b>
<b>Total assets</b>		<b>80,161</b>	<b>114,864</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		137,564	137,564
Share premium		13	13
Cumulative translation differences		-244	-273
Other reserves		-12,307	-12,563
Retained earnings		-53,170	-19,853
<b>Equity attributable to equity holders of the company</b>		<b>71,856</b>	<b>104,888</b>
<b>Non-controlling interest</b>		<b>428</b>	<b>422</b>
<b>Total equity</b>		<b>72,284</b>	<b>105,310</b>
Lease liabilities	1.2	1,616	0
<b>Non-current liabilities</b>		<b>1,616</b>	<b>0</b>
Trade payables		2,394	5,054
Lease liabilities	1.2	847	0
Other short-term liabilities		3,020	4,500
<b>Current liabilities</b>		<b>6,261</b>	<b>9,554</b>
<b>Total equity and liabilities</b>		<b>80,161</b>	<b>114,864</b>

## Unaudited consolidated statement of cash flows

In '000 euro (for the period ended on June 30)	Note	2019	2018
<b>Cash flows from operating activities</b>			
Loss for the period		-33,311	-15,171
Finance expense		175	74
Finance income		-236	-571
Depreciation of property, plant and equipment		600	256
Amortization and impairment of intangible assets		18,468	1,577
Equity settled share-based payment transactions		257	-52
Decrease in trade and other receivables including tax receivables and inventories		1,036	-258
Decrease in short-term liabilities		-4,140	-10,560
<b>Net cash flows used (-) in operating activities</b>		<b>-17,151</b>	<b>-24,706</b>
<b>Cash flows from investing activities</b>			
Disposal of property, plant and equipment (following a sale)		14	58
Decrease / increase (-) in investments		0	23,915
Interest received and similar income		44	90
Purchase of property, plant and equipment		-73	-88
Purchase / divestment (-) of other non-current assets		0	-1
<b>Net cash flows used (-) / generated in investing activities</b>		<b>-15</b>	<b>23,974</b>
<b>Cash flows from financing activities</b>			
Restricted cash reserved for issue of share capital		0	10,000
Principal paid on lease liabilities	1.2	-407	0
Interest paid on lease liabilities	1.2	-13	0
Paid interests		-4	-4
<b>Net cash flows used (-) / generated in financing activities</b>		<b>-424</b>	<b>9,996</b>
<b>Net change in cash and cash equivalents</b>		<b>-17,590</b>	<b>9,265</b>
Net cash and cash equivalents at the beginning of the period		64,652	66,175
Effect of exchange rate fluctuations		63	353
<b>Net cash and cash equivalents at the end of the period</b>		<b>47,125</b>	<b>75,793</b>

### Unaudited consolidated statement of changes in equity

	Share capital	Share premium	Cumulative translation differences	Other reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest	Total
<b>As at January 1, 2018</b>	<b>151,991</b>	<b>157,661</b>	<b>-335</b>	<b>-13,141</b>	<b>-163,546</b>	<b>132,630</b>	<b>727</b>	<b>133,357</b>
Loss for the period 2018	0	0	0	0	-15,028	-15,028	-143	-15,171
Change to foreign currency translation difference and revaluation reserve	0	0	-58	0	0	-58	0	-58
Capital increase	9,796	204	0	0	0	10,000	0	10,000
Capital decrease	-24,302	-157,865	0	0	182,167	0	0	0
Share-based payment transactions	0	0	0	-52	0	-52	0	-52
<b>As at June 30, 2018</b>	<b>137,485</b>	<b>0</b>	<b>-393</b>	<b>-13,193</b>	<b>3,593</b>	<b>127,492</b>	<b>584</b>	<b>128,076</b>
<b>As at January 1, 2019</b>	<b>137,564</b>	<b>13</b>	<b>-273</b>	<b>-12,563</b>	<b>-19,853</b>	<b>104,888</b>	<b>422</b>	<b>105,310</b>
Loss for the period 2019		0	0	0	-33,317	-33,317	6	-33,311
Change to foreign currency translation difference and revaluation reserve		0	29	0	0	29	0	29
Share-based payment transactions		0	0	256	0	256	0	256
<b>As at June 30, 2019</b>	<b>137,564</b>	<b>13</b>	<b>-244</b>	<b>-12,307</b>	<b>-53,170</b>	<b>71,856</b>	<b>428</b>	<b>72,284</b>

## **Statutory auditor's report to the Board of Directors of Oxurion NV on the review of consolidated interim financial information for the six-month period ended June 30, 2019**

### **Introduction**

We have reviewed the accompanying interim consolidated statement of financial position of Oxurion NV as of 30 June 2019 and the related interim consolidated statements of comprehensive income, cash flows and changes in equity for the six-month period then ended, as well as the explanatory notes. The Board of Directors is responsible for the preparation and presentation of this consolidated interim financial information in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

### **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union.

Zaventem, 5 September 2019

BDO Bedrijfsrevisoren / BDO Réviseurs d'Entreprises SCRL  
Statutory auditor  
Represented by Gert Claes

**Notes to the unaudited condensed consolidated interim financial statements for the first six months of 2019**

**1. Summary of significant accounting policies and main accounting estimates and assessments**

**1.1. Basis of preparation**

This condensed consolidated interim financial information has been prepared in accordance with IAS 34, (Interim Financial Reporting) as adopted by the European Union.

These condensed interim consolidated financial statements of Oxurion for the six months ended June 30, 2019 (the 'interim period') include Oxurion NV and its subsidiaries ThromboGenics, Inc. and Oncurious NV, who constitute the Oxurion Group.

The condensed consolidated interim financial information does not include all the necessary information for preparing financial statements for a full accounting year and therefore should be read in conjunction with the annual financial statements of the group for the year ended December 31, 2018.

The condensed consolidated interim financial information of the Group was subject to a review by our statutory auditor but have not been audited.

The principal risks during the interim period have not materially changed from those mentioned in the financial report as of December 31, 2018.

All statements and information relate to the interim period unless otherwise stated.

The consolidated financial statements are presented in euro and all values are rounded to the nearest thousand except when otherwise indicated.



## **1.2. Changes in accounting policies**

The same accounting policies, presentation and methods of computation have been followed in these condensed financial statements as were applied in the preparation of the Group's financial statements for the year ended December 31, 2018, except for the potential impact of the adoption of the Standards and Interpretations described below.

### *New Standards, Interpretations and Amendments adopted by the Group*

During the current financial period, the Group has adopted all the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB as adopted by the European Union and effective for the accounting year starting on January 1, 2019. The Group has not applied any new IFRS requirements that are not yet effective as per June 30, 2019.

The following new Standards, Interpretations and Amendments issued by the IASB and the IFRIC as adopted by the European Union are effective for the financial period and adopted by the Group:

- Annual Improvements to IFRSs 2015-2017 Cycle (December 2017)
- IFRS 9 Financial Instruments – Amendments regarding prepayment features with negative compensation (October 2017)
- IFRS 16 Leases (Original issue January 2016)
- IAS 19 Employee Benefits – Amendments relating to Plan Amendment, Curtailment or Settlement (February 2018)
- IAS 28 Investments in Associates and Joint Ventures – Amendments regarding long-term interests in Associates and Joint-Ventures (October 2017)

The adoption of these new standards and amendments has not led to major changes in the Group's accounting policies, except for the adoption of IFRS 16 Leases as set out below.

### **IFRS 16 Leases (applicable for annual periods beginning on or after January 1, 2019)**

The nature and the effect of these changes were taken into consideration, and the above amendments affected the condensed consolidated financial statements as follows:

We adopted IFRS 16 on January 1, 2019, in accordance with the transitional provisions of IFRS 16, using the cumulative catch up approach (IFRS 16 Paragraph C8 (b) (ii)). The Company has applied the standard to its leases with the cumulative impact recognized on the date of initial application (January 1, 2019). Accordingly, previous period information has not been restated. On adoption of IFRS 16, we recognized lease liabilities in relation to leases which had previously been classified as 'operating leases' under IAS 17.

Under cumulative catch up approach, the Company has recorded lease liability at the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset at an amount equal to the lease liability.

The impact on January 1, 2019 amounted to €2.8 million right-of-use assets and corresponding lease liabilities of €2.8 million. Compared to December 31, 2018, the increase of €2.3 million relates to the renewal of the lease agreement of our office building for a 3-year period, which was concluded in the course of HY 2019, but still uncertain as at December 31, 2018.

in '000 euro	Increase / (decrease)
Operating lease commitments disclosed as at December 31, 2018	482
Lease for offices renewed in HY 2019	2,312
<u>Less: discounting effect using the lessee's incremental borrowing rate at the date of initial application</u>	<u>-43</u>
<b>Lease liability recognized as at January 1, 2019</b>	<b>2,751</b>

At June 30, 2019, the adoption of IFRS 16 has resulted in recognizing right-of-use assets of €2.5 million and corresponding lease liabilities of €2.5 million. We accounted operating leases with a remaining lease term of less than 12 months and low value lease expenses as at January 1, 2019 as short-term leases.

in '000 euro	Land and buildings	Property, plant and equipment	Total
<b>Right-of-use assets</b>			
As at January 1, 2019	2,575	175	2,751
Additions	0	119	119
<u>Amortization</u>	<u>-371</u>	<u>-45</u>	<u>-416</u>
<b>As at June 30, 2019</b>	<b>2,204</b>	<b>249</b>	<b>2,453</b>
<b>Lease liabilities</b>			
As at January 1, 2019	2,575	175	2,751
Additions	0	119	119
Interest expense	12	1	13
<u>Lease payments</u>	<u>-375</u>	<u>-45</u>	<u>-420</u>
<b>As at June 30, 2019</b>	<b>2,212</b>	<b>250</b>	<b>2,463</b>
Of which are:			
current lease liabilities	744	103	847
non-current lease liabilities	1,468	147	1,616

Impact on the statement of profit or loss for 2019:

in '000 euro (for the period ended on June 30)	Increase / (decrease)
Depreciation expense	416
<u>Operating lease expenses</u>	<u>-420</u>
OPERATING RESULT	-4
Finance expense	13
<u>Income tax expense</u>	<u>0</u>
Result for the period	9

On June 30, 2019, we had outstanding lease obligations, which become due as follows:

in '000 euro	Up to 3 months	Between 3 and 12 months	Between 1 and 2 year(s)	Between 2 and 5 years
Lease obligations	213	634	809	793

*Standards and Interpretations issued but not yet effective in the current period*

The Group elected not to early adopt the following new Standards, Interpretations and Amendments, which have been issued by the IASB and the IFRIC but are not yet effective as per June 30, 2019 and/or not yet adopted by the European Union as per June 30, 2019 and for which the impact might be relevant.

- Amendments to References to the Conceptual Framework in IFRS Standards (March 2018) \*
- IFRS 3 Business Combinations – Amendments to clarify the definition of a business (October 2018) \*
- IAS 1 Presentation of Financial Statements – Amendments regarding the definition of material (October 2018) \*
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Amendments regarding the definition of material (October 2018)

\* Not yet endorsed by the EU as of June 30, 2019

None of the other new standards, interpretations and amendments, which are effective for periods beginning after January 1, 2019 which have been issued by the IASB and the IFRIC but are not yet effective as per June 30, 2019 and/or not yet adopted by the European Union as per June 30, 2019, are expected to have a material effect on the Group's future financial statements.

### **1.3. Main accounting estimates and assessments**

Preparing condensed consolidated interim financial statements in accordance with IFRS obliges the management to make estimates and assumptions that affect the reported amounts of assets, liabilities and the notes on the latent assets and liabilities on the date of the condensed consolidated interim financial statements, and the reported amounts of income and costs during the reporting period. If in the future such estimates and assumptions, which are based on management's best estimates and judgment at the time of drawing up the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified, and the effects of the revisions will be reflected in the period in which the circumstances change.

For information regarding our main accounting estimates and assessments, please see Note 5.5.4. to our 2018 consolidated financial statements included in our Annual Report.

The group has adopted IFRS 16 retrospectively from January 1, 2019 but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognized in the opening balance sheet on January 1, 2019.

In applying IFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The group leases various offices, copiers and cars. Rental contracts are typically made for fixed periods of 3 to 4 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, leases of property, plant and equipment were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From January 1, 2019, leases are recognized as right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of these asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities are exclusively composed of fixed payments less any lease incentives receivable.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability and any lease payments made at or before the commencement date.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases comprise of some car leases and are leases with a lease term of 12 months or less. Low-value assets only comprise of one copier.

### 1.3.1 Impairment

At December 31, 2018, in executing the impairment test for JETREA® intangible asset, the recoverable amount of JETREA® Commercial operations CGU was determined based on the fair value less cost of disposal.

At December 31, 2018, the model included growth rates which are consistent with forecasts included in reports specific to the industry in which the CGU operates. At June 30, 2019, declining sales of the asset signaled the need for impairment revision.

At June 30, 2019, in line with method used at December 31, 2018, the fair value calculation was based on a level 3 calculation in accordance with IFRS 13. New sales forecasts were produced using actual sales as a base and projecting these based on reachable promotion targets and adapted growth rates. Using these revised sales projections, cash flow projections were performed based on industry ratios related to the product and covering a five-year period, which corresponds to the remaining patent life for JETREA®. These cash flows include discounted residual values beyond the five-year period assuming slowly declining sales of the last patent protected year. A discount rate (WACC) of 25% was used, taking into consideration the main assumptions such as growth rate used in the model. The fair value model comprises an estimated rate of 3% to cover any potential cost for disposal. A sensitivity analysis was performed using different scenarios affected by the key assumptions such as WACC and growth rate. The cash flows obtained through these calculations do not justify value of this asset in the balance sheet and as consequence the remainder of all JETREA® intangibles (comprising of internally generated assets, as well as Nuvue and Grifols acquired IP) were written off on June 30, 2019 for a total amount of €16.9 million. In accordance, JETREA® related inventories were impaired to expected net realizable value.

In '000 euro	Internally generated Microplasmin Phase III	License Nuvue	License Grifols	License Galapagos	License VIB	Licenses Other	Total
<b>Year ended December 31, 2018</b>							
Additions	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortization expenses	-1,293	-1,019	-842	0	0	0	-3,154
Impairment losses	0	0	0	0	0	0	0
Net carrying amount	7,543	5,950	4,975	1,000	982	0	20,450
<b>As at December 31, 2018</b>							
Cost	53,598	12,019	9,935	1,000	982	168	77,702
Accumulated amortization	-22,055	-6,069	-4,960	0	0	-168	-33,252
Accumulated impairment losses	-24,000	0	0	0	0	0	-24,000
Net carrying amount	7,543	5,950	4,975	1,000	982	0	20,450
<b>For the period ended on June 30, 2019</b>							
Additions	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortization expenses	-647	-509	-421	0	0	0	-1,577
Impairment losses	-6,896	-5,441	-4,554	0	0	0	-16,891
Net carrying amount	0	0	0	1,000	982	0	1,982
<b>As at June 30, 2019</b>							
Cost	53,598	12,019	9,935	1,000	982	168	77,702
Accumulated amortization	-22,702	-6,578	-5,381	0	0	-168	-34,829
Accumulated impairment losses	-30,896	-5,441	-4,554	0	0	0	-40,891
Net carrying amount	0	0	0	1,000	982	0	1,982

## 2. Comments to the financial statement of profit and loss

### Revenues

During the first six months of 2019, Oxurion booked €1.8 million JETREA<sup>®</sup> revenues. This compared to €3.8 million for the same period in 2018. Based on these revenues, the company did proceed with the write-off of the remaining JETREA<sup>®</sup> intangible assets.

### Results

For the first half of 2019, the group reported a gross profit of €0.6 million, compared to a gross profit of €2.6 million for the same period in 2018.

Oxurion's R&D expenses were €12.0 million during the first half year of 2019. In the same period of 2018, the R&D expenses were €13.3 million. The 2018 figure included a milestone payment of €1.0 million related to the development of THR-149.

Selling and marketing expenses amounted to €3.4 million compared to €2.5 million in the corresponding period of 2018. The increase is linked to the return of ex-US JETREA<sup>®</sup> rights.

General and administrative expenses were €3.3 million. This compares to €2.9 million in the first half of 2018.

For the first half of 2019, Oxurion reported a net loss of €33.3 million (or €-0.87 per share) composed of €16.9 million remaining JETREA<sup>®</sup> intangible asset write-off and €16.4 million current losses. The €16.4 million to be compared to €15.2 million for the same period in 2018.

### **3. Cash, cash equivalents and investments position**

As of June 30, 2019, Oxurion's cash position amounted to €67.6 million, compared to €85.1 million at the end of 2018. For both periods, an investment of €20.0 million in term accounts and €0.5 million in other bonds is included in that position.

The impairment of JETREA<sup>®</sup>'s capitalized intangible asset is a major component of the operating losses but is not affecting cash flow.

### **4. Financial instruments**

#### **Fair Values**

There is no significant difference between the fair value and carrying amount of the Group's cash and cash equivalents, investments, trade and other receivables, other current assets, trade payables and other current liabilities. The carrying amount of cash and cash equivalents and investments is equal to their fair value, given the short-term maturity of these financial instruments. Similarly, the carrying amounts of receivables and payables, which are all subject to normal trade credit terms, are equivalent to their fair values. Investments in bonds are measured at fair value based on quoted market prices. The fair value movements are recorded in OCI.

For right-of-use assets and lease liabilities, the difference between the fair value and carrying amount is exposed in section 1.2.

The investments are reported at fair value as per June 30, 2019 and December 31, 2018. The carrying value of the financial liabilities and other financial assets measured at amortized cost as per June 30, 2019 and December 31, 2018 approximate their fair value.

### **5. Transactions with Related Parties**

In the first 6 months of 2019, an amount of €233.8 thousand was paid to the executive director. A variable bonus amount of €45.0 thousand was accrued for.

No other transactions with related parties were made during the first 6 months of 2019 which have a material impact on the financial position and results of the Group. There were also no

changes to related party transactions disclosed in the Annual Report 2018 that potentially had a material impact to the financial figures of the first 6 months of 2019.

## **6. Events occurring after the reporting period**

To date, no events occurring after the half-year results as of June 30, 2019 are being evaluated as having an impact on the interim financial statements.

## **7. Segment reporting**

The segment information is represented in a consistent manner regarding the internal reporting to the chief operating decision maker of the entity, i.e. the institution which takes the most important decisions, enabling decision-making of allocating resources to the segment and evaluating financial performances of the segment. At this moment, reporting is being done at global level within Oxurion.

The Global Selling, the R&D and the General and Admin functions being located in Leuven – Belgium represent approximately 95% of the operating result. In that context, the activities of the company do not lead to the need for geographic information.

100% of intangible assets and almost all non-current assets, (85%), are located in Belgium.

Oxurion is an integrated biotechnology company with focus on diseases related to the retina. Our molecules, Ocriplasmin on the market with brand name JETREA<sup>®</sup>, the Anti-Plgf currently in clinical Phase 2, the Plasma-Kallikrein inhibitor in clinical Phase 1/2a, the Integrin antagonist also in phase 1/2a as well as our pre-clinical compounds all target diseases of the retina. These molecules represent more than 95% of the income and expenses of the company. As a consequence, the consolidated statement of profit and loss and of financial position are a valid representation of its unique business unit.

## **8. General information**

Oxurion NV, a limited liability company (in Dutch: naamloze vennootschap), was incorporated on May 30, 2006 as ThromboGenics NV which, effective as of September 10, 2018, became Oxurion NV following shareholders' approval at the extraordinary shareholders' meeting held on September 3, 2018.

The registered office is established at:

Gaston Geenslaan 1

3001 Leuven

Belgium

Tel: +32 (0)16 751 310

Fax: +32 (0)16 751 311

The company is registered in the Crossroads Databank for Enterprises under enterprise number 0881.620.924.



## **Declaration of responsible persons**

Patrik De Haes, Chief Executive Officer and Dominique Vanfleteren, Chief Financial Officer of Oxurion declare that, to the best of their knowledge and belief:

- The condensed consolidated interim financial statements, made up according to the applicable standards for financial statements, give a true and fair view of the equity, financial position and the results of the Company and its consolidated companies.
- This interim report represents a true and fair view of the development and the results of the company for the first 6 months of 2019, and of the principal risks and uncertainties for the second half year and of the transactions with related parties.