HALF-YEAR FINANCIAL REPORT 2015

ABIVAX

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1 LEADERSHIP

Board of Directors

Chairman:	**Dr. Philippe Pouletty**
Directors:	**Amundson Partners** represented by Joy Amundson **Claude Bertrand** **Jean-Jacques Bertrand** **Dr. Dominique Costantini** **Holding Santé Spa** represented by Dr. Antonino Ligresti **Christian Pierret** **Jean-Paul Prieels** **Truffle Capital** represented by Antoine Pau

Executive Management

Chief Executive Officer	**Prof. Hartmut Ehrlich, M.D.**
Vice President Clinical and Regulatory Affairs	**Dr. Karl Birthistle**
Chief Financial Officer	**Alain Chevallier**
Chief Commercial Officer and Vice President Business Development	**Pierre Courteille**
Vice President Process Development and Manufacturing	**Bernard Fanget**
Vice President R&D Small Molecules	**Didier Scherrer**
Vice President R&D Viral Vaccines	**Vincent Serra**
Chief Medial Officer	**Dr. Jean-Marc Steens**

2 HALF-YEAR MANAGEMENT REPORT

2.1 Overview of ABIVAX

ABIVAX is an advanced clinical stage biotech company focused on becoming a global leader in the discovery, development and commercialization of therapeutic anti-viral drugs and vaccines to prevent and treat some of the world's most life-threatening infectious diseases, and in particular, chronic Hepatitis B and HIV/AIDS.

ABIVAX was created in December 2013 at the initiative of Truffle Capital and its Chief Executive Officer, Dr. Philippe Pouletty, specifically by the integration of the assets of two French biotech companies (WITTYCELL and SPLICOS) which had developed various cutting edge technological platforms and a solid portfolio of promising drug candidates.

ABIVAX has also entered into major strategic partnerships with leading Cuban organizations in the area of biotechnology and vaccines, namely Heber Biotec, holder of the exclusive development rights to the intellectual property of the Cuban Centre for Genetic Engineering and Biotechnology (*Centro de Ingenieria Genetica y Biotecnologia* - "CIGB") and Vacunas Finlay which markets the vaccines developed and produced by the Finlay Institute. Discussions are under way to strengthen and extend the cooperation with BioCubaPharma, the Cuban life sciences supervisory body.

Based in Paris, ABIVAX conducts its R&D activities in Évry (Paris metropolitan area), and in Montpellier, with a headcount of around 30 employees at these three sites. The Company also has the advantage of a broad network of academic partnerships with leading universities and research institutes, specifically the CNRS (the National Center for Scientific Research in Montpellier, France), the Curie Institute (Paris, France), The Scripps Research Institute (La Jolla, CA, USA), the University of Chicago (IL, USA), the Brigham Young University (Provo, UT, USA) and also the Institut Pasteur (Paris, France). Consequently, there are more than one hundred people working on ABIVAX projects as part of scientific or commercial partnerships.

The ABIVAX management team is able to draw on extensive experience in the development and commercialization of biopharmaceuticals for the treatment of infectious diseases, and antiviral compounds. The Company also has an internationally renowned scientific advisory board, made up of eminent experts in their respective fields, and a board of directors, the members of which have a wealth of experience gained at major pharmaceutical laboratories and international vaccine manufacturers.

The current focus at ABIVAX is on:

- the development of two therapeutic products, which are at the clinical trial stage, for the treatment of chronic hepatitis B (ABX203) and HIV/AIDS (ABX464) ;
- consolidation of its novel technological platforms, one based on a proprietary chemical library of inhibitors of protein-RNA interactions and the other on innovative vaccine adjuvants;
- strengthening of its strategic partnership with EuroCubaFarma and the CIGB in new areas such as the co-development of a peptide against dengue fever; and
- the selection of a commercialization network in Asia and Latin America for the three vaccines (Typhoid, groups B & C Meningococcus, Leptospirosis) for which ABIVAX has entered into distribution agreements, and to pave the way for the launch of ABX 203 in a number of countries in Asia.

2.2 Highlights and activities of ABIVAX in the first-half of 2015

The first-half of 2015 was characterized by the launch and ramping up of the Company's two cornerstone clinical programs, namely the pivotal study for ABX 203 and the Phase IIa study for ABX 464, progress in its portfolio of preclinical projects, work on the selection of its commercialization network and the notable strengthening of the Company's financing structure resulting from its initial public offering on the regulated market of Euronext Paris on 26 June.

2.2.1 Progress on R&D projects

ABX203, a therapeutic vaccine against chronic Hepatitis B (HBV)

ABX203 is a candidate therapeutic vaccine licensed and developed in collaboration with the *Centro de Ingenieria Genetica y Biotecnologia* (CIGB-Cuba) and intended for patients with chronic Hepatitis B (one of the leading causes of mortality worldwide and which can develop into cirrhosis or cancer of the liver). This therapeutic vaccine against HBV is aimed at one of the principal current unmet needs in the area of infectious diseases.

A pivotal clinical registration trial (Phase IIb/III) is currently at the recruitment stage in seven Asia-Pacific countries (Australia, New Zealand, Taiwan, Singapore, Hong-Kong, Thailand and South Korea). The recruitment of 266 patients has now been completed as a result of the good reception that the study is receiving from investigators and patients in the countries in which it is being conducted.

This study is being carried out at 38 sites, and involves adult patients suffering from HBV AgHBe (-). A group, to be given ABX203 for 24 weeks in addition to their NUC therapy (nucleotide analogues, the leading antiviral treatment), will be compared to a control group receiving only their NUC treatment, with the following objectives after week 48:

- characterization of the lasting control of hepatitis B, six months after treatment with NUCs and ABX203 has ceased;
- assessment of the safety and reactogenicity of ABX203 ;
- characterization of the cellular immune response to ABX203.

The initial results are expected during the fourth quarter of 2016. These results could pave the way for the first regulatory approvals in some countries from 2017/2018 onwards.

ABX 464, a novel antiviral for the treatment of HIV/AIDS

ABIVAX has conceived ABX464 to offer a significant improvement in the treatment of HIV. ABX464 interferes with the biogenesis of viral RNA that is necessary for the replication of the HIV virus, a mechanism of action which had never been explored previously.

At year-end 2014, ABIVAX launched a pharmacokinetic study, with 48 volunteer patients, in order to evaluate the impact of food intake and the repeated administration of ABX464 on the pharmacokinetic properties as well as their biological safety. This study has been finalized and its results are currently being analyzed.

A first clinical study in patients with HIV (phase IIa) was launched in January 2015 in Mauritius and involves 80 naïve patients (who have never received antiretroviral treatment), divided in 10 groups of eight patients each (six patients per group receiving ABX464, and two patients per group receiving a placebo). The objective of this study is to evaluate the pharmacokinetic properties of ABX464, its biological safety, and its impact on the viral load of patients infected with HIV. The results of this study are expected before year-end 2015.

The technological antiviral "Splicing" platform

The evaluation of other drug candidates stemming from the antiviral "splicing" platform has been ongoing since the beginning of the year. The efforts have been focused on a small molecule which is active against Dengue and another small molecule that is active against Chikungunya. Other pre-clinical tests are planned to be conducted by year-end to confirm the potential of these two antivirals before they pass regulatory pre-clinical testing.

"iNKT agonist" platform for the development of vaccine adjuvants

ABIVAX is also developing a platform that may lead to a new class of adjuvants for therapeutic vaccines. This platform is based on a technology and the exclusive rights granted by The Scripps Research Institute, the University of Chicago, and Brigham Young University.

ABX196 is an innovative adjuvant candidate for vaccines based on NKT cell agonists. Since the beginning of the year, ABIVAX has tested new routes of administration for ABX196. The results are currently being evaluated.

Co-development with CIGB (Cuba) of a therapy against Dengue

On 5th November 2014, Heber Biotec (Cuba) also signed an exclusive licensing agreement with ABIVAX for a long-term co-development and collaboration to develop and commercialize an antiviral agent against Dengue. This compound is currently at the pre-clinical stage and is being evaluated in order to confirm its entry into the regulatory pre-clinical development phase.

Ebola project

During the first half of 2015, discussions were held with The Scripps Research Institute for the acquisition of immunogenes (viral proteins, primarily GP1 proteins stemming from the Ebola virus) that will enable the development of polyclonal antibodies.

2.2.2 Work on the selection of a commercial network

In 2014, the company signed three commercial distribution agreements with Vacunas Finlay, in Cuba. Per the terms of the agreements, ABIVAX has acquired exclusive and non-exclusive distribution rights, depending on the country, for three vaccines:

- vax-TyVi – targeting typhoid fever
- VA-MENGOC-BC – targeting group B and C meningococcals
- x-SPIRAL - targeting leptospirosis

ABIVAX will commercialize these products in various countries across Asia and Latin America. In order to do this, ABIVAX is in the process of establishing the commercial contacts and agreements with distributors in those territories for a commercialization in 2016.

2.2.3 ABIVAX's initial public offering on the regulated market of Euronext Paris – Compartment B

On June 26, 2015, ABIVAX was listed on the regulated market of Euronext Paris, which enabled the company to raise €57.7 million (gross proceeds), thus covering its financing needs through the end of 2017.

ABIVAX's IPO was carried out following the admission to trading of the 9,624,889 ordinary shares which comprise the company's share capital, of which 2,707,089 new shares were issued within the framework of a Global Offer, after the complete exercise of the extension clause and the over-allotment option.

The initial price per share was set at €21.30 the day of the IPO, for a total valuation of the company on its first trading day of €205 million.

Following this capital increase, ABIVAX's shareholding structure is as follows: 68.5% held by funds managed by Truffle Capital, 2.7% held by the Biotechnology Incubator Holding Fund, and 3.1% held by the company's management, its board members and scientific founders. The company's free float is currently 25.7% of the total shares issued.

2.3 Impact on the financial situation and results: notes to the figures

To aid understanding and reading of the financial statements of ABIVAX, these notes are based on the pro-forma financial statements as at 30 June 2014, in order to show the changes that have taken place within the business perimeter of the Company as a result of the mergers and absorption that took place in 2014. A revised pro-forma income statement as at 30/06/2014 will act as a basis of comparison for the half-year income statement of the Company as at 30/06/2015.

The financial statements of ABIVAX as at 30 June 2015 reflect primarily:

- **A prevalence of R&D expenses**

Research & development expenditures represent the lion's share of the company's operating expenses, accounting for 83% of the total, an increase compared to 72% of the total for the year ended 31 December 2014. The Company maintains its strict policy regarding administrative expenses, while at the same time pursuing its priority cornerstone research programs and the initiation of its emerging R&D projects. These operating expenses encompass primarily R&D activities that are sub-contracted to private suppliers or assigned to public research institutions, particularly for the international clinical trials of ABX203 and ABX464, as well as the costs associated with the operations of the company's technological platforms.

In light of the ongoing R&D activity, the operating loss has increased by 122% compared with the first-half of 2014: as at 30 June 2015 it was €8,107,000 compared to €3,659,000 on a pro-forma basis as at 30 June 2014. This is partially offset by the research tax credit provisioned at the end of June 2015 which is €1,080,000, compared to €720,000 on a pro-forma basis at the end of June 2014.

The net loss at 30 June 2015 was thus €7,170,000 compared to €2,998,000 on a pro-forma basis at 30 June 2014.

- **Financial resources that provide funding for the main projects until the end of 2017**

As a result of its successful IPO, the Company's funding requirements are now covered until 2017.

The Company's net cash position as at the end of June is +€51,553,000 compared to €835,000 as at 30 June 2014.

The following tables show the key figures from the half-year results, established according to French accounting standards, for the 1st half-year of 2014 and 2015, and certain financial data from the balance sheet as at 30 June 2015 compared with the balances as at 31 December 2014.

ITEMS IN THE INCOME STATEMENT *(in thousands of euros)*	30/06/2015 COMPANY	30/06/2014 PRO-FORMA
Total operating revenue	310	241
Total operating expenses	**8,417**	**3 900**
of which R&D expenses	*6,959*	*N/A*
of which administrative and general expenses	*1,458*	*N/A*
Operating income/loss	**-8,107**	**-3,659**
Financial expense	-142	-59
Pre-tax income/loss	**-8,250**	**-3,718**
Extraordinary items		
Income tax	-1,080	-720
Net Income/Loss for the period	**-7,170**	**-2,998**

Items from the balance sheet *(in thousands of euros)*	30/06/2015 COMPANY	31/12/2014 COMPANY
Net cash position	**51,553**	**835**
*of which financial assets**	*0*	
of which fixed term deposits (maturing in > 1 year)	*25,002*	
of which marketable securities		*1,703*
of which cash instruments		
of which available cash	*28,673*	*1,221*
(of which liabilities)	*-2,122*	*-2,089*
Total assets	**89,538**	**37,966**
Total equity	**80,737**	**33,935**
of which shareholders' equity	*77,543*	*30,653*
of which conditional advances	*3,194*	*3 282*

*Excluding items held in the liquidity contract (cash and treasury shares) and guaranteed deposits paid and recoverable

Presentation of the results as at 30/06/2015

Operating income:

Items in the income statement *in thousands of euros*	30/06/2015 COMPANY	30/06/2014 PROFORMA
Sales of goods		
Sales of production		44
Operating grant	291	197
Other income	19	1
TOTAL OPERATING INCOME	**310**	**241**

Because it is at the development stage, the Company generated no revenue during the year. During the period, it devoted itself exclusively to its operational organisation and to accelerating its development programmes. In the first half of 2015, operating income was €310,000 and comprised for the majority the Bpifrance operating grant payable for the ISI CaReNa product (€268,000).

Net operating expenses by accounting item:

Items in the income statement *in thousands of euros*	30/06/2015 COMPANY	30/06/2014 PROFORMA
Purchases of raw materials	**209**	**115**
Third party studies and subcontracting	4,420	1,267
Supplies	16	79
Rent, maintenance and repairs	256	116
Sundry expenses	190	80
Documentation, technological updates and seminars	20	37
Patents	624	238
Professional fees	844	553
Travel	228	259
Other purchases and external expenses	**6,597**	**2,629**
Taxes, duties and similar payments	66	10
Wages and salaries	1,057	797
Social security expenses	411	277
Depreciation	36	26
Other expenses	40	46
TOTAL OPERATING EXPENSES	**8,416**	**3,900**

For the period ended 30 June 2015, operating expenses were €8,416,000, the bulk of which was accounted for by research and development expenses, specifically for ongoing clinical trials (projects ABX464 in phase IIa and ABX203 in phase IIb/III).

As such, 78% of the operating expenses of the Company as at 30 June 2015 comprised "Other purchases and external expenses". These expenses, which increased by 152% compared with 30 June 2014, include, in particular, expenditure on "External studies, subcontracting and scientific consultancy" to the tune of nearly 53% of total operating expenses, compared with 32% over the same period of the previous financial year. This + 249% increase reflects the acceleration of the Company's major research programs: the phase IIb/III clinical studies for the ABX203 projects and phases I/and IIa for the ABX464 project, conducted in the Asia-Pacific region and Mauritius, respectively.

In line with its strategy of protecting its technology and drug candidates in development, ABIVAX has filed and continues to file numerous patent applications. Continuation of this active policy was reflected as at 30 June 2015 in an increase of 162% in patent costs compared with 30 June 2014.

The Company boasts a highly experienced management team and a first-class research and development team, comprising a total of 29 persons as at 30 June 2015, based at its Paris headquarters and its two laboratories in Evry and Montpellier. This workforce has remained stable since 31 December 2014. However, payment of bonuses for the first full operating year of the Company resulted in an increase in the "Salaries and social charges" item of + 32% compared with the first half of 2014.

Overall, the significant increase in the resources devoted to research in the first half of 2015 was reflected in an operating loss that was 122% higher than the first half of 2014.

Financial result:

Items in the income statement *in thousands of euros*	**30/06/2015 COMPANY**	**30/06/2014 PROFORMA**
Financial income	3	2
Financial expenses	146	61
Financial result	**-142**	**-59**

Compared to the first half of 2014, the financial loss of the Company at 30 June 2015 showed an increase of 142%, explained mainly by:

- The costs of obtaining the CIR 2014*: €41,000
- Interest on the current account advance granted by Truffle Capital and recognised at €44,000.

**Note that the Crédit d'Impôt Recherche (Research Tax Credit) for research costs in the calendar year 2014 was included under other receivables for €1,594,934. Of this amount, €1,382,000 was obtained during the first half-year of 2015 and reimbursement was applied for when the tax return was filed in May 2015*

Net Income/Loss:

Items in the income statement *in thousands of euros*	**30/06/2015 COMPANY**	**30/06/2014 PROFORMA**
Income from continuing operations before income taxes	-8,250	-3,718
Income taxes (Research Tax Credit)	1,080	720
Loss	**-7,170**	**-2,998**

As the Company has made a loss, it is not subject to a tax charge. The amount recognized corresponds to the proceeds from the research tax credit for the first half of 2015: €1,080,000, compared with €720,000 for the same period of 2014.

Given the pace of expenditure on the cornerstone research and development programs, the net loss increased by 139% in the first half-year of 2015 amounting to €7,170,000 compared with €2,998,000 for the same period of 2014.

Report on the balance sheet as at 30/06/2015

The financial structure of the Company has been strengthened considerably by the €57.7 million it raised through its IPO of 26th June 2015. The net cash position of the Company at the end of June 2015 now shows a figure of €51,553,000 compared with €835,000 as at 30 June 2014. The funding requirement for operating expenses in the first half-year of 2015 was €8,381,000 compared with €3,874,000 for the previous half-year (excluding depreciation).

As at 30 June 2015, ABIVAX had €28,673,000 of available cash awaiting investment plus €25,002,000 of fixed-term investments.

The Research Tax Credit (CIR) for 2014, in the amount of €1,595,000 was obtained during the first half-year of 2015. The estimated value of the CIR for the first half-year of 2015 is €1,080,000.

As at 30 June and following its IPO on the regulated market of Euronext Paris, compartment B, the share capital was €96,248.89 made up of 9,624,889 shares with a nominal value of €0.01.

Moreover, on 26 June 2015, the Company signed a liquidity contract for a period of 12 months and renewable tacitly unless explicitly revoked, for which a sum of €1,000 was paid to the service provider upon entering into the contract. As at 30/06/2015 and under this liquidity contract, the company held 600 treasury shares with a value of €13,000.

2.4 Principal risk factors

The risk factors affecting the Company were set out in Section 4 of the Registration Document filed on 19 May 2015 with the Autorité des Marchés Financiers (AMF) under number I.15-040.

Since then the raising of funds of €57,661,000 that took place when the Company's shares were admitted to trading on the stock exchange, has had a favorable effect on a number of the risk factors mentioned in the Registration Document, in particular the liquidity risk. The Company believes that henceforth it has

the funds to continue operating. In addition to the €51,553,000 of the net financial position as at 30/06/2015, the Company has secured commitments on repayable advances and grants from public bodies for €2,024,000, conditional upon reaching key project milestones.

The Company underscores that, as stated in the abovementioned Registration Document, its activities essentially relate to research and development of antivirals and vaccines in the area of life-threatening infectious diseases. The success of the projects it is conducting is therefore subject the scientific and technological vagaries specific to this sector and depend on its ability to obtain the regulatory authorizations allowing it to achieve the commercialization of the compounds that it develops. In this regard, the Company is exposed to the risk of negative results in the clinical trials currently being conducted, in particular the Phase IIa study on ABX464 for which the results are expected before year-end 2015. Additionally, the presence of side-effects in the clinical trials that are currently being conducted on ABX464 and ABX203 could require the Company to revise the development plan for these two products, thus potentially causing delays.

3 CONDENSED HALF-YEAR ACCOUNTS AS AT 30 JUNE 2015

3.1 Income statement

(in thousands of euros)	Note	30/06/2015	30/06/2014	30/06/2014 Proforma
OPERATING INCOME				
Operating grants	7	291		197
Other		19		45
OPERATING EXPENSES				
Purchases of raw materials and supplies		209		115
Other purchases and external charges		6,597	453	2,629
Taxes and duties		66	2	10
Salaries and social charges		1,468	301	1,074
Deprecation and impairments		36		26
Other expenses		40	1	46
OPERATING RESULT		**-8,107**	**-756**	**-3,659**
Financial income		3		2
Financial expenses		146	4	61
FINANCIAL RESULT		**-142**	**-4**	**-59**
Income taxes	9	-1,080	-107	-720
NET INCOME/LOSS FOR THE PERIOD		**-7,170**	**-653**	**-2,998**

3.2 Balance sheet

ASSETS

(in thousands of euros)	Note	06/2015	12/2014
FIXED ASSETS			
Intangible fixed assets	3	32,005	32,005
Concessions, patents, licences, software	3	3	4
Property, plant and equipment			
Technical plant, industrial machinery and equipment	3	176	200
Other property, plant and equipment	3	24	31
Financial fixed assets			
Equity securities	3		
Other financial fixed assets	3	1,093	86
TOTAL FIXED ASSETS		**33,302**	**32,326**
CURRENT ASSETS			
Receivables	4	2,254	2,389
Marketable securities			
Available cash	5	53,675	2,924
Prepaid expenses	4	128	327
TOTAL CURRENT ASSETS		**56,057**	**5 640**
TOTAL ASSETS		**89,358**	**37,966**

LIABILITIES

(in thousands of euros)	Note	06/2015	12/2014
SHAREHOLDERS' EQUITY			
Share capital	6	96	69
Issue, merger and contribution premiums	6	89,508	35,675
Legal reserve			
Retained earnings	6	-5,091	-10
Result for the period (profit or loss)		-7,170	-5,080
TOTAL SHAREHOLDERS' EQUITY		**77,343**	**30,653**
OTHER EQUITY			
Conditional advances	7	3,194	3,282
TOTAL OTHER EQUITY		**3,194**	**3,282**
PROVISIONS FOR RISKS AND CHARGES			
Provisions for risks		34	49
TOTAL PROVISIONS		**34**	**49**
LIABILITIES			
Convertible bonds			
Borrowings and loans from banks			1
Sundry financial borrowings and loans	8	2,122	2,089
Trade accounts payable	8	5,982	1,050
Tax and social security liabilities	8	668	843
Deferred income	8	14	
TOTAL LIABILITIES		**8,787**	**3,982**
TOTAL LIABILITIES AND EQUITY		**89,358**	**37,966**

3.3 Statement of changes in equity

Abivax : Changes in equity in 2015	No. of shares issued	Share capital	Issue premium	Issue of subscription warrants	Retained losses	Total
As at 31 December 2013	**40,000**	**40,000**			**(10,000)**	**30,000**
Zophis contribution	*576,000*	1,000	719,000			720,000
Wittycell contribution	*9,259,000*	9,000	11,564,000			11,574,000
Splicos contribution	*13,760,000*	14,000	17,186,000			17,200,000
Capital increase - EGM 25 April 2014	*2,400,000*	2,000	2,998,000			3,000,000
Subscription warrants issued (BSA)				0		0
Issue costs			(35,000)			(35,000)
Capital increase - exercise of founders' warrants (BCE)	*555,000*	1,000				1,000
Capital increase - EGM 30 July 2014	*2,600,000*	3,000	3,247,000			3,250,000
Issue costs			(6,000)			(6,000)
Loss 2014					(5,080,000)	(5,080,000)
As at 31 December 2014	**69,150,000**	**69,000,000**	**35,674,000**	**0**	**(5,091,000)**	**30,653,000**
Share split – EGM 20 February 2015	6, 915,000					-
Capital increase – of 23 June 2015	2,707,089	27,000	57,634,000			57,661,000
Issue costs			(3,801,000)			(3,801,000)
Capital increase - exercise of founders' warrants (BCE)	*2,800,000*	*0*				*0*
Loss for first half-year of 2015					*(7,170.000)*	*(7,170.000)*
As at 30 June 2015	*9,624,889*	*96,000*	*89,507*	*0*	*(12,261)*	*77,343*

3.4 Cash flow statement

(in thousands of euros)	Note	30/06/2015	30/06/2014 proforma
Cash flow from operating activities			
Result for the period		-7,170	-2,998
Depreciation		36	440
Provisions		-15	
Change in working capital		5,053	-1,491
Net cash flow absorbed by operations		**-2,096**	**-4,049**
Cash flow from investing activities			
Acquisitions of fixed assets		-1,013	-232
Acquisition of financial fixed assets		2	10
Net cash flow absorbed by/from investment activities		**-1,011**	**-223**
Cash flow from financing activities			
Net proceeds from share issues		54,012	3,860
Issuing of debt and repayable advances			
Repayment of debt and repayable advances		-153	-296
Net cash flow from financing activities		**53,859**	**3,564**
Change in cash position		**50,752**	**-707**
Cash position at start of period		**2,924**	**3,308**
Cash position at end of period		**53,675**	**2,600**

3.5 Annex to the accounts

Note 1 - The Company

ABIVAX is a leading biotechnology company, specializing in the discovery, development and commercialization therapeutic antiviral drugs and vaccines for the treatment of severe infectious diseases, such as HIV/AIDS and chronic Hepatitis B.

The company was created as a limited company (*Société Anonyme*) on 6 December 2013 and absorbed the companies Splicos, Wittycell and Zophis in 2014 by means of universal transfer of assets and liabilities (TUP).
Since 26 June 2015, the Company has been listed on the regulated market of Euronext Paris – Compartment B. It has no subsidiaries and therefore is not subject to the obligation to produce consolidated accounts in accordance with IFRS standards. Its financial reporting obligations are thus governed by French accounting standards and principles.

In order to facilitate interpretation of the Company's first-half profit and loss account as at 30 June 2015, which is complicated by the changes which have taken place in relation to the Company's activities following the mergers by absorption in 2014, a pro forma profit and loss account as at 30 June 2014 has been prepared, enabling a more effective comparison to be made between the accounts as at 30 June 2014 and 30 June 2015. For the profit and loss account, three sets of accounts are therefore presented in this document:

- The Company's profit and loss account as at 30 June 2014
- Pro forma profit and loss account as at 30 June 2014
- The Company's profit and loss account as at 30 June 2015

Note 2 - Accounting principles, rules and methods

Annex to the balance sheet before distribution of the position as at 30/06/2015, for a total of €89,358,486 and to the profit and loss account of the position, presented in list form, showing a loss of €7,170,037.
The period examined is the 6 months running from 01/01/2015 to 30/06/2015.
The notes or tables below form an integral part of the position as at 30 June 2015 established by the Board of Directors. Quantified data is expressed in thousands of Euros, unless otherwise stated.

General rules
The half-year accounts as at 30 June 2015 have been produced in accordance with the standards set forth in ANC Regulation No 2014-03, and pursuant to Articles L. 123-12 to L. 123-28 and R. 123-172 to R. 123-208 of the Commercial Code.

The basic method adopted for evaluation of the information recorded in the accounts is the historical cost method.

The accounting conventions have been accurately applied in line with the principle of prudence, using the following basic assumptions:

- Continuity of operation;

The assumption of continuity of operation has been applied by the Board of Directors notwithstanding the losses accumulated since incorporation of the Company, taking into account the following matters:

1. The available cash as at that date, resulting primarily from the initial public offering of ABIVAX shares which took place in June 2015. This IPO raised funds of €57 million;
2. This level of cash should cover the expenses relating to the Company's research projects until 2017;

- Consistency of accounting methods from one financial year to the next;
- Independence of financial years;

And in accordance with the general rules for the preparation and presentation of annual financial statements.

Tangible and intangible fixed assets

Tangible and intangible fixed assets are valued at their acquisition cost for assets acquired for valuable consideration, at production cost for assets produced by the business and at market value for assets acquired gratuitously and by exchange.

The cost of a fixed asset is composed of its purchase price, including customs duties and unrecoverable taxes, net of any reductions, rebates or cash discounts applied to any directly attributable costs incurred to install the asset and make it fit for its intended use. Transfer tax, fees or commissions and costs of legal documents relating to the acquisition shall be included in the acquisition cost.

All costs which do not form part of the acquisition price of the fixed asset and which cannot be linked directly to the costs required to install the asset and make it fit for its intended use, shall be booked as expenses.

Depreciation

Assets are depreciated or amortized on a straight-line basis according to expected useful lifetime:

- Concessions, software and patents: 1 year
- Technical fixtures & fittings: 5 to 10 years
- Industrial machinery and equipment: 5 to 10 years
- Office equipment: 5 to 10 years
- Computer equipment: 3 years
- Furniture: 10 years

In the interest of simplification, the depreciation period applied is the period of use for assets that were initially inseparable.

Technical goodwill arising upon absorption of subsidiaries by means of universal transfer of assets and liabilities is absorbed into commercial accounts and is not subject to depreciation.

At the end of each accounting period, the technical goodwill resulting from the mergers by absorption of Splicos and Wittycell are compared to the market values of the products resulting from the technological platforms linked to those companies, respectively the technological antiviral "splicing" platform for Splicos and the technological "iNKT agonists" platform for Wittycell. If the market value of the products is lower than the corresponding technical goodwill, a provision for depreciation is made in order to align the technical goodwill booked in the accounts with the market value of the products.

In calculating the market value of a product, two points of references are used:

- The net present value adjusted by the cash flow risk expected from the development of

the product until expiry of the patents;
- The prices of recent transactions relating to the acquisition or to license agreements for comparable products (therapeutic indication, stage of development, size of the market, etc.).

If the conclusions reached using these two methods are inconsistent, the net present value adjusted by risk shall prevail.

In the event of an incident relating to development of the technological platform and of the associated products which jeopardizes development of the same, the technical goodwill in question will be depreciated in full.

Where there is provision for depreciation, this may be written back fully or in part in the event of a subsequent increase in the market value of the products.

Receivables
Receivables are valued at face value. Provision for depreciation is made when the inventory value is lower than the book value.

Repayable advances granted by public organizations
Advances received from public organizations to finance the Company's research activities which are subject to conditional repayment appear as liabilities under the item "Other shareholders' funds - Conditional advances". Other advances received which are not subject to conditional repayment appear as "Loans and miscellaneous liabilities".

Interest accrued on such advances appears as a liability pursuant to the same rules.

Operating subsidies
Subsidies received are booked as soon as the corresponding receivable is confirmed, in accordance with the conditions imposed upon grant of the subsidy. Operating subsidies are booked under Current Revenue having regard, where necessary, to the rate of the corresponding expenses to ensure compliance with the principle of linking expenses to revenue.

Subcontracting and external study expenses
The stage of progress of contracts subcontracting certain research services to third parties is assessed at the end of each accounting period so that costs of services already rendered can be booked under Expenses Payable.

Research and development costs
The Company's research and development costs are booked as expenses for the year in which they are incurred.

The Company's subsidiaries had applied the same principle. However, as a result of their absorption by the Company by means of universal transfer of assets and liabilities which took effect during the 2014 year, expenses booked prior to that date (31 July 2014 for Wittycell and Zophis; 31 October 2014 for Splicos) are incorporated into the technical goodwill booked under Assets as at 31 December 2014. This technical goodwill is not subject to depreciation but its value is examined at the end of each accounting period and a provision for depreciation is booked if necessary, as was the case in 2014 for the technical goodwill occurring upon the absorption of Zophis.

Share issue costs
These costs are offset against the amount of the share issue premium relating to the share capital increase, if the premium is sufficient. Where necessary, the excess costs are booked as expenses. Such issue costs are offset prior to tax, due to the Company's structurally loss-making situation in its development phase.

Advances on fees paid to various service providers at the end of 2014 in preparation for the proposed share capital increase in 2015 were booked as assets under Pre-paid expenses as at 31 December 2014 for the sum of €153,193 so that they could be offset against future issue premiums. They were offset accordingly against the issue premiums relating to the share capital increases made in 2015.

Expenses incurred during the first semester of 2015 in relation to share capital increases were deducted from issue premiums in the total sum of €3,648,000 million.

Retirement obligations
The company's collective bargaining agreement provides for end of career awards. No specific agreement has been signed.

Provision has not been made for the corresponding obligations but they are described in this Annex.

The retirement award is determined using a method which takes account of the projected end of career salary, the staff turnover rate, life expectancy and discounting assumptions in relation to the expected payments.

The actuarial assumptions used are as follows:

- Discount rate: 2.5 %
- Salary growth rate: 2 %
- Retirement age: 62 years
- Staff turnover rate: low
- Table of mortality rates: (INSEE table 88-90)

Tax credits
The tax credits booked as assets under Other Receivables include research tax credit (Crédit d'Impôt Recherche or CIR) and tax credit for competitiveness in employment (Crédit d'Impôt Compétitivité Emploi or CICE). Also included under Other Receivables are VAT credits for which repayment requests have been made in the total sum of €229,948.

The tax credit for competitiveness in employment corresponding to the eligible salaries for the 2014 calendar year has been booked under Other Receivables in the sum of €22,288. In accordance with the recommendation of the accounting standards authority (Autorité des Normes Comptables or ANC), the corresponding revenue has been credited to social security expenses in the profit and loss account. As the tax credit for competitiveness in employment is calculated on the capped annual salaries, provision was not made for it as at 30 June 2015 given that the annual salaries could not be calculated with enough precision.

The research tax credit relating to research expenses for the 2014 calendar year has been booked under Other Receivables in the sum of €1,594,934. It was applied in the sum of €1,382,000 during the 2015 semester and repayment was requested when the tax return was filed in May 2015. The research tax credit relating to research expenses for the first semester of 2015 has been booked

under Other Receivables for the sum of €1,079,585. This revenue appears in the profit and loss account (Tax on Positive Earnings).

These tax credits can be offset against the corporation tax payable for the year in which they were booked. Where the Company has no taxable earnings, as it is considered an SME under intra-community law it may seek immediate repayment of these amounts when it files its tax return for the financial year in question.

Circumstances preventing comparison of one financial year with the next

Abivax was incorporated at the end of 2013 and completed its first full financial year in 2014. During the second semester of the 2014 financial year, three universal transfers of assets and liabilities took place: the companies Wittycell and Zophis were absorbed on 31/07/2014 and the company Splicos was absorbed on 31/10/2014. These three operations gave rise to technical goodwill which replaced equities received by way of contribution under Assets for a total sum of €32,745,094. This technical goodwill represents the discrepancies between the net assets measured on the effective accounting date and the accounting value of the shareholding of each of the absorbed companies held by Abivax. This considered technical goodwill rather than financial goodwill in that it represents the value of the research and development expenses of these three companies recognized by ABIVAX when it acquired the shareholdings, increased by the research and development programs pursued in early 2014. These research and development expenses had effectively not been capitalized in the three dissolved companies, instead being booked as expenses as and when incurred.

Other significant matters

During the 2014 accounting year, the Company's share capital rose from €69,150 (69,150 shares with a par value of €1) to €96,248.89 (9,624,889 shares with a par value of €0.01).

During the first semester of 2015, the share capital was increased several times, notably at the Mixed (Ordinary and Extraordinary) General Meeting of 20 February 2015 which authorized a share capital increase through a share issue by way of public offering. Details of these operations are presented in the table showing variation in shareholders' equity included in this Annex.

With the exception of 2,800 shares created each financial year at the ECB nominal rate, all the new shares created were issued at the price of €21.30 including an issue premium of €21.29. After the issue costs had been offset, the premiums totaled €89,507,585 as at 30 June 2015.

Note 3 - Intangible, tangible and financial fixed assets

Table of fixed assets

In thousands of Euros	At the start of financial year	Increase	Decrease	At the date of the accounts
- Set-up and development costs				
- Goodwill	32,745			32,745
- Other intangible fixed assets	21			21
Intangible Fixed Assets	**32,766**	**0**	**0**	**32,766**
- Land				
- Buildings on the company's own land				
- Buildings on land belonging to third parties				
- General building fixtures and fittings and equipment				
- Technical plant, industrial machinery and equipment	262	2		264
- Sundry general fixtures and fittings and equipment				
- Transport equipment				
- Office and computer equipment, furniture	67	3		70
- Packaging - recoverable and miscellaneous				
- Tangible fixed assets under construction				
- Advances and deposits				
Tangible Fixed Assets	**329**	**5**	**0**	**333**
- Shareholdings valued using the equity method				
- Other shareholdings				
- Other long-term investments		1,000		1,000
- Loans and other non-current financial assets	86	9	2	93
Non-Current Financial Assets	**86**	**1,009**	**2**	**1,093**
FIXED ASSETS	**33,181**	**1,013**	**2**	**34,193**

Intangible Fixed Assets

The intangible fixed assets are primarily composed of the technical goodwill relating to the universal transfers of assets and liabilities made in the second semester of 2014.

In thousands of Euros	30/06/2015
Items purchased	
Items revalued	
Items received by way of contribution	32,745
Total	**32,745**

Tangible Fixed Assets
The tangible fixed assets are mainly laboratory and research equipment and computer equipment.

Non-Current Financial Assets
The non-current financial assets correspond primarily to items relating to the liquidity contract subscribed by the company in late 2015 and to the security deposits paid for premises occupied by the company. Operations relating to the liquidity contract are booked in accordance with the provisions of Avis CU CNC No 98 and Bulletin CNCC No 137 - March 2005:

- treasury stock held is booked under Other Non-Current Fixed Assets - treasury stock. A provision for depreciation is booked with reference to the average stock market price for the last month of the financial year if lower than the purchase price. In determining the proceeds of sale, the first in, first out method is applied.
- cash paid to the intermediary and not yet used is booked under Other Non-Current Fixed Assets - Other Long-Term Receivables

The liquidity contract was signed on 26 June 2015 for a period of 12 months and is tacitly renewable. The sum paid to the provider at the outset of the contract was €1,000,000 and the first operations enabling a reserve of securities to be created took place between 26 and 29 June 2015.

As at 30/06/2015 the Company held 600 of its own shares via this liquidity contract, i.e. less than 10% of its share capital.

Depreciation of fixed assets

In thousands of Euros	At the start of financial year	Increase	Decrease	At the date of the accounts
- Set-up and development costs				
- Goodwill				
- Other intangible fixed assets	18	1		19
Intangible Fixed Assets	**18**	**1**	**0**	**19**
- Land				
- Buildings on the company's own land				
- Buildings on land belonging to third parties				
- General building fixtures and fittings and equipment				
- Technical plant, industrial machinery and equipment	62	26		88
- Sundry general fixtures and fittings and equipment				
- Transport equipment				
- Office and computer equipment, furniture	36	9		45
- Packaging - recoverable and miscellaneous				
- Tangible fixed assets under construction				
- Advances and deposits				
Tangible Fixed Assets	**98**	**35**	**0**	**133**
FIXED ASSETS	**116**	**36**	**0**	**151**

Depreciation of assets

The flows are analyzed as follows:

In thousands of Euros	Depreciation at the start of financial year	Depreciation provision for the financial year	Write-off for the financial year	Depreciation at the date of the accounts
Intangible Fixed Assets	740			740
Tangible Fixed Assets				
Non-Current Financial Assets				
Stocks				
Receivables and marketable securities				
Total	**740**			**740**
Distribution of provisions and write-off:				
Operating				
Financial				
Extraordinary				

In thousands of Euros	Amount	Value applied	Reason
Goodwill on Zophis universal transfer of assets and liabilities	740		End of the single services contract on 31 December 2014
TOTAL	**740**		

Note 4 - Receivables

The receivables at the end of the financial year totaled €3,475,218, classified by payment date as follows:

In thousands of Euros	Gross amount	Receivable in less than one year	Receiveable after more than one year
Fixed asset receivables:			
Receivables from equity interests	1,000	1,000	
Loans			
Others	93		93
Current asset receivables:			
Trade accounts receivable			
Others	2,254	2,254	
Subscribed capital, called but unpaid			
Expenses booked in advance	128	128	
Total	**3,475**	**3,382**	**93**
Loans granted during the financial year			
Loans recovered during the financial year			

Fixed asset receivables correspond to treasury stock and to the amount available on the liquidity contract subscribed by the company.

The other receivables can be broken down as follows:

- Research Tax Credit (CIR) as at 30/6/2015 €1,080K
- Deductible VAT and VAT credits €667K
- Subsidies receivable €268K
- Balance receivable on Research Tax Credit (CIR) 31.12.2014 €213K
- Other receivables €26K

Expenses booked in advance

In thousands of Euros	Operating expenses	Financial expenses	Extraordinary expenses
Expenses booked in advance	128		
Total	**128**		

Revenue receivable

In thousands of Euros	Amount
Interest accrued on fixed deposit account	2
Total	**2**

Note 5 - Treasury Instruments

In thousands of Euros	30/06/2015
Marketable securities	25,002
Cash balances	28,673
Total	**53,675**

The marketable securities comprise fixed deposit accounts. The amount of interest accrued as at 30 June 2015 included in the above amounts is €2,000.

Note 6 – Shareholders' equity

Composition of the share capital
As at 30 June 2015, the share capital amounted to €96,248.89, divided into 9,624,889 shares with a par value of €0.01.

In accordance with the accounting rules and methods, the Company has offset against the share premiums the costs related to the capital increases carried out during the first half of 2015.

The costs offset totalled €3,801,000, of which €153,000 corresponded to expenses incurred at the end of 2014.

Issuance of dilutive financial instruments (BSPCE and BSA subscription warrants)
At the General Meeting of 11 March 2014, the Company issued BCE (founders' warrants: *bons de souscription de parts de créateurs d'entreprise*) and BSA (share subscription warrants: *bons de souscription d'actions*) under the following conditions.

- BCE-2014-1: 2,750 warrants were issued, each conferring the right to subscribe for one new company share. The warrants will be exercisable per complete monthly period, and for the first time as from the first day following the 18th month following the date of the Company's incorporation up to a number X of BCE-2014-1 calculated in accordance with the following rule: X=2,750*(number of months elapsed since 9 December 2013/48). This is on the condition that the beneficiary must devote, as from the first day following the 18th month following the date of the Company's incorporation up to and including the 48th month following the date of the Company's incorporation, more than 33% of his working time to the Company.

  Unexpired warrants may be exercised in their entirety before the end of this period in the following cases:
  - In the event of the firm and final disposal of the Company's shares to a third party, resulting in the change of control of the Company as defined by Article L.226-3 of the French Commercial Code, on the basis of a valuation of the Company in excess of €300 million calculated on the basis of the share capital issued at 31 December 2014, such valuation having to be increased in proportion to the increase in the number of the Company's shares resulting from capital increases decided on after 31 December 2014.
  - In the event of the firm and final disposal of the entirety of the Company's assets to a third party, based on a valuation of its assets in excess of €300 million.

The BCE-2014-1 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BCE-2014-1 had been subscribed free of charge.

- BCE-2014-2: 2,750 warrants were issued, each conferring the right to subscribe for one new company share. The warrants will be exercisable per complete monthly period, and For the first time as from 9 December 2014 up to a number X of BCE-2014-2 calculated in accordance with the following rule: X=2,750*(number of months elapsed since 9 December 2013/48)

  Unexpired warrants may be exercised in their entirety before the end of this period in the following cases:
  - In the event of the firm and final disposal of the Company's shares to a third party, resulting in the change of control of the Company as defined by Article L.226-3 of the French Commercial Code, on the basis of a valuation of the Company in excess of €300 million calculated on the basis of the share capital issued at 31 December 2014, such valuation having to be increased in proportion to the increase in the number of the Company's shares resulting from capital increases decided on after 31 December 2014
  - In the event of the firm and final disposal of the entirety of the Company's assets to a third party, based on a valuation of its assets in excess of €300 million.

  The BCE-2014-2 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BCE-2014-2 had been subscribed free of charge.
- BCE-2014-3: 1,389 warrants were issued, each conferring the right to subscribe for one new company share. The warrants will be exercisable under the following conditions:
  - Up to 555 BCE-2014-3 at any time as from the grant date;
  - Up to 417 BCE-2014-3 per complete monthly period, and for the first time as from the first anniversary of the Company's incorporation, up to a number X of warrants calculated in accordance with the following rule: X=417*(number of months elapsed since the Company's incorporation date/48)
  - Up to 417 BCE-2014-3, only if qualitative and/or quantitative objectives as set by the Board of Directors within a period of six months as from the BCE-2014-3 grant date are met.

  The BCE-2014-3 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BCE-2014-3 had been subscribed free of charge and the first 555 BCE-2014-3 had been exercised, resulting in a capital increase of €555, with no share premium.
- BCE-2014-4: 984 warrants were issued, each conferring the right to subscribe for one new company share. The warrants will be exercisable under the following conditions:
  - Up to 246 BCE-2014-4 at any time as from the grant date;
  - Up to 369 BCE-2014-4 per complete monthly period, and for the first time as from the first anniversary of the Company's incorporation, up to a number X of warrants calculated in accordance with the following rule: X=369*(number of months elapsed since the Company's incorporation date/48)
  - Up to 369 BCE-2014-4, only if qualitative and/or quantitative objectives as set by the Board of Directors within a six month period as from the BCE-2014-4 grant date are met.

  The BCE-2014-4 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BCE-2014-4 had been subscribed free of charge.
- BCE-2014-5: 197 warrants were issued, each conferring the right to subscribe for one new company share. The warrants will be exercisable under the following conditions:
  - Up to 99 BCE-2014-5 per complete monthly period, and for the first time as from the first anniversary of the Company's incorporation, up to a number X of warrants calculated in accordance with the following rule: X=99*(number of months elapsed since the Company's incorporation date/48)
  - Up to 98 BCE-2014-5, only if qualitative and/or quantitative objectives as set by the Board of Directors within a six month period as from the BCE-2014-5 grant date are met.

The BCE-2014-5 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BCE-2014-5 had been subscribed free of charge and 28 BCE had been exercised, resulting in a capital increase of €28, with no share premium. The remaining 169 BCE have lapsed.

- BCE-2014-6: 525 warrants were issued, each conferring the right to subscribe for one new company share. The warrants will be exercisable under the following conditions:
  - Up to 197 BCE-2014-6 per complete monthly period, and for the first time as from the first anniversary of the Company's incorporation, up to a number X of warrants calculated in accordance with the following rule: X=197*(number of months elapsed since the Company's incorporation date/48)
  - Up to 328 BCE-2014-6, only if qualitative and/or quantitative objectives as set by the Board of Directors within a six month period as from the BCE-2014-6 grant date are met.

  The BCE-2014-6 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BCE-2014-6 had been subscribed free of charge.
- BSA-2014-1: 394 warrants were issued, each conferring the right to subscribe for one new company share. The BSA-2014-1 will be exercisable in accordance with exercise conditions that will be determined by the Board of Directors within a period of six months after the grant date of the BSA-2014-1. The BSA-2014-1 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BSA-2014-1 had been subscribed at a unit price of €0.10.
- BSA-2014-2: 677 warrants were issued, each conferring the right to subscribe for one new company share. The BSA-2014-2 will be exercisable under the following conditions:
  - Up to 271 BSA-2014-2, at any time as from the grant date of the BSA-2014-2
  - Up to 406 BSA-2014-2, per complete monthly period, up to a number X of warrants calculated in accordance with the following rule: X=406*(number of months elapsed since the Company's incorporation date).

  The BSA-2014-2 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BSA-2014-2 had been subscribed at a unit price of €0.10.
- BSA-2014-3: 1,172 warrants were issued, each conferring the right to subscribe for one new company share. The BSA-2014-3 will be exercisable by each beneficiary, per complete monthly period, up to a number X of BSA-2014-3 calculated in accordance with the following rule: X=number of BSA-2014-3 awarded to each beneficiary*(number of months elapsed since the Company's incorporation date).
- The BSA-2014-3 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, 1,008 of the BSA-2014-3 had been subscribed at a unit price of €0.10.
- BSA-2014-4: 1,315 warrants were issued, each conferring the right to subscribe for one new company share. The BSA-2014-4 will be exercisable under the following conditions:
  - Up to 263 BSA-2014-4, at any time as from the grant date of the BSA-2014-4
  - Up to 1,052 BSA-2014-4, only if qualitative and/or quantitative objectives as set by the Board of Directors within a six month period as from the BCE-2014-4 grant date are met.

  The BSA-2014-4 will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BSA-2014-4 had been subscribed at the unit price of €0.10.
- BSA-2014-5: 787 warrants were issued, each conferring the right to subscribe for one new company share. The BSA-2014-5 will be exercisable in accordance with exercise conditions that will be determined by the Board of Directors within a period of six months after the grant date of the BSA-2014-5. The BSA-2014-5 will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BSA-2014-5 had been subscribed at the unit price of €0.10.
- BSA-2014-6: 52 warrants were issued, each conferring the right to subscribe for one new company share. The BSA-2014-6 will be exercisable at any time as from their grant date. The BSA-2014-6 will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BSA-2014-6 had been subscribed at the unit price of €0.10.
- BSA-2014-7: 81 warrants were issued, each conferring the right to subscribe for one new company share. The BSA-2014-7 will be exercisable at any time as from their grant date. The BSA-2014-7 will

lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BSA-2014-7 had been subscribed at the unit price of €0.10.

At the Board of Directors' meeting of 23 June 2014, the Company issued BCE warrants under the following conditions:

- BCE-2014-7: 1,650 warrants were issued, each conferring the right to subscribe for one new company share. The BCE-2014-7 will be exercisable under the following conditions:
  - Up to 50% of the BCE-2014-7 awarded to each beneficiary per complete monthly period, and for the first time as from the first anniversary of the Company's incorporation up to a number X of BCE-2014-7 calculated in accordance with the following rule: X=50%*(number of months elapsed as from the Company's incorporation date/48)
  - Up to 50% of the BCE-2014-7 awarded to each beneficiary only if qualitative and/or quantitative objectives as set by the Board of Directors within a six month period as from the BCE-2014-7 grant date are met.

  The BCE-2014-7 warrants will lapse ten years after being granted. The exercise price of each warrant is €1. As at 30 June 2015, all of the BCE-2014-7 had been subscribed free of charge. Since one of the beneficiaries left the Company, 990 warrants lapsed at 30 June 2015.

The following table provides details of the warrants issued and potential capital increases in the event these warrants are exercised.

	Issued	Subscribed	Exercised	Lapsed	Balance	Number of shares to be issued
BCE-2014-1	2,750	2,750			2,750	275,000
BCE-2014-2	2,750	2,750			2,750	275,000
BCE-2014-3	1,389	1,389	555		834	83,400
BCE-2014-4	984	984			984	98,400
BCE-2014-5	197	197	28	169	0	0
BCE-2014-6	525	525			525	52,500
BCE-2014-7	1,650	1,650		990	660	66,000
TOTAL BCE	**10,245**	**10,245**	**583**	**1,159**	**8,503**	**850,300**
BSA-2014-1	394	394			394	39,400
BSA-2014-2	677	677			677	67,700
BSA-2014-3	1,172	1,008			1,008	100,800
BSA-2014-4	1,315	1,315			1,315	131,500
BSA-2014-5	787	787			787	78,700
BSA-2014-6	52	52			52	5,200
BSA-2014-7	81	81			81	8,100
TOTAL BSA	**4,478**	**4,314**	**0**	**0**	**4,314**	**431,400**
TOTAL BCE+BSA	**14,723**	**14,559**	**583**	**1,159**	**12,817**	**1,281,700**

Note 7 – Conditional advances and grants

Repayable advances granted by public entities

As a result of the transfer of all the assets and liabilities (*transmission universelle du patrimoine*) from its subsidiaries Splicos and Wittycell, the Company benefits from grants that had been awarded to them and has assumed the corresponding commitments within its liabilities for a total of €3,924,500 on the effective dates of the mergers, within Conditional advances if repayment is not certain, or otherwise in Other financial borrowings and loans.

Items in the following table are expressed in thousands of euros

	Balance at 31/12/2014	Advances received during the period	Accrued interest	Advances reimbursed during the period	Balance at 30/6/2015	Of which Conditional Financial Advances Liabilities	
BPI-Carena	2,179		15		2,194	2,194	
BPI A0805001G – vaccine adjuvants	650			75	575	575	
BPI and Languedoc-Roussillon Region A0904010J-new active molecules	170				170	170	
BPI and Languedoc-Roussillon Region A1008005J-new active *in vivo* molecules	282			28	255	255	
BPI A1006002G - new vaccine adjuvants	585			50	535		535
TOTAL	3,867		15	153	3,729	3,194	535

1. BPI – CaReNa

   Bpifrance contract entered into with Splicos in 2013 to finance the Industrial Strategic Innovation project named “CaReNa”.

   The contract provides for a repayable advance of €3,829,682 at a repayable advance rate of 50%.
   At 30 June 2015, the amount received by the Company totaled €2,158,340, including €1,150,000 received in December 2013 and €1,008,340 received in September 2014.

   The financial returns will be paid by means of payments determined on the basis of forecasts of the sales generated by direct or indirect operations, and of the products or services resulting from the project.

   The amount of the repayments takes into account a discounting at the annual rate of 1.66% calculated in accordance with the following procedures.

   The amounts M(m) of the payments in respect of the advance and of the payments in respect of the repayment made during the month (m) are thus recalculated on the basis of the economic conditions of the month (m0) when the contract was signed in accordance with the following calculation: $M(m0) = M(m)(1.0166)^{(-n/12)}$ where n represents the number of months elapsed between (m0) and (m).

The fixed-rate repayment schedule is as follows:

No later than 30 June 2020	€300,000
No later than 30 June 2021	€500,000
No later than 30 June 2022	€750,000
No later than 30 June 2023	€1,100,000
No later than 30 June 2024	€1,747,000
TOTAL	**€4,397,000**

Where relevant, the Company will also be required to pay an annual payment of 50% of the proceeds generated by the sale of intellectual property rights pertaining to the project, as well as the sale of prototypes and pre-production models developed in connection with the project.

If the advance is repaid in accordance with the conditions set out above, the Company will pay Bpifrance, during a period of five consecutive years as from the date of the last payment under the above repayment schedule and as soon as its total accumulated sales excluding taxes have reached or exceeded €50,000,000, 1.20% of the annual sales generated by the use of the products developed in connection with the project.

The amount of the additional payments is capped at the amount of €6,800,000. The total period including fixed-rate repayments and the payment of the profit-sharing amount is limited to 15 years.

2. BPI A0805001G

Bpifrance contract entered into with Wittycell in 2008 to finance the development of new vaccine adjuvants and pre-clinical trials in the areas of oncology and infectious diseases in phase 1.

The contract provides for a repayable advance of €1,000,000 at a repayable advance rate of 50.12%. At 30 June 2015, the amount received by the Company totaled €1,000,000 and repayments totaling €425,000 had already been made.

The fixed-rate repayment schedule is as follows:

No later than 30 June 2015 (instalment collected early July)	€75,000
No later than 30 September 2015	€125,000
No later than 31 December 2015	€125,000
No later than 31 March 2016	€125,000
No later than 30 June 2016	€125,000
TOTAL	**€575,000**

Where relevant, the Company will also be required to pay an annual payment of 50.12% of the proceeds generated by:

- the proceeds, excluding taxes, from the sale or granting of licenses – of patents or know how – received during the previous calendar year when said sales or grants concern all or part of the results of the subsidized program.
- the income, excluding taxes, generated from the marketing and, in particular, third party sales or the use by the Company for its own needs of prototypes and pre-production models developed in connection with the project.

3. BPI and Languedoc-Roussillon region A0904010J

Contract, financed equally by Bpifrance and the Languedoc-Roussillon region, entered into with Splicos in 2009, to finance the identification of new molecules active against cancer and metastatic invasion.
The contract provides for a repayable advance of €300,000 at a repayable advance rate of 49.87%.
At 30 June 2015, the amount received by the Company totalled €300,000 and repayments totalling €130,000 had already been made.

The fixed-rate repayment schedule is as follows:

No later than 30 September 2015	€25,000
No later than 31 December 2015	€25,000
No later than 31 March 2016	€30,000
No later than 30 June 2016	€30,000
No later than 30 September 2016	€30,000
No later than 31 December 2016	€30,000
TOTAL	**€170,000**

4. BPI and Languedoc-Roussillon region A1008005J

Contract, financed equally by Bpifrance and the Languedoc-Roussillon region, entered into with Splicos in 2010, to finance the identification of new molecules active against cancer and metastatic invasion in vivo.

The contract provides for a repayable advance of €500,000 at a repayable advance rate of 49.55%.

At 30 June 2015, the amount received by the Company totaled €444,808.60 and repayments totaling €162,500 had already been made.

The fixed-rate repayment schedule is as follows:

No later than 30 June 2015 (instalment collected early July)	€37,500.00
No later than 30 September 2015	€37,500.00
No later than 31 December 2015	€37,500.00
No later than 31 March 2016	€37,500.00
No later than 30 June 2016	€40,000.00
No later than 30 September 2016	€40,000.00
No later than 31 December 2016	€24,808.60
TOTAL	**€282,308.60**

Where relevant, the Company will also be required to pay an annual payment of 50% of the proceeds generated by:

- the proceeds, excluding taxes, from the sale or granting of licenses – of patents or know how – received during the previous calendar year when said sales or grants concern all or part of the results of the subsidized program.
- the income, excluding taxes, generated from the marketing and, in particular, third party sales or the use by the Company for its own needs of prototypes and pre-production models developed in connection with the project.

5. BPI A106002G

Bpifrance contract to finance a project to develop new vaccine adjuvants and clinical assessment, as an extension of contract A0805001G entered into with Wittycell in 2010.
The contract provides for a repayable advance of €800,000 at a repayable advance rate of 31.95%.
At 30 June 2015, the amount received by the Company totaled €800,000 and repayments totaling €265,000 had already been made.

The fixed-rate repayment schedule is as follows:

No later than 30 September 2015	€65,000
No later than 31 December 2015	€65,000
No later than 31 March 2016	€65,000
No later than 30 June 2016	€85,000
No later than 30 September 2016	€85,000
No later than 31 December 2016	€85,000
No later than 31 March 2017	€85,000
TOTAL	**€535,000**

Where relevant, the Company will also be required to pay an annual payment of 31.95% of the proceeds generated by:

- the proceeds, excluding taxes, from the sale or granting of licenses – of patents or know how – received during the previous calendar year when said sales or grants concern all or part of the results of the subsidized program.
- the income, excluding taxes, generated from the marketing and, in particular, third party sales or the use by the Company for its own needs of prototypes and pre-production models developed in connection with the project.

Application of the above additional payments clause could not require the company to repay to Bpifrance a principal amount in excess of the grant it has received.

Grants awarded by public entities

Splicos has benefited from two research programs for the CaReNa and RNPnet projects.

1. CaReNa project

The contract with Bpifrance provided for a maximum payment of €1,396,524, i.e. a grant rate of 45%.
At 30 June 2015, the Company had already received a total of €1,044,139.
The expenses incurred since the project was launched in 2013 total €2,915,866, including €567,132 incurred in the first half of 2015.
By using a grant rate of 45%, the amount of the grant to be received for the expenses incurred during the first half of 2015 is €255,209. This amount was recognized under the grants heading on the income statement.
Income receivable in respect of this grant totaled €12,791 at 31 December 2014. A total of €268,000 therefore remained to be received at 30 June 2015. This amount is stated on the balance sheet under the other receivables heading.

2. RNPnet project

This project is a European project in which the Company is involved.
The contract provided for a maximum payment of €254,096, i.e. a grant rate of 100%.
At 30 June 2015, the Company had already received a total of €216,438.
The expenses incurred since the project was launched in 2013 total €202,159, including €34,715 incurred in the first half of 2015.
By using a grant rate of 100%, the amount of the grant to be received for the expenses incurred during the first half of 2015 is €34,715. This amount was recognized under the grants heading on the income statement.
Income receivable in respect of this grant totaled €30,338 at 31 December 2014. The Company received €79,333 in the first half of 2015. €14,279 had therefore been paid in advance. This amount is stated on the balance sheet under the deferred income heading.

Note 8 – Accounts payable

Statement of accounts payable

Total accounts payable at the end of the period stood at €8,786,914. A detailed breakdown by due date is shown below:

In €'000	Gross	Due within one year	Due in more than one year	Due in more than five years
Convertible bonds(*)	0	0		
Other bonds (*)				
Borrowings (*) and financial accounts payable to banks:				
- with an original term of 1 year or less				
- with an original term of over one year				
Sundry borrowings and financial accounts payable(*)	574	319	255	
Trade accounts payable	5,982	5,982		
Tax & social security accounts payable	668	668		
Accounts payable - fixed asset purchases				
Other accounts payable (**)	1,548	1,548		
Deferred revenue	14	14		
Total	**8,787**	**8,532**	**255**	**0**
(*) Borrowings taken out during the period	79			
(*) Borrowings repaid during the period	153			
(**) Including: payable to group and shareholders	1,548			

Accrued expenses

In €'000	Amount
Accrued bond interest	39
Suppliers – invoices not received	3,228
Professional fees – invoices not received	20
Accrued holiday entitlements	96
Personnel – accrued expenses	210
Accrued social security charges – holiday entitlements	43
Other accrued social security charges	88
Government – other accrued expenses	17
Apprenticeship tax	12
Continuous training levy	21
Housing contribution tax	9
Total	**3,783**

Deferred revenue

In €'000	Operating income	Financial income	Exceptional income
Deferred revenue	14		
Total	**14**		

Note 9 – Corporation tax

Research tax credit (Crédit d'Impôt Recherche – CIR)
As the company conducts a research and development activity, it benefits from the research tax credit (CIR).

The CIR for 2014 totaled €1,594,934 and was received during the first half of 2015. As the company is regarded as an SME within the EU sense of the term, it requested reimbursement upon filing its tax reporting package and research tax credit declaration.

The estimated research tax credit for the first half of 2015 is €1,079,585. This amount is included in the income statement.

This estimate for the period to 30 June 2015 was calculated on the same basis as used for the annual financial statements. All items included as expenses are supported by invoices, quotations or timesheets.

Corporation tax
As the company is loss-making, it is not subject to a tax charge. The amount recorded under "Income tax" in the income statement represents income from the research tax credit.
As at 31 December 2014, the company had carried-forward tax losses and capital allowances of €33,237,162.

Note 10 – Related party disclosures

Balance sheet items

In €'000	Related enterprises	Enterprises related via participating interests
Share capital subscribed but not called		
Advances and payments on account (intangible fixed assets)		
Advances and payments on account (tangible fixed assets)		
Holdings in other entities		
Accounts receivable associated with holdings in other entities		
Loans		
Other securities classified as fixed assets		
Other financial fixed assets		
Total fixed assets		
Advances and payments on account made on orders		
Trade accounts receivable		
Other accounts receivable		
Share capital subscribed and called but not paid		
Total accounts receivable		
Investment securities		
Cash		
Convertible bonds		
Other convertible borrowings		
Borrowings and financial accounts payable to banks		
Sundry borrowings and financial accounts payable	1,548	
Advances and payments on account received on current orders		
Trade accounts payable	11	
Accounts payable – fixed asset purchases		
Other accounts payable		
Total accounts payable	**1,559**	

The following links exist with related parties:

1. Payment of interest-bearing current account advances of €1,450,000 by the FCPI funds holding shares in the company. Interest of €44,369 has been charged to the income statement.

2. Head office accommodation at 5 Rue de la Baume, Paris
   The lease agreed with SCI Truffle Baume on 1 September 2014 has a term of two years and will therefore end on 31 August 2016. Rent payable for the six months to 30 June 2015 is €87,500 excluding VAT. This transaction does not affect the balance sheet as the invoice had been paid by 30 June 2015.

3. Services supplied by Neovacs personnel
   Neovacs, which has shareholders in common with Abivax, invoices Abivax for the provision of personnel, essentially the finance manager and director of regulatory affairs. Services invoiced for the first half of 2015 amounted to €75,346 excluding VAT. The invoice for June 2015, for an amount of €10,882 including VAT, had not been paid and is therefore included in trade accounts payable.

Financial income and expenses concerning related enterprises
Amount included in financial expenses: €44,369

Note 11 – Financial commitments

Commitments given

In €'000	
Discounted bills not yet due	
Guarantees and deposits	
Pension commitments	103
Lease commitments (excluding real estate)	60
Lease commitments (real estate)	
Firm orders placed	*20,301*
Other commitments given	20,301
Total	**20,464**

Including amounts relating to:

Managers	16
Subsidiaries	
Entities in which an equity stake is held	
Other related enterprises	
Miscellaneous commitments in relation to real estate sureties	

Commitments made under patent licensing agreements

The development program for several of the Company's products involves long-term licensing agreements with patent-owning commercial partners. These agreements involve material financial commitments of a fixed and variable nature. Commitments to make payments of fixed amounts are dependent on the passing of various milestones specified in the contracts. The associated expense will be recognized in the accounts once all of the contractual conditions have been met. Variable commitments comprise future royalty payments based on revenues accruing once the developed products are marketed or upon the granting of sub-licenses to third parties. The main licensing agreements in relation to products in an active development phase are as follows:

- Licensing agreement signed in October 2006 with The Scripps Research Institute (USA) (development of the adjuvant ABX196)
- Licensing agreement signed in July 2013 with Heber Biotec (Cuba) (development of the ABX203 therapeutic vaccine against hepatitis B).

On 4 December 2008, the Centre National de la Recherche Scientifique (National Center for Scientific Research - CNRS), the Université de Montpellier 2 Sciences et Techniques and the Institut Curie granted four exclusive licenses to Abivax over their technology and products in the field of human and animal health. These licenses concern the use of synthetic products modifying the splicing of mRNA for the research, diagnosis, prevention and treatment of any possible indication.

For the license rights granted under these agreements, ABIVAX must pay the licensors:

- Milestone payments at various clinical and regulatory milestones for the first product;
- Royalties based on net sales and product type.

Firm orders

In order to carry out its development program, the Company frequently enters into collaboration agreements with public or private-sector partners or subcontractors. Owing to the length of the programs, these agreements may be for multi-year periods and involve material financial commitments.

The amount of orders committed to but not yet supplied (and thus not recognized as either invoices not received or trade accounts payable) as at 30 June 2015 is estimated at €20,300,547. The main commitments relate to the key phase IIB/III clinical trial recently begun in the Asia-Pacific region to confirm the effectiveness of the ABX203 therapeutic vaccine on patients with chronic Hepatitis B.

Commitments received

In thousands of euros	
Authorized overdraft limits	
Guarantees and deposits	
Repayable advance (Carena)	*1,671*
Grant (Carena)	*352*
Autres engagements reçus	2,024
Total	**2,024**
Including amounts relating to:	
Managers	
Subsidiaries	
Entities in which an equity stake is held	
Other related entities	
Miscellaneous commitments related to real estate sureties	

The maximum amounts receivable by Abivax after 30 June 2015 under the Carena innovation assistance agreement signed with Bpifrance, subject to the provision of supporting evidence for the forecast expenses, are as follows:

- Refundable advances: €1,671,342
- Operating subsidies: €352,385

Note 12 – Employees

Average workforce: 26.5 persons including 1 apprentice.

	Salaried personnel	Personnel supplied by third parties
Management	23	
Supervisors and technicians		
White-collar staff	4	
Blue-collar staff		
Total	**27**	

Note 13 – Post-balance sheet events

No material events that would have an effect on the annual financial statements occurred between the balance sheet date and the date on which the interim financial statements were approved by the board of directors.

4 DECLARATION OF THE PERSON RESPONSIBLE FOR THE HALF-YEAR 2015 FINANCIAL REPORT

I affirm that, to the best of my knowledge, the financial statements for the half-year just ended that are presented in the half-yearly financial report have been prepared in accordance with the applicable French accounting standards and provide a true and fair picture of the assets, financial position and loss of the company. I further affirm that the attached half-yearly management report (shown on pages 1 to 13) presents, to the best of my knowledge, a true and fair reflection of the major events that have occurred during the first six months of the financial period, of their effect on the half-yearly accounts and of the main transactions with related parties as well as a description of the principal risks and uncertainties for the remaining six months of the period.

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

ABIVAX

STATUTORY AUDITOR'S REVIEW REPORT ON THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

STATUTORY AUDITOR'S REVIEW REPORT ON THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

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

Abivax
5, rue de la Baume
75008 Paris

To the Shareholders,

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

- the review of the accompanying interim financial statements of Abivax for the six months ended 30 June 2015;
- the verification of the information contained in the half-year financial report.

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

1. Conclusion on the financial statements

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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the assets and liabilities and of the financial position of the Company at 30 June 2015, and of the results of its operations for the six-month period then ended, in accordance with French accounting principles.

2. Specific verification

We have also verified the information given in the half-year financial report on the interim financial statements subject to our review. We have no matters to report as to its fair presentation and its consistency with the interim financial statements.

Neuilly-sur-Seine, 28 September 2015

The Statutory Auditor

PricewaterhouseCoopers Audit

Thierry Charron