



A Swiss joint stock company (société anonyme) with share capital of 1,116,038.85 Swiss francs  
Registered office: 3 chemin du Pré-Fleuri – 1228 Plan-Les-Ouates – Geneva – Switzerland  
CHE-112.754.833 Commercial register (*Registre du commerce*) of Geneva

## **HALF-YEAR FINANCIAL REPORT**

**AT JUNE 30, 2021**

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# GENERAL REMARKS

## Definitions

In this half-year financial report, and unless otherwise indicated:

- The “Company”, or “GeNeuro”, refers to the company GeNeuro SA, whose registered office is located at 3, chemin du Pré-Fleuri - CH-1228 Plan-les-Ouates - Geneva – Switzerland and which is registered in the Commercial register (*Registre du commerce*) of Geneva under number CHE-112.754.833.
- The “Group” refers to GeNeuro SA and its subsidiary GeNeuro Innovation SAS;
- “Financial report” refers to this half-year financial report at June 30, 2021;
- “Universal Registration Document” refers to the 2020 Universal Registration Document filed with the French Financial Markets Authority (*Autorité des marchés financiers*) on April 30, 2021.

## GENEURO

GeNeuro’s mission is to develop safe and effective treatments against neurological disorders and autoimmune diseases, such as multiple sclerosis (“MS”) or amyotrophic lateral sclerosis (“ALS”), by neutralizing causal factors encoded by human endogenous retroviruses (“HERV”), which represent 8% of the human DNA. This represents a novel therapeutic approach pioneered by GeNeuro since 2006, based on 15 years of R&D at Institut Mérieux and INSERM.

GeNeuro’s lead therapeutic candidate, temelimab, is a humanized monoclonal antibody that neutralizes a pathogenic HERV protein of the W family called HERV-W ENV that has been identified as a potential key factor in the onset and development of autoimmune diseases such as MS. In addition, new data published and presented in 2021 have evidenced the ability of SARS-CoV-2 to induce *in vitro* HERV-W ENV expression in human blood cells and the correlation between HERV-W ENV expression levels and the evolution of the severity of acute COVID-19; finally, HERV-W ENV has also been detected in the blood of post-COVID patients with psychiatric symptoms. These recent discoveries open a possible clinical path to provide a therapeutic solution to COVID patients.

Based in Geneva, Switzerland and with an R&D facility in Lyon, France, GeNeuro holds the rights to 17 patent families that protect its technology.

# 1. CERTIFICATION OF THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

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## 1.1 Person responsible for the half-year financial report

Jesús MARTIN-GARCIA, Chief Executive Officer

## 1.2 Certification of the person responsible

(Art. 222-3 - 4° of the AMF General Regulations)

“I certify that, to the best of my knowledge, the condensed consolidated interim financial statements have been prepared in accordance with applicable accounting standards and give a fair view of assets, financial position and result of the Company and all companies included in the scope of consolidation, and the half-year business report provides an accurate picture of the significant events during the first six months of the financial year, of their impact on the half-year financial statements, of the major transactions with related parties as well as a description of the main risks and uncertainties for the remaining six months of the financial year”.

Plan-les-Ouates, September 29, 2021

Jesús MARTIN-GARCIA, Chief Executive Officer

## **2. BUSINESS REPORT AT JUNE 30, 2021**

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### **2.1 Significant events in the first half of 2021**

On February 18, 2021, the Company announced the completion of patient recruitment in the ProTECT-MS Phase 2 clinical trial of temelimab in multiple sclerosis at the Karolinska Institutet's Academic Specialist Center, and on March 2, 2021, GeNeuro announced its ProTECT-MS trial had been cleared to continue following a planned Data Safety Monitoring Board Meeting, confirming that temelimab used at doses as high as 54mg/Kg was safe. The results from this study are now expected in Q1 2022.

On April 15, 2021, GeNeuro announced that researchers had detected the pathogenic envelope protein HERV-W ENV in hospitalized patients with COVID-19, and had evidenced a link between its level of expression and the evolution of the disease severity.

On June 24, 2021, GeNeuro announced it had renewed its collaboration agreement with the CIRI with an expanded focus to Post-COVID syndromes.

Finally, GeNeuro has continued the pre-clinical program in ALS, in partnership with the US National Institutes of Health, until completion of the Research Cell Bank; this program is now open for partnering to further its development.

### **2.2 Activities and result of the Group**

#### **Research and development**

Key aspects of the Company's R&D activities are summarized above under "Significant events in the first half of 2021".

Additionally, on July 15, 2021, GeNeuro also announced the publication in Multiple Sclerosis of results from its CHANGE-MS and ANGEL-MS studies evaluating temelimab in Multiple Sclerosis.

#### **Results**

##### **2.2.1 Income**

The Group recognized no income during the first half of 2021 or of 2020.

##### **2.2.2 Research and development expenses**

Research and development expenses of the Group increased 20% compared with the first half of 2020, from K€ 2,226 to K€ 2,664. This increase was due primarily to the ProTECT-MS trial of temelimab in MS at the Karolinska Institutet in Stockholm, Sweden, which saw its recruitment completed in February 2021. R&D personnel expenses decreased from K€ 1,008 to K€ 783, reflecting the strict cost control implemented, and intellectual property costs decreased from K€ 179 to K€ 96, reflecting the evolution of the Company's patent filing activities; on the other hand, charges for studies and research increased from K€ 815 to K€ 1,555, reflecting the "cruising speed" of the ProTECT-MS trial and, to a lower extent, costs associated with COVID-19 research. Share-based payments represented a charge of K€ 23 during 1H 2021, compared to K€ 35 during 1H 2020.

As a result of the expanded R&D activities, subsidies increased from K€ 230 in the first half of 2020 to K€ 584 during the first half of 2021.

### **2.2.3 General and administrative expenses**

After a decrease of 4% in the first half of 2020, general and administrative expenses decreased by 17% to K€ 1,426 in the first half of 2021 (compared to K€ 1,718 in the prior year period). This was achieved partly thanks to a strengthening of 2.9% of the EUR vs the Swiss franc, the currency in which approximately three quarters of the general and administrative expenses are incurred, but mostly thanks to strict cost control across virtually all charge categories. Among the key items, payroll expense decreased to K€ 810 vs K€ 847 in the prior year period; travel expenses dropped by K€ 69, or 81%, as the result of the continuing travel restrictions during the COVID-19 pandemic; and professional fees decreased from K€ 547 to K€ 369, or 33%, reflecting cost controls. A charge of K€ 54 for share-based payments was recorded in the first half of 2021, compared to K€ 36 in the first half of 2020.

### **2.2.4 Operating loss**

With the lower general and administrative expenses almost offsetting the increase in R&D expenses, and the higher subsidies, the Company's operating loss decreased from K€ 3,715 in the first six months of 2020 to K€ 3,505 in the first six months of 2021, or 6%.

### **2.2.5 Cash and cash equivalents**

Cash and cash equivalents amounted to K€ 2,961 at June 30, 2021, compared with K€ 6,843 at December 31, 2020. The decrease of the cash position reflects the operating cash outflows incurred in connection with the Company's activities. On July 13, 2021, the Company announced a successful €6.0 million capital increase through an international private placement only to certain qualified and institutional investors (the "2021 Offering"). Taking into account the net proceeds from this capital increase and the amount receivable from the French Research Tax Credit (which was collected in August 2021), the Company's cash and cash equivalents on a *pro forma* basis was €9.2 million.

## **2.3 Progress and outlook**

Given its current cash position and based on plans approved by its Board of Directors, the Company expects to be able to cover its cash outflows at least until the end of 2022. Indeed, the July 2021 capital increase extends the Company's financial visibility until the end of 2022, giving it the time necessary to facilitate Phase 3 planning and partnering discussions following the results from the ProTEct-MS clinical trial, which remain expected in Q1 2022.

## **2.4 Significant events since the end of the half-year**

On July 13, 2021, GeNeuro announced a successful €6.0 million capital increase through an international private placement only to certain qualified and institutional investors (the "2021 Offering").

In the the 2021 Offering, GNEH SAS, a subsidiary of Institut Mérieux and an existing shareholder of GeNeuro ("GNEH"), has subscribed to 862,068 New Shares in cash. In accordance with applicable Swiss laws and regulations, GNEH representatives on the Board of directors of the Company have not voted on board of directors' decisions relating to the 2021 Offering. As a result, following the 2021 Offering GNEH owns 37.50% of the share capital and 37.70% of the voting rights of the Company on a non-diluted basis and 35.79%, respectively 35.97%, on a fully diluted basis.

## **2.5 Risk factors and transactions with related parties**

### **2.5.1 Risk factors**

The risk factors are consistent with those set out in chapter 3, “Risk factors”, of the Universal Registration Document of the Company registered on April 30, 2021 and have not changed significantly.

### **2.5.2 Transactions with related parties**

The transactions with related parties are consistent with those set out in Chapter 17 « Transactions with related parties » of the Universal Registration Document of the Company registered on April 30, 2021.

### 3. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH IFRS STANDARDS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

#### Condensed Consolidated Statement of Financial Position

GENEURO		06/30/2021	12/31/2020
Consolidated Statement of Financial Position (in thousands of EUR)			
	Notes		
<b>ASSETS</b>			
Intangible assets		1,147.5	1,148.8
Property, plant and equipment	3	1,334.0	1,442.0
Non-current financial assets	4	324.0	257.2
<b>Total non-current assets</b>		<b>2,805.5</b>	<b>2,848.0</b>
Other current assets	5	1,677.2	819.9
Cash and cash equivalents		2,960.8	6,842.9
<b>Total current assets</b>		<b>4,638.0</b>	<b>7,662.8</b>
<b>Total Assets</b>		<b>7,443.5</b>	<b>10,510.8</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Equity</b>			
Share Capital	6	892.3	892.3
Additional paid-in capital		14,702.3	14,702.3
Cumulative translation adjustments		202.2	265.8
Accumulated other comprehensive loss		(175.2)	(324.0)
Accumulated deficit attributable to owners of the parent		(9,875.3)	(1,059.6)
Net loss attributable to owners of the parent		(3,402.8)	(8,962.3)
<b>Equity attributable to owners of the parent</b>		<b>2,343.5</b>	<b>5,514.5</b>
<b>Total equity</b>		<b>2,343.5</b>	<b>5,514.5</b>
<b>Non-current liabilities</b>			
Employee benefit obligations	8	1,356.8	1,391.8
Non-current financial liabilities	9	1,104.3	1,273.4
Other non-current liabilities		6.8	3.4
<b>Non-current liabilities</b>		<b>2,467.9</b>	<b>2,668.6</b>
<b>Current liabilities</b>			
Current financial liabilities	9	307.7	293.3
Trade payables	10.1	913.3	540.4
Other current liabilities	10.2	1,411.1	1,494.0
<b>Current liabilities</b>		<b>2,632.1</b>	<b>2,327.7</b>
<b>Total Liabilities and Equity</b>		<b>7,443.5</b>	<b>10,510.8</b>



## Condensed Consolidated Income Statement

GENEURO Consolidated Income Statement (in thousands of EUR)	Notes	06/30/2021 6 months	06/30/2020 6 months
Income		-	-
Research and development expenses			
Research and development expenses	11	(2,664.1)	(2,226.3)
Subsidies	11	584.4	229.7
General and administrative expenses	11	(1,425.8)	(1,718.2)
<b>Operating loss</b>		<b>(3,505.5)</b>	<b>(3,714.8)</b>
Financial income		113.7	1.3
Financial expenses		(11.0)	(234.9)
<b>Financial income (expenses), net</b>	12	<b>102.7</b>	<b>(233.6)</b>
<b>Pre-tax loss</b>		<b>(3,402.8)</b>	<b>(3,948.4)</b>
<b>Net loss for the period</b>		<b>(3,402.8)</b>	<b>(3,948.4)</b>
<b>Basic loss per share (EUR/share)</b>	13	<b>(0.17)</b>	<b>(0.20)</b>
<b>Diluted loss per share (EUR/share)</b>	13	<b>(0.17)</b>	<b>(0.20)</b>

## Condensed Consolidated Statement of Comprehensive Income

GENEURO Consolidated Statement of Comprehensive income (in thousands of EUR)	06/30/2021 6 months	06/30/2020 6 months
<b>Net loss for the period</b>	<b>(3,402.8)</b>	<b>(3,948.4)</b>
Actuarial gains (losses) - employee benefits	148.8	1,008.5
<b>Net other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods</b>	<b>148.8</b>	<b>1,008.5</b>
Currency translation differences	(63.6)	62.0
<b>Net other comprehensive income that may be reclassified to profit or loss in subsequent periods</b>	<b>(63.6)</b>	<b>62.0</b>
<b>Total other comprehensive income (loss)</b>	<b>85.2</b>	<b>1,070.5</b>
<b>Comprehensive loss</b>	<b>(3,317.6)</b>	<b>(2,877.9)</b>
<i>Attributable to owners of the parent company</i>	<i>(3,317.6)</i>	<i>(2,877.9)</i>

## Condensed Consolidated Changes in Net Equity

GENEURO		Capital	Share Capital Ordinary shares at nominal value	Additional paid-in capital	Other reserves from capital	Accumulated deficit and net loss attributable to owners of the parent	Cumulative translation adjustments	Other comprehensive income (loss)	Shareholders' equity
Consolidated Changes in Net Equity	Notes	Number of shares	In thousands of EUR						
<b>At December 31, 2019</b>		14,658,118	614.7	53,648.7	-	(57,428.0)	284.1	(2,328.0)	(5,208.5)
Net loss 06/2020			-	-	-	(3,948.4)	-	-	(3,948.4)
Other comprehensive income			-	-	-	-	62.0	1,008.5	1,070.5
<b>Comprehensive income (loss)</b>			-	-	-	<b>(3,948.4)</b>	<b>62.0</b>	<b>1,008.5</b>	<b>(2,877.9)</b>
Shares issued	6	5,932,201	277.6	17,222.3	-	-	-	-	17,499.9
Share capital increase costs			-	(1,168.7)	-	-	-	-	(1,168.7)
Reclassification pursuant to shareholders' meeting (1)			-	(55,000.0)	42,750.0	12,250.0	-	-	-
Share-based payments	7		-	-	-	71.2	-	-	71.2
Treasury shares			-	-	-	(9.8)	-	-	(9.8)
<b>At June 30, 2020</b>		20,590,319	892.3	14,702.3	42,750.0	(49,065.0)	346.1	(1,319.5)	8,306.2
<b>At December 31, 2020</b>		20,590,319	892.3	14,702.3	42,750.0	(52,771.9)	265.8	(324.0)	5,514.5
Net loss 06/2021			-	-	-	(3,402.8)	-	-	(3,402.8)
Other comprehensive income			-	-	-	-	(63.6)	148.8	85.2
<b>Comprehensive income (loss)</b>			-	-	-	<b>(3,402.8)</b>	<b>(63.6)</b>	<b>148.8</b>	<b>(3,317.6)</b>
Share-based payments	7		-	-	-	76.7	-	-	76.7
Treasury shares			-	-	-	69.9	-	-	69.9
<b>At June 30, 2021</b>		20,590,319	892.3	14,702.3	42,750.0	(56,028.1)	202.2	(175.2)	2,343.5

(1) At the Annual General Meeting of Shareholders of May 27, 2020, the shareholders resolved to offset KEUR 12,250 from the additional paid-in capital against the carried forward loss, and to allocate KEUR 42,750 from the additional paid-in capital to a new position "reserves from capital contributions" within the free reserves.

## Condensed Consolidated Cash Flow Statement

GENEURO Consolidated Cash Flow Statement (in thousands of EUR)	Notes	06/30/2021 6 months	06/30/2020 6 months
<b>Cash flow from operating activities</b>			
<b>Net loss for the period</b>		<b>(3,402.8)</b>	<b>(3,948.4)</b>
Adjusted by the reversal of:			
Amortization of intangible assets		4.6	4.0
Depreciation of property, plant and equipment	3	146.2	171.1
Change in provision for defined benefit obligation		134.5	124.9
Share-based payment expense	7	76.7	71.2
Financial expense, net	12	(104.2)	233.6
Unwinding of advances		1.5	(4.1)
Decrease in Deposits		5.6	0.2
(Increase) / Decrease in Other current assets	5	(852.8)	609.0
Increase / (Decrease) in Trade payables and related accounts	10.1	366.3	(634.3)
Increase in Other non-current liabilities		3.5	3.1
Decrease in Other current liabilities	10.2	(82.3)	(424.9)
<b>Cash outflow from operating activities</b>		<b>(3,703.2)</b>	<b>(3,794.6)</b>
<b>Cash flow from investing activities</b>			
Acquisitions of intangible assets		(3.3)	(1.8)
Acquisitions of property, plant and equipment	3	(38.2)	(1.0)
Interest received on short term deposits		-	0.3
<b>Cash outflow from investing activities</b>		<b>(41.5)</b>	<b>(2.5)</b>
<b>Cash flow from financing activities</b>			
Capital increase	6	-	9,999.9
Interest paid		(7.2)	(255.4)
Share capital increase costs paid	6	-	(1,168.7)
Repayment of lease liabilities	9	(121.8)	(156.6)
Repayment of advances		(15.0)	-
<b>Cash flow from financing activities</b>		<b>(144.0)</b>	<b>8,419.2</b>
<b>Increase / (Decrease) in cash</b>		<b>(3,888.7)</b>	<b>4,622.1</b>
Cash & cash equivalents - beginning of period		6,842.9	5,931.4
Impact of exchange rate fluctuations		6.6	(61.3)
<b>Cash &amp; cash equivalents - end of period</b>		<b>2,960.8</b>	<b>10,492.2</b>

## Notes to the Condensed Consolidated Interim Financial Statements

*(Unless indicated otherwise, the amounts mentioned in these notes are in thousands of Euros)*

### Note 1: Activity

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The following information constitutes the notes to the condensed consolidated interim financial statements and forms an integral part of the financial statements presented for the six months periods ended June 30, 2021 and 2020.

Incorporated on January 31, 2006, GeNeuro SA (“GeNeuro”) is a clinical-stage biopharmaceutical Swiss limited company (société anonyme) which develops therapies and companion-diagnostic tools. GeNeuro’s mission is to develop safe and effective treatments against neurological disorders and autoimmune diseases, such as multiple sclerosis, by neutralizing causal factors encoded by human endogenous retroviruses (“HERV”), which represent 8% of the human DNA. This represents a novel therapeutic approach pioneered by GeNeuro since 2006, based on 15 years of R&D at Institut Mérieux and INSERM. GeNeuro’s lead therapeutic candidate, temelimab, is a humanized monoclonal antibody that neutralizes a pathogenic HERV protein of the W family called HERV-W ENV that has been identified as a potential key factor in the onset and development of autoimmune diseases such as MS. The Company has been listed on Euronext in Paris since April 18, 2016.

The Company’s registered office is located at 3, chemin du Pré-Fleuri - CH-1228 Plan-les-Ouates - Geneva – Switzerland. The Company has one subsidiary: GeNeuro Innovation SAS, which was established in France in 2009. In its 2020 annual financial report, the Company indicated it had initiated the process of liquidating its Australian subsidiary, GeNeuro Australia Pty Ltd, due to the lack of clinical trial or other research activities in Australia in the foreseeable future. This liquidation has been completed during the first half of 2021.

GNEH SAS (a subsidiary of Institut Mérieux) and Ecllosion2 & Cie SCPC were the main shareholders of the Company as at June 30, 2021 with a direct and indirect shareholding of 36.5%, and 30.9% respectively (unchanged from December 31, 2020). On July 13, 2021, the Company completed a €6.0 million capital increase through an international private placement only to certain qualified and institutional investors (the “Offering”), to which GNEH participated for €3.0 million; as a result, its participation has increased to 37.5% as of July 13, 2021, whereas the share of Ecllosion2 & Cie SCPC (which did not participate in the Offering) was reduced to 28.5%.

GeNeuro is hereinafter referred to as “GeNeuro”, the “Company” or the “Group”.

### Note 2: Accounting principles, rules and methods

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#### 2.1 Principles used in preparing the financial statements

##### Basis of preparation

GeNeuro has prepared its condensed consolidated interim financial statements, approved by the Board of Directors on September 29, 2021, in accordance with International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) as at the preparation date of the financial statements, for all the periods presented.

The condensed consolidated interim financial statements of GeNeuro have been prepared in accordance with the international accounting standard IAS 34 “Interim financial reporting”.

The primary financial statements are presented in a format consistent with the consolidated financial statements presented in the 2020 annual financial report under IAS 1 Presentation of Financial Statements, but this interim financial report contains condensed financial statements, in that it does not include all of the notes that would be

required in a complete set of financial statements. Thus this interim financial report must be read in conjunction with the consolidated financial statements for the year ended December 31, 2020 available in the Universal Registration Document.

### **New standards, updates and interpretations adopted by the Group**

There were no new standards adopted by the Group during the six months ended June 30, 2021.

### **Historical cost convention**

The condensed consolidated interim financial statements have been prepared in accordance with the historical cost convention, except with respect to the financial instruments which are measured at fair value and the plan assets included in the calculation of the defined benefit pension plan liability, which are also measured at fair value.

### **Going concern**

GeNeuro SA is a biopharmaceutical company at the clinical stage developing innovative therapeutics. The Company is exposed to risks and uncertainties inherent in establishing and developing a business that are common to early-stage companies in the biotechnology industry, including, but not limited to, development by competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, compliance with government regulations and the ability to secure additional financing to fund operations. Product candidates currently under development will require significant additional research and development efforts, including preclinical and clinical testing and regulatory approval prior to commercialization. These efforts require significant amounts of additional capital, adequate personnel and infrastructure and extensive compliance-reporting capabilities. Even if the Company's product development efforts are successful, it is uncertain when, if ever, the Company will realize significant revenue from product sales.

The Company's success may also depend on its ability to:

- establish and maintain strong patent position and protection;
- enter into collaborations with partners in the pharmaceutical industry;
- acquire and retain key personnel;
- acquire additional funding to support its operations.

The Company's financial statements have been prepared on the basis of continuity of operations, realization of assets and the satisfaction of liabilities and commitments in the ordinary course of business. Since its incorporation, the Company has primarily funded its growth through issuances of shares, including the capital increases conducted at the time of its initial public offering in 2016 and the subsequent capital increases completed in January 2020 and July 2021; additional funds have been provided by research collaborations, research grants and research tax credits (in France and, previously, in Australia).

The Company expects that its operating losses and negative cash flows will continue for the foreseeable future. Given its current cash position and based on plans approved by its Board of Directors, the Company expects to be able to cover its cash outflows at least until September 30, 2022. Hence, the financial statements have been prepared on a going concern basis.

The future viability of the Company beyond that date is dependent on its ability to raise additional capital to finance its operations. The Company will seek additional funding through public financings, debt financings, collaboration agreements, strategic alliances and licensing arrangements. The Company may not be able to obtain financing on acceptable terms, or at all, and the Company may not be able to enter into collaborations or other arrangements. The terms of any financing may adversely affect the holdings or the rights of the Company's stockholders. If the Company is unable to obtain funding, the Company could be required to delay, reduce or

eliminate research and development programs, product portfolio expansion, or future commercialization efforts, which could adversely affect its business prospects.

Although management continues to pursue these plans, there is no assurance that the Company will be successful in obtaining sufficient funding on terms acceptable to the Company to fund continuing operations, if at all.

Liquidity risk management is assessed in Note 15.

### Accounting policies

The accounting policies applied are consistent with those applied for the preparation of the annual financial statements as at December 31, 2020. There are no new standards, amendments or interpretations mandatory from the beginning of the 2021 financial year that could have a significant impact on the financial statements of the Group.

### 2.2 Scope of consolidation

As of the date of the publication of these condensed consolidated interim financial statements, the Company has one subsidiary:

- GeNeuro Innovation SAS, 100 % of the voting rights and interests held throughout the period.

As mentioned in Note 1, the Company's former Australian subsidiary, GeNeuro Australia Pty Ltd, which was wholly-owned by the Company, was liquidated during the six months ended June 30, 2021.

### 2.3 Foreign currency translation

#### Group companies

Financial statements of Group companies whose functional currency is not the Euro were translated as follows:

- Statement of financial position items (excluding shareholders' equity) were translated at the closing rate of the end of the period;
- Income statement items were translated at the average rate for the period;
- Equity items were translated at the historical rate.

The exchange differences arising on translation for consolidation purposes are recognized in other comprehensive income.

The exchange rates used for the preparation of the condensed consolidated financial statements are as follows:

Exchange rate (AUD per EUR)	12/31/2020		06/30/2020	
	Weighted average rate	Closing rate	Weighted average rate	Closing rate
Australian dollar (AUD)	1.6549	1.5896	1.6775	1.6344

*Based on the exchange rates published by the Banque de France.*

### 2.4 Use of judgments and estimates

To prepare the condensed consolidated interim financial statements, the main judgements and estimates made by the Company's management, as well as the main assumptions used, are consistent with those applied in preparing the annual consolidated financial statements as at December 31, 2020.

### Note 3: Property, plant and equipment

PROPERTY, PLANT AND EQUIPMENT (Amounts in thousands of EUR)	Buildings (right of use)	Machinery and equipment	Fixtures and fittings	Office and computer equipment, furniture	Office and computer equipment (right of use)	Vehicles (right of use)	Total
<b>GROSS VALUE</b>							
Statement of financial position at December 31, 2020	1,873.0	226.0	41.4	212.5	4.1	16.0	2,373.0
Additions	-	23.8	14.4	-	-	-	38.2
Statement of financial position at June 30, 2021	1,873.0	249.8	55.8	212.5	4.1	16.0	2,411.2
<b>ACCUMULATED DEPRECIATION</b>							
Statement of financial position at December 31, 2020	516.3	200.9	18.3	180.3	2.4	12.8	931.0
Increase	120.1	5.7	5.3	11.4	0.6	3.1	146.2
Statement of financial position at June 30, 2021	636.4	206.6	23.6	191.7	3.0	15.9	1,077.2
<b>NET BOOK VALUE</b>							
At December 31, 2020	1,356.7	25.1	23.1	32.2	1.7	3.2	1,442.0
At June 30, 2021	1,236.6	43.2	32.2	20.8	1.1	0.1	1,334.0

### Note 4: Financial assets

FINANCIAL ASSETS (Amounts in thousands of EUR)	06/30/2021	12/31/2020
Liquidity contract	144.5	74.9
Deposits	179.5	182.3
<b>Non-current financial assets</b>	<b>324.0</b>	<b>257.2</b>

Non-current financial assets include the cash reserve related to the liquidity contract implemented following the initial public offering of the Company in April 2016 and a bank security deposit in connection with the leasehold of the Company's premises.

### Note 5: Other current assets

OTHER CURRENT ASSETS (Amounts in thousands of EUR)	06/30/2021	12/31/2020
Research Tax Credits (1)	1,018.3	553.9
Value Added Tax	99.4	59.6
Social and tax receivables (2)	158.5	55.2
Prepaid expenses	195.4	80.3
Advance payments (3)	205.5	70.7
Other	0.1	0.2
<b>Total other current assets</b>	<b>1,677.2</b>	<b>819.9</b>

- (1) Research tax credits (RTC) are related solely to French research activities. The reimbursement of the RTC for the 2020 activities was received in August 2021, including the amount booked as a provision at December 31, 2020. The amount accrued at June 30, 2021 for activities in 2021, of K€ 464, is included above as it is expected to be recovered during the first half of 2022.
- (2) Social and tax receivables include an amount of K€ 79 of research grant from the French Agence Nationale de la Recherche for a COVID-19 research project.
- (3) The advance payments relate to advances made to suppliers.

## Note 6: Capital

<b>COMPOSITION OF SHARE CAPITAL (number of shares)</b>	<b>06/30/2021</b>	<b>12/31/2020</b>
Common bearer shares	20,590,319	20,590,319
<b>Total</b>	<b>20,590,319</b>	<b>20,590,319</b>
Nominal value (in CHF)	0.05 CHF	0.05 CHF
Approximate nominal value (in EUR)	0.04 €	0.04 €

These shares exclude stock options that were granted to certain employees, board members and consultants and that have not yet been exercised.

### Share capital

At June 30, 2021, the Company's share capital amounted to € 892,342 (CHF 1,029,515.95) and was divided into 20,590,319 common bearer shares with a nominal value of CHF 0.05. All shares are fully paid up. Please refer to Note 16.

### Authorized capital

The authorized capital amounts to 10,295,159 bearer shares each with a nominal value of CHF 0.05. Please refer to Note 16.

### Conditional capital

The "part I" conditional capital amounts to 2,198,717 bearer shares with a nominal value of CHF 0.05 to be issued upon exercise of stock options granted to board members, employees and consultants as part of an incentive plan.

The "part II" conditional capital amounts to 5,130,341 bearer shares with a nominal value of CHF 0.05 to be issued upon exercise of option or conversion rights granted to shareholders or strategic partners of the Company, or in connection with the issuance by the Company or by another group company of bonds or any other financial instrument.

### Liquidity contract

Following its initial public offering on the Euronext market in Paris, the Company signed a liquidity contract with the broker Gilbert Dupont in order to limit the intraday volatility of the share price.

For this purpose, the Company entrusted € 750,000 to this institution to enable it to purchase or sell the Company's shares. The part of the contract that is invested in the Company's treasury shares by this service provider is recognized as a deduction from the Company's consolidated shareholders' equity. As a result of this agreement, 71,236 treasury shares acquired by the liquidity contract are recognized as a deduction from shareholders' equity as at June 30, 2021 (compared to 89,381 treasury shares as at June 30, 2020). Gains and losses from transactions on these shares are also recognized in shareholders' equity.

### Dividends

The Company paid no dividends during the first half of either 2020 or 2021.



## Note 7: Stock options and common shares granted as part of an incentive plan

### Plan outstanding during the first half of 2021

The following table summarizes the assumptions adopted in the IFRS 2 valuation of the plans outstanding during the first half of 2021:

Allocation date	Number of options issued / Shares granted with a restriction period	Exercise price	Market price at time of grant	Exercise period	Vesting period	Volatility	Risk-free rate	Fair value at grant date per option / share
Stock-options 04/2010	123,000	4.00 CHF	N/A	12 years		50.5%	1.11%	1.46
Stock-options 04/2013	3,000	4.00 CHF	N/A	5 years		50.3%	0.05%	1.40
Shares granted to Board members 11/2015	45,000	N/A	N/A	N/A		N/A	N/A	27.99
PSOU 06/2016	606,400	13.00 €	9.28 €	5 years		58.8%	-1.09%	2.29
PSOU 01/2017	35,000	13.00 €	10.19 €	5 years	3 years	53.6%	-0.86%	2.48
PSOU 02/2017	15,000	13.00 €	9.29 €	5 years	2 years	53.6%	-0.87%	1.74
PSOU 02/2018	20,000	13.00 €	6.28 €	5 years	2 years	50.0%	-0.77%	0.14
Stock-options 02/2017 - part 1	42,500	13.00 €	9.67 €	5 years	3 years	53.6%	-0.94%	2.50
Stock-options 02/2017 - part 2	7,500	13.00 €	9.39 €	5 years	3 years	53.6%	-0.94%	2.35
Stock-options 02/2018	22,500	13.00 €	6.20 €	5 years	3 years	50.0%	-0.75%	0.80
Stock-options 09/2018	158,540	2.73 €	3.66 €	10 years	4 years	50.0%	0.00%	1.74
Stock-options 03/2020 - part 1	75,750	3.34 €	3.07 €	10 years	4 years	49.4%	-0.63%	0.73
Stock-options 03/2020 - part 2	75,750	3.34 €	3.07 €	10 years	4 years	45.8%	-0.52%	1.20
Stock-options 12/2020 - part 1	15,000	2.95 €	2.82 €	10 years	4 years	59.6%	-0.78%	0.86
Stock-options 12/2020 - part 2	15,000	2.95 €	2.82 €	10 years	4 years	53.6%	-0.64%	1.32
Stock-options 02/2021 - part 1	87,400	3.19 €	3.10 €	10 years	4 years	70.0%	-0.78%	0.81
Stock-options 02/2021 - part 2	87,400	3.19 €	3.10 €	10 years	4 years	63.0%	-0.57%	1.57

New stock options were awarded during the first half of 2021: the Company has granted share purchase options under an equity incentive plan. The share purchase options vest on a staggered basis: one fourth on the first anniversary of their grant date, and then one eighth every six months thereafter. They may then be exercised during the six years following the end of the vesting period. The Company granted a total of 174,800 stock options in the six months ended June 30, 2021, with an exercise price of €3.19 per share.

Please refer to the annual report for the year ended December 31, 2020, incorporated in the Company's Universal Registration Document, for the detail of the outstanding plans at that date. The Group has no legal or constructive obligation to repurchase or settle its outstanding options in cash.

### Evolution of the number of outstanding options

Number of options	Stock options 04/2010	PSOU Plan 06/2016	PSOU Plan 02/2017	Stock options 02/2017- part 1	Stock options 02/2017- part 2	PSOU Plan 02/2018	Stock options 02/2018	Stock options 09/2018	Stock options 03/2020	Stock options 12/2020	Stock options 02/2021	Total
<b>December 31, 2020</b>	45,000	460,194	15,000	34,500	5,000	18,500	17,500	110,979	151,500	30,000	-	888,173
Issued	-	-	-	-	-	-	-	-	-	-	174,800	174,800
Exercised	-	-	-	-	-	-	-	-	-	-	-	-
Forfeited / cancelled	-	-	-	(5,500)	-	-	(3,333)	(4,000)	-	-	-	(12,833)
<b>June 30, 2021</b>	45,000	460,194	15,000	29,000	5,000	18,500	14,167	106,979	151,500	30,000	174,800	1,050,140
Number of shares to be issued	45,000	460,194	15,000	29,000	5,000	18,500	14,167	106,979	151,500	30,000	174,800	1,050,140
Number of options vested as at June 30, 2021	45,000	460,194	15,000	29,000	5,000	18,500	14,167	57,239	37,875	-	-	681,975

### Breakdown of charges recognized during the periods presented

(Amounts in thousands of EUR)	06/30/2021		
Grant date	Accumulated expense at opening	Expense	Accumulated expense at 06/30/2021
Stock options 2011 – extension granted 2020	22.8	0.0	22.8
Shares granted to board members 11/2015	614.4	0.0	614.4
PSOUs 06/2016	1,381.6	0.0	1,381.6
PSOUs 01/2017	89.6	0.0	89.6
PSOUs 02/2017	27.0	0.0	27.0
Stock options 02/2017- part 1	96.2	0.0	96.2
Stock options 02/2017- part 2	16.1	0.0	16.1
Stock options 02/2018	14.1	0.0	14.1
PSOUs 02/2018	3.0	0.1	3.1
Stock options 09/2018	144.5	13.3	157.8
Stock options 03/2020	54.0	25.4	79.4
Stock options 12/2020	0.8	7.4	8.2
Stock options 02/2021	0.0	30.5	30.5
<b>Total</b>	<b>2,464.1</b>	<b>76.7</b>	<b>2,540.8</b>

  

(Amounts in thousands of EUR)	06/30/2020		
Grant date	Accumulated expense at opening	Expense	Accumulated expense at 06/30/2020
Stock options 2011 – extension granted 2020	173.8	22.8	196.6
Shares granted to board members 11/2015	614.4	0.0	614.4
PSOUs 06/2016	1,381.6	0.0	1,381.6
PSOUs 01/2017	89.6	0.0	89.6
PSOUs 02/2017	27.0	0.0	27.0
Stock options 02/2017- part 1	92.9	3.5	96.4
Stock options 02/2017- part 2	16.0	0.1	16.1
Stock options 02/2018	14.4	-0.1	14.3
PSOUs 02/2018	3.0	0.0	3.0
Stock options 09/2018	118.8	23.9	142.7
Stock options 03/2020	0.0	21.0	21.0
<b>Total</b>	<b>2,531.5</b>	<b>71.2</b>	<b>2,602.7</b>

### Note 8: Employee benefit obligations

The Company-wide defined benefit scheme plan covering employees of the Swiss parent company is described in Note 2.19 of the consolidated financial statements for the year ended December 31, 2020.

## Note 9: Current and non-current financial liabilities

<b>CURRENT AND NON-CURRENT FINANCIAL LIABILITIES</b> <b>(Amounts in thousands of EUR)</b>	<b>06/30/2021</b>	<b>12/31/2020</b>
Reimbursable advance	96.5	129.8
Lease liabilities	1,007.8	1,143.6
<b>Non-current financial liabilities</b>	<b>1,104.3</b>	<b>1,273.4</b>
Reimbursable advance	69.0	49.2
Lease liabilities	238.7	244.1
<b>Current financial liabilities</b>	<b>307.7</b>	<b>293.3</b>
<b>Total financial liabilities</b>	<b>1,412.0</b>	<b>1,566.7</b>
<b>Net debt</b> <b>(amounts in thousands of EUR)</b>	<b>06/30/2021</b>	<b>12/31/2020</b>
Cash and cash equivalents	2,960.8	6,842.9
Borrowings (including reimbursable advance)	(165.5)	(179.0)
Lease liabilities	(1,246.5)	(1,387.7)
<b>Net (debt) / cash</b>	<b>1,548.8</b>	<b>5,276.2</b>
Cash and cash equivalents	2,960.8	6,842.9
Gross debt - fixed interest rates	(1,412.0)	(1,566.7)
<b>Net debt</b>	<b>1,548.8</b>	<b>5,276.2</b>

<b>CHANGE IN LOANS AND BORROWINGS</b> <b>(Amounts in thousands of EUR)</b>	<b>LEASE</b> <b>LIABILITIES</b>	<b>REIMBURSABLE</b> <b>ADVANCE</b>	<b>TOTAL LOANS</b> <b>AND</b> <b>BORROWINGS</b>
<b>At December 31, 2020</b>	<b>1,387.7</b>	<b>179.0</b>	<b>1,566.7</b>
Additions	-	-	-
Decrease	(141.2)	(15.0)	(156.2)
Interest expense	-	1.5	1.5
(+/-) Other	-	-	-
<b>At June 30, 2021</b>	<b>1,246.5</b>	<b>165.5</b>	<b>1,412.0</b>

Non-current financial liabilities include the long-term portion of the lease liabilities pursuant to IFRS 16. Current financial liabilities include the current portion of the lease liabilities.

## Note 10: Trade payables and other current liabilities

### 10.1 Trade payables

Trade payables are primarily related to expenses incurred by the Group as part of its clinical trials. The increase at June 30, 2021, relates primarily to the pre-clinical research activities and the clinical trial conducted by the Company.

### 10.2 Other current liabilities

<b>OTHER CURRENT LIABILITIES</b> <b>(Amounts in thousands of EUR)</b>	<b>06/30/2021</b>	<b>12/31/2020</b>
Personnel and related accounts	342.3	468.5
Social security and other social institutions	77.2	250.5
Other	14.7	9.2
Accrued liabilities	976.9	765.8
<b>Total other current liabilities</b>	<b>1,411.1</b>	<b>1,494.0</b>

At June 30, 2021, accrued liabilities related for 61% to accruals of expenses incurred in connection with clinical trials and other research and development activities (62% at December 31, 2020), for 12% to accruals for pension contributions (1% at December 31, 2020), with the balance related primarily to accruals for audit and accounting fees, legal fees and listing-related fees.

## Note 11: Breakdown of expenses and income per function

### 11.1 Research and Development

<b>RESEARCH AND DEVELOPMENT EXPENSES (Amounts in thousands of EUR)</b>	<b>06/30/2021</b>	<b>06/30/2020</b>
Studies and research	(1,554.7)	(815.5)
Intellectual property	(96.0)	(179.2)
Raw materials and consumables	(28.7)	(21.8)
Rental expenses	(31.6)	(26.6)
Professional fees	(65.6)	(59.9)
Payroll expense	(783.4)	(1,008.2)
Amortization and depreciation	(76.6)	(97.9)
Share-based payment expense	(23.1)	(35.3)
Other	(4.4)	18.1
<b>Research and Development Expenses</b>	<b>(2,664.1)</b>	<b>(2,226.3)</b>
Research tax credits	464.5	223.5
Other subsidies	119.9	6.2
<b>Subsidies</b>	<b>584.4</b>	<b>229.7</b>

The increase in expenses for studies and research is primarily due to the full period effect of the ProTEct-MS Phase 2 trial of temelimab in multiple sclerosis (MS) at the Karolinska Institutet's Academic Specialist Center (ASC), in Stockholm, Sweden: the launch for this study occurred only in late June 2020 whereas the recruitment for this study was completed in mid-February 2021. Intellectual property costs decreased by K€ 83, reflecting the evolution of the Company's patent filing activities; payroll expense decreased by K€ 225, reflecting the strict cost control implemented throughout the Company. In the six months ended June 30, 2020, the Company's French subsidiary benefited from unemployment subsidies due to the lockdown imposed in response to the COVID-19 pandemic, whereas the Company's French subsidiary operated normally in the first half of 2021.

As a result of the expanded R&D activities, subsidies increased from K€ 230 in the first half of 2020 to K€ 584 during the first half of 2021, including K€ 120 of research grants in connection with a K€ 137 grant awarded in January 2021 by the French Agence Nationale de la Recherche for GeNeuro's COVID-19 research activities. Of this amount of K€ 120, K€ 41 was received in June 2021 and the balance of K€ 79 is to be received (refer to Note 5).

### 11.2 General and administrative expenses

<b>GENERAL AND ADMINISTRATIVE EXPENSES (Amounts in thousands of EUR)</b>	<b>06/30/2021</b>	<b>06/30/2020</b>
Travel and assignments expenses	(16.4)	(85.1)
Office expenses	(18.8)	(21.0)
Rental expenses	(21.6)	(15.7)
Professional fees	(368.7)	(547.2)
Payroll expense	(810.3)	(846.6)
Tax expense	(8.1)	(33.6)
Insurance expense	(13.9)	(13.7)
Postal and telecom expenses	(40.7)	(37.2)
Amortization and depreciation	(74.3)	(77.6)
Share-based payment expense	(53.6)	(35.9)
Other	0.6	(4.6)
<b>General and administrative expenses</b>	<b>(1,425.8)</b>	<b>(1,718.2)</b>

Most general and administrative expenses were lower or stable during the first six months of 2021. The major cost reductions were recorded for the travel and assignments expenses, which another significant decrease due to the continuing travel restrictions caused by COVID-19; and for professional fees, which decreased K€ 179 due to cost controls. Payroll expense showed a lower reduction, to K€ 810 vs K€ 847 in the prior year period.

#### Note 12: Financial income (expenses), net

<b>FINANCIAL INCOME (EXPENSES), NET (Amounts in thousands of EUR)</b>	<b>06/30/2021</b>	<b>06/30/2020</b>
Other financial income	0.9	1.3
Foreign exchange gains	112.8	-
<b>Financial income</b>	<b>113.7</b>	<b>1.3</b>
Interest expense related to the Loan from shareholder	-	(65.8)
Other financial expenses	(11.0)	(3.1)
Foreign exchange (losses) gains	-	(166.0)
<b>Financial expenses</b>	<b>(11.0)</b>	<b>(234.9)</b>
<b>Financial income (expenses), net</b>	<b>102.7</b>	<b>(233.6)</b>

The Credit Facility granted by GNEH SAS was fully repaid by way of set-off in connection with the capital increase of January 30, 2020.

#### Note 13: Loss per share

<b>BASIC LOSS PER SHARE</b>	<b>06/30/2021</b>	<b>06/30/2020</b>
	<b>6 months</b>	<b>6 months</b>
Weighted average number of shares outstanding	20,467,235	19,466,557
Number of potentially dilutive shares from exercise of options <sup>(1)</sup>	463,279	276,567
Net loss for the period (in thousands of EUR)	(3,402.8)	(3,948.4)
<b>Basic loss per share (EUR/share)</b>	<b>(0.17)</b>	<b>(0.20)</b>
<b>Diluted loss per share (EUR/share)</b>	<b>(0.17)</b>	<b>(0.20)</b>

(1) Taking into account solely "in the money" stock options

#### Note 14: Related parties

##### 14.1 Compensation to members of the Board and Officers

The CEO of the Company is also a member of the Board of Directors.

Aggregate compensation of the Board of Directors and Officers was as follows (in K€):

<b>COMPENSATION DUE TO MEMBERS OF THE BOARD AND OFFICERS (Amounts in thousands of EUR)</b>	<b>06/30/2021</b>	<b>06/30/2020</b>
Fixed compensation due	601.4	658.9
Variable compensation due	115.1	168.8
Benefits in kind	17.2	24.8
Employer contribution to pension scheme and other social contributions	203.3	235.0
Share-based payments	79.1	58.5
Attendance fees	38.9	41.3
<b>TOTAL</b>	<b>1,055.0</b>	<b>1,187.3</b>

The Company has signed agreements with three members of its Board of Directors, of which two were concluded in 2015 and one in 2016. In accordance with these contracts and as compensation for services rendered, the Company has recorded fees of K€ 39 during the first half of 2021 and of K€ 41 during the first half of 2020, as indicated in the table above; the change results from the evolution of the EUR against the Swiss franc, in which the fees are paid.

No post-employment benefits were granted to members of the Board of Directors and Officers, with the exception of the mandatory defined benefit scheme applicable for Swiss employees under the 2<sup>nd</sup> pillar of the Swiss social security system.

All compensation components have been fully paid, except for the directors' fees, which are paid in the second half of each year, the share-based payments compensation, which is not due to be settled in cash, and the variable compensation, which is settled in the first quarter of the next financial year.

The variable components of compensation were allocated on the basis of pre-determined performance criteria.

#### **14.2 Related party transaction with GNEH SAS**

In December 2018, the Company entered into a €7.5 million Credit Facility Agreement with one of its shareholders, GNEH SAS, itself a subsidiary of Institut Mérieux. Pursuant to this Credit Facility, the Company had the right to draw the amount of the amount in up to 4 instalments, until May 31, 2019. The Credit Facility was fully drawn at May 31, 2019. The Credit Facility Agreement provided for an availability fee of 1.30% to be paid to GNEH SAS on the undrawn portion of the Credit Facility, whereas amounts borrowed bore interest at a rate increasing progressively up to 12% p.a. until the facility's maturity of June 2020. Following the capital increase of January 30, 2020, to which GNEH SAS participated to the full extent of its loan, by way of set-off, the loan has been fully reimbursed.

#### **14.3 Related party transaction with bioMérieux**

The Company signed an exclusive licensing contract with bioMérieux in 2006. BioMérieux is a French listed company, majority-owned by Institut Mérieux, which is the controlling shareholder of GNEH SA, itself an significant shareholder of GeNeuro SA. The key elements of the licensing contract (including the detail of the contingent liabilities resulting from the contract) are disclosed in Note 19.2 of the consolidated financial statements for the year ended December 31, 2020.

### **Note 15: Liquidity risk**

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Since its incorporation, the Company has primarily funded its growth through issuances of shares, including the capital increase conducted at the time of its initial public offering in 2016, the capital increase completed in January 2020 and the one completed in July 2021; additional funds provided by research collaborations, research grants and research tax credits (in France and Australia); and the Credit Facility provided by its shareholder GNEH SAS. The Company never had recourse to bank loans. As a result, the Company is not exposed to liquidity risk through requests for early repayment of loans.

Significant R&D expenses have been incurred from the start of the Company's activities, generating negative cash flows from operating activities. Cash outflows from operating activities amounted to K€ 3,795 and K€ 3,703 for the six months ended June 30, 2020 and June 30, 2021, respectively.

As at June 30, 2021, the Company's cash & cash equivalents and short-term deposits amounted to K€ 2,961.

On July 13, 2021, the Company announced a successful €6.0 million capital increase through an international private placement only to certain qualified and institutional investors. Taking into account the net proceeds from this capital increase and the amount receivable from the French Research Tax Credit (which was collected in August 2021), the Company's cash and cash equivalents on a *pro forma* basis was €9.2 million. As a result, the Company considers it has cash to cover its operations until the end of 2022; the future viability of the Company beyond that date is dependent on its ability to raise additional capital to finance its operations. The Company will seek additional funding through public financings, debt financings, collaboration agreements, strategic alliances and licensing arrangements. The Company may not be able to obtain financing on acceptable terms, or at all, and the Company may not be able to enter into collaborations or other arrangements. The terms of any financing may adversely affect the holdings or the rights of the Company's stockholders. If the Company is unable to obtain funding, the Company could be required to delay, reduce or eliminate research and development programs, product portfolio expansion, or future commercialization efforts, which could adversely affect its business prospects.

Although management continues to pursue these plans, there is no assurance that the Company will be successful in obtaining sufficient funding on terms acceptable to the Company to fund continuing operations, if at all.

#### **Note 16: Post-balance sheet events**

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On July 13, 2021, the Company completed a €6.0 million capital increase through an international private placement only to certain qualified and institutional investors (the "2021 Offering"), to which its main shareholder, GNEH SAS (a subsidiary of Institut Mérieux) participated for €3.0 million. Thanks to this capital increase, the Company's financial visibility has been extended until the end of 2022, giving it the time necessary to facilitate Phase 3 planning and partnering discussions following the results from the ProTEct-MS clinical trial, which remain expected in Q1 2022. As a result of this capital increase, the Company's authorized capital has been reduced from 10,295,159 bearer shares each with a nominal value of CHF 0.05 to 8,564,701 bearer shares each with a nominal value of CHF 0.05.

On September 21, 2021, the Company announced that a first patient having finished the ProTEct-MS study at the Karolinska Institutet's Academic Specialist Center had entered the study extension, which study aims at providing treatment to all patients who have completed their one-year treatment duration, until the results of the core ProTEct-MS study are available in the spring of 2022. The extension will then continue to gain more data on the anti-neurodegenerative effect of temelimab, based on the optimal dose identified in the core ProTEct-MS study.