A limited company (société anonyme) with a board of directors
with share capital of €1,612,468.80
Registered office: 2, rue Briçonnet, 30000 Nîmes
Nîmes Trade and Companies Register no. 497 587 089

Annual financial report
Management report of the Board of Directors
Corporate governance report
Financial year ended 31 December 2018
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This is a free translation into English of the 2018 Financial Annual Report issued in the French language and is provided solely for the convenience of English-speaking readers. In case of discrepancy, the French version prevails.
3. Information relating to corporate officers: Compensation and benefits of all kinds – Amount of directors’ fees

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Advicenne is a French pharmaceutical company founded in 2007 that develops and markets innovative paediatric products for rare diseases. In order to build its product portfolio, Advicenne started from the observation that for certain rare diseases, there are no treatments suitable or optimal for children. Advicenne intends to provide a therapeutic response to unmet medical needs, especially for certain renal and neurological diseases.

Advicenne's purpose is to design innovative products and implement clinical, pharmaceutical and regulatory strategies to reach orphan markets with strong demand for which there are no treatments that have received Marketing Authorisations (MAs) in Europe or the United States.

Advicenne's flagship product, ADV7103, is positioned for the treatment of renal diseases (nephrology). ADV7103 was designed to become a leading medicine for the treatment of distal renal tubular acidosis.

In early March 2019, Advicenne filed a marketing authorisation (MA) application for ADV7103 for distal Renal Tubular Acidosis (dRTA) with the European Medicines Agency (EMA) based on positive results from the European Arena 1 Phase III clinical trial.

Advicenne will capitalise on clinical trials already conducted in Europe and initiated in 2018 Arena 2, a Phase III clinical trial with ADV7103 in the United States for its first indication following the approval of its status as an Investigational New Drug (IND) by the Food and Drug Administration (FDA).

In 2018, Advicenne also initiated a pivotal Phase II/III clinical study for ADV7103 for a second indication (cystinuria) after obtaining authorisation from the French National Health Agency (ANSM) and the Belgian Health Agency.

Dr. Luc-André Granier, Chairman and CEO and co-founder of Advicenne, said: "We are proud that, in 2018, we fulfilled the commitments made at our IPO and plan to dedicate 2019 to preparing for the international launch of ADV7103. The company has grown, become stronger and continues its path of innovation and the execution of the launch phases of its flagship product."
CERTIFICATION OF THE PERSON RESPONSIBLE FOR THE ANNUAL FINANCIAL REPORT

I hereby certify that, to the best of my knowledge, the financial statements were prepared in accordance with the applicable accounting standards and give a true and fair view of the company's assets, financial position and results, and that the following management report presents an accurate image of the business, results and financial position of the company and describes the principal risks and uncertainties that it faces.

Nîmes, 24th April 2019

Luc-André Granier
Chief Executive Officer
I. MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

1. Statement of the Company's position for the past financial year – Review of financial statements and income

Advicenne (the "Company") is a pharmaceutical company founded in 2007 that develops and markets innovative paediatric products for rare diseases. In order to build its product portfolio, Advicenne started from the observation that for certain rare diseases, there are no treatments suitable or optimal for children. Advicenne intends to provide a therapeutic answer to these needs.

The 2018 financial year was marked by the following events:

Financial and commercial events

On 5 January 2018, nearly 72% of the over-allotment option was exercised as part of Advicenne's IPO on the Euronext regulated market in Paris. This option resulted in the issuance of 59,648 additional new shares at the offer price of €14.03 per share, for a total amount of €743,717.56 (net of issuance costs).

The first positive opinion for its product Ozalin® (ADV6209), licensed to Primex, was obtained on 10 September 2018, and triggered the recognition of the second contractual milestone of €5 million, which consists of a €3 million receivable and €2 million previously recognised as an advance payment.

The launch of the ARENA 2 clinical trial in the USA for ADV7103 in the treatment of dRTA resulted in the signing of a contract with a US CRO.

The Company has kept its cash consumption under control, limiting it to less than €10 million, and, with more than €26 million has a visibility of 24 months based on the current activities.

Scientific, clinical and regulatory events

In May 2018, Advicenne obtained authorisation from the ANSM to initiate the Coral 1 pivotal Phase II/III clinical trial for ADV7103 for a second indication (cystinuria).

In late May 2018, Advicenne signed a partnership with the European Society for Pediatric Nephrology (ESPN) to improve knowledge of distal renal tubular acidosis (dRTA) and its management in Europe.

On 2 July 2018, Advicenne announced the preliminary results of the Phase III extension study (B22CS) with ADV7103 for dRTA. This open-label clinical study confirmed ADV7103's long-term efficacy and safety after 24 months of treatment.

On 3 September 2018, Advicenne was granted Investigational New Drug (IND) status by the FDA, which enabled it to initiate the pivotal Phase II/III clinical trial of ADV7103 for dRTA. This study was extended to Canada on 15 October 2018 and, thanks to its innovative design, it received the Galien Foundation's MedStartUp Award on 26 October 2018 in New York.

On 12 September 2018, Advicenne received the first positive notification for its Ozalin (ADV6209) product licensed to Primex, which allows Primex to market the product in several European countries.
On 15 October 2018, Advicenne received a Letter of No Objection from Health Canada's Office of Clinical Trials to expand its ARENA-2 pivotal Phase III study in distal Renal Tubular Acidosis (dRTA) into Canada.

Other events and governance

Advicenne prepared its international deployment during the year.

In January 2018, Advicenne announced the arrival of Dr Linda Law as the head of clinical operations in the United States.

On 20 September 2018, Advicenne appointed Charlotte Sibley as a member of the Board of Directors and Paul Michalet as Chief Financial Officer.

Review of the financial statements and results

During the financial year ended 31 December 2018, the Company generated revenue mainly from the sale of Likozam and Levidcen (speciality drugs indicated for the treatment of epilepsy), products marketed under distribution licences, of €1,190 thousand compared to €806 thousand for the previous year.

Total operating income was up by €4.5 million, due mainly to the Primex contract (see significant events for 2018 described above) and amounted to €6,469 thousand, compared to €1,939 thousand for the previous year.

Given the following operating expenses:

change in inventory and purchase of goods: €468 thousand, compared to €265 thousand the previous financial year;
other purchases and external expenses: €8,064 thousand, compared to €4,213 thousand the previous financial year due mainly to expenses from the new clinical studies initiated during the year (ADV7103 dRTA in the United States and ADV7103 cystinuria in Europe);
taxes and similar payments: €131 thousand, compared to €58 thousand the previous financial year;
wages and salaries: €2,112 thousand, compared to €1,735 thousand the previous financial year;
social security charges: €852 thousand, compared to €697 thousand the previous financial year;
depreciation and provisions: €413 thousand versus €398 thousand;
other expenses: €59 thousand versus €18 thousand.

This shows an operating loss of €5,629 thousand; the previous financial year showed an operating loss of €5,444 thousand.

As for current profit and loss before taxes, after factoring in financial profit of €183 thousand in financial income and expenses, it stood at -€5,446 thousand, compared to -€5,516 thousand for the previous year.

After factoring in:
exceptional income of €0.2 thousand;
a research tax credit & employment and competitiveness tax credit (CICE) of €842 thousand.

The financial year ended 31 December 2018 showed an accounting loss of €4,625 thousand compared to a loss of €4,656 thousand for the previous financial year.
After tax reinstatements and deductions, there was a fiscal loss of €5,529 thousand.

**The Company's debt position given the volume and complexity of business**

The Debt line item amounted to €2,993 thousand and consisted of:

- loans and debts with credit institutions ……………………………... €420 thousand
- trade accounts payable…………………………………………………… €1,670 thousand
- Taxes and social security liabilities……………………………………  €904 thousand

The Company also believes that it is not exposed to liquidity risk given the available cash position as at 31 December 2018.

**2. Foreseeable changes in the Company's position**

The main areas of development for 2019 are:

accelerated recruitment for the two pivotal studies with ADV7103 for:
- the ARENA-2 study: pivotal Phase II/III clinical trial in the United States in patients with dRTA,
- the CORAL study: pivotal Phase II/III clinical trial in Europe in patients with cystinuria;

preparation of the commercial launch of ADV7103 in 5 European countries (Germany, Spain, France, Italy, United Kingdom) with the establishment of field organisations and market access activities;
signing of distribution agreements outside these five European countries;
obtaining Orphan Drug Designation for ADV7103 in dRTA in the United States and cystinuria in Europe and the United States;
development of new products to expand the company's portfolio;
industrial and logistic deployment.

**3. Significant events between the financial year-end and the date of the management report**

On 7 January 2019, Advicenne obtained authorisation from the Belgian Federal Agency for Medicines and Health Products (FAMHP) to initiate a pivotal Phase II/III clinical trial (CORAL study) with its flagship drug candidate, ADV7103, for cystinuria.

On 12 March 2019, the Company announced that it had filed the marketing authorisation application for its flagship product ADV7103 for distal renal tubular acidosis (dRTA).
4. Research and development activities

The Company continues to invest in research and development activities. It has several programmes in progress, especially in the field of neurology and nephrology. In 2018, the budget devoted to research and development was €6.9 million, compared to €4.4 million in 2017.

5. Business activity and results of subsidiaries and controlled companies by business line

Please note that the Company does not yet have any subsidiaries or shareholdings in other companies.

6. Purchases of shareholdings and takeovers

There were no purchases of shareholdings or takeovers by our Company.

No disposals of shareholdings were recorded during the past financial year.

No cross-shareholdings required regularisation pursuant to Articles L. 233-30 and R. 234-1 of the French Commercial Code.

7. Branch offices

None.


8.1 Analysis of business developments

The year 2018 was an eventful one for Advicenne, which grew more mature and closer to the market. The Company obtained the MA for its Ozalin product, which was licensed to Primex, and IND (Investigational New Drug) status from the FDA for ADV7103, thereby initiating a Phase II/III clinical study in the USA. The Phase II/III study protocol for cystinuria was also approved in France and Belgium.

To support this development, the Company strengthened its operational capabilities with the recruitment of ten people.

8.2. Key performance indicators

For 2018, Advicenne's main business remained pharmaceutical, clinical and regulatory development for approval of the technical document for the registration of ADV7103, and the proper conduct of ongoing clinical trials in Europe and the United States.

Even though the Company is not yet in the commercial phase for its main product, ADV7103, it already has an initial sales force in France targeting neurologists to promote its first two products under licence (Likozam and Levidcen) on the French market.
In 2018, the Company made its first sales under a nominative Temporary Authorisation for Use (ATU) for ADV7103 in France.

The Company's performance is measured by:

- the success of its clinical trials, with positive results from the B21CS and B22CS studies for ADV7103;
- compiling the MA case for ADV7103 for dRTA;
- obtaining the MA for Ozalin;
- obtaining authorisations to initiate new studies.

8.3 Description of key risks and uncertainties

The major risk inherent in the Company's business is related to the possibility that the Company may not obtain or maintain authorisation to manufacture or market its products.

In Europe, in the United States, in Japan, and in many other countries, drugs must be authorised by a regulatory authority before they may be placed on the market. The case for marketing authorization is built over the entire course of development of a drug candidate. The Company ensures it permanently complies with best practices so as not to compromise its likelihood of obtaining an MA for its products, either directly or through its commercial partners.

Other significant risks include:

- the possibility that clinical objective endpoints are not achieved in the new studies initiated;
- the Company has partly subcontracted and mostly outsourced its production activities and thus depends on its subcontractors and partners to conduct clinical trials and the manufacture of its clinical batches and marketed products. The choice of subcontractors and partners depends not only on their technical skills, but also their ability to ensure the delivery of the products or services ordered, as well as their financial position;
- the Company does not obtain a price equal to its expectations for one or more of its products in one or more target markets.

The Company's policy is to cover its main insurable risks with coverage amounts that it deems compatible with its cash flow and business needs.

8.4 Statement on the use of financial instruments

The Company is, by its nature, not exposed to financial risks and therefore does not have financial hedging instruments in place.

The loans taken out by the Company are at a fixed rate and do not present any interest rate risks.

The Company monitored the US dollar exchange rate in 2018 but has not set up any medium-term hedges at this stage of its development to protect its business from foreign currency fluctuations due to the non-significant number of transactions carried out in foreign currencies, which for the time being are limited to the costs of the Arena 2 clinical trial.
However, the Company cannot rule out that a significant increase in its business, and its development in the United States in particular, would expose it to greater foreign currency risks. If this were to be the case, the Company would set up a suitable policy to hedge this risk. In the event it was not able to set up an efficient currency hedging system in future, this could have a negative effect on its results.

9. Internal control and risk management procedures put in place by the Company relating to the preparation and processing of accounting and financial information

The Company has implemented the following internal control procedures covering the scientific, accounting and financial domains in order to achieve its strategic goals:

for the administrative and financial domain, the Company works with a firm of chartered accountants with recognised experience in growth companies, notably in the field of biotechnologies. The firm primarily handles the following tasks: The production of the financial statements and their presentation in the form of an annual report, monthly payroll and the preparation of tax and employers filings.

An administrative and accounting assistant prepares the accounting firm's documentation in-house. The Financial and Logistics Director controls and supervises production under the direction of the Chief Financial Officer.

Monthly, quarterly and annual reports are produced for executive management, which presents them to the Board of Directors on a regular basis.

The Company also tracks its treasury on a weekly basis and reviews its financing resources regularly. The accounting firm's experts, specialised in financial reporting, prepare the financial statements in accordance with IFRS as adopted by the European Union;

the Company also has a "Manufacturing and Quality Control" department in charge of the quality control of all products manufactured by subcontractors.

In 2018, the Company established a regular risk review system with the Audit Committee. Management has used this system to take decisions on prevention and follow-up actions to meet regulatory requirements since the admission of its shares to trading on the Euronext Paris market.

10. Adjustments for the issuance of securities giving access to the share capital

None.

11. Share disposals (reciprocal shareholdings)

None.

12. Bonus share allocations

The Company did not allocate any bonus shares pursuant to Articles L. 225-197-1 et seq. of the French Commercial Code.

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13. **Stock option allocations**

The Company did not allocate any stock options pursuant to Articles L. 225-177 *et seq.* of the French Commercial Code.

14. **Treasury shares**

In accordance with Article L. 233-13 of the French Commercial Code and given the information received pursuant to Articles L. 233-7 and L. 233-12 of that Code, as at 31 December 2018, the following shareholders directly or indirectly held more than one-twentieth, one-tenth, three-twentieths, one-fourth, one-third, one-half, two-thirds, eighteen-twentieths or nineteen-twentieths of the share capital or voting rights at the General Meetings of the Company:

<table>
<thead>
<tr>
<th>Name of shareholder</th>
<th>Percentage of share capital held</th>
<th>Percentage of voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bpifrance Investissement</td>
<td>27.90%</td>
<td>27.90%</td>
</tr>
<tr>
<td>IXO Private Equity</td>
<td>17.64%</td>
<td>17.64%</td>
</tr>
<tr>
<td>Cemag Invest</td>
<td>9.28%</td>
<td>9.28%</td>
</tr>
<tr>
<td>Marie-Odile Humblet</td>
<td>7.41%</td>
<td>7.41%</td>
</tr>
<tr>
<td>IRDI-Soridec Gestion</td>
<td>5.36%</td>
<td>5.36%</td>
</tr>
</tbody>
</table>

There are no treasury shares as the Company has no subsidiaries or shareholdings in other companies.

15. **Changes during the year in the composition of share capital**

<table>
<thead>
<tr>
<th>Shares comprising the share capital at the beginning of the financial year</th>
<th>Number of shares</th>
<th>Par value (euros)</th>
<th>Share capital (euros) – post-transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,002,696 0.20</td>
<td></td>
<td></td>
<td>1,600,539.20</td>
</tr>
<tr>
<td>Shares issued during the financial year:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 January 2018: capital increase through the issuance of ordinary shares resulting from the over-allotment from the capital increase by public offering: Capital increase of a nominal amount of €11,929.60 through the issuance, at a unit price of €14.03, of 59,648 shares, representing a subscription of a total amount, issue premium included, of €836,861.44</td>
<td>59,648 0.20</td>
<td></td>
<td>1,612,468.80</td>
</tr>
<tr>
<td>Shares comprising the share capital at 31 December 2018</td>
<td>8,062,344 0.20</td>
<td></td>
<td>1,612,468.80</td>
</tr>
</tbody>
</table>
16. Holders of share capital or voting rights

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Shares</th>
<th>% of capital and voting rights (2)</th>
<th>Number of shares liable to be issued through the exercise of outstanding BSPCE</th>
<th>Number of shares liable to be issued through the exercise of outstanding BSA</th>
<th>Number of shares after the exercise of outstanding BSPCE and BSA (1)</th>
<th>Total number of shares after the exercise of outstanding BSPCE and BSA</th>
<th>% of capital and voting rights after the exercise of outstanding BSPCE and BSA (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc-André Granier*</td>
<td>250,000</td>
<td>3,10%</td>
<td>305,600</td>
<td>0</td>
<td>305,600</td>
<td>555,600</td>
<td>6,16%</td>
</tr>
<tr>
<td>Caroline Roussel-Maupetit</td>
<td>146,885</td>
<td>1,82%</td>
<td>209,390</td>
<td>0</td>
<td>209,390</td>
<td>356,275</td>
<td>3,95%</td>
</tr>
<tr>
<td>Ludovic Robin</td>
<td>28,971</td>
<td>0,36%</td>
<td>70,000</td>
<td>0</td>
<td>70,000</td>
<td>98,971</td>
<td>1,10%</td>
</tr>
<tr>
<td>Nathalie Lemarié</td>
<td>1,069</td>
<td>0,01%</td>
<td>57,850</td>
<td>0</td>
<td>57,850</td>
<td>58,919</td>
<td>0,65%</td>
</tr>
<tr>
<td>Paul Michaut</td>
<td>0</td>
<td>0,00%</td>
<td>80,000</td>
<td>0</td>
<td>80,000</td>
<td>80,000</td>
<td>0,89%</td>
</tr>
<tr>
<td>Total executive corporate officers</td>
<td>426,925</td>
<td>5,30%</td>
<td>722,840</td>
<td>0</td>
<td>642,840</td>
<td>1,069,765</td>
<td>11,86%</td>
</tr>
<tr>
<td>Total employees/committee members/consultants</td>
<td>43,479</td>
<td>0,54%</td>
<td>205,365</td>
<td>34,520</td>
<td>239,885</td>
<td>283,364</td>
<td>3,14%</td>
</tr>
<tr>
<td>IXO Private Equity* (3)</td>
<td>1,422,082</td>
<td>17,64%</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,422,082</td>
<td>15,76%</td>
</tr>
<tr>
<td>Bpifrance Investissement* (4)</td>
<td>2,249,568</td>
<td>27,90%</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,249,568</td>
<td>24,94%</td>
</tr>
<tr>
<td>Cemag Invest*</td>
<td>748,064</td>
<td>9,28%</td>
<td>0</td>
<td>15,160</td>
<td>15,160</td>
<td>763,224</td>
<td>8,46%</td>
</tr>
<tr>
<td>Irédi Soridec Gestion* (3)</td>
<td>431,947</td>
<td>5,36%</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>431,947</td>
<td>4,79%</td>
</tr>
<tr>
<td>Marie-Odile Humblet</td>
<td>597,249</td>
<td>7,41%</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>597,249</td>
<td>6,62%</td>
</tr>
<tr>
<td>Françoise Brunner-Ferber*</td>
<td>317,393</td>
<td>3,94%</td>
<td>0</td>
<td>24,660</td>
<td>24,660</td>
<td>342,053</td>
<td>3,79%</td>
</tr>
<tr>
<td>Other Investors</td>
<td>609,510</td>
<td>7,56%</td>
<td>0</td>
<td>36,005</td>
<td>36,005</td>
<td>645,515</td>
<td>7,16%</td>
</tr>
<tr>
<td>Total Investors</td>
<td>6,375,813</td>
<td>79,08%</td>
<td>0</td>
<td>75,825</td>
<td>75,825</td>
<td>6,451,638</td>
<td>71,52%</td>
</tr>
<tr>
<td>Free Float</td>
<td>1,191,415</td>
<td>14,81%</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,191,415</td>
<td>13,24%</td>
</tr>
<tr>
<td>Treasury shares (2)</td>
<td>21,712</td>
<td>0,27%</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>21,712</td>
<td>0,24%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>8,062,344</td>
<td>100,00%</td>
<td>928,205</td>
<td>110,345</td>
<td>958,550</td>
<td>9,020,894</td>
<td>100,00%</td>
</tr>
</tbody>
</table>

* Director of the Company as at 31/12/2018.
(1) Taking into account the 5-for-1 stock split (and the corresponding multiplication of the number of shares comprising the share capital by five) decided by the Combined General Meeting of 24 October 2017.
(2) The figures in these columns are disclosed on a fully diluted capital basis, i.e., assuming that all warrants (BSAs) and founders’ warrants (BSPCEs) have been exercised.
(3) The percentage of voting rights is identical to the percentage of capital held, it nevertheless being specified that as from the 2nd anniversary of the initial listing of the Company’s shares on the Euronext Paris regulated market, fully paid up shares which can be proven to have been registered for at least two years in the name of the same shareholder from that date, benefit from double voting rights.
(4) Via funds for which it is the management company.
(5) Via the InnoBio FCPI for which it is the management company.

17. Share buyback programme

During the financial year ended 31 December 2018, the Company did not buy back any of its own shares for the purpose of allocating them to its employees under stock option programmes, bonus share grants, employee saving schemes or other share grants to the employees and executives of the Company or its associated companies.

The share buyback programme authorised by the General Meeting of Shareholders of 19 June 2018 was used exclusively pursuant to a liquidity agreement agreed in December 2017, which entered into force on 5 January 2018, with the stock brokerage company Gilbert Dupont, which was allocated the sum of €300,000, increased to €400,000 on 26 April 2018.

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Share buyback transactions between 5 January and 31 December 2018 were as follows:

<table>
<thead>
<tr>
<th>2018</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of shares purchased</td>
<td>108,680</td>
</tr>
<tr>
<td>Average price</td>
<td>12.55</td>
</tr>
<tr>
<td>Volume exchanged at purchase</td>
<td>1,364,209</td>
</tr>
<tr>
<td>Number of shares sold</td>
<td>83,968</td>
</tr>
<tr>
<td>Average price</td>
<td>12.32</td>
</tr>
<tr>
<td>Volume exchanged upon sale</td>
<td>1,034,510</td>
</tr>
</tbody>
</table>

At 31 December 2018, the Company held 24,712 shares and the cash balance of the liquidity account was €70,300.76.

18. Share transactions by executives

During 2018, the Company did not receive any declarations of any sale or purchase of Company shares by executives and persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code.

<table>
<thead>
<tr>
<th>Dates</th>
<th>Executive</th>
<th>Operation</th>
<th>Number of shares</th>
<th>Unit Price (Euro)</th>
<th>Total Amount (Euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/03/2018</td>
<td>CEMAG INVEST</td>
<td>Acquisition</td>
<td>58,852</td>
<td>13.20</td>
<td>776,846.40</td>
</tr>
<tr>
<td>27/12/2018</td>
<td>CEMAG INVEST</td>
<td>Acquisition</td>
<td>250</td>
<td>9.18</td>
<td>2,295.00</td>
</tr>
<tr>
<td>28/12/2018</td>
<td>CEMAG INVEST</td>
<td>Acquisition</td>
<td>317</td>
<td>9.33</td>
<td>2,957.61</td>
</tr>
<tr>
<td>31/12/2018</td>
<td>CEMAG INVEST</td>
<td>Acquisition</td>
<td>175</td>
<td>9.46</td>
<td>1,655.50</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>59,594</td>
<td></td>
<td>783,754.51</td>
</tr>
</tbody>
</table>

19. Proposed appropriation of results - Dividends

We are asking you to approve the annual financial statements (balance sheet, income statement and notes) as presented to you, which show a loss of €4,624,868.30, for which appropriation in full as a debit to the "retained earnings" account is proposed.

Note that, in accordance with legal provisions, no dividend has been distributed for the previous three financial years.

Taking into account this appropriation, the shareholders' equity of the Company would be €29,629,671.71.

20. Non-deductible tax expenses and expenses reinstated following a tax adjustment

Pursuant to Article 223 quater of the French General Tax Code, we inform you that the financial statements for the past financial year do not include any expenses that are not deductible from taxable income.
21. Opinion of the Economic and Social Committee on changes to the economic or legal structure

Please note that the Company does not have an Economic and Social Committee.

22. Employee ownership of the company's share capital

The proportion of capital represented by shares held by the Company's employees through collective management schemes (employee savings plans or employee shareholding funds), calculated in accordance with Article L. 225-102 of the French Commercial Code, was nil.

In addition, as part of its incentive policy through shares, the Company continued to issue founders' warrants during the past year.

23. Anti-competitive practices

None.

24. Table of financial results of the company for each of the past five financial years

In accordance with Article R. 225-102 of the French Commercial Code, appendix 1 to this report contains the table showing the results of our Company for each of the years ended since the incorporation of the Company.

25. Customer and supplier payment terms

In accordance with Article L. 441-6-1 of the French Commercial Code, appendix 2 contains information on customer and supplier payment terms.

26. Amount of inter-company loans granted under Article L. 511-6 3 bis of the French Monetary and Financial Code

We hereby inform you that the Company has not granted any loans of less than two years that are ancillary to its main activity to micro-enterprises, SMEs or to mid-size companies with which it has economic ties that justify such activity.

27. Information on financial risks related to the effects of climate change and presentation of the measures taken to reduce them through implementation of a low-carbon strategy (Article L. 225-100-1 4 of the French Commercial Code)

Given its business, the Company believes that it will not incur significant financial risks related to the effects of climate change. The raw material components of products are not subject to climatic
variations. Furthermore, our subcontractors’ manufacturing sites are in Europe in areas that are not very sensitive to climate change. Because the Company has no manufacturing sites, direct efforts to implement a low-carbon strategy are limited. During the development process, the Company takes environmental issues into account and limits raw materials and packaging. The Company participates indirectly in preventing pollution, reducing waste and minimising the consumption of resources through the choice of its subcontractors and the monitoring of manufacturing processes.

28. Statement of non-financial performance

The Company is not subject to the obligation to prepare a statement of non-financial performance as it does not exceed the thresholds required for this purpose.
II. REPORT ON CORPORATE GOVERNANCE

This section is presented pursuant to the provisions of Article L. 225-37 paragraph 6 of the French Commercial Code.
To structure its governance, the Board of Directors of the Company decided to refer to the corporate governance code for small caps and midcaps as published in September 2016 by MiddleNext and approved as a code of reference by the French Financial Markets Authority (Autorité des Marchés Financiers). This corporate governance code is available on the MiddleNext website: www.middlenext.com.
In accordance with the principle of "comply or explain", this report specifies the provisions of said corporate governance code that were not applied by the Company and the reasons for not applying them.

1. Composition and functioning of management bodies – Ways in which executive management is carried out – Application of the principle of balanced gender representation on the board

1.1. Executive management of the Company

The Company is a French limited company with a Board of Directors (société anonyme à conseil d’administration) whose functioning is described in the Articles of Association, which are available on the Company's website: www.advicenne.com.

The Board of Directors, at its meeting of 29 April 2011, decided that the Chairman of the Board would also take on the duties of Chief Executive Officer.

Luc-André Granier, Chairman and Chief Executive Officer, is assisted by Caroline Roussel-Maupetit, Nathalie Lemarié, Ludovic Robin and Paul Michalet as Deputy Chief Executive Officers.

As at 31 December 2018, the list of executive corporate officers is as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Term</th>
<th>Main operational duties in the Company</th>
<th>Start and end of term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc-André Granier</td>
<td>Chief Executive Officer</td>
<td>Scientific and Medical Director</td>
<td>Date of first appointment as Chairman and Chief Executive Officer: Board of Directors' meeting of 29 April 2011.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Date of last renewal: Board of Directors' meeting of 29 September 2017.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Appointment expiry date: on the expiry date of his position as member of the board of directors.</td>
</tr>
<tr>
<td>Nathalie Lemarié</td>
<td>Deputy Chief Executive Officer - Not a Board member</td>
<td>Director of Regulatory Affairs and responsible pharmacist</td>
<td>Date of first appointment: Board of Directors' meeting of 28 September 2012.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Date of last renewal: Board of Directors' meeting of 29 September 2017.</td>
</tr>
<tr>
<td>Name</td>
<td>Term</td>
<td>Main operational duties in the Company</td>
<td>Start and end of term</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-------------------------------------------</td>
<td>----------------------------------------</td>
<td>---------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Caroline Roussel-Maupetit</td>
<td>Deputy Chief Executive Officer - Not a Board member</td>
<td>(pharmacien responsable)(^1)</td>
<td>Appointment expiry date: on the expiry date of the CEO's appointment.</td>
</tr>
</tbody>
</table>
| Ludovic Robin               | Deputy Chief Executive Officer - Not a Board member | Director of Corporate Strategy and International Development | Date of first appointment: Board of Directors' meeting of 29 April 2011.  
Date of last renewal: Board of Directors' meeting of 29 September 2017.  
Appointment expiry date: on the expiry date of the CEO's appointment. |
| Paul Michalet               | Deputy Chief Executive Officer - Not a Board member | Chief Financial Officer               | Date of first appointment: Board of Directors' meeting of 20 September 2018.  
Appointment expiry date: on the expiry date of the CEO's appointment. |

**Powers of the Chief Executive Officer**
The powers of the Chief Executive Officer are described in Article 14 of the Company's Articles of Association. The Chief Executive Officer is vested with the broadest powers to act in the Company's name in all circumstances. He/she exercises these powers within the limits of the Company’s corporate purpose and subject to those powers expressly reserved by law for General Meetings of Shareholders and the Board of Directors.

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\(^1\) Nathalie Lemarié is the responsible pharmacist (pharmacien responsable) and, in this capacity, has the powers and authorisations listed in Article R. 5124-36 of the French Public Health Code.
1.2. Members of the Board of Directors

As at 31 December 2018, the Board of Directors consisted of the following members:

<table>
<thead>
<tr>
<th>Name</th>
<th>Term</th>
<th>Main operational duties in the Company</th>
<th>Start and end of term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc-André Granier</td>
<td>Chief Executive Officer</td>
<td>Scientific and Medical Director</td>
<td>Date of first appointment: General Meeting of 29 April 2011.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Date of last renewal: General Meeting of 23 June 2017.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Appointment expiry date: at the close of the General Shareholders’ Meeting called to approve the financial statements for the financial year ended 31 December 2019.</td>
</tr>
<tr>
<td>Françoise Brunner-Ferber*</td>
<td>Director</td>
<td>None</td>
<td>Date of first appointment: General Meeting of 29 April 2011.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Date of last renewal: General Meeting of 23 June 2017.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Appointment expiry date: at the close of the General Shareholders’ Meeting called to approve the financial statements for the financial year ended 31 December 2019.</td>
</tr>
<tr>
<td>Bpifrance Investissement</td>
<td>Director</td>
<td>None</td>
<td>Date of first appointment: General Meeting of 29 April 2011.</td>
</tr>
<tr>
<td>represented by Philippe</td>
<td></td>
<td></td>
<td>Date of last renewal: General Meeting of 23 June 2017.</td>
</tr>
<tr>
<td>Boucheron</td>
<td></td>
<td></td>
<td>Appointment expiry date: at the close of the General Shareholders’ Meeting called to approve the financial statements for the financial year ended 31 December 2019.</td>
</tr>
<tr>
<td>Thibault Roulon</td>
<td>Director</td>
<td>None</td>
<td>Date of first appointment: General Meeting of 29 April 2011.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Date of last renewal: General Meeting of 23 June 2017.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Appointment expiry date: at the close of the General Shareholders’ Meeting called to approve the financial statements for the financial year ended 31 December 2019.</td>
</tr>
<tr>
<td>Name</td>
<td>Term</td>
<td>Main operational duties in the Company</td>
<td>Start and end of term</td>
</tr>
<tr>
<td>------</td>
<td>------</td>
<td>----------------------------------------</td>
<td>-----------------------</td>
</tr>
</tbody>
</table>
| Irdi Soridec Gestion represented by Jean-Michel Petit | Director | None | Date of first appointment: General Meeting of 9 March 2017.  
Appointment expiry date: at the close of the General Shareholders’ Meeting called to approve the financial statements for the financial year ended 31 December 2019. |
| Cemag Invest represented by Catherine Dunand | Director | None | Date of first appointment: Board of Directors’ meeting of 9 March 2017.  
Ratified by the General Meeting of 24 October 2017.  
Date of last renewal: General Meeting of 23 June 2017.  
Appointment expiry date: at the close of the General Shareholders’ Meeting called to approve the financial statements for the financial year ended 31 December 2019. |
| IXO Private Equity represented by Renaud Du Lac | Director | None | Resigned as of 1 January 2019. |
| Charlotte Sibley* | Director | None | Date of first appointment: Board of Directors meeting of 20 September 2018 – appointment to replace Jean-Pierre Lefoulon, who resigned. This appointment shall be subject to ratification by the Ordinary General Meeting of Shareholders.  
Appointment expiry date: at the close of the General Shareholders’ Meeting called to approve the financial statements for the financial year ended 31 December 2019. |
| André Ulmann | Non-voting Board member | None | Date of first appointment: General Meeting of 23 June 2017.  
Appointment expiry date: at the close of the General Shareholders’ Meeting called to approve the financial statements for the financial year ended 31 December 2019. |

*Independent Board member
### 1.3. Other corporate positions

<table>
<thead>
<tr>
<th>Name</th>
<th>Office</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive Management</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luc-André Granier</td>
<td>Director</td>
<td>Theranexus**</td>
</tr>
<tr>
<td>Nathalie Lemarié</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Caroline Roussel-Maupetit</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Ludovic Robin</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Paul Michalet</td>
<td>Chairman</td>
<td>MFH SAS</td>
</tr>
<tr>
<td><strong>Board of Directors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Françoise Brunner-Ferber</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Bpifrance Investissement</td>
<td>In a private capacity:</td>
<td></td>
</tr>
<tr>
<td>represented by Philippe</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Boucheron</td>
<td>As permanent representative of Bpifrance Investissement:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director</td>
<td>GamaMabs Pharma</td>
</tr>
<tr>
<td></td>
<td>Member of the Supervisory Board</td>
<td>Ademtech</td>
</tr>
<tr>
<td></td>
<td>Member of the Supervisory Board</td>
<td>Supersonic Imagine*</td>
</tr>
<tr>
<td></td>
<td>Non-voting Board member</td>
<td>Stentys*</td>
</tr>
<tr>
<td></td>
<td>Director</td>
<td>Corewave</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Limflow</td>
</tr>
<tr>
<td>Thibaut Roulon</td>
<td>In a private capacity:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-voting Board member</td>
<td>Poxel*</td>
</tr>
<tr>
<td></td>
<td>As permanent representative of Bpifrance Investissement:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-voting Board member</td>
<td>Gensight Biologics*</td>
</tr>
<tr>
<td></td>
<td>Member of the Supervisory Board</td>
<td>Step pharma SAS</td>
</tr>
<tr>
<td></td>
<td>Member of the Supervisory Board</td>
<td>NHTheraguix</td>
</tr>
<tr>
<td>Name</td>
<td>Office</td>
<td>Company</td>
</tr>
<tr>
<td>------</td>
<td>--------</td>
<td>---------</td>
</tr>
<tr>
<td>Irdi Soridec Gestion represented by Jean-Michel Petit</td>
<td><strong>In a private capacity:</strong> Chairman, Chairman, Chief Executive Officer</td>
<td>IRDinov SAS, SOCRI SAS, FAM SA</td>
</tr>
<tr>
<td></td>
<td><strong>As permanent representative of Irdi Soridec Gestion:</strong> Supervisory Board Director Observer Non-voting Board member Non-voting Board member Supervisory Board Supervisory Board Supervisory Board Non-voting Board member Director</td>
<td>Ademtech, Ixaltis, Labo Nutrition and Cardiométabolisme, Exagan, GamaMabs, Fineheart, Glophonotics, APSI 3D, Novae***, Enobraq, Micropep Technologies</td>
</tr>
<tr>
<td>Cemag Invest represented by Catherine Dunand</td>
<td><strong>In a private capacity:</strong> Director, Director, Director</td>
<td>Metabolic Explorer*, Groupe Altavia, Altavia France, Fondation FAAU</td>
</tr>
<tr>
<td></td>
<td><strong>As permanent representative of Cemag Invest:</strong> Director, Director, Director, Director, Director</td>
<td>Aryballe Technologies SA, Feeligreen SA, To do Today SA, Wandercraft SAS, Faber Novel SAS, Cosmo Tech SA</td>
</tr>
<tr>
<td>Charlotte Sibley</td>
<td>Chairman of the Board, President, Member of Advisory board, Member of Advisory board</td>
<td>Fort Hill &amp; Co, Sibley Associates, LCC, Mindfield solutions, Galileo Analytics</td>
</tr>
<tr>
<td>André Ulmann</td>
<td>Chairman, Chairman, Director, Director, Director, Director, Director, Non-voting Board member</td>
<td>Cemag SAS, Cemag Care, HRA Pharma, Ammtek, Physip, IMP, Fondation FAAU, Asarina****, To Do Today SA</td>
</tr>
</tbody>
</table>

*Company whose shares are admitted for trading on the Euronext regulated market in Paris
**Company whose shares are admitted for trading on the Euronext Growth market in Paris
*** Company whose shares are admitted for trading on the Euronext Access market in Paris
**** Company whose shares are admitted for trading on NASDAQ

This is a free translation into English of the 2018 Financial Annual Report issued in the French language and is provided solely for the convenience of English-speaking readers. In case of discrepancy, the French version prevails.
1.4. Application of the principle of balanced gender representation on the Board

At the date of this report, the Board of Directors of the Company is composed of seven directors (three women and four men); the principle of balanced gender representation on the Company's Board of Directors is therefore respected as of 31 December 2018.

The Company has also undertaken a selection process to propose a new independent member of the Board of Directors to shareholders.

1.5. Missions of the Board of Directors

The Board is subject to the provisions of the French Commercial Code, Articles 11 to 13 of the Company's Articles of Association and the rules of procedure. Its main missions are:

determining the overall business strategy of the Company and supervising its implementation. Subject to the powers expressly granted to General Meetings of Shareholders and within the limits of the Company’s corporate purpose, the Board may address all matters pertaining to the proper management of the Company and settle all items of business relating thereto;
appointing the Chairman of the Board, the Chief Executive Officer and the Deputy Chief Executive Officers and setting their compensation;
authorising the agreements and commitments referred to in Articles L. 225-38 et seq. of the French Commercial Code.

It ensures the quality of the information provided to shareholders and markets.

1.6. Independence of members of the Board of Directors

The rules of procedure adopted by the Board of Directors at its meeting of 29 September 2017 define in particular the principles of conduct and obligations of the members of the Board of Directors of the Company. The members of the Board of Directors agree to exercise independence with respect to their analyses, judgements and actions and to take an active part in the work of the Board. They must inform the Board of any conflicts of interest they may be faced with. In addition, the rules of procedure describe the regulations in effect regarding the distribution and use of inside information and note that members must refrain from entering into transactions on Company securities when they are in possession of inside information. The members of the Board of Directors are required to report any transactions on Company securities that they have carried out directly or indirectly to both the Company and the AMF.

Charlotte Sibley, a US citizen and leading expert in US pharmacy markets, was co-opted as an independent director, after a review by the Appointments and Compensation Committee using the Middlenext code criteria, at the Board meeting on 20 September 2018.

The Company plans to continue to increase the proportion of independent directors on the Board of Directors.

1.7. Terms of office

The term of office is set at three years.
1.8. Rules of ethics

All directors are made aware of their responsibilities at the time of their appointment and are encouraged to observe the rules of ethics relating to their term of office: exemplary behaviour, compliance with the legal rules for holding more than one office, informing the Board of Directors in the event of a conflict of interest that occurs after appointment to their office, attendance at Board of Directors meetings and General Meetings, ensuring that they have all of the necessary information for agenda items discussed at meetings before taking any decision and respect for professional secrecy. The rules of procedure of the Board of Directors include provisions in the event of situations that may present conflicts of interest, in particular in terms of information of the Board of Directors and the AMF, abstention from voting or participation in deliberations.

1.9. Rules of ethics

Before the appointment of new members, the Board examines the position of the candidates with respect to the independence criteria and their areas of competence to assess their adequacy for the Board's missions and their complementarity with the skills of other Board members. A bibliography of each member of the Board of Directors is available on the Company's website, www.advicenne.com

2. Conditions for the preparation and organisation of the Board's work

2.1. Rules of procedure

The Board of Directors has rules of procedure that set out the operating rules of the Board and of its committees. The rules of procedure of the Board of Directors are available on the website www.advicenne.com.

2.2. Information received by members of the Board

So that directors can participate effectively in the work and deliberations of the Board, the Company communicates all relevant documents to them in a timely manner. Requests to this effect are made to the Chairman or, as the case may be, to any executive of the Company (Chief Executive Officer or Deputy Chief Executive Officer).

Directors are authorised to meet the senior executives of the Company, provided that they inform the Chairman of the Board of Directors and the Chief Executive Officer in advance.

The Board is regularly informed by the Chief Executive Officer of the Company's financial position, cash position, financial commitments and significant events.

2.3. Assessment of the Board's work

The Chairman of the Board of Directors shall invite the members to comment on the functioning of the Board of Directors and on the preparation of the work during the 2019 financial year. At the beginning of each year, the Board of Directors shall self-assess its own working methods and functioning over the past year, at the invitation of the Chairman. The results of the discussions shall be expressed in an action plan.
When this assessment is completed, after a review of the summary presented by the Chairman of the Board of Directors, the Board shall take note of any comments and areas for improvement.

2.4. Meetings of the Board of Directors during the financial year

The number of Board of Directors' meetings takes into account the various events in the life of the Company. Therefore, the Board of Directors will meet more often if events affecting the Company require, and at least four times a year. During the financial year ended 31 December 2018, the Board of Directors of the Company met seven (7) times. The average rate of member attendance at the meetings was 96%.

2.5. Specialised committees

The Company has created two special committees within the Board of Directors of the Company: an Audit Committee and an Appointments and Compensation Committee.

2.5.1 Audit Committee

By decision of the Board of Directors of 31 March 2017, the Company set up an Audit Committee for an unlimited period. The members of the Audit Committee defined the rules of operation of their committee in rules of procedure approved by the Board of Directors of 29 September 2017. The Board of Directors reviewed the composition of the Audit Committee on the same day.

The main terms of the Audit Committee's rules of procedure are described below.

2.5.1.1 Composition

Where possible, the Audit Committee comprises of at least two members appointed by the Board of Directors at the recommendation of the Appointments and Compensation Committee. The members of the committee are chosen from among the members of the Board of Directors and, insofar as possible, at least two of the members of the Audit Committee must be independent members as defined by the Corporate Governance Code published by MiddleNext in September 2016, to which the Company refers.

When selecting Audit Committee members, the Board of Directors must consider their independence and ensure that at least one independent member of the Audit Committee has special knowledge of finance and accounting.

The Chairman of the Audit Committee is appointed by the Board of Directors for the duration of his or her term as a member of the committee and, whenever possible, is selected from the independent directors.

The term of the Audit Committee members cannot exceed their term as a Director. The term of the Audit Committee members can be renewed an unlimited number of times. The members of the Audit Committee can have their positions revoked by the Board of Directors at any time without providing a reason.

In the event of the death or resignation of a member during his or her term for any reason whatsoever, the Board of Directors can replace the member for the duration of the newly-appointed member's term as a Director.

The members of the Audit Committee are:
2.5.1.2 Competences

The Audit Committee is responsible for:

- monitoring the process of preparing financial information;
- monitoring the effectiveness of internal control and risk management systems;
- monitoring the auditing of the annual financial statements and, if required, the consolidated financial statements, by the Statutory Auditors;
- issuing a recommendation on the Statutory Auditors proposed for appointment by the General Shareholders’ Meeting and reviewing the terms of their compensation;
- monitoring the independence of the Statutory Auditors;
- assessing the conditions of use of derivatives;
- reviewing the progress of any significant disputes on a regular basis;
- reviewing and making recommendations regarding transactions that are or could be a conflict of interests between the Company and a director;
- and, generally, providing advice and making recommendations relevant to the above-mentioned areas.

2.5.1.3 Operating procedures

The Committee must meet at least twice a year according to the schedule set by its Chairman to review the annual, interim and, if required, quarterly financial statements (consolidated in each case, where appropriate) based on an agenda set by the Committee Chairman and sent to the members of the Committee at least five days before the meeting date. It must also meet at the request of its Chairman, of two of its members, or of the Chairman of the Board of Directors of the Company.

During the financial year ended 31 December 2018, the committee met four times with an attendance rate of 100%.

Notices of meetings can be provided by any means, including verbally.

The Chairman will set the agenda for each meeting and moderate the discussions.

The Committee appoints the Chairman and the Secretary from among its members. In the absence of the Chairman, the Committee must appoint a meeting Chairman. In the event of a split vote, the oldest candidate will be appointed meeting Chairman.

At least half of the members of the Committee must be present for deliberations.

Committee members cannot be represented by another person.

The Committee can hear any of the Company's directors and initiate internal and external audits on any subject it deems relevant to its mission. The Chairman of the Committee will give advance notice of this to the Board of Directors. In particular, the Committee is entitled to interview persons who take part in
preparing and auditing the financial statements, the Chief Financial Officer and the main finance department managers.

The Committee may also interview the Statutory Auditors. They can meet with them without a representative of the Company present.

When they feel that it is necessary for the completion of their mission, the members of the Committee can request that all types of accounting, legal and financial documents be provided to them.

The Committee members can deliberate by video conference, telephone conference or in writing, including by fax, as long as all members agree to the method.

The Committee's proposals are submitted to the Board of Directors.

2.5.1.4 Reports

The Chairman of the Audit Committee must ensure that reports on the Committee's activities are provided to the Board of Directors to ensure that it is fully informed and to facilitate its deliberations.

The annual report must include a report on the Committee's activities for the past financial year.

If, during its work, the Audit Committee identifies a significant risk which it believes is not being adequately handled, the Chairman must immediately alert the Chairman of the Board.

2.5.2 Appointments and Compensation Committee

The Company set up a Compensation Committee by decision of the Board of Directors on 10 June 2011. The members of this Committee defined the rules of operation of their committee in rules of procedure approved by the Board of Directors on 29 September 2017. The Board of Directors reviewed the composition of the Appointments and Compensation Committee on the same day.

The main terms of the rules of procedure of the Appointments and Compensation Committee are described below.

2.5.2.1 Composition

Whenever possible, the Appointments and Compensation Committee consists of at least two members of the Board of Directors appointed by the latter.

The Chairman of the Appointments and Compensation Committee is appointed by the members of the Appointments and Compensation Committee for the duration of his or her term as a Committee member.

The term of the Appointments and Compensation Committee members cannot exceed their term as a Director. The term of the Appointments and Compensation Committee members can be renewed an unlimited number of times. The members of the Appointments and Compensation Committee can have their positions revoked by the Board of Directors at any time without providing a reason.

Note that members of the Board of Directors with management duties in the Company cannot be members of the Appointments and Remuneration Committee.

The members of the Appointment and Compensation Committee are:

- Philippe Boucheron, Chairman;
- And André Ulmann.
2.5.2.2 Competences

The Appointments and Compensation Committee is responsible for the following:

− for appointments:
  − providing recommendations to the Board of Directors regarding the composition of the Board of Directors and its committees,
  − proposing, on a yearly basis, to the Board of Directors a list of its members who may qualify as "independent members" in line with the criteria defined in the Corporate Governance Code published in September 2016 by MiddleNext,
  − defining a succession plan for the executives of the Company and assisting the Board of Directors in its selection and assessment of Board members,
  − preparing the list of persons who may be recommended for appointment as members of the Board of Directors, and
  − preparing the list of members of the Board of Directors who may be recommended for appointment as members of a committee of the Board;

− in terms of compensation:
  − examining the main objectives proposed by the management in terms of the compensation for non-corporate officer executives of the Company, including bonus share plans and stock options,
  − examining the compensation of non-corporate officer executives, including bonus share plans and stock options, pension, health and welfare schemes and benefits in kind,
  − examining the main objectives of any bonus share plan whose implementation would be considered for the Company's employees,
  − providing the Board of Directors with recommendations and proposals for:
    • the compensation, including in respect of specific assignments, pension, health and welfare scheme, benefits in kind and other pecuniary rights, including in the event of the termination of employment, for corporate officers. The Committee proposes compensation amounts and structures and, notably, rules for setting variable compensation taking into account the strategy, objectives and results of the Company, as well as market practices, and
    • bonus share plans, stock options and all other similar incentive systems, and in particular, nominative allocations to corporate officers eligible for this type of mechanism;
  − examining the total amount of attendance fees and their allocation among Directors, as well as the terms for the reimbursement of expenses incurred by the members of the Board of Directors,
  − preparing and presenting, where applicable, any reports required by the rules of procedure of the Board of Directors, and
  − preparing any other recommendations regarding compensation which may be requested by the Board of Directors.

In general, the Appointments and Compensation Committee will provide advice and make appropriate recommendations on the matters above.
2.5.2.3 Operation

The Appointments and Compensation Committee meets at least twice a year based on a schedule set by its Chairman with an agenda set by the Chairman and sent to the members of the Appointments and Compensation Committee at least seven days prior to the meeting. The Committee also meets each time it believes it is necessary, at the invitation of the Chairman, two of its members, or the Chairman of the Board of Directors.

During the financial year ended 31 December 2018, the committee met twice with an attendance rate of 100%.

Notices of meetings may be provided by any means, including verbally.

The Chairman will set the agenda for each meeting and moderate the discussions.

The Committee appoints the Chairman and the Secretary from among its members. In the absence of the Chairman, the Committee must appoint a meeting Chairman. In the event of a split vote, the oldest candidate will be appointed meeting Chairman.

At least half of the members of the Committee must be present for deliberations.

Committee members cannot be represented by another person.

The Chairman of the Board of Directors of the Company can be invited to take part in the Committee's meetings, if he or she is not a member of the Appointments and Compensation Committee. The Committee will ask him or her to present his or her proposals. He or she does not have the right to vote and cannot attend deliberations concerning his or her own situation.

The Appointments and Compensation Committee can request that the Chairman of the Board of Directors make available members of executive management with the competences required to facilitate the handling of an agenda point. The Chairman of the Committee or of the meeting must remind everyone taking part in the discussions of the obligation for confidentiality incumbent on them.

The Committee members can deliberate by video conference, telephone conference or in writing, including by fax, as long as all members agree to the method.

The Committee's proposals are submitted to the Board of Directors.

2.5.2.4 Reports

The Chairman of the Appointments and Compensation Committee must ensure that reports on the Committee's activities are provided to the Board of Directors to ensure that it is fully informed and to facilitate its deliberations.

The annual report must include a report on the Committee's activities for the past financial year.

The Appointments and Compensation Committee will review the Company's draft report on executive compensation.

Corporate governance

In order to comply with the requirements of Article L. 225-37-4 of the French Commercial Code, the Company has designated the Code of Corporate Governance published in September 2016 by MiddleNext (the "MiddleNext Code") as the reference code to which it intends to refer.

The Company's goal is to comply with all of the MiddleNext Code's recommendations.
In light of the foregoing, the table below sets out the Company's position in relation to all recommendations issued by the MiddleNext Code at the date of this report.

<table>
<thead>
<tr>
<th>MiddleNext Code recommendations</th>
<th>Adopted</th>
<th>Will be adopted</th>
<th>Under study</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Oversight</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R1 Board member ethics</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R2 Conflicts of interests</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R3 Composition of the Board - Inclusion of independent members</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R4 Board member information</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R5 Organisation of Board and committee meetings</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R6 Existence of committees</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R7 Implementation of Board rules of procedure</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R8 Board member selection</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R9 Terms of office of Board members</td>
<td>X (1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R10 Board member compensation</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R11 Evaluation of the Board's work</td>
<td>X (2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R12 Shareholder relations</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Executive powers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R13 Definition and transparency of executive corporate officer compensation</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R14 Executive succession planning</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R15 Combining employment contracts and corporate offices</td>
<td>X (3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R16 Severance payments</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R17 Supplementary pension plans</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R18 Stock options and allocation of bonus shares</td>
<td>X (4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R19 Review of points of vigilance</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) The staggered renewal of directors' terms will not be possible in the immediate future as the current directors have all been appointed or have had their terms renewed in 2017. Their terms of office will expire at the general meeting that approves the financial statements for the 2019 financial year; the Extraordinary General Meeting may then decide to renew certain terms of office for a shorter period on an exceptional basis in order to implement staggering.

(2) The Company intends to implement an evaluation process for the work done by the Board of Directors in 2019.

(3) Given the size of the Company, its desire to attract and retain highly experienced employees and the specific expertise of each member of the Executive Management, the Board of Directors has authorised executive corporate officers to combine their employment contract with their corporate office.

(4) The exercise of share warrants (BSAs) and/or founders’ warrants (BSPCEs) allocated to certain executive corporate officers of the Company is not subject to performance conditions, with the exception of pool2 BSPCEs allocated in July 2017. Interest for the beneficiaries of such instruments depends on the growth of the share price, which ultimately reflects the performance of the Company. However, presence conditions are included to ensure stability in management over time.

2 The protections attached to an employment contract (dismissal procedures and unemployment benefits in particular) represent an important element for executive corporate officers, without which they might not have otherwise accepted a corporate mandate.
3. Information relating to corporate officers: Compensation and benefits of all kinds – Amount of directors' fees

This information is based on the Corporate Governance Code published by MiddleNext in September 2016. The tables in Appendix 2 of AMF position-recommendation no. 2014-14 are presented below:

- **Table 1: Summary table of the compensation and BSA (share subscription warrants) and BSPCE (founders’ warrants) granted to each executive corporate officer**

<table>
<thead>
<tr>
<th>Luc-André Granier – Chairman and Chief Executive Officer</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation due for the financial year (1)</td>
<td>218,303</td>
<td>221,339</td>
</tr>
<tr>
<td>Valuation of the multi-year variable compensation granted during the financial year</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Valuation of the BSAs and BSPCEs granted during the financial year</td>
<td>541,368</td>
<td>N/A</td>
</tr>
<tr>
<td>Valuation of the bonus shares granted during the financial year</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>759,671</strong></td>
<td><strong>221,339</strong></td>
</tr>
</tbody>
</table>

(1) Including benefits in kind (see Table 2 “Summary table of the compensation granted to each executive corporate officer” below).

<table>
<thead>
<tr>
<th>Nathalie Lemarié – Deputy CEO</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation due for the financial year</td>
<td>86,699</td>
<td>103,000</td>
</tr>
<tr>
<td>Valuation of the multi-year variable compensation granted during the financial year</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Valuation of the BSAs and BSPCEs granted during the financial year</td>
<td>95,410</td>
<td>N/A</td>
</tr>
<tr>
<td>Valuation of the bonus shares granted during the financial year</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>182,109</strong></td>
<td><strong>103,000</strong></td>
</tr>
</tbody>
</table>

This is a free translation into English of the 2018 Financial Annual Report issued in the French language and is provided solely for the convenience of English-speaking readers. In case of discrepancy, the French version prevails.
<table>
<thead>
<tr>
<th>Name</th>
<th>2017 Financial Year</th>
<th>2018 Financial Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caroline Roussel-Maupertit – Deputy CEO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation due for the financial year</td>
<td>125,420</td>
<td>135,633</td>
</tr>
<tr>
<td>Valuation of the multi-year variable compensation granted during the financial year</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Valuation of the BSAs and BSPCEs granted during the financial year</td>
<td>304,386</td>
<td>N/A</td>
</tr>
<tr>
<td>Valuation of the bonus shares granted during the financial year</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td>429,806</td>
<td>135,633</td>
</tr>
<tr>
<td>Ludovic Robin – Deputy Chief Executive Officer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation due for the financial year</td>
<td>182,943</td>
<td>190,054</td>
</tr>
<tr>
<td>Valuation of the multi-year variable compensation granted during the financial year</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Valuation of the BSAs and BSPCEs granted during the financial year</td>
<td>246,832</td>
<td>N/A</td>
</tr>
<tr>
<td>Valuation of the bonus shares granted during the financial year</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td>429,775</td>
<td>190,054</td>
</tr>
<tr>
<td>Paul Michalet – Deputy Chief Executive Officer (1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation due for the financial year</td>
<td>66,667</td>
<td></td>
</tr>
<tr>
<td>Valuation of the multi-year variable compensation granted during the financial year</td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Valuation of the BSAs and BSPCEs granted during the financial year</td>
<td></td>
<td>512,975</td>
</tr>
<tr>
<td>Valuation of the bonus shares granted during the financial year</td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td>N/A</td>
<td>66,667</td>
</tr>
</tbody>
</table>

(1) Presence of four months out of the financial year
Table 2: Summary table of the compensation granted to each executive corporate officer

The table below shows the compensation due to the executive corporate officers for the financial years ended 31 December 2017 and 2018 and the compensation they received during those financial years.

<table>
<thead>
<tr>
<th></th>
<th>2017 financial year</th>
<th>2018 financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amounts due (1)</td>
<td>Amounts paid (2)</td>
</tr>
<tr>
<td>Luc-André Granier – Chairman and Chief Executive Officer</td>
<td>159,899</td>
<td>159,899</td>
</tr>
<tr>
<td>Fixed compensation (3)</td>
<td>159,899</td>
<td>164,065</td>
</tr>
<tr>
<td>Annual variable compensation (4)</td>
<td>54,000</td>
<td>45,000</td>
</tr>
<tr>
<td>Multi-year variable compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Directors' fees</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Benefits in kind (5)</td>
<td>4,404</td>
<td>4,404</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>218,303</strong></td>
<td><strong>209,303</strong></td>
</tr>
</tbody>
</table>

(1) Compensation due to the corporate officer during the financial year, the amount of which will not change regardless of the payment date.
(2) Compensation paid to the corporate officer during the financial year.
(3) Including compensation due under her corporate office and employment contract.
(4) Luc-André Granier received annual variable compensation of up to €60,000 for the 2017 financial year and €66,000 for the 2018 financial year, paid based on the achievement of personal objectives and objectives related to the Company's business, including, for the 2018 financial year, the progress of research and development projects.
(5) Luc-André Granier has an insurance covering loss of employment (GSC).
<table>
<thead>
<tr>
<th></th>
<th>2017 financial year</th>
<th>2018 financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amounts due (1)</td>
<td>Amounts paid (2)</td>
</tr>
<tr>
<td>Fixed compensation (3)</td>
<td>77,706</td>
<td>77,706</td>
</tr>
<tr>
<td>Annual variable compensation (4)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Multi-year variable compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>13,189</td>
<td>8,993</td>
</tr>
<tr>
<td>Directors' fees</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Benefits in kind</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>90,895</strong></td>
<td><strong>86,699</strong></td>
</tr>
</tbody>
</table>

(1) Compensation due to the corporate officer during the financial year, the amount of which will not change regardless of the payment date.

(2) Compensation paid to the corporate officer during the financial year.

(3) Compensation due under her employment contract.

(4) Nathalie Lemarié received annual variable compensation of up to €14,500 for the 2018 financial year, paid based on the achievement of personal objectives and objectives related to the Company's business, including, for the 2018 financial year, the progress of research and development projects.

<table>
<thead>
<tr>
<th></th>
<th>2017 financial year</th>
<th>2018 financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amounts due (1)</td>
<td>Amounts paid (2)</td>
</tr>
<tr>
<td>Fixed compensation (3)</td>
<td>102,920</td>
<td>102,920</td>
</tr>
<tr>
<td>Annual variable compensation (4)</td>
<td>22,500</td>
<td>19,800</td>
</tr>
<tr>
<td>Multi-year variable compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Directors' fees</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Benefits in kind</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>125,420</strong></td>
<td><strong>122,720</strong></td>
</tr>
</tbody>
</table>

(1) Compensation due to the corporate officer during the financial year, the amount of which will not change regardless of the payment date.

(2) Compensation paid to the corporate officer during the financial year.

(3) Including compensation due under her corporate office and employment contract.

(4) Caroline Roussel-Maupetit received annual variable compensation of up to €25,000 for the 2017 financial year and €28,000 for the 2018 financial year, paid based on the achievement of personal objectives and objectives related to the Company's business, including, for the 2018 financial year, the progress of research and development projects.
<table>
<thead>
<tr>
<th></th>
<th>2017 financial year</th>
<th>2018 financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amounts due (1)</td>
<td>Amounts paid (2)</td>
</tr>
<tr>
<td>Fixed compensation</td>
<td>145,143</td>
<td>152,029</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>37,800</td>
<td>38,025</td>
</tr>
<tr>
<td>Multi-year variable compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Directors' fees</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Benefits in kind</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>182,943</strong></td>
<td><strong>190,054</strong></td>
</tr>
</tbody>
</table>

(1) Compensation due to the corporate officer during the financial year, the amount of which will not change regardless of the payment date.

<table>
<thead>
<tr>
<th></th>
<th>2017 financial year</th>
<th>2018 financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amounts due (1)</td>
<td>Amounts paid (2)</td>
</tr>
<tr>
<td>Fixed compensation</td>
<td>50,667</td>
<td>50,667</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>16,000</td>
<td>0</td>
</tr>
<tr>
<td>Multi-year variable compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Directors' fees</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Benefits in kind</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>N/A</strong></td>
<td><strong>66,667</strong></td>
</tr>
</tbody>
</table>

(1) Compensation due to the corporate officer during the financial year, the amount of which will not change regardless of the payment date.

(2) Compensation paid to the corporate officer during the financial year.

(3) Including compensation due under his corporate office and employment contract.

(4) Under his employment contract, Ludovic Robin receives annual variable compensation up to a maximum amount equal to 30% of his fixed compensation (representing for financial year 2018 a maximum of €45,000 and a maximum of €42,000 for financial year 2017) paid based on the achievement of personal objectives and objectives related to the Company's business, notably for 2018, the progress made in commercial projects.

(1) Compensation due to the corporate officer during the financial year, the amount of which will not change regardless of the payment date.

(2) Compensation paid to the corporate officer during the financial year.

(3) Including compensation due for his corporate office and under his employment contract, it being understood that Paul Michalet took office in September 2018.

(4) Under his employment contract, Paul Michalet received annual variable compensation of up to €48,000 paid based on the achievement of personal objectives and objectives related to the Company's business.
Table 3: Table of Directors’ fees and other compensation received by the non-executive corporate officers

<table>
<thead>
<tr>
<th>Non-executive corporate officers</th>
<th>Amounts paid during the 2017 financial year</th>
<th>Amounts paid during the 2018 financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amounts due (1)</td>
<td>Amounts paid (2)</td>
</tr>
<tr>
<td>Françoise Brunner-Ferber, Independent Director,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other compensation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bpifrance Investissement (represented by Philippe Boucheron), Director,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other compensation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Thibaut Roulon, Director,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other compensation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>iXO Private Equity (represented by Renaud Du Lac), Director,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other compensation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Jean-Pierre Lefoulon (3), Director,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other compensation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Irdi Soridec Gestion (represented by Jean-Michel Petit) (4), Director,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other compensation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cemag Invest (represented by Catherine Dunand) (4), Director,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other compensation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Charlotte Sibley (5), Independent Director,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other compensation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>André Ulmann (6), non-voting Board member,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other compensation</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(1) Compensation due to the corporate officer during the financial year, the amount of which will not change regardless of the payment date.
(2) Compensation paid to the corporate officer during the financial year.
(3) Jean-Pierre Lefoulon resigned on 20 September 2018.
(4) Irdi Soridec Gestion and Cemag Invest were appointed Directors on 9 March 2017.
(5) Charlotte Sibley was appointed as a director on 20 September 2018.
(6) André Ulmann resigned from his position as a Director on 9 March 2017. He was appointed Non-voting Board member by the Company’s General Meeting on 23 June 2017.

Furthermore, the Combined General Meeting of the Company of 24 October 2017 allocated to the Board of Directors a directors’ fees lump sum that the Board is supposed to distribute in whole or in part, in accordance with the recommendations of the Code of Corporate Governance as published in September 2016 by MiddleNext and in accordance with its rules of procedure, that takes into account, in particular,
the attendance of Board members and the time they devote to their duties, including, where appropriate, on committees set up by the Board.

At its meeting of 7 December 2018, the Board of Directors set the principles for the allocation of directors' fees as follows:

- only independent directors will be allocated directors' fees for their participation in the work of the Board and its committees according to the following rules:

  - physical attendance at a Board meeting: €2,000;
  - attendance by telephone at a Board meeting: €1,000;
  - physical attendance at a committee meeting: €1,000;
  - attendance by telephone at a committee meeting: €500;
  - similarly, rules limiting travel expenses covered by the Company have been put in place
**Table 4: BSAs and BSPCEs granted to each executive corporate officer by the Company and by all Group companies during the financial years ended 31 December 2017 and 31 December 2018**

For information purposes, the Company allocated the following BSPCEs in 2018:

<table>
<thead>
<tr>
<th>Name of executive corporate officer</th>
<th>Date of allocation</th>
<th>Type of BSPCEs</th>
<th>Number of BSPCEs granted during the financial year</th>
<th>Maximum number of shares likely to be issued through the exercise of BSPCEs</th>
<th>Exercise price</th>
<th>Expiry date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul Michalet</td>
<td>7 December 2018</td>
<td>BSPCE2018</td>
<td>80,000</td>
<td>80,000</td>
<td>€11.74</td>
<td>7 December 2028</td>
</tr>
</tbody>
</table>

For information purposes, the Company allocated the following BSPCEs in 2017:

<table>
<thead>
<tr>
<th>Name of executive corporate officer</th>
<th>Date of allocation</th>
<th>Type of BSPCEs</th>
<th>Number of BSPCEs granted during the financial year</th>
<th>Maximum number of shares liable to be issued through the exercise of BSPCEs at the time of allocation (1)</th>
<th>Exercise price (1)</th>
<th>Expiry date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc-André Granier</td>
<td>11 July 2017</td>
<td>BSPCE2017 Pool 1</td>
<td>23,000</td>
<td>115,000</td>
<td>€7.54</td>
<td>11 July 2024</td>
</tr>
<tr>
<td></td>
<td></td>
<td>BSPCE2017 Pool 2</td>
<td>14,000</td>
<td>70,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nathalie Lemarié</td>
<td></td>
<td>BSPCE2017 Pool 1</td>
<td>6,000</td>
<td>30,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caroline Roussel-Maupetit</td>
<td></td>
<td>BSPCE2017 Pool 1</td>
<td>15,000</td>
<td>75,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BSPCE2017 Pool 2</td>
<td>5,250</td>
<td>26,250</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ludovic Robin</td>
<td></td>
<td>BSPCE2017 Pool 1</td>
<td>10,000</td>
<td>50,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BSPCE2017 Pool 2</td>
<td>7,000</td>
<td>35,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>80,250</strong></td>
<td><strong>401,250</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Taking into account the 5-for-1 stock split (and the corresponding multiplication of the number of shares in the share capital by five) decided by the Combined General Meeting of Shareholders of 24 October 2017.

BSPCE2017 Pool 1 and BSPCE2017 Pool 2 will be valued by the Company using the Black & Scholes method.

---

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• **Table 5:** BSAs and BSPCEs exercised by each executive corporate officer during the financial years ended 31 December 2017 and 31 December 2018

None.

• **Table 6:** Bonus shares granted to each corporate officer

None.

• **Table 7:** Bonus shares granted which became available for each corporate officer

None.

• **Table 8:** History of BSA and/or BSPCE grants to the corporate officers

The table below sets out the main features of the founders' warrants (the "BSPCE" issued by the Company and that are outstanding:

<table>
<thead>
<tr>
<th>Date of General Meeting</th>
<th>Date of the Management Board/Board of Directors' decision</th>
<th>Authorized number of BSPCEs</th>
<th>Total number of BSCPEs allocated</th>
<th>Total number of new shares that may be subscribed upon exercise of the BSPCEs allocated(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 August 2008</td>
<td>7 August 2009(1)</td>
<td>13,320</td>
<td>13,320</td>
<td>66,600</td>
</tr>
<tr>
<td>29 April 2011</td>
<td>19 October 2012</td>
<td>36,897</td>
<td>36,897</td>
<td>184,485</td>
</tr>
<tr>
<td>20 December 2013</td>
<td>3 January 2014</td>
<td>24,220</td>
<td>24,220</td>
<td>121,100</td>
</tr>
<tr>
<td>9 March 2017</td>
<td>17 April 2015</td>
<td>80,000</td>
<td>54,000</td>
<td>270,000</td>
</tr>
<tr>
<td></td>
<td>11 July 2017</td>
<td>100,000</td>
<td>12,000</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td>7 December 2018</td>
<td>35,000</td>
<td>72,000</td>
<td>360,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>80,000</td>
<td>175,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>80,000</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th></th>
<th>BSPCE 200</th>
<th>BSPCE 201</th>
<th>BSPCE 2011-b</th>
<th>BSPCE 2013-Pool 1 and Pool 2</th>
<th>BSPCE 2013 - pool 1</th>
<th>BSPCE 2017 - pool 1</th>
<th>BSPCE 2017 Pool 2</th>
<th>BSPCE 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>of which total number of shares that may be subscribed by the Company's corporate officers</td>
<td>46,620</td>
<td>115,610</td>
<td>94,460</td>
<td>175,000</td>
<td>22,000</td>
<td>270,000</td>
<td>131,250</td>
<td>80,000</td>
</tr>
<tr>
<td>Corporate officers:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luc-André Granier</td>
<td>23,310</td>
<td>54,970</td>
<td>53,285</td>
<td>100,000</td>
<td>9,000</td>
<td>115,000</td>
<td>70,000</td>
<td></td>
</tr>
<tr>
<td>Nathalie Lemarié</td>
<td>-</td>
<td>22,850</td>
<td>-</td>
<td>-</td>
<td>5,000</td>
<td>30,000</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Caroline Roussel-Maupetit</td>
<td>23,310</td>
<td>37,790</td>
<td>41,175</td>
<td>75,000</td>
<td>8,000</td>
<td>75,000</td>
<td>26,250</td>
<td></td>
</tr>
<tr>
<td>Ludovic Robin</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>50,000</td>
<td>35,000</td>
<td></td>
</tr>
<tr>
<td>Paul Michalet</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>80,000</td>
</tr>
<tr>
<td>Number of non-corporate officer beneficiaries</td>
<td>1</td>
<td>9</td>
<td>1</td>
<td>3</td>
<td>9</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Start of the exercise period for BSPCEs</td>
<td>7 August 2009</td>
<td>19 October 2013</td>
<td>3 January 2014</td>
<td>3 January 2015</td>
<td>17 April 2016</td>
<td>11 July 2018</td>
<td>(3)</td>
<td>7 December 2018</td>
</tr>
<tr>
<td>Expiry of BSPCE</td>
<td>7 August 2019</td>
<td>19 October 2019</td>
<td>19 October 2019</td>
<td>3 January 2021</td>
<td>17 April 2022</td>
<td>11 July 2024</td>
<td>11 July 2024</td>
<td>7 December 2028</td>
</tr>
<tr>
<td>Subscription price for one share</td>
<td>€2.00</td>
<td>€3.22</td>
<td>€3.22</td>
<td>€3.22</td>
<td>€3.22</td>
<td>€7.54</td>
<td>€7.54</td>
<td>€11.74</td>
</tr>
<tr>
<td>Terms and conditions of exercise</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
<td>(8)</td>
<td>(9)</td>
<td>(10)</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of shares</td>
<td>0</td>
<td>1,040</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>subscribed as at</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31 December 2018(2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total number of</td>
<td>0</td>
<td>4,280</td>
<td>18,166</td>
<td>23,000</td>
<td>1,350</td>
<td>0</td>
<td>15,000</td>
<td>0</td>
</tr>
<tr>
<td>cancelled or void</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BSPCEs as at 31</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>December 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BSPCEs remaining</td>
<td>13,320</td>
<td>32,617</td>
<td>6,054</td>
<td>31,000</td>
<td>10,650</td>
<td>72,000</td>
<td>20,000</td>
<td>80,000</td>
</tr>
<tr>
<td>as at 31 December</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total number of</td>
<td>66,600</td>
<td>163,085</td>
<td>30,270</td>
<td>155,000</td>
<td>53,250</td>
<td>90,000</td>
<td>100,000</td>
<td>0</td>
</tr>
<tr>
<td>shares that can be</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>subscribed as at 31</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>December 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(taking into account</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>the exercise</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>conditions for the</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BSPCEs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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25% of the BSPCE\textsubscript{2017 Pool 1} as from the second anniversary of the date on which they were allocated, i.e. 11 July 2019; and

- the remainder, i.e. 50% of the BSPCE\textsubscript{2017 Pool 1} as from the third anniversary of the date on which they were allocated, i.e. 11 July 2020,

it being specified that (i) in the event of an initial public offering of the Company before 11 July 2020 under which the amount of capital raised and the unit price of the newly issued shares exceed certain amounts, each beneficiary will be able to exercise early 75% of the BSPCE\textsubscript{2017 Pool 1} he/she holds, during a 15-day period prior to the admission to listing of the Company's shares, and (ii) said BSPCE\textsubscript{2017 Pool 1} will be exercisable only if, on the exercise date, the holder is an employee or director of the Company, a controlling company or a company controlled by it.

(9) 2017 Pool\textsubscript{2} BSPCEs may be exercised.

(10) The 2018 BSPCEs may be exercised by the beneficiary according to the following timetable:

- up to 20,000 BSPCEs at the expiry of each year as from 7 December 2018, that is, starting 8 December 2019 for the first tranche; and

- no later than ten (10) years from their issuance, it being specified that the BSPCEs that have not yet been exercised at the end of such period of ten (10) years would automatically lapse,

As an exception to the foregoing, in the event of signature of an agreement for a merger by way of absorption of the Company by another company, or sale by one or more shareholders of the Company, acting alone or in concert, to one or more third parties of a number of shares that has the effect of transferring control (within the meaning of Article L. 233-3 of the French Commercial Code) of the Company to such third parties (hereinafter referred to as a "Transaction"), the exercise rights of the BSPCEs shall be accelerated such that the beneficiary may, in addition to the number of ordinary shares to which it is entitled to subscribe by exercising its already exercisable BSPCEs, subscribe to a number of ordinary shares corresponding to 75% of its BSPCEs if the Transaction occurs before 7 December 2021 or one hundred percent (100%) of its BSPCEs if the Transaction occurs after 7 December 2021,
Table 9: Details of the conditions of compensation and other benefits granted to the executive corporate officers

<table>
<thead>
<tr>
<th>Executive corporate officers</th>
<th>Employment contract</th>
<th>Supplementary pension plan</th>
<th>Compensation or benefits due or liable to be due following termination or a change in position</th>
<th>Compensation for a non-compete clause</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc-André Granier – Chairman and Chief Executive Officer</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Start of term:</td>
<td>29 April 2011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewal:</td>
<td>23 June 2017 as Director and 29 September 2017 as Chairman and Chief Executive Officer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term ends:</td>
<td>At the close of the Annual General Meeting of Shareholders meeting to approve the financial statements for the year ending 31 December 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nathalie Lemarié – Deputy CEO</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Start of term:</td>
<td>28 September 2012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewal:</td>
<td>29 September 2017</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term ends:</td>
<td>When the CEO's term ends</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caroline Roussel-Maupertit – Deputy CEO</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Start of term:</td>
<td>29 April 2011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewal:</td>
<td>29 September 2017</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term ends:</td>
<td>When the CEO's term ends</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Executive corporate officers | Employment contract | Supplementary pension plan | Compensation or benefits due or liable to be due following termination or a change in position | Compensation for a non-compete clause
---|---|---|---|---
| Yes | No | Yes | No | Yes | No | Yes | No |

**Ludovic Robin – Deputy CEO**

- X (6)
- X
- X
- X (3)

Start of term: When the CEO's term ends

Renewal: 29 September 2017

Term ends: When the CEO's term ends

**Paul Michalet - Deputy Chief Executive Officer**

- X (7)
- X
- X
- X (3)

Start of term: 20 September 2018

Renewal: 29 September 2017

Term ends: When the CEO's term ends

---

(1) Employment contract for the position of Scientific and Medical Director signed on 1 August 2007. The Board of Directors' meeting of 29 September 2017 confirmed the continuation of his employment contract.

(2) Luc-André Granier nonetheless has employment insurance (GSC).

(3) Under the terms of their employment contracts, in consideration for their non-compete obligation, Caroline Roussel-Maupetit, Nathalie Lemarié, Luc-André Granier, Ludovic Robin and Paul Michalet will receive, after the effective termination of their employment contract and for a period of two years from that date, a monthly allowance equal to, for Caroline Roussel-Maupetit, Granier, Ludovic Robin and Paul Michalet, 50% of their gross monthly salary and, for Nathalie Lemarié, 33% her gross monthly salary.

(4) Employment contract for the position of Director of Regulatory Affairs signed on 15 October 2012. The Board of Directors' meeting of 29 September 2017 confirmed the continuation of the employment contract.

(5) Employment contract for the position of Operations Director signed on 9 September 2008. The Board of Directors' meeting of 29 September 2017 confirmed the continuation of the employment contract.

(6) Employment contract for the position of Director of Corporate Strategy and International Development signed on 22 August 2016. The Board of Directors' meeting of 29 September 2017 confirmed the continuation of the employment contract.

(7) Employment contract for the position of Chief Financial Officer signed on 3 September 2018. The Board of Directors' meeting of 20 September 2018 confirmed the continuation of the employment contract.
Furthermore, the Company does not intend to modify the compensation policy of its directors in the short or medium term.

**Amounts provisioned or recorded by the Company for payment of pension, retirement, or other benefits to corporate officers**

With the exception of provisions for legal retirement benefits detailed in the notes to the Company financial statements prepared under IFRS for the financial year ended 31 December 2018, the Company has not created a provision for the payment of pensions, retirement and other benefits for the members of the Board of Directors and the executives.

The Company has not paid any signing or departure bonuses to the corporate officers named above.

**Securities giving access to the Company's share capital granted to or subscribed for by the corporate officers**

A detailed description of the terms of each security held by the corporate officers is shown in Table 8 above.

### 4. Principles and criteria applicable to the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to the Chief Executive Officer and the Deputy Chief Executive Officers for the 2019 financial year

Pursuant to Article L. 225-37-2 of the French Commercial Code, the Board of Directors submits for the approval of the General Meeting the principles and criteria applicable to the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to the Chief Executive Officer and the Deputy Chief Executive Officers for the performance of their duties for the 2019 financial year and that constitute the compensation policy applicable to them.

These principles and criteria were adopted by the Board of Directors on the recommendation of the Compensation Committee and are presented below:
Mr Luc-André Granier, Chairman and Chief Executive Officer:

<table>
<thead>
<tr>
<th>Components of compensation</th>
<th>Principles</th>
<th>Determination criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed compensation</td>
<td>Compensation for the office of Chief Executive Officer.</td>
<td>The gross annual amount of fixed compensation was set at €24,000 for the 2019 financial year.</td>
</tr>
<tr>
<td>Fixed compensation</td>
<td>Compensation granted under his employment contract as Scientific and Medical Director.</td>
<td>The gross annual amount of fixed compensation was set at €148,000.</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>The Chief Executive Officer receives annual variable compensation of up to €66,000, based on the achievement of objectives defined by the Board of Directors on the proposal of the Appointments and Compensation Committee.</td>
<td>The level of achievement expected for the variable compensation is established each year according to the objectives of the Company, which are not made public for reasons of confidentiality, and the individual objectives set annually by the Board of Directors, whose level of achievement shall be determined by the Board of Directors</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>The Chairman and Chief Executive Officer may be allocated exceptional compensation.</td>
<td>The purpose of such exceptional compensation would be intended to compensate specific performance on one or more projects with a major impact on the Company’s development such as acquisitions, mergers or changes of control.</td>
</tr>
<tr>
<td>Non-compete clause</td>
<td>Non-compete clause for a period of two years from the termination of his employment contract.</td>
<td>Payment of a special monthly indemnity equal to 50% of the gross monthly salary.</td>
</tr>
<tr>
<td>Benefits in kind</td>
<td>Executive unemployment</td>
<td></td>
</tr>
<tr>
<td>Supplementary pension plan</td>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

The Chief Executive Officer may be granted stock options, founders' warrants and/or bonus shares subject to presence and/or performance conditions.
**Components of compensation** | **Principles** | **Determination criteria**
--- | --- | ---
**Fixed compensation** | Compensation for the office of Deputy Chief Executive Officer. | The gross annual amount of fixed compensation was set at €13,200 for the 2019 financial year.

**Fixed compensation** | Compensation granted under her employment contract as Director of Operations. | The gross annual amount of fixed compensation was set at €103,000 for working time of 80%.

**Annual variable compensation** | The Deputy Chief Executive Officer receives annual variable compensation of up to €30,000, based on the achievement of objectives defined by the Board of Directors on the proposal of the Appointments and Compensation Committee. | The level of achievement expected for the variable compensation is established each year according to the objectives of the Company, which are not made public for reasons of confidentiality, and the individual objectives set annually by the Board of Directors, whose level of achievement shall be determined by the Board of Directors.

**Exceptional compensation** | The Deputy Chief Executive Officer may be allocated exceptional compensation. | The purpose of such exceptional compensation would be intended to compensate specific performance on one or more projects with a major impact on the Company's development such as acquisitions, mergers or changes of control.

**Non-compete clause** | Non-compete clause for a period of two years from the termination of his employment contract. | Payment of a special monthly indemnity equal to 50% of the gross monthly salary.

**Benefits in kind** | None | 

**Supplementary pension plan** | None | 

Caroline Roussel-Maupetit may be granted stock options, founders' warrants and/or bonus shares subject to presence and/or performance conditions.
Ludovic Robin, Deputy Chief Executive Officer and Chief Business and Strategy Officer

<table>
<thead>
<tr>
<th>Components of compensation</th>
<th>Principles</th>
<th>Determination criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed compensation</td>
<td>Compensation for the office of Deputy Chief Executive Officer.</td>
<td>The gross annual amount of fixed compensation was set at €13,200 for the 2019 financial year.</td>
</tr>
<tr>
<td>Fixed compensation</td>
<td>Compensation granted under his employment contract as Chief Business and Strategy Officer.</td>
<td>The gross annual amount of fixed compensation was set at €143,500.</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>The Deputy Chief Executive Officer receives annual variable compensation of up to €45,000, based on the achievement of objectives defined by the Board of Directors on the proposal of the Appointments and Compensation Committee.</td>
<td>The level of achievement expected for the variable compensation is established each year according to the objectives of the Company, which are not made public for reasons of confidentiality, and the individual objectives set annually by the Board of Directors, whose level of achievement shall be determined by the Board of Directors</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>The Deputy Chief Executive Officer may be allocated exceptional compensation.</td>
<td>The purpose of such exceptional compensation would be intended to compensate specific performance on one or more projects with a major impact on the Company’s development such as acquisitions, mergers or changes of control.</td>
</tr>
<tr>
<td>Non-compete clause</td>
<td>Non-compete clause for a period of two years from the termination of his employment contract.</td>
<td>Payment of a special monthly indemnity equal to 50% of the gross monthly salary.</td>
</tr>
<tr>
<td>Benefits in kind</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Supplementary pension plan</td>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

Ludovic Robin may be granted stock options, founders' warrants and/or bonus shares subject to presence and/or performance conditions.
Madame Nathalie Lemarié, Deputy Chief Executive Officer and Director of Regulatory Affairs

Please note that the amounts received by Nathalie Lemarié are received under the terms of her employment contract.

<table>
<thead>
<tr>
<th>Components of compensation</th>
<th>Principles</th>
<th>Determination criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed compensation</td>
<td>Compensation for the office of Deputy Chief Executive Officer.</td>
<td>The gross annual amount of fixed compensation was set at €6,600 for the 2019 financial year.</td>
</tr>
<tr>
<td>Fixed compensation</td>
<td>Compensation due under his employment contract.</td>
<td>The gross annual amount of fixed compensation was set at €90,000 for working time of 90%.</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>The Deputy Chief Executive Officer receives annual variable compensation of up to €16,200, based on the achievement of objectives defined by the Board of Directors on the proposal of the Appointments and Compensation Committee.</td>
<td>The level of achievement expected for the variable compensation is established each year according to the objectives of the Company, which are not made public for reasons of confidentiality, and the individual objectives set annually by the Board of Directors, whose level of achievement shall be determined by the Board of Directors.</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>The Deputy Chief Executive Officer may be allocated exceptional compensation.</td>
<td>The purpose of such exceptional compensation would be intended to compensate specific performance on one or more projects with a major impact on the Company's development such as acquisitions, mergers or changes of control.</td>
</tr>
<tr>
<td>Non-compete clause</td>
<td>Non-compete clause for a period of two years from the termination of his employment contract.</td>
<td>Payment of a special monthly indemnity equal to 33% of the gross monthly salary.</td>
</tr>
<tr>
<td>Benefits in kind</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Supplementary pension plan</td>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

Nathalie Lemarié may be granted stock options, founders' warrants and/or free shares subject to presence and/or performance conditions.
Paul Michalet, Deputy Chief Executive Officer and Chief Financial Officer

Please note that the amounts received by Nathalie Lemarié are received under the terms of her employment contract

<table>
<thead>
<tr>
<th>Components of compensation</th>
<th>Principles</th>
<th>Determination criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed compensation</td>
<td>Compensation for the office of Deputy Chief Executive Officer.</td>
<td>The gross annual amount of fixed compensation was set at €13,200 for the 2019 financial year.</td>
</tr>
<tr>
<td>Fixed compensation</td>
<td>Compensation due under his employment contract.</td>
<td>The gross annual amount of fixed compensation was set at €140,000.</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>The Deputy Chief Executive Officer receives annual variable compensation of up to €48,000, based on the achievement of objectives defined by the Board of Directors on the proposal of the Appointments and Compensation Committee.</td>
<td>The level of achievement expected for the variable compensation is established each year according to the objectives of the Company, which are not made public for reasons of confidentiality, and the individual objectives set annually by the Board of Directors, whose level of achievement shall be determined by the Board of Directors.</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>The Deputy Chief Executive Officer may be allocated exceptional compensation.</td>
<td>The purpose of such exceptional compensation would be intended to compensate specific performance on one or more projects with a major impact on the Company's development such as acquisitions, mergers or changes of control.</td>
</tr>
<tr>
<td>Non-compete clause</td>
<td>Non-compete clause for a period of two years from the termination of his employment contract.</td>
<td>Payment of a special monthly indemnity equal to 50% of the gross monthly salary.</td>
</tr>
<tr>
<td>Benefits in kind</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Supplementary pension plan</td>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

Paul Michalet may be granted stock options, founders' warrants and/or free shares subject to presence and/or performance conditions.
We propose that the principles and criteria presented above and the related resolutions reproduced below be approved. They will be submitted to the General Meeting of Shareholders called to approve the financial statements for the financial year ended 31 December 2018:

Pursuant to Article L. 225-100 of the French Commercial Code, the amounts resulting from the implementation of these principles and criteria will be subject to the approval of the shareholders at the General Meeting called to approve the financial statements for the 2018 financial year.

Resolution
Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to Luc-André Granier as Chief Executive Officer for the 2019 financial year

The General Meeting, voting under the conditions of quorum and majority required for Ordinary General Meetings,

having reviewed the report prepared pursuant to Article L. 225-37-2 of the French Commercial Code,

hereby approves the principles and criteria applicable to the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the aforementioned report attributable for the 2019 financial year to Luc-André Granier as Chief Executive Officer.

Resolution
Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to Nathalie Lemarié as Deputy Chief Executive Officer for the 2019 financial year

The General Meeting, voting under the conditions of quorum and majority required for Ordinary General Meetings,

having reviewed the report prepared pursuant to Article L. 225-37-2 of the French Commercial Code,

hereby approves the principles and criteria applicable to the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the aforementioned report attributable for the 2019 financial year to Nathalie Lemarié as Deputy Chief Executive Officer.

Resolution
Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to Caroline Roussel-Maupetit as Deputy Chief Executive Officer for the 2019 financial year

The General Meeting, voting under the conditions of quorum and majority required for Ordinary General Meetings,

having reviewed the report prepared pursuant to Article L. 225-37-2 of the French Commercial Code,

hereby approves the principles and criteria applicable to the determination, distribution and allocation
of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the aforementioned report attributable for the 2019 financial year to Caroline Roussel-Maupetit as Deputy Chief Executive Officer.

**Resolution**

*Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to Ludovic Robin as Deputy Chief Executive Officer for the 2019 financial year*

The General Meeting, voting under the conditions of quorum and majority required for Ordinary General Meetings,

having reviewed the report prepared pursuant to Article L. 225-37-2 of the French Commercial Code,

hereby **approves** the principles and criteria applicable to the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the aforementioned report attributable for the 2019 financial year to Ludovic Robin as Deputy Chief Executive Officer.

**Resolution**

*Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to Paul Michalet as Deputy Chief Executive Officer for the 2019 financial year*

The General Meeting, voting under the conditions of quorum and majority required for Ordinary General Meetings,

having reviewed the report prepared pursuant to Article L. 225-37-2 of the French Commercial Code,

hereby **approves** the principles and criteria applicable to the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the aforementioned report attributable for the 2019 financial year to Paul Michalet as Deputy Chief Executive Officer.
5. Agreements referred to in Article L. 225-37-4 of the French Commercial Code concluded between an executive or a significant shareholder of the Company and a subsidiary

The related parties involved in the transactions completed include physical persons and entities, related to the Company, that have a direct or indirect stake in the Company, as well as the main executive corporate officers.

None

6. Terms of participation of shareholders at the Meeting (Article 19 of the Articles of Association)

General Meetings are called and held in accordance with the conditions laid down by law.

If the Company wishes to send notices of meetings electronically rather than by post, it must first obtain the consent of the relevant shareholders, who must provide their e-mail address.

Meetings will be held at the registered office or at any other venue stipulated in the notice of meeting.

The right to attend general meetings is governed by the applicable laws and regulations and, more specifically, is conditional upon the registration of shares in the name of the shareholder or the intermediary registered to act on the shareholder’s behalf by 00:00 (Paris time) on the second (2nd) business days before the General Meeting, either in the registered share accounts kept by the Company or in the bearer share accounts held by the authorized intermediary.

Any shareholder who does not personally attend a meeting can choose one of the following three options, in accordance with the terms and conditions set out by law and regulations:

- appoint a proxy in accordance with the terms and conditions authorized by law and regulations;
- cast a postal ballot;
- send a proxy form to the Company without specifying the proxy's name.

The Board of Directors may arrange for the shareholders to attend and vote at General Meetings via videoconferencing facilities or any other telecommunication method that allows them to be identified, in accordance with the terms and conditions set out in the applicable laws and regulations. If the Board of Directors decides to make use of this facility for a given General Meeting, this decision will be recorded in the meeting notice. Shareholders attending General Meetings via videoconferencing facilities or other telecommunication methods as referred to above, as selected by the Board of Directors, will be counted as present when calculating the quorum and majority.

General Meetings will be chaired by the Chairman of the Board of Directors or, in his/her absence, by the Chief Executive Officer, by a Deputy Chief Executive Officer provided he/she is a member of the Board, or by a member of the Board specifically designated for that purpose by the Board. Failing this, the General Meeting will elect its own Chairman.

The duties of scrutineer will be performed by the two shareholders present at the General Meeting who hold the largest number of votes, and who accept these duties. The officers of the meeting will appoint a secretary, who may but need not be a shareholder.

An attendance sheet will be drawn up as required by law.

When an Ordinary General Meeting meets on first convocation, shareholders may only validly deliberate if the shareholders present or represented hold at least one-fifth of the shares with voting
rights. If an ordinary General Meeting has to reconvene, shareholders may validly deliberate regardless of the number of shareholders present or represented.

At Ordinary General Meetings, resolutions will be adopted by a majority of the shareholders present or represented.

When an Extraordinary General Meeting meets on first convocation, shareholders may only validly deliberate if the shareholders present or represented hold at least one-quarter of the shares with voting rights. If an Extraordinary General Meeting has to reconvene, shareholders may only validly deliberate if the shareholders present or represented hold at least one-fifth of the shares with voting rights.

At Extraordinary General Meetings, resolutions will be adopted by a majority of two-thirds of the shareholders present or represented.

Copies of or excerpts from the minutes of General Meetings will be validly certified by the Chairman of the Board of Directors, a member of the Board acting as Chief Executive Officer, or the secretary of the meeting.

Ordinary and Extraordinary General Meetings will exercise their respective powers in accordance with the conditions laid down by law.

7. Elements likely to have an influence in the event of a takeover or exchange offer

In accordance with Article L. 225-37-5 of the French Commercial Code, the following items may have an impact in the event of a public offer:

The Company's capital structure is as described in paragraph 15 of Section I of this report.

Voting rights attached to shares are proportionate to the fraction of the share capital that the shares represent and each share gives entitlement to one vote. However, in accordance with the provisions of paragraph 3 of Article L. 225-123 of the French Commercial Code, as from the second anniversary of the initial listing of the Company’s shares on the Euronext Paris regulated market, fully paid up shares which can be proven to have been registered for at least two years in the name of the same shareholder benefit from double voting rights.

Any treasury shares, where applicable, held by the Company correspond to the shares held under a liquidity contract and are deprived of voting rights. There are no shares of the Company with special control rights.

As at the date of this report, there is no controlling shareholder within the meaning of Article L. 233-3 of the French Commercial Code.

The Company has not put in place measures to ensure that any control thereof is not exercised improperly.

The largest shareholder of the Company is Bpifrance Investissement, which held 27.90% of the Company's share capital as at 31 December 2018.

To the best of the Company's knowledge, there are no agreements whose implementation could result in a change of control of the Company.

The Company has not put in place an employee shareholding system that may contain control mechanisms if control rights are not exercised by employees.
The rules governing the appointment and replacement of members of the Board of Directors and the rules relating to the amendment of the Articles of Association are rules of ordinary law set forth in the Company's Articles of Association.

The Board of Directors has the ordinary powers granted by law in matters related to the issuance or buyback of shares. A description of the delegations granted by the General Meeting to the Board of Directors that are currently in force and the use thereof is described in paragraph 21 below.

There are no agreements entered into by the Company that will be modified or terminated in the event of a change of control of the Company.

In addition to the applicable legal and regulatory provisions, no member of the Board of Directors or employee of the Company has an agreement providing for indemnities in the event of resignation or dismissal without real and serious cause or if their employment is terminated because of a public offer.

8. Summary table of the status of the valid delegations of authority and powers granted by the General Meeting of Shareholders to the Board of Directors with regard to the increase of the share capital and the use made of such delegations during the past year

In accordance with Article L. 225-100 of the French Commercial Code, the table presented in Appendix 3 summarises the delegations of authority and powers granted by the General Meeting to the Board of Directors for capital increases pursuant to Articles L. 225-129-1 and L. 225-129-2 of said Code.
APPENDICES

Appendix 1 - Table of Company financial results for the past five financial years

Appendix 2 - Outstanding overdue invoices issued and received at year-end

Appendix 3 - Summary table of the status of the valid delegations of authority and powers granted by the General Meeting of Shareholders to the Board of Directors with regard to the increase of the share capital and the use made of such delegations during the past year

Appendix 4 - Advicenne annual financial statements as at 31 December 2018 - Notes to the annual financial statements

Appendix 5 - Statutory Auditors' report on the annual financial statements
### Appendix 1

Table of Company financial results for the past five financial years

<table>
<thead>
<tr>
<th></th>
<th>31/12/2014</th>
<th>31/12/2015</th>
<th>31/12/2016</th>
<th>31/12/2017</th>
<th>31/12/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 Capital at year-end</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Share Capital</td>
<td>774 256</td>
<td>774 256</td>
<td>774 256</td>
<td>1 600 539</td>
<td>1 612 469</td>
</tr>
<tr>
<td>b) Number of ordinary shares</td>
<td>774 256</td>
<td>774 256</td>
<td>774 256</td>
<td>8 002 696</td>
<td>8 062 344</td>
</tr>
<tr>
<td>c) Number of priority shares</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2 Operations and Results</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Revenues (VAT excluded)</td>
<td>14 182,00</td>
<td>109 303,00</td>
<td>269 942,00</td>
<td>806 305,00</td>
<td>1 189 949,00</td>
</tr>
<tr>
<td>b) Result before taxes, profit sharing, provisions, depreciation and amortisation</td>
<td>-1 723 637,00</td>
<td>-1 618 403,00</td>
<td>-3 989 859,00</td>
<td>-5 120 345,00</td>
<td>-5 032 837,00</td>
</tr>
<tr>
<td>c) Taxes</td>
<td>-460 324,00</td>
<td>-458 571,00</td>
<td>-626 232,00</td>
<td>-861 421,00</td>
<td>-820 711,00</td>
</tr>
<tr>
<td>d) Employee profit sharing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e) Net Result</td>
<td>-1 990 661,00</td>
<td>-2 174 556,00</td>
<td>-7 963 013,00</td>
<td>-4 656 359,00</td>
<td>-4 624 868,00</td>
</tr>
<tr>
<td>f) Result distributed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3 Earnings per share</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Earnings after taxes but before provisions, depreciation and amortisation</td>
<td>-1,63</td>
<td>-1,50</td>
<td>-4,34</td>
<td>-0,71</td>
<td>-0,52</td>
</tr>
<tr>
<td>b) Net earnings</td>
<td>-2,57</td>
<td>-2,81</td>
<td>-10,28</td>
<td>-0,78</td>
<td>-0,58</td>
</tr>
<tr>
<td>c) Distributed dividend</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4 Employees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Average number of employees</td>
<td>12</td>
<td>13</td>
<td>16</td>
<td>20</td>
<td>26</td>
</tr>
<tr>
<td>b) Amount of total payroll</td>
<td>942 926,00</td>
<td>862 269,00</td>
<td>1 230 906,00</td>
<td>1 735 429,00</td>
<td>2 112 246,00</td>
</tr>
<tr>
<td>c) Amount of total social charges</td>
<td>281 166,00</td>
<td>313 531,00</td>
<td>497 399,00</td>
<td>697 012,00</td>
<td>851 794,00</td>
</tr>
</tbody>
</table>
Appendix 2

Outstanding overdue invoices issued and received at year-end

<table>
<thead>
<tr>
<th>(A) Range of delay</th>
<th>Article D.441 I-1° : invoices received not paid at year-end and due</th>
<th>Article D.441 I-2° : factures émises non réglées à la date de clôture de l'exercice dont le terme est échu</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 day</td>
<td>1 à 30 days</td>
<td>31 à 60 days</td>
</tr>
<tr>
<td>Number of relevant invoices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total amount of relevant invoices (VAT included)</td>
<td>93652,8</td>
<td>2478</td>
</tr>
<tr>
<td>Percentage of the total yearly amount of purchases (VAT included)</td>
<td>1,09%</td>
<td>0,03%</td>
</tr>
<tr>
<td>Percentage of the yearly turnover (VAT included)</td>
<td>7,2%</td>
<td>1,1%</td>
</tr>
</tbody>
</table>

(B) Invoices excluded from (A) related to debt litigations or not accounted for

| Number of excluded invoices | 0 | 0 |
| Total amount of excluded invoices | 0 | 0 |

Reference payment term used (contractual or legal term - article L. 441-6 or article L. 443-1 of the French trade code)

| Payment term used for the calculation of the payment delay | ◼️ Contractual term : (préciser) | ◼️ Legal term : (préciser) |
| Contractual term : 45 days end of the month, 60 days, date of invoice | | | 45 days end of the month |

This is a free translation into English of the 2018 Financial Annual Report issued in the French language and is provided solely for the convenience of English-speaking readers. In case of discrepancy, the French version prevails.
### Appendix 3

Summary table of the status of the valid delegations of authority and powers granted by the General Meeting of Shareholders to the Board of Directors with regard to the increase of the share capital and the use made of such delegations during the past financial year

<table>
<thead>
<tr>
<th>Resolution</th>
<th>Type of delegation</th>
<th>Expiry date</th>
<th>Use by the Board of Directors in 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Delegations granted by the Combined General Meeting of Shareholders of 24 October 2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combined General Meeting of 24 Oct 2017 (18th resolution)</td>
<td>Delegation of authority granted to the Board of Directors in order to increase the capital by issuing ordinary shares or any securities giving immediate or future access to the share capital, with preferential subscription rights</td>
<td>19 June 2018</td>
<td>A new delegation with the same purpose was granted on 19 June 2018. The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>Combined General Meeting of 24 Oct 2017 (19th resolution)</td>
<td>Delegation of authority granted to the Board of Directors in order to increase the capital by issuing ordinary shares or any securities giving immediate or future access to the share capital, with cancellation of preferential subscription rights of shareholders, and public offering as well as with the option to introduce priority rights.</td>
<td>19 June 2018</td>
<td>A new delegation with the same purpose was granted on 9 June 2018. The Board of Directors used this delegation at its meeting on 4 January 2018 and decided to increase the capital by a nominal amount of €11,929.60 through the issuance of 59,648 new shares at a price of €14.03 per share, issue premium included, in the context of exercising the over-allotment option. (see additional reports of the Board of Directors and the Statutory Auditors).</td>
</tr>
<tr>
<td>Resolution</td>
<td>Type of delegation</td>
<td>Expiry date</td>
<td>Use by the Board of Directors in 2017</td>
</tr>
<tr>
<td>-------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Combined General Meeting of 24 Oct 2017</strong></td>
<td>Delegation of authority granted to the Board of Directors in order to increase the capital by issuing ordinary shares or any securities giving immediate or future access to the share capital, without preferential subscription rights for the benefit of qualified investors or a limited circle of investors referred to in article L. 411-2 II of the French Monetary and Financial Code</td>
<td>19 June 2018</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>(20th resolution)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Combined General Meeting of 24 Oct 2017</strong></td>
<td>Delegation of authority to the Board of Directors to increase the number of securities to be issued in the event of a capital increase - with or without preferential rights pursuant to the aforementioned delegations of authority</td>
<td>19 June 2018</td>
<td>The Board of Directors used this delegation at its meeting on 4 January 2018 and decided to increase the capital by a nominal amount of €11,929.60 through the issuance of 59,648 new shares at a price of €14.03 per share, issue premium included, in the context of exercising the overallotment option.</td>
</tr>
<tr>
<td>(22nd resolution)</td>
<td></td>
<td></td>
<td>(see additional reports of the Board of Directors and the Statutory Auditors).</td>
</tr>
<tr>
<td><strong>Combined General Meeting of 24 Oct 2017</strong></td>
<td>Delegation of authority granted to the Board of Directors to issue ordinary shares and securities giving access to the Company’s share capital, in the event of a public offering instigated by the Company involving an exchange component</td>
<td>19 June 2018</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>(25th resolution)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Combined General Meeting of 24 Oct 2017</strong></td>
<td>Delegation of power granted to the Board of Directors to increase the share capital to remunerate contributions in kind of equity securities or securities giving access to the share capital of third-party companies outside a public exchange offer</td>
<td>19 June 2018</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>(26th resolution)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resolution</td>
<td>Type of delegation</td>
<td>Expiry date</td>
<td>Use by the Board of Directors in 2017</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>------------------</td>
<td>--------------------------------------</td>
</tr>
<tr>
<td>Combined General Meeting of 24 Oct 2017</td>
<td>Delegation of authority granted to the Board of Directors to increase the share capital through the incorporation of premiums, reserves, profits or other items, the issue and allocation of bonus shares or by raising the par value of existing shares or by a combination of both these procedures.</td>
<td>19 June 2018</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>(28th resolution)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combined General Meeting of 24 Oct 2017</td>
<td>Delegation of authority granted to the Board of Directors to issue and grant free founders’ warrants to employees and executives of the Company or of companies in which the Company holds at least 75% of the share capital or voting rights.</td>
<td>19 June 2018</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>(29th resolution)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combined General Meeting of 24 Oct 2017</td>
<td>Delegation of authority granted to the Board of Directors to issue and grant share warrants to (i) members and non-voting members of the Company's Board of Directors in office on the allocation date of said warrants and who are neither employees nor executives of the Company or one of its subsidiaries, (ii) persons connected to the Company under a service or consultancy contract, or (iii) members of any committee set up or that may be set up in future by the Board of Directors, who are neither employees or executives of the Company or one of its subsidiaries.</td>
<td>19 June 2018</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>(31st resolution)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resolution</td>
<td>Type of delegation</td>
<td>Expiry date</td>
<td>Use by the Board of Directors in 2017</td>
</tr>
<tr>
<td>------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Delegations granted by the Combined General Meeting of Shareholders of 19 June 2018</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Combined General Meeting of 19 June 2018</strong> <em>(10th resolution)</em></td>
<td>Delegation of authority granted to the Board of Directors in order to increase the capital by issuing ordinary shares or any securities giving immediate or future access to the share capital, with preferential subscription rights.</td>
<td>26 months 19 August 2020</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td><strong>Combined General Meeting of 19 June 2018</strong> <em>(11th resolution)</em></td>
<td>Delegation of authority granted to the Board of Directors in order to increase the capital by issuing ordinary shares or any securities giving immediate or future access to the share capital, with cancellation of preferential subscription rights of shareholders, and public offering as well as with the option to introduce priority rights.</td>
<td>26 months 19 August 2020</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td><strong>Combined General Meeting of 19 June 2018</strong> <em>(12th resolution)</em></td>
<td>Delegation of authority granted to the Board of Directors in order to increase the capital by issuing ordinary shares or any securities giving immediate or future access to the share capital, without preferential subscription rights for the benefit of qualified investors or a limited circle of investors referred to in article L. 411-2 II of the French Monetary and Financial Code.</td>
<td>26 months 19 August 2020</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>Resolution</td>
<td>Type of delegation</td>
<td>Expiry date</td>
<td>Use by the Board of Directors in 2017</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------</td>
<td>--------------------------------------</td>
</tr>
<tr>
<td>Combined General Meeting of 19 June 2018 (14th resolution)</td>
<td>Delegation of authority granted to the Board of Directors in order to increase the capital by issuing ordinary shares and/or any securities, without preferential subscription rights of shareholders, for the benefit of a category of persons as part of a line of equity or bond financing</td>
<td>18 months 19 December 2019</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>Combined General Meeting of 19 June 2018 (15th resolution)</td>
<td>Delegation of authority granted to the Board of Directors to increase the share capital through the issuance of ordinary shares or any securities giving access to the share capital, without preferential subscription rights of shareholders, for an initial category of persons who satisfy pre-determined characteristics: one or more French or foreign investment companies or funds that primarily invest or have invested over the last 36 months more than €5 million in growth companies called &quot;small or mid caps&quot; (i.e., whose capitalisation when listed does not exceed €1,000,000,000) (including, but not limited to, any investment fund or venture capital company, including any FPCI, FCPI or FIP) in the healthcare or biotechnology sector participating in the issuance for a unit investment amount of greater than €100,000 (issue premium included)</td>
<td>18 months 19 December 2019</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>Resolution</td>
<td>Type of delegation</td>
<td>Expiry date</td>
<td>Use by the Board of Directors in 2017</td>
</tr>
<tr>
<td>------------</td>
<td>--------------------</td>
<td>-------------</td>
<td>--------------------------------------</td>
</tr>
<tr>
<td><strong>Combined General Meeting of 19 June 2018</strong>&lt;br&gt;(16th resolution)</td>
<td>Delegation of authority granted to the Board of Directors to increase the share capital through the issuance of ordinary shares or any securities giving access to the share capital, without preferential subscription rights of shareholders, for a second category of persons who satisfy pre-determined characteristics: one or more industrial companies active in the healthcare or biotechnology sector that, directly or through one of their subsidiaries, has an interest in the capital of the Company, on the occasion of any entering into a commercial agreement or partnership with the Company, for a unit investment amount of greater than €100,000 (issuance premium included),</td>
<td>18 months&lt;br&gt;19 December 2019</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td><strong>Combined General Meeting of 19 June 2018</strong>&lt;br&gt;(17th resolution)</td>
<td>Delegation of authority to the Board of Directors to increase the number of securities to be issued in the event of a capital increase - with or without preferential rights pursuant to the aforementioned delegations of authority</td>
<td>26 months&lt;br&gt;19 August 2020</td>
<td>The Board of Directors used this delegation at its meeting on 4 January 2018 and decided to increase the capital by a nominal amount of €11,929.60 through the issuance of 59,648 new shares at a price of €14.03 per share, issue premium included, in the context of exercising the over-allotment option.&lt;br&gt;(see additional reports of the Board of Directors and the Statutory Auditors).</td>
</tr>
<tr>
<td>Resolution</td>
<td>Type of delegation</td>
<td>Expiry date</td>
<td>Use by the Board of Directors in 2017</td>
</tr>
<tr>
<td>------------</td>
<td>--------------------</td>
<td>-------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Combined General Meeting of 19 June 2018 (18th resolution)</td>
<td>Delegation of authority granted to the Board of Directors to issue ordinary shares and securities giving access to the Company’s share capital, in the event of a public offering instigated by the Company involving an exchange component</td>
<td>26 months 19 August 2020</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>Combined General Meeting of 19 June 2018 (19th resolution)</td>
<td>Delegation of power granted to the Board of Directors to increase the share capital to remunerate contributions in kind of equity securities or securities giving access to the share capital of third-party companies outside a public exchange offer</td>
<td>26 months 19 August 2020</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>Combined General Meeting of 19 June 2018 (20th resolution)</td>
<td>Delegation of authority granted to the Board of Directors to increase the share capital through the incorporation of premiums, reserves, profits or other items, the issue and allocation of bonus shares or by raising the par value of existing shares or by a combination of both these procedures.</td>
<td>26 months 19 August 2020</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
<tr>
<td>Combined General Meeting of 19 June 2018 (22nd resolution)</td>
<td>Delegation of authority granted to the Board of Directors to issue and grant free founders’ warrants (BSPCEs) to employees and executives of the Company or of companies in which the Company holds at least 75% of the share capital or voting rights</td>
<td>18 months 19 December 2019</td>
<td>The Board of Directors used this delegation on 7 December 2018 and decided to allocate 80,000 BSPCEs, each one allowing the subscription of one share at a price of €11.74.</td>
</tr>
</tbody>
</table>

*This is a free translation into English of the 2018 Financial Annual Report issued in the French language and is provided solely for the convenience of English-speaking readers. In case of discrepancy, the French version prevails.*
<table>
<thead>
<tr>
<th>Resolution</th>
<th>Type of delegation</th>
<th>Expiry date</th>
<th>Use by the Board of Directors in 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Combined General Meeting of 19 June 2018</strong> (24th resolution)</td>
<td>Delegation of authority granted to the Board of Directors to issue and grant share warrants to (i) members and non-voting members of the Company's Board of Directors in office on the allocation date of said warrants and who are neither employees nor executives of the Company or one of its subsidiaries, (ii) persons connected to the Company under a service or consultancy contract, or (iii) members of any committee set up or that may be set up in future by the Board of Directors, who are neither employees or executives of the Company or one of its subsidiaries</td>
<td>18 months 19 December 2019</td>
<td>The Board of Directors did not use this delegation during the past financial year.</td>
</tr>
</tbody>
</table>
Appendix 4
Advicenne annual financial statements as at 31 December 2018

Notes to the annual financial statements
Appendix 5
Statutory Auditors' report on the annual financial statements
## Appendix 6

**Fees to the Statutory Auditors and members of their network**

<table>
<thead>
<tr>
<th>STATUTORY AUDITORS’ FEES (€ thousands)</th>
<th>KPMG Decembre 31, 2018</th>
<th>KPMG Decembre 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statutory audit, certification, review of company and consolidated financial statements</td>
<td>102 92%</td>
<td>96 31%</td>
</tr>
<tr>
<td>Services other than certification of accounts</td>
<td>9 8%</td>
<td>213 69%</td>
</tr>
<tr>
<td>Honoraires commissaires aux comptes</td>
<td>111 100%</td>
<td>309 100%</td>
</tr>
</tbody>
</table>
COMPTES ANNUELS
Au 31/12/2018

SA ADVICENNE
2 rue briçonnet
30000 NIMES
COMPTES ANNUELS
### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>31/12/2018 Gross</th>
<th>Depreciation and provisions</th>
<th>Net</th>
<th>31/12/2017 Gross</th>
<th>Depreciation and provisions</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUBSCRIBED CAPITAL - CALLED BUT NOT PAID</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>INTANGIBLE FIXED ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concessions, patents, rights and similar assets</td>
<td>25 297</td>
<td>22 234</td>
<td>3 063</td>
<td>2 614</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Other intangible fixed assets</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Prepayments</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>TANGIBLE FIXED ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>511 368</td>
<td>384 915</td>
<td>126 453</td>
<td>146 970</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constructions</td>
<td>177 193</td>
<td>89 522</td>
<td>87 671</td>
<td>66 736</td>
<td></td>
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</tr>
<tr>
<td>Technical installations, machinery and equipment</td>
<td>27 453</td>
<td></td>
<td>27 453</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>FINANCIAL FIXED ASSETS (2)</strong></td>
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</tr>
<tr>
<td>Participating interests</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio long term investment securities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debts receivable related to participating interests</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other long-term investment securities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial fixed assets</td>
<td>470 064</td>
<td>55 628</td>
<td>414 436</td>
<td>309 353</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL (II)</strong></td>
<td>1 211 374</td>
<td>552 299</td>
<td>659 075</td>
<td>525 673</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>STOCK AND WORK IN PROGRESS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw materials and other consumables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work in progress (goods)</td>
<td>98 597</td>
<td></td>
<td>98 597</td>
<td>24 011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work in progress (services)</td>
<td>362 053</td>
<td>52 242</td>
<td>309 811</td>
<td>222 240</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intermediate and finished products</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advances and prepayments on orders</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>RECEIVABLES (3)</strong></td>
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<td></td>
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</tr>
<tr>
<td>Trade receivable</td>
<td>3 343 904</td>
<td>7 555</td>
<td>3 336 349</td>
<td>222 719</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other debts receivable</td>
<td>1 069 342</td>
<td></td>
<td>1 069 342</td>
<td>1 334 640</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscribed capital - called but not paid</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MARKETABLE SECURITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CASH AND CASH EQUIVALENT</strong></td>
<td>26 232 306</td>
<td></td>
<td>26 232 306</td>
<td>36 183 361</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred charges</td>
<td>1 468 601</td>
<td></td>
<td>1 468 601</td>
<td>104 314</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL (III)</strong></td>
<td>32 574 802</td>
<td>59 798</td>
<td>32 515 005</td>
<td>38 091 286</td>
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<tr>
<td><strong>ACCOUNT ADJUSTMENT</strong></td>
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<tr>
<td>Loan redemption premiums (IV)</td>
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<td></td>
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</tr>
<tr>
<td>Bond redemption premiums (V)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Realisable exchange losses (VI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS (I to VI)</strong></td>
<td>33 786 177</td>
<td>612 097</td>
<td>33 174 080</td>
<td>38 616 959</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Of which lease premium
(2) Of which due within one year
(3) Of which due after more than one year
## Liabilities

**Shareholder’s equity**

<table>
<thead>
<tr>
<th>Description</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital stock</td>
<td>1,612,469</td>
<td>1,600,539</td>
</tr>
<tr>
<td>Premium on shares issued, mergers, contributions</td>
<td>52,053,039</td>
<td>51,321,251</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>RESERVES</strong></td>
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<td></td>
</tr>
<tr>
<td>Legal reserves</td>
<td>21,600</td>
<td>21,600</td>
</tr>
<tr>
<td>Statutory or contractual reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regulated reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated profit/loss</td>
<td>(19,432,568)</td>
<td>(14,776,209)</td>
</tr>
<tr>
<td><strong>Net profit / loss</strong></td>
<td>(4,624,868)</td>
<td>(4,656,359)</td>
</tr>
<tr>
<td>Investment grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regulated provisions</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total equities**

<table>
<thead>
<tr>
<th>31/12/2018</th>
<th>33,510,822</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2017</td>
<td>31,629,672</td>
</tr>
</tbody>
</table>

**Other Equities**

<table>
<thead>
<tr>
<th>Description</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from issues of participating securities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conditional advance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total other equities**

<table>
<thead>
<tr>
<th>31/12/2018</th>
<th>551,231</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2017</td>
<td>309,716</td>
</tr>
</tbody>
</table>

**Provisions**

<table>
<thead>
<tr>
<th>Description</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions for liabilities</td>
<td>402,740</td>
<td>203,900</td>
</tr>
<tr>
<td>Provisions for charges</td>
<td>148,491</td>
<td>105,816</td>
</tr>
</tbody>
</table>

**Total provisions**

<table>
<thead>
<tr>
<th>31/12/2018</th>
<th>551,231</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2017</td>
<td>309,716</td>
</tr>
</tbody>
</table>

**FINANCIAL DEBTS**

<table>
<thead>
<tr>
<th>Description</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convertible bond loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other bond debts payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans and debts payable to credit institutions (2)</td>
<td>419,908</td>
<td>701,679</td>
</tr>
<tr>
<td>Loans and sundry financial debts payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments on account received on orders in progress</td>
<td>2,000,000</td>
<td></td>
</tr>
</tbody>
</table>

**TRADE DEBTS PAYABLE**

<table>
<thead>
<tr>
<th>Description</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suppliers and related accounts</td>
<td>1,669,523</td>
<td>1,397,636</td>
</tr>
<tr>
<td>Tax and social debts payable</td>
<td>903,747</td>
<td>695,207</td>
</tr>
</tbody>
</table>

**MISCELLANEOUS DEBTS**

<table>
<thead>
<tr>
<th>Description</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors for fixed assets and related accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other debts payable</td>
<td>1,898</td>
<td></td>
</tr>
</tbody>
</table>

| Deferred income (1)                                             |             |             |

**Total debts payable**

<table>
<thead>
<tr>
<th>31/12/2018</th>
<th>2,993,178</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2017</td>
<td>4,796,421</td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES**

<table>
<thead>
<tr>
<th>31/12/2018</th>
<th>33,174,080</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2017</td>
<td>38,616,959</td>
</tr>
</tbody>
</table>

**Net profit / loss (cents)**

<table>
<thead>
<tr>
<th>31/12/2018</th>
<th>(4,624,868.30)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2017</td>
<td>(4,656,358.60)</td>
</tr>
</tbody>
</table>

(1) Of which due within one year
(2) Of which current bank advances and credit balances towards banks
## Income statement

### Goods sold
- Net turnover: 1 189 949
- % Turnover: 100.00%

### Purchase of goods
- Net turnover: 6 469 191
- % Turnover: 543.65%

### Invoiced products
- Net turnover: 74 586
- % Turnover: 6.27%

### Other income
- Net turnover: 5 012 196
- % Turnover: 421.21%

### Total operating income
- Net turnover: 1 939 388
- % Turnover: 240.53%

### Other purchases and external charges
- Net turnover: 12 12
- % Turnover: 0.12%

### Total operating charges
- Net turnover: 5 629 248
- % Turnover: 473.07%

### Total extraordinary income
- Net turnover: 191
- % Turnover: 0.22%

### Total extraordinary charges
- Net turnover: 1 681
- % Turnover: 0.22%

### Extraordinary result
- Net turnover: 191
- % Turnover: 0.22%

### Profit sharing with employees
- Net turnover: (820 711)
- % Turnover: -82.71%

### Income tax payable
- Net turnover: (861 421)
- % Turnover: -99.87%

### Total income
- Net turnover: 6 777 610
- % Turnover: 569.57%

### Total charges
- Net turnover: 11 402 479
- % Turnover: 958.23%

### Net profit/loss
- Net turnover: (4 624 868)
- % Turnover: -388.66%
ACCOUNTING RULES AND METHODS

Company name: ADVICENNE SA

Notes to the balance sheet before distribution for the financial year ended 31/12/2018, totalling 33,174,080 euros.
and to the income statement for the financial year, presented in list form, showing a loss of -4,624,868 euros.
The financial year lasts 12 months, covering the period from 1 January 2018 to 31 December 2018.

Advicenne (the "Company") is domiciled in France. The Company's registered office is located at 2 rue Briçonnet – 30000 Nimes.

These notes are an integral part of the Company's individual financial statements for the financial year ended 31 December 2018. The financial statements were approved by the Board of Directors on 20 March 2019.

1 - General Rules

Accounting policies were applied in compliance with the French Commercial Code, the Accounting Decree of 29 November 1983, CRC Regulations 2000-06, 2004-06 and 2002-10, and ANC Regulation 2014-03 of 5 June 2014 on the French Chart of Accounts.

Accounting principles were applied truthfully in compliance with the principle of prudence, according to the following assumptions:
- going concern;
- consistent accounting methods from one financial year to the next;
- independence of financial years.

and in compliance with the general rules for preparing and presenting the annual financial statements.
The basic method applied for measuring the value of the items included in the accounts is the historical cost method.

Only significant financial information is shown. Unless specified otherwise, the amounts are shown in euros.

2- Description of the company’s business activities

Advicenne is a French pharmaceutical company founded in 2007 that markets and develops innovative paediatric products and products for people of all ages for nephrology (renal diseases) and neurology. In order to build its product portfolio, Advicenne started from the observation that for certain rare diseases, there are no treatments suitable or optimal for children. Advicenne intends to provide a therapeutic response to unmet, often serious, medical needs, especially for certain renal and neurological diseases.

Advicenne's strategy is to design innovative products and implement clinical, pharmaceutical and regulatory strategies to reach orphan markets with strong demand for which there are no treatments that have received Marketing Authorisations (MAs) in Europe or the United States. Advicenne has developed a portfolio of products, the first of which obtained an MA in several European countries in 2018. A second product is in the registration stage for its first indication and advanced clinical development for the second. Advicenne also markets two other products authorised in France for which
the Company has either acquired an exclusive operating licence or signed a distribution agreement covering several territories, including France.

Advicenne's flagship product, ADV7103, is positioned for the treatment of renal diseases (nephrology). Advicenne has generated convincing clinical results with ADV7103 in several clinical trials and is in the final clinical development phase before applying for marketing authorisation (MA) for Europe. ADV7103 was designed to become a leading medicine for the treatment of distal renal tubular acidosis. Advicenne submitted a marketing authorisation application for ADV7103 in that first indication to the European Medicines Agency (EMA) in Q1 2019 on the basis of the positive results of the European Arena 1 Phase III clinical trial. Advicenne will capitalise on the clinical studies already conducted in Europe, and it initiated the clinical development of ADV7103 in the United States for its first indication.

The US Food and Drug Administration (FDA) has approved the application for Investigational New Drug (IND) status for ADV7103, officially launching the pivotal Phase III clinical trial. Advicenne obtained orphan disease designation from the EMA for ADV7103 for distal renal tubular acidosis. The major advantage of this status is that it allows laboratory-manufacturer selling products with orphan drug status to enjoy marketing exclusivity after obtaining an MA for the product for 10 years in Europe.

In addition to its flagship product ADV7103 and the product sold to Primex ADV6209, which was granted marketing authorisation in the third quarter of 2018, the company has other products under development in the field of nephrology and neurology that will strengthen this portfolio and enter the clinical phase in the near future.

In Europe, the Company decided to market its products via its own infrastructure. The networks of medical visitors required to sell this type of product are limited in size, given that the prescriber population will primarily be limited to paediatric nephrologists and neurologists.

**Highlights of the financial year**

The year 2018 was rich in positive developments, in line with the plan presented during its IPO, which allowed the company to plan its growth with confidence.

**Financial and commercial elements**

On 5 January 2018, nearly 72% of the over-allotment option was partially exercised as part of Advicenne's IPO on the Euronext regulated market in Paris. This option resulted in the issuance of 59,648 additional new shares at the offer price of €14.03 per share, for a total amount of €743,717.56 (net of issuance costs).

The first positive opinion for its product Ozalin® (ADV6209), licensed to Primex, was obtained on 10 September 2018, and triggered the recognition of the second contractual milestone of €5 million, which consists of a €3 million receivable and €2 million previously recognised as an advance.

The launch of the ARENA 2 clinical trial in the USA for ADV7103 in the treatment of dRTA resulted in the signing of a contract with a US CRO.

The Company has kept its cash consumption under control, limiting it to less than €10 million, and, with more than €26 million has a visibility of 24 months based on the current activities.

**Scientific, clinical and regulatory events**

In May 2018, Advicenne obtained authorisation from the ANSM to initiate the pivotal Phase II/III clinical trial for ADV7103 for a second indication (cystinuria).
In late May 2018, Advicenne signed a partnership with the European Society for Paediatric Nephrology (ESPN) to improve knowledge of distal renal tubular acidosis (dRTA) and its management in Europe.

On 2 July 2018, Advicenne announced the preliminary results of the Phase III extension study (B22CS) with ADV7103 for distal Renal Tubular Acidosis (dRTA). This open-label clinical study confirmed ADV7103's efficacy and safety after 24 months of treatment.

On 3 September 2018, Advicenne was granted Investigational New Drug (IND) status by the FDA, which enabled it to initiate the pivotal Phase II/III clinical trial of ADV7103 for dRTA. This study was extended to Canada on 15 October and, thanks to its innovative design, it received the Galien Foundation's "MedStartUp" Award on 26 October in New York.

On 12 September 2018, Advicenne received the first positive notification for its Ozalin (ADV6209) product licensed to Primex, which allows Primex to market the product in several European countries.

On 15 October 2018, Advicenne received a Letter of No Objection from Health Canada's Office of Clinical Trials to expand its ARENA-2 pivotal Phase III study in distal Renal Tubular Acidosis (dRTA) into Canada.

Other events and governance

Advicenne prepared its international deployment during the financial year.

In January, it announced the arrival of Dr Linda Law as the head of clinical operations in the United States.

On 20 September 2018, Advicenne appointed Charlotte Sibley as a member of the Board of Directors and Paul Michalet as Chief Financial Officer.

Subsequent events

On 7 January 2019, Advicenne obtained authorisation from the Belgian Federal Agency for Medicines and Health Products (FAMHP) to initiate a pivotal Phase II/III clinical trial (CORAL study) with its flagship drug candidate, ADV7103, for cystinuria.

On 12 March 2019, the Company filed the application for the marketing of its flagship product ADV7103 for distal renal tubular acidosis (dRTA).

3- Accounting rules and methods

Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are valued at their acquisition cost, for assets acquired for a fee, at their production cost, for assets produced by the company, and at market value for assets acquired for free or in exchange.
The cost of an asset is made up of its purchase price, including import duties and non-refundable taxes, after deducting any trade discounts, rebates, or cash discounts on all directly-attributable costs incurred to put the asset in place and in working condition according to the intended use. Transfer duties, fees or commissions and legal costs related to the acquisition are not included in this acquisition cost. All costs that are not part of the asset's acquisition cost and that cannot be directly included with the costs deemed necessary to put the asset in place and in working condition according to the intended use are booked as expenses.

**Research and development (R&D) expenses**

The company invests in research and development activities in the fields of neurology and nephrology. In 2018, the budget devoted to research and development was €6.9 million, compared to €4.4 million in 2017.

Development expenses are recorded on the balance sheet if, and only if, all the conditions set out below are met:
- The product or process is clearly defined, and the related costs are reliably measured and identified separately;
- The product's technical feasibility is demonstrated;
- The product or process has serious chances of being marketed or used internally;
- Assets will generate future economic advantages;
- Appropriate technical and financial resources required for completion of the project are available.

Development expenses include direct costs incurred on projects, primarily salaries of researchers, engineers, and technicians, and the cost of the raw materials and other services consumed by the assets used for development activities.

The Company's in-house research and development was not capitalised as of 31 December 2017 and 31 December 2018, as all of the above criteria were not met in full. Technical feasibility is not deemed to be demonstrated until marketing authorization has been granted.

Research and development costs are entitled to a research tax credit recognised at the end of the financial year during which the expenses were recognised. The Research Tax Credit (CIR) generated for 2018 expenses is €820,711.

**Depreciation**

Depreciation is calculated on a straight-line basis according to the estimated useful life.
- Concessions, software and patents: 1-3 years
- Technical facilities: 5-10 years
- Industrial equipment and tooling: 2-5 years
- Main facilities, fixtures and various fittings: 5-10 years
- Office equipment: 3-5 years
- IT equipment: 3-5 years
- Furniture: 3-10 years

The depreciation period used for simplification is the initial lifetime of any goods which cannot be separately identified.
Inventories

Acquisition costs of inventories include the purchase price, import duties and other fees, excluding any taxes subsequently refundable to the entity by the tax administration, as well as transport, handling, and other costs directly attributable to the cost price of raw materials, merchandise, works in progress, and finished products. Trade discounts, rebates, cash discounts, or any other similar items are deducted to arrive at the acquisition costs.
Inventories are measured using the first-in, first-out method. For practical reasons, and unless there is a significant difference, the last known purchase price is used.
Expired products and merchandise are removed from the inventories or impaired.
A provision for impairment of inventories equal to the difference between the gross value determined using the procedures described above and the current market value, or the market value minus proportional selling costs, is made if this gross value is greater than the other stated term.

Receivables

Receivables are measured at face value. A provision for impairment is made if the inventory value is less than the book value.

Provisions

Any current obligation resulting from a past event of the company with regard to a third party, likely to be estimated with sufficient reliability, and covering the identified risks, is recognised as a provision.
Provisions for liabilities and charges are composed of the provision for retirement bonuses and the provision for social security contributions and credits.

Debt-issuing costs

Debt-issuing costs are immediately recognised as expense for the financial year.

Extraordinary income and expenses

Extraordinary income and expenses take into account the items that are not related to the company's normal business.

Competitiveness and Employment Tax Credit

The Competitiveness and Employment Tax Credit (CICE) applied to eligible compensation from the 2018 calendar year amounted to €21,417. In compliance with the recommendation of the French Accounting Standards Authority, the corresponding income was credited to Account 649 - Personnel Expenses - CICE.
The CICE income recorded for the financial year is deducted from operating costs and must be applied to the corporate income tax owed for the year during which the compensation applied for calculating the CICE was paid. The full amount of the CICE was used to help finance training.
Risks

Since its founding, the Company has financed its development by strengthening its equity through successive capital increases, refinancing its expenses through borrowings, obtaining subsidies and government grants for innovation and Research Tax Credit reimbursements, as well as short and medium-term bank loans. However, the Company is not exposed to a liquidity risk resulting from the potential execution of early repayment clauses of said loans due to covenants.

In future, the Company will continue to have significant financing needs for its business development.

The maturity schedule of financial liabilities is broken down in the receivables and debts table.

Credit risk

Credit risk mainly stems from cash and cash equivalents and trade receivables, particularly unpaid receivables and committed transactions.

Cash and cash equivalents are held by banks and financial institutions rated A to A-1 (Standard & Poor's rating agency).

Currency risk

At this stage of its development and due to the non-significant number of transactions carried out in foreign currencies, the Company has not set up any hedges to protect its business from foreign currency fluctuations.

On the other hand, the Company cannot exclude that a significant rise in business volumes would not result in a greater exposure to currency risk. If this were to be the case, the Company would set up a suitable policy to hedge this risk. In the event it were not able to set up an efficient currency hedging system in future, this could have a negative effect on its results.

Breakdown of revenue

Sales of goods are primarily comprised of two products sold under license for epilepsy: Likozam and Levidcen. Likozam is sold under a temporary authorisation for use (ATU).

<table>
<thead>
<tr>
<th>Revenue from goods sold (€K)</th>
<th>31 December 2018</th>
<th>31 December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales of goods - European Union</td>
<td>1,181</td>
<td>100%</td>
</tr>
<tr>
<td>Sales of goods - Rest of World</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revenue from goods sold</td>
<td>1,181</td>
<td>100%</td>
</tr>
</tbody>
</table>

This is a free translation into English of the 2018 French GAAP annexe issued in the French language and is provided solely for the convenience of English-speaking readers. In case of discrepancy, the French version prevails.
Other operating income

Obtaining the first positive opinion for its product Ozalin (ADV6209) licensed to Primex triggers the second milestone payment of €5 million stipulated in the contract, comprised of a €3 million receivable and €2 million recognised as an advance up to this point, now vested.

Other operating income came from the Primex milestone payment. The contract with Primex is an agreement for the transfer of assets associated with the product ADV6209 in paediatric anaesthesiology to the Swiss company PRIMEX signed in February 2016. The agreement calls for an initial payment of €4 million, which was made in 2016, an additional payment of €3 million upon the first positive opinion, and future additional payments conditional on the achievement of certain milestones and royalties based on a percentage of future sales.

Executive compensation

Total gross compensation paid to executive corporate officers is €698,926. Securities conferring a share of the capital held to maturity are shown in the detailed "tracking table of founders' warrants (BSPCE) and share warrants (BSA) at 31/12/2018".

No commitment was contracted for retirement benefits for them.

Compensation of Directors, Committee Members

No payment was made in 2018.

Post-employment – Employee benefits

The contributions recognised on the balance sheet for defined contribution plans amounted to €149 thousand in 2018 and €106 thousand in 2017.

Provisions for retirement benefits are measured using the following actuarial data:
Due to a lack of hedging assets, the Company's entire obligation mentioned above is recognized in liabilities.

A one-point change in the discount rate had no significant effect on the total liabilities as of 31 December 2018 and 31 December 2017.

Related party information

The related parties involved in the transactions completed include physical persons and entities, related to the Company, that have a direct or indirect stake in the Company, as well as the main executive corporate officers.

No related-party contracts were ongoing in 2018, and no contracts were entered into during the year.

Statutory Auditors' fees

<table>
<thead>
<tr>
<th>STATUTORY AUDITORS' FEES (€ thousands)</th>
<th>December 31, 2018</th>
<th>December 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit</td>
<td>KPMG</td>
<td>KPMG</td>
</tr>
<tr>
<td>Statutory audit, certification, review of company and consolidated financial statements</td>
<td>102</td>
<td>96</td>
</tr>
<tr>
<td>Services other than certification of accounts</td>
<td>9</td>
<td>213</td>
</tr>
<tr>
<td>Honoraires commissaires aux comptes</td>
<td>111</td>
<td>309</td>
</tr>
</tbody>
</table>

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# Fixed Assets

<table>
<thead>
<tr>
<th>Assets Values</th>
<th>Financial year fixed assets movements</th>
<th>Assets Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening</td>
<td>Increase</td>
<td>Decrease</td>
</tr>
<tr>
<td></td>
<td>Re-evaluations</td>
<td>Additions</td>
</tr>
<tr>
<td><strong>INTANGIBLE ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other intangible fixed assets</td>
<td>23 264</td>
<td>2 033</td>
</tr>
<tr>
<td><strong>TOTAL INTANGIBLE ASSETS</strong></td>
<td>23 264</td>
<td>2 033</td>
</tr>
<tr>
<td><strong>TANGIBLE ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings - owned land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- leasehold land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Installations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical installations, machinery and equipment</td>
<td>445 984</td>
<td>65 384</td>
</tr>
<tr>
<td>Other installations and equipment</td>
<td>20 659</td>
<td></td>
</tr>
<tr>
<td>Transport equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office equipment</td>
<td>121 239</td>
<td>47 110</td>
</tr>
<tr>
<td>Returnable containers and other packaging</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction work in progress</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advance payments</td>
<td>27 453</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL TANGIBLE ASSETS</strong></td>
<td>587 882</td>
<td>139 946</td>
</tr>
<tr>
<td><strong>FINANCIAL ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in associates (equity method)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other affiliated investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans and other financial assets</td>
<td>309 353</td>
<td>160 711</td>
</tr>
<tr>
<td><strong>TOTAL FINANCIAL ASSETS</strong></td>
<td>309 353</td>
<td>160 711</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>920 499</td>
<td>302 690</td>
</tr>
</tbody>
</table>
## Depreciation

<table>
<thead>
<tr>
<th>Statement in euros</th>
<th>Depreciation Opening</th>
<th>Financial year depreciation movements</th>
<th>Depreciation Closing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Increase</td>
<td>Decrease</td>
</tr>
<tr>
<td>Establishment costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>20 650</td>
<td>1 584</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL INTANGIBLE ASSETS</strong></td>
<td>20 650</td>
<td>1 584</td>
<td></td>
</tr>
</tbody>
</table>

### TANGIBLE ASSETS

<table>
<thead>
<tr>
<th>Land</th>
<th>Buildings - owned land</th>
<th>Technical installations, machinery and equipment</th>
<th>Other installations and equipment</th>
<th>Office equipment</th>
<th>Returnable containers and packaging</th>
<th><strong>TOTAL TANGIBLE ASSETS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>299 014</td>
<td>85 901</td>
<td>384 915</td>
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<td></td>
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<td>11 304</td>
<td>1 799</td>
<td>13 103</td>
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<td></td>
<td></td>
<td>63 857</td>
<td>24 376</td>
<td>11 814</td>
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<td>76 419</td>
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<td></td>
<td></td>
<td><strong>474 437</strong></td>
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</table>

| TOTAL |                     | 374 175                         | 112 076                         | 11 814          |
|       | **TOTAL**            | **394 825**                     | **113 660**                     | **496 671**     |

### Movement distribution for degressive depreciation scheme

| Increase | Decrease | Net variation
<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Differential time and other</td>
<td>Degressif method</td>
<td>Fiscal dep. Extraordina</td>
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<td>Establishment costs</td>
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<td>Other intangible assets</td>
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<tr>
<td><strong>TOTAL INTANGIBLE ASSETS</strong></td>
<td></td>
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</tr>
<tr>
<td>Land</td>
<td>Buildings - owned land</td>
<td>Technical installations, machinery and equipment</td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of investment in affiliates</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
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<tr>
<td><strong>TOTAL UNDISTRIBUTED MOVEMENTS</strong></td>
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<tr>
<td>Type of shares options</td>
<td>Attribution date</td>
<td>Exercise price per share subscribed</td>
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<tr>
<td>------------------------</td>
<td>-----------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>BSPCE 2018</td>
<td>07/08/2009</td>
<td>2</td>
</tr>
<tr>
<td>BSA 2008</td>
<td>07/08/2009</td>
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</tr>
<tr>
<td>BSPCE 2011 pool 2</td>
<td>19/10/2012</td>
<td>3,22</td>
</tr>
<tr>
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<tr>
<td>BSPCE 2011bis</td>
<td>03/01/2014</td>
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<tr>
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<td>03/01/2014</td>
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<tr>
<td>BSPCE 2013 pool1 part2</td>
<td>17/04/2015</td>
<td>3,22</td>
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<tr>
<td>BSA 2013</td>
<td>17/04/2015</td>
<td>3,22</td>
</tr>
<tr>
<td>BSPCE 2017 pool1</td>
<td>11/07/2017</td>
<td>7,54</td>
</tr>
<tr>
<td>BSPCE 2017 pool2</td>
<td>11/07/2017</td>
<td>7,54</td>
</tr>
<tr>
<td>BSPCE 2018</td>
<td>06/12/2018</td>
<td>06/12/2028</td>
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<td><strong>TOTAL</strong></td>
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</table>
## Changes in equity

<table>
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<tr>
<th>Statement in euros</th>
<th>Equity capital closing 31/12/2017</th>
<th>Last year's income appropriation</th>
<th>Retroactive contributions</th>
<th>Changes during period</th>
<th>Equity capital closing 31/12/2018</th>
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</thead>
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<tr>
<td>Share capital</td>
<td>1 600 539</td>
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<td>11 930</td>
<td>1 612 469</td>
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<td>Premiums, share premiums</td>
<td>51 321 251</td>
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<td>731 788</td>
<td>52 053 039</td>
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<td>Goodwill</td>
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<td>Legal reserve</td>
<td>21 600</td>
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<td>21 600</td>
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<td>Statutory reserves</td>
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<tr>
<td>Regulated reserves</td>
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<tr>
<td>Other reserves</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Unappropriated retained earnings</td>
<td>(14 776 209)</td>
<td>(4 656 359)</td>
<td></td>
<td>(19 432 568)</td>
<td></td>
</tr>
<tr>
<td>Income summary</td>
<td>(4 656 359)</td>
<td>4 656 359</td>
<td></td>
<td>(4 624 868)</td>
<td>(4 624 868)</td>
</tr>
<tr>
<td>Investment grants</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regulated provisions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>33 510 822</strong></td>
<td><strong>33 510 822</strong></td>
<td></td>
<td><strong>(3 881 151)</strong></td>
<td><strong>29 629 672</strong></td>
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</tbody>
</table>

### Date of annual general meeting
- Distributed dividends
  - Including dividends of last year's income

Opening share capital after last year's income appropriation 33 510 822
Opening share capital after retroactive contributions 33 510 822

L'augmentation de capital provient de l'exercice de l'option de surallocation dans le cadre de l'introduction en bourse d'Advicenne sur le marché réglementé d'Euronext à Paris en décembre 2017.

The capital increase is related to the exercice of the over allotment option as a result of the IPO on the regulated stock market of Euronext Paris in december 2017.
## PROVISIONS

<table>
<thead>
<tr>
<th></th>
<th>Opening</th>
<th>Increase</th>
<th>Decrease</th>
<th>31/12/2018</th>
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<tr>
<td><strong>Regulated provisions</strong></td>
<td></td>
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<tr>
<td>Provisions for reconstructions mine &amp; oil activity</td>
<td></td>
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<tr>
<td>Provisions for investments</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Provisions for price increase</td>
<td></td>
<td></td>
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<tr>
<td>Provisions pour amortisation</td>
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<tr>
<td>Fiscal provisions for loan of installations</td>
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<tr>
<td>Other provisions</td>
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<td><strong>REGULATED PROVISIONS</strong></td>
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<tr>
<td>For litigations</td>
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<tr>
<td>For guarantees to clients</td>
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<tr>
<td>For losses on the forward market</td>
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<tr>
<td>For fines and penalties</td>
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<td></td>
</tr>
<tr>
<td>For loss and change</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>For pensions and similar provisions</td>
<td>105 816</td>
<td>42 675</td>
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<td>148 491</td>
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<tr>
<td>For taxes</td>
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<tr>
<td>For replacement of fixed assets</td>
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<td></td>
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<tr>
<td>For important maintenance and revision</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For fiscal and social charges on holiday pay</td>
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<tr>
<td>Other</td>
<td>203 900</td>
<td>198 840</td>
<td></td>
<td>402 740</td>
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<tr>
<td><strong>PROVISIONS FOR RISK AND CHARGES</strong></td>
<td>309 716</td>
<td>241 515</td>
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<td>551 231</td>
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<td><strong>Provisions for depreciation</strong></td>
<td></td>
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<tr>
<td>On fixed assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>intangible / research and development costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>tangible</td>
<td></td>
<td></td>
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<tr>
<td>equivalence titles</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>equity securities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>other financial</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On inventory and work in progress</td>
<td>68 204</td>
<td>52 242</td>
<td>68 204</td>
<td>52 242</td>
</tr>
<tr>
<td>On accounts receivable</td>
<td>2 230</td>
<td>5 325</td>
<td></td>
<td>7 555</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PROVISIONS FOR DEPRECIATION</strong></td>
<td>70 434</td>
<td>113 195</td>
<td>68 204</td>
<td>115 425</td>
</tr>
<tr>
<td><strong>TOTAL GENERAL</strong></td>
<td>380 150</td>
<td>354 710</td>
<td>68 204</td>
<td>666 656</td>
</tr>
</tbody>
</table>

|                |          |          |          |             |
|                | opening  |          |          |             |
|                | financial |          |          |             |
|                | exceptional |        |          |             |
### Receivables and Debts

<table>
<thead>
<tr>
<th>Receivables from affiliates</th>
<th>31/12/2018</th>
<th>Due under 1 year</th>
<th>Due over 1 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans (1) (2)</td>
<td>470 064</td>
<td>460 668</td>
<td>9 396</td>
</tr>
<tr>
<td>Other financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Doubtful or disputed trade receivables</td>
<td>7 555</td>
<td>7 555</td>
<td></td>
</tr>
<tr>
<td>Other trade receivables</td>
<td>3 336 349</td>
<td>3 336 349</td>
<td></td>
</tr>
<tr>
<td>Receivables on securities lent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees and other assimilated accounts</td>
<td>1 000</td>
<td>1 000</td>
<td></td>
</tr>
<tr>
<td>Social institutions and social security contributions</td>
<td>366</td>
<td>366</td>
<td></td>
</tr>
<tr>
<td>Income tax</td>
<td>842 699</td>
<td>842 699</td>
<td></td>
</tr>
<tr>
<td>Value added tax</td>
<td>222 316</td>
<td>222 316</td>
<td></td>
</tr>
<tr>
<td>Other tax receivables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous receivables</td>
<td>2 961</td>
<td>2 961</td>
<td></td>
</tr>
<tr>
<td>Affiliates and shareholders (2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other receivables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>1 468 601</td>
<td>1 468 601</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL RECEIVABLES</strong></td>
<td>6 351 910</td>
<td>6 342 514</td>
<td>9 396</td>
</tr>
</tbody>
</table>

(1) Loans granted during period
(2) Loans paid during period

<table>
<thead>
<tr>
<th>Debts</th>
<th>31/12/2018</th>
<th>Due under 1 year</th>
<th>1 to 5 years</th>
<th>Due over 5 years</th>
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</thead>
<tbody>
<tr>
<td>Convertible bonds (1)</td>
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<tr>
<td>Other bonds (1)</td>
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<tr>
<td>Loans to credit institutions - 1 year max from origin (1)</td>
<td>419 908</td>
<td>247 774</td>
<td>172 134</td>
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<tr>
<td>Loans to credit institutions - over 1 year from origin (1)</td>
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<td></td>
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<tr>
<td>Other loans and financial debts (1) (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables and other assimilated accounts</td>
<td>1 669 523</td>
<td>1 669 523</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees and other assimilated accounts</td>
<td>479 698</td>
<td>479 698</td>
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<tr>
<td>Social institutions and social security contributions</td>
<td>358 920</td>
<td>358 920</td>
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<tr>
<td>Income tax</td>
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<td></td>
</tr>
<tr>
<td>Value added tax</td>
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<tr>
<td>State liabilities</td>
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<tr>
<td>Other tax payables</td>
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<td>65 128</td>
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<tr>
<td>Debts on assets and assimilated accounts</td>
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<td></td>
</tr>
<tr>
<td>Affiliates and shareholders (2)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Other liabilities</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Debts on securities lent</td>
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<tr>
<td>Unearned revenue</td>
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<td><strong>TOTAL DEBTS</strong></td>
<td>2 993 178</td>
<td>2 821 043</td>
<td>172 134</td>
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</tbody>
</table>

(1) Loans contracted during period
(1) Loans reimbursed during period
(2) Loans contracted towards shareholders (persons)
### ACCOUNTS RECEIVABLES (with details)

<table>
<thead>
<tr>
<th></th>
<th>31/12/2018</th>
<th>31/12/2017</th>
<th>Variations</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivable from affiliates</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial fixed assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other trade receivables</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other account receivables</td>
<td>3,327</td>
<td>4,798</td>
<td>-1,471</td>
<td>-30.66</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,327</td>
<td>4,798</td>
<td>-1,471</td>
<td>-30.66</td>
</tr>
</tbody>
</table>
## ACCOUNTS PAYABLES (with details)

<table>
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<th>31/12/2017</th>
<th>Variations</th>
<th>%</th>
</tr>
</thead>
<tbody>
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<td>Convertible bonds</td>
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</tr>
<tr>
<td>Other bonds</td>
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<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans to credit institutions</td>
<td>582</td>
<td>843</td>
<td>-261</td>
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</tr>
<tr>
<td>Other loans and financial debt</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables and other assimilated accounts</td>
<td>903 091</td>
<td>864 829</td>
<td>38 262</td>
<td>4.42</td>
</tr>
<tr>
<td>Fiscal and social debt</td>
<td>719 377</td>
<td>575 667</td>
<td>143 710</td>
<td>24.96</td>
</tr>
<tr>
<td>Trade payables on fixed assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other debt</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1 623 050</td>
<td>1 441 339</td>
<td>181 711</td>
<td>12.61</td>
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<tr>
<td>Prepaid expenses</td>
<td>31/12/2018</td>
<td>31/12/2017</td>
<td>Variations</td>
<td>%</td>
</tr>
<tr>
<td>--------------------------</td>
<td>------------</td>
<td>------------</td>
<td>------------</td>
<td>---</td>
</tr>
<tr>
<td>Prepaid expenses - operating</td>
<td>1 468 601</td>
<td>104 314</td>
<td>1 364 287</td>
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<tr>
<td>Prepaid expenses - financial</td>
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</tr>
<tr>
<td>Prepaid expenses - exceptional</td>
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<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>1 468 601</td>
<td>104 314</td>
<td>1 364 287</td>
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Prepaid expenses includes mainly the prepayment to the CRO for the start of the clinical study of ADV7103 for dRTA in the USA.
### DEFERRED INCOME (with details)

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<th>31/12/2017</th>
<th>Variations</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred income - operating</td>
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</tr>
<tr>
<td>Deferred income - financial</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Deferred income - exceptional</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
# Average personnel (per head)

<table>
<thead>
<tr>
<th>AVERAGE PERSONNEL BY CATEGORY</th>
<th>31/12/2018</th>
<th>Internal Staff</th>
<th>External Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executives</td>
<td></td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Middle level employees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Labourers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>26</strong></td>
<td></td>
</tr>
</tbody>
</table>
## FINANCIAL COMMITMENTS

### Financial commitments 31/12/2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discounted receivables</td>
<td></td>
</tr>
<tr>
<td>Securities</td>
<td></td>
</tr>
<tr>
<td>Financial lease commitments</td>
<td></td>
</tr>
<tr>
<td>Pension plan commitments</td>
<td></td>
</tr>
<tr>
<td><strong>Other commitments</strong></td>
<td></td>
</tr>
<tr>
<td>Nantissement fonds de commerce</td>
<td>191,000</td>
</tr>
<tr>
<td>Nantissement fonds de commerce</td>
<td>500,000</td>
</tr>
<tr>
<td><strong>Total financial commitments (1)</strong></td>
<td>691,000</td>
</tr>
</tbody>
</table>

(1) including: executives, subsidiaries, investments in affiliates, other affiliated companies
**Increases and reductions**

**future tax debt**

<table>
<thead>
<tr>
<th></th>
<th>Regulated provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Decreases</strong></td>
<td>Non deductible provisions of the current year of accounting</td>
</tr>
<tr>
<td></td>
<td>Provision for retirement</td>
</tr>
</tbody>
</table>

**PROVISIONS FOR RISK AND CHARGES**

| 0 |

**PROVISIONS FOR RISK AND CHARGES**

| 148 491 |
Advicenne S.A.
Statutory auditor’s report on the financial statements

For the year ended 31 December 2018
Advicenne S.A.
2 rue Briconnet - 30000 Nîmes
This report contains 32 pages
Reference : L192-287
Advicenne S.A.

Registered office: 2 rue Briconnet - 30000 Nîmes
Share capital: €1.612.469

Statutory auditors’ report on the financial statements

For the year ended 31 December 2018

To the annual general meeting of Advicenne S.A.

Opinion

In compliance with the engagement entrusted to us by your your annual general meeting, we have audited the accompanying financial statements of Advicenne S.A. for the year ended 31 December 2018.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2018 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditor Responsibilities for the Audit of the Financial Statements section of our report.
Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1st January 2018 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we bring to your attention the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Recognition of revenue from the partnerships with Primex

As described in the note 2 of the notes to the financial statements (section “faits marquants de l’exercice / Eléments financiers et commerciaux”), the company received on 10 September 2018 marketing authorization for the Ozalin product, currently licensed to Primex. This triggered payment of a second instalment of 3 million euros in accordance with the terms of the contract and the recognition as revenue of 2 million euros previously recorded as deferred income. As such, the Company recognized revenue of 5 million euros in the financial statements for the year to 31 December 2018.

We considered that the recognition of revenue in respect of this partnership agreement was a key audit matter due to its complexity and materiality to the Company’s financial statements.

Audit response

Our audit procedures regarding revenue recognition consisted of:
- Analyzing contractual terms and conditions to corroborate the applicable accounting treatment;
- Assessing whether the adopted accounting treatment complies with French accounting rules.
- Assessing whether revenue was recorded in accordance with the adopted accounting treatment and the recoverability of the associated receivables.
Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

*Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders*

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-4 of the French Commercial Code (*Code de commerce*).

*Information relating to corporate governance*

We attest that the Board of Directors’ report on corporate governance sets out the information required by Articles L.225-37-3 and L.225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.225-37-3 of the French Commercial Code (*code de commerce*) relating to remuneration and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a public takeover bid or exchange offer, provided pursuant to Article L.225-37-5 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

*Other information*

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.
Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditor

We were appointed as statutory auditor of Advicenne S.A. by statutes of 20 October 2006.

As at 31 December 2018, KPMG Audit Sud-Est was in its 12th consecutive year as statutory auditor to the Company, of which this was the 2nd year since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditor’s Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:
Advicenne S.A.
Statutory auditors' report on the financial statements
30 April 2019

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.
We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Nimes, April 30, 2019
The statutory auditor

French original signed by

Stéphane Devin
Nicolas Blasquez
Partner
Advicenne S.A.

Statutory Auditor’s report on regulated agreements and commitments

Shareholders’ Meeting held to approve the financial statements for the year ended December 31, 2018

Advicenne S.A.

2 rue Briconnet – 30000 Nîmes

This report contains 4 pages

Reference: L192-285
Advicenne S.A.

Registered Office: 2 rue Briconnet – 30000 Nîmes
Share capital: €.1.612.469

Statutory Auditor’s Report on regulated agreements and commitments

Annual General Meeting held to approve the financial statements for the year ended December 31, 2018

To the Shareholders of Advicenne S.A.,

In our capacity as statutory auditor of your Company, we hereby present our report on the regulated agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the key terms and conditions as well as the commercial interest for the Company of the agreements and commitments of which we have been informed or of which we became aware in the course of our engagement. We are not required to determine whether they are useful or appropriate or to ascertain whether any other agreements or commitments exist. It is your responsibility, under the terms of article R.225-31 of the French Commercial Code, (“Code de commerce”), to assess the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, if applicable, in accordance with article R.225-31 of the French Commercial Code, to inform you of agreements and commitments which were approved during previous years and continued to apply during the financial year.

We performed the procedures we considered necessary in accordance with French professional guidance issued by the “Compagnie Nationale des Commissaires aux Comptes” (National Association of Statutory Auditors), relating to this engagement. Our work consisted of verifying that the information provided to us was consistent with the documentation from which it was drawn.
AGREEMENTS AND COMMITMENTS SUBJECT TO THE APPROVAL OF THE SHAREHOLDERS’ MEETING

We inform you that we have not been notified of any agreements entered into or authorised during the year ended 31 December 2018 that would require Shareholders’ meeting approval, under the terms of article L. 225-38 of the French Commercial Code.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE SHAREHOLDERS’ MEETING

We inform you that we have not been notified of any agreements approved by Shareholders’ meetings in previous years, and for which transactions occurred during the year ended 31 December 2018.

Nimes, April 30, 2019
The statutory auditor

French original signed by
Stéphane Devin                                    Nicolas Blasquez
Partner