



2016 Full-Year Results and Progress Report

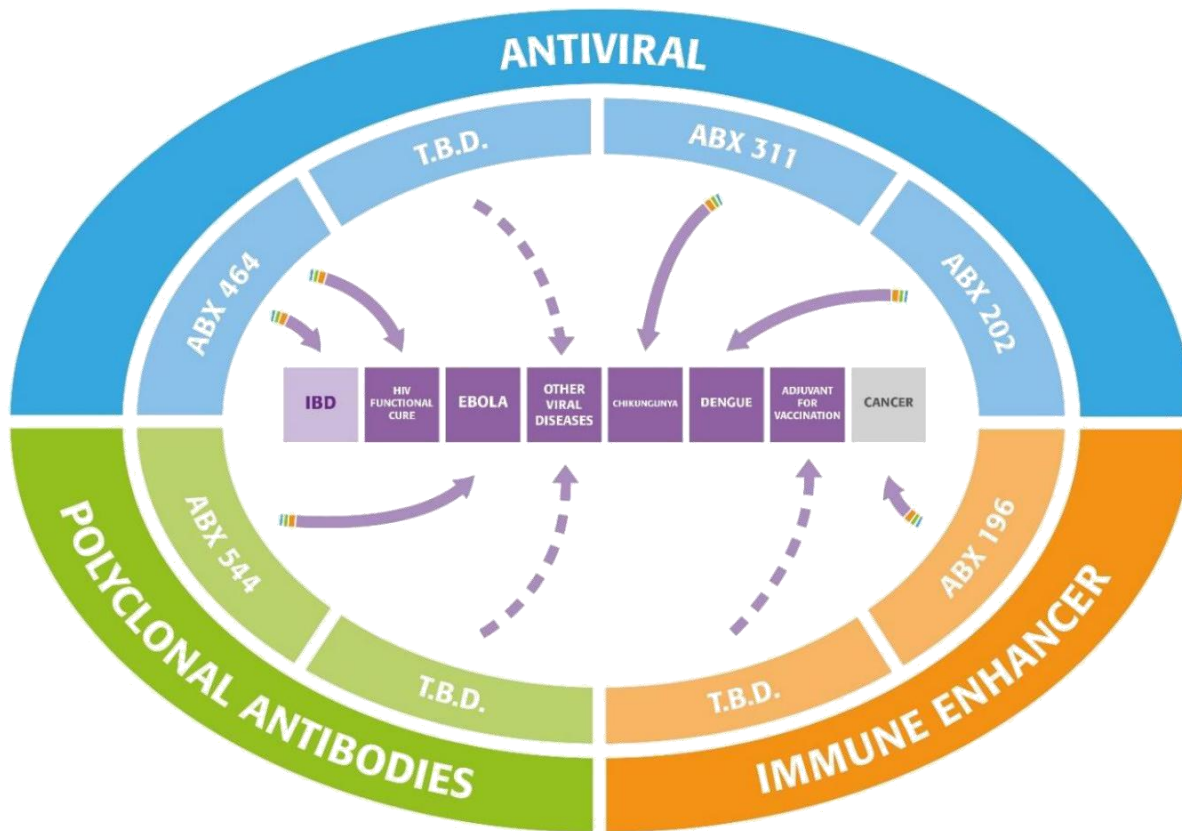
**Significant progress on cornerstone program ABX464 (HIV and IBD)
Solid cash position, enabling the accomplishment of upcoming milestones until mid-2018**

HIGHLIGHTS 2016

- Continued development of ABX464 showed encouraging results in HIV and inflammatory diseases ;
- Discovery of new promising molecules targeting Chikungunya and Dengue; preclinical studies for Chikungunya ongoing ;
- Encouraging preclinical results in oncology with ABX196, Abivax's proprietary immune enhancer ;
- ABX203 development suspended since mid-2016
- Bpifrance awarded a €8.4m milestone-based subsidy and loan from the "invest in the future" program ;
- Robust cost control and significant decrease in cash burn during second half 2016 (€5.1m during second half 2016 versus €11m during first half 2016) ;
- €23m available in cash as of December 31, 2016, allowing funding of the Company until mid-2018.

Paris, March 15, 2017 at 6pm CET – ABIVAX (Euronext Paris: FR0012333284 – ABVX), an innovative biotechnology company targeting the immune system to eliminate viral diseases, announced today its 2016 full year financial results, as of December 31st and provides an update on its progress and perspectives for 2017. The financial statements for 2016, approved by the Company's Board of Directors on March 13, 2017, have been audited and the certification report is being prepared by the Company's external auditors.

"We are very satisfied with the progress of ABIVAX in 2016, both from a financial perspective as well as with the progress in the development of our portfolio," said Professor Hartmut Ehrlich, M.D., Chief Executive Officer of ABIVAX, and added "ABX464, our most advanced product candidate, which targets a functional cure in HIV patients, has shown antiviral activity in a Phase II study. Based on these results, we are now conducting a second phase II, treatment interruption study, which measures the time to viral load rebound. Top-line data for this study are expected by the end of April 2017. Furthermore, based on encouraging preclinical data on the treatment of inflammatory bowel disease (IBD), ABIVAX is initiating a Phase II proof of concept study with ABX464 in this indication. Furthermore, Bpifrance awarded ABIVAX with a combined subsidy and loan allowing us to broaden our research to identify compounds against additional viruses with a high unmet medical need, based on our antiviral platform. Finally, ABX196, our immune enhancer candidate, has shown promising preclinical data turning tumors that are non-responsive to checkpoint inhibitors into responsive tumors."



2016 OPERATING HIGHLIGHTS

Strategic business focus of ABIVAX: Leveraging multiple technology R&D to facilitate new products from its three immune-virology platforms

ABIVAX develops antivirals and immunotherapies that originate from three proprietary technological platforms:

- **“Antiviral”**, based on technologies jointly developed with CNRS (Montpellier, France) and Institut Curie (Orsay, France). This platform has generated a chemical library of more than one thousand compounds that block viral replication due to completely new modes of action, i.e. the inhibition of mRNA biogenesis. In addition to ABX464, which inhibits HIV replication, this platform has generated various molecules targeting other viruses, such as Chikungunya (ABX311), which is currently in preclinical development and Dengue virus (ABX202), which is currently in final stages of hit identification.
- **“Immune enhancer”**, based on an intellectual property licensed from the Scripps Research Institute (La Jolla, United States). It focuses on invariant natural killer T cells (or iNKT) agonists, which have been shown to stimulate both humoral and cellular immune responses and may have clinical applications in both infectious diseases and oncology.



A phase I clinical study in healthy volunteers with the immune enhancer ABX196 has shown that the product is safe and well tolerated. Recent preclinical development of ABX196 has shown its capacity to turn tumors that are non-responsive to checkpoint inhibitors into responsive tumors. ABIVAX does not intend to play a role in the immune-oncology field, and is therefore seeking external partners in order to license out this molecule within the next 6-9 months.

- **“Polyclonal antibodies”**, which leads to the generation of neutralizing antibodies for the prevention and treatment of Ebola virus infections. ABX544 will go into preclinical development during Q2 2017.

ABX 464 clinical development progress in HIV and discovery of potential new indications (Antiviral platform)

- **ABX464, a potential key element in the functional cure of HIV**

ABX464 is a novel, first-in-class, small molecule with unique properties and mode of action originating from the proprietary antiviral chemical library. ABX464 inhibits the activity of the REV protein, which is critical for HIV replication.

ABX464 has not only demonstrated the ability to inhibit viral replication in vitro and in vivo, but also, in animal models, to induce a long-lasting reduction of the viral load after treatment interruption in mice, without inducing resistance. This molecule represents a substantial potential for the development of a new class of antiretroviral drugs, which may lead to a functional cure in HIV patients.

Two phase I studies conducted on healthy subjects in 2014 demonstrated that the product was well tolerated at the anticipated therapeutic doses. In 2015, a first phase IIa study on 66 subjects infected with HIV-1 provided initial evidence of the antiviral activity of ABX464 in humans, while confirming its good tolerability. These results were presented at the CROI (Congress on Retroviruses and Opportunistic Infections) and at the International AIDS Conference in July 2016.

A second phase IIa study (ABX464-004), this time a treatment interruption study, was started in June 2016 in Spain, Belgium and France to explore the long term therapeutic effect of ABX 464 when used in association with other antivirals. A total of 28 patients have been enrolled. Patients are treated with boosted Darunavir, which is an established treatment of HIV. One of the co-primary endpoints of the study is the time to viral load rebound after treatment interruption. This rebound will come from the HIV reservoirs which are not affected by today’s antiretrovirals. The first results will become available at the end of April 2017.

- **A new Phase IIa (ABX464-005) study exploring the effect of ABX464 on the HIV reservoirs will be initiated in March 2017**

ABIVAX plans to launch a compartmental pharmacokinetics (PK) clinical study (ABX464-005) in March 2017. HIV infected patients will receive ABX464 for 28 days in addition to their antiretroviral treatment. Rectal biopsies will be collected at different intervals, allowing the quantification of viral load and level of inflammation in the reservoirs over time. This study, to be conducted at the *Germans Trias i Pujol* University Hospital Badalona (Barcelona, Spain), will provide a better understanding of the long term



efficacy observed in preclinical models with ABX464. First results are expected during the summer of 2017.

The results of these ABX464-004 and -005 studies will guide us in designing the phase IIb study, planned to be initiated by the end of 2017.

- **ABX464, a molecule with strong anti-inflammatory effect leading to a potential indication in inflammatory bowel disease (ulcerative colitis)**

New preclinical data generated with ABX464 demonstrate a strong anti-inflammatory effect of the compound. In macrophages, this effect was shown to be mediated by a 50-fold increase of the expression of IL-22, a cytokine known as a potent suppressor of inflammatory processes. Inflammation is a cornerstone of the pathologies observed, not only in HIV, but also in a number of other diseases, such as inflammatory bowel disease (IBD, including ulcerative colitis and Crohn's disease). When evaluated in a mouse model of IBD, ABX464 demonstrated a long-lasting effect in preventing the typical symptoms of inflammatory colitis, including histological changes. Based on these encouraging results, ABIVAX intends to launch a proof of concept clinical study in patients with IBD in 2017.

Novel antiviral molecules with potential for dengue virus treatment have been discovered

ABIVAX is currently screening its targeted library of small molecules to discover and develop antiviral therapeutic candidates against dengue fever. The Company recently discovered several molecules that are active against serotype 2 and is beginning to analyze these hits on their ability to inhibit the replication of the other 3 serotypes of the virus.

Financing of €8.4 million from the “Invest in the Future Program” (PIA), operated by Bpifrance, to strengthen ABIVAX’s proprietary antiviral platform

In December 2016, ABIVAX has obtained financing of €8.4 million from the competitive funding called “Projets de R&D Structurants Pour la Compétitivité” (PSPC) of the “Invest in the Future Program” (PIA). This program is supervised by the General Commissariat of Investment (Commissariat Général de l’Investissement) and operated by Bpifrance.

Under this new program, ABIVAX will lead a consortium, including the CNRS and qualified contract research organizations (CROs). A total budget of €18.8 million was approved for the project over a period of five years. The total funding provided by Bpifrance is €10.3 million, of which €8.4 million are a mix of loans and subsidies for ABIVAX and €1.9 million for the CNRS.

The milestone-based funding will allow ABIVAX to increase the throughput and further optimize its antiviral discovery platform, with a goal to identify molecules against additional viruses with high medical need, like the respiratory syncytial virus and the influenza virus.



Suspension of the ABX203 development program (chronic hepatitis B)

In June 2016, a futility analysis was conducted on the Company's phase IIb/III study of ABX203 due to an increase in the number of patients taken off the study related to a rebound of their viral load. A futility analysis is an analysis performed within a clinical trial in order to estimate the probability for the study to reach its primary evaluation criterion.

The outcome of this analysis indicated that a positive result of the study's primary evaluation criterion (i.e. controlling the hepatitis B virus 24 months following the discontinuation of a treatment based on nucleoside analogues) was improbable.

The final results of the clinical study obtained in December 2016 confirmed the conclusions of the futility analysis. The development strategy for ABX 203 is therefore suspended, while awaiting for further information from the Cuban partners.

Governance and strengthening of management team

At the end of the year, ABIVAX strengthened its management team through the appointment of Didier Blondel as **Chief Financial Officer and Board Secretary**. Mr. Blondel was Chief Financial Officer at Sanofi Pasteur MSD, a Lyon-based joint-venture between Sanofi and Merck, and European leader in human vaccines, since 2012. During the previous 20-year period, Mr. Blondel held a wide range of senior finance positions at Sanofi, in Commercial Operations and then R&D, where he became Global R&D CFO.

2016 FINANCIAL HIGHLIGHTS

Items in the Income Statement	31/12/2016	31/12/2015	Variation
<i>in millions of euros</i>			
Total operating revenue	0.2	0.2	-0.1
Total operating expenses	18.4	18.5	-0.1
<i>including R&D expenses of</i>	15.5	15.3	-0.1
<i>including general and administrative expenses of</i>	2.9	3.2	-0.3
Operating profit/loss	-18.2	-18.3	0.0
Financial result	0.3	-0.1	0.4
Loss before extraordinary items and tax	-18.0	-18.4	-0.4
Extraordinary results	0.2	-0.4	0.6
Tax on profits	-3.5	-2.8	-0.7
Net result	-14.3	-16.0	1.6

The operating loss amounts €18.2m (compared with €18.3m as of December 31, 2015). This reflects the stringent monitoring of costs by the Company, resulting in the consolidation of R&D headcount in Montpellier within a cooperative lab with CNRS and the closure of the Evry R&D site. Total headcount at the end of December 2016 was 24.

In 2016, R&D expenses amount to €15.5m, mainly due to ABX464 development at € 7.6m (49 %). The remaining clinical and preclinical costs are respectively amounting at €5.3m (34 %) and €2.6m (17 %).

The financial result is positive and progressed compared to 2015 (€0,3m compared to -€0,1m). The net result amounts to -€14,3m by December 31, 2016 compared to -€16m at December 31, 2015.

A significant decrease of the cash burn happened during the second half of 2016 (€5,1m compared to €11m during the first half of 2016) allowing the yearly cash decrease to be limited at €16.1m. This can be mainly attributed to the suspension of the ABX203 program in the second half of 2016.

By the end of 2016, the Company had €23.0m in cash compared to €39.1m at the end of 2015. In contrast, total equity amounts to €54.5m at the end of 2016 compared to €68.8 M for 2015.

Based on the assessment of planned R&D needs and before raising any new financing, the Company is fully funded until mid-2018.

Financial items in the balance sheet <i>in millions of euros</i>	31/12/2016	31/12/2015	Variation
Net financial position	22.7	38.7	-16.0
<i>including term deposits (maturity > 1 year) of</i>	15.0	25.0	-10.0
<i>including marketable securities of</i>	0	14.0	-14.0
<i>including treasury instruments of</i>	0.0	0.0	0.0
<i>including available cash of</i>	7.9	0.1	7.8
<i>(including financial liabilities of)</i>	-0.3	-0.4	0.1
Total assets	60.6	76.3	-15.7
Total shareholders' funds	56.7	71.8	-15.1
<i>including equity of</i>	54.5	68.8	-14.2
<i>including conditional advances of</i>	2.2	3.0	-0.8

The assets of the Company at the end of 2016 included goodwill, classified in Intangible Fixed Assets, and resulting from the previous mergers of Wittycell (which contributed the adjuvant platform and the iNK anti-viral agonist adjuvant ABX196) and Splicos (which contributed the antiviral platform and the small molecule ABX464). This goodwill amounted to €32 million as of year-end 2014. Due to significant progress in the ABX464 project and the potential licensing out of ABX196, the Company has opted not to proceed to any write-off and the value of those intangible assets remained unchanged in 2016.

PERSPECTIVES 2017

In 2017, the Company anticipates achieving the following major milestones:

Antiviral platform:

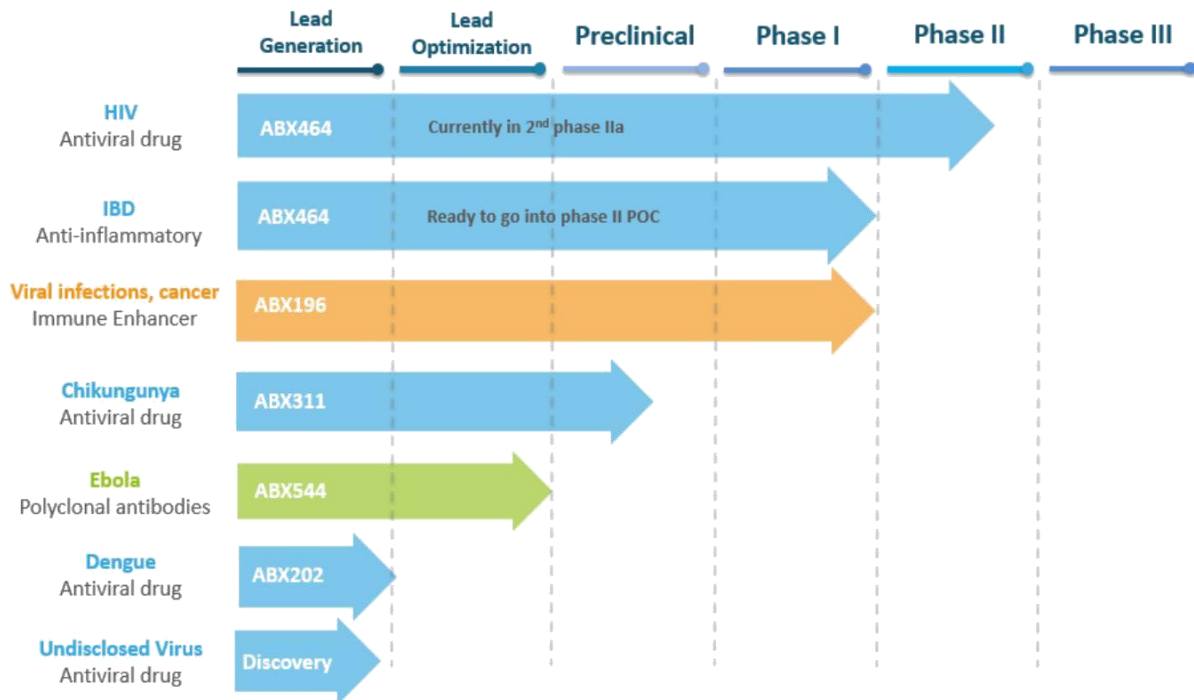
- Releasing top-line data from the ABX464 treatment interruption study (ABX464-OO4) in April 2017
- Start of a new clinical trial evaluating the impact of ABX464 on the HIV reservoir
- Start of a clinical proof of concept study of ABX464 in inflammatory bowel disease (IBD)
- Further preclinical development of ABX311 in Chikungunya
- Identification of a molecule that inhibits all four serotypes of the dengue virus

Immune enhancer platform:

- Outlicensing of ABX196 in immuno-oncology

Polyclonal platform:

- Initiation of preclinical studies with ABX544 in Ebola



FINANCIAL CALENDAR – UPCOMING EVENTS:

- **June 23rd**: Annual General shareholders’ meeting
- **September 20th**: 2017 first half year results
- **September 29th**: 2017 first half year financial report published on www.abivax.com

WEBCAST PRESENTATION

ABIVAX’s senior management will host a webcast presentation on March 16, 2017 at 5:00 pm CET (Paris time), to discuss FY 2016 results and to provide an update of current activities. The webcast presentation can be accessed via the following link: <http://edge.media-server.com/m/p/mgme2tku>, and attendees can log on using the following telephone information:

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About ABIVAX (www.abivax.com)

ABIVAX is an innovative biotechnology company focused on targeting the immune system to eliminate viral disease. ABIVAX leverages three technology platforms for drug discovery: an anti-viral, an immune enhancement, and a polyclonal antibody platform. ABX464, its most advanced compound, is currently in Phase II clinical trials and is a first-in-class oral small anti-viral molecule which blocks HIV replication through a unique mechanism of action. In addition, ABIVAX is advancing multiple candidates against additional viral targets (i.e. Chikungunya, Ebola, Dengue) as well as an immune enhancer, and several of these compounds are planned to enter clinical development within the next 18 months. Abivax is listed on Euronext compartment B (ISIN: FR0012333284 – Mnémo: ABVX)

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