

Annual Report of the Board of Directors on the Statutory Annual Accounts

Dear Shareholder,

We are pleased to present the annual accounts as at December 31, 2020.

Comments to Statutory Accounts

The 2020 financial year closed with a loss of 26.9 million euro compared to a loss of 50.2 million euro for the 2019 financial year.

The operating income for the 2020 financial year amounted to 21.0 million euro compared to 24.3 million euro in 2019, consisting of

- 1.9 million euro from product sales compared to 3.0 million euro in 2019
- 0.1 million euro from royalties compared to 0.1 million euro in 2019
- 17.6 million euro capitalized R&D expenses compared to 18.0 million euro in 2019;
- 1.4 million euro from costs carried forward and other operational revenue compared to 3.2 million euro in 2019.

The operating expenses for the financial year 2020 amounted to 48.6 million euro compared to 75.4 million euro for the financial year 2019. These operating expenses break down as follows:

- 6.3 million euro in purchases compared to 12.0 million euro in 2019;
- 15.0 million euro in services and various goods compared to 16.2 million euro in 2019. The 2020 figure included a milestone payment of 2.0 million euro related to the development of THR-149;
- 7.3 million euro in salaries and social security compared to 8.4 million euro in 2019;
- 18.5 million euro in depreciation and amortization compared to 20.5 million euro in 2019. Ocriplasmin was fully impaired at June 2019, as a result only in the first half of 2019, an amortization of 1.6 million euro was booked related to Ocriplasmin;
- 0.1 million euro in other operating expenses compared to 1.4 million euro in 2019; and
- 1.4 million euro in non-recurring operating charges due to the impairment of NPDR compared to 16.9 million euro in 2019 due to the impairment of JETREA[®].

Therefore, the operating loss amounts to 27.6 million euro, compared to a loss of 51.1 million euro a year earlier.

The financial results were as follows: 0.5 million euro in financial revenue in 2020 and in 2019 and 0.4 million euro in financial expenses in 2020 and in 2019.

Favorable adjustments of income taxes, tax credits, amounted to 0.6 million euro in 2020 and 0.7 million euro in 2019.

As a result, the 2020 financial year closed with a loss of 26.9 million euro compared to a loss of 50.2 million euro for the 2019 financial year.

In addition, for the financial year 2020, an amount of 0.07 million euro was invested, mostly in IT & laboratory equipment and office modeling, compared to 0.11 million euro in 2019.

Capital raises and issue of new shares

Oxurion NV was incorporated as ThromboGenics NV on May 30, 2006 with a capital of 62,000 euro represented by 11,124 shares. As of December 31, 2020, the capital of the Company amounted to 55,325,961 euro represented by 38,291,950 shares.

Description of the Principal Characteristics of the Company's Risks

The risks and uncertainties that Oxurion believes to be material are described below. Should any of these risks materialize, it could have a material adverse effect on Oxurion's cash flows, results of operations, financial condition and/or prospects and may even endanger its ability to continue as a going concern. Moreover, other risks, including those currently unknown or deemed immaterial, may also impair Oxurion's business operations.

As further described below, in 2020 and going forward, Oxurion was and will continue to be subject to the following risks, among others:

- Oxurion will require additional financial investments to fund future research and development activities.
- Oxurion is a clinical stage company with no history of profitability due to the substantial spending on product development
- The market may not be ready for or may not accept the drug candidates of Oxurion.
- The pharmaceutical market is highly competitive, which means that Oxurion is required to compete with players having much stronger financial and human resources than the Company and creates the possibility of competition in many forms, including competing molecules and the possible genericization of the anti-VEGF Market.
- Bringing a drug candidate to market requires expensive and time intensive preclinical and clinical studies and the outcome of each phase is always uncertain. Oxurion may be unable to complete the preclinical studies and development programs of its product candidates successfully and/or to obtain the licenses and approvals necessary to bring new drugs to the market.
- The guidelines and rules issued by the European Medicines Agency (EMA), from the US Food and Drug Administration (FDA) or any other comparable Regulators ("Regulators") to authorize the marketing of Oxurion's products are very strict and their impact is difficult to predict.
- Obtaining reimbursement of drugs may be even more important and difficult to obtain in the future.
- Oxurion may be subject to claims that its products violate the intellectual property rights of others or may be exposed to violations of patents or other intellectual property rights.
- Oxurion is dependent on partners to provide expertise and various forms of support for clinical development, manufacturing, R&D, technology and in-licensing
- Oxurion may face difficulties in attracting and retaining key executives and scientific personnel

In 2020, financial risk management focused on:

- Credit risks: Credit risk is limited to JETREA[®] sales for which the Company has entered into an exclusive license with Inceptua, which is a creditworthy company. Oxurion checks creditworthiness of each commercial partner with a reputable agency.
- Interest risks: The Group does not have any financial debts and as such does not have material interest risk.
- Currency risks: Oxurion is moderately subject to exchange rate risks. Uncovered outgoing foreign currencies will be honored by exchanging euro. As per its treasury policy, Oxurion has not used financial instruments to cover such risks.

Capital Increase by the Board of Directors with Respect to the Authorized Share Capital and Provisions that may be triggered in the Event of a Public Takeover on the Company (article 8:2 of the Royal Decree of April 29, 2019 (article 34 of the old Royal Decree of 14 November 2007))

a. The Powers of the Board of Directors with Respect to the Authorized Share Capital

Article 46 of the Company's Articles of Association contains the following provisions with respect to the authorized share capital. The powers of the Board of Directors with respect to the authorized share capital were renewed at the Extraordinary Shareholders' meeting on May 24, 2019 for a period of five years starting from the publication of the deed of amendment of the Articles of Association in the Belgian Official Gazette (June 13, 2019). The Board is authorized to increase the share capital of the Company on one or more occasions up to an amount of 55,325,961 euro (less the authorized capital as to be used in the exercise of the subscription rights to be granted) through cash, in kind contribution, or by conversion of the reserves in accordance with Article 7:199 of the Belgian Companies Code.

b. “Change of Control” Provision with Respect to Warrants Issued by the Company

On December 4, 2014, the Company’s extraordinary shareholders’ meeting decided to issue an additional 720,000 warrants under the Warrant Plan 2014, of which 692,500 warrants have been allotted. Under this plan, 20,375 warrants have been exercised and 672,125 warrants have been forfeited. The remaining 27,500 warrants issued under Warrant plan 2014 were not allotted. The warrants were valid until December 3, 2019.

The Warrant Plan 2014 contained the following “change of control” provision in the event of a public takeover on the Company:

“If the Company becomes subject to a public takeover bid, the allocated warrants will immediately vest and will be exercisable during an exercise period of thirty calendar days following the formal notification to the Company of the public takeover bid by the Financial Services and Markets Authority (FSMA).”

On November 20, 2017, the Company’s extraordinary shareholders’ meeting decided to issue an additional 1,440,000 warrants under the Warrant Plan 2017, of which 1,141,300 warrants have been allotted. Under Warrant Plan 2017 no warrants were exercised and 257,500 have been forfeited.

The Warrant Plan 2017 contains the same “change of control” provision in the event of a public takeover on the Company.

c. “Change of Control” Provision with Respect to certain Management Agreements

On April 9, 2009, the Company’s extraordinary shareholders’ meeting approved, in accordance with Article 7:151 BCC (Article 556 old BCC), a “change of control” provision to be included in the management agreement of the senior managers. The agreements provide that if the Company becomes subject to a public takeover bid and the content of their respective management agreements would significantly change, compensation would be due based on who takes the initiative to end the contract. Where the Company takes the initiative, the senior manager is entitled to 18 months compensation, whereas if the manager ends the contract it would be 12 months.

Events after the end of the financial year

On April 1, 2021, the Company has secured committed equity funding of up to 30 million euro by signing binding heads of terms with a third party.

Continuation Assessment

According to Article 3:6 of the Belgian Company Code (Article 96, 6th of the old Belgian Company Code) and after deliberation, the Board of Directors has decided to preserve the valuation rules assuming continuation, for the following reason:
The Statutory financial statements were prepared on a going concern basis.

Management has assessed the Company’s ability to continue as a going concern through preparation of the budgets and cash flow forecasts for the years 2021 and 2022. These forecasts reflect the strategy of the Company and include significant expenses and cash outflows in relation to the development of selected research programs and its pipeline of products candidates.

At December 31, 2020 the Oxurion Group has cash and cash equivalents (including investments) of 24.8 million euro in comparison with 52.9 million euro at December 31, 2019. The cash balance is sufficient to fund operations into the fourth quarter of 2021. This had the potential to create a material uncertainty about the continuity of operations. However, the Company has secured access to committed equity funding until at least mid-2022. According, the Board of Directors decided to continue its valuation rules under the assumption of going concern.

Corporate governance

General provisions

This section summarizes the rules and principles applicable to the corporate governance of Oxurion. It is based on the Articles of Association and on the Corporate Governance Charter of the Company which was drawn up on October 19, 2006 and which has been updated since on a regular basis. The last update was approved by the Board of Directors in December 2019 and is published on Oxurion's website (<https://www.oxurion.com/corporate-governance>) ("Corporate Governance Charter").

The Corporate Governance Charter can be obtained free of charge via the Company's registered office.

The Corporate Governance Charter of Oxurion contains the following specific chapters:

- Board of Directors
- Executive Team and CEO
- Dealing Code – Rules for the prevention of insider trading and market abuse
- Audit Committee
- Nomination and Remuneration Committee

Compliance with the Corporate Governance code

The Company notes that under Article 7.6 of the Belgian Corporate Governance Code (2020 Edition) non-executive board members should receive part of their remuneration in the form of shares in the Company. The Company does not comply with this provision of the Code because the Company has no distributable reserves and therefore it cannot acquire its own shares to be granted to directors.

The Company further notes that under Article 7.6 of the Belgian Corporate Governance Code (2020 Edition), non-executive board members should not receive subscription rights in the Company as part of their remuneration. The Company does not comply with this provision of the Code because the Company has no distributable reserves and therefore it cannot acquire its own shares to be granted to director and therefore has decided to grant non-executive board members a limited number of subscription rights to allow them to purchase shares, as approved by the May 2019 Annual Shareholders Meeting.

Description of the Principal Characteristics of the Company's Internal Controls and Risk Analysis

The Corporate Governance Charter describes how the Company addresses internal controls and risks analysis.

The following paragraphs summarize the most relevant characteristics of the Company's internal controls and risk analysis which make part of the roles of the statutory bodies as described in the Corporate Governance Charter.

Internal control systems play a central role in directing the activities and in risk management. They allow for a better management and control of the possible risks (strategic risks, financial risks, compliance with rules and legislations), in order to achieve the corporate goals. The internal control system is based on five pillars:

- control environment
- risk analysis
- control activities
- information and communication; and
- supervision and modification

Control environment

The control environment at Oxurion includes both formal and informal rules on which the functioning of the Company relies.

Oxurion has defined Accountability, Empowerment, Optimism, Trustworthiness, Respect, Information and Consultation as being the values driving Oxurion's team with the aim to create an open corporate culture, in which communication and respect for patients, suppliers and staff play a central role. All employees are required to manage the Company's means with due diligence and to act with the necessary common sense. The informal rules are complimented by formal rules where necessary. With this, Oxurion intends to attract, motivate and retain qualified employees, in a cooperative work environment and with possibilities for personal development. Their expertise and experience will contribute to the Company's effective management.

The control environment is further created and supported by the Board, the Board Committees, the Executive Team, the Executive Committee and the staff.

Board

The Board consists of a majority of independent, Non-Executive Directors. The Board undertakes the following functions in creating the control environment:

- The Board pursues sustainable value creation by the Company, by setting the Company's strategy, putting in place effective, responsible and ethical leadership and monitoring the Company's performance.
- The Board supports the Executive Team in the fulfilment of their duties and constructively challenges the Executive Team whenever appropriate.
- The Board decides on and regularly reviews the Company's medium and long-term strategy based on the proposals from Executive Management.
- The Board ensures that it approves the operational plans and main policies developed by the Executive Team to give effect to the approved Company strategy.
- The Board determines the risk appetite of the Company in order to achieve the Company's strategic objectives.

To achieve its duties, the Board of Directors relies on the operational committees, as well as the Executive Team:

Board Committees

- The Audit Committee evaluates the strength of controls at regular intervals and assists the Board in fulfilling its monitoring responsibilities in respect of the financial reporting process, the effectiveness of the internal control and risk management systems, the internal audit and the statutory auditor's work and independence.
- The Audit Committee also monitors the integrity of the financial information provided by the Company: The Audit Committee ensures that the financial reporting provides a true, honest and clear picture of the situation and the prospects of the Company. For this monitoring, the Audit Committee in particular reviews the relevance and consistency of the accounting standards and the accuracy, completeness and consistency of the financial information.
- The Nomination and Remuneration Committee controls the quality and compensation for the Board, the Executive Team, and the Executive Committee, and evaluates the remuneration policy on a going forward basis. Under the new Belgian law, any material changes to the Remuneration Policy must be approved by the shareholders.

Executive Team and Executive Committee

- The day-to-day management is the responsibility of the Executive Team who is supported by the Executive Committee, which is made up of the CEO and his direct reports. The Executive Team controls the operations and activities of the Executive Committee and all other personnel.
- The Executive Team is made up of the CEO and other executive members of the Board. During 2020, the CEO was the only executive director and the CEO therefore was the only member of the Executive Team.
- For the sake of effective management, authority is partially delegated from the Executive Team to the various departments within Oxurion. The delegation of authorities is not linked to a person, but rather to the position. The Executive Team, whose areas of responsibility are situated at Group level, holds a final control competence over the authorized representatives. All persons concerned are informed of the extent of their authority (rules on approbation, limitations of authorities).
- In managing internal controls and risks, the Executive Team is entrusted with proposing, developing, implementing and monitoring the Company strategy, taking into account Oxurion's values, its risk profile and key policies.

Risk analysis

As set forth above, the Board of Directors decides on the Group's strategy, risk profile and its main policy lines. The task of the Board of Directors is to strive for long-term success by ensuring proper risk assessment and management.

The Executive Team is responsible for the development of systems that identify, evaluate and monitor risks. The Executive Team undertakes a risk analysis in all departments of the Group and takes relevant risks into account in developing the Group's strategy. Implementation includes a set of means, codes of conduct, procedures and measures that fits the Company's structure, which are intended to maintain risks at an acceptable level.

The control environment is supported by Oxurion's Code of Business Conduct (the "Code") covering a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide the motives and actions of all directors, officers and employees of Oxurion. All directors, officers and employees of Oxurion must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. The Code should also be provided to, and followed by, Oxurion's agents and representatives, including consultants.

The Code seeks to deter wrongdoing and to promote:

- -Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest in personal and professional relationships.
- -Full, fair, accurate, timely and understandable disclosure in reports and documents that Oxurion submits to the Brussels Financial Services and Markets Authority (the "FSMA") and in other public communications made by Oxurion.
- -Compliance with all applicable governmental laws, rules, regulations and industry codes.
- -Accountability for adherence to the Code; and
- -The prompt internal reporting of violations of the Code.

Oxurion divides its objectives into four categories:

- strategic,
- operational,
- reliability of the internal and external information;
- compliance with rules and legislations and internal instructions.

Risk identification consists of examining the factors that could influence the objectives put forward in each category. Internal or external factors may influence the realization of these objectives.

- Internal factors: are closely related to the internal organization and could have several causes (e.g. change in the group structure, staff, ERP system).
- External factors: can be the result of changes in the economic climate, regulations or competition affecting the Company and the sector.

Control activities

In order to properly manage identified risks, Oxurion takes the following control measures:

- access and security systems at the premises and offices;
- establishment of internal operational and control procedures;
- modifications and updates of the existing procedures; use of a reporting tool that permit financial data reporting on a regular basis (quarter, year). The reporting tool also permits development of KPIs and regular assessments thereof.

The risk mitigation comprises numerous day-to-day activities such as:

- regular updates of the Company's risk management plans;
- management by operational supervisors;
- data exchange with third parties for confirmation purposes (e.g. suppliers/customers);
- segregation of duties;
- control by external auditors.

Information and Communication

The Board takes all necessary measures to ensure the integrity and timely disclosure of the Company's financial statements and other material financial and non-financial information in accordance with applicable law.

In order to be able to present reliable financial information, Oxurion makes use of a standardized reporting of accounts and a global application of IFRS recognition criteria and applies a uniform administration and implementation of the same ERP system in all subsidiaries.

Oxurion has a robust information management system. Depending on the type of data at issue, controls are in place to ensure that the information is limited to authorized persons. A back-up policy is available, and all data is backed up centrally on a weekly base and locally on a daily base.

Supervision and risk mitigation

Supervision is carried out by the Board of Directors, the Audit Committee and the Company's Executive Team.

Role of the Board

- The Board approves a framework of internal control and risk management, proposed by the Executive Team. It reviews the implementation of the framework, considering the evaluation made by the Audit Committee. The Board will also describe the main features of the internal control and risk management systems of the Company and discloses them in the Corporate Governance Statement.
- The Board ensures that there is a process in place for monitoring the Company's compliance with laws and other regulations, as well as for the application of internal guidelines relating thereto.

Role of the Audit Committee

- The Audit Committee should inform the Board of the outcome of the statutory audit and explain how the statutory audit contributed to the integrity of financial reporting and what the role of the Audit Committee was in that process.
- At least once a year, the Audit Committee reviews the internal control and risk management systems set up by the Executive Team. It ensures that the main risks are properly identified, managed and disclosed in accordance with the framework approved by the Board.
- This also includes review and approval of the statements on internal control and risk management included in the Corporate Governance Statement in the Annual Report as well as review of the specific arrangements in place which the staff of the Company may use, in confidence, to raise concerns about possible improprieties.
- The Audit Committee monitors the external auditor's work program and review the effectiveness of the external audit process and the responsiveness of the management to the recommendations made by the external auditor in his or her management letter. The external auditor must report to the Audit Committee on the key matters arising from the statutory audit of the financial statements, and in particular on material weaknesses in internal control in relation to the financial reporting process.
- The Audit Committee annually reviews the need for an internal audit function and advise the Board on the Audit Committee's annual assessment of such need.

Role of the Executive Team

The Executive Team is responsible for:

- supervising compliance with the legislation and regulations that apply to the Company
- putting internal controls in place (i.e. systems to identify, assess, manage and monitor financial and other risks) without prejudice to the Board's monitoring role, based on the framework approved by the Board
- presenting to the Board a complete, timely, reliable and accurate preparation of the Company's Financial statements, in accordance with the applicable accounting standards and policies of the Company.
- presenting the Board with a balanced and understandable assessment of the Company's financial situation.

Oxurion believes that periodic evaluations are necessary to assess the effectiveness of the internal control and the implemented procedures. As of the date of this Annual Report, Oxurion had not assigned an internal audit role as the size of the business does not justify a permanent role in this respect. As per need, the Audit Committee will outsource internal audit activities to cover selected and/or recurring topics.

External Audit

External auditing within Oxurion is performed by BDO Bedrijfsrevisoren, represented by Gert Claes, Company Auditor. This includes the auditing of the statutory annual accounts and the consolidated annual accounts of Oxurion NV and its subsidiaries.

In 2020, fees totaling 84,000 euro were paid for the audit mandate of Oxurion NV.

Board of Directors' Meetings in the Financial Year 2020

The Board of Directors met six times in 2020. With regard to its supervisory responsibilities, the following topics were discussed and assessed:

- The Board of Directors decides on the Company's strategy, its willingness to take risks, its values and major policies. The Board was actively engaged with the preclinical and clinical progress of the Company's program candidates and considered possible partnership opportunities, matters of a strategic nature, new and current investments, analysis, discussion and evaluation of acquisition opportunities.
- The Board of Directors ensures that the necessary leadership and the necessary financial and human resources are available so that the Company is able to realize its goals.
- The finalization and implementation of the out-licensing to Inceptua SA. of the JETREA[®] asset, in order to allow the Company to focus on the products THR-149 and THR-687 in the pipeline.
- Upon determining the values and strategies in the overall policy plan, the Board of Directors considers corporate social responsibility, gender diversity and diversity in general.
- The Board of Directors is responsible for the quality and comprehensiveness of the financial information published and application of the IFRS and FSMA requirements. The Board considered the Company financial data such as the summary half year financials, year-end financials, budget follow-up and consolidated results. At the same time, the Board of Directors is responsible for the integrity and timely publication of the annual results and other important financial and non-financial information that is communicated to shareholders and potential shareholders, the General Meeting, and the Annual Report. This included on-going discussion of the budget and going concern considerations.
- The Board of Directors supervises the Company's obligations towards its shareholders and considers the interests at stake of those involved in the Company. The Board was actively involved in discussions with future funding opportunities.
- The Board of Directors stimulates an effective dialogue with the shareholders and potential shareholders, on the basis of mutual understanding of goals and expectations.
- Following the recommendations of the Nomination and Remuneration Committee, the Board of Directors approves the contracts that appoint the CEO and the other members of the Executive Team. The contracts refer to the criteria adopted when determining the variable remuneration. The contract includes specific stipulations regarding a premature termination of the contract. To ensure alliance with the corporate objectives, the Board decided to emphasize the corporate objectives in compensating the members of the Executive Team and Committee.
- The Board of Directors elects the structure of the Company's Executive Team, stipulates its powers and obligations, and supervises and evaluates the performance thereof. The Board decided on the Executive's Team achievement of the corporate objectives and the resulting bonuses, warrant and retention plans.
- The Board of Directors is responsible for the Corporate Governance structure of the Company and compliance with the Corporate Governance stipulations. The Board has decided to adopt a one-tier governance structure and to have an Audit Committee and a Nominations and Remunerations Committee.

The Board of Directors can deliberate validly only if at least half of its members is present or represented. Should this quorum not be achieved, a new Board meeting shall be convened with the same agenda, which meeting shall deliberate and validly pass resolutions if at least two directors are present or represented. Resolutions made by the Board of Directors shall be passed by a majority of the votes. The Board is allowed to deliberate on items not specified on the agenda only with the agreement of all members and subject to those being present in person.

Principle 2.9 of the Belgian Corporate Governance Code 2009 recommends that the Board of Directors appoints a Company Secretary to advise the Board on all Company matters. Claude Sander, the former Company Secretary, passed away on December 20, 2019. During the Board of Directors of March 12, 2020, the Board appointed Midico BV (represented by Michaël Dillen) as Company Secretary.

Committees within the Board of Directors

The Board of Directors has established an Audit Committee and a combined Nomination and Remuneration Committee. The Board of Directors appoints the members and the chairman of each committee. Each committee consists of at least three members. The composition of the Committees for 2020 was as follows:

Audit Committee: Investea SRL (represented by Emmanuèle Attout), chairman; Thomas Clay; Philippe Vlerick.

The Audit Committee held four meetings during 2020.

Nomination and Remuneration Committee: Thomas Clay, chairman; Dr. Adrienne Graves; Dr. David Guyer.

The Nomination and Remuneration Committee held three meetings during 2020.

The powers of these Committees are described in the Corporate Governance Charter of Oxurion (Appendix 4 and 5), which is available on the Oxurion's website (www.oxurion.com).

Policy regarding Transactions and other Contractual Relationships between the Company, including Affiliated Companies, and its Directors and Members of the Executive Team

Conflicts of Interest of Directors and members of the executive team

Article 7:96 of the Belgian Company Code (Article 523 of the old Belgian Company Code) contains special provisions which must be complied with whenever a director has a direct or indirect conflict of interest of a patrimonial nature in a decision or transaction within the authority of the Board of Directors.

According to Appendix 1 and 2 of the Corporate Governance Charter of the Company regarding transactions or other contractual relations between the Company including affiliated companies, and its directors and members of the Executive Team, such transactions need to be submitted to the Board of Directors.

In 2020, two conflicts of interest occurred:

Board of Directors of December 10, 2020

Conflict of interests with respect to the achievement of the 2020 corporate objectives

(a) Declaration

Dr. Patrik De Haes declared that he had a conflict of interests within the meaning of Article 7:96 of the Belgian Company Code (Article 523 of the old Belgian Company Code) about agenda item regarding, i.e., the achievement of the 2020 corporate objectives. This conflict of interest results from the following circumstances: Dr. Patrik De Haes is the permanent representative of ViBio BV which serves as CEO of the Company. As executive member of the Board of Directors, he is entitled to receive annual variable compensation. The amount of the variable compensation is dependent on the Board of Director's assessment of the achievement of the corporate objectives and its resolution about the pay-out ratio for the variable compensation.

(b) Description of the resolution and justification

Due to extraordinary times (i.e. COVID-19), it was decided to make the payment (in full or in part) of the variable component foreseen for the 2020 financial year entirely dependent on the achievement of the corporate objectives set for 2021.

(c) Consequences

The aforementioned director refrained from participating in the deliberation and decision-making process with regard to the aforementioned resolution.

Board of Directors of December 23, 2020

Conflict of interests with respect to the subscription rights plan for non-executive members of the Board

“PREVENTION AND MANAGEMENT OF POSSIBLE CONFLICTS OF INTEREST”

Application of Articles 7:96 and 7:200, 2° Belgian Code of Companies and Associations (CCA)

Before proceeding to the decisions, the Directors

Dr. GUYER David Robert (hereafter Sub 2)

Mr. CLAY Thomas Moragne (hereafter Sub 3)

“INVESTEA” with permanent representative Mrs. ATTOU Emmanuèle Rose Gilles Marie (hereafter Sub 4)

Mr. VLERICK Philippe Marie Thérèse Ghislain, Michel Afra Alphonse (hereafter Sub 5)

and Dr. GRAVES Adrienne Lee (hereafter Sub 6)

being all Non-Executive Directors, including all independent Directors, all represented as stated, (i) when decisions have to be taken on the items on the agenda, they and/or their permanent representative have a potential conflict of interest of a proprietary nature within the meaning of Article 7:96, §1 CCA with regard to the fact that they are the direct potential beneficiaries of the issuance of the Subscription Rights Plan 2020 for Non-Executive Directors proposed in the agenda and (ii) all of them are potential beneficiaries of the cancellation of the preferential subscription right as referred to in article 7:200, 2° CCA.

All these Directors Sub 2 through Sub 6 will therefore not participate in the deliberation or voting on the items on the agenda of this meeting.

Only Director Sub 1, “ViBio” with permanent representative Dr. DE HAES Patrik Franciscus Albertus in his position as CEO and as the sole executive director of the Company confirms that he can participate without any impediment in the decision-taking on the items on the agenda of this Board of Directors.

In accordance with article 7:96 §1, second paragraph, CCA the Board of Directors requests the acting notary to act as follows:

- the nature of the targeted decision/transaction is: *in concreto*, this concerns the issue of fixed subscription rights for Non-Executive Directors without vesting period;
- the property consequences for the Company are: a total of one hundred and fifty thousand (150,000) new subscription rights will be issued for free each of which entitles the holder to one share of the Company at an exercise price per share equal to lowest of (i) the average closing price of the shares of the Company on the stock exchange for a period of thirty (30) calendar days prior to the date of the offer or (ii) the closing price of the Company's shares on the last business day prior to the date of the offer as further detailed and regulated in the 2020 Subscription Rights Plan for Non-Executive Directors; upon granting, acceptance and exercise of all Subscription Rights there will be (can be) a maximum of one hundred and fifty thousand (150,000) new shares issued in the Company which will approximately represent 0.39% of the current number of shares in the Company;
- the justification of the decision to be taken is as follows: this decision is first of all the implementation of a previous decision of the General Shareholders Meeting of May 7, 2019 to review the compensation for Non-Executive Directors, where it was explicitly decided to annually grant seven thousand five hundred (7,500) subscription rights per Non-Executive Director (with the option to choose an alternative in cash) in the context of and for the purpose of reasonable and competitive remuneration of the Non-Executive Directors; after all, the purpose of the Subscription Rights Plan 2020 for Non-Executive Directors is also:
 - (a) to create a long-term incentive for the Non-Executive Directors of the Company.
 - (b) to promote the participation in the share capital of the Company by Non-Executive Directors, as well as to establish a continuous and long-term cooperation and ensuring the personal efforts of the Non-Executive Directors as part of the development and success of the Company.
 - (c) to enable the Company to compete and to attract experienced Non-Executive Directors.
 - (d) to create a common interest between the Non-Executive Directors participating in the Subscription Rights Plan 2020 for Non-Executive Directors on the one hand, who through the exercise of their Subscription Rights have the option to share in the added value and growth of the Company, and the shareholders of the Company on the other hand, whose target it is to increase the value of the shares of the Company; and
 - (e) to align with the decisions of the General Shareholders Meeting of May 7, 2019.

The foregoing also justifies the deviation from article 7.6. of the Belgian Corporate Governance Code that stipulates that no stock options are granted to Non-Executive Directors. Regarding the latter, and for the sake of completeness, reference is also made to the Annual Report on the consolidated financial statements drawn up on December 31, 2019, in which under the section "Compliance with the Corporate Governance Code" is stated:

"The company notes that according to article 7.6 of the Belgian Corporate Governance Code (2020 edition), part of Non-Executive Directors' remuneration must be received in the form of shares in the Company.

The Company does not comply with this provision of the Code because it has no distributable reserves and consequently cannot acquire treasury shares in order to subsequently allocate them to directors."

In order to avoid any doubt on this matter, it is explicitly stated that the above statutory authorization of the Board of Directors to increase the capital and to issue convertible bonds or subscription rights within the framework of the authorized capital also explicitly provides for the operation as referred to in Article 7:200, 2° CCA."

Transactions with Affiliated Companies

Article 7:97 of the Belgian Company Code (Article 524 of the old Belgian Company Code) provides for a special procedure which must be followed for transactions with Oxurion's affiliated companies or subsidiaries. Such a procedure does not apply to decisions or transactions that are entered in the ordinary course of business at usual market conditions or for decisions and transactions whose value does not exceed one percent of the Company's consolidated net assets. According to Appendix 2 of the Corporate Governance Charter of the Company regarding transactions or other contractual relations between the Company including affiliated companies, and its directors and members of the Executive Team, such transactions need to be submitted to the Board of Directors.

Market abuse regulations

Oxurion's Corporate Governance Charter Appendix 3 as published on its website describes the rules in place to prevent privileged knowledge being used illegally or the impression of such illegal use being created by directors, shareholders, members of the management and important employees (insiders).

The precautionary measures against insider trading include, among other things, the obligation to compose lists of insiders, the requirements concerning investment recommendations, the obligation to report insider transactions, and the obligation for the intermediary to report suspicious transactions. The measures are stipulated in Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on Market Abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

In accordance with the EU Market Abuse Regulation, Oxurion has drawn up a list of persons in the Company who are employed or consulted for the Company and who have regular or occasional access to insider information directly or indirectly concerning Oxurion. These lists are updated frequently and remain at the disposal of the FSMA for 5 years.

In accordance with the EU Market Abuse Regulation, the members of the Board of Directors and the management are obliged to report Oxurion stock transactions to the FSMA.

The Company has established a Disclosure Committee and has a Chief Compliance Officer.

Executive Team

Oxurion has an Executive Team, which includes the CEO and the executive directors. During 2020, the CEO was the only executive director. The members of the Executive Team are appointed by the Board of Directors and in accordance with Oxurion's Corporate Governance Charter, the Executive Team has the power to propose and implement corporate strategy, by taking into account the Company's values, its risk tolerance and key policies. The Executive Team is, among other things, entrusted with the running of the Company. The Executive Team does not constitute a management committee in the meaning of Article 07:104 of the Belgian Company Code (Article 524bis of the old Belgian Company Code).

The Board of Directors has appointed the CEO of the Company. The powers of the CEO were defined by the Board of Directors in close consultation with the CEO. The CEO supervises the various activities and the central services of the Company.

In 2020 the Executive Team is composed of:

- ViBio BV, represented by Dr. Patrik De Haes – CEO

The details of the remuneration of the Executive Team are laid out in the Remuneration Report.

Executive Committee

In addition to the Executive Team, several managers are members of the Executive Committee; this Executive Committee is not mentioned in the Corporate Governance Charter. The members of the Executive Committee provide support and assistance to the Executive Team. As such, the members of the Executive Committee have no statutory delegated powers to represent the Company or to propose or implement corporate strategy.

Executive Committee meetings are attended by the CEO and the following executives (December 31, 2020):

- Julie Binon – Chief People Officer
- Dr. Grace Chang – Chief Medical Officer
- Dr. Andy De Deene – Chief Development Officer
- Tom Graney – Chief Financial Officer
- Midico BV represented by Michaël Dillen – Chief Corporate Development Officer and Company Secretary
- Paisley BV represented by Kathleen Paisley – Chief Legal Officer
- Panéga BV represented by Dr. Jean Feyen – Chief Scientific Officer

Remuneration Report Financial Year 2020

This section of the Annual Report provides an overview of the remuneration policy currently in place and included in the terms of reference of the Nomination and Remuneration Committee of the Board was applied in 2020 (the “current Remuneration Policy” or the “Current Policy”), followed by the 2020 Remuneration Report following that policy.

The purpose of a Remuneration Report is to report on the remuneration paid by the Company in 2020 in accordance with the recent modifications to Belgian law (BCC, Article 7:89/1).

The purpose of a remuneration policy, on the other hand, is to provide the fundamental principles based on which the Company will remunerate the members of its Board of Directors, CEO, and Executive Committee on a going forward basis.

In accordance with Belgian law, the Company will adopt a new remuneration policy in 2021 (BCC, article 3:6, §3) (when adopted the “2021 Remuneration Policy”). The 2021 Remuneration Policy was approved by the Board of Directors on March 17, 2021, on the recommendation by the Nomination and Remuneration Committee. At the Annual Meeting in May 2021, the Company will submit its 2021 Remuneration Policy to the shareholders for their approval, which if approved will apply for the next four years unless materially modified by the Board of Directors and approved by the shareholders

Overview of Remuneration Policy

Executives

A. Structure

Oxurion has an Executive Team, which includes the CEO and the executive directors. During fiscal year 2020, the only executive director was the CEO. The members of the Executive Team are appointed by the Board of Directors and in accordance with Oxurion’s Corporate Governance Charter. The Executive Team has the power to propose and implement corporate strategy, taking into account the Company’s values, its risk tolerance and key policies. The Executive Team is, among other things, entrusted with the running of the Company. The Executive Team does not constitute a management committee in the meaning of Article 07:104 of the Belgian Company Code.

The Board of Directors has appointed the CEO of the Company. The powers of the CEO are defined by the Board of Directors in close consultation with the CEO. The CEO supervises the various activities and the central services of the Company.

The CEO is assisted by an Executive Committee, which provides informal support to the CEO but has no statutory delegated powers to represent the Company or to propose or implement corporate strategy.

Members of the Executive Team and the Executive Committee are all referred to in this Remuneration Report as “Executives”.

B. Remuneration of Executives

Oxurion's approach to remuneration of its Executives is geared at attracting, motivating and retaining highly qualified individuals with the necessary skill set and experience to ensure its continuing sustainable and profitable growth. As such, the Current Policy as well as the new policy are designed to support the retention and motivation of the Executives.

The total remuneration package for Oxurion Executives is made up of three components:

- fixed compensation, including pension and other benefits
- variable compensation based on achieving corporate objectives
- equity based compensation in the form of warrants/subsorption rights

Fixed Compensation

Each Oxurion Executive is entitled to a fixed annual compensation package including pension and other benefits.

Variable Compensation

Executives are also entitled to variable compensation based on achieving annual corporate performance objectives. Performance criteria are determined on an annual basis by the Board of Directors on the advice of the Nomination and Remuneration Committee and in consultation with the Executive Team.

This variable component is an incentive linked to the achievement of annual corporate objectives. The level of achievement of each of the corporate objectives defines the total percentage of the target incentive amount that is paid. As it is typically annual in nature, this component qualifies as a short-term cash incentive.

The Current Policy gives the Nomination and Remuneration Committee and the Board broad discretion in granting short-term incentives and deciding whether they are achieved.

At the extraordinary shareholders meeting of November 20, 2017, it was decided that Oxurion would expressly deviate from the specific provisions of art. 7:91 of Belgian Company Code concerning the spread of variable remuneration over time. The decision to do so was not considered to be exceptional in the biotech and pharmaceutical industry where such plans are common in order to ensure longevity.

Share Subscription Rights/Warrants

The Company has granted subscription rights to Executives through various subscription right plans (previously referred to as warrants). Subscription rights are granted according to rules set by the Board on the advice of the Nomination and Remuneration Committee. The eligibility for subscription rights is not linked to individual performance but rather is based on continued service to ensure that Executives have a long-term commitment to maximizing long-term shareholder value.

The Company does not consider that the subscription rights/warrants granted to Executives to be variable remuneration as defined by the Belgian Companies Code.

Oxurion does not provide for any performance-related premiums in shares, options or other rights to acquire shares.

Ownership of Shares

The Company is not able to make share grants as it does not have distributable reserves and hence is not able to hold treasury shares and hence has not put in place any requirements for share ownership by the Board or by Executives.

Claw backs

In line with its remuneration policy, Oxurion does not operate any claw back arrangements in relation to remuneration paid to Executives.

The Company does not consider that it is necessary to apply claw back provisions and therefore deviates from 7.12 of the Corporate Governance Code on the basis that:

- the payout of the variable compensation is based on the achievement of corporate objectives as set by the Board is paid only upon achievement of the objective.
- the Company does not apply any other performance-based remuneration or variable compensation as the subscription rights granted to Executives vest over time and are not performance related.

Consequently, no such arrangements were applied during 2020.

The procedure for establishing the remuneration policy and setting remuneration for members of the Board of Directors is determined by the Board of Directors on the basis of proposals from the Nomination and Remuneration Committee, taking into account relevant benchmarks with appropriate peer companies.

The remuneration of the non-executive members of the Board and the grant of share subscription rights to members of the Board are submitted by the Board to the shareholders' meeting for approval and are only implemented after such approval.

The fixed and variable remuneration of the CEO (who is a member of the Board) is established by the Board of Directors based upon an authorization from the shareholders' meeting and described above.

A. Non-Executive Directors

Based on a peer review of the Directors' compensation against peer companies (Euronext listed biotech companies), the Company's Annual Shareholders Meeting on May 7, 2019 approved a new remuneration and compensation scheme and decided to issue a subscription rights plan for Non-Executive Directors with the objective of avoiding disadvantages compared to competitors and peer companies.

In accordance with the policy terms decided by the Shareholders, Non-Executive Directors are entitled to the following fees:

Roles	Annual Fees	Audit Co Member	Audit Co Chair	Nom Rem Co Member	Nom Rem Co Chair
Chairman	60,000				
Board Member	30,000	6,000	6,000	4,000	4,000

The Chairman of the Board does not receive any fees for his/her membership or chairmanship of any of the Committees. If a Director attends less than at least 75% of the scheduled annual Board or Committee meetings of which he or she is a member either in person or by phone, the fees are reduced on a pro rata basis. Where members attend Board meetings in person, they are entitled to reimbursement of reasonable out-of-pocket expenses actually incurred as a result of participation in meetings of the Board of Directors.

Apart from the above remuneration, the shareholders decided at the Annual General Meeting in May 2019 that Non-Executive Directors should be entitled to subscription rights for 7,500 shares in the Company per year. This was implemented by decision of the Board of Directors to adopt a Board Subscription Rights Plan 2020 for 150,000 shares before the Public Notary on December 23, 2020. These rights are not subject to any vesting criteria and can be freely exercised during any exercise period for the life of the Plan. The Company does not consider them to be variable compensation.

The Company recognizes that the new Belgian Corporate Governance Code recommends against granting subscription rights to Board Members, but at the same time advises companies that Board Members should own shares of the Company. Oxurion is not able to grant shares to its directors because it does not have distributable reserves and cannot own treasury shares. Therefore, the Company considers that the grant of subscription rights to board members that vest on grant operates as closely as possible to a share. The shareholders have already expressly agreed to the grant of subscription rights to the Board and it is expected to be approved again at the 2021 Shareholders meeting.

The Board remuneration structure encourages an active participation in both Board and Committee meetings. The fixed remuneration for the non-executive Board members is justified by the fact that the proper operation of these Committees requires adequate preparation by the members. The grant of subscription rights to Non-Executive Directors further aligns the director's interests with those of the shareholders and allows it to attract and retain top quality board members.

The objective and independent judgment of the Non-Executive Directors is further encouraged by the fact that they do not draw any other remuneration from the Company other than their fixed Directors' remuneration and their subscription rights, except for David Guyer who provides additional ad hoc consultancy services.

The remuneration of the Non-Executive Directors does not contain a variable component; hence no performance criteria apply to the remuneration of the Non-Executive Directors.

The Directors' mandate may be terminated "ad nutum" (at any time) without any form of compensation.

B. Executive Directors

Executive Directors are not compensated for their role on the board of directors in addition to the compensation they receive as Executives.

Remuneration Report

Executives

A. Total Remuneration Summary for Executives

This Remuneration Report covers Oxurion Executives, including the CEO and the Executive Committee. During fiscal year 2020, the Executive Committee was made up the following Executives (plus the CEO):

- Julie Binon – Chief People Officer
- Dr. Grace Chang – Chief Medical Officer (beginning in August 2020)
- Dr. Andy De Deene – Chief Development Officer
- Tom Graney – Chief Financial Officer (beginning in October 2020)
- D&V Consult BV represented by Dominique Vanfleteren – Chief Financial and Compliance Officer (until the YE 2020)
- Midico BV represented by Michaël Dillen – Chief Corporate Development Officer and Company Secretary (beginning in March 2020)
- Paisley BV represented by Kathleen Paisley – Chief Legal Officer (beginning in January 2020)
- Panéga BV represented by Jean Feyen – Chief Scientific Officer
- Vinciane Vangeersdaele – Chief Commercial Officer (until September 2020)

During the course of 2020, a number of changes were made to the Executive Committee members. The global remuneration figures included in this Remuneration Report for the Executive Committee for fixed compensation, other benefits and pensions include amounts paid to members of the Executive Committee and relating to the 2020 financial year in euros. The amounts included for variable compensation are those relating to the financial year regardless of when they were paid. Further, the fixed remuneration for Executives and Board Members in 2020 reflects a 20% reduction from April-June 2020 due to the impact of COVID-19.

Following new reporting standards, the overview below demonstrates the total remuneration of the CEO and Executive Committee members in 2020 in euros:

Name and Title	Fixed Compensation	Other Benefits	Pension	Variable Compensation	Total	Ratio of Fixed to Variable Compensation
ViBio, CEO	455,000	0	0	0	455,000	0%
Executive Committee	1,549,000	78,000	47,000	0	1,674,000	0%

B. Fixed Remuneration

The table below reflects the base compensation, pension and other benefits for the CEO/Executive Team and Executive Committee members in 2020 in euros:

Name and Title	Base compensation	Other Benefits	Pension Benefits	Reduction for COVID	Total
ViBio, CEO	476,000	0	0	(21,000)	455,000
Executive Committee	1,608,000	78,000	47,000	(59,000)	1,674,000

Base Compensation. Each Oxurion Executive is entitled to base compensation in line with his/her position. For 2020, these payments reflect a 20% reduction from April to June 2020 in a total amount of 80,000 due to the impact of COVID-19.

Other Benefits. Depending on their location and status, Executives may be entitled to statutory benefits plus a contribution to a healthcare plan, a Company car, and/or similar arrangements. These amounts can vary from year to year but are reported here due to their recurring nature.

Pension. Depending on their location and status, Executives may receive defined contribution benefits under Oxurion's group insurance plan or through matching arrangements under 401 (k) plans in the United States. These amounts can vary from year-to-year but are reported here due to their recurring nature.

C. Variable Compensation

In 2020, no variable compensation was paid to the CEO or to the Executive Committee.

Under the Remuneration Policy, variable compensation is based on key corporate objectives agreed between the Executive Team and the Nomination and Remuneration Committee and approved by the Board of Directors at the beginning of the year.

For 2020, the performance criteria included elements related to clinical trial progression, cash position and corporate development. In light of the force majeure circumstances related to the pandemic, the Board decided, based on the advice of the Nomination and Remuneration Committee, to defer the 2020 bonus to 2021 and make the payment of all (or part) of the 2020 variable compensation dependent on the achievement of the corporate objectives set for 2020 and 2021 as a whole. This decision was taken under the broad discretion granted to the Board and the Nomination and Remuneration Committee with respect to the payment of variable compensation under the Policy and in light of the unforeseen impact of COVID-19 on the Company.

D. Subscription Rights

The Executives also entitled to participate in the different warrant plans that Oxurion has in place.

In respect of 2020, the following grants to Executives were made and accepted:

Name	Number of Warrants	Date of Grant	Plan	Exercise Price
Julie Binon	25,000	June 2020	2017 Warrant Plan	2.847
Grace Chang	10,000	August 2020	2017 Warrant Plan	2.80

All the rights granted in 2020 were granted under the 2017 Plan where half of the warrants vest after two years, and the other half after three years. Ms. Binon's grant was made in June applying the Policy that Executives who start working in the first half of the year can be granted their warrants mid-year grant and Dr. Chang's grant was for sign-on and was related to her start date.

These grants were made under the 2017 Warrant Plan adopted the Extraordinary General Meeting of Oxurion NV on November 20, 2017. Warrants could be granted under this plan for three years from the date of issue, hence warrants issued under the 2017 Plan could be granted only until November 19, 2020.

The Company is currently in the process of developing a new Subscription Rights Plan in line with the 2021 Remuneration Policy, which is expected to be adopted in first half of 2021.

As the Company did not have additional subscription rights to issue to Executives in 2020 under the 2017 Warrant Plan, the 2020 warrants for the other Executives will be granted under the new 2021 Plan, which is expected to be implemented in the first half of 2021. As a result, in 2021, Executives will be entitled to subscription rights related to fiscal year 2020 under the new plan.

No warrants were exercised by Executives in 2020.

The chart below indicates the warrants of Executives that vested during 2020:

Name	Number of Warrants Vested	Date of Vesting	Plan-Grant Date	Strike Price
ViBio BV	50,000	Dec 2020	2017 plan – Dec 2017	4.593
ViBio BV	50,000	Dec 2020	2017 plan – Dec 2018	4.593
Claude Sander	12,500	Dec 2020	2017 plan – Dec 2017	3.380
Claude Sander	12,500	Dec 2020	2017 plan – Dec 2018	3.4
D&V Consult BV	12,500	Dec 2020	2017 plan – Dec 2017	4.593
D&V Consult BV	12,500	Dec 2020	2017 plan – Dec 2018	4.593
Panéga BV	12,500	Dec 2020	2017 plan – Dec 2017	4.593
Panéga BV	12,500	Dec 2020	2017 plan – Dec 2018	4.593
Vinciane Vangeersdaele	12,500	Dec 2020	2017 plan – Dec 2017	3.380
Andy De Deene	12,500	Dec 2020	2017 plan – Dec 2018	3.4

All the rights that vested in 2020 were granted under the 2017 plan where half of the warrants vest after 2 years, and the other half after three years.

The following subscription rights of Executives were forfeited in 2020:

Name	Number of Warrants Forfeited	Date of Forfeiture	Plan/grant date	Strike Price
D&V Consult BV	12,500	Dec 2020	2017 plan – Dec 2018	4.593
D&V Consult BV	25,000	Dec 2020	2017 plan – Dec 2019	4.593

All the rights that were forfeited in 2020 were granted under the 2017 plan where half of the warrants vest after 2 years, and the other half after three years.

E. Ration of Variable to Fixed Compensation

As set forth above, in light of the force majeure situation related to the pandemic, the Board decided, based on the advice of the Nomination and Remuneration Committee, to defer the 2020 bonus to 2021 and make the payment of all (or part) of the 2020 variable compensation dependent on the achievement of the corporate objectives set for 2020 and 2021 as a whole.

F. 2020 Executive Remuneration in line with Current Remuneration Policy

The remuneration for 2020 is in line with the Current Remuneration Policy and thus contributed to the long-term performance of the Company as intended by the current Remuneration Policy (as set out above).

Directors' remuneration

A. Non-Executive Directors

- Cash Compensation.** The 2020 remuneration of the Non-Executive Directors and the Chairman of the Board of Directors is set forth in the chart below. Note that no benefits are provided to members of the Board.

Name	Annual Fees	Audit Co Member	Audit Co Chair	Nom Rem Co Member	Nom Rem Co Chair	Total	COVID-19 reduction	Payments
Chairman, Thomas Clay	60,000	Unpaid			Unpaid	60,000	(2,636)	57,364
Investea SRL, represented by Emmanuèle Attout	30,000	6,000	6,000			42,000	(1,845)	40,155
Philippe Vlerick	30,000	6,000				36,000	(1,582)	34,418
Dr. Adrienne Graves	30,000			4,000		34,000	(1,494)	32,506
Dr. David Guyer	30,000			4,000		34,000	(1,494)	32,506

These payment totals reflect a 20% reduction in a total amount of approximately 9,000 euro from April-June 2020 due to the impact of COVID-19.

David Guyer received, besides his Director's remuneration, compensation of 35,000 euro for consultancy services in 2020.

2. Share Subscription Rights

Given that the Subscription Rights Plan was only adopted on December 23, 2020, no subscription rights were granted to the members of the Board under the plan in 2020. It is anticipated that in 2021, 15,000 subscription rights will be granted to each member of the Board relating to 2019 and 2020.

B. Executive directors

The executive director, Patrik De Haes (ViBio BV), does not receive any compensation for his board mandate. The compensation paid to ViBio BV, represented by Patrik De Haes, in respect of his CEO /Executive Team responsibilities is outlined above.

Evolution of Executives remuneration and average employee remuneration and pay ratio

A. Evolution of Executives remuneration and average employee remuneration

The chart below sets forth shows the evolution of the Executive Remuneration, share price (as a proxy for Company performance) and average remuneration:

Name and Title	Total Remuneration	
	2019	2020
ViBio, CEO	557,000	455,000
Change year on year		-18.3%
Non-Executive Directors	206,000	196,949
Change year on year		-4.4%
Executive Committee	1,472,000	1,674,000*
Change year on year		+13.7%
Share Price at YE	2.95	2.56
Change year on year		-13.2%
Average Compensation per FTE	107,000	102,000
Change year on year		-4.67%

The amounts for remuneration include fixed and variable remuneration, pension and other benefits.

*The increase in Executive Committee remuneration in 2020 is primarily related to the Company's appointment of a Chief Medical Officer, which added an additional member to the Executive Committee, and to the fact that the Chief Medical Officer and the Chief Financial Officer are now based in the United States where comparable compensation is higher.

B. Ratio of the Total Remuneration of Highest Paid versus Lowest Remunerated Personnel

The ratio of the 2020 remuneration of the lowest fulltime FTE (in euro) to the highest fulltime FTE (in euro), was 1:15

The remuneration used to calculate the ratio included fixed and variable remuneration, employee benefits, and the value of subscription rights vesting during the period based on the Black & Scholes valuation of the subscription right on the date of vesting.

Extraordinary Items

Severance Payments

During 2020, two members of the Executive Committee left the Company.

- Vinciane Vangeersdaele, Chief Commercial Officer, left the Company on September 30, 2020 when the commercialization of JETREA[®] was transferred to Inceptua and was paid approximately 3 months compensation in line with applicable rules in relation to departures for organizational reasons.
- D&V Consult, represented by Dominique Vanfleteren, left the Company on December 31, 2020. The Board on the recommendation of the Nomination and Remuneration Committee decided to compensate D&V Consult 6 months severance to ensure a proper handover of his compliance and financial function, and he will also be paid for the services he performs in 2021.

Financial instruments

The only financial instruments the Company has are trade receivables and payables and cash, cash equivalents and investments amounting to 24.0 million euro compared to 52.7 million euro in cash, cash equivalents and investments in 2019.

Financial assets and financial liabilities are included in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Branches and subsidiaries

On December 31, 2019 Oxurion NV has a full American subsidiary, ThromboGenics Inc, which is established in Iselin, New Jersey, and a subsidiary, Oncurious NV of which Oxurion currently holds 89.59%.

R&D

Given the activities of Oxurion, R&D costs are very significant. R&D costs represent more than 70% of total operating costs in 2020 compared to more than 65% in 2019. The government grants and income from recharge of costs have been deducted from the R&D expenses starting from financial year 2014. These costs mainly consist of costs for clinical trials paid to third parties, personnel costs and depreciation. In 2013, a first depreciation on the capitalized costs related to the development in the context of Phase 3 of ocriplasmin for the treatment of vitreomacular adhesion was booked. The JETREA[®] asset was impaired as of June 30, 2019, and from that date substantially lowered the depreciations.

Finally, we ask you to approve the annual accounts, as drawn up, and to grant discharge to the directors and the auditor for executing their mandate during the closed financial year.

Done on April 1, 2021,
On behalf of the Board of Directors



VIBio BV,
represented by its permanent representative
Mr Patrik De Haes
Managing Director



Investea SRL,
represented by its permanent representative
Ms Emmanuèle Attout
Director