OSE Immunotherapeutics Announces H1 2021 Results and Provides a Corporate Update

- **Positive final Phase 3 results for Tedopi® in non-small cell lung cancer (NSCLC) after ICI failure.**
- **Positive Phase 1 dose escalation results for BI 765063 (CD47/SIRPα pathway) as monotherapy or in combination with ezabenlimab (anti-PD-1) in advanced solid tumor patients.**
- **Initiation of two Phase 2 trials with OSE-127/S95011 in Sjögren's syndrome (Servier sponsor) and in ulcerative colitis (OSE sponsor).**
- **Initiation of two Phase 2 studies with Tedopi® in combination with ICI in NSCLC and in ovarian cancer in collaboration with oncology expert groups.**
- **Global license agreement entered with Veloxis for FR104 in transplant indications for up to €315 million.**
- **Strong non-dilutive financing including €11 million upfront/milestone payments and €6.9 million public fundings.**
- **€9 million turnover and €27.3 million available cash as of June 30, 2021 providing financial visibility until Q3 2022.**
- **OSE Immunotherapeutics will hold a R&D Day with live webcast presentation on October 12th at 4:00 p.m. CET.**
- **Conference call with live webcast today at 6:30 p.m. CET / 9:30 a.m. ET.**

Nantes, France, September 21, 2021 - 6:00 PM CET – OSE Immunotherapeutics (ISIN: FR0012127173; Mnémo: OSE) today reported its consolidated half-year financial results as of June 30, 2021 and provided updates on key milestones achieved during H1 2021.

Alexis Peyroles, CEO of OSE Immunotherapeutics, commented: *"The first half of 2021 was marked by major clinical advances with promising data readouts on one hand and the initiation of new clinical trials on the other. We also secured additional non-dilutive financial resources to continue investing in our R&D drug discovery engine which has continued to identify novel therapeutics for patients with high medical need in immuno-oncology and autoimmune indications.*

The positive final results of the Tedopi® Phase 3 trial in non-small cell lung cancer patients in secondary resistance to ICIs presented at the recent ESMO conference include promising clinical benefit and good safety profile, and will support our discussions with the FDA and EMA on the best regulatory paths and next steps toward a potential approval. In parallel, the scope of Tedopi® is being broadened through two sponsored studies, one in combination with a PD-1 inhibitor in NSCLC for patients in secondary resistance to checkpoints inhibitors and another in ovarian cancer.

The first part of 2021 has also established OSE Immunotherapeutics as one of the key players in the promising CD47 space in solid tumors. Encouraging data with SIRPa inhibitor BI 765063 in combination with anti-PD-1 BI 754091, which were presented at ASCO and ESMO, support moving forward with the Phase 1 expansion trial to demonstrate the relevance of the combination approach as a potential therapeutic strategy in solid tumors.

OSE remains a partner of choice for pharma companies and we concluded a new license agreement with Veloxis, a leading transplantation company, to develop, manufacture and commercialize FR104 for all transplant indications.

We also strengthened our cash position through upfront and milestone payments from our pharma partners, public fundings and financing from the European Investment Bank received in July 2021, extending our cash position to Q3 2022."

Clinical results and advances in immuno-oncology and autoimmune diseases

Tedopi®, a neoepitope-based vaccine to induce specific T-lymphocyte activation: Positive final results for Phase 3 clinical trial in non-small cell lung cancer (NSCLC); initiation of two Phase 2 clinical trials in combination with an immune checkpoint inhibitor

- **Positive final results from the 'Atalante-1' Phase 3 study of Tedopi®**
  These results were presented at the 2021 ESMO (European Society for Medical Oncology) conference on September 20th. The data have shown statistical improvement in overall survival, favorable benefit/risk ratio and a good quality of life in NSCLC patients after secondary resistance to immune checkpoint inhibitors. Based on the promising clinical benefit and good safety profile, OSE Immunotherapeutics plans to continue discussing with the FDA and EMA about the optimal regulatory paths and next steps to register Tedopi® in both territories and evaluate how these positive results can support this objective.

- **In May, initiation of Phase 2 in NSCLC, sponsored and conducted by the Italian oncology Foundation FoRT**
  This study will evaluate Tedopi® in combination with immune checkpoint inhibitor Opdivo® (nivolumab), or Tedopi® plus chemotherapy or chemotherapy alone as second-line treatment in patients with metastatic NSCLC after first-line chemo-immunotherapy.

- **In August, first patient randomized in the 'TEDOVA' Phase 2 in ovarian cancer, sponsored and conducted by the cooperative oncology group ARCAGY-GINECO**
  This trial will evaluate Tedopi® as a maintenance treatment, alone or in combination with anti-PD-1 immune checkpoint inhibitor Keytruda® (pembrolizumab), versus best supportive care in patients with first or second platinum-sensitive recurrent ovarian cancer with controlled disease after platinum-based chemotherapy and who have already received both bevacizumab and a PARP (Poly ADP-Ribose Polymerase) inhibitor.

- **Ongoing 'TEDOPaM' Phase 2 in pancreatic cancer, sponsored by the cooperative oncology group GERCOR**
  Due to the COVID-19 pandemic, accrual of new patients had been temporarily suspended in March 2020. After reviewing data collected until the end of March 2020 and based on the initial protocol (Tedopi® in combination with Opdivo® or alone versus chemotherapy with FOLFIRI), the trial's

independent committee of scientific experts (IDMC, "Independent Data Monitoring Committee") recommended stopping the evaluation of treatment with Opdivo® in combination with Tedopi® and to integrate the chemotherapy (FOLFIRI) in combination with Tedopi®. The new inclusions resumed in Q2 2021 with an amended protocol comparing Tedopi® in combination with FOLFIRI chemotherapy versus FOLFIRI, after treatment with FOLFIRINOX.

BI 765063 (OSE-172), a myeloid checkpoint inhibitor being developed in partnership with Boehringer Ingelheim: Promising data from the dose escalation of the Phase 1 clinical trial

- Data from the dose escalation (Step 1) of the Phase 1 trial were presented at ASCO (June 2021) and ESMO (September 2021) and indicated that BI 765063 in monotherapy or in combination with anti-PD-1 BI 745091 (ezabenlimab) was well tolerated and showed promising clinical activity, including one partial response in monotherapy and three partial responses in combination in heavily pre-treated advanced solid tumor patients.

OSE-127/S95011, a monoclonal antibody antagonist of the interleukin-7 (IL-7) receptor, developed in partnership with Servier: Initiation of a Phase 2 in Sjögren's syndrome (sponsored by Servier) and a Phase 2 clinical trial in ulcerative colitis (sponsored by OSE)

- In January, the Company received a €1.3 million milestone payment from Bpifrance related to the collaborative program EFFIMab, focused on developing the clinical asset OSE-127/S95011.
- In August, the first patient was enrolled in a Phase 2 trial evaluating the efficacy and safety of OSE-127/S95011 in Sjögren's syndrome, sponsored by Servier.
- As part of the partnership agreement, this first patient enrolled in the Sjögren's syndrome Phase 2 triggered a €5 million milestone payment from Servier to OSE Immunotherapeutics,.
- In parallel, a Phase 2 in ulcerative colitis is being conducted under OSE sponsorship. First patient was enrolled at the end of 2020 and data are expected in H2 2022.

FR104, a monoclonal antibody antagonist of CD28: Licensing agreement with Veloxis in transplantation

- In April, OSE announced a global license agreement granting Veloxis Pharmaceuticals worldwide rights to develop, manufacture and commercialize FR104 for all transplant indications. Under this agreement, OSE can receive up to €315 million in potential milestones, including a €7 million upfront, and tiered royalties on sales. OSE retains the rights in autoimmune indications.
- FR104 is being evaluated in a Phase 1/2 trial initiated in December 2020 in patients undergoing renal transplant. This study is conducted as part of a collaboration agreement between OSE Immunotherapeutics and the University Hospital of Nantes, the sponsor.

CoVepiT, a 2nd generation multi-target vaccine against COVID-19, developed using SARS-CoV-2 optimized epitopes: Initiation of Phase 1/2 clinical trial followed by a voluntary and temporary pause in enrollment

- In April, OSE initiated a Phase 1/2 clinical trial to evaluate the safety and immunogenicity of CoVepiT vaccine in 48 healthy adult volunteers.
- In July, the trial's principal investigator reported a limited number of Grade 1 and one Grade 2 adverse events, in particular, persistent nodules around the injection sites. Out of an abundance of caution, and in agreement with the independent Safety Monitoring Committee (SMC), the Company decided to

voluntarily pause dosing and assess the evolution of these nodules before determining the best way forward for this product and its target population. The Company is carefully reviewing all available data to determine the future clinical development strategy of CoVepiT.

New data reflecting progress on 3 early-stage programs developed in immuno-oncology and inflammation presented at the 2021 AACR meeting (American Association of Cancer Research)

New myeloid checkpoint target CLEC-1 (a C type lectin receptor) and first monoclonal antibody antagonists of CLEC-1 blocking the "Don't Eat Me" signal

- Data generated to date illustrate that CLEC-1 broadly inhibits tumor-cell phagocytosis and synergizes with tumor-targeted cytotoxic monoclonal antibodies in both solid and hematological tumors and hampers dendritic cell antigen cross-presentation.

BiCKI®-IL-7, a novel bispecific therapy combining anti-PD-1 and the cytokine IL-7

- Data presented to date validate the strong therapeutic potential of providing IL-7 signals to strengthen PD-1 therapy and prevent immuno-resistance by sustaining T cell response and overcoming Treg suppression. The bispecific BiCKI® IL-7 mutein can preferentially deliver and activate the IL-7 pathway on tumor reactive T cells, limiting the risk of immunotoxicity resulting from combination immunotherapies.

OSE-230, novel monoclonal antibody agonist therapy triggering resolution of chronic iInflammation

- An article published in *Science Advances* is the first peer-reviewed publication to describe an agonist monoclonal antibody (OSE-230) that triggers pro-resolutive mechanisms in macrophages and neutrophils in chronic inflammatory condition. This breakthrough discovery opens the development pathway of OSE-230 in various chronic inflammations such as inflammatory bowel diseases, arthritis, type 1 diabetes, lung or kidney inflammatory diseases. Moreover, the data presented at the AACR meeting revealed for the first time a therapeutic potential of triggering the pro-resolutive pathways using anti-ChemR23 agonistic monoclonal antibodies to limit chronic inflammation in the tumor microenvironment and inhibit metastasis development.

OSE Immunotherapeutics will host an "Immuno-oncology R&D Day"
on October 12, 2021 (16:00 – 19:00 CET).
The event will be hybrid with virtual and in-person presentations held in Paris.
In this event, the company will highlight its leading scientific role in immuno-oncology and emerging proprietary portfolio, and provide a more in-depth look at lead projects, Tedopi® and BI 765063

H1 2021 Results

The key figures of the 2021 consolidated half-year results are reported below:

In k€	June 30, 2021	June 30, 2020
Operating result	(11,580)	(7,085)
Net result	(11,488)	(3,114)
In k€	June 30, 2021	December 31, 2020
Available cash	27,264	29,368
Consolidated balance sheet	98,214	96,973

As of June 30, 2021, available cash amounted to €27.3 million, giving a financial visibility until Q3 2022.

During the first half of 2021, OSE secured:

- €1.3 million milestone payment from Bpifrance as part of the collaborative program EFFIMab for OSE-217/S95011;
- €7 million upfront as part of the global license agreement with Veloxis;
- €5.6 million in public funding via Bpifrance to finance further development of CoVepiT.

Moreover, in July 2021, the Company has received a €10 million payment corresponding to the first tranche of the financing granted by the European Investment Bank as part of a loan agreement of up to €25 million.

This available cash will enable the Company to finance its clinical development and R&D costs for earlier stage products.

The turnover amounted to €9 million due to Veloxis upfront and reinvoicing of BI 765063 development costs to Boehringer Ingelheim.

During the first half of 2021, the Company recorded a consolidated net result of €-11.5 million.

Current operating expenses were €20.6 million (versus €12.9 million for the same period of 2020) of which 84% are related to R&D. This increase is in line with the development of OSE portfolio.

OSE Immunotherapeutics will hold a conference call on September 21 at 6:30 p.m. CET / 9:30 a.m. ET for analysts to give an update on business progress during the first half of 2021.
The live webcast will be available at the following link:
https://channel.royalcast.com/landingpage/oseimmunotherapeutics-en/20210921_1/

A replay of the webcast following the event will be available on the Company's website:
https://ose-immuno.com/en/

The Board of Directors of September 21, 2021 has approved the Company's semester accounts as of June 30, 2021. The full "Semester financial report" (Regulated information) is available on : https://ose-immuno.com/en/investors/ . The consolidated accounts have been subject to a limited review by the Statutory Auditors.

ABOUT OSE Immunotherapeutics

OSE Immunotherapeutics is an integrated biotechnology company focused on developing and partnering therapies to control the immune system for immuno-oncology and autoimmune diseases. The company's immunology research and development platform is focused on three areas: T-cell-based vaccination, Immuno-Oncology (focus on myeloid targets), Auto-immunity & Inflammation. Its balanced first-in-class clinical and preclinical portfolio has a diversified risk profile:

Vaccine platform

- **Tedopi®** (innovative combination of neoepitopes): the company's most advanced product; positive final results of the Phase 3 trial (Atalante 1) in Non-Small Cell Lung Cancer patients after secondary resistance to checkpoint inhibitors.
  In Phase 2 in pancreatic cancer (TEDOPaM), sponsor GERCOR.
  In Phase 2 in ovary cancer, in combination with pembrolizumab (TEDOVA), sponsor ARCAGY-GINECO.
  In Phase 2 in non-small cell lung cancer in combination with nivolumab, sponsor Italian foundation FoRT.
- **CoVepiT**: a prophylactic second-generation vaccine against COVID-19, developed using SARS-CoV-2 optimized epitopes against multi variants. Positive preclinical and human ex vivo results. Voluntary and temporary Phase 1 enrollment suspension on-going (July 2021).

Immuno-oncology platform

- **BI 765063** (OSE-172, anti-SIRPα mAb on CD47/SIRPα pathway): developed in partnership with Boehringer Ingelheim in advanced solid tumors; positive Phase 1 dose escalation results of BI 765063 in monotherapy or in combination with ezabenlimab (PD-1 antagonist); Expansion Phase 1 open for screening.

- **CLEC-1** (novel myeloid checkpoint target): identification of mAb antagonists of CLEC-1 blocking the "Don't Eat Me" signal that increase both tumor cell phagocytosis by macrophages and antigen capture by dendritic cells.
- **BiCKI®**: bispecific fusion protein platform built on the key backbone component anti-PD-1 (OSE-279) combined with new immunotherapy targets; 2nd generation of PD-(L)1 inhibitors to increase antitumor efficacity.

Auto-immunity and inflammation platform

- **FR104** (anti-CD28 monoclonal antibody): Licensing partnership agreement with Veloxis in the organ transplant market; ongoing Phase 1/2 in renal transplant (sponsored by the Nantes University Hospital); Phase 2-ready asset in an autoimmune disease indication.
- **OSE-127/S95011** (humanized monoclonal antibody targeting IL-7 receptor): developed in partnership with Servier; positive Phase 1 results; in Phase 2 in ulcerative colitis (OSE sponsor) and an independent Phase 2a is being conducted in Sjögren's syndrome (Servier sponsor).
- **OSE-230** (ChemR23 agonist mAb): first-in-class therapeutic agent with the potential to resolve chronic inflammation by driving affected tissues to tissue integrity.

For more information: https://ose-immuno.com/en/
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Forward-looking statements

This press release contains express or implied information and statements that might be deemed forward-looking information and statements in respect of OSE Immunotherapeutics. They do not constitute historical facts. These information and statements include financial projections that are based upon certain assumptions and assessments made by OSE Immunotherapeutics' management in light of its experience and its perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate.

These forward-looking statements include statements typically using conditional and containing verbs such as "expect", "anticipate", "believe", "target", "plan", or "estimate", their declensions and conjugations and words of similar import. Although the OSE Immunotherapeutics management believes that the forward-looking statements and information are reasonable, the OSE Immunotherapeutics' shareholders and other investors are cautioned that the completion of such expectations is by nature subject to various risks, known or not, and uncertainties which are difficult to predict and generally beyond the control of OSE Immunotherapeutics. These risks could cause actual results and developments to differ materially from those expressed in or implied or projected by the forward-looking statements. These risks include those discussed or identified in the public filings made by OSE Immunotherapeutics with the AMF. Such forward-looking statements are not guarantees of future performance. This press release includes only summary information and should be read with the OSE Immunotherapeutics Universal Registration Document filed with the AMF on 15 April 2021, including the annual financial report for the fiscal year 2020, available on the OSE Immunotherapeutics' website. Other than as required by applicable law, OSE Immunotherapeutics issues this press release at the date hereof and does not undertake any obligation to update or revise the forward-looking information or statements.

CONSOLIDATED PROFIT & LOSS

In K€	H1 2021	H1 2020
Turnover	8,975	5,849
OPERATING INCOME - RECURRING	**8,975**	**5,849**
Research & Development expenses	(13,980)	(9,087)
Overhead expenses	(3,413)	(2,672)
Expenses related to share-based payments	(2,724)	(1,176)
Depreciation	(439)	
OPERATING PROFIT/LOSS - RECURRING	**(11,580)**	**(7,085)**
Other operating income and expenses	0	0
OPERATING RESULT	**(11,580)**	**(7,085)**
Financial income	9	28
Financial expenses	(190)	(150)
PROFIT/LOSS BEFORE TAX	**(11,761)**	**(7,208)**
INCOME TAX	**273**	**4,094**
CONSOLIDATED NET RESULT	**(11,488)**	**(3,114)**
Of which consolidated net result attributable to shareholders	***(11,488)***	***(3,114)***
Net earnings attributable to shareholders		
Weighted average number of shares outstanding	18,006,502	15,087,010
- The basic and diluted result per common share (€/share)	(0,64)	(0,21)
- Diluted result per share	(0,64)	(0,21)
In K€	**H1 2021**	**H1 2020**
NET RESULT	**(11,488)**	**(3,114)**
Amounts to be recycled in the income statement:		
Unrealized gains on securities available for sale, net of tax		
Currency conversion difference	19	(16)
Amounts not to be recycled in the income statement:		
Actuarial gains and losses on post-employment benefits	17	1
Other comprehensive income in the period	**36**	**(15)**
GLOBAL PROFIT/LOSS	**(11,452)**	**(3,129)**

CONSOLIDATED BALANCE SHEET

ASSETS in K€	June 30, 2021	December 31, 2020
NON-CURRENT ASSETS		
Intangible assets	52,161	52,600
Other intangible assets	11	0
Tangible assets	916	947
Rights of use	1,926	2,848
Financial assets	942	581
Deferred tax assets	163	165
TOTAL NON-CURRENT ASSETS	***56,118***	***57,141***
CURRENT ASSETS		
Trade receivables	734	1,074
Other current assets	14,098	9,390
Cash and cash equivalents	27,264	29,368
TOTAL CURRENT ASSETS	***42,096***	***39,832***
TOTAL ASSETS	**98,214**	**96,973**

EQUITY & LIABILITIES in K€	June 30, 2021	December 31, 2020
SHAREHOLDERS' EQUITY		
Stated capital	3,657	3,597
Share premium	38,818	38,622
Merger premium	26,827	26,827
Treasury stock	(146)	(93)
Reserves and retained earnings	(5,363)	8,966
Consolidated result	(11,488)	(16,555)
TOTAL SHAREHOLDERS' EQUITY	***52,306***	***61,364***
NON-CURRENT DEBTS		
Non-current financial liabilities	21,753	16,552
Non-current lease liabilities	1,426	2,318
Non-current deferred tax liabilities	1,802	2,080
Non-current provisions	578	531
TOTAL NON-CURRENT DEBTS	***25,560***	***21,481***
CURRENT DEBTS		
Current financial liabilities	202	50
Current lease liabilities	544	594
Trade payables	13,082	10,286
Corporate income tax liabilities	4	2
Social and tax payables	2,789	2,108
Other debts	3,728	1,088
TOTAL CURRENT DEBTS	***20,349***	***14,128***
TOTAL LIABILITIES	**98,214**	**96,973**