Unofficial convenience translation of the French original for information purposes

NICOX SA

A French public limited company (*société anonyme*)
with share capital of €50,170,498

Registered Office:

Drakkar D - 2405 Route des Dolines

06560 VALBONNE Sophia-Antipolis

R.C.S. (Trade and Companies Register)
No. GRASSE 403 942 642

INTERIM FINANCIAL AND MANAGEMENT REPORT FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (REVISED VERSION)

Disclaimer: This English language version of this document is a free translation of the original "*RAPPORT SEMESTRIEL FINANCIER ET D'ACTIVITE AU 30 JUIN 2023*" that was prepared in French. This translation has not been reviewed by the Company's statutory auditors. All possible care has been taken to ensure that this translation is an accurate representation of the original issued in the French language. However, in all matters of interpretation of information, views or opinions expressed therein, the original language version of the document in French takes precedence over this translation. In consequence, the translation may not be relied upon to sustain any legal claim, nor be used as the basis of any legal opinion and Nicox expressly disclaims all liability for any inaccuracy herein.

PRESENTATION OF THE ACCOUNTS

These interim condensed consolidated financial statements present the following fully consolidated subsidiaries making up the Nicox Group:

- Nicox SA
- Nicox Research Institute S.r.l., Nicox SA's Italian subsidiary ("Nicox S.r.l.")
- Nicox Ophthalmics, Inc., Nicox SA's US subsidiary

These financial statements were prepared in accordance with IAS 34, the standard of the IFRS as adopted by the European Union applicable to interim financial statements.

INTERIM FINANCIAL REPORT RESPONSIBILITY STATEMENT

To the best of my knowledge, and in accordance with applicable reporting standards for interim financial reporting, the interim condensed consolidated financial statements of the company and all consolidated operations provide a fair view of its assets and liabilities, financial position and earnings, and the interim management report provides a fair view of the information referred to in article 222-6 of the AMF General Regulations.

Chief Executive Officer
Andreas Segerros

1) 2023 FIRST HALF HIGHLIGHTS

January 6, 2023 — Half-year liquidity contract statement with Kepler Cheuvreux (as of December 31, 2022)

Under the liquidity contract entered into between NICOX and Kepler Cheuvreux, the following resources appeared on the liquidity account on December 31st, 2022:
- 288,965 shares
- € 22,074.60
- Number of executions on buy side on semester: 274
- Number of executions on sell side on semester: 195
- Traded volume on buy side on semester: 155,703 shares for € 262,378.38
- Traded volume on sell side on semester: 100,347 shares for € 178,155.02

January 9, 2023 — Nicox Announces Proposed Move to Euronext Growth Paris

Nicox announced its intention to move its listing from the Euronext Paris regulated market to Euronext Growth Paris and convened for this purpose an ordinary shareholder meeting on Tuesday February 14, 2023 at 2:00 pm CEST in the offices of BuroClub - Drakkar 2 - Bâtiment D - 2405 route des Dolines - 06560 Valbonne – France. This ordinary shareholder meeting decided on the proposed transfer of the listing of securities issued by the Company from the Euronext Paris regulated market to the Euronext Growth Paris multilateral trading facility (the "Transfer") and was asked to grant the Board of Directors all the powers necessary to carry out this Transfer. Euronext Growth Paris is a market organized by Euronext Paris. It is not a regulated market, but a multilateral trading facility organized within the meaning of article 525-1 of the General regulations of the French *Autorité des Marchés Financiers* (AMF). Its organizational rules are approved by the AMF. The Board of Directors considered that this proposed transfer would allow the Company to have its securities admitted to trading on a market more commensurate with its size and market capitalization. www.nicox.com The transfer to Euronext Growth Paris should enable the Company to reduce its obligations and constraints (under the conditions detailed below) and, as a result, reduce the costs associated with its listing, while maintaining the shares' tradability on a financial market.

January 18, 2023 — Nicox Provides Fourth Quarter 2022 Financial Highlights

Nicox provided financial highlights for the fourth quarter 2022 for Nicox SA and its subsidiaries (the "Nicox Group"). Net revenue for the fourth quarter of 2022 was €1.0 million (consisting entirely of net royalty payments). This compares to net revenue for the fourth quarter of 2021 of €3.5 million (€0.5 million of net royalty payments and a €3.0 million non-cash accounting adjustment initially recorded as deferred income following a licensing payment received from Ocumension Therapeutics in March 2020). The net revenue for the full year 2022 was €3.3 million (consisting entirely of net royalty payments) compared to a net revenue for the full year 2021 of €7.2 million (€2.4 million in net royalties, €4.8 million in license payments). As of December 31, 2022, the Nicox Group had cash and cash equivalents of €27.7 million as compared with €42.0 million as of December 31, 2021 and €25.6 million as of September 30, 2022. The Company completed an equity financing in November 2022 and estimates it is now financed until Q2 2024, based exclusively on the development of NCX 470. As of December 31, 2022, the Nicox Group had financial debt of €20.5 million consisting of €18.7 million in the form of a bond financing agreement with Kreos

Capital signed in January 2019 and a €1.8 million credit agreement guaranteed by the French State in August 2020 in the context of the COVID-19 pandemic. ZERVIATE® (latanoprostene bunod ophthalmic solution), 0.024% U.S. prescriptions increased by 25% in the fourth quarter of 2022 compared to the same period in 2021. VYZULTA, exclusively licensed worldwide to Bausch + Lomb, has been launched in 15 countries worldwide, and is expected to be launched in approximately 10 additional countries in 2023 and beyond. VYZULTA is indicated for the reduction of IOP in patients with open-angle glaucoma or ocular hypertension.

January 24, 2023 — Nicox to Participate in Financial, Pharmaceutical Industry and Scientific Events in H1 2023

Nicox announced that members of the management team would participate in financial, pharmaceutical industry and scientific conferences in Europe and U.S. in the coming months.

February 13, 2023 — Nicox's Ordinary Shareholder Meeting to be held on February 28, 2023

Nicox informed its shareholders that the Ordinary Shareholder meeting for the proposed Transfer of the listing of Nicox's securities the Euronext Growth Paris market convened on first call on Tuesday February 14, 2023 could not be held as the quorum required by law will not be reached. The shareholders of Nicox were thus convened on second call for an Ordinary Shareholder Meeting on the same resolutions and the same agenda on Tuesday February 28, 2023 at 2:00 pm CET in the offices of BuroClub - Drakkar 2 - Bâtiment D - 2405 route des Dolines - 06560 Valbonne Sophia Antipolis – France

March 1, 2023 — Nicox: Ordinary Shareholder Meeting of February 28, 2023 - Approval of all Resolutions

Nicox announced that all the resolutions submitted to the Ordinary Shareholder Meeting of the Company held yesterday, were voted. The shareholders approved the transfer of the listing of securities issued by the Company from compartment C of the Euronext Paris regulated market to the Euronext Growth Paris multilateral trading system and granted the Board of Directors all powers necessary to carry out this transfer. The transfer to Euronext Growth Paris was subject to the approval of the Euronext Paris market operator and had to become effective within 12 months, as per the shareholder authorization.

March 3, 2023 — Nicox to Present at Upcoming Scientific Conferences

Nicox announced a number of presentations at key ophthalmology conferences including the American Glaucoma Society (AGS) Annual Meeting 2023 and the Association for Research in Vision and Ophthalmology (ARVO) Annual Meeting 2023.

March 20, 2023 — Nicox Reports 2022 Financial Results and Updates Key Future Milestones

Nicox announced the financial and operating results for Nicox and its subsidiaries (the "Nicox Group") for the year ended December 31, 2022, as approved by the Board of Directors on March 17, 2023, and updated key future milestones. Net revenue for the full year 2022 was €3.3 million (consisting entirely of net royalties), compared to €7.2 million (€2.4 million in net royalties, €4.8 million in

license payments) for the full year 2021. Operating expenses for the year 2022 increased to €27.2 million from €25.1 million for the previous year. Net loss of the Nicox Group for the full year 2022 was €27.8 million against €43.8 million for the full year 2021. The 2022 net loss includes €10.9 million of non-cash items resulting from an additional reduction in the estimated fair value of NCX 4251 following the Group's decision not to pursue internal development but to seek a partner in the U.S. The 2021 net loss included €27.8 million of non-cash items due to a reduction in the estimated fair value of ZERVIATE (of €12.7 million) and of NCX 4251 (of €15.1 million) reflecting, respectively, the changes in the allergic conjunctivitis market in the U.S. and the changes in the development plan and timeline for NCX 4251. As of December 31, 2022, the Nicox Group had cash and cash equivalents of €27.7 million, as compared with €42.0 million as of December 31, 2021. The Company estimates it is financed until Q2 2024, based exclusively on the development of NCX 470. As of December 31, 2022, the Nicox Group had financial debt of €24.7 million, consisting of (i) €18.7 million in the form of a bond financing agreement with Kreos Capital signed in January 2019, (ii) a €1.8 million credit agreement guaranteed by the French State, and granted in August 2020 in the context of the COVID-19 pandemic and (iii) €4.2 million of present value attributed to the put option granted in the November 2022 equity financing. The payment of this debt would only occur if the put option was exercised, subject to the conditions set out in footnote 2 of the press release.

March 21, 2023 — Nicox Announces Presentations of Additional NCX 470 Data at the Upcoming World Glaucoma Congress

Nicox announced presentations of additional NCX 470 data at the 10th World Glaucoma Congress (WGC) held from June 28 to July 1st, 2023 in Rome, Italy

April 14, 2023 — Additional Future Royalty Revenue Stream for Nicox from 2024 following New Drug Application Submission for ZERVIATE in China

Nicox announced that its exclusive Chinese partner, Ocumension Therapeutics, has submitted a New Drug Application (NDA) for approval to commercialize ZERVIATE® (cetirizine ophthalmic solution), 0.24%, in China, for ocular itching associated with allergic conjunctivitis. The approval process is expected to take around 12 months, leading to a potential launch of ZERVIATE in China in 2024. Ocumension plans to manufacture ZERVIATE in their new state-of-the-art purpose-built manufacturing facility located in Suzhou, China.

April 19, 2023 — Nicox Provides First Quarter 2023 Financial and Business Highlights

Nicox provided financial and business highlights for the first quarter 2023 for Nicox SA and its subsidiaries (the "Nicox Group"). Net revenue for the first quarter of 2023 was €0.8 million (consisting entirely of net royalty payments). This compares to net revenue for the first quarter of 2022 of €0.7 million (consisting entirely of net royalty payments). As of March 31, 2023, the Nicox Group had cash and cash equivalents of €21.4 million as compared with €27.7 million as of December 31, 2022. The Company estimates it is financed until Q2 2024, based exclusively on the development of NCX 470. As of March 31, 2023, the Nicox Group had financial debt of €22.8 million, consisting of (i) €18.8 million in the form of a bond financing agreement with Kreos Capital signed in January 2019, (ii) a €1.7 million credit agreement guaranteed by the French State, and granted in August 2020 in the context of the COVID-19 pandemic and (iii) €2.3 million of present value attributed to the put option granted in the November 2022 equity financing. The payment of this debt would only occur if the put

option was exercised, subject to the conditions set out in footnote 2 of the press release. VYZULTA® (latanoprostene bunod ophthalmic solution), 0.024% U.S. prescriptions increased by 23% in the first quarter of 2023 compared to the same period in 2022. VYZULTA, exclusively licensed worldwide to Bausch + Lomb, is commercialized in more than 15 countries, including the U.S., and is also approved in a number of other countries. VYZULTA is indicated for the reduction of IOP in patients with open-angle glaucoma or ocular hypertension.

April 24, 2023 — Nicox: 2023 Ordinary Shareholder Meeting to be held on June 1st, 2023

Nicox convened an ordinary shareholder meeting on Thursday June 1, 2023 at 2:00 pm CEST in the offices of BuroClub - Drakkar 2 - Bâtiment D - 2405 route des Dolines - 06560 Valbonne Sophia Antipolis - France. The documents mentioned in articles R.22.10-23 of the French Code de commerce, including a proxy voting form, were sent to the shareholders upon written request and were also made available to shareholders at the headquarters of the Company and on its website (www.nicox.com) by May 11, 2023.

April 26, 2023 — New Data on Two Nicox's Assets, NCX 470 and NCX 1728, Presented at ARVO 2023

Nicox announced that studies highlighting nonclinical data on NCX 470 and NCX 1728 were presented at the Association for Research in Vision and Ophthalmology (ARVO) Annual Meeting 2023 held on April 23-27, 2023 in New Orleans, LA, United States.
Poster title: NCX 470, a nitric oxide (NO)-donating bimatoprost, preserves rabbit eyes from biochemical and functional changes associated with endothelin-1 (ET-1)-induced ischemia/reperfusion injury of optic nerve head and retina.
Paper presentation title: NCX 1728, a nitric oxide (NO)-donating phosphodiesterase type-5 inhibitor, but not its des-nitro derivative (NCX 1880), enhances ocular perfusion and improves photoreceptor function in rabbits with endothelin-1 (ET-1)-induced ischemia/reperfusion injury of optic nerve head and retina.

April 26, 2023 — Transfer of Nicox's shares to Euronext Growth Paris effective on April 28, 2023

Nicox announced that the transfer of the listing of the securities issued by the Company from the Euronext Paris regulated market (compartment C) to the Euronext Growth Paris multilateral trading facility (the "Transfer"), was effective as from the trading session of April 28, 2023. The application for the Transfer was approved by the Euronext Listing Board on April 24, 2023. As of April 28, 2023, the new mnemonic code of Nicox's shares is ALCOX. The ISIN code remains unchanged: FR0013018124. The Information Document relating to the Transfer is available on the Company's website www.nicox.com, in the Investors section.

April 28, 2023 — Nicox's Partner Ocumension Therapeutics Receives Priority Review Status for ZERVIATE New Drug Application in China

Nicox announced that the New Drug Application (NDA) for approval to commercialize ZERVIATE® (cetirizine ophthalmic solution), 0.24%, submitted in China by its exclusive Chinese partner, Ocumension Therapeutics, has been included in the priority review and approval process of National Medical Products Administration of the People's Republic of China ("NMPA"). This

would accelerate the approval process and potentially the launch of ZERVIATE in China.

June 2, 2023 Nicox: 2023 Ordinary Shareholder Meeting

Nicox informed its shareholders that the Ordinary general meeting convened on first call on Thursday June 1st, 2023, was not held as the quorum required by law was not reached. The shareholders of Nicox were thus convened on second call for an Ordinary general meeting on the same resolutions and the same agenda on Thursday June 15 at 2:00 pm CET in the offices of BuroClub - Drakkar 2 - Bâtiment D - 2405 route des Dolines - 06560 Valbonne Sophia Antipolis - France.

2) CONDENSED INTERIM CONSOLIDATED FINANCIAL HIGHLIGHTS AT JUNE 30, 2023 AND 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue from collaborations

Net profit from collaborations amounted to €1.7 million in H1 2023, compared with €1.4 million in H1 2022, and consisted exclusively of net royalties in 2023 and 2022.

Research and development expenditures

In the 2023 first half research and development expenditures amounted to €6.7 million, compared with €7.8 million in the first half of 2022. Lower research and development expenses in the first half of 2023 compared to the same period in 2022 reflects primarily the completion of the Mont Blanc Phase 3 clinical trial for NCX 470 in Q3 2023.

Administrative expenses

Administrative expenses amounted to €4.4 million at June 30, 2023, compared with €3.7 million at June 30, 2022, an increase of €0.7 million. This increase includes €0.4 million for a market survey on NCX 470 and €0.2 million to enhance quality assurance for the NCX 470 Phase 3 clinical trial.

Other income

Other income amounted to €0.5 million at June 30, 2023 compared to €0.4 million at June 30, 2022 and concerned primarily the research tax credit.

Other expenses

Other expenses amounted to €0.2 million at June 30, 2023, compared with €1.2 million at June 30, 2022, and mainly concerned exchange rate losses on assets and liabilities denominated in foreign currencies. In 2022, other expenses mainly concerned severance payments to the former Chairman and CEO following the Board of Directors' decision to terminate his appointment on June 1st, 2022.

Amortization of intangible assets

At June 30, 2023, no amortization of intangible assets had been recognized, just as one year earlier.

Impairment of intangible assets

No impairment was recognized at June 30, 2023, compared with €11.00 million at June 30, 2022. This

impairment charge applied to the NCX 4251 intangible asset following the Company's decision to seek a partner to continue the development of this product in the United States.

Financial income

Financial income amounted to €3.3 million for H1 2023, and included (i) €2.9 million in changes in the fair value of the put option granted to Armistice Capital as part of the November 2022 equity financing, with the option's present value measured according to a Black Scholes formula based on contractually-defined assumptions, including the minimum level of volatility, (ii) €0.1 million in foreign exchange gains, and (iii) €0.3 million in income from cash equivalents.

In H1 2022, financial income amounted to €3.9 million and included foreign exchange gains of €3.4 million at June 30, 2022 and interest income on cash equivalents of €0.5 million.

Finance expenses

Finance costs amounted to €1.7 million at June 30, 2023 compared to €1.2 million one year earlier. In H1 2023, finance expenses included €0.9 million in interest expense on the KREOS Capital bond financing agreement and €0.8 million in foreign exchange losses.

In H1 2022, financial expenses also included €1.2 million in interest charges on the KREOS Capital bond financing agreement, plus non-material foreign exchange losses.

Income tax (expense) /benefit

The Company recognized an non-material tax charge at June 30, 2023, compared with income of €1.7 million at June 30, 2022. The H1 2022 impact resulted from the reversal of the €2.4 million deferred tax liability recognized on the impairment of NCX 4251 and the payment of a €0.7 million withholding tax assessed by the tax authorities following an audit completed in 2020.

Net loss

The Company recorded a net loss of €7.9 million for the six-month period ended June 30, 2023, compared to a net loss of €17.0 million for the same period in 2022.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of June 30, 2023, Nicox had cash and cash equivalents of €19.0 million, as compared with €27.7 million on December 31, 2022.

At June 30, 2023, Nicox Group had €21.6 million in residual financial debt, down from €24.7 million at December 31, 2022, in the form of a €18.8 million bond financing agreement with KREOS Capital subscribed in 2019, a €1.6 million French Covid-relief government-guaranteed loan subscribed in the second half of 2020, as well as a present value debt of €1.2 million granted in connection with the equity financing completed in November 2022. The balance of outstanding debt decreased mainly as a result of the present value adjustment of the put option granted to Armistice Capital, from €4.2 million at December 31, 2022 to €1.2 million at June 30, 2023.

At June 30, 2023, Nicox also had a finance lease liability totaling €0.8 million concerning mainly the Group’s offices. At December 31, 2022, this lease liability amounted to €0.7 million.

3) FORESEEABLE TRENDS FOR THE COMPANY FOR THE YEAR

In the second half, the company’s strategic priorities are to:

- Continue the second Phase 3 clinical trial Denali for its lead product candidate NCX 470. NCX 470 is a novel nitric oxide (NO)-donating bimatoprost eye drop in Phase 3 clinical development for the lowering of intraocular pressure (IOP) in patients with open-angle glaucoma or ocular hypertension. The first Phase 3 clinical trial Mont Blanc is achieved (results in November 2022) and the results of the Denali trial are expected in 2025. The objective with these two Phase 3 clinical trials is to demonstrate statistically superior efficacy for the lowering of IOP with once-daily dosed NCX 470 0.1% ophthalmic solution over latanoprost ophthalmic solution 0.005% (first marketed as Xalatan), the most prescribed PGA in the U.S. The ongoing Phase 3 program, planned and executed together with our Chinese partner, Ocumension Therapeutics, is expected to support NDA submissions in the U.S. and China, and will also provide data for countries accepting the same package for approval.

- To further assess the profile of NCX 470, Nicox has defined a program of two new Phase 3b clinical trials. The Phase 3b trial Whistler to evaluate NCX 470's dual mechanism of action in IOP lowering is expected to be initiated in Q4 2023. The Phase 3b trial designed to explore the potential retinal benefits of NCX 470 is scheduled to start in 2024. Each trial is expected to take approximately one year to complete.

- The Company is currently seeking commercial partners for NCX 470 in the United States and Japan. NCX 4251, a novel, patented, ophthalmic suspension of fluticasone propionate nanocrystals for topical ocular application for dry eye disease, is also available for partnering for development outside China, where NCX 4251 is licensed exclusively to Ocumension.

- The Company is currently funded until the end of June 2024, exclusively on the basis of the development of NCX 470. The Company is pursuing licensing discussions which could extend the cash runway. In parallel, the Company has initiated strategic discussions, including regarding potential merger and acquisition transactions and is also initiating discussions with its creditors to restructure its debt.

4) RISK FACTORS AND UNCERTAINTIES

The principal risks and uncertainties to which the Company is exposed for the remaining six months of the financial year are those which are described in section 2.7 of the Annual Report available on the Nicox website www.nicox.com.

The following sections of the 2022 Annual Report have been updated:

4.1 Update to Section 1.7.1.1 of the 2022 Annual Report "*Risks related to cash consumption*"

Section 1.7.1.1 of the 2022 Annual Report “Risks related to cash consumption” is updated as follows:

The following paragraphs are updated to read as follows:

Nicox has carried out a specific review of its liquidity risk and considers, as of the date of this Half-yearly Report, that the Company does not have sufficient net working capital in view of the current development plan to cover its financing needs over the next twelve months. The Company is currently funded through the end of June 2024, exclusively based on the development of NCX 470. The Company anticipates that the Phase 3 Denali clinical trial of NCX 470 will be completed in 2025 based on the recruitment rate status of patients. Therefore, significant additional funding will be required to complete this trial.

Market conditions, as well as the market capitalization of the Company, make financing through capital increases uncertain, dilutive and expensive. Furthermore, the scattered shareholder base may make achievement of the quorum difficult in the context of an extraordinary general meeting held, for

example, with a view to financing the Company. Finally, the level of debt of the Company (€21.6 million as of June 30, 2023) makes financing through the subscription of new debt unlikely. Consequently, in order to extend its cash runway, the Company has decided to favor the following options:

The Company is pursuing licensing discussions which could increase the cash runway. In parallel, the Company has initiated strategic discussions including regarding potential merger and acquisition transactions and is also initiating discussions with its creditors to restructure its debt.

The options formulated above, which are currently favored by the Company, contain uncertainties which, in the event of failure, would force the Company to seek alternative solutions. However, these solutions could prove insufficient to finance the Denali trial or difficult to implement, which could result in a possible sale of assets or the Company going into administration.

4.2 Update to the 2022 Annual Report with the addition of section 1.7.1.7 "*Risk linked to obtaining the quorum for holding Extraordinary General Meetings*"

Section 1.7.1.7 of the 2022 Annual Report “Risk linked to obtaining the quorum for holding Extraordinary General Meetings” reads as follows:

The Company's shareholder base is scattered. There is a risk that the Company may encounter difficulties in obtaining the quorum required for holding Extraordinary General Meetings. If this risk were proven, the Company would be unable to submit to the vote of its shareholders decisions which require votes at Extraordinary General Meetings, in particular for obtaining financing, which could have serious consequences on the conduct of its activities and even its sustainability.

5) RELATED PARTIES

No related party agreements were entered into in the 2023 first half.

The Board of Directors
October 19, 2023

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Unaudited interim condensed consolidated financial statements for the six-month periods ending on June 30, 2023 and 2022

Unofficial convenience translation of the French original for information purposes

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTH PERIODS ENDING June 30, 2023 AND 2022 (IN € 000S EXCEPT PER SHARE AMOUNTS)

		For the six-month period ended June 30	
	Notes	**2023**	**2022**
Revenue from collaborations		2,772	2,322
Royalty payments		(1,039)	(892)
Net profit	5.1	**1,733**	**1,430**
Research and development expenditures	5.2	(6,690)	(7,778)
Administrative expenses	5.3	(3,511)	(3,724)
Other income	5.4	457	371
Other expenses	5.5	(232)	(1,190)
Operating loss before the amortization of intangible assets		**(8,243)**	**(10,891)**
Amortization of intangible assets	5.6	-	-
Impairment of intangible assets	5.7	-	(10,472)
Operating loss		**(8,243)**	**(21,363)**
Financial income	5.8	3,314	3,915
Finance expenses	5.8	(1,657)	(1,237)
Net financial income/(expense)	5.8	**1,657**	**2,678**
Loss before tax		**(6,586)**	**(18,685)**
Income tax (expense) / benefit	5.9	(20)	1,679
Loss for the period		**(6,606)**	**(17,006)**
Loss attributable to equity holders of the Company		(6,606)	(17,006)
Weighted average number of shares outstanding		50,146,455	43,202,015
Basic/diluted loss per share (in €)		(0,13)	(0,39)

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UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIODS ENDING JUNE 30, 2023 AND 2022 IN THOUSANDS OF EUROS

		For the period ended June 30	
	Notes	**2023**	**2022**
Loss attributable to equity holders…….		**(6,606)**	**(17,006)**
Exchange differences on translation of foreign operations…….		(259)	1,735
Other comprehensive loss to be reclassified to profit or loss in subsequent periods (net of tax)……		**(259)**	**1,735**
Actuarial gains / (losses)…….	14	(81)	108
Other comprehensive loss not to be reclassified to profit or loss in subsequent periods (net of tax)……		**(81)**	**108**
Other comprehensive income/(loss) for the period, net of tax, attributable to equity holders of the Company…….		**(340)**	**1,843**
Total comprehensive loss for the period attributable to equity holders of the Company……		**(6,946)**	**(15,163)**

NICOX SA

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE SIX-MONTH PERIODS ENDING JUNE 30, 2023 AND 2022 IN THOUSANDS OF EUROS

ASSETS	Notes	At 30 June 2023	At December 31 2022
Non-current assets			
Goodwill		26,722	27,223
Intangible assets	6	31,136	31,692
Property, plant and equipment		414	240
Non-current financial assets		224	325
Total non-current assets		**58,496**	**59,480**
Current assets			
Trade receivables		1,911	2,639
Government grants receivable	7	756	504
Other current assets		1,118	1,279
Prepayments	8	991	1,612
Cash and cash equivalents	9	19,011	27,650
Total current assets		**23,787**	**33,684**
TOTAL ASSETS		**82,283**	**93,164**
EQUITY AND LIABILITIES			
Shareholders' equity			
Issued capital	10	50,170	50,100
Share premium	10	538,132	538,202
Translation reserve		7,405	7,665
Treasury shares		(989)	(978)
Accumulated deficit		(549,188)	(542,556)
Total equity		**45,530**	**52,433**
Non-current liabilities			
Non-current financial liabilities	12	19,614	24,606
Deferred tax liabilities	13	7,206	7,341
Provisions	14	686	578
Total non-current liabilities		**27,506**	**32,525**
Current liabilities			
Current financial liabilities	12	2,773	828
Trade payables		3,530	3,102
Deferred income	15	1,792	2,183
Other current liabilities		1,152	2,093
Total current liabilities		**9,247**	**8,206**
TOTAL LIABILITIES AND EQUITY		**82,283**	**93,164**

NICOX SA

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIODS ENDING JUNE 30, 2023 AND 2022 IN THOUSANDS OF EUROS

	Notes	For the six-month period ended June 30 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period		(6,606)	(17,006)
Adjustments to reconcile the loss for the period to net cash flows			
Depreciation and impairment of tangible fixed assets		97	205
Amortization and impairment of intangible fixed assets		8	10,479
Amortization and impairment of financial assets		-	-
Expenses related to share-based payments		55	359
Provisions		27	25
Change in fair value of put options		(2,949)	-
Non-cash translation adjustments		692	(2,971)
Capitalized interests		(88)	(98)
Gain on disposal of assets		-	(9)
Deferred tax liabilities		-	(2,406)
Working capital adjustments		**(8,764)**	**(11,422)**
(Increase) / Decrease in trade receivables and other currents assets		1,596	(646)
(Increase) / Decrease in government grant receivables		(251)	396
Increase / (Decrease) in deferred income		(392)	(24)
(Increase) / Decrease in trade payables and other current liabilities		(513)	1,300
Change in working capital requirement		**440**	**1,026**
Net cash flows from (used in) operating activities		**(8,324)**	**(10,396)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		(35)	-
Purchase of property, plant and equipment		(15)	(10)
Disposal of financial assets		11	37
Net cash flows from/(used in) investing activities		**(39)**	**27**
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES			
Increase of borrowings net of issuance costs		2	-
(Decrease) in borrowings net of issuance costs		(249)	-
(Purchase) /Disposal of treasury shares		173	186
Repayment of finance lease liabilities		(196)	(180)
Net cash flows from (used in) financing activities		**(270)**	**6**
Net Increase / (Decrease) in cash and cash equivalents		**(8,633)**	**(10,362)**
Cash and cash equivalents at January 1		**27,650**	**41,970**
Net foreign exchange difference		(6)	37
Cash and cash equivalents at June 30		**19,011**	**31,644**

NICOX SA

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS ENDING JUNE 30, 2023 AND 2022 IN THOUSANDS OF EUROS EXCEPT SHARE AND PER SHARE ITEMS

	Issued capital								
	Ordinary shares	**Amount**	**Share premium**	**Treasury shares**	**Translation reserves**	**Reserves**	**Loss for the period**	**Attributable to equity holders of the Company**	**Total equity**
At Januarv 1, 2022	**43,138,185**	**43,138**	**536,200**	**(847)**	**5,953**	**(465,131)**	**(43,762)**	**75,552**	**75,552**
Loss for the period							(17,006)	(17,006)	(17,006)
Other comprehensive income/(loss)					1,735	108		1,843	1,843
Comprehensive income/(loss) for the period					**1,735**	**108**	**(17,006)**	**(15,163)**	**(15,163)**
Allocation of profit of the previous period						(43,761)	43,761		
Issuance of ordinary shares									
Share-based payments	84,950	85	(85)			359		359	359
Purchase of treasury shares				(46)				(46)	(46)
Issuance of equity warrants									
At June 30, 2022	**43,223, 135**	**43,223**	**536,115**	**(893)**	**7,688**	**(508,425)**	**(17,006)**	**60,702**	**60,702**
Loss for the period							(10,753)	(10,753)	(10,753)
Other comprehensive income/(loss)					(23)	848		3	3
Comprehensive income/(loss) for the period					**(23)**	**848**	**(10,753)**	**(10,750)**	**(10,750)**
Issuance of ordinary shares	6,849, 316	6,849	2,115					8,964	8,964
Share-based payments	27,997	28	(28)					823	823
Treasury shares				(85)				(85)	(85)
Put on ABSAs (shares with warrants attached)						(7,221)		(7,221)	(7,221)
At December 31, 2022	**50,100, 448**	**50,100**	**538,202**	**(978)**	**7,665**	**(514,798)**	**(27,759)**	**52,433**	**52,433**
Loss for the period							(6,606)	(6,606)	(6,606)
Other comprehensive income/(loss)					(259)	(81)		(340)	(340)
Comprehensive income/(loss) for the period					**(259)**	**(81)**	**(6,606)**	**(6,946)**	**(6,946)**
Allocation of profit of the previous period						(27,759)	27,759		
Issuance of ordinary shares		70	(70)						
Share-based payments						55		55	55
Treasury shares				(11)				(11)	(11)
Put on ABSAs (shares with warrants attached)									
At June 30, 2023	**50,100,448**	**50,170**	**538,132**	**(989)**	**7,406**	**(542,583)**	**(6,606)**	**45,531**	**45,531**

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIODS ENDING June 30, 2023 AND 2022.

1. CORPORATE INFORMATION ON THE REPORTING ENTITY

Nicox S.A. (“Nicox” or the "Company") is incorporated and domiciled in France. The Company’s headquarters are located at 2405 route des Dolines, 06560 Valbonne and the company is listed on Euronext Growth (“ALCOX”). These condensed interim consolidated financial statements concern the Company and its subsidiaries (collectively, “the Group”).

Nicox Group is an international ophthalmology company using innovative solutions to help maintain vision and improve ocular health. The Company plans to optimize its internal resources by advancing the clinical development of its lead asset NCX 470, while seeking a commercial partner for this product candidate for the U.S. and Japanese markets. The Company also plans to maximize the other assets by entering new partnerships. The Company is also considering external growth through strategic transactions. The strategy is subject to obtaining sufficient or additional financing where necessary.

2. CONSOLIDATED COMPANIES

Consolidated subsidiary	Date of first-time consolidation	Registered office	Method of consolidation	Ownership interest (%) 06/2023	Ownership interest (%) 12/2022
Nicox SA	1996	2405 Route des Dolines 06560, Valbonne - France	Parent	-	-
Nicox Research Institute S.r.l.	1999	Via Ariosto 21, Bresso, MI 20091- Italy	Full consolidation	100%	100%
Nicox Ophthalmics Inc.	2014	819 Emperor Blvd. Suite 400 Durham, NC 27703 - United States	Full consolidation	100%	100%

3. ACCOUNTING POLICIES

The unaudited interim condensed consolidated financial statements have been prepared and presented in accordance with IAS 34 (Interim Financial Reporting) and as such do not include all the financial information required for annual consolidated financial statements in accordance with the IFRS of the IASB as adopted by the European Union. The notes to the financial statements include explanatory notes relating to material events and transactions occurring in the six-month period ending June 30, 2023 with an impact on the Group’s financial position and its earnings after December 31, 2022. These notes are to be read in conjunction with the annual consolidated financial statements for the period ended December 31, 2022.

The accounting principles adopted to prepare the unaudited condensed interim consolidated financial statements as at June 30, 2023 and for the period ending on June 30, 2023 and 2022 are in compliance with the IFRS of the IASB and the interpretations thereof adopted by the European Union.

They have been established in accordance with the accounting principles described in the notes to the annual consolidated financial statements for the period ended December 31, 2022, with the exception of new standards adopted for periods beginning on or after January 1, 2023. No other standards, interpretations or amendments in issue but not yet into force were early adopted by the Group. The accounting principles applied for the period beginning on January 1, 2023 are identical with those adopted for the annual consolidated financial statements for the period ended December 31, 2022. The other standards and interpretations published by IASB and approved by the European Union entering into force on January 1, 2023 had no impact on the Group's condensed consolidated financial statements.

These financial statements include the normal recurring adjustments necessary for a fair presentation of the results of the relevant interim financial periods. All intragroup balance sheet balances and transactions are eliminated in consolidation. The interim results presented do not necessarily reflect the annual results expected for the full year ending on December 31, 2023. These unaudited interim condensed consolidated financial statements, have been prepared on a going concern basis.

As a June 30, 2023, the Group had a consolidated cash position of €19 million. Based on current cash burn forecasts and excluding additional financing, this amount should be sufficient to ensure the Group's ongoing operations up to the end of June 2024. The assumptions used for these forecasts were based on the Group's estimated expenses and conservative forecasts extrapolated from past amounts of net royalties received from commercial partners. Additional financing requirements to ensure the Group's ability to continue as a going concern over the next twelve months amount to €4.2 million.

The Group is currently conducting the second Phase 3 clinical trial Denali for its lead product candidate NCX 470, in partnership with Ocumension Therapeutics. Based on current patient enrolment rates in the U.S. and China, clinical results from this trial are expected in 2025. In consequence, the Group's current cash position is not sufficient to complete this clinical trial.

The Company is pursuing licensing discussions which could extend the cash runway. In parallel, the Company has initiated strategic discussions, including regarding potential merger and acquisition transactions and is also initiating discussions with its creditors to restructure its debt.

In light of the above, the financial statements were prepared on a going concern basis, on the assumption that these different options will be implemented.

IFRSs adopted by the European Union at June 30, 2023 may be consulted under the heading IAS/IFRS Interpretations and Standards, at: https://www.efrag.org/Endorsement

These interim condensed consolidated financial statements were adopted by the Board of Directors on October 19, 2023. The interim condensed consolidated financial statements have been adjusted to reflect conditions existing at the balance sheet date. The adjustments are made up to the date of approval of the financial statements by the Board of Directors. Other events subsequent to the closing date and which required no adjustments are presented in note 18.

4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing the interim condensed consolidated financial statements, the Group's management has to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts recognized in the financial statements.

The underlying estimates and assumptions are reviewed on an ongoing basis. Changes in these estimates are accounted for prospectively. Information on the use of estimates, assumptions and judgments in connection with the application of accounting policies with the most significant impact on amounts

recognized in the consolidated financial statements are presented below.

4.1 Company objectives

The Board of Directors sets the Group's objectives each year. Achieving these objectives is one of the criteria upon which variable compensation is calculated for certain employees. Furthermore, Group employees receive share-based compensation (stock options and free shares). The vesting of this share-based compensation is subject to performance conditions requiring that at least 50% of the Group's yearly objectives set by the Board of Directors are met for the calendar year concerned. In the event that these performance conditions are not met, half of the rights granted for fiscal 2022 (i.e. 50% + 1 option) will be definitively canceled, with the other half of the rights remaining in effect for the stock options and free shares. The achievement of the 2022 objectives was estimated in June 2023 as below 50%.

4.2 Russia-Ukraine conflict

No direct future impact on the Group's financial position has been identified as a consequence of the Russia/Ukraine conflict, which began in February 2022. As of the date of this document, the Group has no customers in these regions and no plans to develop significant business activity there in the short or medium term. The Group also has no direct exposure in the area of research and development. Despite however the fact that this conflict has no significant impact on the Group's performance, it remains unable at this stage to predict the macroeconomic consequences of this geopolitical situation and its evolution on its future performance.

5. INCOME AND EXPENSES

5.1 Revenue from collaborations

Net profit is calculated by deducting royalty payments from revenue from collaborations and breaks down as follows:

	For the six-month period ended June 30,	
	2023	**2022**
	(€ 000s)	
Net royalty payments	1,733	1,430
Net profit from collaborations	**1,733**	**1,430**

5.2 Research and development expenditures

In the 2023 first half research and development expenditures amounted to €6,690,000 compared to €7,779,000 in H1 2022. Lower research and development expenditures in H1 2023 compared to one year earlier reflect mainly the completion of the Mont Blanc clinical trial for NCX 470, whose results were announced in November 2022. Current expenses for NCX 470 concern mainly the Denali Phase 3 clinical trial.

The following table provides a breakdown of research and development costs by nature and product:

	Period ending on 30 June	
	2023	**2022**
	(€ 000s)	

Internal expenditures	(1,593)	(1,918)
External expenditures	(5,097)	(5,861)
Total research and development costs	**(6,690)**	**(7,779)**
External expenditures		
ZERVIATE (AC 170)	-	(61)
NCX 4251	(176)	(312)
NCX 470	(4,270)	(4,893)
Other expenses not allocated by project	(327)	(532)
Other expenditures	(324)	(63)
Total external expenditures	**(5,097)**	**(5,861)**

5.3 Administrative expenses

Administrative expenses amounted to €3,511,000 for the 2023 first half compared to €3,724,000 for the same period in 2022. These expenses consist of administrative and finance personnel costs, compensation and expenses for corporate officers, communication and business development expenses, and quality-related expenses.

5.4. Other income

Other income at June 30, 2023 amounted to €457,000, compared with €371,000 at June 30, 2022, and concerned mainly the research tax credit (€251,000 in 2023 vs. €340,000 in 2022), translation adjustments (€143,000 in 2023 vs. €30,000 in 2022) and a €63,000 refund from URSSAF (Social Security contribution collection agency) following the dispute over social security contributions on directors' attendance fees.

5.5 Other expenses

Other expenses at June 30, 2023 amounted to €232,000, compared with €1,190,000 one year earlier, and in H1 2023 concerned foreign exchange losses on assets and liabilities denominated in foreign currencies. In 2022, other expenses concerned severance payments to the former Chairman and CEO following the Board of Directors' decision to terminate his appointment on June 1, 2022.

5.6 Total amortization of intangible assets

There were no amortization expenses for intangible assets as of June 30, 2023 or June 30, 2022.

5.7 Total impairment of intangible assets

At June 30, 2023, no impairment charge was recognized on the NCX 4251 product candidate, versus €10,472,000 at June 30, 2022, following the decision to seek a partner to pursue the development of this product.

5.8 Net financial income (expense)

	For the first half ended June 30	
	2023	**2022**
	(€ 000s)	
Foreign exchange gain (1)	79	3,386
Change in fair value of put liability (2)	2,949	-
Other financial income(3)	286	529
Total financial income	**3,314**	**3,915**
Foreign exchange loss (1)	(770)	(16)
Other finance expense(4)	(887)	(1,221)
Total finance expenses	**(1,657)**	**(1,237)**
Net financial income (expense)	**1,657**	**2,678**

(1) Corresponding mainly to the remeasurement of bank accounts with balances in foreign currencies.
(2) Corresponding to the change in the present value of the put option on the warrants granted to Armistice Capital.
(3) Corresponding mainly to income from term deposit accounts in euros and dollars.
(4) For the quarter ending June 30, 2023, other financial expenses include €881,000 in interest expense on the KREOS Capital loan, compared with €893,000 in H1 2022, which also included €339,000 in debt restructuring costs with KREOS Capital.

5.9 Income tax (expense) / benefit

The Group recognized a tax expense of €20,000 at June 30, 2023, versus a tax benefit of €1,679,000 at June 30, 2022. The H1 2022 impact resulted from the reversal of the €2,406,000 million deferred tax liability arising from the impairment of NCX 4251 and a €709,000 million withholding tax payment assessed by the tax authorities after the completion of a tax audit in 2020.

6. INTANGIBLE ASSETS

6.1 Breakdown by nature

	At 30 June 2023	**As of Dec. 31,**
	(€ 000s)	
Patent, rights, licenses	77,190	78,600
Software	392	357
Research and development activities acquired separately	50	50
Gross value	**77,632**	**79,007**
Amortization of patents, rights and licenses	(46,086)	(46,913)
Amortization of software	(360)	(352)
Amortization of research and development activities acquired separately	(50)	(50)
Accumulated depreciation	**(46,496)**	**(47,315)**
Net value of intangible assets	**31,136**	**31,692**

At June 30, 2023, the intangible assets in the form of patents, rights and licenses amounted to a gross value of €77.2 million, breaking down as follows: ZERVIATE for US$48.7 million (equivalent to €45 million), NCX 4251 for US$33.0 million (equivalent to €30.2 million), with the balance of €2 million for Nitromed, which has been fully impaired. The Group began writing down the value of ZERVIATE recognized under "North America" in June 2019 with the portion allocated to this region in December 2021 fully amortized, i.e. US$18.6 million or €17.2 million at the closing price on June 30, 2023.

6.2 Change in the year

	Gross value	Amortization and depreciation	Net value
		(€ 000s)	
Value at December 31, 2022	**79,007**	**(47,315)**	**31,692**
Acquisitions/amortizations	35	(8)	27
Disposals or retirements	-	-	-
Impact of change in exchange rates	(1,410)	827	(583)
Value at June 30, 2023	**77,632**	**(46,496)**	**31,136**

7. GOVERNMENT GRANTS RECEIVABLE

	At 30 June 2023	At December 31 2022
	(€ 000s)	
Research tax credit*	756	504
Total	**756**	**504**

* The Group has requested the reimbursement of the 2022 Research Tax Credit by virtue of European community tax provisions for small and medium-size companies, in compliance with regulations in force. As of June 30, 2023, this settlement in the amount of €504,000 not been completed. The Group recorded a provision of €252,000 at June 30, 2023, in connection with the 2023 research tax credit.

8. PREPAYMENTS

Prepayments amounted to €991,000 at June 30, 2023, compared with €1,612,000 at December 31, 2022, and include primarily €550,000 in advance payments for the Denali clinical trial.

9. CASH AND CASH EQUIVALENTS

	At 30 June 2023	At December 31 2022
	(€ 000s)	
Cash	5,503	11,052
Cash equivalents [(1)]	13,508	16,598
Total cash and cash equivalents	**19,011**	**27,650**

[(1)]Cash equivalents consist of time deposit accounts. In accordance with the IAS 7 criteria, these are considered to meet the definition of cash equivalents.

10. ISSUED CAPITAL AND RESERVES

At June 30, 2023, the share capital consisted of 50,170,498 fully paid up ordinary shares with a par value of €1.

Type of transaction	Share capital	Share premium	Number of shares	Par value
	(€ 000s)			In Euros
As of January 1, 2022	**43,138**	**536,200**	**43,138,185**	**1**
Issuance of ordinary shares*	6,849	2,115	6,849,316	
Issuance of shares	113	(113)	112,947	
At December 31, 2022	50,100	538,202	50,100,448	1
Issuance of restricted stock units	70	(70)	70,050	
Issuance of ordinary shares				
At June 30, 2023	50,170	538,132	50,170,498	1

* This includes the capital increase without preferential subscription rights reserved for companies or French or foreign investment funds investing in the pharmaceutical/biotechnology sector. This capital increase resulted in the issue of 6,849,316 new ordinary shares, each share with an attached warrant to acquire 6,849,316 additional new ordinary shares for a total gross amount of €10 million.

11. SHARE-BASED PAYMENTS

Share-based payments on Group profit or loss break down as follows:

	For the six-month period ending June 30	
	2023	**2022**
		(€ 000s)
Stock options	(26)	(221)
Restricted stock units	(29)	(138)
Total impact on loss for the period	**(55)**	**(359)**

11.1 Stock subscription or purchase options

Changes in the period are described below:

	Rights*
Stock subscription or purchase options at December 31, 2022	**3,040,900**
Awarded in the period	569,571
Canceled in the period	(20,859)
Stock subscription or purchase options at June 30,2023	**3,589,612**

*An option confers entitlement to the issuance of one share

11.2 Warrants

At June 30, 2023, there were no outstanding warrants having been granted to directors, compared with 144,000 warrants at December 31, 2022, with 144,000 warrants expiring during the period. 60,000 warrants in favor of members of the Scientific Advisory Board were outstanding at June 30, 2023. One warrant entitles its holder to subscribe for one share.

11.3 Free shares

Changes in the period are described below:

	Number of shares issuable
Restricted stock units outstanding at December 31, 2022	**946,250**
Awarded in the period	246,815
Vested in the period	(70,050)
Canceled in the period	(19,063)
Restricted stock units outstanding at June 30, 2023	**1,103,952**

12. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

	As of June 30, 2023	As of Dec. 31, 2022
	(€ 000s)	
Borrowings	17,952	20,039
Put liability……..	1,233	4,181
Leases	429	386
Total non-current financial liabilities	**19,614**	**24,606**

	As of June 30, 2023	As of Dec. 31, 2022
	(€ 000s)	
Borrowings	2,432	496
Leases	341	332
Total current financial liabilities	**2,773**	**828**

13. DEFERRED TAX LIABILITIES

As of June 30, 2023, deferred tax liabilities amounted to €7,206,000, versus €7,341,000 as of December 31, 2022. These correspond to deferred tax calculated on the basis of fair value adjustments associated with the exercise of the purchase price allocation of the US subsidiary, Nicox Ophthalmics Inc., net of deferred tax assets. The change in H1 2023 is solely attributable to currency effects.

14. CURRENT AND NON-CURRENT PROVISIONS

	At January 1, 2022	Increase	Actuarial gains and losses	Amount used in the period	Change in consolidation scope	As of Dec. 31,
			(€ 000s)			
Post-employment obligations	661	51	(134)	-	-	578
Total provisions	**661**	**51**	**(134)**	**-**	**-**	**578**
Non-current provisions	661	51	(134)	-	-	578
Current provisions	-	-	-	-	-	-

	At January 1, 2023	Increase	Actuarial gains and losses	Reversals repaid during the period	Change in consolidation scope	As of June 30, 2023
			(€ 000s)			
Post-employment obligations	578	27	81			686
Total provisions	**578**	**27**	**81**			**686**
Non-current provisions	578	27	81			686
Current provisions						

15. DEFERRED INCOME

Deferred income amounted to €1,792,000 at June 30, 2023 (2,184,000 at December 31, 2022) and concerns exclusively deferred income received in connection with the amendment of the Ocumension license for NCX 470.

16. OFF-BALANCE-SHEET COMMITMENTS AND LITIGATION

16.1 Off balance sheet commitments

New off-balance sheet items were recognized during the half-year period ending June 30, 2023 representing a total of €2,113,000 net of re-invoicing to Ocumension Therapeutics. These mainly concern Phase 3 clinical development costs for NCX 470.

In the first half of 2023, the Group signed a contract with an investment bank for support in the context of strategic discussions. If these discussions were successful, the Group could be required to pay a success fee of 4% on the amount of a transaction and 3% on the amount of financing. The Group is committed to paying a fixed monthly amount until a transaction is closed. This amount is deductible from any potential success fee.

16.2 Disputes

Disputes arising in the first half of 2023:

16.2.1 URSSAF

The Group contests the application of social security contributions imposed on compensation paid in connection with the offices held by two non-employee directors whose tax residence is in the United States. By judgment of January 24, 2020, the Court of Justice of Nice had approved the claims of the Company. URSSAF appealed this judgment, requesting that it be overturned, the social security charge adjustment confirmed and, as a result, that the Company be ordered to pay €95,054 in principal and €2,000 under Article 700 of the French Code of Civil Procedure.

In a ruling dated February 2, 2023, the Court of Appeals upheld the lower court's decision. URSSAF filed an appeal with the French Court of Cassation on March 31, 2023.

16.2.2 Dr. Reddy's Laboratories

In connection with the submission of an Abbreviated New Drug Application (ANDA) to the FDA (US Food and Drug Administration) for approval of a generic version of VYZULTA (latanoprostene bunod), Dr. Reddy's Laboratories, an Indian pharmaceutical company manufacturing generic drugs, has claimed, in accordance with standard practice, that the patents covering VYZULTA are invalid. On June 27, 2023, Bausch + Lomb and Nicox Bausch & Lomb Inc. and Nicox SA filed a federal lawsuit in New Jersey challenging this claim. As a consequence of this lawsuit, the FDA's regulatory review of the ANDA is automatically suspended for a period of 30 months. Under the terms of the license agreement between Nicox and Bausch + Lomb, Bausch + Lomb will pay all costs related to this procedure, while Nicox will assist Bausch + Lomb in providing the necessary documents and information. This legal proceeding is expected to last for a period of 3 to 4 years.

17. RELATIONS WITH RELATED PARTIES

Total compensation recognized for directors (6 persons as of June 30, 2023 and 6 persons as of June 30, 2022) and management committee members (5 persons as of June 30, 2023 and 5 persons as of June 30, 2022) breaks down as follows:

	At 30 June:	
	2023	**2022**
Short-term benefits	958	2,035[(1)]
Post-employment benefits	194	191
Other long-term benefits	88	(92)
Share-based payments	544	196
TOTAL	**1,784**	**2,330**

(1) *Includes €1,020,000 in severance payments to the former Chairman and Chief Executive Officer following the Board of Directors' decision to terminate his appointment effective June 1, 2022.*

In the event of a change of control, resulting in the termination of the Chief Executive Officer's employment contract and dismissal, members of the Management Board and the Chief Executive Officer are entitled to severance pay ranging from nine to twenty-four months' salary. In the case of the Chief Executive Officer, payment of this indemnity is contingent on achieving at least 50% of the Company's objectives in the year preceding his or her revocation. The calculation of this severance benefit is based on salary received by the beneficiaries over the 12 months preceding the termination of the employment contract and the revocation.

Should the employment contract be terminated for all beneficiaries and the Chief Executive

Officer be revoked on June 30, 2023, the total amount of severance benefits payable under the provisions described above would amount to €2,874,000.

Should the Chief Executive Officer's employment contract be terminated at the Group's initiative, the Management Board members and the Chief Executive Officer would receive severance benefits of between six and eighteen months' salary, based on salaries received in the twelve months preceding the termination of this employment contract and the CEO's revocation; In the case of the Chief Executive Officer, payment of this indemnity is contingent on achieving at least 50% of the Company's objectives in the year preceding his or her revocation. The provisions described above do not apply in the case of termination for serious or gross misconduct.

Should the employment contracts of all beneficiaries be terminated and the Chief Executive Officer revoked on June 30, 2023, the total amount of severance benefits payable under the provisions described above would amount to €2,298,000.

Due to the conditional nature of the commitments described above, no provisions were recorded by the Group at June 30, 2023 in consequence.

As of June 30, 2023, stock options, free shares and equity warrants outstanding awarded to company directors and members of the Management Committee were distributed as follows:

Type of equity instrument	Exercise price (€)	Number of rights	Number of shares issuable	Expiration date
RSUs	-	608,486	608,486	-
Stock options	6.0546	60,000	60,000	02/12/2027
Stock options	4.79	190,000	190,000	01/27/2028
Stock options	3.5181	180,000	180,000	01/14/2029
Stock options	2.3716	285,000	285,000	02/15/2030
Stock options	1.7954	860,000	860,000	07/01/2030
Stock options	1.7965	280,000	280,000	07/19/2030
Stock options	1.1212	189,082	189,082	01/13/2031

18. SUBSEQUENT EVENTS

- In October 2023, over 65% of the target number of patients in the Denali Phase 3 clinical trial to evaluate NCX 470 in patients with open-angle glaucoma or ocular hypertension had been randomized.

- Laboratorios Grin, Nicox's exclusive partner for ZERVIATE™ (cetirizine ophthalmic solution), 0.24% in Mexico notified Nicox that the license agreement would be terminated effective July 23, 2023, with no financial impact for the Company

- ZERVIATE®, (cetirizine ophthalmic solution) 0.24%, indicated for the treatment of ocular itching associated with allergic conjunctivitis, is now commercialized in the U.S. by exclusive U.S. partner Harrow, Inc., following the acquisition in July 2023 of the commercial rights to certain U.S. ophthalmology products from Santen by Harrow.

- No direct future impact on the Group's financial situation has been identified as a consequence of the Israel / Hamas conflict, which erupted in October 2023. As of the date of this document, the Group has no customers in these regions and no plans to develop significant business activity there in the short or medium term. The Group also has no direct exposure in the area of research and development. Despite however the fact that this conflict has no significant impact on the Group's performance, it

remains unable at this stage to predict the macroeconomic consequences of this geopolitical situation and its evolution on its future performance.