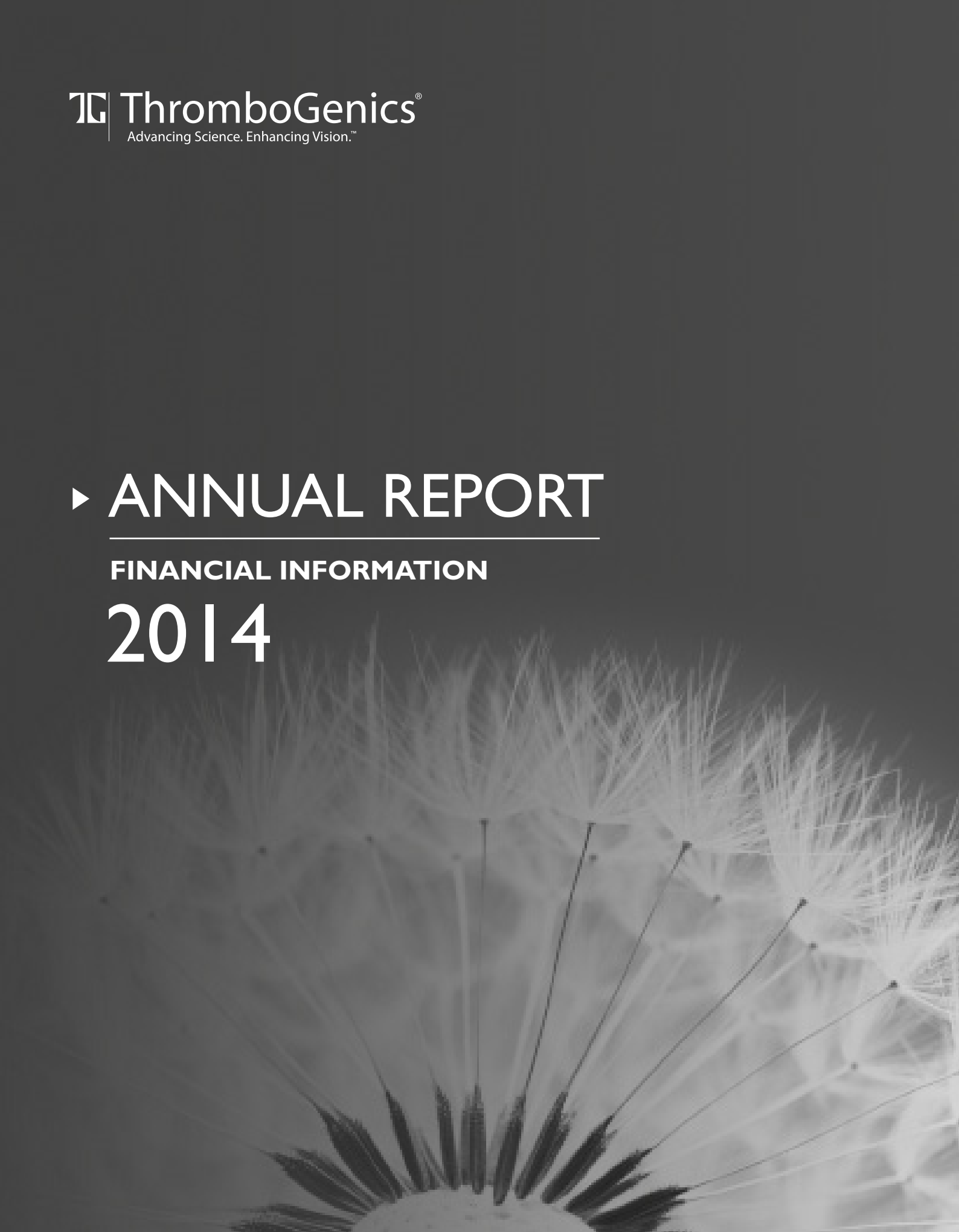
ThromboGenics®
Advancing Science. Enhancing Vision.™

ANNUAL REPORT

FINANCIAL INFORMATION

2014



ANNUAL REPORT

FINANCIAL INFORMATION

2014

Content

Language of this Annual Report

ThromboGenics published its Annual Report in Dutch. ThromboGenics has also produced an English translation of this Annual Report. In the event of differences of interpretation between the English and the Dutch versions of the Report, the original Dutch version has priority.

Availability of the Annual Report

The Annual Report is available free of charge for the public upon request to:

ThromboGenics NV
to the attention of Dominique VANFLETEREN
Gaston Geenslaan 1
B-3001 Leuven
Belgium
Tel: +32 16 75 13 17
Fax: +32 16 75 13 11
e-mail: dominique.vanfleteren@thrombogenics.com

For information purposes only, there is also an electronic version of the Annual Report which can be obtained via the internet from the ThromboGenics' website (www.thrombogenics.com).

Forward looking information

This Annual Report includes forward-looking statements, expectations and assessments with regard to the expected future performances of ThromboGenics and the market in which it operates. Certain statements, expectations and assessments can be recognized by the use of words such as, but not limited to, "believe", "anticipate", "expect", "intend", "plan", "strive", "estimate", "could", "will" and "continue" and comparable expressions. These relate to all matters which are not historical fact. Such statements, expectations and assessments are based on various assumptions and assessments of known and unknown risks, uncertainties and other factors which were deemed to be reasonable when they were made, but which may or may not prove to be correct. Actual events are difficult to predict and can depend on factors outside the Company's control. Consequently, it is possible that the actual results, financial condition, the results of the sector, will diverge substantially from any future results, performances or achievements expressed or implied by such statements, expectations and assessments. Factors which can cause such a divergence include, but are not limited to, the factors which are discussed in the Chapter "Risk Factors".

Given these uncertainties, absolutely no statement is made with regard to the correctness or reasonableness of such forward-looking statements, expectations and assessments. Moreover, they apply only on the date of this Annual Report. The Company expressly declines any obligation to adapt any of the forward-looking statements, expectations and assessments in this Annual Report in order to reflect change in the expectations of the Company in that respect, or any change in the facts, conditions or circumstances on which such statements, expectations and assessments are based, except to the extent that this is required by Belgian law.

All statements and information relate to the period up to December 31, 2014, unless expressly stated otherwise.

1. GENERAL INFORMATION AND INFORMATION CONCERNING RESPONSIBILITY FOR THE ANNUAL REPORT AND FOR THE AUDIT OF THE FINANCIAL STATEMENTS

1.1. Responsibility for the contents of this document

The Board of Directors of ThromboGenics is responsible for the contents of this document. The Board of ThromboGenics declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Year's Report is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect it materially.

Gustaaf Van Reet, Independent Director and Chairman, and Patrik De Haes , Executive Director and Chief Executive Officer of ThromboGenics NV, declare on behalf of the Company that to their knowledge:

- The consolidated financial statements prepared in accordance with 'International Financial Reporting Standard' (IFRS), give a true and fair view of the Group's net worth, financial position and the results of ThromboGenics NV and the companies within the Group.
- The Annual Report regarding the consolidated financial statements give a true and fair view of the development and results of the Group, as well as the main risks and faced uncertainties.

This Annual Report was approved by the Board of Directors on March 12, 2015.

1.2. Responsibility for the audit of the financial statements

BDO Bedrijfsrevisoren, a company incorporated under Belgian law, having its registered office at Da Vincilaan 9, B-1935 Brussels, represented by Bert Kegels and member of the "Instituut der Bedrijfsrevisoren (IBR)" has been appointed as statutory auditor of ThromboGenics for a term of three years ending immediately after the closing of the annual shareholders' meeting to be held in 2016 that will have deliberated and resolved on the financial statements for the financial year ending on December 31, 2015.

2. KEY FIGURES

2.1. Consolidated statement of financial position

In '000 (for the year ended 31 December)	2014	2013
Property, plant and equipment	2,911	3,634
Intangible assets	62,388	69,209
Goodwill	2,586	2,586
Other non-current assets	1,600	1,711
Non-current tax receivable	2,061	2,307
Inventories	7,224	6,111
Trade and other receivables	12,604	11,145
Current tax receivable	2,264	2,017
Investments	3,853	7,791
Cash and cash equivalents	123,223	164,570
Employee benefits	0	73
Total assets	**220,714**	**271,154**
Total equity	208,012	258,772
Current liabilities	12,702	12,382
Total equity and liabilities	**220,714**	**271,154**

2.2. Consolidated statement of income

In '000 (for the year ended 31 December)	2014	2013
Income	**13,776**	**112,781**
Operating result	**-52,714**	**25,511**
Finance income	1,885	1,567
Finance expense	-146	-664
Result before income tax	**-50,975**	**26,414**
Income tax expense	-140	-13
Net result for the period	**-51,115**	**26,401**
Result per share		
Basic earnings per share (euro)	-1.42	0.73
Diluted earnings per share (euro)	-1.42	0.71

3. ACTIVITIES OF THROMBOGENICS

3.1. General

ThromboGenics NV was incorporated on May 30, 2006 and is a limited liability company (in Dutch: Naamloze Vennootschap). The registered office is established at:
Gaston Geenslaan 1
B-3001 Leuven
Belgium
Tel: +32 16 75 13 10
Fax: +32 16 75 13 11
The Company is registered in the Crossroads Databank for Enterprises under enterprise number 0881.620.924.

3.2. Mission

ThromboGenics is dedicated to developing and commercializing new pharmacologic treatments that address important unmet clinical needs.

The 2014 strategic review has focused the development and commercial activities of the Company in the ophthalmologic field, whilst retaining the research capacity to investigate other potential treatments.

3.3. History

Thromb-X was the original Company of the Group. It was founded by Prof. Collen and the KULeuven in 1991 to develop new thrombolytics with better efficacy, less side effects and lower production costs by using the experience of Prof. Collen gained during the development of the successful thrombolytic drug tPA.

In 1992, Thromb-X moved to a state-of-the-art research center next to the Center for Molecular and Vascular Biology of the KULeuven. In 1995, the Center for Transgene Technology and Gene Therapy of the VIB moved into the same building. Through close cooperation with the KU Leuven and VIB, the Company was able to move certain promising research programs through development.

The initial R&D efforts of Thromb-X aimed at the development of staphylokinase, a promising thrombolytic for acute myocardial infarction. Due to strategic and commercial reasons, the Company decided to progress this development outside the Western market. In the meantime, Thromb-X successfully developed ocriplasmin, a recombinant derivative of the plasmin protein, in cooperation with the KULeuven and VIB. This became the main focus of the Company.

In 2001, ThromboGenics gained access to additional financing when the US venture capital firm East Hill Biopharmaceutical Partners became a shareholder. With this funding, ThromboGenics intensified the development of ocriplasmin and also began investigating it for ophthalmic indications. In 2003, the Company expanded its operations by setting up a subsidiary in the US, ThromboGenics, Inc. based in New York.

In May 2006, ThromboGenics NV, a Belgian company with headquarters in Leuven, was incorporated as holding company of ThromboGenics Ltd, Thromb-X NV, Producell Biotech NV and ThromboGenics, Inc.

In July 2006 ThromboGenics raised 35 million euro through a successful Initial Public Offering (IPO) and listed on the Eurolist of Euronext Brussels.

The Company was able to finance its development through both equity financing and shares from the proceeds of the license of tPA to Genentech. The yearly sales of tPA was higher than 500 million USD and generated total royalties of 144 million USD, of which the Company received 51 million USD. After some mergers, the Group's structure has been simplified.

As of December 31, 2014, the Group consists of ThromboGenics NV, including an Irish Branch and one fully owned subsidiary ThromboGenics, Inc.

The Company wants to develop in the ophthalmology field and commercializes JETREA® its first product in that field through its subsidiary in the US and through partnership with Alcon in non-US territories.

3.4. Activities

JETREA® in the US

ThromboGenics achieved JETREA® sales of 8.8 million euro in 2014 in the US.

This sales outcome reflects the challenges the Company has faced in introducing this novel pharmacological therapy and changing the standard of care in terms of the way symptomatic VMA is treated.

In 2014, the sales of JETREA® were negatively impacted by safety concerns caused by a small number of ad hoc publications and the changes that have occurred in our US organization.

ThromboGenics has learnt a great deal in 2014 and our experience has clearly shown that changing the way retina physicians treat this important sight threatening condition will require more data demonstrating the attractive clinical profile of JETREA® - both in terms of efficacy and safety.

The importance of data in driving the sales of JETREA® has led to ThromboGenics focusing its commercial efforts in the US on strategic accounts that have been early adopters and that have the most experience using the product. This approach is designed to increase gradually the number of retina physicians in the US who have detailed knowledge and extensive experience of using JETREA®.

ThromboGenics is working to deliver the data needed to expand the use of JETREA® by:

- further analyses of the data from the JETREA® Phase III program,
- 3 real-world studies OASIS, ORBIT and OZONE which are due to report in 2015.

The other important factor which has been shaping our commercial activities in the US is the observation that physicians generate better treatment outcomes as they become more experienced in using JETREA®. This is largely because they are able to identify the patients most suitable for treatment with this novel medicine.

Patient selection delivers improved patient outcomes

A post-hoc data analysis of the Phase III trials with ocriplasmin showed that:

- VMA diameter ≤1,500 µm
- absence of an epiretinal membrane
- age below 65 years
- presence of a full thickness macular hole (< 400µm)

are independently associated with successful VMA resolution. Therefore, in clinical practice, many retinal specialists have been using these parameters to guide their patient selection for JETREA® injection.

The positive impact of this improved patient selection has been highlighted in a growing number of recent publications. One of these provided analysis of data from patients treated at the Cole Eye Institute in Cleveland and other centers. This analysis showed that improved patient selection achieves a treatment success rate of around 50%. This compares with a 26% nonsurgical resolution of VMA reported in patients treated with ocriplasmin in the drug's pivotal Phase III studies, which included over 30% patients who had an epiretinal membrane.

A similar outcome was published in a recent paper from retina specialists at the Wills Eye Hospital, Thomas Jefferson University, in Philadelphia. In this paper, they reported a 50% success rate in achieving VMT release in 58 eyes treated with intravitreal ocriplasmin. A 27% closure rate was seen in patients with full thickness macular hole. In this study higher rates of success were seen in younger patients with focal VMT and who did not have epiretinal membrane.

Focus on key strategic accounts

The importance of data in driving the sales of JETREA® has led to ThromboGenics focusing its commercial efforts in the US on those strategic accounts which have embraced this first-in-class technology and have gained valuable experience in delivering optimal outcomes.

With additional data coming in 2015, our plan is to broaden this approach to increase significantly in time the number of retina physicians in the US who have detailed knowledge and extensive experience of using JETREA®.

Since the US launch of JETREA®, it has also been clear that as retina physicians treat more patients they become more confident about the patient experience post therapy and as a result feel

more comfortable in integrating this novel medicine into the way they manage symptomatic vitreomacular adhesion (VMA).

To help more physicians gain confidence in using this new pharmacological treatment approach, a key focus for the Company's medical education activities during 2014 has been to demonstrate that the real world safety profile seen with JETREA® is in line with the product's approved label in the US.

This message has been reinforced to the retina community via a range of conference presentations and published papers including a recent paper from the MIVI-TRUST group, which comprises the lead investigators from the JETREA® Phase III clinical trial program.

This analysis of the safety profile of JETREA® has shown that, in many cases, the short-term adverse effects that a patient experiences post-injection are a reflection of the drug's mode of action. This is supported by the fact that many of the short-term adverse effects are similar to the ones seen in patients who have undergone a surgical vitrectomy.

Paul G. Howes, Executive Chairman of ThromboGenics, Inc., commenting on progress with JETREA® in the US, said: "We have realigned our US sales efforts to focus on key accounts, allowing us to communicate in a more effective manner with this group of retinal physicians who are important in driving the adoption of this novel medicine. We spent much of 2014 sharing with the retinal community that the real-world safety experience with JETREA® is no different from what is in our label. With the release of further clinical results planned for 2015 we are confident that these data will allow us to focus more on the positive balance of safety and efficacy outcomes that this novel medicine can deliver."

Collecting additional real-world JETREA® data

ThromboGenics is continuing to generate more real-world data on treatment with JETREA®.

With this additional real world data, the use of JETREA® could be optimized further. This is a key element of ThromboGenics' strategy to drive the adoption of this novel pharmacological option for the earlier treatment of symptomatic VMA.

OASIS study

ThromboGenics is currently conducting the "Ocriplasmin for Treatment for Symptomatic Vitreomacular Adhesion including Macular Hole" (OASIS) study to generate long term data following treatment with ocriplasmin. This sham-controlled double-masked study, which has recruited a total of 220 patients, is designed to assess anatomical and functional outcomes following a single intravitreal injection of ocriplasmin 0.125 mg in subjects with symptomatic VMA/ VMT including macular hole.

This is an important study in terms of generating real world data with JETREA® as the patients in the study are being followed up for a 24-month period post injection.

The primary endpoint of the study is the proportion of subjects with pharmacological VMA resolution at Day 28. This is the same primary endpoint as for the Phase III clinical trial program with ocriplasmin. The study will also provide data on a range of important secondary endpoints at the end of the 24-month follow-up period.

Topline results from this study are expected to be released in Q1 2015. ThromboGenics plans to communicate the full data from this study later this year via a number of presentations at major ophthalmology meetings.

ORBIT study

In March 2014, ThromboGenics launched the "Ocriplasmin Research to Better Inform Treatment" (ORBIT) study. This study has met with significant interest from the US retina community and 97 retina centers across the US have been activated to recruit patients.

This prospective, observational study is designed to assess clinical outcomes and the safety of JETREA® administered in a real-world setting for the treatment of symptomatic VMA by assessing both anatomical and functional outcomes.

The study is looking at a number of parameters including resolution of VMA, full thickness macular hole (FTMH) closure, changes in visual acuity (VA) and occurrence and time to vitrectomy. It will also monitor adverse drug reactions (ADRs) and changes from baseline in ocular signs and symptoms, such as metamorphopsia, over time. These data will further characterize the efficacy and safety profile of the product and provide data complementary to those from JETREA®'s Phase III clinical program and physician experience during its first year on the market.

Patients will be followed for up to 12 months following a single treatment with JETREA®. The ORBIT study is due for completion in mid-2016. The Company intends to report data on a regular basis.

An interim analysis was presented by the ORBIT Steering Committee, represented by Dr Mathew MacCumber, during the Macula Society Meeting from February 25 – 28, 2015 in Scottsdale, Arizona.

Dr Mathew MacCumber stated, "The interim analysis in the ORBIT study has shown that the safety and efficacy profiles are consistent with the product's label and the data from the Phase III clinical trials. Further analysis is ongoing to assess these rates compared with the Phase III results.

The findings of the interim analysis suggest that ThromboGenics' medical education activities are beginning to deliver results. A growing number of retina centres are gaining the understanding they need, to select the patients most suited for this novel pharmacological treatment option for symptomatic VMA. With the ORBIT study, and other phase 4 studies ThromboGenics is doing, we will be able to better define the real world safety and efficacy profile of JETREA®"

The next interim data from the ORBIT study will be discussed at the ARVO meeting of early May in Denver, Colorado.

OZONE study

In July 2014, ThromboGenics started the "Ocriplasmin Ellipsoid Zone Retrospective Data Collection Study" (OZONE).

This is a retrospective patient US study designed to capture more data to characterize the anatomic and symptomatic changes that potentially occur in the six months immediately after treatment with JETREA® for symptomatic VMA.

Initial data from this study are expected in the first half of 2015.

Enhancing Symptomatic VMA Detection

Patients who first notice the symptoms of VMA often have their first discussion about their condition with their general ophthalmologist. ThromboGenics has begun implementation of its ID-VMA educational program to train ophthalmologists about sVMA so that they can better decide when it is appropriate to refer a patient with sVMA to a specialist retina clinic which has JETREA® experience.

A number of seminars in this program have already taken place with a total of more than 500 ophthalmologists receiving training from a team of retina specialists.

With greater experience of using JETREA® in the specialist retina centers and a growing number of referrals of patients suitable for treatment with this novel pharmacological treatment option, we are confident that JETREA®'s adoption will accelerate.

ThromboGenics' US organization – new leadership

ThromboGenics is undertaking a number of new initiatives to strengthen its US business and support the commercialization of JETREA® in the US.

Paul G. Howes (representing Nanaimo Bioventures LLC) appointed Executive Chairman of ThromboGenics, Inc.

Paul G. Howes, was appointed to the newly created position of the Executive Chairman of ThromboGenics, Inc. He also joined ThromboGenics NV's Board of Directors.

Mr Howes brings over 25 years of commercial strategy and sales and marketing experience to ThromboGenics, a significant amount of which has been in the field of ophthalmology. He was previously President & CEO of Inotek Pharmaceuticals where he is still an independent Board director. Prior to that he was President of the Americas Region for Bausch & Lomb, during which he led a major expansion of the US pharmaceutical business and a highly successful turn-around of the US cataract surgical business. Prior to joining Bausch & Lomb in 2003, Mr Howes spent 16 years in various senior management roles at Merck & Co., Inc.

Mr Howes is a graduate of Harvard College and earned his MBA from York University in Toronto, Canada. He also currently serves as the Chairman of the Board of Prevent Blindness America.

Ed Kessig appointed US Head of Commercial

Mr Kessig has significant commercial leadership experience across a broad range of therapeutic categories and markets. He has held senior commercial roles at Elan Pharmaceuticals, INO Therapeutics and Auxilium Pharmaceuticals. Before joining ThromboGenics, Ed was the Senior Vice President of Sales at Auxilium. Mr Kessig is also a member of the ThromboGenics' Executive Committee.

Dr Joseph Markoff, MD appointed Scientific Advisor

Joseph Markoff PhD MD joined ThromboGenics as its Scientific Advisor. Dr Markoff received his undergraduate degree from Oberlin College where he currently serves as an honorary trustee.

He received his medical training at the University of Minnesota and served an ophthalmology residency at Wills Eye Hospital in Philadelphia where he is currently a clinical professor. He founded Philadelphia Eye Associates in 1978 and has directed the visual physiology service at Wills Eye Hospital for over thirty years. He became Global Director of Ophthalmology at Merck & Co, Inc. in 2010, a post he held until 2014. He now consults extensively in the field of ophthalmology. He has published in the subspecialties of retina, glaucoma and cataract in addition to participating in over 50 clinical trials.

Optimizing the US Commercial Organization

During 2014, a series of operational improvements have been undertaken at ThromboGenics, Inc. These changes have been made both to reduce costs as well as to focus our marketing and sales efforts on those key accounts that have embraced our technology and gained the most experience in delivering optimal patient outcomes.

With additional data coming in 2015, our plan is to broaden this approach to increase significantly the number of retina physicians in the US who have detailed knowledge and extensive experience in using JETREA®.

All of the above is expected to have a positive impact on revenues in 2015.

JETREA® outside the US

ThromboGenics' partner Alcon (Novartis), is continuing to commercialize JETREA® across the rest of the world. The product recently received its 50th approval globally with the Philippines. Alcon has also been successful, with the support of ThromboGenics, in building a strong market access platform for JETREA® around the world.

Europe

In Europe, the main developments in 2014 concerned the reimbursement of JETREA®, with the product now being actively reimbursed in a number of key markets including the UK, Germany and Spain.

Alcon is also conducting studies to generate more real world data on the use of JETREA®.

The results of a 129 patient study across six European centers were presented by Alcon at the DOG Congress of Ophthalmology in Leipzig, Germany in September 2014. The study, which analyzed patients with early stage symptomatic VMT, showed total resolution rates of 45-85% depending on patient sub-groups. In patients with VMA diameter ≤1,500µm or the absence of an epiretinal membrane resolution rates of up to 85% were observed. These positive outcomes are in line with the success rates that are being reported by retina physicians in the US.

JETREA® approvals in the Rest of the World

In 2014, good progress has been made to bring JETREA® closer to the market in the Rest of the World, with first approvals in Asia and South America.

Asia

In April, JETREA® was approved in Malaysia for the treatment of adults with VMT, including when associated with macular hole of diameter less than or equal to 400 microns. The approval, the first in Asia, was gained following a Priority Review conducted in September 2013.

In July 2014, JETREA® was approved in Singapore for the same indication.

South America

In the beginning of July, JETREA® was approved in Uruguay, the first country in South America, for the treatment of adults with VMT, including when associated with macular hole of diameter less than or equal to 400 microns.

In October, JETREA® was approved in Chile for the same indication.

Australia

In October, Australia's Therapeutic Goods Administration (TGA) approved JETREA® for the treatment of adults with VMT, including when associated with macular hole of diameter less than or equal to 400 microns.

Recent approvals

In February 2015, JETREA® was granted approval in Argentina, Israel and the Philippines.

Progress towards gaining approval in Japan

Alcon has now completed a bridging clinical study in Japan. The Japanese trial, a randomized, double-masked, multi-center study with patients receiving either ocriplasmin or a sham injection, recruited a total of 168 patients with symptomatic VMA including those associated with macular hole. The results from this study are expected to form part of the regulatory submission that will be made to the Japanese Ministry of Health, Labour and Welfare in 2015 to request approval to market ocriplasmin in Japan.

Research & Development Update

Diabetic Retinopathy (DR)

The Company remains committed to expanding the use of JETREA® beyond symptomatic VMA/VMT as part of its strategy to maximize new value-creating opportunities for the drug.

ThromboGenics has decided that treatment of diabetic retinopathy (DR) is the next target indication for JETREA® in the US. A Clinical Research Organization has been engaged to assist in the conduct of a Phase II trial with JETREA® in diabetic retinopathy in the US. This study is designed to assess the utility of the product in this significantly underserved patient population.

The Company will start the DR study in H1 2015, with the first patient expected to be recruited in H2 2015.

ThromboGenics has decided to evaluate JETREA® in the treatment of DR based on the strong scientific rationale that supports why it could prove effective in treating patients with this sight threatening condition before their disease progresses. Research has shown that the presence of a posterior vitreous detachment, where the vitreous is separated from the retina, may prevent the growth of the new blood vessels that are responsible for proliferative DR (PDR). This finding has been reinforced by the fact that PDR is rare in patients who have undergone a posterior vitreous detachment.

JETREA® is able to generate a posterior vitreous detachment by cleaving the protein linkages between the vitreous and the retina and by liquefying the vitreous itself. The Company and its clinical advisors believe that by using JETREA® to generate this anatomical change, the development of the new blood vessels that cause PDR can be prevented. This is because the new blood vessels will no longer be able to use the scaffolding of the vitreous to grow along the surface of the retina or into the vitreous.

Given the growing number of diabetic patients in the US, it is clear that the number of patients who are anticipated to suffer from eye disease, including diabetic retinopathy is expected to increase substantially. A recent report from the American Academy of Ophthalmology has projected that prevalence of individuals with any diabetic retinopathy in the United States by the year 2020 will be 6 million people of whom 1.34 million persons will have vision threatening DR.

Diabetic retinopathy is increasing in prevalence in the US. “Almost a third of the adult population in the US are suffering from diabetes and a substantial proportion of these – hundreds of thousands - will develop proliferative diabetic retinopathy. Their number is going up every year; all these people will be confronted with vision loss if they are not treated adequately. Any investigation into how we can ameliorate the complications of this disease is most welcome,” says Dr. Michael S. Ip, Director, Retina Service, William S. Middleton Memorial Veterans Hospital, and tenured Associate Professor, Department of Ophthalmology and Visual Sciences, University of Wisconsin School of Medicine and Public Health, Madison, WI.

In addition to JETREA®, ThromboGenics’ research is evaluating a number of other potential therapies for diabetic eye disease. The Company is working on compounds emanating from agreements with Eleven Biotherapeutics and Bicycle Therapeutics. These projects are both in the pre-clinical phase of development.

“In 2014, the company clarified its long-term strategy and reoriented to focus exclusively on ophthalmology. We are working hard to further expand the ThromboGenics’ research portfolio with innovative new potential medicines for the treatment of eye disease. We will continue our strategy of partnering with academic groups and other companies. I am confident that this approach will lead us to a very exciting future,” says Jean Feyen, Head of Pre-Clinical Research at ThromboGenics.

Oncology R&D Spin-Out

ThromboGenics, is about to spin out its oncology research activities into a joint venture with VIB (Flanders Institute for Biotechnology). This company will focus on the clinical development of TB-403 for the treatment of medulloblastoma, the most frequent form of brain cancer in children.

In time, ThromboGenics will look to raise funds from third parties in order to finance the further development of this exciting oncology business.

Ocriplasmin IWT Research Grant

ThromboGenics has been awarded a 1.1 million euro research grant from the Flemish Agency for Innovation by Science and Technology (IWT). The grant will be used to fund on-going research to further elucidate the pharmacological effects ocriplasmin is exerting in the back of the eye following intravitreal injection.

3.5. Intellectual property

The Company's drug candidates are covered by several patent families that are either owned by the Company or exclusively licensed to the Company.

The licenses awarded to ThromboGenics NV are exclusive licenses with the right to sublicense. ThromboGenics NV has the rights to all in-house intellectual property. The Company employs an in-house IP counsel who works in collaboration with several leading international patent law firms.

In February 2012, ThromboGenics strengthened its patent position further through the agreements with NuVue and Grifols.

3.6. Group structure

As of December 31, 2014 ThromboGenics has one subsidiary, ThromboGenics, Inc., a company under American law. On March 5, 2012, the new office was opened with registered address at 101 Wood Avenue South, Suite 610, Iselin, NJ 08830, USA. End of 2014, ThromboGenics, Inc. had 37 employees, excluding the commercial team hired through Quintiles.

3.7. Facilities

Since January 2009, all of the Company's labs have been located at the "Bio-Incubator" building at the Gaston Geenslaan 1 at 3001 Leuven. ThromboGenics entered into a lease agreement for this building with Bio-Incubator NV for a period of 3 years starting July 1, 2008. On October 1, 2013, a new operational lease agreement was signed for the use of additional offices ('Bio-Incubator II'). At the same time the original contract ('Bio-Incubator I') has been replaced. These agreements started at August 13, 2012, for a period of 3 years and can be prolonged with mutual consent for a maximum period of 7 years. As from the fourth year, the operational lease may be renewed tacitly each time for a period of one year.

Currently the Company occupies a number of state-of-the-art research laboratories, including cell culture rooms, a molecular biology laboratory, an analytical laboratory, a prokaryotic fermentation suite, a purification suite, and all the necessary support and storage rooms. The Company has access to 2,500 square meter state-of-the-art laboratories and offices.

The Company produces research-grade products and reagents in production laboratories of approximately 1,000 square meters.

ThromboGenics has implemented the ISO 17025 standard. The Company adheres to GLP-GMP for stability testing and has obtained GLP status for drug formulation analysis and toxicological studies.

3.8. Investment policy

Apart from investments in lab materials, hardware and software, ThromboGenics has not made any other large investments, nor made commitments to make major investments in the near future.

With regard to the move of the Company's labs in early 2009, these labs were modernized and the Company made some new improvements.

R&D expenses will be directly financed and as such are not considered as investments to be capitalized on the balance sheet according to accounting rules and IFRS. Only development costs made in Phase III and abiding to our accounting policy will be capitalized.

3.9. Health, safety and environmental regulations

As a biotech Company, ThromboGenics has to deal with biological waste on a daily basis. The health and safety of personnel and visitors and environmental protection constitute a priority for the Company. The environmental, health and safety policy is a key element of the Company's business strategy and is included in the objectives of each employee. This implies a continuous process through which constant improvements and innovations are being implemented.

ThromboGenics is focused on creating a safe environment, not only for the Company's employees, but also for external employees, visitors and the overall environment.

3.10. Recent trends

After a 2014 strategic review the Company has revised the Market Access, Medical and Commercial structures to right size them in line with the decision to commercialize JETREA® by ThromboGenics' own means in the US. As a consequence the outsourcing of medical representatives was brought to an end and recruitment of own salesforce started in 2015.

4. CONSOLIDATED ANNUAL ACCOUNTS

4.1. Financial information

4.1.1. Consolidated statement of comprehensive income

In '000 euro (for the year ended on 31 December)	Note	2014	2013
Income		**13,776**	**112,781**
Sales	7	10,346	21,724
License income	7	33	90,034
Income from royalties	7	3,397	1,023
Cost of sales	8	**-4,600**	**-6,384**
Gross profit		**9,176**	**106,397**
Research and development expenses	9	-22,554	-31,734
General and administrative expenses	10	-9,520	-11,579
Selling expenses	11	-29,874	-37,622
Other operating income	12	67	49
Other operating expense	12	-9	0
Operating result		**-52,714**	**25,511**
Finance income	13	1,885	1,567
Finance expense	14	-146	-664
Result before income tax		**-50,975**	**26,414**
Income tax expense	17	-140	-13
Net result for the period		**-51,115**	**26,401**
Attributable to:			
Equity holders of the Company		-51,115	26,401
Result per Share			
Basic earnings per share (euro)	18	-1.42	0.73
Diluted earnings per share (euro)	18	-1.42	0.71

In '000 euro (for the year ended on 31 December)	Note	2014	2013
Result of the period		**-51,115**	**26,401**
Net change in fair value of available-for-sale financial assets	24	-72	23
Exchange differences on translation of foreign operations		29	-11
Actuarial losses on defined benefit plans		-229	0
Other comprehensive income, net of income tax		**-272**	**12**
Other comprehensive income that may be reclassified to profit or loss		0	0
Other comprehensive income that will not be reclassified to profit or loss		-272	12
Total comprehensive income for the period		**-51,387**	**26,413**
Attributable to:			
Equity holders of the Company		**-51,387**	**26,413**

4.1.2. Consolidated statement of financial position

In '000 euro (for the year ended on 31 December)	Note	2014	2013
ASSETS			
Property, plant and equipment	19	2,911	3,634
Intangible assets	20	62,388	69,209
Goodwill	20	2,586	2,586
Other non-current assets	21	1,600	1,711
Employee benefits	30	0	73
Non-current tax receivable	23	2,061	2,307
Non-current assets		**71,546**	**79,520**
Inventories	22	7,224	6,111
Trade and other receivables	23	12,604	11,145
Current tax receivable	23	2,264	2,017
Investments	24	3,853	7,791
Cash and cash equivalents	25	123,223	164,570
Current assets		**149,168**	**191,634**
Total assets		**220,714**	**271,154**
EQUITY AND LIABILITIES			
Share capital	28	151,991	151,991
Share premium	28	157,661	157,661
Accumulated translation differences		-276	-305
Other reserves	29	-13,228	-13,783
Retained earnings		-88,136	-36,792
Equity attributable to equity holders of the Company		**208,012**	**258,772**
Minority interests			
Total equity		**208,012**	**258,772**
Trade payables		7,369	10,352
Other short-term liabilities	26	5,333	2,030
Current liabilities		**12,702**	**12,382**
Total equity and liabilities		**220,714**	**271,154**

4.1.3. Consolidated statement of cash flows

In '000 euro (for the year ended on 31 December)	Note	2014	2013
Cash flows from operating activities			
(Loss) profit for the period		-51,115	26,401
Finance expense	14	146	664
Finance income	13	-1,885	-1,567
Depreciation on property, plant and equipment	19	1,297	1,181
Amortization of intangible assets	20	6,833	6,483
Gain on sale of property, plant and equipment		0	0
Increase in accruals and employee benefits		110	0
Equity settled share-based payment transactions	15	554	1,433
Change in trade and other receivables including tax receivables and stock		-2,573	-10,060
Change in short-term liabilities		54	1,175
Net cash (used) from operating activities		**-46,579**	**25,710**
Cash flows from investing activities			
Disposal of property, plant and equipment (following a sale)	19	27	24
Change in investments	24	3,938	1,031
Interest received and similar income	13/14	953	1,387
Acquisition of intangible assets	20	-12	-3,354
Acquisition of property, plant and equipment	19	-571	-2,155
Acquisition (divestments) of other non-current assets	21	111	13
Net cash (used in) generated by investing activities		**4,446**	**-3,054**
Cash flows from financing activities			
Proceeds from issue of share capital		0	2,960
Paid interests	14	-11	-10
Net cash (used in) generated by financing activities		**-11**	**2,950**
Net change in cash and cash equivalents		**-42,144**	**25,606**
Cash and cash equivalents at the start of the period	25	164,570	139,398
Effect of exchange rate fluctuations		797	-434
Cash and cash equivalents at the end of the period		**123,223**	**164,570**

4.1.4. Consolidated statement of changes in equity

	Share capital	Share premium	Cumulative translation differences	Other reserves	Retained earnings	Attributable to equity holders of the Company	Minority interests	Total
Balance as at 1 January 2013	**150,938**	**155,754**	**-328**	**-15,205**	**-63,193**	**227,966**	**0**	**227,966**
Net result 2013					26,401	26,401		26,401
Change to foreign currency translation difference and revaluation reserve			23			23		23
Net change in fair value of investments				-11		-11		-11
Issue of ordinary shares						0		0
Conversion of warrants by warrant holders	1,053	1,907				2,960		2,960
Share-based payment transactions				1,433		1,433		1,433
Balance as at 31 December 2013	**151,991**	**157,661**	**-305**	**-13,783**	**-36,792**	**258,772**	**0**	**258,772**
Net result 2014					-51,115	-51,115		-51,115
Change to foreign currency translation difference and revaluation reserve			29			29		29
Actuarial losses on defined benefit plans					-229	-229		-229
Net change in fair value of investments				1		1		1
Issue of ordinary shares						0		0
Conversion of warrants by warrant holders						0		0
Share-based payment transactions				554		554		554
Balance as at 31 December 2014	**151,991**	**157,661**	**-276**	**-13,228**	**-88,136**	**208,012**	**0**	**208,012**

4.2. Notes to the consolidated financial statements

4.2.1. Reporting entity

ThromboGenics NV, a Naamloze Vennootschap (limited company) established under Belgian law with its registered office at Gaston Geenslaan 1, B-3001 Leuven, and its subsidiary ThromboGenics, Inc. are a biopharmaceutical Group which focuses on the development of new drugs for the treatment of eye diseases and cancer. The ThromboGenics NV Group (the 'Group') has built a pipeline of drug candidates, a number of which are at the clinical study stage. The Group's research and development facilities are located in Belgium.

The consolidated financial statements of ThromboGenics NV for the year ending December 31, 2014 include ThromboGenics NV and its subsidiary ThromboGenics, Inc. and constitute the ThromboGenics NV Group.

These consolidated financial statements were approved by the Board of Directors on March 12, 2015. Possible changes to this financial report can be carried out until the General Meeting of May 5, 2015.

4.2.2. Application of new and revised standards and interpretations

New Standards, Interpretations and Amendments adopted by the Group

During the current financial year, the Group has adopted all the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, that are relevant to its operations and effective for the accounting year starting on January 1, 2014. The Group has not applied any new IFRS requirements that are not yet effective as per December 31, 2014.

The following new Standards, Interpretations and Amendments issued by the IASB and the IFRIC are effective for the current annual period:

- IFRS 10 - Consolidated Financial Statements – Original Issue May 2011
- IFRS 10 - Consolidated Financial Statements (Amendment June 2012) – Amendments to transitional guidance

- IFRS 10 - Consolidated Financial Statements (Amendment October 2012) – Amendments for investment entities
- IFRS 11 - Joint Arrangements - Original Issue May 2011
- IFRS 11 - Joint Arrangements (Amendment June 2012) – Amendments to transitional guidance
- IFRS 12 - Disclosure of Interests in Other Entities - Original Issue May 2011
- IFRS 12 - Disclosure of Interests in Other Entities (Amendment June 2012) – Amendments to transitional guidance
- IFRS 12 - Disclosure of Interests in Other Entities (Amendment October 2012) – Amendments for investment entities
- IAS 27 - Consolidated and Separate Financial Statements (Amendment October 2012) — Amendments for investment entities
- IAS 32 - Financial Instruments: Presentation (Amendment December 2011) — Amendments relating to the offsetting of assets and liabilities
- IAS 36 – Impairment of Assets (Amendment May 2013) — Recoverable Amounts Disclosures for Non-Financial Assets
- IAS 39 – Financial Instruments: Recognition and Measurement (Amendment June 2013) — Novation of Derivatives and Continuation of Hedge Accounting

The adoption of these new standards and amendments has not led to major changes in the Group's accounting policies.

Standards and Interpretations issued but not yet effective in the current period

The Group elected not to early adopt the following new Standards, Interpretations and Amendments, which have been issued but are not yet effective as per December 31, 2014

- Annual Improvements to IFRSs 2010-2012 Cycle (issued by the IASB in December 2013)
- Annual Improvements to IFRSs 2011-2013 Cycle (issued by the IASB in December 2013)
- Annual Improvements to IFRSs 2012-2014 Cycle (issued by the IASB in September 2014)
- IFRS 7 - Financial Instruments: Disclosures (Amendment December 2011) — Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures
- IFRS 7 – Financial Instruments: Disclosures (Amendment November 2013) — Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9
- IFRS 9 - Financial Instruments — Classification and Measurement (Original issue November 2009, and subsequent amendments)
- IFRS 10 – Consolidated Financial Statements — Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture (September 2014)
- IFRS 10 – Consolidated Financial Statements — Amendments regarding the application of the consolidation exception (December 2014)
- IFRS 11 - Joint Arrangements — Amendments regarding the accounting for acquisitions of an interest in a joint operation (May 2014)
- IFRS 12 – Disclosure of Interests in Other Entities — Amendments regarding the application of the consolidation exception (December 2014)
- IFRS 14 – Regulatory Deferral Accounts (Original issue January 2014)
- IFRS 15 - Revenue from Contracts with Customers (Original issue May 2014)
- IAS 1 - Presentation of Financial Statements — Amendments resulting from the disclosure initiative (December 2014)
- IAS 16 – Property, Plant and Equipment — Amendments regarding the clarification of acceptable methods of depreciation and amortization (May 2014)
- IAS 16 – Property, Plant and Equipment — Amendments bringing bearer plants into the scope of IAS 16 (June 2014)
- IAS 19 - Employee Benefits — Amendments relating to Defined Benefit Plans: Employee Contributions (November 2013)
- IAS 27 - Consolidated and Separate Financial Statements — Amendments reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements (August 2014)
- IAS 28 – Investments in Associates and Joint Ventures — Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture (September 2014)
- IAS 28 – Investments in Associates and Joint Ventures — Amendments regarding the application of the consolidation exception (December 2014)
- IAS 38 – Intangible Assets — Amendments regarding the clarification of acceptable methods of depreciation and amortization (May 2014)
- IAS 39 – Financial Instruments: Recognition and Measurement — Amendments for continuation of hedge accounting (fair value hedge of interest rate exposure) when IFRS 9 is applied (November 2013)
- IAS 41 – Agriculture — Amendments bringing bearer plants into the scope of IAS 16 (June 2014)
- IFRIC 21 - Levies (May 2013)

The above new standards, interpretations and amendments, which have not been applied in these financial statements, will or may have an effect on the Group's future financial statements. None of the other new standards, interpretations and amendments, which are effective for annual periods beginning after January 1, 2015 and which have not been adopted early, are expected to have a material effect on the Group's future financial statements.

4.2.3. Basis of preparation and significant accounting policies used to draw up the financial statements

The main bases adopted when preparing these consolidated financial statements are set out below.

(A) STATEMENT OF COMPLIANCE

These consolidated financial statements were prepared in accordance with the "International Financial Reporting Standards" (IFRS) as issued by the "International Accounting Standards Board" (IASB) and adopted by the European Union (hereinafter referred to as "IFRS"). The consolidated financial statements are presented in euro.

(B) BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- derivative financial instruments are measured at fair value;
- financial instruments at fair value through profit or loss are measured at fair value;
- available-for-sale financial assets are measured at fair value;
- liabilities for cash-settled share-based payment arrangements are measured at fair value;
- the defined benefit asset is recognized as the net total of the plan assets, plus unrecognized past service costs and unrecognized actuarial losses, less unrecognized actuarial gains and the present value of the defined benefit obligation.

(C) CONTINUITY

The consolidated financial statements were prepared on the assumption of continuity in the Group.

(D) BASIS OF CONSOLIDATION

Subsidiaries

The consolidated financial statements include all the subsidiaries that are controlled by the Group. Control exists when ThromboGenics NV has the power, directly or indirectly, to govern the financial and business policies and obtains benefits from the entities' activities. Control is presumed to exist when ThromboGenics NV owns, directly or indirectly, more than 50 percent of the voting rights linked to the share capital. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Intra-group transactions, balances and unrealized profits and losses on transactions between companies in the group are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized profits unless the transaction indicates an impairment loss on the assets transferred. The accounting principles of the subsidiaries have been adjusted where necessary to be consistent with the principles adopted by the Group.

Business combinations and goodwill

Business combinations are processed by applying the acquisition method. The cost of an acquisition is calculated on the basis of the fair value of the assets disposed of, the equity instruments disbursed as compensation and the obligations entered into or taken over on the date of the acquisition, plus the costs directly attributable to the acquisition. The cost is attributed to the identifiable assets, liabilities and contingent liabilities of the party taken over. These identifiable acquired assets and (contingent) liabilities are initially valued at their fair value on the date of acquisition.

The amount by which the cost of the acquisition exceeds the fair value of the Group's interest in the identifiable acquired net assets is included in goodwill. If the acquisition cost is lower than the fair value of the net assets of the subsidiary taken over, the remaining difference is included directly in the income statement after revaluation.

ThromboGenics recognizes the goodwill of the business combination as the excess of the compensation transferred measured in accordance with IFRS 3 and the net of the

acquisition-date amounts of the identifiable assets acquired and the liabilities assumed also measured in accordance with this IFRS 3.

(E) FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The consolidated financial statements are presented in thousands of euro, which is the functional currency of ThromboGenics NV. All companies within the Group use the euro as their functional currency, except for the US subsidiary, whose functional currency is the US dollar.

Transactions and balances in foreign currencies

Transactions in currencies other than the functional currency of the entities are recorded at the exchange rates prevailing on the date of the transaction. On each balance sheet, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the balance sheet date. Exchange rate differences relating to monetary items include the difference between the amortized costs in the functional currency at the start of the period, adjusted for the actual interest (payments) during the period, and the amortized costs of foreign currencies translated at the exchange rate at the end of the period. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing on the date when the fair value was determined. Gains and losses arising on retranslation are included in the net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities at fair value where the fluctuations in fair value are recognized directly in equity.

Foreign operations

On consolidation, the assets and liabilities including goodwill and fair value adjustments arising on consolidation of the Group's foreign operations are translated at the exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange rate differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognized as income or expense items in the period in which the operation is disposed of.

(F) REVENUE RECOGNITION

Collected payments from research milestones are considered as revenue when these payments have been acquired. The sale agreement does not provide for reimbursement, and there should also be no fees.

Royalties are generated under license agreements based on licensee sales of products incorporating the Group's proprietary technology. Royalties are recognized once the amounts due can be reliably estimated based on the sale of the underlying products and when collectability is assured. When the Group is unable to reliably estimate the royalty income due until receipt of the payment, the royalty income is accounted for as received rather than when due.

Income from sales of products and licenses is recognized when all the following conditions have been met:

- The significant risks and rewards of the ownership of goods have been transferred to the buyer;
- The Group retains neither effective control nor involvement to the degree usually associated with ownership over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

(G) RESEARCH GRANTS

On certain specific research projects, the research costs incurred are partially reimbursed by IWT (Agency for Innovation by Science and Technology in Flanders – Agentschap voor Innovatie door Wetenschap en Technologie in Vlaanderen – 'IWT'). These grants are recognized as government grant income over the term of the grant project when there is a reasonable assurance the Group will comply with the conditions attached to them and the grants will be received. Grants that compensate the Company for expenses incurred are recognized as other income in the income statement on a systematic basis in the same period in which the expenses are incurred.

(H) COOPERATION AGREEMENTS FOR RESEARCH AND DEVELOPMENT

The Group has entered into certain cooperation arrangements whereby the parties agree to work jointly on research into and development of potential therapeutic products. Under such arrangements the parties agree who will be performing which elements of the research and development projects. These arrangements do not include the creation of any separate entity to conduct the activities nor any separate and distinct assets or liabilities. The parties agree that the combined cost of all relevant activities will be borne by the parties in a particular proportion and that net revenues derived from sales of any resulting product will be shared in a particular proportion. The sharing of costs

will result in balancing payments between the parties and such payments receivable or payable will be respectively added to or deducted from research and development expenses in the income statement. Any amounts receivable or payable at a period end are included in the balance sheet under trade and other receivables or other current liabilities.

(I) INTANGIBLE ASSETS

1. Internally generated intangible assets

Research costs are charged to the income statement as incurred.

An internally generated intangible fixed asset (see note 4.2.20) which arises from development activities undertaken in the Group is recognized only if all of the following conditions are met:

- Technical possibility of making the intangible asset ready for use;
- The intention is to complete the intangible asset and use or sell it;
- Possibility of using or selling the intangible asset;
- It is probable that the intangible asset will generate future economic benefit or demonstrate the existence of a market;
- Availability of adequate technical, sufficient financial resources to complete the development;
- Availability to reliably measure the attributed expenses for this intangible asset during development.

The patent costs for protecting the intangible assets are recognized as an expense.

After their initial recording on the balance sheet intangible assets are valued at cost less accumulated depreciation and accumulated impairment losses. Depreciation of capitalized development costs are recognized in the income statement under 'Research and Development expenses'.

The capitalized costs are amortized over the life of the patent as of the moment that it will generate revenue.

In case the criteria for capitalization of the research and development expenses are not met, these expenses are recorded as incurred during the period.

ThromboGenics has capitalized ocriplasmin clinical study costs since 2008 due to the fact that this project was at that moment in Phase III and future commercialization was estimated to be highly probable. The intangible assets consist of external study and production costs with subcontractors and internal development costs regarding all projects in Phase III.

2. Intangible assets purchased

Computer software licenses acquired are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful life which is normally considered to be three years.

Knowledge acquired in the form of licenses is recorded at cost less accumulated amortization and impairment. They are amortized on a straight line basis over their estimated useful life, which is the period over which the Group expects to receive economic benefits from such licenses.

3. Goodwill

(Negative) goodwill arises from acquisition of subsidiaries, non-consolidated companies and joint ventures.

Acquisitions before January 1, 2003

As part of the transition to IFRS, the group preferred to restate only those business combinations that occurred on or after January 1, 2003. In respect of acquisitions prior to January 1, 2003, goodwill represents the amount recognized under the Group's previous accounting framework, Irish GAAP.

Acquisitions on or after January 1, 2003

For acquisitions on or after January 1, 2003, goodwill represents the excess of the costs of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (negative goodwill), it is recognized immediately in profit or loss.

Goodwill is measured at cost less accumulated impairment losses.

(J) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are included at the historical cost (material costs only) less accumulated depreciation and impairment. Subsequent costs are included in the carrying amount for the asset or booked as a separate asset as appropriate, but only when it is probable that future economic benefits associated with the item will be generated for the Group and the cost price of the item can be measured reliably. All other repair and maintenance costs are charged to the income statement as incurred. The cost of assets retired or otherwise disposed of and the related accumulated depreciation are included in the income statement as part of the gain or loss on disposal in the year of disposal. Gains and losses on disposal of property, plant and equipment are included in other income or expense.

Depreciation is calculated using the straight-line method to allocate the cost of property, plant and equipment to their estimated residual values over their estimated useful lives as follows:

- Buildings: 25 years
- Plant and equipment: 3 to 5 years
- Furniture and fittings: 3 to 5 years
- Leasehold improvements: over the term of the lease

The depreciation and amortization methods, useful life and residual value are re-valued on each reporting date.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(K) LEASED ASSETS

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

All other leases are classified as operating leases.

Rentals payable under operating leases are included in the income statement on a straight-line basis over the relevant lease term.

(L) IMPAIRMENT LOSSES ON GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Intangible assets with an indefinite useful life or not yet available for use and goodwill are not subject to amortization but are tested annually for impairment.

Assets that are subject to amortization or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

To determine its carrying value, the cash value of the estimated future cash flows is calculated on the basis of a discount rate before tax that reflects both the current market appraisal of the time value of cash and the specific risks relating to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit pro rata the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period. For assets other than goodwill, where an impairment loss is subsequently reversed, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable value, but in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been included for the asset (cash-generating unit) in prior years. The reversal of an impairment loss is included immediately in the income statement.

(M) INCOME TAXES

Income tax expenses in the income statement comprise the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantially enacted on the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet method.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill (or negative goodwill) or from the

initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(N) EMPLOYEE BENEFIT PLAN

Employee benefit obligations

Starting July 1, 2009, the Group has changed the existing defined benefit plan into a defined contribution plan. All acquired rights up to June 30, 2009 are kept. Therefore, the Group combines the defined benefit plan and a defined contribution plan.

The assets from both plans are held in separate trustee-administered funds.

Obligations relating to contributions to pension schemes on the basis of defined contributions are included in the profit and loss account as an employee benefit expense when the amounts are payable. Prepaid amounts are included as assets insofar a reimbursement in cash or a reduction in future payments is available.

The Group's commitments under defined benefit plans, and the related costs, are valued using the "projected unit credit method" with actuarial valuations being carried out at each balance sheet date by a qualified actuary. Past service cost is included immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the net total of unrecognized actuarial losses and past service cost, plus the present value of future available refunds and reductions in future contributions to the plan.

No assets or liabilities are recognized in the Group balance sheet in respect of defined contribution plans, apart from regular prepayments and accruals of contributions. As ThromboGenics is required by law to guarantee a minimum return on employee and employer contributions for the Belgian defined contribution plans, these plans are in principle to be considered as defined benefit plans. The company has however obtained a confirmation that these plans are insured by the insurance company, justifying the absence of any liability in this respect and supplementary disclosure notes.

No other long- or short-term benefits are granted to employees with the exception of warrants.

Share-based compensation

The Group operates equity-settled, share-based compensation plans through which it grants share options (options giving the holder the right to subscribe to a specific number of shares in accordance with the share option plan, hereafter referred to as 'warrants') to employees and consultants and executive members of the Board of Directors. The fair value of the employee services received in exchange for the granting of the warrants is recognized as an expense over the vesting period with a corresponding increase in equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the warrants granted, measured using the Black/Scholes model, taking into account the term and conditions upon which the warrants were granted excluding the impact of any non-market vesting conditions. At each balance sheet date, the entity revises its estimates of the number of warrants that are expected to become exercisable except where forfeiture is only due to shares not achieving the threshold for vesting. It recognizes the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period. The proceeds received, net of any directly attributable

transaction costs, are credited to share capital (nominal value) and share premium when the warrants are exercised.

(O) FINANCIAL INSTRUMENTS

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.

1. Non-derived financial instruments

Trade receivables

When initially recognized, trade receivables are measured at fair value, and are subsequently measured at amortized cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are included in the income statement when there is objective evidence that the asset is impaired. The allowance included is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Investments

The investments are held as available for sale and annual closing date stated at market value. The fair value adjustment is included in other reserves until the investment is derecognized or has been impaired. The impairment is included in the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise demand deposits and other short-term, highly liquid investments (with less than three months to maturity) that are readily convertible into a known amount of cash and are subject to an insignificant risk of fluctuations in value.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received. Direct issue costs are processed as a deduction on equity.

2. Derivative financial instruments

The Group does not have a policy of engaging in speculative transactions, nor does it issue or hold financial instruments for trading purposes.

Derivatives are initially recorded at cost and revalued at fair value on subsequent reporting dates. Changes are immediately recognized in profit or loss.

Impairment of financial assets

Financial assets are assessed for impairment on the balance sheet date. Financial assets are subject to impairment when it can be objectively established that the estimated future cash flows from the investments are affected by one or more events arising after the financial asset was initially recorded.

The carrying amount of the financial assets is directly reduced by the impairment loss, with the exception of trade receivables. For trade receivables, the carrying amount is reduced by means of a separate write-down account. If a trade receivable is considered uncollectable, it is written off in respect of this write-down account. Subsequent collection of amounts which had been previously written off is credited in respect of this write-down account. Modifications in the carrying amount of the write-down account are recognized in the income statement.

(P) FINANCIAL INCOME AND EXPENSES

Financial income includes interest income on invested funds. Interest income is recognized in the profit and loss account by using the effective interest method.

(Q) RESULT PER SHARE

Basic net loss per share is computed based on the weighted average number of ordinary shares outstanding during the period.

Diluted net loss per share is computed based on the weighted average number of ordinary shares outstanding including the dilutive effect of warrants and options.

(R) ACCOUNTING FOR SHARE-BASED PAYMENT TRANSACTIONS WITH PARTIES OTHER THAN EMPLOYEES

For share-based payment transactions with parties other than employees, the Group measures the goods or services received, and the corresponding increase in equity, directly at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. In the latter case, the goods or services received are measured at the fair value of the equity instruments granted using the Black/Scholes valuation model.

(S) SEGMENT REPORTING

An operational segment is a component of an entity:

- which exercises operating activities with which profits are being gained and with which costs can be made (including profits and costs from transactions with other components of the entity);
- of which the operational results are being judged regularly by the highest function of the entity who can take important operational decisions (Chief operating decision maker) in order to make decisions regarding the granting of resources and to evaluate the financial results of the segment; and
- for which separate financial information is available that is engaged either in providing specific products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

(T) INVENTORIES

Raw and ancillary materials and commodities are being rated at acquisition value according to the FIFO-method or according to the market value at balance sheet date if the latter is lower.

Goods in process and finished goods are being rated according to the standard manufacturing price according to the FIFO-method or according to the market value on balance sheet date if the latter is lower.

Market value is the value at sales, when leaving the Company under normal and usual sales conditions, taking into account the usual granted discounts, refunds and rebates, after deduction of an amount which corresponds with the normal direct sales costs.

The standard manufacturing price of the goods in process and of the finished goods, includes besides the acquisition value of the raw materials, consumables and ancillary materials, also the production costs which are directly attributable to the product, as well as the proportioned part of the production costs which are only indirectly attributable to the product, in so far that these costs cover the normal production period.

The standard manufacturing price will be compared yearly to the real manufacturing price. The difference will result in an adjustment of the value of the inventories.

Impairment losses are being calculated on the goods in process, if their manufacturing price, increased with the estimated amount of the costs to be incurred is higher than the net sales price at year-end.

Impairment losses on inventories are being looked at case per case and being booked if the net feasible value is lower than the booking value. The calculation of the net feasible value takes into account the specific characteristics of the inventories, as the due date and if there are indications of a low rotation.

4.2.4. Financial risk management

The financial department of the parent Company coordinates access to the national and international financial markets, and considers and manages the financial risks relating to the activities of the Group. However, these risks are confined to a minimal exchange rate risk. For the rest, there are no risks worth mentioning, such as liquidity risks or interest rate risks as the Group has virtually no debts and an ample cash position. The Group does not buy or trade in financial instruments for speculative purposes.

(A) CAPITAL MANAGEMENT

The Group manages its capital with the aim of ensuring that the Group can continue to operate. At the same time, the Group wishes to generate a return for its stakeholders via the results of its research activities, which in turn are expected to lead to an increase in the value of the Company's shares. This strategy has not changed compared to previous years.

The capital structure of the Group consists of investments, cash and cash equivalents, as indicated in note 4.2.24 and note 4.2.25, and equity attributable to the equity holders of the Company, including capital, reserves and results carried over, as indicated in notes 4.2.28 and 4.2.29 respectively.

The Group manages its capital structure and makes the necessary adjustments in the light of changes in economic circumstances, the risk characteristics of the underlying assets and the projected cash requirements of current research activities. When assessing

the capital structure, the current cash position and projected cash burn are used as the key parameters. Cash burn is defined as the net result corrected for depreciation and amortization and less investments in fixed assets.

The Group wishes to maintain a capital structure that is sufficient to fund research activities during a period of at least twelve months. Currently, the cash inflows from possible cooperation agreements or other cash generating activities are not taken into account here. To maintain the capital structure, the Group can issue new shares or conclude new finance arrangements.

The Group is not subject to any externally imposed capital requirements.

(B) MAIN ACCOUNTING PRINCIPLES

Details of the main accounting principles and methods, including the inclusion criteria, the valuation basis and the basis on which income and costs are recognized, for each category of financial assets, liabilities and equity instruments, are explained under 4.2.3.

(C) CATEGORIES OF FINANCIAL INSTRUMENTS

The only financial instruments the Company currently holds are the so-called "loans and receivables" (including the cash and cash equivalents) and investments (refer to note 4.2.24 and note 4.2.25) amounting to 127,076 k euro (2013: 172,361 k euro).

(D) MARKET RISK

The Group's activities are such that the Group's income is exposed first and foremost to financial risks arising from exchange rate fluctuations. The Group aims to compensate the in- and outflows in foreign currency. A substantial proportion of the research expenditure is invoiced in USD and GBP.

Analysis of sensitivity to exchange rates

The Group is mainly exposed to fluctuations in pound sterling (GBP) and US dollar (USD) against the euro.

The table below shows sensitivity to a reduction of 10% in the euro compared with the relevant foreign currencies. Management believes that 10% is a reasonable estimate of a possible fluctuation in foreign currencies.

The sensitivity analysis comprises the impact of a 10% decrease of the euro against the foreign currency for, on the one hand the outstanding monetary items in foreign currencies at the end of the year, and on the other hand all transactions in foreign currencies (USD and GBP) over the entire year. A positive (negative) amount in the table below indicates that a decrease of 10% of the euro against the relevant foreign currencies results in an increase (decrease) of the result of the year. An increase of 10% in the value of the euro compared with the same currencies would have an equivalent but opposite impact on the results.

USD impact	2014	2013	
Result outstanding balance sheet items (cash and cash equivalents, accounts receivables and accounts payables)	408	154	(i)
Net impact on equity and CTA	120	185	(i)
Result on all transactions over the year	-4,196	-4,829	(iii)

GBP impact	2014	2013	
Result outstanding balance sheet items (cash and cash equivalents, accounts receivables and accounts payables)	11	-50	(ii)
Net impact on equity and CTA			
Result on all transactions over the year	-386	-608	(iv)

i) The positive effect is attributed to the increase of the outstanding positions in USD compared to last year.

ii) The positive effect is explained by a decrease of the outstanding positions in GBP compared to last year.

iii) The negative effect is lowered due to a lower number positions in USD through the year in comparison to last year.

iv) The lower number positions in GBP through the year, decreases the negative effect in comparison to last year.

The management believes that the above sensitivity analysis provides an accurate picture of the risk that the Group incurs during the year in respect of exchange rate fluctuations.

(E) INTEREST RISK MANAGEMENT

The Group does not have any external debt financing at the moment. Furthermore, the Group does not have any contracts with a variable interest rate. Consequently, there is currently no need for a specific interest risk management policy in the Group.

(F) CREDIT RISK MANAGEMENT

Credit risk relates to the risk that a counterparty will fail to fulfill their contractual obligations with the result that the Group would suffer a loss. The Group's policy focuses on only working with creditworthy counterparties and, where necessary, requiring adequate securities. Information about the creditworthiness of counterparties is provided by independent ratings agencies and, if this is not available, the Group uses information that is publicly available as well as its own internal records. Credit risk is managed by the financial department of the parent Company by means of individual follow-up of credit per counterparty.

Given the Group's limited number of clients, the Group is not subject to significant concentrations of credit risk. We refer to the table in note 4.2.23.

The credit risk on cash investments is limited given that the counterparties are banks with high credit scores attributed by international rating agencies.

(G) LIQUIDITY RISK MANAGEMENT

The Group manages its liquidity risk by ensuring adequate reserves and by constantly checking the projected and actual cash flows. At the moment the Group is not subject to any substantial liquidity risk.

4.2.5. Main accounting estimates and assessments

Drawing up the financial statements in accordance with IFRS obliges the management to use estimates and assumptions that impact on the amounts reported under assets and liabilities, the notes on the latent assets and liabilities on the date of the financial statements, and the reported amounts of income and expenditure in the course of the reporting period. The actual results may differ from these estimates.

The main assumptions relating to future developments and the main sources of uncertainty as regards estimates on the balance sheet dates are set out below.

Share-based payment schemes

The Group defines the cost of share-based payment schemes on the basis of the fair value of the equity instrument on the date of issue. Estimating the fair value involves choosing the most suitable valuation model for these equity instruments, and the characteristics of the issue have a decisive impact. It also assumes the input in the valuation model of a number of relevant assessments, such as the estimated useful life of the option, volatility, etc. The assessments and the model are specified in more detail in note 4.2.15.

Intangible assets

The Group enables development as intangible assets if the conditions for the recognition of developed intangible assets are met, otherwise such costs are included in the income statement when they arise. The costs are capitalized only if the product is in Phase III and the chances of future success are highly estimated.

Return accrual

In accordance to the revenue recognition (see note 4.2.3 (F)) an accrual has been made.

Taxes

The Group considers that there is a considerable uncertainty regarding the future use of the tax losses of ThromboGenics NV as it is very difficult to estimate the impact of the patent deduction on the future tax result at this moment. As the Group can use the abovementioned patent deduction on the basis of a tax ruling, the expectation exists that the future tax gains will be rather limited. Beside this, there is also the uncertainty regarding the future use of the tax losses with ThromboGenics, Inc., as this Company has not yet recorded a tax basis.

4.2.6. Segment information

The segment information is represented in a consistent manner regarding the internal reporting to the institution of the entity which takes the most important decisions, enabling decision-making of allocating resources to the segment and evaluating financial performances of the segment. At this moment, reporting is being done at global level within ThromboGenics and hence, no distinction is being made in the evaluation between segments.

4.2.7. Revenue

Sales

In '000 euro (for the year ended on 31 December)	2014	2013
Sales vials - US	8,819	20,247
Sales vials - EU + rest of the world	1,427	1,382
Sales reagents and reference material	100	95
Total sales	10,346	21,724

In 2013, ThromboGenics as well as Alcon started with the commercialization of JETREA®, respectively in the US and EU/Rest of the World. The sales of the vials in EU/Rest of the World include the cost charging of the product to Alcon.

License income

In March 2012, ThromboGenics signed an important strategic deal with Alcon, the global leader in eye care. After the approval of the EMA, Alcon commercializes the ThromboGenics' developed drug JETREA® (ocriplasmin) outside the US. ThromboGenics can receive up to 375 million euro in upfront and milestone payments plus royalties that will give it a significant share of the economics from JETREA®'s (ocriplasmin) sale outside the US. Under the terms of the agreement, ThromboGenics received an upfront payment of 75 million euro in 2012 and two milestone payments of 45 million euro each in 2013.

Royalty income
In 2014, the royalty income consisted of royalties received from Alcon (3,360 k euro) which were paid under the license agreement of 2012 compared to 985 k euro received in 2013. A smaller amount (37 k euro) was received from Millipore and F. Hoffmann-La Roche. In 2013, the Group received 38 k euro from the latter two.

4.2.8. Cost of sales

In '000 euro (for the year ended on 31 December)	2014	2013
License rights milestone payment Alcon	0	-3,210
License rights sales	-657	-698
Cost vials	-3,943	-2,476
Total cost of sales	**-4,600**	**-6,384**

In 2013, ThromboGenics NV made a payment to LSRP of 3.2 million euro for license rights related to the milestone payment received from Alcon.

The license rights sales include the royalties which ThromboGenics owes to RCT and LSRP on the basis of net sales.

In the cost of the vials a net impact of 2.1 million euro has been accounted for. For more information regarding the cost price of the vials, see note 4.2.22.

4.2.9. Research and development expenses

In '000 euro (for the year ended on 31 December)	2014	2013
Employee benefits	-7,538	-8,102
Subcontracted R&D activities	-6,070	-9,705
Reagents and materials	-875	-1,296
Patent expenses	-473	-656
Consultancy fees	-3,965	-5,007
Other	-1,777	-2,851
Depreciation and amortization	-7,929	-7,471
Government grants	1,303	62
Income from recharge of costs	4,770	3,292
Total research and development expenses	**-22,554**	**-31,734**

Since the launch of JETREA® (beginning January 2013), ThromboGenics has started to depreciate the costs which can be brought in connection with the development of ocriplasmin. We refer to note 4.2.20 for more information.

The government grants are grants received from the IWT. ThromboGenics currently has three contracts with the IWT.

The income from recharge of costs relates to research and development expenses recharged to Alcon, BioInvent and LSRP.

The government grants and income from recharge of costs are deducted from the research and development expenses as from financial year 2013.

4.2.10. General and administrative expenses

In '000 euro (for the year ended on 31 December)	2014	2013
Employee benefits	-2,969	-2,904
Consultancy fees	-4,185	-5,991
Insurance	-415	-594
Other	-1,863	-1,981
Depreciation and amortization	-88	-109
Total general and administrative expenses	**-9,520**	**-11,579**

4.2.11. Selling expenses

In '000 euro (for the year ended on 31 December)	2014	2013
Employee benefits	-6,373	-6,999
Distribution costs	-3,048	-1,519
Consultancy fees	-14,792	-20,487
Other	-5,548	-8,514
Depreciation and amortization	-113	-103
Total selling expenses	**-29,874**	**-37,622**

4.2.12. Other operating income and operating expenses

In '000 euro (for the year ended on 31 December)	2014	2013
Other operating income	67	49
Total other operating income	**67**	**49**

The government grants and income from recharge of costs are deducted from the research and development expenses as from financial year 2013. We refer to note 4.2.9.

In '000 euro (for the year ended on 31 December)	2014	2013
Other operating expenses	-9	0
Total other operating expense	**-9**	**0**

4.2.13. Finance income

In '000 euro (for the year ended on 31 December)	2014	2013
Interest	986	1,413
Exchange rate gain (on USD and GBP)	899	154
Total finance income	**1,885**	**1,567**

4.2.14. Finance expense

In '000 euro (for the year ended on 31 December)	2014	2013
Bank costs	-33	-26
Impairment on short-term financial investments	-3	-5
Other	-11	-10
Exchange rate loss (on USD and GBP)	-99	-623
Total finance expense	**-146**	**-664**

4.2.15. Employee benefits

In '000 euro (for the year ended on 31 December)	2014	2013
Wages, salaries and bonuses	-15,693	-15,904
Share-based compensation expenses	-554	-1,433
Pension costs	-633	-668
Total	**-16,880**	**-18,005**

The average number of full-time equivalents (including executive directors) was as follows:

In numbers	2014	2013
Research and development	74	79
General and administration	24	26
Selling	38	41
Total	**136**	**146**

The share-based compensation expense included in the income statement is given below:

In '000 euro (for the year ended on 31 December)	2014	2013
Research and development expenses	105	297
General and administrative expenses	177	529
Selling expenses	272	607
Total	**554**	**1,433**

The current year P&L impact relates to the warrants granted in previous years that have vested in 2014. The fair value of each warrant is assessed on the basis of the Black & Scholes model on the date it is granted, taking into account the following assumptions (knowing that over 2014 no warrants have been attributed):

Warrants 2013	
	apr-13
Warrant plan	2011
Number of warrants granted	12,000
Current share price on date of acceptance (in euro)	37.59
Exercise price	36.76
Expected dividend yield	-
Expected stock price volatility	40%
Risk-free interest rate	0.24%
Expected duration	3
Fair value (in euro)	10.59

Warrants 2012														
	dec/12	nov/12	oct/12	oct/12	sep/12	sep/12	aug/12	aug/12	jul/12	jun/12	may/12	apr/12	mar/12	jan/12
Warrant plan	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011
Number of warrants granted	5,000	30,000	10,000	19,000	6,000	3,000	8,000	17,000	105,100	3,000	3,000	4,000	10,000	31,000
Current share price on date of acceptance (in euro)	37.01	36.08	37.94	36.11	29.18	29.28	26.05	26.3	21.3	21.7	24	24.93	22.5	18.99
Exercise price	36.72	36.15	29.39	32.06	27.69	27.69	25.46	24.15	20.7	22.59	23.68	24.06	20.46	17.92
Expected dividend yield	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected stock price volatility	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
Risk-free interest rate	0.25%	0.29%	0.40%	0.40%	0.41%	0.41%	0.42%	0.42%	0.65%	0.94%	0.98%	1.11%	1.16%	1.48%
Expected duration	3	3	3	3	3	3	3	3	3	3	3	3.5	3.5	3.5
Fair value	10.23	9.85	14.16	11.55	8.6	8.67	7.4	8.08	6.12	5.78	7.41	7.94	7.67	6.28

Warrants 2011													
	dec/11	dec/11	nov/11	nov/11	sep/11	sep/11	aug/11	aug/11	aug/11	may/11	apr/11	mar/11	jan/11
Warrant plan	2011	2011	2011	2010	2010	2008	2010	2011	2010	2011	2010	2010	2010
Number of warrants granted	6,000	10,000	7,500	34,000	2,500	7,500	3,000	10,000	54,000	216,000	20,000	2,500	10,000
Current share price on date of acceptance (in euro)	17.06	17.85	18.19	18.19	17.85	17.85	16.09	16.55	16.55	20.1	21.37	20.8	22.9
Exercise price	16.95	17.7	18.8	18.8	15.8	15.8	16.22	16.8	16.8	20.58	21.15	20.74	22.43
Expected dividend yield	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected stock price volatility	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
Risk-free interest rate	1.74%	1.74%	1.71%	1.71%	1.76%	1.76%	1.75%	1.75%	1.75%	2.36%	2.53%	2.38%	2.05%
Expected duration	3.5	3	3.5	3	3	1.5	3	3.5	3	4	3.5	3.5	3.5
Fair value	5.39	5.23	5.48	5.04	6.01	4.59	4.62	5.1	4.7	6.68	6.99	6.71	7.44

Since July 2006 the closing price on the stock market of Euronext Brussels is used as a reference for the current share price on date of acceptance.

The **estimated volatility** is based on the historical volatility of similar biotech companies that operate in the same disease areas as the Group, or that are similar in size or activity. Until 2009 the volatility was based on the average of all Belgian Biotech companies. As from 2010 the volatility, is based on ThromboGenics' share price.

The **expected duration** is calculated as the estimated duration until exercise, taking into account the specific features of the plans.

The weighted **average risk-free interest** rates used are based on the Belgium government bond rates at the date of granting with a term equal to the expected life of the warrants.

The Group has also granted warrants to parties that are not employees of the Group. As the services rendered are of such a specific nature that the fair value cannot be determined reliably, ThromboGenics NV has determined the fair value of the services received from these parties by reference to the warrants granted.

4.2.16. Operating leases

In '000 euro (for the year ended on 31 December)	2014	2013
Leasing payments included as an expense (lessee)	-894	-845
Total	-894	-845

For more information regarding these contracts, please refer to note 4.2.32.

4.2.17. Taxes

In '000 euro (for the year ended on 31 December)	2014	2013
Taxes	-140	-13
Total	-140	-13

Belgian income tax is calculated at 33.99 percent of the results of the year. The taxes for other jurisdictions are calculated at applicable tax rates in the relevant jurisdiction.

A reconciliation explaining the difference between the expected income tax of the Group, ThromboGenics NV and ThromboGenics, Inc., and the actual income tax is as follows:

In '000 euro (for the year ended on 31 December)	2014	2013
Expected tax credit (cost), calculated by applying the Belgian statutory tax rates to the accounting profit/loss	17,374	-8,974
Effect of different tax rates of subsidiaries/branches operating in different jurisdictions	85	108
Non-included deferred tax receivables	-17,217	9,049
Other	-102	-170
Actual Taxes	140	13

The main difference between the theoretical income tax and the actual income tax is explained by deferred tax receivables on tax transferable losses.

4.2.18. Result per share

Basic earnings per share

Weighted average number of ordinary shares in the calculation of basic earnings per share by December 31, 2014 is based on the holders of ordinary shares attributable profit/(loss) from (51,115) k euro (2013: 26,401 k euro) and a weighted average number of ordinary shares outstanding during 2014 of 36,094,349 (2013: 36,021,225), calculated as follows:

	2014	2013
Issued ordinary shares per 1 January	36,094,349	35,860,224
Effect of capital increase through issue of shares	0	0
Effect of exercised share options	0	161,001
Average number of ordinary shares per 31 December	36,094,349	36,021,225

In '000 euro, except for result per share	2014	2013
Net result	-51,115	26,401
Basic result per share	-1.42	0.73

Diluted earnings per share

For the purpose of calculating diluted earnings per share, the number of ordinary shares shall be the weighted average number of ordinary shares plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	2014	2013
Issued ordinary shares (diluted) per 1 January	36,910,849	36,950,849
Effect of capital increase through issue of shares	0	0
Effect of exercised share options	-44.366	-8.268
Average number of ordinary shares (diluted) per 31 December	36,866,483	36,942,581

In '000 euro, except for result per share	2014	2013
Net result	-51,115	26,401
Basic result (diluted) per share (*)	-1.42	0.71

(*) As there was a loss in 2014 the diluted earnings are the same as the basic earnings per share.

The Group has granted warrants to employees, consultants and directors to buy ordinary shares.

See note 4.2.29 for an overview of the number of outstanding warrants at each year end.

4.2.19. Property, plant and equipment

In '000 euro	Machines, plant and equipment	Furniture and fittings	Total
As at 1 January 2013			
Cost	4,229	2,398	6,627
Accumulated depreciation	-2,878	-1,049	-3,927
Exchange differences	-4	3	-1
Net carrying amount	1,347	1,352	2,699
Year ended on 31 December 2013			
Additions	792	1,363	2,155
Disposals	0	0	0
Depreciation expenses	-534	-647	-1,181
Retirements	0	-24	-24
Exchange differences	-3	-12	-15
Net carrying amount	1,602	2,032	3,634
As at 31 December 2013			
Cost	5,021	3,761	8,782
Accumulated depreciation	-3,412	-1,720	-5,132
Exchange differences	-7	-9	-16
Net carrying amount	1,602	2,032	3,634
Year ended on 31 December 2014			
Additions	472	99	571
Disposals	0	0	0
Depreciation expenses	-563	-734	-1,297
Retirements	-13	-14	-27
Exchange differences	7	23	30
Net carrying amount	1,505	1,406	2,911
As at 31 December 2014			
Cost	5,493	3,860	9,353
Accumulated depreciation	-3,988	-2,468	-6,456
Exchange differences	0	14	14
Net carrying amount	1,505	1,406	2,911

As at December 31, 2014, property, plant and equipment worth 2.7 million euro that has already been written off in full is still in use. No property, plant and equipment is pledged or in limited use.

4.2.20. Intangible assets and goodwill

4.2.20.1 Intangible assets

In '000 euro	
As at 1 January 2013	
Cost	72,353
Accumulated depreciation	-15
Net carrying amount	72,338

Year ended on 31 December 2013	
Additions	3,354
Disposals	-
Depreciation expenses	-6,483
Net carrying amount	69,209

As at 31 December 2013	
Cost	75,707
Accumulated depreciation	-6,498
Net carrying amount	69,209

Year ended on 31 December 2014	
Additions	12
Disposals	-
Depreciation expenses	-6,833
Net carrying amount	62,388

As at 31 December 2014	
Cost	75,719
Accumulated depreciation	-13,331
Net carrying amount	62,388

Between the financial years 2008 and 2013, the costs related to the Phase III clinical trials with ocriplasmin for the treatment of vitreomacular adhesion, and the costs related to the preparation of the submission file, were capitalized as intangible assets.

In 2013, JETREA® has been commercialized for the first time. Hence, ThromboGenics has started to depreciate these intangible assets in 2013.

The tax credit was deducted from the intangible assets (see note 4.2.23).

The fair value based on the Company's value at the closing price of the Euronext of the year 2014 (6.56 euro), multiplied by the number of ordinary shares (36,094,349, see note 4.2.28) is higher than the carrying amount of the assets.

Beside this, a carrying value analysis happened on the basis of a DCF model which foresees cash flows for the next ten years on the basis of internal forecasts for JETREA® Business in VMA/VMT indication and with a residual value equivalent to the 11th year cash-flow. A discount rate (WACC) of 8 % is applied. Based on the model, there is no indication of impairment loss.

4.2.20.2 Goodwill

In '000 euro	
As at 1 January 2013	
Cost	2,586
Accumulated impairment losses	-
Net carrying amount	2,586

Year ended on 31 December 2013	
Additions	-
Disposals	-
Impairment losses	-
Net carrying amount	2,586

As at 31 December 2013	
Cost	2,586
Accumulated impairment losses	-
Net carrying amount	2,586

Year ended on 31 December 2014	
Additions	-
Disposals	-
Impairment losses	-
Net carrying amount	2,586

As at 31 December 2014	
Cost	2,586
Accumulated impairment losses	-
Net carrying amount	2,586

This goodwill relates to the historic acquisition of an ownership interest in Thromb-X NV by ThromboGenics Ltd in 2001.

As the Group only operates in one business segment, the management has decided for management purposes to follow goodwill at Group level.

Management estimates that the closing price of the Euronext over the year 2014 (6.56 euro), multiplied by the number of ordinary shares (36,094,349, see note 4.2.28) a reasonable indicator is of the fair value of the Group. Consequently, the management has no indication of a possible impairment loss on the above goodwill.

4.2.21. Other non-current assets

In '000 euro (for the year ended on 31 December)	2014	2013
Other non-current assets	1,600	1,711
Total	1,600	1,711

The other non-current assets consist of:

- Rental deposit offices Belgium (Bio-Incubator): 132 k euro
- Rental deposit offices New Jersey (Jones Lang LaSalle): 79 k USD (65 k euro)
- Deposit to cover salary expenses of the USD sales team (Quintiles Commercial US, Inc.): 1,704 k USD (1,403 k euro)

4.2.22. Inventories

In '000 euro (for the year ended on 31 December)	2014	2013
Raw and ancillary materials, goods in process and finished goods	3,583	3,205
Prepayments	3,641	2,906
Total	7,224	6,111

The inventories of raw and ancillary materials, goods in process and finished goods is the net value, after impairment losses. These impairment losses on the inventories amount to 617 k euro (2013: 1,704 k euro). The depreciations of 2013 were reversed in 2014 and have been booked as impairments. The total impairment in 2014 amounts to 3,159 k euro. This leads to a total net impact of 2,072 k euro.

The prepayments amount to 3,641 k euro (2013: 2,906 k euro).

4.2.23. Trade and other receivables, taxes

The trade and other receivables were presented under the trade and other receivables.

4.2.23.1 Trade and other receivables

In '000 euro (for the year ended on 31 December)	2014	2013
Trade receivables	11,506	9,874
Other receivables	318	297
Prepaid expenses and other current assets	780	974
Total	12,604	11,145

Non-collectable trade receivables are booked on the basis of an estimate, taking into account the payment history of the other party.

The table below shows the outstanding balances of the key counterparties on the balance sheet date:

In '000 euro (for the year ended on 31 December)	2014	2013
BioInvent	613	19
LSRP	363	11
Millipore	0	9
Alcon	6,409	3,291
Accredo Health Group, Inc.	3	3
Avella Pharmacy	114	255
Besse Medical	3,366	5,236
Mc Kesson Financial Center	498	846
Walgreens Specialty	137	195
Other trade receivables	3	9
Total	11,506	9,874

100% (2013: 97%) of these trade receivables relate to non-due trade receivables. Management has sufficient confidence in the creditworthiness of the counterparty, that the amounts are considered collectable in full. The Group has no securities linked to these receivables.

When determining the collectability of a trade receivable, the Group takes into account any change in the quality of the receivable between the date on which the credit was granted and the reporting date. The directors believe that there is no need to write off any trade receivables.

4.2.23.2 Taxes

Non-current tax receivable

In '000 euro (for the year ended on 31 December)	2014	2013
Tax credit	2,061	2,307
Total	**2,061**	**2,307**

The tax credit applies to the acquired intangible assets and was deducted from the intangible assets. If the Company does not use this tax credit in the long-term within the next 5 years, it will be recoverable from the government.

Current tax receivable

In '000 euro (for the year ended on 31 December)	2014	2013
Recoverable VAT	421	820
Recoverable withholding tax	587	347
Other taxes	2	2
Tax credit	1,254	848
Total	**2,264**	**2,017**

The outstanding tax claims relate to recoverable VAT, recoverable withholding tax on interest and the tax credit in the short-term.

4.2.24. Investments

In '000 (for the year ended on 31 December)	2014	2013
Other investments	853	791
Term investments	3,000	7,000
Total investments	**3,853**	**7,791**

Finance assets according to categories defined in IAS 39	Available for sale
Balance at 1 January 2013	**8,833**
Exchange rate differences	-16
Additions	7,091
Retirements	-8,105
Impairments	-4
Appreciation at market value	-8
Balance at 31 December 2013	**7,791**
-/- of which taken in fixed assets	-
Taken in current assets	7,791
Composition	
- Other bonds	791
- Term investments	7,000
Breakdown per currency	
- in EUR	7,402
- in other currency	389
Total	**7,791**

Balance at 1 January 2014	7,791
Exchange rate differences	44
Additions	3,239
Retirements	-7,216
Impairments	-6
Appreciation at market value	1
Balance at 31 December 2014	**3,853**
-/- of which taken in fixed assets	-
Taken in current assets	3,853
Composition	
- Other bonds	853
- Term investments	3,000
Breakdown per currency	
- in EUR	3,431
- in other currency	422
Total	**3,853**

The Group decided to invest mainly in saving accounts and time deposits.

The remaining bonds are held by Coutts Bank and distributed in 18 bonds of private and public institutions.

4.2.25. Cash and cash equivalents

In '000 euro (for the year ended on 31 December)	2014	2013
Cash	123,223	164,570
Total cash and cash equivalents	**123,223**	**164,570**

4.2.26. Other short-term liabilities

In '000 euro (for the year ended on 31 December)	2014	2013
Employee benefits	3,263	1,902
Other current liabilities	2,070	128
Total other short-term liabilities	**5,333**	**2,030**

The other current liabilities are mainly commitments that expire before year end for which the exact price is not yet known.

4.2.27. Deferred taxes

The following temporary differences which might give rise to deferred taxes relate to:

In '000 euro (for the year ended on 31 December)	2014	2013
Net tax loss carry forward	157,223	105,739
Notional interest deduction	22,195	22,195
Total deductible temporary differences	**179,418**	**127,934**
Non included deferred tax receivables	54,126	36,356

The above table includes the deferred taxes for ThromboGenics NV as well as for ThromboGenics, Inc.

The tax loss carried forward can be offset by future gains recorded by the Group for an indefinite period.

The Group considers that there is a considerable uncertainty regarding the future use of the tax losses of ThromboGenics NV as it is very difficult to estimate the impact of the patent deduction on the future tax result at this moment. As the Group can use the abovementioned patent deduction on the basis of a tax ruling, the expectation exists that the future tax gains will be rather limited. Beside this, there is also the uncertainty regarding the future use of the tax losses with ThromboGenics, Inc., as this Company has not yet recorded a tax basis.

For the above reasons, the Group has not yet recorded deferred taxes regarding tax losses.

4.2.28. Share capital

As at December 31, 2014, ThromboGenics NV had 36,094,349 ordinary bearer shares without indication of nominal value. All the shares are fully paid up and all have the same rights.

The Extraordinary General Meeting of May 27, 2010 granted the Board of Directors the authority, in the context of the authorized capital, and for a maximum period of five years, to increase the capital of the Company on one or more occasions by a maximum of 131,186,799.85 euro. This authority granted to the Board of Directors applies to capital increases by contributions in cash or in kind, or by conversion of reserves. Within the limits of the authorized capital, the Board of Directors can also issue convertible bonds or warrants.

The modification of the number of shares in the course of each of the two years ended on December 31, 2013 and December 31, 2014 was as follows:

Number of shares	
31 December 2012	**35,860,224**
Capital increase – exercising warrants	234,125
31 December 2013	**36,094,349**
-	0
31 December 2014	**36,094,349**

The following significant transactions relating to shares in the Group and its capital in the two years ended on December 31, 2013 and December 31, 2014:

- On April 25, 2013, a capital increase took place in the context of the authorized capital by the conversion of 234,125 warrants.

The share capital and the 'issue premium' account evolved as a result of the transactions listed above as follows:

In '000 euro	Capital	Issue premium
31 December 2012	**150,938**	**155,754**
Capital increase – exercising warrants April 2013	1,053	1,907
31 December 2013	**151,991**	**157,661**
-	0	0
31 December 2014	**151,991**	**157,661**

The difference between the share capital, as indicated above, and the 'capital' account on the balance sheet relates to the costs of the various capital transactions (for a total of 10,413 k euro), which in accordance with IAS 32.35 is deducted from the income from these capital transactions.

4.2.29. Other reserves

In '000 euro	
31 December 2012	**-15,205**
Share-based payment	1,433
Fair value adjustment	-11
31 December 2013	**-13,783**
Share-based payment	554
Fair value adjustment	1
31 December 2014	**-13,228**

Share-based payment schemes

The Group has created various warrant schemes that can be granted to employees, directors, consultants and research institutions. Since the public listing, warrant plans have been created in respect of ThromboGenics NV.

End 2014, there were 3 outstanding warrant plans.

Synoptic overview of all outstanding warrants granted between 2010 and December 31, 2014

Creation date of scheme	Total number created	Date granted	Total number granted	Exercise price (in euro)	Beneficiary
Warrants scheme Belgium 2010	600,000	2010-2011	600,000	Between 15.49 and 22.43	Employees, key consultants and directors of the Group
Warrants scheme Belgium 2011	516,000	2011-2012-2013	515,600	Between 16.80 and 37.59	Employees, key consultants and directors of the Group

Belgium 2010 Warrant Plan

On May 27, 2010, the Extraordinary General Meeting of ThromboGenics NV decided to issue the Belgium 2010 warrant plan. Under this warrant plan a maximum of 600,000 warrants can be issued and granted to employees, directors and consultants of the Group. Each warrant entitles the holder to subscribe to one ThromboGenics NV share.

Warrants are granted under this plan by the Board of Directors or the Remuneration Committee, except for directors. Authority for this lies with the General Meeting. Warrants are offered free of charge or in return for payment. The exercise price is equal to the lower of (i) the average of the closing prices of the share on the stock market during the 30 days prior to the offering of a warrant or (ii) the closing price on the last stock market day prior to the offer. Warrants granted under this plan are valid for five years. The conditions under which a warrant holder is entitled to exercise a warrant are established by the Remuneration Committee. The right to exercise may depend on the achieving of certain results, or remaining in the employment of the Group, or any other condition.

Belgium 2011 Warrant Plan

On May 24, 2011, the Extraordinary General Meeting of ThromboGenics NV decided to issue the Belgium 2011 warrant plan. Under this warrant plan a maximum of 516,000 warrants can be issued and granted to employees, directors and consultants of the Group. Each warrant entitles the holder to subscribe to one ThromboGenics NV share.

Warrants are granted under this plan by the Board of Directors or the Remuneration Committee, except for directors. Authority for this lies with the General Meeting. Warrants are offered free of charge or in return for payment. The exercise price is equal to the lower of (i) the average of the closing prices of the share on the stock market during the 30 days prior to the offering of a warrant or (ii) the closing price on the last stock market day prior to the offer. Warrants granted under this plan are valid for five years. The conditions under which a warrant holder is entitled to exercise a warrant are established by the Remuneration Committee. The right to exercise may depend on the achieving of certain results, or remaining in the employment of the Group, or any other condition.

Belgium 2014 Warrant Plan

On December 4, 2014, the Extraordinary General Meeting of ThromboGenics NV decided to issue the Belgium 2014 warrant plan. Under this warrant plan a maximum of 720,000 warrants can be issued and granted to employees, directors and consultants of the Group. Each warrant entitles the holder to subscribe to one ThromboGenics NV share. At December 31, 2014, 660,000 warrants are available for the benefit of employees and consultants and 60,000 warrants have become non attributable.

Warrants are granted under this plan by the Board of Directors or the Remuneration Committee, except for directors. Authority for this lies with the General Meeting. Warrants are offered free of charge or in return for payment. The exercise price is equal to the lower of (i) the average of the closing prices of the share on the stock market during the 30 days prior to the offering of a warrant or (ii) the closing price on the last stock market day prior to the offer. Warrants granted under this plan are valid for five years. The conditions under which a warrant holder is entitled to exercise a warrant are established by the Remuneration Committee. The right to exercise may depend on the achieving of certain results, or remaining in the employment of the Group, or any other condition.

Activity under the different share option plans for the two years ended December 31, was as follows:

	Belgian Plan
Outstanding at 31 December 2012	**1,040,625**
Granted	12,000
Forfeited	-52,000
Exercised	-234,125
Outstanding at 31 December 2013	**766,500**
Granted	0
Forfeited	-75,500
Exercised	0
Outstanding at 31 December 2014	**691,000**

Movements in the number of warrants outstanding and their related weighted average exercise prices are as follows:

2014	Average exercise price in EUR	Warrants
As at 1 January	20.24	766,500
Granted	0.00	0
Forfeited	25.57	-75,500
Exercised	0,00	0
As at 31 December	19.66	691,000

2013	Average exercise price in EUR	Warrants
As at 1 January	18.42	1,040,625
Granted	37.59	12,000
Forfeited	21.94	-52,000
Exercised	12.65	-234,125
As at 31 December	20.24	766,500

Outstanding vested warrants (in thousands) as at December 31, 2014, have the following earliest exercise date, maturities and exercise prices:

Earliest exercise date	Expiry date	Exercise price (in EUR)	Number
2015	2015	15.49	206
2015	2015	19.97	8
2015	2015	20.74	2
2015	2016	20.58	206
2015	2015	16.80	44
2015	2016	16.80	5
2015	2015	16.22	3
2015	2015	15.80	3
2015	2015	18.80	18
2015	2016	18.80	1
2015	2016	17.70	4
2015	2016	16.95	5
2015	2016	17.92	20
2015	2016	20.46	8
2015	2016	24.06	3
2015	2016	23.68	1
2015	2016	22.59	2
2015	2016	20.70	67
2015	2016	24.15	6
2015	2016	25.46	7
2015	2016	27.69	2
2015	2016	32.06	10
2015	2016	29.39	10
2015	2016	36.15	14
2015	2016	36.72	1
2015	2016	36.72	3
Total weighted average		19.38	655

4.2.30. Employee Benefit Obligations

ThromboGenics offers its employees retirement benefits that are funded through a group insurance plan managed by an insurance fund. Until June 30, 2009, the insurance group plan was based on a "defined benefit" system. In a defined benefit pension plan, an employer commits to paying its employee a specific benefit for life beginning at his or her retirement. The amount of the benefit is known in advance, and is usually based on factors such as age, earnings, and years of service. Defined benefit plans do not have contribution limits, but they do have a limit on the maximum annual retirement benefit.

Since July 1, 2009, the previous plan was changed in a defined contribution plan. The employee will receive an amount equal to the paid contributions (since July 1, 2009). The Group has no obligation to pay further contribution than those mentioned in the agreement.

With regards to the defined benefit pension plan which ended on June 30, 2009, the accrued assets and liabilities remain in force as from that date and the most important assumptions regarding this plan are kept constant against previous years.

	2014	2013
Discount rate	3.5%	5.6%
Expected rate of salary increases	3.5%	5%

On the basis of abovementioned assumptions, the amount which was included on the balance sheet regarding the defined pension obligations of the Group is as follows:

In '000 euro (for the year ended on 31 December)	2014	2013
Cash value of the defined pension obligations	-740	-535
Fair value of the plan assets	474	340
Net current value	-266	-195
Non-included actuarial losses	0	268
Net (liability) or receivable included in the balance sheet	-266	73

4.2.31. Subsidiaries

Name of the subsidiary	Place of incorporation and operation			Principal activity
		2014	2013	
ThromboGenics, Inc.	US	100%	100%	Distributor

4.2.32. Key Agreements, Commitments and Contingent Liabilities

The Group has entered into a number of agreements with independent parties. In some cases these agreements include a cost-sharing plan for the project as well as the sharing of any revenue between the parties, so as to be able to defray the cost of commercializing the results of the project.

Please find below an explanation of our most important agreements. An agreement is considered being important when the commitments reach over 1 million euro.

Research and Development Agreements

BioInvent

In September 2004, ThromboGenics and BioInvent International AB entered into an agreement to cooperate on research and to develop together drugs based on antibodies for vascular disorders. The partners are currently developing one candidate together, Anti-PlGF (TB-403) for the possible treatment of various disorders such as cancer, age-related macular degeneration, retinopathy and inflammation.

Under the terms of the collaboration the parties share the costs equally. When a candidate has been identified prior to the collaboration, the income is divided on the basis of a 60/40 key (if a drug candidate is discovered during the collaboration, the income is divided on the basis of a 50/50 key). In the case with Anti-PlGF (TB-403), ThromboGenics identified this drug candidate and will receive 60% of any future income.

Eleven Biotherapeutics

On May 28, 2013, ThromboGenics signed an agreement with Eleven Biotherapeutics to use their technology for the discovery of new products for the treatment of eye diseases with diabetics. ThromboGenics has the exclusive rights for the development and commercialization, while Eleven Biotherapeutics is entitled to an upfront payment upon signing the agreement as well as receiving milestone payments and royalties on sales.

Bicycle Therapeutics

On September 5, 2013, ThromboGenics and Bicycle Therapeutics signed an agreement to develop new products for the treatment of eye diseases with diabetics. ThromboGenics has the exclusive rights for the clinical development and commercialization, while Bicycle Therapeutics is entitled to milestone payments and royalties on sales.

Chiltern International

Chiltern has provided clinical research services for the development of JETREA® since 2006. Services are billed on a project basis via Statements of Work based on a Master Service Agreement.

Outcome Sciences

Outcome Sciences, a division of Quintiles, provides clinical research services for JETREA®'s ORBIT clinical study since 2014. Services are billed on a project basis via Statements of Work based on a Master Service Agreement.

Intellectual Property and Royalty Agreements

Grifols, Inc.

In February 2012, ThromboGenics and Grifols entered into a license agreement. Through this agreement, ThromboGenics strengthens its exclusive worldwide rights regarding the use of plasmin and derivate products for the treatment of ophthalmological diseases. Following this agreement, ThromboGenics has paid a total of 13 million USD. ThromboGenics has a royalty obligation of 2% on the sales of ocriplasmin, but the first 10 million USD of this royalty obligation can be deducted from the earlier paid 13 million USD.

Life Sciences Research Partners VZW

Following a contract between the former Thromb-X NV and former DCRF VZW, dated June 1, 2001, and amended on March 27, 2012, ThromboGenics NV has the obligation to pay royalties on JETREA® sales. Under this agreement, an amount of 221 k euro has been paid to LSRP over the fiscal year 2014, versus 3,467 k euro in 2013.

Research Corporation Technologies, Inc. (RCT)

In December 2000, Research Corporation Technologies, Inc. and ThromboGenics entered into a licensing agreement under which ThromboGenics was granted a license to RCT's Pichia yeast expression technology for an early step in the manufacturing of ocriplasmin. ThromboGenics has a royalty obligation to RCT of 2% of net sales of JETREA® in territories where patent protection has expired and 3% of net sales in Canada where patent protection continues into 2016.

Commercial Agreements

Fujifilm Diosynth Biotechnologies UK, Limited

In September 2010, ThromboGenics concluded a long-term agreement with Fujifilm for the commercial production of JETREA®. Since 2007, Fujifilm (and its predecessors MSD Biologics and Avecia, who owned the same facility) has delivered ocriplasmin to ThromboGenics and took care of the clinical material of the extensive Phase III program, in which more than 650 patients were recruited in the US and in Europe. ThromboGenics believes that this agreement will meet the commercial production need of the active substance ocriplasmin.

Quality Assistance

Quality Assistance, a European-based analytical testing services company has provided analytical services on a project basis via Technical Agreements since 2009, largely in support of the development and commercial supply of JETREA®

Patheon

Patheon has served as the final drug product manufacturer for ocriplasmin under a series of manufacturing agreements beginning in 2007. Patheon delivers JETREA® commercial product in glass vials for both ThromboGenics and Alcon. For the US market they further label and package the JETREA® product and prepare it for frozen shipment.

Quintiles Commercial US, Inc.

In November 2011, ThromboGenics, Inc. signed an agreement with Quintiles Commercial US, Inc. This agreement is related to the insourcing of the US sales team including reimbursement support. Under this Master Service Agreement an amount of 1,704 k USD is still outstanding of the initial paid deposit of 2,100 k USD guaranteeing salary payments. Notice of termination of this agreement was given in October 2014.

Carling Communications

Carling, a US-based marketing communications agency, is the agency of record for JETREA®. Services are billed on a project basis via Statements of Work based on a Master Service Agreement.

License, Development and Commercial Agreement

Alcon

In March 2012, ThromboGenics signed a 375 million euro strategic deal with Alcon, the global leader in eye care to commercialize JETREA® outside the US. ThromboGenics received an upfront payment of 75 million euro. The Company received a further 90 million euro in 2013 and is entitled to a further 210 million euro in potential milestones, plus significant royalties on Alcon's sales of JETREA® sold outside the US.

As part of the agreement, ThromboGenics is working in partnership with Alcon to commercialize ocriplasmin outside US. In the Rest of the World (ROW), Alcon will be solely responsible for commercializing JETREA®.

ThromboGenics and Alcon will work together on the further development of JETREA®. The two companies will share the costs equally to explore new formulations and clinical applications of the product that the companies could introduce in their respective territories.

Academic Agreements

The Company has concluded agreements with various academic institutions that are interested in the study of drug candidates, including the following:

Flanders Institute for Biotechnology (VIB)

The Company has concluded agreements with the Vesalius Research Center (formerly the Dept. of Transgene Technology and Gene Therapy), a department of the VIB, relating to the pre-clinical characterization of two of the programs under license with this institute, i.e. Anti-PlGF and PlGF.

ThromboGenics must pay to the VIB 15% of the license revenue received from third parties for the out-licensing of Anti-PlGF and PlGF. Of this payment, 40% is borne by BioInvent. VIB shares 50% of this revenue with LSRP.

The Group as a lessee in operating leases

On the balance sheet date the Group had outstanding commitments for future minimum lease payments, payable as follows:

In '000 euro (for the year ended on 31 December)	2014	2013
Less than one year	675	988
More than one year but less than 5 years	0	489
Total	675	1,478

Since January 2009, all current research laboratories are established in the building 'Bio-Incubator' at the Gaston Geenslaan 1 in 3001 Leuven. On July 1, 2008, an operational lease agreement was concluded with Bio-Incubator Leuven NV. On October 1, 2013, a new operational lease agreement was signed for the use of additional offices ('Bio-Incubator II'). At the same time the original contract ('Bio-Incubator I') has been replaced. These agreements started at August 13, 2012, for a period of 3 years and contain a yearly commitment of 783 k euro, and can be prolonged with mutual consent for a maximum period of 7 years. As from the fourth year, the operational lease may be renewed tacitly each time for a period of one year.

ThromboGenics NV Irish Branch ended the current lease agreement in mutual agreement. ThromboGenics NV Irish Branch renegotiated a new operating lease which started on September 15, 2014. The lease will expire on September 30, 2015.

ThromboGenics, Inc. has concluded an operating lease relating to a building involving a commitment of 248 k USD (approximately 187 k euro) for one year.

Other Commitments

Research and development commitments

As at December 31, 2014, the Group had commitments outstanding in the context of research and development agreements amounting to 9,888 k euro (2013: 15,352 k euro) payable over the course of the following 12 months to various research subcontractors.

Contingent liability

The expenses incurred in several of the Group's research and development programs have been reimbursed by IWT, as a government grant. Contracts with IWT generally include a clause that defines the need for validation of the project results in order for the grant to be effectively earned. Should this validation not occur, IWT has the right to reclaim the funds previously granted. ThromboGenics NV Group considers this as a remote possibility. Total amounts received in 2014 with respect to government grants from IWT amount to 1,461 k euro (2013: 102 k euro).

4.2.33. Remuneration of Key Management Personnel

Key management personnel was constituted in 2014 of:

- ViBio BVBA, represented by Patrik De Haes – CEO
- Sofia BVBA, represented by Chris Buyse – CFO (until June 30, 2014)
- Lugo BVBA, represented by Luc Philips– CFO ad interim (as from July 1, 2014)
- Paul Howes – Executive Director

Remuneration of key management personnel was as follows:

In '000 (for the year ended on 31 December)	2014	2013
Consultancy fees and reimbursement of expenses, short term	1,052	2,675
# of warrants and shares obtained during the period (in thousands)	-	-
Consultancy fees in the long term in case of dismissal		
Minimum fee	422	779
Maximum fee	633	1,169

The consultancy fees and the reimbursement of expenses, short term are much higher for both years than the fees in case of breach of contract as non-recurring fees have been paid.

No loans, quasi-loans or other guarantees have been given to any of the executive directors.

Transactions with non-executive directors:

In '000 (for the year ended on 31 December)	2014	2013
Short-term employee benefits	203	175
Total benefits	203	175
# of warrants and shares obtained during the period (in thousands)	-	-

4.2.34. Financial Instruments

Use of Derivative Instruments
On December 31, 2014, there were no outstanding derivative instruments.

Fair Values
There is no significant difference between the fair value and carrying amount of the Group's cash and cash equivalents, investments, trade and other receivables, other current assets, trade payables and other current liabilities.

The carrying amount of cash and cash equivalents and investments is equal to their fair value, given the short-term maturity of these financial instruments. Similarly, the historical cost carrying amounts of receivables and payables, which are all subject to normal trade credit terms, is equivalent to their fair values.

The assets available for sale are valued at fair value. The fair value adjustments are recorded in other reserves.

4.2.35. Fees to the Auditor

In euro (for the year ended on 31 December)	2014	2013
Audit fee	84,975	126,265
Fees for extraordinary services or missions by the auditor.	12,650	15,570
Fees for extraordinary services or missions by related parties to the auditor.	8,526	9,536

4.3. Annual Report of the Board of Directors on the Consolidated Financial Statements

Dear Shareholder,

We are pleased to present the consolidated financial statements as at December 31, 2014.

4.3.1. Comments and Approval of the Consolidated Financial Statements

The consolidated financial statements were prepared in accordance with IFRS and were approved by the Board of Directors on March 12, 2015.

ThromboGenics NV was incorporated on May 30, 2006 with a capital of 62,000 euro represented by 11,124 shares. Per December 31, 2013, the capital of the Company amounted to 162,404,449.73 euro represented by 36,094,349 shares. During 2014, there was no capital increase.

On December 31, 2014 the corporate capital amounts to 162,404,449.73 euro represented by 36,094,349 shares.

Profit- and Loss Account
In 2014, the total revenue of ThromboGenics was 13.8 million euro compared to 112.8 million euro in 2013. The main sources of revenue in 2014 were the sales of JETREA® in the US, sales of goods to and royalties from Alcon as part of the strategic agreement to commercialize JETREA® outside the US. The major variance in revenue compared to previous year is the absence of milestone payments which amounted to 90.0 million euro in 2013. Vial sales in the US reached 8.8 million euro. Royalties paid by Alcon in relation to the license agreement amounted to 3.4 million euro compared to 1.0 million euro in 2013.

Gross profit in 2014 was 9.2 million euro. In 2013, ThromboGenics reported a gross profit of 106.4 million euro, excluding the effect of the 90.0 million euro milestone, the gross profit reduction is mainly due to lower vials sales in the US compared to 2013.

R&D expenses in 2014 were 22.6 million euro compared to 31.7 million euro in 2013, reflecting the measures taken in 2014 to reduce the cost base. The depreciation of the capitalized costs related to the development of Phase III of the clinical studies for the treatment of eye diseases with ocriplasmin continued at the same rate as in 2013. The government grants and income from recharge of costs are deducted from the research and development expenses as in 2013.

In 2014, the selling expenses of ThromboGenics were reduced to 29.9 million euro compared to 37.6 million euro in 2013 as a result of the cost reduction measures taken.

In 2014, ThromboGenics made an operating loss of 52.7 million euro compared to a profit of 25.5 million euro in 2013 which was favorably impacted by the milestone of 90.0 million euro.

ThromboGenics had net financial income of 1.7 million euro in 2014. In 2013, the Company reported net financial income of 0.9 million euro.

In 2014, ThromboGenics made a net loss of 51.1 million euro resulting in negative diluted earnings per share of 1.42 euro versus 0.71 euro positive diluted earnings per share in 2013.

Cash Flow

As of December 31, 2014, ThromboGenics had 127.1 million euro in cash, cash equivalents and investments, in comparison with 172.4 million euro in cash, cash equivalents and investments as of December 31, 2013.

The cash resources are deemed sufficient to pursue the stand-alone strategy.

The total balance sheet per December 31, 2014 amounted to 220.7 million euro with cash, cash equivalents and investments representing 58%. The Group has no external financial debts.

Commitments

The commitments of ThromboGenics are exclusively related to operational lease commitments:

Since January 2009, all of the Company's labs have been located at the "Bio-Incubator" building at the Gaston Geenslaan 1 at 3001 Leuven. ThromboGenics entered into a lease agreement for this building with Bio-Incubator NV for a period of 3 years starting July 1, 2008. On October 1, 2013, a new operational lease agreement was signed for the use of additional offices ('Bio-Incubator II'). At the same time the original contract ('Bio-Incubator I') has been replaced. These agreements started at August 13, 2012, for a period of 3 years and contain a yearly commitment of 783 k euro, and can be prolonged with mutual consent for a maximum period of 7 years. As from the fourth year, the operational lease may be renewed tacitly each time for a period of one year.

ThromboGenics NV Irish Branch ended the current lease agreement in mutual agreement. ThromboGenics NV Irish Branch renegotiated a new operating lease which started on September 15, 2014. The lease will expire on September 30, 2015.

ThromboGenics, Inc. has an operating lease for its offices in Iselin with a yearly rent of approximately 184 k euro per year. The end of the rental period is mid-2016.

4.3.2. Capital Raises and Issuing of Financial Instruments

This item is developed in section 4.2.28

4.3.3. Risks

In adherence to the Belgian company law, ThromboGenics has decided to inform shareholders of the risks associated with the Company.

In 2014, ThromboGenics potentially was subject to the following risks:

- To reach market a drug candidate has to go through expensive preclinical and clinical studies which require a lot of time and outcomes of each phase are always uncertain.
- The guidelines and rules issued by various authorities are very strict and impact is difficult to predict.
- Obtaining reimbursement of drugs will be even more important and difficult to obtain in the future.
- ThromboGenics is largely dependent on partners to generate revenue in the short and medium term, as well as to provide expertise on production, sales, marketing, technology and license and property rights in the longer term.
- ThromboGenics is dependent on partnerships in its R&D operations.
- It is possible that ThromboGenics is unable to obtain a license for new candidate drugs.
- It is possible that the market is not ready for the candidate drugs of ThromboGenics.
- The pharmaceutical market is highly competitive, with players having much stronger financial resources than our Company.
- ThromboGenics may be exposed to violations of patents or other intellectual property rights.
- ThromboGenics may face difficulties in attracting well qualified staff.
- ThromboGenics has no background of operational profitability due to the substantial spending on research and development.
- It is possible that ThromboGenics will need additional financial investments to provide for additional future activities.
- ThromboGenics has currently only one commercial product.

In 2014, financial risk management focused on:

- Credit risks: Credit risk is limited to the US market where the Company has three main distributors which are creditworthy.
- Interest risks: The Group does not have any financial debts and as such does not have material interest risks.
- Currency risks: ThromboGenics is moderately subject to exchange rate risks and will use incoming foreign currencies (USD and GBP) to cover outgoing foreign currencies. Uncovered outgoing foreign currencies will be honored by exchanging euro. In 2014 ThromboGenics has not used financial instruments to cover such risks.

4.3.4. Conflicts of Interest of patrimonial nature for Directors and Transactions with Affiliated Companies

4.3.4.1 Conflicts of Interest of Directors

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

In 2014, seven such cases of conflict of interest occurred:

Board of Directors of March 17, 2014

"4. CONFLICT OF INTERESTS

Prior to the start of the deliberations, the procedure set out in article 523 of the Belgian Companies Code (the BCC) was applied.

In accordance with article 523 of the BCC every director present at the meeting was asked to, if relevant, disclose his/her, direct or indirect, patrimonial interest with regard to each the decision on the agenda of the meeting of the board of directors.

4.1 Conflict of interests with respect to the strategic review process and a transaction

(a) Declaration

Thomas Clay, Patrik De Haes and Chris Buyse declared that they had a conflict of interests within the meaning of article 523 of the BCC with regard to agenda item [8], ie the strategic review, and more specifically, the preparation by the Company of, and the potential entry by the Company into, a transaction with a strategic partner involving a public takeover bid on all of the Company's shares and warrants (the Transaction), in the context of which certain information will need to be provided to interested parties (access to management, opening of data room and organisation of Q&As and management presentation sessions, etc).

This conflict of interest is also implied in the appointment of Morgan Stanley as financial advisor to the Company in the context of its on-going strategic review, given that this review may lead to and accelerate a Transaction.

This conflict of interest results from the following circumstances:

(i) Thomas Clay is a shareholder of the Company;
(ii) Patrik De Haes is a shareholder and warrant holder of the Company;
(iii) Chris Buyse is a shareholder and warrant holder of the Company.

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

(b) Description of the resolution and justification

The proposed resolution relates to a possible Transaction by the Company and the actions in preparation thereof, ie the granting of access to a data room, the organisation of Q&As, management presentation sessions and other steps in order for interested parties to gather [clinical and other] information. Such information will be required for potential buyer to make an assessment of the Company and facilitate the completion of the Transaction.

Morgan Stanley will be advising the Company on the strategic review and coordinating the Transaction process.

Interested parties will only be considered for data room access and attendance of management presentations after they have signed a confidentiality agreement and appropriate data room rules in order to protect the Company's interests.

(c) Financial consequences

The actions in preparation of a possible Transaction will imply a series of direct or indirect expenses related to, among other things, the time and effort of the management, fees for the financial advisor, expenses related to organising a virtual data room and further expenses related to external legal counsel advising on a possible Transaction. The external expenses are hereby estimated between EUR 5 Mio and EUR 10 Mio., the larger part being success based.[1]

These expenses are justified by the fact that they would enable (i) the Company to explore its strategic option, including finding a strategic reference shareholder in order to realize the significant commercial potential of JETREA® in the US, and to fully capitalise

1 Due to the decision of the Board of Directors to continue as a stand-alone company, no success fee has been paid. The only cost will be the cost of the expenses made by Morgan Stanley during the Strategic Review process. This cost will be less than EUR 0.1 Mio.

on the Company's proven product development capabilities and (ii) the Transaction to complete under the best possible conditions for all shareholders, employees and other stakeholders of the Company.

Furthermore, certain expenses are justified by the fact that it is critical for the Company that there is no unwanted disclosure of information. This concerns (i) the possible disclosure of a possible Transaction as well as (ii) the disclosure of commercially sensitive information relating to the Company's activities. The potential damages that the Company could incur in this respect justify the Company taking all the necessary precautions in order to avoid unwanted disclosure, in particular through confidentiality agreements, the use of an online data room and selection and screening of information that is rendered available.

4.2 Conflict of interests with respect to special incentive and retention arrangement

(a) Declaration

Patrik De Haes and Chris Buyse declared that they have a conflict of interests within the meaning of article 523 of the BCC with regard to agenda point [9], ie the entry by the Company into a special incentive and retention arrangement with each of Patrik De Haes and Chris Buyse in the context of the strategic review.

This potential conflict of interest arises because both the CEO and the CFO will, in order to ensure their full cooperation in the context of the strategic review and preparation of a possible Transaction and to ensure their continued employment by the Company throughout and following a Transaction, be offered the opportunity to enter into a special incentive and retention arrangement with the Company.

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

(b) Description of the resolution and justification

The proposed resolution relates to the entry by the Company into a special incentive arrangement with Patrik De Haes and Chris Buyse in the context of the strategic review. The purpose of the special incentive and retention arrangement is to create an incentive for the CEO and the CFO, who could potentially make an important contribution to (i) the search for a strategic partner, (ii) the success of a possible Transaction and (iii) the retention of key team members during this process. Their special incentive remuneration would be aligned with the fees agreed with the financial advisor, to create a common interest between the Company, the financial advisor and the management in the interest of all stakeholders. The special incentive remuneration may vary between EUR 0 and EUR 2,600,000.00 for the CEO and EUR 0 and EUR 1,560,000 for the CFO and will vest and become payable in three instalments with a short-term component, mid-term component (2016) and long-term component (2017).

The resolution is justified based on the fact that the cooperation of the CEO and the CFO is important in order to achieve a successful completion of a possible Transaction. Furthermore, their continued employment by the Company and the fact that this will be communicated to interested parties will ensure that a possible Transaction can take place under conditions which would benefit the Company and all of its stake holders.

The board of directors is of the opinion that a Transaction would be in the corporate benefit of the Company. Therefore, the board of directors is of the opinion that any decisions required to increase the chances of success of a possible Transaction are also in the corporate benefit of the Company.

(c) Financial consequences

The maximum financial impact of the special incentive fee for the Company is set out under paragraph (b) above. If no financial advisor fees have become due and payable on or before the last date of vesting (ie on or before 2017) the CEO and CFO will not be entitled to receive any payment under the special incentive and retention arrangement.

4.3 Conflict of interests with respect to indemnity agreements

(a) Declaration

Thomas Clay and David Guyer have a conflict of interests within the meaning of article 523 of the BCC with regard to agenda point [10], ie the entry by the Company into indemnification agreements with both David Guyer and Thomas Clay.

This potential conflict of interest arises because it is proposed that both David Guyer and Thomas Clay enter into separate indemnification agreements with the Company, under which the Company will undertake to indemnify them for and hold them harmless, to the fullest extent permitted by applicable law, against all future claims from third parties against them in their capacity as directors of the Company, and all liabilities, losses and expenses (including court and attorneys' fees) reasonably incurred in connection *with*

any such claims. This indemnification shall apply only to the extent that such claims are not covered by the Company's D&O Policy or any other relevant insurance policy to his benefit.

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

(b) Description of the resolution and justification

The proposed resolution relates to the entry by the Company into separate indemnification agreements with both David Guyer and Thomas Clay (in respect of any claims from third parties, ie not only in the context of a possible Transaction).

The resolution is justified based on the fact that the cooperation of both David Guyer and Thomas Clay as directors of the Company is important in order for the Company to be successful. The board takes the view that [their specific skills and (financial and sector) experience will bring a valuable contribution to the board of directors and will increase the chances of the Company achieving its full potential.]

(c) Financial consequences

The maximum financial impact of the indemnification agreements for the Company is not capped, and therefore not known. However, the indemnification obligations shall apply only to the extent that claims by third parties are not covered by the Company's D&O Policy or any other relevant insurance policy.[2]

6. RESOLUTIONS

After deliberations had taken place, the board of directors adopted the following resolution by unanimous vote:

- *[…]*
- *The board of directors approved the preparation by the Company for a possible Transaction, including but not limited to the execution of Morgan Stanley's Engagement Letter, the entry into NDAs with interested strategic partners, the preparation of a data room, the organisation of management presentations, the sending of process letters to interested strategic partners inviting them to the data room and to submit proposals for the purchase of the shares of the Company and any other steps which are customary in this type of processes.*
- *The board of directors approved the special incentive and retention scheme for the CEO and the CFO.*
- *The board of directors approved the principle that the US based directors, ie Thomas Clay and David Guyer, are entitled to an indemnification undertaking by the Company.*
- *[…]"*

Board of Directors of June 26, 2014

"4. CONFLICT OF INTEREST

(a) Declaration

Lugost BVBA, represented by its permanent representative, Mr Luc Philips declared that it had a conflict of interest within the meaning of article 523 of the BCC with regard to agenda item 1, ie the appointment of Lugo BVBA as interim CFO. This potential conflict of interest arises because the management company of Mr Luc Philips, Lugo BVBA will, as interim CFO, enter into a management services agreement with the Company.

Mr Philips refrained from participating in the deliberation on and the decision-making process with regard to this agenda item.

(b) Description of the resolution and justification

It was stated that the proposed resolution relates to the Company's proposal to enter into a management services agreement with Lugo BVBA for the performance of its function as interim CFO.

It was noted that the justification for the proposed resolution was based on the fact that Lugo BVBA's assistance, as interim CFO, is important for the Company in order to ensure an effective follow up of the financial and accounting matters pending the search for a new CFO following Sofia BVBA's resignation as CFO.

The board took the view that Mr Philips' specific skills and financial and accounting experience would provide a valuable contribution to the Company and, given his knowledge of the Company, ie having been an independent director since its IPO, Mr Philips is best placed to ensure a smooth transition of the CFO function.

2 At this stage, the Company nor its directors are involved in any litigation to which this indemnification clause would apply.

(c) Financial consequences of the proposed interim appointment

The board of directors noted that the financial impact for the Company of the proposed arrangement would be the management fee set out in the management services agreement, ie a base fee of EUR 15,000 per month plus a further EUR 1,500 per day for each day, in excess of 10 days a month, on which services are provided. The Chairman confirmed that the Company has obtained external HR advice that this remuneration is market conform.

The board of directors stated that it was of the opinion that the management services agreement was in the corporate interest of the Company.

5. RESOLUTIONS

After deliberations had taken place, the board of directors adopted the following resolutions by unanimous vote:

- *Based on the advice of the Remuneration and Nomination Committee, the board approved the appointment of Lugo BVBA (management company of Mr Luc Philips) as ad interim CFO and approved the management services agreement and authorised the Chairman and the CEO, each acting individually, to finalise and execute the management services agreement.*
- *[…]"*

Board of Directors of August 28, 2014

"4. CONFLICT OF INTEREST

4.1 Declaration

ViBio BVBA, represented by its permanent representative, Mr Patrik De Haes (CEO) declared that it had a conflict of interest within the meaning of article 523 of the BCC with regard to agenda items 1 to 3, ie the approval of a warrant plan under which warrants may be granted to the CEO, the inclusion of the CEO in the management retention plan and the increase of the CEO's severance pay to 12 months. This potential conflict of interest arises because the management company of Mr Patrik De Haes, ViBio BVBA will as the CEO be allowed to participate in the 2014 warrant plan, to be included in the management retention plan and to be granted extended severance period under its management agreement with the Company.

Mr De Haes refrained from participating in the deliberation on and the decision-making process with regard to these agenda items.

4.2 First resolution

(a) Description of the resolution and justification

It was stated that the proposed first resolution relates to the Remuneration and Nomination Committee's proposal to establish a warrant plan to incentivise and retain key personnel, including the CEO. The warrants issued under the warrant plan 2014 are to be issued with the cancellation of the preferential subscription rights in favour of certain persons, including ViBio BVBA and any vesting and performance conditions may have an impact on the value of these warrants.

It was noted that the justification for the proposed resolution was based on the fact that 2014 warrant plan aims to create a long-term incentive for employees and consultants of the Company and its subsidiaries who can make an important contribution to the success and the growth of the group and the CEO is certainly one of these key persons.

Also the warrant plan aims to promote the participation in the Company's share capital by employees and consultants, as well as to establish a continuous and long-term cooperation and to ensure the personal efforts from the employees and consultants as part of the development and success of the Company. By this warrant plan the Company wants to create a common interest between the participants, on the one hand, who, by exercising their warrants, have the possibility to share in the added value and growth of the Company and the shareholders of the Company, on the other hand, that is focused on increasing the value of the Company's shares.

Finally, with the grant of warrants the Company aims to retain the CEO as a key person for the implementation of the 20/20 Strategic Plan and the success of the Company on a stand-alone basis.

(b) Financial consequences

It was considered that the financial consequences for the Company are difficult to assess at this time. The exercise price of the offered warrants would be the lower of (i) the average closing price of the Company's Shares on the stock exchange over a period of thirty calendar days prior to the offer date or (ii) the closing price of the Company's Shares on the last business day prior to the offer date, without the exercise price being lower than the average closing price over a period of thirty days prior to the issue date. The issue of warrants is, from the Company's perspective, an inexpensive method of remunerating and incentivising its employees and senior management. If the delay in implementing warrant

plan 2014 becomes significant or if warrant plan 2014 would not be implemented at all, the Company may have to increase the remuneration it pays which could represent a significant additional cost for the Company.

4.3 Second resolution

(a) Description of the resolution and justification

It was stated that the proposed second resolution relates to the Remuneration and Nomination Committee's proposal to include the CEO in the management retention plan.

In March 2014 the Company implemented a retention scheme for certain key managers in the context of the strategic review. The beneficiaries of the retention scheme are paid 50% on top of their monthly base salary during the months when the strategic review process was expected to run, i.e. until the end of 2014. As the special, tailor-made incentive scheme which was initially envisaged for the CEO and which would be linked to certain parameters of a strategic transaction was cancelled, the Remuneration and Nomination Committee proposed to include the CEO in the management retention plan in line with the other managers.

The purpose of the retention scheme is to encourage outstanding individuals, whose continued services are key to ensuring business continuity during and after the strategic review process, to continue their employment with the Company, by offering a retention bonus. Any unvested instalment is forfeited if the participant's professional relationship with the Company is terminated or has effectively ended on whatever grounds and for whatever reason (including death, retirement or permanent disability), or if the participant has notified his/her resignation or received notice of the termination.

(b) Financial consequences

The board of directors noted that the financial impact for the Company of the proposed inclusion would equal 50% of the CEO's fixed monthly fee over a period of 10 months.

4.4 Third resolution

(a) Description of the resolution and justification

It was stated that the proposed third resolution relates to the Remuneration and Nomination Committee's proposal to increase the CEO's severance pay to 12 months instead of 6 months. This would bring the CEO's severance package in line with that of the other managers.

(b) Financial consequences

The board of directors noted that the financial impact for the Company of the proposed increased CEO's severance pay could equal up to 6 months' fixed pay of the CEO's monthly fixed payment.

In the light of the above, the board of directors was of the opinion that these three resolutions are in the corporate interest of the Company.

5. RESOLUTIONS

After deliberations had taken place, the board of directors adopted the following resolutions by unanimous vote:

- *Based on the advice of the Remuneration and Nomination Committee, the board approved the warrant plan.*
- *Based on the advice of the Remuneration and Nomination Committee, the board decided to include the CEO in the management retention plan.*
- *Based on the advice of the Remuneration and Nomination Committee, the board decided to increase the CEO's severance pay to 12 months in-stead of 6 months.*

Mr De Haes (ViBio BVBA) refrained from participating in the deliberation on and the decision-making process with regard to these agenda items."

4.3.4.2 Transactions with Affiliated Companies

Article 524 of the Belgian Company Code provides for a special procedure which must be followed for transactions with ThromboGenics' 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 Companies' 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 her directors and members of the executive team, such transactions need to be submitted to the Board of Directors.

4.3.4.3 Protocol regarding transactions with Affiliated Companies

1. Chris Buyse (until June 30, 2014) and Patrik De Haes are compensated by means of management agreements between

ThromboGenics NV and respectively Sofia BVBA (a company of which Chris Buyse is director) and ViBio BVBA (a company of which Patrik De Haes is director). Within the framework of these consulting agreements the ThromboGenics Group paid a total of 938 k euro in 2014.
2. For the period Luc Philips was acting CFO a compensation through management agreement between ThromboGenics NV and Lugo BVBA (a company of which Luc Philips is director) amounted to 114 k euro in 2014.
3. For non-executive directors a total of 203 k euro was paid in 2014, for the execution of their board mandate.

We refer to section 4.3.7.10 for the remuneration report over the financial year 2014.

4.3.5. 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 34 of the Royal Decree of 14 November 2007)

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

Article 47 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 27, 2010. The Board of Directors has already used its powers for a total amount of twenty-seven million eight hundred forty-seven thousand nine hundred forty and eighty-four cent (27,847,940.84 euro).

The Board of Directors is authorized, for a period of five (5) years from the publication in the Annexes to the Belgian Official Gazette of the deed of amendment to the articles of association dated May 27, 2010, to increase the share capital once or several times provided the cumulative amount of the increases does not exceed one hundred and thirty-one million one hundred and eighty-six thousand seven hundred and ninety-nine euro and eighty-five cent (131,186,799.85 euro). This authorization to the Board of Directors may be renewed.

If the capital is increased within the limits of the authorized capital, the Board of Directors will be authorized to request payment of an issue premium. If the Board of Directors so resolves, this issue premium will be booked as a distinct fund, which may only be limited or removed by a resolution taken at a shareholders' meeting in accordance with the provisions on amendments to the articles of association.

The Board of Directors is authorized to amend the Company's articles of association to record any capital increase decided on within the limits of the authorized capital.

This Board of Directors' authorization will be valid for capital increases subscribed for in cash or in kind through the capitalization of reserve funds, with or without issuing new shares. The Board of Directors is authorized to issue convertible bonds or warrants within the limits of the authorized capital.

The Board of Directors is authorized, within the limits of the authorized capital, to limit or declare inapplicable the preferential subscription rights granted by law to the holders of existing shares if in so doing it is acting in the best interests of the Company and in accordance with article 596 onwards of the Belgian Company Code. The Board of Directors is authorized to limit or declare inapplicable the preferential subscription rights to the benefit of one or more persons, even if the affected persons are not members of the personnel of the Company or its subsidiary.

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

On May 27, 2010, the Company's extraordinary shareholders' meeting decided to issue an additional 600,000 warrants under the Warrant Plan 2010, which have all been allotted on December 31, 2014. Under Warrant Plan 2010 196,375 warrants were exercised and 121,250 have been forfeited. Consequently, at present, 282,375 warrants under the Warrant Plan 2010 are still exercisable.

The Warrant Plan 2010 contains 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 fourteen calendar days following the formal notification to the Company of the public takeover bid by the Banking, Finance and Insurance Commission."

On May 24, 2011 the Company's extraordinary shareholders' meeting decided to issue an additional 516,000 warrants under the Warrant Plan 2011, of which 515,600 warrants have been allotted. Under this plan, 8,375 warrants have been exercised and 98,600 warrants have been forfeited. The remaining 400 warrants

issued under Warrant plan 2011 remain to be offered by the Board of Directors.

The Warrant Plan 2011 contains 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 fourteen calendar days following the formal notification to the Company of the public takeover bid by the Banking, Finance and Insurance Commission."

On December 4, 2014 the Company's extraordinary shareholders' meeting decided to issue an additional 720,000 warrants under the Warrant Plan 2014.

The Warrant Plan 2014 contains 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)."

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 556 BCC, the following "change of control" provision that was then included in the management agreement of the senior managers. If the Company becomes subject to a public takeover bid and the content of their respective management agreements would significantly change, a compensation has been approved. With a change of control, this compensation would be different depending on who takes the initiative to end the contract. In case the initiative is taken by the Company, 18 months is applicable, in the manager's case it would be 12 months.

4.3.6. Events after the End of the Financial Year

On February 5, 2015, the Company has been awarded a 1.1 million euro grant from the Flemish agency for Innovation by Science and Technology (IWT). The grant funding will be used to support scientific research for the treatment of diabetic eye diseases.

4.3.7. Corporate governance

4.3.7.1 General provisions

This section summarizes the rules and principles by which the corporate governance of ThromboGenics is organized. 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 has been updated since on a regular basis. The last update was made on March 17, 2014.

The charter is available on the Company's website (www.thrombogenics.com) under Investors Information / Corporate Governance and can be obtained free of charge via the Company's registered office.

The Board of Directors of ThromboGenics intends to comply with the Belgian Corporate Governance Code, but believes that certain deviations from its provisions are justified in view of the Company's particular situation.

During the financial year ended December 31, 2014, the Company did not comply with the following principles of the Belgian Corporate Governance Code:

- Composition of the Audit Committee: in accordance with the Belgian Corporate Governance Code, at least the majority of the members of the Audit Committee are independent directors and the Audit Committee consists of at least three members. Due to the passing away of Mr. Jean-Luc Dehaene on May 15, 2014, only one of the three members of the Audit Committee was an independent director for the period May 15, 2014 through December 31, 2014. As from June 30, 2014, Lugost BVBA, represented by Luc Philips, has resigned from the Audit Committee. From January 5, 2015, with the appointment of Lugo BVBA, represented by Luc Philips, at the Audit Committee (as a result of Board decision of December 11, 2014) the Audit Committee has again reached three members. In order to reach the quota of independent directors a proposal has been made at the Board meeting of March 12, 2015.

Due to the size of the Company, the Board of Directors combined the Nomination Committee and the Remuneration Committee and has not set up a Management Committee in accordance with article 524bis of the Belgian Company Code.

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

- Board of Directors
- Audit Committee
- Nomination and Remuneration Committee
- CEO

4.3.7.2 Composition of the Board of Directors

The Company is led by a collegiate Board of Directors which is the Company's most senior administrative body. The Company establishes the Board of Directors' internal rules and regulations and publishes them in its Corporate Governance Charter. It is the role of the Board of Directors to strive for the long-term success of the Company by guaranteeing entrepreneurial leadership and ensuring that risks are assessed and managed in an appropriate way. The Board of Directors' responsibilities are stipulated in the articles of association and in the Board of Directors' internal rules and regulations. The Board of Directors is organized in view of an effective execution of its tasks. The Company sets its managing structure in function of its continuously changing needs.

The Board of Directors decides upon the Company's values and strategy, upon its willingness to take risks and upon the general policy plan.

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. Also, upon determining the values and strategies in the major policy plan, the Board of Directors considers corporate social responsibility, gender diversity and diversity in general.

Since December 5, 2013, Viziphar Biosciences BVBA, represented by Mr. Staf Van Reet, acts as Chairman and Director of the Board of Directors.

On May 15, 2014, Mr. Jean-Luc Dehaene, Non-Executive, Independent Director, passed away age 73.

On June 26, 2014, the Board of Directors acknowledged the resignation of (i) Sofia BVBA, represented by Mr. Chris Buyse as Director and Secretary of the Board of Directors and CFO and (ii) Lugost BVBA, represented by Mr. Luc Philips as Director of the Board of Directors, as from July 1, 2014. The Board of Directors co-opted Lugo BVBA, represented by Mr. Luc Philips as Director of the Board of Directors with reflect as of June 30, 2014. Lugo BVBA, represented by Mr. Luc Philips, was officially appointed by the extraordinary shareholders' meeting of November 12, 2014.

On August 28, 2014, the Board of Directors decided, based on the advice of the Remuneration and Nomination Committee, to co-opt of Mr. Paul G. Howes as Director of the Company. On November 12, 2014 he was officially appointed by the extraordinary shareholders' meeting.

The Board of Directors currently consists of seven members.

- Staf Van Reet (Viziphar Biosciences BVBA), Non-Executive, Independent Director, Chairman since December 5, 2013
- Patrik De Haes (ViBio BVBA), Executive Director
- Thomas Clay, Non-Executive Director
- Luc Philips (Lugost BVBA), Non-Executive, Independent Director until June 30, 2014; (Lugo BVBA) Executive Director as from July 1, 2014
- Patricia Ceysens (Innov'Activ BVBA), Non-Executive, Independent Director
- Dr David Guyer MD, Non-Executive, Independent Director
- Paul G. Howes, Executive Director as from August 28, 2014

The Board of Directors is proposing a new Director to ensure that the Board of Directors will consist of eight members. In this process, it was guided by an external office, who has prepared a profile for the new Director to be recruited. The desired balance between the genders has hereby been taken into consideration.

4.3.7.3 Board of Directors' Meetings in the Financial Year 2014

The Board of Directors met 8 times in 2014. 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 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.
- Upon determining the values and strategies in the major 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. 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 Board of Directors selects the auditor on the recommendation of the Audit Committee and supervises its activity, and is responsible for the supervision of the internal control, taking into account the evaluation of the Audit Committee.
- 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 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.
- 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 of Directors is responsible for the Corporate Governance structure of the Company and the compliance with the Corporate Governance stipulations.

Additional Agenda Items:

- the Company's financial data such as the summary half year financials, year-end financials, budget follow-up and consolidated results;
- application of IFRS;
- FSMA requirements;
- follow-up of subsidiaries;
- matters of a strategic nature, new and current investments, the study and analysis of acquisition opportunities;
- preparations for the General Meeting, draw-up of the Annual Reports and press releases;
- company insurance;
- Warrant and retention plans.

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 pass resolution validly 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 may deliberate validly on items not specified on the agenda only with the agreement of all their 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 should appoint a company secretary to advise the board on all company matters.

In view of Chris Buyse's (Sofia BVBA) resignation as Secretary of the Board as from July 1, 2014, the Company decided to appoint Claude Sander, the Company's Chief Legal Officer, as the new Secretary.

4.3.7.4 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 over the financial year 2014 was as follows:

Audit Committee: Lugost BVBA (represented by Luc Philips), chairman, until June 30, 2014; Thomas Clay, chairman, since July 1, 2014; Viziphar Biosciences BVBA (represented by Staf Van Reet); and Jean-Luc Dehaene until May 15, 2014.

The Audit Committee held four meetings during the financial year 2014.

Nomination and Remuneration Committee: Viziphar Biosciences BVBA (represented by Staf Van Reet), chairman; Innov'Activ BVBA (represented by Patricia Ceysens); Jean-Luc Dehaene until May 15, 2014; and Dr David Guyer (since June 23, 2014).

The Nomination and Remuneration Committee held five meetings during the financial year 2014.

The powers of these committees are described in the Corporate Governance Charter of ThromboGenics (sections 3 and 4), which is available on the ThromboGenics' website (www.thrombogenics.com).

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

The above title refers to the contents of section 4.3.4

4.3.7.6 Market abuse regulations

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

Following the European regulations, the legal framework concerning the fight against market abuse was thoroughly modified. One of the most remarkable modifications is a bigger emphasis on the prevention of insider trading, where an active contribution of companies quoted on the stock exchange is expected.

The precautionary measures against insider trading concern amongst others 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 article 25bis of the law of August 2, 2002 on the supervision of the financial sector and financial services. The stipulations of these obligations were stated by the Royal Decree of March 5, 2006 on insider trading and the Royal Decree of March 5, 2006 on the right representation of investment recommendations and the announcement of conflicts of interest.

In accordance with article 25bis, §1 of the law, ThromboGenics NV has drawn up a list of persons in the Company who are employed or consulted by the Company and who have regular or occasional access to inside information directly or indirectly concerning ThromboGenics NV. These lists have to be updated frequently and have to remain at the disposal of the FSMA for 5 years.

In accordance with article 25bis, §2 of the law, the members of the Board of Directors and the management were obliged to report ThromboGenics' stock transactions to the FSMA.

4.3.7.7 Executive Team

ThromboGenics has an Executive Team, which includes the CEO, the CFO and the executive directors. The members of the Executive Team are appointed by the Board of Directors and in accordance with ThromboGenics' 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 appetite and key policies. The Executive Team is, amongst others, entrusted with the running of the Company. The Executive Team does not constitute a management committee in the meaning of article 524bis of the 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.

The Executive Team is composed of:

- ViBio BVBA, represented by Patrik De Haes – CEO
- Sofia BVBA, represented by Chris Buyse – CFO (until June 30, 2014)
- Lugo BVBA, represented by Luc Philips – CFO ad interim (as from July 1, 2014)
- Paul Howes – Executive Director

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

4.3.7.8 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 the corporate strategy.

The Executive Committee meetings are attended by the CEO, the CFO and executive directors and is composed of:

- Andy De Deene – Global Head of Clinical and Product Development
- David Pearson – Global Head of Corporate Development
- Laurence Raemdonck – Global Head of Human Resources
- Claude Sander – Chief Legal Officer & Corporate Compliance Officer
- Panéga BVBA, represented by Jean Feyen – Head of Preclinical Research
- Ed Kessig – US Head of Commercial Operations
- Nanaimo Bioventures LLC, represented by Paul Howes – Executive Chairman of ThromboGenics, Inc.

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

The Board of Directors of ThromboGenics is responsible for the assessment of the risks that are typical for the Company, and for the evaluation of the internal audit systems.

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

- audit environment;
- risk analysis;
- audit activities;
- information and communication;
- supervision and modification.

4.3.7.9.1 Audit environment

The audit environment is determined by a composition of formal and informal rules on which the functioning of the Company relies.

The audit environment encompasses the following elements:

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

- The CEO and executive team: The day-to-day management is the responsibility of the CEO who is supported by an executive team. For the sake of effective management, there is a partial delegation of authority to the subsidiary and to the various departments within ThromboGenics NV. The delegation of authorities is not linked to a person, but to the position. The executive team, whose domains of responsibility are situated at group level, holds a final audit competence over the authorized representatives. All persons concerned are informed of the extent of their authority (rules on approbation, limitations of authorities).

- The Board: ThromboGenics is supported by independent (external) directors. Its role in auditing the working of the Company is intended to be re-enforced by the proposal made to the Shareholders of electing Emmanuèle Attout as independent director. To achieve its audit duties, the Board of Directors relies of the following operational committees:

  - Audit Committee which evaluates the strength of controls at regular intervals
  - Remuneration and Nomination Committee which evaluates the remuneration policy
  - Executive Team which controls the operations and activities of all their staff

The functioning of these committees and their responsibilities is described in previous sections of this report.

4.3.7.9.2 Risk analysis

The Board of Directors decides on the Group's strategy, risk appetite and its main policy lines. It is the task of the Board of Directors 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 introduces risk analysis in all departments of the ThromboGenics' Group, and it is to be considered in the development of our Group's strategy. The analysis comprises a set of means, codes of conduct, procedures and measures that fit our structure, its sole intention being to maintain risks at an acceptable level.

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

The risks identified by the executive team of ThromboGenics are detailed under section 4.3.3

4.3.7.9.3 Audit Activities

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

- access and security systems at the premises and offices;
- in order to carry out a uniform administration, implementation of the same ERP system in all subsidiaries;
- establishment of new procedures typical of the development within the group;
- modifications and updates of the existing procedures;
- implementation of a new reporting tool which permits financial data reporting on a regular basis (quarter, year). The reporting tool also permits development of KPIs and regular assessments thereof.

4.3.7.9.4 Information and Communication

In order to be able to present reliable financial information, ThromboGenics makes use of a standardized reporting of accounts and a global application of IFRS recognition criteria.

Data and information protection. Depending on the type of data, a specific policy is applicable. Rights are granted per disk and folder to groups of persons or to specific persons only (user directory), the user rights are defined by the Windows user/login for both regular data files and database. The rights are granted in such a way that only those files or data to which the user has access, can be read or modified. A back-up policy is available and all data are being backed up centrally on a weekly base and locally on a daily base.

4.3.7.9.5 Supervision and Modification

Supervision is carried out by the Board of Directors, through the activities of the Audit Committee and Executive Team.

- It is the task of the Audit Committee to monitor the effectiveness of the internal audit and risk analysis.
- The Executive Team supervises the implementation of internal audit and risk management, taking into consideration the recommendations of the Audit Committee.

The modifications comprise numerous day-to-day activities such as:

- management by operational supervisors;
- data exchange with third parties for confirmation purposes (e.g. suppliers/customers);
- supervision of division of functions;
- control by external auditors and internal and external controllers.

It is the opinion of ThromboGenics that periodic evaluations are necessary to assess the effectiveness of the internal audit and the implemented procedures. As of today, there is not yet a dedicated internal audit function. However, the Group does not exclude creating such a function in the future.

External Audit

External auditing within ThromboGenics is performed by BDO Bedrijfsrevioren, represented by Bert Kegels, Company Auditor. This mission includes the auditing of the statutory annual accounts, the consolidated annual accounts of ThromboGenics NV and its subsidiary.

The auditor's remuneration was 84,975 euro.

4.3.7.10 Remuneration Report Financial Year 2014

4.3.7.10.1 Remuneration policy in general

The remuneration policy of the Company aims to attract reputable persons with the necessary experience to ensure continuing sustainable and profitable growth. The policy should support the retention and motivation of these persons. The remuneration policy is determined by the Board of Directors upon proposal of the Remuneration Committee and in determining the performance criteria in consultation with the CEO.

The total remuneration package for the members of the Executive Team is composed of three elements:

- a fixed monthly compensation;
- a variable component, partly based on corporate targets, partly based on individual performance indicators;
- equity based compensation in the form of warrants.

Each of these components is explained in more detail below. The principles for the fixed and variable remuneration are already several years in place and the Company does not expect any major changes in the near future. A part of the individual remuneration package depends on the realized performance indicators and will vary over time. There can be some differences in the allocation between the individual members of the Executive Team. No reclamation right is foreseen for the variable component of the remuneration package.

No shares are granted to the members of the executive team.

Some members of the executive team have the right to a contractual notice, which cannot, however, exceed 18 months.

For the remuneration of the members of the Board of Directors, the Board of Directors makes a proposal to the General Meeting. The remuneration of the non-executive directors is composed of a fixed annual remuneration and attendance fees. The attendance fees count for about 70 percent of the total remuneration. The non-executive directors have no right to a severance pay.

4.3.7.10.2 Directors' remuneration

Non-executive directors

Non-executive directors at ThromboGenics are entitled to fixed annual remuneration and attendance fees:

- There is a fixed annual remuneration for non-executive board members of 10,000 euro per year
- There is also an attendance fee of 2,000 euro per meeting, for board meetings as well as committee meetings

The remuneration of the executive directors and the Chairman of the Board of Directors is mentioned below.

This remuneration structure encourages an active participation in both board and committee meetings. The fixed remuneration for the non-executive members is justified by the fact that the proper operation of these committees requires adequate preparation by the 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 than their fixed directors' remuneration and their attendance fees, except for David Guyer who provides additional ad hoc consultancy services.

On an individual basis following amounts have been paid over the book year ended December 31, 2014:

- David Guyer 22 k euro
- Innov'Activ BVBA, represented by Patricia Ceysens 25 k euro
- Jean-Luc Dehaene 9 k euro
- Lugost BVBA, represented by Luc Philips (end on June 30, 2014) 19 k euro
- Thomas Clay 32 k euro

For the non-executive directors no severance pay is foreseen.

Executive directors

Executive directors at ThromboGenics are entitled to fixed annual remuneration and attendance fees:

- There is a fixed annual remuneration for executive board members of 10,000 euro per year
- There is also an attendance fee of 2,000 euro per meeting, for board meetings as well as committee meetings

This remuneration structure encourages an active participation in both board and committee meetings. The fixed remuneration for the executive members is justified by the fact that the proper operation of these committees requires adequate preparation by the members.

On an individual basis following amounts have been paid over the book year ended December 31, 2014:

- Lugo BVBA, represented by Luc Philips (as of July 1, 2014) 13 k euro
- Paul Howes 9 k euro

Executive directors, ViBio BVBA, represented by Patrik De Haes and Sofia BVBA, represented by Chris Buyse, did not receive any compensation for their board mandates. The compensation to ViBio BVBA, represented by Patrik De Haes, in respect of his CEO responsibilities is outlined below.

For the executive directors no severance pay is foreseen.

Chairman Board of Directors

Given the important and active role in the operational and strategic guidance of the Company, ThromboGenics paid over the fiscal year 2014 the following amounts to Viziphar BVBA with Staf Van Reet as permanent representative:

- a fixed remuneration of 20,000 euro;
- an attendance fee of 4,000 euro per meeting, for board meetings as well as committee meetings

On an individual basis following amount has been paid over the book year ended December 31, 2014:

- Viziphar BVBA, represented by Staf Van Reet
  96 k euro (of which 12 k euro is a correction on the year 2013)

The Company did not enter into any insurance scheme for the Chairman.

CEO

In the financial year 2014, ThromboGenics paid 711 k euro of remuneration in respect of the CEO, ViBio BVBA with Patrik De Haes as permanent representative. This includes:

- a fixed remuneration comprising a base fee of 422 k euro and a retention fee of 183 k euro;
- expenses for an amount of 21 k euro;
- a variable component of 85 k euro; this amount was agreed upon in December 2014. This variable compensation is based on predefined key corporate performance targets agreed between the CEO and the Remuneration Committee and validated by the Board of Directors. The criteria are related to the progress on the different (pre)clinical research programs as well as the turnover of JETREA® to be achieved and the financial results. The turnover of JETREA® was the most important criteria in 2014. The realization of these targets is evaluated at the end of the year by the Board of Directors. The total variable pay of the CEO in 2014 represents 12.4 % of the fixed remuneration.

The CEO participates in the different warrant plans that ThromboGenics has in place. In total the CEO is entitled to the following outstanding warrants:

- Under the warrant Plan "2010": 60,000 warrants at an exercise price of 15.49 euro/share to be vested over a period of 3 years.
- Under the Warrant Plan "2011": 72,000 warrants at an exercise price of 20.59 euro/share to be vested over the next 3 years at a rate of 2,000 warrants/month, starting in May 2011.

The Company did not enter into any insurance scheme for the CEO.

At December 31, 2014, the CEO holds 100,000 shares of ThromboGenics NV.

For the CEO a severance pay is foreseen. If dismissed, the CEO would get a severance pay of 12 months, except in case of change of control. In the latter case, the severance pay would be 12 months if the consultant would leave the Group on his own initiative or 18 months if the consultant would be asked to leave the Group.

4.3.7.10.3 Remuneration of the Executive Team

The members of the Executive Team for the year 2014 are:

- ViBio BVBA, represented by Patrik De Haes – CEO
- Sofia BVBA, represented by Chris Buyse – CFO (until June 30, 2014)
- Lugo BVBA, represented by Luc Philips– CFO ad interim (as from July 1, 2014)
- Paul Howes – Executive Director

In the financial year 2014, ThromboGenics paid for the executive team as a whole but excluding the CEO 341 k euro in management fees.

This amount includes:

- Fixed remuneration: 330 k euro.
- Variable annual bonuses: none.
- Pension: the Company did not enter into any insurance scheme for the Executive Team.
- Other: 11 k euro.

4.3.8. The Law of December 17, 2008, Related to Audit Committees

The Board of Directors confirms that, with regard to the Audit Committee, the Group does not comply with the law of December 17, 2008. Which is further developed by the Belgian Corporate Governance Code. For more information we refer to note 4.3.7.1.

4.3.9. R&D

Given the activities of ThromboGenics, the cost of R&D is very important. They represent more than 36% of total operating costs for the year 2014 compared to 39% in 2013. The government grants and income from recharge of costs are deducted from the research and development expenses from financial year 2014. These costs mainly consist of costs for clinical trials paid to third parties, personnel costs and depreciations. In 2013, a first depreciation on the capitalized costs related to the development in the context of Phase III of ocriplasmin for the treatment of vitreomacular adhesion was booked. In 2014 no new amounts were capitalized. This is in comparison to 3.7 million euro in 2013.

Done on March 12, 2015,
On behalf of the Board of Directors

4.4. Statutory auditor's report to the general shareholders' meeting of the company for the year ended 31 December 2014

As required by law, we report to you on the performance of our mandate of statutory auditor. This report includes our opinion on the consolidated financial statements, as well as the required additional statements. The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and the explanatory notes.

Report on the consolidated financial statements – unqualified opinion

We have audited the consolidated financial statements of the company ThromboGenics NV for the year ended 31 December 2014, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, which show a consolidated statement of financial position total of 220,714 thousand EUR and a consolidated income statement showing a consolidated loss for the year of 51,115 thousand EUR.

Responsibility of the board of Directors for the preparation of the consolidated financial statements

The board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA's). Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers the company's internal control relevant to the preparation of consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We have obtained from the board of Directors and company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the consolidated financial statements of the company ThromboGenics NV give a true and fair view of the group's equity and financial position as at 31 December 2014, and of its results and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The board of Directors is responsible for the preparation and the content of the Director's report on the consolidated financial statements.

In the context of our mandate and in accordance with the Belgian standards which are complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statement, which does not modify the scope of our opinion on the consolidated financial statements:

- The Director's report on the consolidated financial statements includes the information required by law, is consistent with the consolidated financial statements and is free from material inconsistencies with the information that we became aware of during the performance of our audit engagement.

Zaventem, 12 March 2015

BDO Réviseurs d'Entreprises Soc. Civ. SCRL
Statutory auditor
Represented by

Bert Kegels
Registered auditor

5.SHARES AND SHAREHOLDERS

5.1. Share capital and shares

On December 31, 2014, the share capital of ThromboGenics NV amounted to 162,404,449.73 euro, represented by 36,094,349 shares, all with the same fractional value. Under section 4.1.4. an overview is offered of the evolution of the Company's share capital.

The Board of Directors is authorized, within the limits of the authorized capital, to restrict or exclude the pre-emption right of the shareholders in the interest of ThromboGenics and in accordance with article 596 and following the Belgian Company Code. The Board of Directors is authorized to restrict or exclude the pre-emption right of the shareholders in favor of one or more persons, even if these persons are not employees of ThromboGenics or its subsidiary.

5.2. Warrant plans

ThromboGenics has created a number of warrants, the latest being a plan of 720,000 warrants giving right to one share each as decided by the extraordinary shareholders meeting of December 4, 2014. Paragraph 4.2.29 gives more detailed information on the warrant plans and outstanding warrants at the end of 2014.

5.3. Shareholders

The following table shows the Company's largest shareholders at the end of December 2014 on the basis of the notifications which the Company has received from parties who, by means of a transparency declaration, have informed the Company of their ownership of ThromboGenics' shares.

	Shares	% of total number of shares
Biggar Ltd	2,111,121	5.9%
Mr Landon T. Clay and entities under control	1,071,061	2.97 %
Mr Thomas M. Clay and entities under control	2,790,062	7.73%

5.4. Notification of important participations

Belgian law, in conjunction with the articles of association of ThromboGenics, imposes disclosure requirements on any individual or entity acquiring or transferring voting securities or securities which give a right to voting securities, as soon as, following such acquisitions or transfer, the total number of voting rights directly or indirectly held by such individual or entity, alone or jointly with others, increases above or falls below a threshold of 3 percent, 5 percent, or any multiple of 5 percent, of the total number of voting rights attached to the Company's securities. A shareholder whose shareholding increases above or falls below any such thresholds must, each time, disclose this fact to the FSMA and to the Company. The documents pursuant to which the transaction was effected must be submitted to the FSMA. The Company is required to publicly disclose any notifications received regarding increases or decreases in a shareholder's ownership of the securities of ThromboGenics on the next business day, and must mention these notifications in the notes to its annual accounts. Euronext Brussels will publish details of the notifications.

5.5. Financial service – Paying agent services

The financial service for the shares will be provided in Belgium by KBC Bank, free of charge for the shareholders.

Shareholders must themselves solicit information with regards to costs relating to financial services offered by other intermediaries.

6.CORPORATE GOVERNANCE ADDITIONAL

6.1. General provisions

This section will develop the requirements for Corporate Governance not included in the Annual report of the Board of Directors on the consolidated accounts but required in the general annual report.

6.1.1. Composition of the Board of Directors

The composition is detailed in section 4.3.7.2.

The following paragraphs contain a brief biography of each director in function at December 31, 2014:

StafVan Reet (Viziphar Biosciences BVBA), Non-Executive, Independent Director, Chairman
Staf Van Reet was formerly Managing Director of Janssen Pharmaceutica NV, Head of R&D of the Janssen Group and a member of the Group Operating Committee of the pharmaceutical sector of Johnson & Johnson. From 2000 until 2004 Staf was Vice President of the J&J Development Corporation, J&J's venture arm. He was co-founder of Movetis NV and Chairman of its Board of Directors until November 2010, when the company was acquired by Shire Sarl. Currently, Staf is Chairman of the Board of Directors of Actogenix NV and a director of Biocartis SA, Therasolve NV and VIB (the Flemish Institute of Biotechnology) as well as chairman of DoseVue NV. Staf holds a Master's and PhD degree in Bio-engineering Sciences from the University of Leuven (Belgium) and studied law at the University of Antwerp (Belgium). He is a qualified Belgian and European Patent Agent.

Patrik De Haes (ViBio BVBA), Executive Director
Patrik De Haes has over 25 years of experience in the global healthcare industry, covering product development, marketing and general management. Before joining ThromboGenics, Patrik was Head of Roche's Global Insulin Infusion business. Prior to this, he was President and CEO of Disetronic Medical Systems, Inc., a medical device company based in Minneapolis, USA. He also led the global development and commercialization of the first biotech product at Sandoz Pharma (now Novartis) in Switzerland. Patrik holds a degree in Medicine from the University of Leuven.

Chris Buyse (Sofia BVBA), Executive Director until June 30, 2014
Chris Buyse has more than 20 years experience in international company finance, including running and establishing best financial practice. Before ThromboGenics, as CFO of the Belgian biotechnology company CropDesign, he coordinated its acquisition by BASF in early 2007. Chris has also been Finance Director of WorldCom/MCI Belux, a European subsidiary of one of the world's largest telecom companies, and CFO and interim CEO of Keyware Technologies. He has also held financial positions at Spector Photo Group, Suez Lyonnaise des Eaux and Unilever. Chris holds a Master's Degree in Economics from the University of Antwerp and an MBA from the Vlerick Management School.

Thomas Clay, Non-Executive Director
Thomas Clay is Vice-President of East Hill Management company, LLC. He also serves as a Director of the Clay Mathematics Institute, Inc. and of Golden Queen Mining Co. Ltd. Thomas is a graduate of Harvard College, Oxford University, and Harvard Business School. Thomas replaced his father, Landon Clay, who led the first external investment into ThromboGenics and resigned from the Board of Directors in 2011.

Luc Philips (Lugost BVBA), Non-Executive, Independent Director until June 30, 2014; (Lugo BVBA) Executive Director as from July 1, 2014
Luc Philips holds a degree in commercial and financial sciences. He was CFO of the KBC Group until April 2011. He has held senior management and board positions at KBC Group, KBC Verzekeringen and KBC Bank, as well as Managing Director of Almanij. Luc is non-executive director of KBL European Private Bankers, serves as independent Director and Chairman of Whitewood Capital REIM and is an independent Director of PMV Infrastructure Fund. He also serves on the Board of Directors of

W&K, the university college of Science and Arts, associated with the University of Leuven.

Jean-Luc Dehaene, Non-Executive, Independent Director until May 15, 2014

Jean-Luc Dehaene has held several ministerial posts. He was Prime Minister of Belgium from 1992 to 1999 and was a Member of the European Parliament. He studied law and economic sciences in Namur and Leuven, Belgium. On May 15, 2014, Mr. Dehaene passed away.

Patricia Ceysens (Innov'Activ BVBA), Non-Executive, Independent Director

The Annual Shareholders' meeting in 2012, nominated Innov'Activ BVBA, represented by Patricia Ceysens as independent director. Patricia Ceysens is a member of the Flemish Parliament and has been Flemish Minister of Economy, Foreign Trade and E-government from 2003 to 2004 and Flemish Minister of Economy, Enterprise, Science, Innovation and Foreign Trade from 2007 to 2009. Today Patricia Ceysens presides over the commission of economy, sciences, innovation and labour. She is also board member of FWO and BeCommerce. She studied law at the Universities of Namur and Leuven, Belgium.

Dr David Guyer MD, Non-Executive, Independent Director

Dr David Guyer MD is a long standing member of the US retina community and is currently the Co-Founder and Chief Executive Officer of Ophthotech Corporation and also serves as Chairman of its Board of Directors. Dr Guyer is also on the Boards of Allocure and PanOptica. He co-founded and served as CEO and a Director of Eyetech Pharmaceuticals, Inc., where he led the company through private, public and corporate financings, and oversaw the rapid development and successful commercialization of Macugen® (pegap-tanib sodium), the first FDA-approved anti-VEGF pharmacological treatment for the treatment of wet AMD. Dr Guyer also had a successful career in academic medicine as Professor and Chairman of the Department of Ophthalmology at New York University School of Medicine. Dr Guyer received his Bachelor of Science (BSc) degree from Yale College summa cum laude and his medical degree (MD) from Johns Hopkins Medical School. He completed his ophthalmology residency at Wilmer Ophthalmological Institute at Johns Hopkins Hospital and a retinal fellow-ship at the Massachusetts Eye and Ear Infirmary at Harvard Medical School.

Paul G. Howes, Executive Director as from August 28, 2014

Paul G. Howes brings over 25 years of commercial strategy, product development and sales and marketing experience with a significant focus in the field of ophthalmology. Prior to joining the board of Inotek in September 2008, he was President of the Americas Region for Bausch & Lomb with leader-ship responsibility for the United States, Canada, Latin America and South America across Bausch & Lomb's Vision Care, Surgical and Pharmaceuticals business segments. During that time, he led a major expansion of the US pharmaceutical business and a highly successful turn-around of the US cataract surgical business. Prior to joining Bausch & Lomb in 2003, he spent the previous 16 years in various senior management roles at Merck & Co. Inc. This experience included roles as Executive Director of Hospital Marketing, Vice President of Sales and Marketing for Specialty Products, President & CEO of the DuPont Merck Pharmaceutical company and President of Merck Frosst Canada, Inc. Prior to Merck, he spent 11 years at Price Waterhouse Canada.

He is a graduate of Harvard College and earned his MBA from York University in Toronto, Canada. He also serves as Chairman of Prevent Blindness America and on the board of Kish Bancorp.

6.1.2. Board of Directors' Meetings in the Financial Year 2014

Section 4.3.7.3 details agendas and topics discussed on the board of directors during 2014.

Below is the attendance grid at the 2014 Board meetings

BOARD OF DIRECTORS	Viziphar Biosciences BVBA	ViBio BVBA	Sofia BVBA	Thomas Clay	Lugost BVBA / Lugo BVBA	Jean-Luc Dehaene	Innov'Activ	Dr David Guyer	Paul G. Howes
11 February 2014	present	present	present	present	present	present	present	excused	n.a.
20 February 2014	present	present	present	present	present	present	present	excused	n.a.
17 March 2014	present	present	present	present	present	excused	present	excused	n.a.
15 May 2014	present	present	present	present	present	n.a.	present	excused	n.a.
23 June 2014	present	present	excused	present	present	n.a.	present	present	n.a.
26 June 2014	present	present	excused	present	present	n.a.	present	present	n.a.
28 August 2014	present	present	n.a.	present	present	n.a.	present	excused	present
10-11 December 2014	present	present	n.a.	present	present	n.a.	excused	present	present

6.2. Committees within the Board of Directors

Section 4.3.7.4 details composition and working of Committees within the board of Directors.

Below is the attendance grid at the 2014 Committee meetings

AUDIT COMMITTEE	Lugost BVBA, Chairman (until June 30, 2014)	Viziphar Biosciences BVBA	Jean-Luc Dehaene	Thomas Clay, Chairman (since July 1, 2014)
17 March 2014	present	present	excused	present
26 June 2014	present	present	n.a.	present
28 August 2014	n.a.	present	n.a.	present
10 December 2014	n.a.	present	n.a.	present
NOMINATION and REMUNERATION COMMITEEE	**Viziphar Biosciences BVBA, Chairman**	**Jean-Luc Dehaene**	**Innov'Activ**	**Dr David Guyer**
11 February 2014	present	present	present	excused
17 March 2014	present	excused	present	excused
26 June 2014	present	n.a.	present	present
28 August 2014	present	n.a.	present	excused
10 December 2014	present	n.a.	excused	present

6.3. Conflicts of Interest of Directors and members of the executive team and Transactions with Affiliated Companies

We refer to section 4.3.4. where this topic has been handled.

6.4. Executive team

This section displays a brief biography of each executive team member in activity at December 31, 2014.

Patrik De Haes (ViBio BVBA) – Chief Executive Officer
We refer to the section 6.1.1.

Luc Philips (Lugo BVBA) – Chief Financial Officer ad interim
We refer to the section 6.1.1.

Paul G. Howes, Executive Director as from August 28, 2014
We refer to the section 6.1.1.

6.5. Employees and headcount development

As of December 31, 2014, the Company employed 120 employees

- 83 for ThromboGenics NV: 78 in Leuven, Belgium; 2 home based employees in the UK, 1 in France, 1 in Denmark and 1 in Germany.
- 37 in ThromboGenics, Inc. (New Jersey, US and home-based employees)

The personnel of the Company counts 31 employees holding a Doctoral degree and 41 employees holding a Master's degree.

In 2015 our contracted salesforce in the US will be transferred to ThromboGenics, Inc.

6.6. Description of the Principal Characteristics of the Company's Risks

Section 4.3.7.9 has described the principal characteristics of the Company's internal audit and risk management.

This section will further develop components of each risk listed;

Development of a new drug takes a long time before it reaches the market
The Group must conduct extensive pre-clinical and clinical trials of its drug candidates in order to demonstrate their safety and efficacy in humans before it can receive the necessary approval from the regulatory authorities to market these drug candidates. Clinical trials are expensive and time-consuming, and their results are highly uncertain.

Government regulation & guidelines
The products of ThromboGenics must receive marketing approval from the European Medicines Agency (EMA), from the US Food and Drug Administration (FDA) or from regulatory authorities in other jurisdictions before the drug candidates may be marketed in a specific market. Each regulatory authority can impose its own requirements and can refuse to give the approval or can ask for additional data before giving the marketing approval for the product, even if such approval was already given by other authorities. Changes in the policy of the regulatory authorities for granting approval or the introduction of additional requirements by the regulatory authority for granting approval can mean that drug candidates do not get marketing approval at all, or that such approval may be delayed. Moreover, the process for obtaining approval from the regulatory authorities is expensive and highly time-consuming, and the period necessary for obtaining the marketing approval is difficult to predict.

Reimbursement of drugs will be even more important in the future
Even though the Group has launched JETREA® in the most important markets where it has received either reimbursement or a positive recommendation from the concerned national authorities, it cannot guarantee that the reimbursement climate in these countries will not change in the future. On January 1, 2014, the Company has received the J-code for JETREA® in the US enabling a smooth reimbursement process.

Reliance on collaborative partners
The Company is dependent on current and future collaborative arrangements with experienced partners to complete the development of certain of its existing and future drug candidates and to commercialize them successfully. These collaborative arrangements may place the development and commercialization of its drug candidates outside of the Group's control and may require the Company to relinquish important rights. If the Group fails to enter into collaborations on favorable terms or none at all, its ability to develop and commercialize existing or future drug candidates could be delayed and its costs of development and commercialization could increase.

The Group's dependence on collaborative arrangements with experienced partners subjects it to a number of risks, including the following:

- the Company may not be able to control the amount or timing of resources that its collaborative partners devote to its drug candidates;
- the Company may be required to relinquish important rights, including intellectual property, marketing and distribution rights;
- the Company may not receive any future milestone payments or royalties if a partner fails to develop or commercialize one of its drug candidates;
- a partner may develop a competing drug candidate either by itself or in collaboration with others;
- the willingness or ability of a partner of the Company to fulfill its obligations under the collaboration arrangements may be adversely affected by changes in the partner's business strategy.

If any of these risks were to materialize, the Company's ability to develop and commercialize one or more of its drug candidates could be impaired.

More specifically, the results of the Group depend largely on how successful its partner Alcon, who has obtained the exclusive rights on JETREA® except for the US, will be in selling the product. Also the future possible milestone payments, which can add up to 210 million euro, are solely based on and depend on the sales figures of Alcon and, therefore, ThromboGenics has no control over them.

The Group cannot guarantee that the drug candidates will demonstrate sufficient safety or efficacy in the studies needed to obtain marketing approval. Moreover, the results from earlier pre-clinical or clinical trials may not accurately predict the results of later-stage trials. The clinical trials may be suspended or terminated if participating subjects are exposed to unacceptable health risks, or if the drug candidates cause undesired side effects. Clinical trials may be discontinued or the development of the drug candidates may be abandoned if the clinical trials produce negative or inconclusive results.

The Company relies on third parties to supply the active pharmaceutical ingredients for some of its drug candidates and to produce clinical and commercial quantities of these drug candidates. If the Company would lose any of these third parties as partners and/or Contract Manufacturing Organizations (CMOs) or if they would fail to provide ingredients of a satisfactory quality, in sufficient quantities, at acceptable prices and in a timely manner, the clinical development and commercialization of its drug candidates could be materially delayed.

Dependency on partners in R&D

The Group relies on third-party clinical investigators to conduct its clinical trials and other third parties to oversee the operations of such clinical trials, to perform data collection and analysis, safety reporting and other activities. The Group may have no or limited control over these third parties and the Group cannot guarantee that they will perform their obligations in an efficient and timely manner. If the clinical investigators and other third parties fail to meet their obligations, the Company may experience significant delays or failures in its clinical development programs and in the commercialization of its drug candidates.

Enrolling patients in the studies depends on many factors, including:

- the limited number of patients available for clinical trials, due to e.g. competition for patients by clinical trial programs for other treatments;
- the therapeutic endpoints chosen for evaluation;
- the eligibility criteria for the clinical trial;
- the size of the patient population required for analysis of the trial's therapeutic endpoints;
- the Group's or its potential future partners' ability to recruit clinical trial investigators with the appropriate competencies and experience;
- the proportion of patients leaving the study before reaching an endpoint; and
- the availability of adequate insurance.

The Company or its potential future partners may experience difficulties in enrolling patients in clinical trials, which could increase the costs of these trials and adversely affect their timing and outcome.

ThromboGenics may be unable to in-license or purchase new drug candidates on commercially attractive terms.

The Company relies on its ability to develop promising new intellectual property and compounds with a high commercial potential via Flanders Institute for Biotechnology (VIB) and KULeuven and other partners or via its own internal research and development. ThromboGenics intends either to license the rights to such compounds, to purchase them or to acquire companies which own them. As a result, its future success partly depends on its ability to establish collaborations with third parties to license promising new compounds or to finance the licensing or purchase of these compounds or the companies that own them.

The market might not be ready for our drug candidates
Upon commercialization, the Group's drug candidates may not gain acceptance by patients, physicians and other healthcare professionals. Market acceptance of the Group's drug candidates will depend on, among other things, the Group's ability to demonstrate the drug candidates' clinical efficacy, safety, cost-effectiveness, convenience and ease of administration as well as its other advantages over alternate treatments. Additionally, the Company's or its partners' ability to promote and market its drug candidates and its ability to obtain sufficient coverage or reimbursement from third party payers may impact the commercial success of its drug candidates. If the Group's drug candidates fail to gain market acceptance, it may have a material adverse impact on the Group's ability to generate revenues.

The pharmaceutical market is highly competitive
The market for pharmaceutical drugs is highly competitive. The Company faces significant competition in the research, licensing, development and commercialization of its drug candidates.

The Group's competitors may bring drugs to the market more rapidly than the Company and may develop drugs which are more effective, more affordable or with better side effect profiles than the Company's drugs and drug candidates. Competing drugs may gain faster or greater market acceptance than the Company's drugs and medical advances or rapid technological development by competitors may result in the Company's drug candidates becoming non-competitive or obsolete before the Company is able to recover its research and development and commercialization expenses.

Exposure to patents and property rights violation
The Group's success will depend in part on the ability of the Group and its licensees to obtain, maintain and enforce its patents and other intellectual property rights. The Company's drug candidates are covered by several patent families, which are either licensed to the Group or owned by the Group. The Group cannot guarantee that it or its licensors will be able to obtain or maintain these patents rights against third-party challenges to their validity, scope and enforceability.

Because patent law in the biopharmaceutical industry is highly uncertain, the Group cannot assure that its current or future patent applications will be issued. Nor can the Company assure that the scope of its current or future patents will be sufficiently broad to provide commercially meaningful protection against infringement by third parties.

The Group also relies on trade secrets and proprietary know-how to protect its drugs, drug candidates and production platforms. The Group makes reasonable efforts to maintain its trade secrets, but it cannot assure that its partners, employees, consultants, advisors or other third parties will not willfully or unintentionally disclose proprietary information to competitors.

The enforcement of patents, trade secrets, know-how and other intellectual property is costly, time-consuming and highly uncertain. The Group cannot guarantee that it will be successful in preventing the misappropriation of its patents, trade secrets, know-how and other intellectual property rights and those of its licensors.

The Group's success will depend in part on its ability to operate without infringing on or misappropriating the proprietary rights of others. The Group cannot guarantee that its activities, or those of its licensors, will not infringe on the patents owned by others. The Group may expend significant time and effort and may incur substantial costs in litigation if the Company is required to defend against patent suits brought against the Group or its licensors. If the Group or its licensors are found to infringe on the patents or other intellectual property rights of others, it may be subject to substantial claims for damages, which could materially impact the Company's cash flow and financial position.

Dependency on and ability to attract key personnel and managers
Being a small Company with approximately 120 employees and managers, the Group's success depends on the continued contributions of its principal management and scientific personnel and on its ability to develop and maintain important relationships with leading academic institutions, scientists and companies in the face of intense competition for such personnel, institutions and companies. Although ThromboGenics generally has not experienced substantial problems retaining key employees, its employees can terminate their employment with the Group at any time.

The Group has incurred operating losses since its foundation
For 2012 and 2013, the Group has reported net profits. These net profits were integrally attributable to the non-recurring milestone payments received under the Alcon agreement. The recurring product sales of JETREA® in the US supplemented with the received royalties from Alcon on the sales ex-US are not yet sufficient to cover the recurring costs of the Group.

The Group anticipates that in future it may make further net losses as it incurs additional research and development and general and administrative expenses in its efforts to further develop

and commercialize its drugs and drug candidates. These losses, among other things, will cause the Group's working capital and shareholders' equity to decrease. If the Company is unable to successfully develop and commercialize its drugs and drug candidates, the Company may never become profitable on a consistent basis.

Need for additional financing and access to capital

The Group is confident that its current cash position will be sufficient to carry out the business plan as it now stands for at least the next 2 years. The Company's future financing needs will depend on many factors, including the progress, costs and timing of its research and development activities, the costs and timing of obtaining regulatory approval, the costs of obtaining, maintaining and enforcing its patents and other intellectual property rights, the costs and timing of maintaining or obtaining manufacturing for its drugs and drug candidates, the costs and timing of establishing sales and marketing capabilities and the terms and timing of establishing collaborations, license agreements and other partnerships.

Currently only one commercial product

The turnover will depend the next years on the sales of only one product, JETREA®. The other drug candidates are still in an early phase of development and chances that they can be commercialized successfully is uncertain. The future results of JETREA® will also depend to the extent to which the Company is able to develop additional label extensions such as diabetic retinopathy.

7. STATUTORY ANNUAL ACCOUNTS OF THROMBOGENICS NV

7.1. Abbreviated Statutory Annual Accounts

The Annual Accounts of ThromboGenics NV are presented in an abbreviated form.

The Annual Report, the Annual Accounts and the opinion of the statutory auditor are, according to art. 98 and 100 of the Company code, deposited at the National Bank of Belgium. On request a copy of these documents can be obtained.

The full version of the statutory Annual Accounts and the reports are available free of charge for the public upon request to:

ThromboGenics NV
to the attention of Dominique VANFLETEREN
Gaston Geenslaan 1
B-3001 Leuven
Belgium
Tel: +32 16 75 13 17
Fax: +32 16 75 13 11
e-mail: dominique.vanfleteren@thrombogenics.com

There is also an electronic version of the full Statutory Annual Report and the reports which can be obtained via the internet from the ThromboGenics' website (www.thrombogenics.com).

The statutory financial statements as filed with the Belgian National Bank are based upon Belgian GAAP. An unqualified audit opinion will be issued by the statutory auditor.

Balance sheet of ThromboGenics NV

In '000 euro (for the year ended on 31 December)	2014	2013
ASSETS		
Fixed Assets	70,432	77,922
Intangible fixed assets	66,852	73,674
Tangible fixed assets	2,676	3,345
Financial fixed assets	904	903
Current assets	147,684	191,261
Amounts receivable after more than one year	8	8
Inventories and work in progress	7,187	6,069
Amounts receivable within one year	14,700	11, 270
Current investments	3,834	28,773
Cash and banks	117,963	140,953
Deferred charges and accrued income	3,992	4,188
TOTAL ASSETS	218,116	269, 183
LIABILITIES		
Equity	210,802	262,033
Capital	162,404	162,404
Share premium account	157,661	157,661
Accumulated profits (losses)	-109,263	-58,032
Amounts payable	7,314	7,150
Amounts payable after more than one year	0	0
Amounts payable within one year	5,337	7,022
Accrued charges and deferred income	1,977	128
TOTAL LIABILITIES	218,116	269,183

Income statement of ThromboGenics NV

In '000 euro (for the year ended on 31 December)	2014	2013
Operating income and charges		
Gross margin	-34,377	48,607
Remuneration, social security costs and pensions	-11,216	-10,534
Depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	-8,041	-20,341
Amounts written down stock, contracts in progress and trade debtors - Appropriations (write-backs)	1,087	-1,704
Other operating charges	-3,174	-6
Operating profit (loss)	-55,721	16,022
Financial income	4,720	1,684
Financial charges	-230	-3,706
Gain (loss) on ordinary activities before taxes	-51,231	14,000
Extraordinary income	1	19
Extraordinary charges	0	-1
Profit (loss) for the period before taxes	-51,230	14,018
Income taxes	-1	-1
Profit (loss) for the period	-51,231	14,017
Profit (loss) for the period available for appropriation	-51,231	14,017

Appropriation account of ThromboGenics NV

In '000 euro (for the year ended on 31 December)	2014	2013
Profit (loss) to be appropriated	-109,263	-58,032
Gain (loss) to be appropriated	-51,231	14,017
Profit (loss) to be carried forward	-58,032	-72,049
Profit (loss) to be carried forward	-109,263	-58,032

7.2. 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, 2014.

7.2.1. Discussion of Statutory Accounts

The 2014 financial year closed with a loss of 51,231,339 euro compared to a profit of 14,017,101 euro for the 2013 financial year.

The operating income for the 2014 financial year amounted to 17,024,093 euro and consists of 33,346 euro in turnover from licensing agreements, 3,396,834 euro from royalties, 4,341,324 euro from product sales, 1,302,795 euro from grants, and the balance relates to costs carried forward and other operational revenue.

The operating expenses for the financial year 2014 amounted to 72,745,755 euro compared to 93,570,871 euro for the financial year 2013. These operating expenses break down as 7,507,793 euro in purchases, 43,893,243 euro in services and various goods, 11,216,098 euro in salaries and social security, 8,040,932 euro in depreciations of which 6,781,393 euro is a depreciation on the capitalized cost of the research and development of ocriplasmin, and 3,174,204 euro in other operating expenses. Therefore, the operating loss amounts to 55,721,662 euro, compared to a profit of 16,021,369 euro a year earlier.

The financial results were positive on balance: 4,720,207 euro in financial revenue, compared to 229,682 euro in financial expenses.

In addition for the financial year 2014, an extra amount of 567,277 euro was invested, mostly in laboratory equipment and office modeling.

7.2.2. Capital raises and issue of new shares

ThromboGenics NV was founded on May 30, 2006, with a capital of 62,000 euro represented by 11,124 shares. As of December 31, 2013, the capital of the Company amounted to 162,404,449.73 euro represented by 36,094,349 shares. During 2014, there was no capital increase.

On December 31, 2014, the capital of the Company thus amounted to 162,404,449.73 euro represented by 36,094,349 shares.

7.2.3. Risks

In adherence to the Belgian company law, ThromboGenics has decided to inform shareholders of the risks associated with the Company.

In 2014, ThromboGenics potentially was subject to the following risks:

- To reach market a drug candidate has to go through expensive preclinical and clinical studies which require a lot of time and outcomes of each phase are always uncertain.

- The guidelines and rules issued by various authorities are very strict and impact is difficult to predict.
- Obtaining reimbursement of drugs will be even more important and difficult to obtain in the future.
- ThromboGenics is largely dependent on partners to generate revenue in the short and medium term, as well as to provide expertise on production, sales, marketing, technology and license and property rights in the longer term.
- ThromboGenics is dependent on partnerships in its R&D operations.
- It is possible that ThromboGenics is unable to obtain a license for new candidate drugs.
- It is possible that the market is not ready for the candidate drugs of ThromboGenics.
- The pharmaceutical market is highly competitive, with players having much stronger financial resources than our Company.
- ThromboGenics may be exposed to violations of patents or other intellectual property rights.
- ThromboGenics may face difficulties in attracting well qualified staff.
- ThromboGenics has no background of operational profitability due to the substantial spending on research and development.
- It is possible that ThromboGenics will need additional financial investments to provide for additional future activities.
- ThromboGenics has currently only one commercial product.

In 2014, financial risk management focused on:
- Credit risks: Credit risk is limited to the US market where the Company has three main distributors which are creditworthy.
- Interest risks: The Group does not have any financial debts and as such does not have material interest risks.
- Currency risks: ThromboGenics is moderately subject to exchange rate risks and will use incoming foreign currencies (USD and GBP) to cover outgoing foreign currencies. Uncovered outgoing foreign currencies will be honored by exchanging euro. In 2014 ThromboGenics has not used financial instruments to cover such risks.

7.2.4. Conflicts of Interest of a patrimonial nature of Directors (article 523 Belgian Company Code)

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

In 2014, seven such cases of conflict of interest occurred:

Board of Directors of March 17, 2014

"4. CONFLICT OF INTERESTS

Prior to the start of the deliberations, the procedure set out in article 523 of the Belgian Companies Code (the BCC) was applied.

In accordance with article 523 of the BCC every director present at the meeting was asked to, if relevant, disclose his/her, direct or indirect, patrimonial interest with regard to each the decision on the agenda of the meeting of the board of directors.

4.1 Conflict of interests with respect to the strategic review process and a transaction

(a) Declaration

Thomas Clay, Patrik De Haes and Chris Buyse declared that they had a conflict of interests within the meaning of article 523 of the BCC with regard to agenda item [8], ie the strategic review, and more specifically, the preparation by the Company of, and the potential entry by the Company into, a transaction with a strategic partner involving a public takeover bid on all of the Company's shares and warrants (the Transaction), in the context of which certain information will need to be provided to interested parties (access to management, opening of data room and organisation of Q&As and management presentation sessions, etc).

This conflict of interest is also implied in the appointment of Morgan Stanley as financial advisor to the Company in the context of its on-going strategic review, given that this review may lead to and accelerate a Transaction.

This conflict of interest results from the following circumstances:

(i) Thomas Clay is a shareholder of the Company;
(ii) Patrik De Haes is a shareholder and warrant holder of the Company;
(iii) Chris Buyse is a shareholder and warrant holder of the Company.

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

(b) Description of the resolution and justification

The proposed resolution relates to a possible Transaction by the Company and the actions in preparation thereof, ie the granting

of access to a data room, the organisation of Q&As, management presentation sessions and other steps in order for interested parties to gather [clinical and other] information. Such information will be required for potential buyer to make an assessment of the Company and facilitate the completion of the Transaction.

Morgan Stanley will be advising the Company on the strategic review and coordinating the Transaction process.

Interested parties will only be considered for data room access and attendance of management presentations after they have signed a confidentiality agreement and appropriate data room rules in order to protect the Company's interests.

(c) Financial consequences

The actions in preparation of a possible Transaction will imply a series of direct or indirect expenses related to, among other things, the time and effort of the management, fees for the financial advisor, expenses related to organising a virtual data room and further expenses related to external legal counsel advising on a possible Transaction. The external expenses are hereby estimated between EUR 5 Mio and EUR 10 Mio., the larger part being success based.[3]

These expenses are justified by the fact that they would enable (i) the Company to explore its strategic option, including finding a strategic reference shareholder in order to realize the significant commercial potential of JETREA® in the US, and to fully capitalise on the Company's proven product development capabilities and (ii) the Transaction to complete under the best possible conditions for all shareholders, employees and other stakeholders of the Company.

Furthermore, certain expenses are justified by the fact that it is critical for the Company that there is no unwanted disclosure of information. This concerns (i) the possible disclosure of a possible Transaction as well as (ii) the disclosure of commercially sensitive information relating to the Company's activities. The potential damages that the Company could incur in this respect justify the Company taking all the necessary precautions in order to avoid unwanted disclosure, in particular through confidentiality agreements, the use of an online data room and selection and screening of information that is rendered available.

4.2 Conflict of interests with respect to special incentive and retention arrangement

(a) Declaration

Patrik De Haes and Chris Buyse declared that they have a conflict of interests within the meaning of article 523 of the BCC with regard to agenda point [9], ie the entry by the Company into a special incentive and retention arrangement with each of Patrik De Haes and Chris Buyse in the context of the strategic review.

This potential conflict of interest arises because both the CEO and the CFO will, in order to ensure their full cooperation in the context of the strategic review and preparation of a possible Transaction and to ensure their continued employment by the Company throughout and following a Transaction, be offered the opportunity to enter into a special incentive and retention arrangement with the Company.

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

(b) Description of the resolution and justification

The proposed resolution relates to the entry by the Company into a special incentive arrangement with Patrik De Haes and Chris Buyse in the context of the strategic review. The purpose of the special incentive and retention arrangement is to create an incentive for the CEO and the CFO, who could potentially make an important contribution to (i) the search for a strategic partner, (ii) the success of a possible Transaction and (iii) the retention of key team members during this process. Their special incentive remuneration would be aligned with the fees agreed with the financial advisor, to create a common interest between the Company, the financial advisor and the management in the interest of all stakeholders. The special incentive remuneration may vary between EUR 0 and EUR 2,600,000.00 for the CEO and EUR 0 and EUR 1,560,000 for the CFO and will vest and become payable in three instalments with a short-term component, mid-term component (2016) and long-term component (2017).

The resolution is justified based on the fact that the cooperation of the CEO and the CFO is important in order to achieve a successful completion of a possible Transaction. Furthermore, their continued employment by the Company and the fact that this will

3 Due to the decision of the Board of Directors to continue as a stand-alone company, no success fee has been paid. The only cost will be the cost of the expenses made by Morgan Stanley during the strategic review process. This cost will be less than EUR 0.1 Mio.

be communicated to interested parties will ensure that a possible Transaction can take place under conditions which would benefit the Company and all of its stake holders.

The board of directors is of the opinion that a Transaction would be in the corporate benefit of the Company. Therefore, the board of directors is of the opinion that any decisions required to increase the chances of success of a possible Transaction are also in the corporate benefit of the Company.

(c) Financial consequences

The maximum financial impact of the special incentive fee for the Company is set out under paragraph (b) above. If no financial advisor fees have become due and payable on or before the last date of vesting (ie on or before 2017) the CEO and CFO will not be entitled to receive any payment under the special incentive and retention arrangement.

4.3 Conflict of interests with respect to indemnity agreements

(a) Declaration

Thomas Clay and David Guyer have a conflict of interests within the meaning of article 523 of the BCC with regard to agenda point [10], ie the entry by the Company into indemnification agreements with both David Guyer and Thomas Clay.

This potential conflict of interest arises because it is proposed that both David Guyer and Thomas Clay enter into separate indemnification agreements with the Company, under which the Company will undertake to indemnify them for and hold them harmless, to the fullest extent permitted by applicable law, against all future claims from third parties against them in their capacity as directors of the Company, and all liabilities, losses and expenses (including court and attorneys' fees) reasonably incurred in connection with any such claims. This indemnification shall apply only to the extent that such claims are not covered by the Company's D&O Policy or any other relevant insurance policy to his benefit.

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

(b) Description of the resolution and justification

The proposed resolution relates to the entry by the Company into separate indemnification agreements with both David Guyer and Thomas Clay (in respect of any claims from third parties, ie not only in the context of a possible Transaction).

The resolution is justified based on the fact that the cooperation of both David Guyer and Thomas Clay as directors of the Company is important in order for the Company to be successful. The board takes the view that [their specific skills and (financial and sector) experience will bring a valuable contribution to the board of directors and will increase the chances of the Company achieving its full potential.]

(c) Financial consequences

The maximum financial impact of the indemnification agreements for the Company is not capped, and therefore not known. However, the indemnification obligations shall apply only to the extent that claims by third parties are not covered by the Company's D&O Policy or any other relevant insurance policy.[4]

6. RESOLUTIONS

After deliberations had taken place, the board of directors adopted the following resolution by unanimous vote:

- *[…]*
- *The board of directors approved the preparation by the Company for a possible Transaction, including but not limited to the execution of Morgan Stanley's Engagement Letter, the entry into NDAs with interested strategic partners, the preparation of a data room, the organisation of management presentations, the sending of process letters to interested strategic partners inviting them to the data room and to submit proposals for the purchase of the shares of the Company and any other steps which are customary in this type of processes.*
- *The board of directors approved the special incentive and retention scheme for the CEO and the CFO.*
- *The board of directors approved the principle that the US based directors, ie Thomas Clay and David Guyer, are entitled to an indemnification undertaking by the Company.*
- *[…]"*

4 At this stage the Company nor its directors are involved in any litigation to which the indemnification clause would apply.

Board of Directors of June 26, 2014

"4. CONFLICT OF INTEREST

(a) Declaration

Lugost BVBA, represented by its permanent representative, Mr Luc Philips declared that it had a conflict of interest within the meaning of article 523 of the BCC with regard to agenda item 1, ie the appointment of Lugo BVBA as interim CFO. This potential conflict of interest arises because the management company of Mr Luc Philips, Lugo BVBA will, as interim CFO, enter into a management services agreement with the Company.

Mr Philips refrained from participating in the deliberation on and the decision-making process with regard to this agenda item.

(b) Description of the resolution and justification

It was stated that the proposed resolution relates to the Company's proposal to enter into a management services agreement with Lugo BVBA for the performance of its function as interim CFO.
It was noted that the justification for the proposed resolution was based on the fact that Lugo BVBA's assistance, as interim CFO, is important for the Company in order to ensure an effective follow up of the financial and accounting matters pending the search for a new CFO following Sofia BVBA's resignation as CFO.

The board took the view that Mr Philips' specific skills and financial and accounting experience would provide a valuable contribution to the Company and, given his knowledge of the Company, ie having been an independent director since its IPO, Mr Philips is best placed to ensure a smooth transition of the CFO function.

(c) Financial consequences of the proposed interim appointment

The board of directors noted that the financial impact for the Company of the proposed arrangement would be the management fee set out in the management services agreement, ie a base fee of EUR 15,000 per month plus a further EUR 1,500 per day for each day, in excess of 10 days a month, on which services are provided. The Chairman confirmed that the Company has obtained external HR advice that this remuneration is market conform.

The board of directors stated that it was of the opinion that the management services agreement was in the corporate interest of the Company.

5. RESOLUTIONS

After deliberations had taken place, the board of directors adopted the following resolutions by unanimous vote:

- *Based on the advice of the Remuneration and Nomination Committee, the board approved the appointment of Lugo BVBA (management company of Mr Luc Philips) as ad interim CFO and approved the management services agreement and authorised the Chairman and the CEO, each acting individually, to finalise and execute the management services agreement.*
- *[…]"*

Board of Directors of August 28, 2014

"4. CONFLICT OF INTEREST

4.1 Declaration

ViBio BVBA, represented by its permanent representative, Mr Patrik De Haes (CEO) declared that it had a conflict of interest within the meaning of article 523 of the BCC with regard to agenda items 1 to 3, ie the approval of a warrant plan under which warrants may be granted to the CEO, the inclusion of the CEO in the management retention plan and the increase of the CEO's severance pay to 12 months. This potential conflict of interest arises because the management company of Mr Patrik De Haes, ViBio BVBA will as the CEO be allowed to participate in the 2014 warrant plan, to be included in the management retention plan and to be granted extended severance period under its management agreement with the Company.

Mr De Haes refrained from participating in the deliberation on and the decision-making process with regard to these agenda items.

4.2 First resolution

(a) Description of the resolution and justification

It was stated that the proposed first resolution relates to the Remuneration and Nomination Committee's proposal to establish a warrant plan to incentivise and retain key personnel, including the CEO. The warrants issued under the warrant plan 2014 are to be issued with the cancellation of the preferential subscription rights in favour of certain persons, including ViBio BVBA and any vesting and performance conditions may have an impact on the value of these warrants.

It was noted that the justification for the proposed resolution was based on the fact that 2014 warrant plan aims to create a long-term incentive for employees and consultants of the Company and its subsidiaries who can make an important contribution to the success and the growth of the group and the CEO is certainly one of these key persons.

Also the warrant plan aims to promote the participation in the Company's share capital by employees and consultants, as well as to establish a continuous and long-term cooperation and to ensure the personal efforts from the employees and consultants as part of the development and success of the Company. By this warrant plan the Company wants to create a common interest between the participants, on the one hand, who, by exercising their warrants, have the possibility to share in the added value and growth of the Company and the shareholders of the Company, on the other hand, that is focused on increasing the value of the Company's shares.

Finally, with the grant of warrants the Company aims to retain the CEO as a key person for the implementation of the 20/20 Strategic Plan and the success of the Company on a stand-alone basis.

(b) Financial consequences

It was considered that the financial consequences for the Company are difficult to assess at this time. The exercise price of the offered warrants would be the lower of (i) the average closing price of the Company's Shares on the stock exchange over a period of thirty calendar days prior to the offer date or (ii) the closing price of the Company's Shares on the last business day prior to the offer date, without the exercise price being lower than the average closing price over a period of thirty days prior to the issue date. The issue of warrants is, from the Company's perspective, an inexpensive method of remunerating and incentivising its employees and senior management. If the delay in implementing warrant plan 2014 becomes significant or if warrant plan 2014 would not be implemented at all, the Company may have to increase the remuneration it pays which could represent a significant additional cost for the Company.

4.3 Second resolution

(a) Description of the resolution and justification

It was stated that the proposed second resolution relates to the Remuneration and Nomination Committee's proposal to include the CEO in the management retention plan.

In March 2014 the Company implemented a retention scheme for certain key managers in the context of the strategic review. The beneficiaries of the retention scheme are paid 50% on top of their monthly base salary during the months when the strategic review process was expected to run, i.e. until the end of 2014. As the special, tailor-made incentive scheme which was initially envisaged for the CEO and which would be linked to certain parameters of a strategic transaction was cancelled, the Remuneration and Nomination Committee proposed to include the CEO in the management retention plan in line with the other managers.

The purpose of the retention scheme is to encourage outstanding individuals, whose continued services are key to ensuring business continuity during and after the strategic review process, to continue their employment with the Company, by offering a retention bonus. Any unvested instalment is forfeited if the participant's professional relationship with the Company is terminated or has effectively ended on whatever grounds and for whatever reason (including death, retirement or permanent disability), or if the participant has notified his/her resignation or received notice of the termination.

(b) Financial consequences

The board of directors noted that the financial impact for the Company of the proposed inclusion would equal 50% of the CEO's fixed monthly fee over a period of 10 months.

4.4 Third resolution

(a) Description of the resolution and justification

It was stated that the proposed third resolution relates to the Remuneration and Nomination Committee's proposal to increase the CEO's severance pay to 12 months instead of 6 months. This would bring the CEO's severance package in line with that of the other managers.

(b) Financial consequences

The board of directors noted that the financial impact for the Company of the proposed increased CEO's severance pay could equal up to 6 months' fixed pay of the CEO's monthly fixed payment.

In the light of the above, the board of directors was of the opinion that these three resolutions are in the corporate interest of the Company.

5. RESOLUTIONS

After deliberations had taken place, the board of directors adopted the following resolutions by unanimous vote:

- *Based on the advice of the Remuneration and Nomination Committee, the board approved the warrant plan.*
- *Based on the advice of the Remuneration and Nomination Committee, the board decided to include the CEO in the management retention plan.*
- *Based on the advice of the Remuneration and Nomination Committee, the board decided to increase the CEO's severance pay to 12 months in-stead of 6 months.*

Mr De Haes (ViBio BVBA) refrained from participating in the deliberation on and the decision-making process with regard to these agenda items."

7.2.5. 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 34 of the Royal Decree of 14 November 2007)

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

Article 47 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 27, 2010. The Board of Directors has already used its powers for a total amount of twenty-seven million eight hundred forty-seven thousand nine hundred forty and eighty-four cent (27,847,940.84 euro).

"The Board of Directors is authorized, for a period of five (5) years from the publication in the Annexes to the Belgian Official Gazette of the deed of amendment to the articles of association dated May 27, 2010, to increase the share capital once or several times provided the cumulative amount of the increases does not exceed one hundred and thirty-one million one hundred and eighty-six thousand seven hundred and ninety-nine euro and eighty-five cent (131,186,799.85 euro). This authorization to the Board of Directors may be renewed.

If the capital is increased within the limits of the authorized capital, the Board of Directors will be authorized to request payment of an issue premium. If the Board of Directors so resolves, this issue premium will be booked as a distinct fund, which may only be limited or removed by a resolution taken at a shareholders' meeting in accordance with the provisions on amendments to the articles of association.

The Board of Directors is authorized to amend the Company's articles of association to record any capital increase decided on within the limits of the authorized capital.

This Board of Directors' authorization will be valid for capital increases subscribed for in cash or in kind through the capitalization of reserve funds, with or without issuing new shares. The Board of Directors is authorized to issue convertible bonds or warrants within the limits of the authorized capital.

The Board of Directors is authorized, within the limits of the authorized capital, to limit or declare inapplicable the preferential subscription rights granted by law to the holders of existing shares if in so doing it is acting in the best interests of the Company and in accordance with article 596 onwards of the Belgian Company Code. The Board of Directors is authorized to limit or declare inapplicable the preferential subscription rights to the benefit of one or more persons, even if the affected persons are not members of the personnel of the Company or its subsidiary.

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

On May 27, 2010, the Company's extraordinary shareholders' meeting decided to issue an additional 600,000 warrants under the Warrant Plan 2010, which have all been allotted on December 31, 2014. Under Warrant Plan 2010 196,375 warrants were exercised and 121,250 have been forfeited. Consequently, at present, 282,375 warrants under the Warrant Plan 2010 are still exercisable.

The Warrant Plan 2010 contains 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 fourteen calendar days following the formal notification to the Company of the public takeover bid by the Banking, Finance and Insurance Commission."

On May 24, 2011, the Company's extraordinary shareholders' meeting decided to issue an additional 516,000 warrants under the Warrant Plan 2011, of which 515,600 warrants have been allotted. Under this plan, 8,375 warrants have been exercised and 98,600 warrants have been forfeited. The remaining 400 warrants

issued under Warrant plan 2011 remain to be offered by the Board of Directors.

The Warrant Plan 2011 contains 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 fourteen calendar days following the formal notification to the Company of the public takeover bid by the Banking, Finance and Insurance Commission."

On December 4, 2014, the Company's extraordinary shareholders' meeting decided to issue an additional 720,000 warrants under the Warrant Plan 2014.

The Warrant Plan 2014 contains 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)."

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 556 BCC, the following "change of control" provision that was then included in the management agreement of the senior managers. If the Company becomes subject to a public takeover bid and the content of their respective management agreements would significantly change, a compensation has been approved. With a change of control, this compensation would be different depending on who takes the initiative to end the contract. In case the initiative is taken by the Company, 18 months is applicable, in the manager's case it would be 12 months.

7.2.6. Events after the end of the financial year.

On February 5, 2015, the Company has been awarded a 1.1 million euro grant from the Flemish agency for Innovation by Science and Technology (IWT). The grant funding will be used to support scientific research for the treatment of diabetic eye diseases.

7.2.7. Continuation Assessment

According to article 96, 6th of the Belgian Company Code and after consultation, the Board of Directors has decided to preserve the valuation rules assuming continuation, for the following reason:

At December 31, 2014 there is still a strong equity position of 210,802,318 euro in comparison to 262,033,658 euro at December 31, 2013. Taking into account the current available cash position, the Board of Direction deems that all financial obligations will be honored and all research programs can be continued. Since the Company can honor all its financial obligations, the Board of Directors deems that the continuation of the Company will at no time be at risk.

7.2.8. Corporate governance

7.2.8.1 General provisions

This section summarizes the rules and principles by which the corporate governance of ThromboGenics is organized. 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 has been updated since on a regular basis. The last update was made on March 17, 2014.

The charter is available on the Company's website (www.thrombogenics.com) under Investors Information / Corporate Governance and can be obtained free of charge via the Company's registered office.

The Board of Directors of ThromboGenics intends to comply with the Belgian Corporate Governance Code, but believes that certain deviations from its provisions are justified in view of the Company's particular situation.

During the financial year ended December 31, 2014, the Company did not comply with the following principles of the Belgian Corporate Governance Code:

- Composition of the Audit Committee: in accordance with the Belgian Corporate Governance Code, at least the majority of the members of the Audit Committee are independent directors and the Audit Committee consists of at least three members. Due to the passing away of Mr. Jean-Luc Dehaene on May 15, 2014, only one of the three members of the Audit Committee was an independent director for the period May

15, 2014 through December 31, 2014. As from June 30, 2014, Lugost BVBA, represented by Luc Philips, has resigned from the Audit Committee. From January 5, 2015, with the appointment of Lugo BVBA, represented by Luc Philips, at the Audit Committee (as a result of Board decision of December 11, 2014) the Audit Committee has again reached three members. In order to reach the quota of independent directors a proposal has been made at the Board meeting of March 12, 2015.

Due to the size of the Company, the Board of Directors combined the Nomination Committee and the Remuneration Committee and has not set up a Management Committee in accordance with article 524bis of the Belgian Company Code.

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

- Board of Directors
- Audit Committee
- Nomination and Remuneration Committee
- CEO

7.2.8.2 Composition of the Board of Directors

The Company is led by a collegiate Board of Directors which is the Company's most senior administrative body. The Company establishes the Board of Directors' internal rules and regulations and publishes them in its Corporate Governance Charter. It is the role of the Board of Directors to strive for the long-term success of the Company by guaranteeing entrepreneurial leadership and ensuring that risks are assessed and managed in an appropriate way. The Board of Directors' responsibilities are stipulated in the articles of association and in the Board of Directors' internal rules and regulations. The Board of Directors is organized in view of an effective execution of its tasks. The Company sets its managing structure in function of its continuously changing needs.

The Board of Directors decides upon the Company's values and strategy, upon its willingness to take risks and upon the general policy plan.

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. Also, upon determining the values and strategies in the major policy plan, the Board of Directors considers corporate social responsibility, gender diversity and diversity in general.

Since December 5, 2013, Viziphar Biosciences BVBA, represented by Mr. Staf Van Reet, acts as Chairman and Director of the Board of Directors.

On May 15, 2014, Mr. Jean-Luc Dehaene, Non-Executive, Independent Director, passed away age 73.

On June 26, 2014, the Board of Directors acknowledged the resignation of (i) Sofia BVBA, represented by Mr. Chris Buyse as Director and Secretary of the Board of Directors and CFO and (ii) Lugost BVBA, represented by Mr. Luc Philips as Director of the Board of Directors, as from July 1, 2014. The Board of Directors co-opted Lugo BVBA, represented by Mr. Luc Philips as Director of the Board of Directors with reflect as of June 30, 2014. Lugo BVBA, represented by Mr. Luc Philips, was officially appointed by the extraordinary shareholders' meeting of November 12, 2014.

On August 28, 2014, the Board of Directors decided, based on the advice of the Remuneration and Nomination Committee, to co-opt of Mr. Paul G. Howes as Director of the Company. On November 12, 2014 he was officially appointed by the extraordinary shareholders' meeting.

The Board of Directors currently consists of seven members.

- Staf Van Reet (Viziphar Biosciences BVBA), Non-Executive, Independent Director, Chairman since December 5, 2013
- Patrik De Haes (ViBio BVBA), Executive Director
- Thomas Clay, Non-Executive Director
- Luc Philips (Lugost BVBA), Non-Executive, Independent Director until June 30, 2014; (Lugo BVBA) Executive Director as from July 1, 2014
- Patricia Ceysens (Innov'Activ BVBA), Non-Executive, Independent Director
- Dr David Guyer MD, Non-Executive, Independent Director
- Paul G. Howes, Executive Director as from August 28, 2014

The Board of Directors is proposing a new Director to ensure that the Board of Directors will consist of eight members. In this process, it was guided by an external office, who has prepared a profile for the new Director to be recruited. The desired balance between the genders has hereby been taken into consideration.

7.2.8.3 Board of Directors' Meetings in the Financial Year 2014

The Board of Directors met 8 times in 2014. 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 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.
- Upon determining the values and strategies in the major 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. 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 Board of Directors selects the auditor on the recommendation of the Audit Committee and supervises its activity, and is responsible for the supervision of the internal control, taking into account the evaluation of the Audit Committee.
- 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 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.
- 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 of Directors is responsible for the Corporate Governance structure of the Company and the compliance with the Corporate Governance stipulations.

Additional Agenda Items:

- the Company's financial data such as the summary half year financials, year-end financials, budget follow-up and consolidated results;
- application of IFRS;
- FSMA requirements;
- follow-up of subsidiaries;
- matters of a strategic nature, new and current investments, the study and analysis of acquisition opportunities;
- preparations for the General Meeting, draw-up of the Annual Reports and press releases;
- company insurance;
- Warrant and retention plans.

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 pass resolution validly 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 may deliberate validly on items not specified on the agenda only with the agreement of all their 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 should appoint a company secretary to advise the board on all company matters.

In view of Chris Buyse's (Sofia BVBA) resignation as Secretary of the Board as from July 1, 2014, the Company decided to appoint Claude Sander, the Company's Chief Legal Officer, as the new Secretary.

7.2.8.4 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 over the financial year 2014 was as follows:

Audit Committee: Lugost BVBA (represented by Luc Philips), chairman, until June 30, 2014; Thomas Clay, chairman, since July 1, 2014; Viziphar Biosciences BVBA (represented by Staf Van Reet); and Jean-Luc Dehaene until May 15, 2014.

The Audit Committee held four meetings during the financial year 2014.

Nomination and Remuneration Committee: Viziphar Biosciences BVBA (represented by Staf Van Reet), chairman; Innov'Activ BVBA (represented by Patricia Ceysens); Jean-Luc Dehaene until May 15, 2014; and Dr David Guyer (since June 23, 2014).

The Nomination and Remuneration Committee held five meetings during the financial year 2014.

The powers of these committees are described in the Corporate Governance Charter of ThromboGenics (sections 3 and 4), which is available on the ThromboGenics' website (www.thrombogenics.com).

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

7.2.8.5.1 Conflicts of Interest of Directors and members of the executive team

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

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 her directors and members of the executive team, such transactions need to be submitted to the Board of Directors.

In 2014, seven such cases of conflicts of interest occurred: during the Board of Directors of March 17, 2014, the Board of Directors of June 26, 2014 and the Board of Directors of August 28, 2014.

7.2.8.5.2 Transactions with Affiliated Companies

Article 524 of the Belgian Company Code provides for a special procedure which must be followed for transactions with ThromboGenics' 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 Companies' consolidated net assets.

7.2.8.6 Market abuse regulations

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

Following the European regulations, the legal framework concerning the fight against market abuse was thoroughly modified. One of the most remarkable modifications is a bigger emphasis on the prevention of insider trading, where an active contribution of companies quoted on the stock exchange is expected.

The precautionary measures against insider trading concern amongst others 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 article 25bis of the law of August 2, 2002 on the supervision of the financial sector and financial services. The stipulations of these obligations were stated by the Royal Decree of March 5, 2006 on insider trading and the Royal Decree of March 5, 2006 on the right representation of investment recommendations and the announcement of conflicts of interest.

In accordance with article 25bis, §1 of the law, ThromboGenics NV has drawn up a list of persons in the Company who are employed or consulted by the Company and who have regular or occasional access to inside information directly or indirectly concerning ThromboGenics NV. These lists have to be updated frequently and have to remain at the disposal of the FSMA for 5 years.

In accordance with article 25bis, §2 of the law, the members of the Board of Directors and the management were obliged to report ThromboGenics' stock transactions to the FSMA.

7.2.8.7 Executive team

ThromboGenics has an Executive Team, which includes the CEO, the CFO and the executive directors. The members of the Executive Team are appointed by the Board of Directors and in accordance with ThromboGenics' 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 appetite and key policies. The Executive Team is, amongst others, entrusted with the running of the Company. The Executive Team does not constitute a management committee in the meaning of article 524bis of the 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.

The Executive Team is composed of:

- ViBio BVBA, represented by Patrik De Haes – CEO

- Sofia BVBA, represented by Chris Buyse – CFO (until June 30, 2014)
- Lugo BVBA, represented by Luc Philips – CFO ad interim (as from July 1, 2014)
- Paul Howes – Executive Director

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

7.2.8.8 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 the corporate strategy.

The Executive Committee meetings are attended by the CEO, the CFO and executive directors and is composed of:

- Andy De Deene – Global Head of Clinical and Product Development
- David Pearson – Global Head of Corporate Development
- Laurence Raemdonck – Global Head of Human Resources
- Claude Sander – Chief Legal Officer & Corporate Compliance Officer
- Panéga BVBA, represented by Jean Feyen – Head of Preclinical Research
- Ed Kessig – US Head of Commercial Operations
- Nanaimo Bioventures LLC, represented by Paul Howes – Executive Chairman of ThromboGenics, Inc.

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

The Board of Directors of ThromboGenics is responsible for the assessment of the risks that are typical for the Company, and for the evaluation of the internal audit systems.

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

- audit environment;
- risk analysis;
- audit activities;
- information and communication;
- supervision and modification.

7.2.8.9.1 Audit environment

The audit environment is determined by a composition of formal and informal rules on which the functioning of the Company relies.

The audit environment encompasses the following elements:

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

- The CEO and executive team: The day-to-day management is the responsibility of the CEO who is supported by an executive team. For the sake of effective management, there is a partial delegation of authority to the subsidiary and to the various departments within ThromboGenics NV. The delegation of authorities is not linked to a person, but to the position. The executive team, whose domains of responsibility are situated at group level, holds a final audit competence over the authorized representatives. All persons concerned are informed of the extent of their authority (rules on approbation, limitations of authorities).

- The Board: ThromboGenics is supported by independent (external) directors. Its role in auditing the working of the Company is intended to be re-enforced by the proposal made to the Shareholders of electing Emmanuèle Attout as independent director. To achieve its audit duties, the Board of Directors relies of the following operational committees
  - Audit Committee which evaluates the strength of controls at regular intervals

- Remuneration and Nomination Committee which evaluates the remuneration policy
- Executive Team which controls the operations and activities of all their staff

The functioning of these committees and their responsibilities is described in previous sections of this report.

7.2.8.9.2 Risk analysis

The Board of Directors decides on the Group's strategy, risk appetite and its main policy lines. It is the task of the Board of Directors 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 introduces risk analysis in all departments of the ThromboGenics' Group, and it is to be considered in the development of our Group's strategy. The analysis comprises a set of means, codes of conduct, procedures and measures that fit our structure, its sole intention being to maintain risks at an acceptable level.

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

The risks identified by the executive team of ThromboGenics are detailed under section 7.2.3

7.2.8.9.3 Audit Activities

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

- access and security systems at the premises and offices;
- in order to carry out a uniform administration, implementation of the same ERP system in all subsidiaries;
- establishment of new procedures typical of the development within the group;
- modifications and updates of the existing procedures;
- implementation of a new reporting tool which permits financial data reporting on a regular basis (quarter, year). The reporting tool also permits development of KPIs and regular assessments thereof.

7.2.8.9.4 Information and Communication

In order to be able to present reliable financial information, ThromboGenics makes use of a standardized reporting of accounts and a global application of IFRS recognition criteria.

Data and information protection. Depending on the type of data, a specific policy is applicable. Rights are granted per disk and folder to groups of persons or to specific persons only (user directory), the user rights are defined by the Windows user/login for both regular data files and database. The rights are granted in such a way that only those files or data to which the user has access, can be read or modified. A back-up policy is available and all data are being backed up centrally on a weekly base and locally on a daily base.

7.2.8.9.5 Supervision and Modification

Supervision is carried out by the Board of Directors, through the activities of the Audit Committee and Executive Team.

- It is the task of the Audit Committee to monitor the effectiveness of the internal audit and risk analysis.
- The Executive Team supervises the implementation of internal audit and risk management, taking into consideration the recommendations of the Audit Committee.

The modifications comprise numerous day-to-day activities such as:

- management by operational supervisors;
- data exchange with third parties for confirmation purposes (e.g. suppliers/customers);
- supervision of division of functions;

- control by external auditors and internal and external controllers.

It is the opinion of ThromboGenics that periodic evaluations are necessary to assess the effectiveness of the internal audit and the implemented procedures. As of today, there is not yet a dedicated internal audit function. However, the Group does not exclude creating such a function in the future.

External Audit

External auditing within ThromboGenics is performed by BDO Bedrijfsrevioren, represented by Bert Kegels, Company Auditor. This mission includes the auditing of the statutory annual accounts, the consolidated annual accounts of ThromboGenics NV and its subsidiary.

The auditor's remuneration was 84,975 euro.

7.2.8.10 Remuneration Report Financial Year 2014

7.2.8.10.1 Remuneration policy in general

The remuneration policy of the Company aims to attract reputable persons with the necessary experience to ensure continuing sustainable and profitable growth. The policy should support the retention and motivation of these persons. The remuneration policy is determined by the Board of Directors upon proposal of the Remuneration Committee and in determining the performance criteria in consultation with the CEO.

The total remuneration package for the members of the Executive Team is composed of three elements:

- a fixed monthly compensation;
- a variable component, partly based on corporate targets, partly based on individual performance indicators;
- equity based compensation in the form of warrants.

Each of these components is explained in more detail below. The principles for the fixed and variable remuneration are already several years in place and the Company does not expect any major changes in the near future. A part of the individual remuneration package depends on the realized performance indicators and will vary over time. There can be some differences in the allocation between the individual members of the Executive Team. No reclamation right is foreseen for the variable component of the remuneration package.

No shares are granted to the members of the executive team.

Some members of the executive team have the right to a contractual notice, which cannot, however, exceed 18 months.

For the remuneration of the members of the Board of Directors, the Board of Directors makes a proposal to the General Meeting. The remuneration of the non-executive directors is composed of a fixed annual remuneration and attendance fees. The attendance fees count for about 70 percent of the total remuneration. The non-executive directors have no right to a severance pay.

7.2.8.10.2 Directors' remuneration

Non-executive directors

Non-executive directors at ThromboGenics are entitled to fixed annual remuneration and attendance fees:

- There is a fixed annual remuneration for non-executive board members of 10,000 euro per year
- There is also an attendance fee of 2,000 euro per meeting, for board meetings as well as committee meetings

The remuneration of the executive directors and the Chairman of the Board of Directors is mentioned below.

This remuneration structure encourages an active participation in both board and committee meetings. The fixed remuneration for the non-executive members is justified by the fact that the proper operation of these committees requires adequate preparation by the 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 than their fixed directors' remuneration and their attendance fees, except for David Guyer who provides additional ad hoc consultancy services.

On an individual basis following amounts have been paid over the book year ended December 31, 2014:

- David Guyer 22 k euro
- Innov'Activ BVBA, represented by Patricia Ceysens 25 k euro
- Jean-Luc Dehaene 9 k euro
- Lugost BVBA, represented by Luc Philips (end on June 30, 2014) 19 k euro
- Thomas Clay 32 k euro

For the non-executive directors no severance pay is foreseen.

Executive directors

Executive directors at ThromboGenics are entitled to fixed annual remuneration and attendance fees:

- There is a fixed annual remuneration for executive board members of 10,000 euro per year
- There is also an attendance fee of 2,000 euro per meeting, for board meetings as well as committee meetings

This remuneration structure encourages an active participation in both board and committee meetings. The fixed remuneration for the executive members is justified by the fact that the proper operation of these committees requires adequate preparation by the members.

On an individual basis following amounts have been paid over the book year ended December 31, 2014:

- Lugo BVBA, represented by Luc Philips (as of July 1, 2014) 13 k euro
- Paul Howes 9 k euro

Executive directors, ViBio BVBA, represented by Patrik De Haes and Sofia BVBA, represented by Chris Buyse, did not receive any compensation for their board mandates. The compensation to ViBio BVBA, represented by Patrik De Haes, in respect of his CEO responsibilities is outlined below.

For the executive directors no severance pay is foreseen.

Chairman Board of Directors

Given the important and active role in the operational and strategic guidance of the Company, ThromboGenics paid over the fiscal year 2014 the following amounts to Viziphar BVBA with Staf Van Reet as permanent representative:

- a fixed remuneration of 20,000 euro;
- an attendance fee of 4,000 euro per meeting, for board meetings as well as committee meetings

On an individual basis following amount has been paid over the book year ended December 31, 2014:

- Viziphar BVBA, represented by Staf Van Reet 96k euro (of which 12k euro is a correction on the year 2013)

The Company did not enter into any insurance scheme for the Chairman.

CEO

In the financial year 2014, ThromboGenics paid 711 k euro of remuneration in respect of the CEO, ViBio BVBA with Patrik De Haes as permanent representative. This includes:

- a fixed remuneration comprising a base fee of 422 k euro and a retention fee of 183 k euro;
- expenses for an amount of 21 k euro;
- a variable component of 85 k euro; this amount was agreed upon in December 2014. This variable compensation is based on predefined key corporate performance targets agreed between the CEO and the Remuneration Committee and validated by the Board of Directors. The criteria are related to the progress on the different (pre)clinical research programs as well as the turnover of JETREA® to be achieved and the financial results. The turnover of JETREA® was the most important criteria in 2014. The realization of these targets is evaluated at the end of the year by the Board of Directors. The total variable pay of the CEO in 2014 represents 12.4 % of the fixed remuneration.

The CEO participates in the different warrant plans that ThromboGenics has in place. In total the CEO is entitled to the following outstanding warrants:

- Under the warrant Plan “2010”: 60,000 warrants at an exercise price of 15.49 euro/share to be vested over a period of 3 years.
- Under the Warrant Plan “2011”: 72,000 warrants at an exercise price of 20.59 euro/share to be vested over the next 3 years at a rate of 2,000 warrants/month, starting in May 2011.

The Company did not enter into any insurance scheme for the CEO.
At December 31, 2014, the CEO holds 100,000 shares of ThromboGenics NV.

For the CEO a severance pay is foreseen. If dismissed, the CEO would get a severance pay of 12 months, except in case of change of control. In the latter case, the severance pay would be 12 months if the consultant would leave the Group on his own initiative or 18 months if the consultant would be asked to leave the Group.

7.2.8.10.3 Remuneration of the executive team

The members of the Executive Team for the year 2014 are:

- ViBio BVBA, represented by Patrik De Haes – CEO
- Sofia BVBA, represented by Chris Buyse – CFO (until June 30, 2014)
- Lugo BVBA, represented by Luc Philips– CFO ad interim (as from July 1, 2014)
- Paul Howes – Executive Director

In the financial year 2014, ThromboGenics paid for the executive team as a whole but excluding the CEO 341 k euro in management fees.

This amount includes:

- Fixed remuneration: 330 k euro.
- Variable annual bonuses: none.
- Pension: the Company did not enter into any insurance scheme for the Executive Team.
- Other: 11 k euro.

7.2.9. Financial instruments

ThromboGenics does not buy or trade in financial instruments for speculative purposes.

The only financial instruments the Company currently holds are the so-called "loans and receivables" (including the cash and cash equivalents) and investments amounting to 127,076 k euro (2013: 172,361 k euro).

7.2.10. Branches

ThromboGenics nv has a full American subsidiary, ThromboGenics Inc, which is established in Iselin, New Jersey, and has one Irish Branch in Dublin.

7.2.11. R&D

Given the activities of ThromboGenics, the cost of R&D is very important. These costs mainly consist of costs for clinical trials paid to third parties, personnel costs and 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 March 12, 2015,
On behalf of the Board of Directors

8. GLOSSARY

ADR	Adverse Drug Reactions
Age-related macular degeneration (AMD)	A degenerative condition of the macula (central retina) that is the most common cause of vision loss in those 50 or older, with the disease affecting more than 10 million Americans.
Clinical trial	A rigorously controlled test of a drug candidate or a new invasive medical device on humans.
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Contract Manufacturing Organization (CMO)	A company that is authorized by the drug authorities to produce material for administration to humans.
Diabetic Retinopathy (DR)	A complication of diabetes caused by damage to the tiny blood vessels inside the retina, the light-sensitive tissue at the back of the eye. Diabetic retinopathy is the leading cause of blindness in the working-age population.
EMA	European Agency of Medicinal Products.
FDA	U.S. Food and Drug Administration, the agency responsible for the drug approval process in the United States.
FTMH	Full Thickness Macular Hole
Good Laboratory Practice (GLP)	The purpose of the GLP quality guidelines is to ensure a quality product, guiding pharmaceutical product research and development, but also to present a codex for many of the activities off the critical path of drug development.
Good Manufacturing Practice (GMP)	GMP standards are a part of the guarantee of the pharmaceutical quality of the drug and guarantee that drugs are made up and controlled in a consistent fashion, according to standard of quality adapted to the considered use and in compliance with provisions on drugs.
HR	Human Resources.
IASB	International Accounting Standards Board.
IBR	Institute for company revisors.
ID-VMA	Educational program to train ophthalmologists about sVMA
IFRIC	International Financial Reporting Interpretations Committee.
IFRS	International Financial Reporting Standards.
IP	Intellectual Property.
IWT	Institute for the Promotion of Innovation in Science and Technology in Flanders.
KULeuven	Catholic University of Leuven.
MBA	Master of Business Administration
Metamorphopsia	Visual distortion
MIVI-TRUST	Microplasmin for Intravitreal Injection – Traction Release without Surgical Treatment
OASIS	Ocriplasmin for Treatment for Symptomatic Vitreomacular Adhesion including Macular Hole study
Ophthalmology	The branch of medicine that deals with the diagnosis, prevention, and treatment of disorders of the eye.
ORBIT	Ocriplasmin Research to Better Inform Treatment study
OZONE	Ocriplasmin Ellipsoid Zone Retrospective Data Collection study
PDR	Proliferative Diabetic Retinopathy
Placental Growth Factor (PlGF)	A specific protein found in the body that is involved in the stimulation of new blood vessel formation. Although a homologue to VEGF, PlGF binds only to VEGFR-1 (Flt-1) (unlike VEGF, which binds to VEGFR-1 and VEGFR-2).

Plasmin	A fibrin-digesting substance or enzyme.
Plasminogen	An inactive enzyme circulating in the blood which may be used to create plasmin.
Plasminogen activator	An enzyme that converts plasminogen into plasmin
Pre-clinical Trial	A laboratory test of a new drug candidate or a new invasive medical device on animals or cell cultures that is conducted to gather evidence justifying a clinical trial.
PVD	Posterior Vitreous Detachment
R&D	Research and Development
Retina	The light-sensitive tissue that is present on the innermost back wall of the eye.
Retinal Detachment	The coming loose of the retina from the underlying tissue.
Staphylokinase	A protein derived from the bacteria Staphylococcus Aureus that when administered to patients can induce the dissolution of a blood clot by binding to plasminogen in the presence of a blood clot.
TB-403	Anti-PlGF (placental growth factor)
TGA	Australia's Therapeutic Good Administration
Thrombolytic	A pharmaceutical that can break up blood clots blocking the flow of blood to specific tissues.
Thrombosis	The formation of a blood clot locally within a blood vessel.
tPA	Tissue Plasminogen Activator, an enzyme that exists in the human body and plays a role in the dissolution of blood clots.
µm	Microns
VA	Visual Acuity
Vascular Endothelial Growth Factor (VEGF)	A specific protein found in the body that is involved in the stimulation of new blood vessel formation. The predominant receptors that VEGF binds to are called VEGFR-1 (Flt-1) and VEGFR-2 (Flk-1).
VIB	Flanders Institute for Biotechnology
Vitreous	A jelly-like substance that fills the center of the eye.
VMA	Vitreomacular adhesion.
VMT	Vitreomacular traction.
VMA (Vitreomacular Adhesion)	Vitreomaculaire adhesie
VMT (Vitreomacular Traction)	Vitreomaculaire tractie
W.Venn	Wetboek van Vennootschappen

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