IGEA Pharma N.V.
Interim financial reporting
June 2021

Highlights

1 Overview

- The Group's activity within the six months ended 30 June 2021 was focused on accomplishing the business combination ("**Combination**") with Blue Sky Natural Resources LTD ("**BSNR**"), then definitively achieved on 23 September 2021. Key elements of the combined Group's strategy include: (i) leverage commercial capabilities, partnerships, and portfolios to establish market acceptance and gain market position for the offered solutions; and (ii) capitalize on the financial leverage and operational synergies to improve return on capital and achieve profitability. The Combination will create: (i) an EU headquartered and SIX-listed group with an innovative early-stage commercial and highly diversifiable pipeline focusing on health prevention, pharma, and other selected industries; and (ii) a center of excellence on highly controlled vegetable matrices and their industrial supercritical carbon dioxide (CO_2)-based extraction technology to highly valuable components mainly focused on CBD;
- On April 2021, IGEA entered a convertible notes facility agreement with Negma Group Ltd., Craigmuir chambers, Road Town, Tortola, VG 1110, British Virgin Islands ("**Negma**") to ensure proceeds for up to EUR 2 million over the next coming 24 months, then extendable to up to EUR 10 million following the Combination. The funds, drawable dawn subject to terms, will be used to finance the combined Group's activities. With the Combination, IGEA furthermore intends to diversify and optimize its finance structure with the aim of reducing risks and costs. Discussions are ongoing with further investors potentially interested to support the Company in this strategy.

2 Profit and loss

- The Group did not generate revenue during the first six months of 2021 (previous period: revenue of TUSD 46.8);
- Cost of sales were TUSD 107.9 (previous period: TUSD 138.4), with a decrease mainly due to the overall cost optimization process started by end of 2019 and involving the intellectual properties' portfolio and the lab activities connected to the IGEA's products lifecycle;
- Operating expenses were TUSD 558.5 (previous period: TUSD 444.4), mainly for general and administration purposes, increased due to Combination-driven expenses;
- The EBITDA as adjusted (before impairment charge) and EBIT figures amount to TUSD -264.3 (previous period: TUSD -481.6) and TUSD -291.3 (previous period: -544.6) respectively. The change compared to the previous period is largely due to the recognition of fair value gains on financial liabilities at fair value through profit or loss for TUSD 245.2 and gains from the sale of tangible assets for TUSD 64.5, and presented as other gains for TUSD 309.6 in the statement of profit or loss;
- Finance income and costs were negligible in both periods, except for exchange gain components of TUSD 65.9 realized in the first half of 2021;
- The net loss for the period is TUSD 291.5 (previous period: TUSD 547.3), representing a basic and diluted loss per share of USD 0.012 and USD 0.011 respectively (previous period: basic and diluted loss per share of USD 0.022).

3 Balance sheet and cash flow

- As of 30 June 2021, the Group held non-current assets for TUSD 387.3 and current assets for TUSD 168.7 (31 December 2020: TUSD 441.6 and TUSD 289.5 respectively), with no changes due to relevant events;
- The Group's current liabilities were TUSD 733.2 (31 December 2020: TUSD 24.4 and TUSD 522.2 of non-current and current liabilities respectively), the overall increase in current liabilities mainly due to financial debts in the form of loans, CARES Act (US) based loans and liabilities in the form of derivative financial instruments related to the Negma transaction;
- The cash flow did not materially change in respect of the previous period. Funds to operate were granted by way of debt transactions. Negma's commitment grants the cash and cash equivalents necessary to finance the combined Group's level of activities for at least twelve months.

Interim unaudited condensed consolidated financial statements

Condensed consolidated balance sheet, unaudited

(in thousand USD, unless otherwise stated)

	Notes	As at 30.6.2021	As at 31.12.2020
ASSETS			
Property, plant and equipment	6	-	23.9
Intangible assets	7	387.3	417.7
Non current assets		**387.3**	**441.6**
Inventories		-	22.7
Trade receivables		12.1	43.8
Other assets		133.0	88.5
Cash and cash equivalents		23.6	134.5
Current assets		**168.7**	**289.5**
Total assets		**556.0**	**731.1**
EQUITY AND LIABILITIES			
Share capital	9	296.5	296.5
Reserves	10	5,549.6	5,619.8
Accumulated loss		(5,988.5)	(5,698.8)
Equity attributable to owners of IGEA Pharma N.V.		(142.4)	217.5
Non-controlling interests		(34.8)	(33.0)
Total shareholders' equity		**(177.2)**	**184.5**
Financial debts		-	24.4
Non-current liabilities		**-**	**24.4**
Trade and other payables		182.4	219.5
Financial debts		271.3	144.0
Derivative financial instruments	8.2	56.4	-
Accruals		223.1	158.7
Current liabilities		**733.2**	**522.2**
Total equity and liabilities		**556.0**	**731.1**

The accompanying notes are an integral part of these financial statements.

Condensed consolidated statement of profit or loss, unaudited

(in thousand USD, unless otherwise stated)

	Notes	Half-year 2021	Half-year 2020
Revenue		-	46.8
Cost of sales	11	(107.9)	(138.4)
Gross result		**(107.9)**	**(91.6)**
Research and development	11	(16.2)	(23.7)
Sales and marketing	11	(26.4)	(62.9)
General and administration	11	(515.8)	(357.8)
Other gains	12	309.6	-
Operating result		**(356.7)**	**(536.0)**
Finance income		68.8	2.4
Finance costs		(3.6)	(13.7)
Result before income tax		**(291.5)**	**(547.3)**
Income tax expense		-	-
Result of the period		**(291.5)**	**(547.3)**
Attributable to:			
Owners of IGEA Pharma N.V.		(289.7)	(543.4)
Non-controlling interests		(1.8)	(3.9)
		(291.5)	(547.3)
Basic loss per share (in USD)		**(0.012)**	**(0.022)**
Diluted loss per share (in USD)		**(0.011)**	**(0.022)**

The accompanying notes are an integral part of these financial statements.

Condensed consolidated statement of other comprehensive income, unaudited

(in thousand USD, unless otherwise stated)

	Half-year	
	2021	**2020**
Result of the period	**(291.5)**	**(547.3)**
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(70.2)	21.9
Other comprehensive result for the period, net of tax	**(70.2)**	**21.9**
Total comprehensive result for the period	**(361.7)**	**(525.4)**
Attributable to:		
Owners of IGEA Pharma N.V.	(359.9)	(521.5)
Non-controlling interests	(1.8)	(3.9)
	(361.7)	**(525.4)**

The accompanying notes are an integral part of these financial statements.

Condensed consolidated statement of changes in equity, unaudited

(in thousand USD, unless otherwise stated)

	Attributable to owners of IGEA Pharma N.V.				
	Share capital	Reserves	Retained earnings	Non controll. interest	Total
Balance at 1 January 2020	**296.5**	**4,838.9**	**(4,568.2)**	**(23.4)**	**543.8**
Result of the period	-	-	(543.4)	(3.9)	(547.3)
Other comprehensive result for the period	-	21.9	-	-	21.9
Total comprehensive result for the period	**-**	**21.9**	**(543.4)**	**(3.9)**	**(525.4)**
Proceeds from issuance of non-redeemable loans convertible into IGEA shares only	-	435.1	-	-	435.1
Total transactions with owners	**-**	**435.1**	**-**	**-**	**435.1**
Balance at 30 June 2020	**296.5**	**5,295.9**	**(5,111.6)**	**(27.3)**	**453.5**
Balance at 1 Janaury 2021	**296.5**	**5,619.8**	**(5,698.8)**	**(33.0)**	**184.5**
Result of the period	-	-	(289.7)	(1.8)	(291.5)
Other comprehensive result for the period	-	(70.2)	-	-	(70.2)
Total comprehensive result for the period	**-**	**(70.2)**	**(289.7)**	**(1.8)**	**(361.7)**
Transactions with owners	**-**	**-**	**-**	**-**	**-**
Balance at 30 June 2021	**296.5**	**5,549.6**	**(5,988.5)**	**(34.8)**	**(177.2)**

The accompanying notes are an integral part of these financial statements.

Condensed consolidated statement of cash flows, unaudited

(in thousand USD, unless otherwise stated)

	Notes	Half-year 2021	Half-year 2020
Cash generated from operations	13.1	(593.6)	(502.8)
Interest and income tax paid		-	-
Net cash flow from operating activities		**(593.6)**	**(502.8)**
Sale of property, plant and equipments		3.8	-
Cash flow from investing activities		**3.8**	**-**
Proceeds from financial debts and derivative financial instruments		494.6	-
Proceeds from non-redeemable loans, convertible into IGEA shares only		-	435.1
Repayments of financial debts		(17.7)	(27.2)
Finance cost		(0.2)	(2.7)
Cash flow from financing activities		**476.7**	**405.2**
Increase (decrease) in cash and cash equivalents		**(113.1)**	**(97.6)**
Cash and cash equivalents at beginning of period		134.5	446.4
Net effect of currency translation		2.2	11.2
Cash and cash equivalents at end of period		**23.6**	**360.0**
Non-cash transactions	13.2		

The accompanying notes are an integral part of these financial statements.

Notes to the condensed consolidated financial statements

1 General information

IGEA Pharma N.V. is incorporated under Dutch law (*naamloze vennootschap*) and registered with the trade register of the Dutch Chamber of Commerce of Amsterdam. The Company headquarter and registered office is in Siriusdreef 17, 2123 WT Hoofddorp, the Netherlands.

IGEA focuses on preventative health-tech products and devices. IGEA commercializes an Alzheimer's prevention set (which includes 'Alz1', an at-home lab test kit to measure non-bound copper in the blood and a natural dietary supplement branded 'Alz1 Tab' designed to reduce blood heavy metals content) and expects to integrate the non-bound copper detection-based pipeline with a diabetes type II prevention set in 2021. Non-bound copper is an expected Alzheimer's and diabetes type II associated biomarker. Controlling non-bound copper can contribute to reduce the risk of Alzheimer's and diabetes type II. IGEA furthermore commercializes a COVID19 rapid test for the detection of IgM and IgG SARSCoV-2 related antibodies.

IGEA Pharma N.V.'s shares are traded on the SIX Swiss Exchange under the ticker 'IGPH'.

These unaudited condensed consolidated interim financial statements include the Company and its subsidiaries. Unless the context indicates otherwise, all reference to 'IGEA' or the 'Company' or the 'Group' refer to IGEA Pharma N.V and its consolidated subsidiaries.

2 Basis of preparation

These condensed consolidated interim financial statements of the Company for the six months ended 30 June 2021 have been prepared on a historical cost basis, except for certain financial liabilities measured at fair value, in accordance with Accounting Standard IAS 34 Interim Financial Reporting and are unaudited. They do not include all the notes of the type normally included in an annual financial report. Accordingly, these interim financial statements should be read in conjunction with the Group's annual consolidated financial statements 2020 and any public announcement or disclosure made by IGEA during the interim reporting period and until disclosure of these financial statements.

The preparation of financial statements in accordance with IAS 34 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgment which are significant to the condensed consolidated interim financial statements are disclosed in note 3.

The accounting policies applied in these interim financial statements are consistent with those set out in the Group's annual consolidated financial statements 2020, together with certain financial liabilities which are derivatives, subsequently measured at fair value at fair value through profit or loss.

A limited number of new or amended standards and interpretations became applicable for financial periods beginning on or after 1 January 2021. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

3 Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. These estimates and underlying assumptions are based on various factors including historical experience and expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or may have had a significant impact on the reported results are as follow:

– ***Uncertainty and ability to continue operations***. With the convertible note facility agreement with Negma, the Group gets granted the funds management requires essential to operate the business as expected after the Combination and hence these interim consolidated financial statements have been prepared on a going concern basis. However, the ability of the Group to start generating revenues and consistent cash flows to adequately support its operations remains still uncertain, and this exposes the Group to all the risks inherent in establishing a business;

- ***Impairment on intangible assets.*** In 2021 the Group has ensured the necessary funds to relaunch the 'Alz1' e-commerce distribution and further integrate the non-bound copper detection-based pipeline with the diabetes type II prevention set. Even if currently no elements exist that could give raise to an impairment and reasonable evidence exists that the carrying amount of the intangible assets of TUSD 387.3 as of 30 June 2021 continue to be supported by the distribution strategy of Alz1 in the US, it cannot be excluded that the assumptions made will continue to exist also in the future and that the outcome of the strategy will contribute to adequately support the carrying value of intangible assets, and this exposes the Group to impairment risks;
- ***Deferred tax assets and liabilities***. The assessment as to whether deferred tax assets relating to tax loss carry-forwards and temporary differences have to be recognized requires significant judgment, in particular on the future availability of taxable profits. At 30 June 2021 the Group did not capitalize any deferred tax assets because the capitalization criteria are not met;
- ***COVID 19***. The Group is not aware of any potentially adverse effect COVID-19 could have on the Group's activities during the next coming 12 months. The Group concluded that there is no material uncertainty due to COVID-19 that may cast a significant doubt upon the Group's ability to continue as a going concern.

4 Segment information

4.1 Reportable segments

The Group operates in one segment, which is the commercialization of health-tech products and devices.

4.2 Entity wide information

The geographical information about revenue, cost of sales and operating expenses is as follow. There was no revenue for the reporting period (previous period: no revenue or revenue of casual nature only), and accordingly, the Group renounce to a major customers analysis:

	Half-year	
	2021	**2020**
Revenue:		
Netherlands	-	46.4
United States	-	0.4
	-	**46.8**
Cost of sales:		
Netherlands	(28.5)	(51.1)
United States	(79.4)	(87.3)
	(107.9)	**(138.4)**
Operating costs:		
Netherlands		
research and development	(16.2)	(20.7)
sales and marketing	(0.3)	(28.6)
general and administration	(452.6)	(297.0)
United States		
research and development	-	(3.1)
sales and marketing	(26.0)	(34.3)
general and administration	(63.4)	(60.7)
	(558.5)	**(444.4)**

The geographical information about assets is as follow.

	Half-year	
	2021	**2020**
Netherlands		
non-current	387.3	398.3
current	154.3	432.3
United States		
non-current	-	38.5
current	14.4	49.6
	556.0	**918.7**

5 Seasonality

The Group is not exposed to seasonal fluctuations in its operations.

6 Tangible assets

During the first half of 2021, IGEA has no longer invested in renewing its own laboratory facility, starting instead discussions with potential partners to definitively outsource all lab activities connected to the IGEA's products lifecycle. Consequently, tangible assets for a carrying value of TUSD 14.1 (cost value of TUSD 221.9 less accumulated depreciation of TUSD 207.8, including depreciation charges for the period of TUSD 9.9 recognized under 'Cost of sales – same as previous period) were sold in June 2021 generating a gain of TUSD 64.5. Sale of assets for a price of TUSD 91.7 was towards a related party - see note 15.2. for further details. The Group has sufficient comfort on the arm's length character of the transaction.

7 Intangible assets

	Patent and similar rights
Year ended 31 December 2020:	
Cost value	603.9
Accumulated amortisation and impairment	(186.2)
Net book amount	**417.7**
Six months ended 30 June 2021:	
Opening net book amount	417.7
Amortization charges	(17.2)
Currency translation effects	(13.2)
Closing net book amount	**387.3**
Cost value	584.1
Accumulated amortisation and impairment	(196.8)
Net book amount	**387.3**

All amortization charges (same as previous period) are included in 'Cost of sales'.

8 Financial instruments

8.1 Categories

	As at 30.6.2021	As at 31.12.2020
Trade receivables	12.1	43.8
Cash and cash equivalents	23.6	134.5
Total financial assets at amortized costs	**35.7**	**178.3**
Financial liabilities at amortized costs:		
Financial debts	271.3	168.4
Trade and other payables*	179.7	216.0
Accruals	223.1	158.7
Financial liabilities at fair value trough profit or loss		
Derivative financial instruments	56.4	-
Total financial liabilities	**730.5**	**543.1**

* Excluding non-financial components

8.2 Derivative financial instruments

Management designates the drawdowns within the convertible notes facility with Negma as derivative financial instruments at fair value through profit or loss. The notes are interest-free, non-redeemable and mandatorily convertible into shares of IGEA within 12 months at a 7% discount to the lowest 10 days volume weighted average price of IGEA's shares prior to conversion. The fair value of the derivative financial liability has been determined using a Brownian geometric motion hypothesis stochastically simulated with a Monte Carlo approach. Following initial recognition, any change in fair value of the instruments is recognized directly to profit or loss.

Reconciliation of the derivative financial liability is as follow:

	As at 30.6.2021	As at 31.12.2020
Drawdowns during the period	298.9	-
Gain on changes in fair value	(242.5)	-
Fair value at end of period	**56.4**	**-**

8.3 Fair value considerations

The Group uses the following three-level hierarchy for determining and disclosing fair value of financial instruments by valuation technique:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Derivative financial instruments as disclosed in note 8.2 above is the only category of financial instruments the Group measures at fair value through profit or loss and qualifies of level 2 based on a valuation technique that uses only data from observable markets as input. All other financial instruments recognized as of 31 June 2021 (same as of 31 December 2020) approximate their fair value due to short-term maturities.

9 Share capital

As at 30 June 2021, the Company has an issued share capital of TUSD 296.5 (same as at 31 December 2020), consisting of 25’048’769 fully paid-up shares with a par value of EUR 0.01 each.

The number of shares the board of directors is authorized to issue at 30 June 2021 based on resolutions of the general meeting is 95’048’768 (31 December 2019: 25’048’768), of which 12’524’384 shares to be issued within 14 December 2023 (same as at 31 December 2019), 12’524’384 shares to be issued within 26 March 2025 (same as at 31 December 2020) and 70’000’000 were authorized by the general meeting on 28 April 2021 and have to be issued within 28 April 2026.

10 Reserves

	Share premium	Other reserves*	Translation reserve	Total
Balance at 1 January 2020	**4,419.1**	**496.3**	**(76.5)**	**4,838.9**
Currency translation differences	-	-	222.9	222.9
Issuance of non-redeemable loans, convertible into IGEA shares only	-	558.0	-	558.0
Balance at 31 December 2020	**4,419.1**	**1,054.3**	**146.4**	**5,619.8**
Currency translation differences	-	-	(70.2)	(70.2)
Balance at 30 June 2021	**4,419.1**	**1,054.3**	**76.2**	**5,549.6**

* ‘Other reserves’ as at 30 June 2021 includes any difference deriving from the capital restructuring transaction between entities under common control performed in 2017, any difference deriving from transactions with non-controlling interests then followed during 2018 and an amount deriving from the unconditional waiver of certain loans of shareholders towards IGEA Research Corporation without issuance of any related equity instruments as a result of the Company’s strategy to reduce the overall Group indebtedness.

11 Expenses by nature

	Half-year 2021	Half-year 2020
Products and services	(181.3)	(123.1)
Travel expenses	(17.0)	(52.0)
Corporate services	(334.1)	(255.4)
Facilities, rent and other occupancy expenses	(36.6)	(11.5)
General and administration	(8.9)	(12.3)
Depreciation	(9.8)	(47.0)
Amortisation	(17.2)	(15.0)
Employee benefit expenses	(61.5)	(66.5)
Total	**(666.4)**	**(582.8)**
Reported as:		
Cost of sales	(107.9)	(138.4)
Research and development	(16.2)	(23.7)
Sales and Marketing	(26.4)	(62.9)
General and administration	(515.9)	(357.8)
Total	**(666.4)**	**(582.8)**

12 Other gains

	Half-year 2021	Half-year 2020
Fair value gains on financial liaiblities at fair value trough profit or loss	245.2	-
Gains from sale of property, plant and equipment	64.5	-
Total	**309.7**	**-**

13 Cash flow information

13.1 Cash flow from operations

	Half-year 2021	Half-year 2020
Result before income tax, including discontinued operations	(291.5)	(547.3)
Adjustments for:		
Depreciation and amortization	27.0	63.0
Net (gain)/loss on sale of non-current assets	(64.5)	-
Fair value (gains)/losses on financial liabilities at fair value through profit or loss	(245.2)	-
Unrealized foreign currency gains	(65.9)	9.9
Items with cash effects of financing nature	0.2	2.7
Changes in operating assets and liabilities:		
Inventories	22.7	(13.5)
Trade receivables	31.6	15.9
Other assets	(47.5)	-
Trade and other payables	(30.9)	39.5
Accruals	70.4	(73.0)
Cash flow from operations	**(593.6)**	**(502.8)**

13.2 Non cash transactions

Sales of property, plant, and equipment has been compensated against financial debts for TUSD 74.7.

14 Commitments

The company does not have any commitments.

15 Related party transactions

Related parties include members of the board as well as key management of the Group. The following transactions were carried out with related parties:

15.1 Board members and key management compensation

	Half-year	
	2021	**2020**
Compensation of non-executive directors	(18.2)	-
Compensation of executive directors	(36.3)	(76.8)
Compensation of other key management	(38.3)	(33.6)
Total	**(92.8)**	**(110.4)**

None of the board members as well as other key management is an employee of the Group. Services are delivered under consulting contracts. Vincenzo Moccia (executive board member, CEO and interim CFO) delivers his consulting services through MVY Ltd. Liabilities and accruals towards directors and key management for compensation as at 30 June 2021 amounted to TUSD 54.1 (31 December 2020: TUSD 16.4).

15.2 Transactions with other related parties

In June 2021, the terms of an agreement for the conversion of a financial debt into 150'935 newly issued shares in the share capital of the Company signed in April 2021 has been renegotiated between the parties. The initial agreement has been mutually terminated and the financial debt, then assumed from third parties by a related party, has been partially compensated against the sale of property, plant, and equipment for TUSD 74.7 and redeemed for the remaining TUSD 17.7. There were no other transactions with related parties (same as previous period).

15.3 Period-end balances arising from purchase of products and services

The Group has trade receivables from related parties in IGEA Pharma N.V. for TUSD 9.7 (31 December 2020: TUSD 10.0) and trade and other payables toward related parties in IGEA Pharma N.V. of TUSD 54.1 (31 December 2020: 16.4).

16 Events after the balance sheet date

16.1 Combination with Blue Sky Natural Resources LTD

On 23 September 2021, IGEA completed the Combination by way of a share capital increase from TEUR 252.2 to TEUR 3,329.2 by issuing, at par, 307,700,514 new shares with a nominal value of EUR 0.01 each. The new shares were issued to the shareholders of BSNR exclusively, against contribution in-kind of 34,188,946 shares in the share capital of BSNR, representing 99.38% of the share capital and the votes in BSNR. The newly issued 307,700,514 shares of IGEA were listed on 27 September 2021.

Key elements of the combined Group's strategy include:

- leverage commercial capabilities, partnerships, and portfolios to establish market acceptance and gain market position for the offered solutions; and
- capitalize on the financial leverage and operational synergies to improve return on capital and achieve profitability.

The Combination will create:

- an EU headquartered and SIX-listed Group with an innovative early-stage commercial and a highly diversifiable pipeline focused on health prevention, pharma, and other selected industries; and
- a center of excellence on highly controlled vegetable matrices and their industrial supercritical carbon dioxide (CO_2)-based extraction technology to highly valuable components mainly focused on CBD.

The combined Group operates two major business lines, namely:

- an industrial processing segment, focused on highly controlled vegetable matrices and their industrial processing to extract CBD and other valuable components with high purity standards; and
- a distribution segment, focused on health prevention and wellness solutions and including dietary supplements and functional food sold under the brand '*Equilibrium Intelligent Food*' and IGEA's health-tech solutions addressing Alzheimer's disease and Diabetes Type II prevention.

The combined Group will use the funds made available within the Negma convertible notes facility agreement to have its industrial activities started within the first half of 2022 as well as for the further developments of the efforts to establish and strengthen market acceptance and position for its early stage combined portfolio of health prevention, pharma, and other selected industries dedicated solutions.

The Combination will be treated as a reverse merger pursuant to IFRS, the consolidated financial statements 2021 of IGEA being the continuation of the consolidated financial statements 2021 of BSNR including IGEA from the date of the Combination onward, which is 23 September 2021. Further information on the Combination is not available at the date of disclosure of these financial statements.

16.2 Other events

- On 1 July 2021 and 11 August 2021, financial debts for TUSD 48.9 granted to the Group in the US during 2020 and the first half of 2021 based on the CARES Act were definitively forgiven and will consequently be derecognized;
- On 20 July 2021, Negma converted notes for a nominal amount of TEUR 50 into 170'114 new shares in the share capital of IGEA. The newly issued 170,114 shares were listed on 6 August 2021;
- On 16 August 2021, IGEA draw a further tranche of TEUR 350 with Negma and a further drawdown for TEUR 150 is expected within the next coming weeks;
- On 30 September 2021, a financial liability of IGEA towards Pharma Tech Holding SA of TEUR 145 (TUSD 172.6) as of 30 June 2021 has been renegotiated between the parties. TEUR 125 is converted into an unsecured, non-interest-bearing and non-redeemable loan, convertible, at the discretion of the holder but in total only, into 323'834 shares in the capital of IGEA (representing a strike of EUR 0.386 per share) and TEUR 20 will be redeemed to Pharma Tech Holding SA;
- All holders of outstanding or then outstanding conversion rights expressed their intention to exercise their rights. The Company expects to file the official listing application for indicatively 3.5 million shares to be newly issued against conversion of financial debts and derivative financial liabilities within the next coming weeks.

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