Vivoryon Therapeutics AG Reports Financial Results for H1 2020 and Provides Corporate Update

- *Conference call and webcast in English at 3:00 pm CEST / 09:00 am EDT*
- *Vivoryon and Nordic Bioscience collaboration*
- *Meprin protease inhibitors development program*

HALLE (SAALE) / MUNICH, Germany, 27 August 2020 – Vivoryon Therapeutics AG (Euronext Amsterdam: VVY), today announced its financial results for the first six months of 2020 ending June 30. The full interim report is available on the company website: https://www.vivoryon.com/investors-news/financial-information

KEY HIGHLIGHTS

- Vivoryon Therapeutics and Nordic Bioscience enter research and development collaboration
- Initiation of development program for Meprin protease inhibitors with potential therapeutic use in fibrosis, cancer and Alzheimer's disease
- Announcement of outcome on exclusive option deal with MorphoSys
- Update on U.S. and EU Alzheimer's clinical trial program with varoglutamstat (PQ912)

POST PERIOD HIGHLIGHTS

- Vivoryon Therapeutics enrolled first patient in VIVIAD, European Phase 2b Alzheimer's disease study with varoglutamstat (PQ912)
- Vivoryon Therapeutics announced IND approval for varoglutamstat (PQ912)

Comment from Dr. Ulrich Dauer, Chief Executive Officer of Vivoryon Therapeutics:
"Notwithstanding the global crisis, the first six months of 2020 have yielded positive outcomes for Vivoryon that have resulted in the advancement of our clinical programs, the expansion of our drug development portfolio and the continued validation from regulatory bodies including the U.S. Food and Drug Administration (FDA) and World Health Organization.

In January, we entered a research and development collaboration with Nordic Bioscience, which will serve as our CRO (Clinical Research Organization) for the Phase 2b VIVIAD trial. We look forward to benefitting from Nordic Bioscience's expertise in the development of blood-based biomarkers for the identification of specific patients that may benefit most from treatment with varoglutamstat (PQ912). The ability to select patients who have a greater chance of responding to varoglutamstat (PQ912) presents an opportunity for Vivoryon to transfer an already tested principle of precision medicine into Alzheimer's disease.

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Along with the update on our European Phase 2b clinical study in March, we announced the clinical trial's name, 'VIVIAD,' derived from 'ad**v**ancing disease-mod**i**fying treatment and non-invasi**v**e d**i**agnostics of **A**lzheimer's **d**isease.' The study will test the efficacy and safety of various doses of varoglutamstat (PQ912) in 250 early-stage Alzheimer's patients in a randomized, placebo-controlled study over the course of 48 to 96 weeks. Professor Dr. Scheltens, Director of the Alzheimer Center at the VU University Medical Center in Amsterdam, will act as the coordinating investigator of the study, which intends to use ten recruiting sites in Denmark, Germany and the Netherlands.

Our lead candidate, formerly known as PQ912, also received external recognition from the World Health Organization through its newly appointed and approved International Nonproprietary Name (INN), varoglutamstat (PQ912); we look forward to its development under this new name.

From a research and development perspective, during the first half of the year we extended our portfolio by acquiring patents from the Fraunhofer Institute for Cell Therapy and Immunology (IZI) for the further development of Meprin protease inhibitors which have the potential to not only target symptoms, but also treat a range of indications including acute and chronic kidney disease and multiple organ fibrosis. Together with the Fraunhofer Institute, we will collaborate to develop novel low-molecular Meprin inhibitors. As a company, it is our goal to identify opportunities that can leverage our expertise in translating basic research into marketable small molecule therapeutics and thereby strengthen our pipeline with the ultimate vision of delivering novel therapies to patients in need. On a similar note, although MorphoSys did not exercise the exclusive option to license our small molecule QPCTL inhibitors, we remain optimistic about collaborating with other leading oncology companies in order to leverage the strength and versatility of our small molecule therapeutics.

The second half of the year was marked with further positive developments for Vivoryon. In July, we announced the enrollment of the first patient in VIVIAD, the European Phase 2b Alzheimer's disease study with varoglutamstat (PQ912). The data read-out of the VIVIAD study is expected to be available in 2023. Later in the month, the FDA cleared Vivoryon's Investigational New Drug (IND) application for varoglutamstat (PQ912), which will enable the initiation of our U.S. Phase 2 clinical trial. The U.S. trial is projected to initiate mid-2021 with a final data readout in 2023.

Despite the past months being marked by the Covid-19 pandemic and strict lockdown regulations, we are proud to have kept our entire workforce employed during this crisis. In order to provide a safe working environment, we provided flexible solutions to employees including working from home and in-office shifts. Business travel, which usually serves as an opportunity to network with potential investors and/or partners, was largely replaced by integrating a video conference system. Although we cannot predict how the second half of the year will progress from a global standpoint, as a company we are well-positioned to continue moving the Alzheimer's clinical trials forward while exploring the potential of our unique proprietary position in cancer and fibrosis and identifying additional opportunities within our small molecule therapeutics pipeline. I would therefore like to extend a big thank you to all employees for their continued dedication and commitment as well as our shareholders who continue to support Vivoryon during these unprecedented circumstances."

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FINANCIAL PERFORMANCE

Key Figures (according to IFRS)

In EUR k, unless otherwise stated	Jan - Jun 2020	Jan - Jun 2019	Jan - Dec 2019
Earnings, Financial and Net Assets Position			
Operating loss	-7,480	-3,077	-7,715
Finance income /loss	-92	-15	-108
Net loss for the period	-7,572	-3,091	-7,823
Equity (end of the reporting period)	35,075	5,636	42,665
Equity ratio (end of the reporting period) (in %)	92.5	60.8	93.0
Balance sheet total (end of the reporting period)	37,900	9,269	45,861
Cash flows from operating activities (cum.)	-6,274	-3,428	-11,608
Cash flows from operating activities (monthly average)	-1,029	-571	-967
Cash flows from investing activities	-31,501	-4	-47
Cash flows from financing activities	-45	7,644	49,354
Personnel			
Total number of employees (incl. Board of management) (end of the reporting period)	16	16	17
Vivoryon Therapeutics-Share			
Loss per share (basic/diluted) (in EUR)	-0.38	-0.31	-0.62
Number of shares issued (end of the reporting period)	19,975	12,301	19,975

Details of the Financial Results (according to IFRS)

Net loss
The operating loss for first half of 2020 was increased by EUR 4,403k to EUR 7,480k (H1 2019: EUR 3,077k). This was mainly driven by higher research and development expenses of EUR 6,380k (H1 2019: EUR 1,862k). The general and administrative decreased slightly to EUR 1.138k (H1 2019: EUR 1,223k).

Consequently, net loss was increased to EUR 7,572k (H1 2019: EUR 3,091k).

Cash/Securities
Vivoryon Therapeutics held EUR 3,623k in cash and cash equivalents as of June 30, 2020 (Dec 31, 2019: EUR 41,524k).

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The cash flows used in investing activities amount to EUR 31,501k mainly resulted from the purchase of other securities (EUR 19,999k) which can be liquidated at any time and from time deposits (EUR 10,929k) with a runtime of 6 months.

All results are in line with management expectations.

CONFERENCE CALL

Vivoryon Therapeutics will host a conference call and webcast open to the public today, August 27, 2020, at 3:00 pm CEST / 09:00 am EDT; the presentation will also be available on the company website. The conference will be held in English. A question and answer session will follow the presentation of the half year results.

To participate in the conference call, please call one of the following numbers ten minutes prior to commencement.

A live webcast and slides will be made available at: www.vivoryon.com/investors-news/financial-information/

Approximately one day after the call, a slide-synchronized audio replay of the conference will be available on: www.vivoryon.com/investors-news/financial-information/

Please dial one of the following access numbers, then enter your PIN Code: 8118230#
A question and answer session will follow the presentation of results.

Country	Toll/Local
Belgium	+32 (0)2 400 6926
Denmark	+45 35 15 81 21
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The Netherlands	+31 (0)20 703 8261
Switzerland	+41 (0)44 580 1022
UK	+44 (0)330 336 9411
USA	+1 929-477-0448

FINANCIAL STATEMENTS

January to June 2020

Vivoryon Therapeutics has finalized its financial statements for the first six months of 2020 according to German GAAP ("HGB") and IFRS. The reports are available on the company website (https://www.vivoryon.com/investors-news/financial-information/).

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Financial calendar 2020

September 30, 2020	Ordinary General Shareholder Meeting
November 26, 2020	Interim Management Statement Q3 2020

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Notes to Editors:
About Vivoryon Therapeutics AG
With 20+ years of unmatched understanding in identifying post-translational modifying enzymes that play critical roles in disease initiation and progression, Vivoryon's scientific expertise has facilitated the creation of a discovery and development engine for small molecule therapeutics. This platform has demonstrated success by developing a novel therapeutic in type 2 diabetes. In its current programs Vivoryon Therapeutics is advancing its lead product, varoglutamstat (PQ912), in Alzheimer's disease and its entire portfolio of QC and QPCTL inhibitors in oncology and other indications. In addition, the Company pursues a development program for Meprin protease inhibitors with potential therapeutic use in fibrotic diseases, cancer and acute kidney injury. www.vivoryon.com

Forward Looking Statements
Information set forth in this press release contains forward-looking statements, which involve a number of risks and uncertainties. The forward-looking statements contained herein represent the judgment of Vivoryon Therapeutics AG as of the date of this press release. Such forward-looking statements are neither promises nor guarantees but are subject to a variety of risks and uncertainties, many of which are beyond our control, and which could cause actual results to differ materially from those contemplated in these forward-looking statements. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based.

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