IFRS ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

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1. CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

ASSETS (in € thousands)	Notes	As of 2017/12/31 corrected (*)	As of 2018/12/31
Non-current assets			
Intangible assets	6.5.	636	796
Property, plant and equipment	6.6.	6 324	7 764
Non-current trade and others receivables	6.7.	1 921	1 489
Other non-current financial assets	6.8.	729	1 313
Deferred tax assets	6.21	0	0
Total - Non-current assets		9 611	11 362
Current assets			
Inventories	-	4	4
Current trade and others receivables	6.7.	7 955	8 794
Other current financial assets	6.8.	31	0
Other current assets	6.9.	1 761	2 078
Cash and cash equivalents	6.10.	273 820	207 240
Total - Current assets		283 572	218 116
Total - Assets		**293 183**	**229 478**

SHAREHOLDERS' EQUITY AND LIABILITIES (in € thousands)	Notes	As of 2017/12/31 corrected (*)	As of 2018/12/31
Shareholders' equity			
Share capital	6.11.	7 792	7 796
Share premium	-	251 932	251 554
Accumulated deficit	-	(102 531)	(158 897)
Currency translation adjustment	-	(8)	6
Net loss	-	(55 728)	(79 521)
Total shareholders' equity - Group share		101 457	20 939
Non-controlling interests	-	0	0
Total - Shareholders' equity		101 457	20 939
Non-current liabilities			
Non-current convertible loans	6.12.	154 539	159 176
Other non-current loans and borrowings	6.12.	6 978	7 255
Non-current deferred income and revenue	-	2	1
Non-current employee benefits	6.15.	936	1 085
Deferred tax liabilities	6.21	2 165	1 773
Total - Non-current liabilities		164 620	169 291
Current liabilities			
Current convertible loans	6.12.	1 329	1 312
Other current loans and borrowings	6.12.	1 834	1 848
Current trade and other payables	6.13.	23 580	35 974
Current deferred income and revenue	-	1	1
Current provisions	6.14.	361	112
Total - Current liabilities		27 106	39 248
Total - Shareholders' equity & liabilities		**293 183**	**229 478**

2. CONSOLIDATED STATEMENTS OF OPERATIONS

(in € thousands, except earnings per share data)	Notes	Year ended 2017/12/31 corrected (*)	Year ended 2018/12/31
Revenues and other income			
Revenue	-	118	69
Other income	6.17.	6 737	7 425
Revenues and other income		6 856	7 494
Operating expenses and other operating income (expenses)			
Research and development expenses	6.18.	(54 189)	(67 024)
General and administrative expenses	6.18.	(9 421)	(9 793)
Other operating income (expenses)	6.18.	60	(162)
Operating loss		(56 695)	(69 484)
Financial income	6.20.	642	728
Financial expenses	6.20.	(3 096)	(11 118)
Financial loss		(2 453)	(10 391)
Net loss before tax		(59 148)	(79 875)
Income tax expense	6.21.	3 420	354
Net loss		**(55 728)**	**(79 521)**
Attributable to owners of the Company		(55 728)	(79 521)
Attributable to non-controlling interests		0	0
Basic and diluted loss per share			
Basic loss per share (€/share)	6.22.	(1.79)	(2.56)

3. CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE LOSS

(in € thousands)	Notes	Year ended	
		2017/12/31 corrected (*)	2018/12/31
Net loss		**(55 728)**	**(79 521)**
Actuarial gains and losses net of tax	6.15.	(210)	(31)
Other comprehensive income (loss) that will never be reclassified to profit or loss		(210)	(31)
Exchange differences on translation of foreign operations		(29)	14
Other comprehensive income (loss) that are or may be reclassified to profit or loss		(29)	14
Total other comprehensive loss		**(55 967)**	**(79 537)**
Attributable to owners of the Company		(55 967)	(79 537)
Attributable to non-controlling interests		0	0

4. CONSOLIDATED STATEMENTS OF CASH FLOWS

(in € thousands)	Year ended 31/12/2017 corrected (*)	Year ended 31/12/2018
Cash flows from operating activities		
+ Net loss	(55 728)	(79 521)
+ Non-controlling interets		
Reconciliation of net loss to net cash used in operating activities		
Adjustments for:		
+ Amortization	1 226	1 819
+ Depreciation and impairment charges	186	(208)
+ Expenses related to share-based compensation	278	787
- Gain / (loss) on disposal of property, plant and equipment	8	(2)
+ Net finance expenses	2 296	10 971
+ Income tax expense	(3 420)	(354)
+ Other non-cash items	17	0
Operating cash flows before change in working capital	(55 137)	(66 507)
Change in:		
Decrease / (increase) in inventories	10	(0)
Increase in trade receivables and other assets	(2 106)	(724)
Increase in trade payables and other liabilities	7 364	11 056
Change in working capital	5 268	10 332
Income tax paid	13	93
Net cash flows used in operating activities	**(49 856)**	**(56 081)**
Cash flows from investment activities		
- Acquisition of property, plant and equipment	(2 800)	(2 938)
+ Proceeds from disposal of property, plant and equipment	15	3
- Acquisition of financial instruments	(163)	(1 050)
+ Proceeds from sale of financial instruments	0	0
- Acquisition of subsidiary, net of cash acquired	0	0
Net cash flows used in investment activities	**(2 948)**	**(3 986)**
Cash flows from financing activities		
+ Proceeds from issue of share capital (net)	0	0
+ Proceeds from subscription / exercise of share warrants	37	37
+ Proceeds from new loans and borrowings net of issue costs	177 338	1 800
- Repayments of loans and borrowings	(1 655)	(2 000)
- Financial interests paid (including finance lease)	(1 372)	(6 351)
Net cash flows provided by / (used in) financing activities	**174 348**	**(6 514)**
Increase / (decrease) in cash and cash equivalents	**121 544**	**(66 580)**
Cash and cash equivalents at the beginning of the period	**152 277**	**273 820**
Cash and cash equivalents at the end of the period	**273 820**	**207 240**

5. CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

The expenses incurred as ofDecember 31, 2018 in the context of the preparation of contemplated financial transactions are accounted for by deducting them from the issue premium.

(in € thousands)	Share capital		Share premium	Treasury shares	Accumulated deficit	Currency translation adjustment	Net loss	Total shareholders' equity Group share	Non-controlling interests	Total shareholders' equity
	Number of shares	Share capital								
As of January 1, 2017	**31 166 437**	**7 792**	**237 305**	**(127)**	**(68 527)**	**21**	**(33 667)**	**142 797**	**0**	**142 797**
Net loss							(55 728)	(55 728)		(55 728)
Other comprehensive income (loss)					(210)	(29)		(239)		(239)
Total comprehensive income (loss)	**0**	**0**	**0**	**0**	**(210)**	**(29)**	**(55 728)**	**(55 967)**	**0**	**(55 967)**
Allocation of prior period profit (loss)					(33 667)		33 667	0		0
Capital increase	0	0	0					0		0
Equity component of OCEANE			14 312					14 312		14 312
Share-based compensation			278					278		278
Treasury shares				0				0		0
Other movements			37					37		37
As of December 31, 2017 corrected (*)	**31 166 437**	**7 792**	**251 932**	**(127)**	**(102 404)**	**(8)**	**(55 728)**	**101 457**	**0**	**101 457**
Net loss							(79 521)	(79 521)		(79 521)
Other comprehensive income (loss)					(31)	14		(17)		(17)
Total comprehensive income (loss)	**0**	**0**	**0**		**(31)**	**14**	**(79 521)**	**(79 537)**	**0**	**(79 537)**
Allocation of prior period profit (loss)					(55 728)		55 728	**0**		0
Capital increase	17 484	4	(1 201)					(1 201)		(1 201)
Share-based compensation			787					787		787
Treasury shares				(603)				(603)		(603)
Other movements			37					37		37
As of December 31, 2018	**31 183 921**	**7 796**	**251 554**	**(730)**	**(158 167)**	**6**	**(79 521)**	**20 939**	**0**	**20 939**

6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6.1. THE COMPANY

Founded in 1999 under the laws of France, GENFIT S.A. (the "**Company**") is a biopharmaceutical company dedicated to the discovery and development of drugs and biomarkers in therapeutic areas of high unmet need due to the lack of effective treatments or diagnostic tools and/or due to the increasing number of patients worldwide. The Company concentrates its research and development (R&D) efforts to participate in the potential commercialization of treatment solutions and diagnostic tools to fight certain metabolic, inflammatory, autoimmune or fibrotic diseases affecting especially the liver (such as non-alcoholic steatohepatitis, or NASH) and more generally in gastro-enterology.

The consolidated financial statements of the Company include the financial statements of GENFIT S.A. and those of its wholly-owned subsidiaries: GENFIT CORP (U.S. subsidiary) and GENFIT PHARMACEUTICALS SAS (French subsidiary)(together referred to as "**GENFIT**" or the "**Group**").

6.2. BASIS OF PRESENTATION

The Consolidated Financial Statements of GENFIT have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), as of December 31, 2018. Comparative figures are presented for the year ended December 31, 2017 and the year ended December 31, 2018.

The consolidated financial statements have been prepared using the historical cost measurement basis except for certain assets and liabilities that are measured at fair value in accordance with IFRS.

The consolidated financial statements as of and for the year ended December 31, 2018 were established under the responsibility of the Board of Directors that approved such statements on February 4, 2019.

The term IFRS includes International Financial Reporting Standards ("IFRS"), International Accounting Standards (the "IAS"), as well as the Interpretations issued by the Standards Interpretation Committee (the "SIC"), and the International Financial Reporting Interpretations Committee ("IFRIC"). The principal accounting methods used to prepare the Consolidated Financial Statements are described below.

All financial information (unless indicated otherwise) is presented in thousands of euros (€).

6.2.1. Changes in accounting policies and new standards or amendments

New or amended Standards Text already adopted in the EU		Effective date	Potential impact on consolidated financial statements
IFRS 15 Revenue from Contracts with Customers	IFRS 15 establishes a comprehensive framework for determining whether, how much, and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18, Revenue.	Applicable for fiscal years open from January 1, 2018	The first application of IFRS 15 does not have an impact on the Group's consolidated financial statements..
IFRS 9 Financial Instruments	IFRS 9, published in July 2014, replaces the existing guidance in IAS 39, Financial Instruments, Recognition and Measurement	Applicable for the fiscal years open from January 1, 2018	The first application of IFRS 9 does not have an impact on the Group's consolidated financial statements
IFRS 2 Amendment *Share based payments*	IFRS Amendment 2 provides clarification on the evaluation and changes to the plans.	Applicable for the fiscal years open from January 1, 2018	These provisions do not have a significant impact on the Group's consolidated financial statements.
IFRIC 22 Foreign currency transactions and advanced consideration	IFRIC 22 clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency.	Applicable for fiscal years open from January 1, 2018	The application of this amendment to the Group's consolidated financial statements does not have a significant impact.

6.2.2. Standards, interpretations and amendments issued but not yet effective

The paragraph below describes the standards and amendments to standards that are binding and apply starting from January 1, 2019 or later, and indicates GENFIT's position with respect to the future application of these texts.

GENFIT has not applied any of these texts earlier than required.

New or amended Standards Text already adopted in the EU		Effective date	Potential impact on consolidated financial statements
IFRS 16 Leases	IFRS 16 aligns the accounting of simple leases to that of finance leases.	Applicable for fiscal years open from January 1, 2019	The Group plans to adopt IFRS 16 using the modified retrospective method and has chosen to apply it to contracts that were previously identified as leases under IAS 17 and IFRIC 4. The Group plans to use the exemptions provided for leases whose term is less than 12 months from the date of first application and those relating to low-value assets. The Group is in the process of identifying the relevant contracts (the most important being the one that governs the building leases) and evaluating their impact on the Group's consolidated financial statements.

Amendments to standards Text not yet adopted in the EU		Effective date	Potential impact on consolidated financial statements
Amendment to IAS 19 Employee Benefits	This amendment to IAS 19 concerns the amendment, curtailment or settlement of defined benefit plans.	Applicable for fiscal years open from January 1, 2019	The application of this amendment to the Group's consolidated financial statements is not expected to have a significant impact
Improvements to IFRS Standards 2015-2017 Cycle	This cycle concerns IFRS 3, IFRS 11, IAS 12, and IAS 23	Applicable for fiscal years open from January 1, 2019	The application of this amendment to the Group's consolidated financial statements is not expected to have a significant impact
IFRIC 23 Uncertainty over income tax treatments	IFRIC 23 clarifies the application of IAS 12 concerning accounting for uncertainties in income taxes.	Applicable for fiscal years open from January 1, 2019	The application of this amendment to the Group's consolidated financial statements is not expected to have a significant impact.

6.2.3. Correction of errors

In the context of the preparation of its 2018 consolidated financial statements, and in accordance with IAS 8, the Company adjusted the financial statements previously published for the 2017 fiscal year with respect to the accounting for the OCEANE issuance.
These changes were approved by the Board of Directors at its meeting on February 4, 2019.

The following table shows the impact on the Net Income (Loss) for the 2017 fiscal year, compared to previously published figures:

(in € thousands, except earnings per share data)	Year ended 2017/12/31 as published	Correction: proper effective interest rate of convertible loan	Correction: proper accounting under IAS 12	Year ended 2017/12/31 as corrected	See explanatory note below
Revenues and other income					
Revenue	118			118	
Other income	6 737			6 737	
Revenues and other income	6 856	0	0	6 856	
Operating expenses and other operating income (expenses)					
Research and development expenses	(54 189)			(54 189)	
General and administrative expenses	(9 421)			(9 421)	
Other operating income (expenses)	60			60	
Operating loss	(56 695)	0	0	(56 695)	
Financial income	642			642	
Financial expenses	(2 168)	(928)		(3 096)	A
Financial loss	(1 526)	(928)	0	(2 453)	
Net loss before tax	(58 220)	(928)	0	(59 148)	
Income tax expense	(384)		3 804	3 420	B
Net loss	**(58 604)**	**(928)**	**3 804**	**(55 728)**	

The corrections lead to an improvement in the net income (loss) of €2,876k, bringing it to €(55,728)k compared to € (58,604)k in the published accounts.

The accounting changes are related to:

A	• Correction of the effective interest rate taken into account for the calculation of financial expenses related to the OCEANE at the transaction date of October 16, 2017 for an amount of €928k (increase of financial expenses).

B	Recognition of • A deferred tax liability related to the equity component of the OCEANE €(19,960)k for €5,648k, as a decrease of equity on October 16, 2017; • A deferred tax liability as of December 31, 2017 related to the tax deduction of the OCEANE issuance costs and the difference between the effective interest rate and the portion of deductible coupon (€120k net), as an increase of the financial expenses in net result (deferred tax expense); • A deferred tax asset arising from the use of net operating losses (NOLs) carried forward up to the deferred tax liabilities mentioned above, taking into account the French tax rule which limits considerations of such NOLs to 50% (above one million Euros), and the timing of reversal of these deferred tax liabilities, for an amount of €3,724k at the transaction date (deferred tax income), the use of NOLs for the period of €121k (deferred tax expense) and the reversal of the previously recognized deferred tax expense as of December 31, 2017 for €321k (decrease of deferred tax expense), resulting in an aggregate amount of €3,924k of reduction of deferred tax expense (or a net deferred tax income).

As a result, the net loss per share for the 2017 fiscal year decreased from €1.88 to €1.79.

The following table shows the impact of the corrections of these errors in the consolidated statements of operations at December 31, 2017:

SHAREHOLDERS' EQUITY AND LIABILITIES (in € thousands)	As of 2017/12/31 as published	Correction: proper effective interest rate of convertible loan	Correction: proper accounting under IAS 12	As of 2017/12/31 as corrected	See explanatory note below
Shareholders' equity					
Share capital	7 792			7 792	
Share premium	257 580		(5 648)	251 932	C
Accumulated deficit	(102 531)			(102 531)	
Currency translation adjustment	(8)			(8)	
Net loss	(58 604)	(928)	3 804	(55 728)	D
Total shareholders' equity - Group share	104 229	(928)	(1 844)	101 457	
Non-controlling interests	0			0	
Total - Shareholders' equity	104 229	(928)	(1 844)	101 457	
Non-current liabilities					
Non-current convertible loans	153 611	928		154 539	E
Other non-current loans and borrowings	6 978			6 978	
Non-current deferred income and revenue	2			2	
Non-current employee benefits	936			936	
Deferred tax liabilities	321		1 844	2 165	F, G
Total - Non-current liabilities	161 848	928	1 844	164 620	
Current liabilities					
Current convertible loans	1 329			1 329	
Other current loans and borrowings	1 834			1 834	
Current trade and other payables	23 580			23 580	
Current deferred income and revenue	1			1	
Current provisions	361			361	
Total - Current liabilities	27 106	0	0	27 106	
Total - Shareholders' equity & liabilities	**293 183**	**0**	**(0)**	**293 183**	

The balance sheet at December 31, 2017 was adjusted due to the following changes, in particular:

C	The equity component of the OCEANE (€19,960k) determined in accordance with split accounting under IAS 32 was decreased by the deferred tax liability recognized under IAS 12 (€5,648k).
D	The impact on income is the result of the elements explained in points A and B above.

E	The non-current part of the convertible loan (OCEANE) is increased by the financial expenses calculated with the proper application of the effective interest rate.
F	The correction of the initially recognized deferred tax liabilities under IAS 12 for €1,844k.
G	Following these corrections, the deferred tax liabilities are €2,165k.

The overall impact of these corrections is a €2,772k decrease in equity and an increase in non-current liabilities in the same amount.

6.3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

6.3.1. Use of estimates and judgments

In preparing these consolidated financial statements, management makes judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, incomes and expenses. Actual amounts may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The estimates and underlying assumptions mainly relate to research tax credits (see Note 6.3.19.2. - "Research tax credit"), employee benefits (see Note 6.3.17. - "Employee benefits"), share-based payments. (see Note 6.19 "Share-based compensation"), accruals related to clinical trials (see Note 6.18 – "Operating expense") and convertible loans (see Note 6.12.1 "Loans and Borrowings).

6.3.2. Consolidation

The Group controls an entity when it is exposed to variable returns from its involvement with the entity, and when it has the ability to affect those returns through its power over the entity.

The Group controls all the entities included in the scope of consolidation.

6.3.3. Foreign currency

6.3.3.1. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the entities of the Group at the exchange rates applicable at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the reporting date.

The resulting exchange gains or losses are recognized in the statement of operations.

6.3.3.2. Foreign currency translation

The assets and liabilities of foreign operations having a functional currency different from the euro are translated into euros at the closing exchange rate. The income and expenses of foreign operations are translated into euros at the exchange rates effective at the transaction dates or using the average exchange rate for the reporting period unless this method cannot be applied due to significant exchange rate fluctuations.

Gains and losses arising from foreign operations are recognized in the statement of other comprehensive loss. When a foreign operation is partly or fully divested, the associated share of gains and losses recognized in the currency translation reserve is transferred to the statement of operations.

The Group presentation currency is the euro, which is also the functional currency of GENFIT S.A.
The functional currency of GENFIT CORP is the U.S. dollar.

Ratio : 1 US dollars (USD) = x euros (EUR)	Year ended 2017/12/31	Year ended 2018/12/31
Exchange rate at period end	0.83382	0.87336
Average exchange rate for the period	0.88704	0.84758

6.3.4. Intangible assets

Intangible assets mainly consist of software and operating licenses acquired by the Group. They are recognized at cost less accumulated amortization and impairment. Amortization expense is recorded on a straight-line basis over the estimated useful lives of the intangible assets. The estimated useful lives of both software and license agreements are between 3 and 5 years.

6.3.5. Property, plant and equipment

Property, plant and equipment are initially recognized at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset. Routine maintenance costs are expensed as incurred.

Subsequently, depreciation expense is recognized on a straight-line basis over the estimated useful lives of the assets. If components of property, plant and equipment have different useful lives, they are accounted for separately. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

Estimated useful lives are as follows:

Scientific equipment	Between 2 and 12 years
Computer equipment	Between 2 and 5 years
Furniture	Between 4 and 10 years
Vehicles	Between 4 and 6 years

Any gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item. The net amount is recognized in the consolidated statement of operations under the line item "Other operating income and expenses."

6.3.6. Leases

GENFIT is a lessee in a number of lease contracts (see Note 6.6. - "Property, plant and equipment").

6.3.6.1. Finance leases

If, according to the terms of a lease, it appears that substantially all the risks and rewards incidental to ownership are transferred from the less or to the lessee, the leasing contract is qualified as a finance lease. The associated leased assets are initially recognized as an asset at their fair value or present value of the minimum lease payments due under the contract, if this is lower, and are subsequently depreciated or impaired, as necessary. The resulting financial liabilities are reported in the line items "Non-current loans and borrowings" and "Current loans and borrowings".

6.3.6.2. Operating leases

A lease is classified as an operating lease if it does not transfer to the lessee substantially all the risks and rewards incidental to ownership.

Payments made under operating leases are expensed on a straight-line basis over the term of the lease.

Lease incentives received such as rent-free periods or uneven lease payments are spread on a straight-line basis over the term of the lease.

6.3.7. Impairment of tangible assets, intangible assets and goodwill

If indicators of impairment are identified, amortizable intangible assets and depreciable tangible assets are subject to an impairment test under the provisions of IAS 36, *Impairment of Assets*.

The Group does not have any goodwill.

6.3.8. Financial instruments

IFRS 9, Financial Instruments, replaces IAS 39, Financial Instruments: Recognition and Measurement, for annual periods beginning on or after January 1, 2018, bringing together all three aspects of the accounting for financial instruments: (a) classification and measurement; (b) impairment; and (c) hedge accounting.

The first time application of IFRS 9 had no impact on the Group's financial statements.

Loans and borrowings are initially measured at fair value and subsequently recorded at amortized cost.

6.3.9. Inventories

The Company recognizes inventories of laboratory consumables in connection with its former co-research agreements. These inventories are measured at the lower of cost and net realizable value. Cost is determined using the weighted average cost method.

6.3.10. Trade and other receivables

Trade and other receivables are recognized at fair value, which is the nominal value of invoices unless payment terms require a material adjustment for the time value discounting effect at market interest rates. Trade receivables are subsequently measured at amortized cost. A valuation allowance for trade receivables is recognized if their recoverable amount is less than their carrying amount.

Receivables are classified as current assets, except for those with a maturity exceeding 12 months after the reporting date.

6.3.11. Other financial assets

Loans and receivables are financial assets with fixed or determinable payments that are not listed on an active market and are valued using the amortized cost method.

A gain or loss arising from a change in the fair value of an available-for-sale financial asset is recognized in other comprehensive income (loss) except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognized. At that time the cumulative gain or loss previously recognized in other comprehensive income (loss) is reclassified from equity to profit or loss as a reclassification adjustment.

6.3.12. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments. They are readily convertible to a known amount of cash and thus present a negligible risk of a change in value. They also include Undertakings for Collective Investments in Transferable Securities (UCITs) whose characteristics allow them to be classified as financial assets available for sale.

Initially recognized at their purchase cost at the transaction date, investments are subsequently measured at fair value. Changes in fair value are recognized in net financial income.

6.3.13. Equity

Share capital comprises ordinary shares and ordinary shares with double voting rights classified in equity. Costs directly attributable to the issue of ordinary shares or share options are recognized as a reduction in the issuance premium.

The liquidity agreement consists of a share buyback program contracted to an investment service provider. Purchases and sales of the Company's own shares carried out under the contract are recognized directly in shareholder's equity.

6.3.14. Loans and borrowings

Financial liabilities are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at amortized cost using the effective interest rate method.

The accounting of the Company's financial liabilities remains largely the same as it was under IAS 39. Similar to the requirements of IAS 39, IFRS 9 requires contingent liabilities to be treated as financial instruments measured at fair value, with the changes in fair value recognized in the statement of profit or loss.

The Group derecognizes financial liabilities when the contractual obligations are discharged or cancelled or expire.

The bonds convertible or exchangeable into new or existing shares (OCEANE – see Note 6.12.1 "Breakdown of convertible loan") are recognized as follows: in accordance with IAS 32: Financial Instruments – Presentation, if a financial instrument

has different components the characteristics of which some could be classified as liabilities and others as equity, the issuer must recognize the different components separately.

The liability component is measured, at the date of issuance, at its fair value in accordance with IAS 39, Financial Instruments: *Recognition and Measurement* on the basis of future contractual cash flows discounted at market rates (taking into consideration the issuer's credit risk) of a debt having similar characteristics but without having the conversion option.

The value of the conversion option is measured by the difference between the bond's issue price and the fair value of the liability component. After deduction of the portion of expenses related to the transaction, this amount is recognized in the line item "Share premium" under shareholders' equity and is subject to a calculation of deferred tax.

The liability component (after deduction of the portion of the expenses related to the transaction pro rata to the respective parts attributed to liability and the conversion option) is measured at amortized cost. A non-monetary interest expense, recorded in net result is calculated using an effective interest rate to progressively bring the debt component up to the amount which will be repaid (or converted) at maturity. A deferred tax liability is calculated on the basis of this amount. The shareholders' equity component is not remeasured.

6.3.15. Trade and other payables

Trade and other payables are initially recognized at the fair value of the amount due. This value is usually the nominal value, due to the relatively short period of time between the recognition of the instrument and its repayment.

6.3.16. Provisions

Provisions are recognized when the Group has a present obligation (legal, regulatory, contractual or constructive) as a result of a past event, for which it is probable that an outflow of resources will be required to settle the obligation, and of which the amount can be estimated reliably.

The amount recognized as a provision is the best estimate at the reporting date of the expenditure required to settle the present obligation.

Provisions are discounted when the time value effect is material.

6.3.17. Employee benefits

The Group's pension schemes and other post-employment benefits consist of defined benefit plans and defined contribution plans.

6.3.17.1. Defined benefit plans

Defined benefit plans relate to French retirement benefit plans under which the Group is committed to guaranteeing a specific amount or level of contractually defined benefits. The obligation arising from these plans is measured on an actuarial basis using the projected unit credit method. The method consists in measuring the obligation based on a projected end-of-career salary and vested rights at the measurement date, according to the provisions of the collective bargaining agreement, corporate agreements and applicable law.

Actuarial assumptions are performed to determine the benefit obligations. The amount of future payments is determined on the basis of demographic and financial assumptions such as mortality, staff turnover, pay increases and age at retirement, and then discounted to their present value. The discount rate used is the yield at the reporting date on AA credit-rated bonds with maturity dates that approximate the expected payments for the Group's obligations.

Re-measurements of the net defined benefit liability which comprise actuarial gains and losses are recognized immediately in the statement of other comprehensive loss.

The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments.

6.3.17.2. Defined contribution plans

Under defined contribution plans, the management of plans is performed by an external organization, to which the Group pays regular contributions. Payments made by the Group in respect of these plans are recognized as an expense for the period in the statement of operations.

6.3.17.3. Short-term employee benefits

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

6.3.18. Revenues

Revenue recognized in 2017 and 2018 related primarily to the sublease of a part of the Group's corporate headquarters.

The Group has not yet entered into other contracts with customers that would fall within the scope of IFRS 15.

6.3.19. Other income

6.3.19.1. Government grants

The Group received until 2016 various forms of government grants. This government aid is provided for and managed by French state-owned entities, and specifically "BPI France" ("Banque Publique d'Investissement"), formerly named "OSEO Innovation".

Subsidies received are non-refundable. Conditional advances received are interest-free or are subject to low interest rates depending on contractual provisions.

Grants related to assets

Grants related to assets are intended to finance the purchase of long-term assets. They are presented in the statement of financial position as deferred income and recognized in the line item "Other income" in the statement of operations on a systematic basis over the useful life of the related asset.

Grants related to income

Grants related to income are intended to finance research programs.

They are presented in the statement of financial position as deferred income and recognized in the line item "Other income" in the statement of operations as and when costs related to the research programs are incurred.

Conditional advances related to research programs

Conditional advances that are interest-free or subject to low interest rates are intended to finance research programs

In accordance with IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*, the advantage resulting from interest-free or low interest rates as compared to a market interest rate is considered and accounted for as a government grant. A financial liability is recognized for proceeds received from the advance less the grant, and interest expense is subsequently recorded under the effective interest rate method using a market interest rate.

The grant portion of conditional advances is treated as a grant related to income.

For advances granted by BPI France, repayment is required in the event of commercial success. In addition, if the Group decides to stop the research program, the conditional advance may be repayable. If a program is unsuccessful, a pre-determined amount may be repayable. The remaining amount, if any, is then considered as a grant and written off in the line item "Other income" in the statement of operations.

6.3.19.2. Research tax credit

The Research Tax Credit ("*Crédit d'Impôt Recherche*", or "CIR") is granted to entities by the French tax authorities in order to encourage them to conduct technical and scientific research. Entities that demonstrate that their research expenditures meet the required CIR criteria receive a tax credit that may be used for the payment of their income tax due for the fiscal year in which the expenditures were incurred, as well as in the next three years. If taxes due are not sufficient to cover the full amount of tax credit at the end of the three-year period, the difference is repaid in cash to the entity by the authorities. If a company meets certain criteria in terms of sales, headcount or assets to be considered a small/mid-size company, immediate payment of the Research Tax Credit can be requested. The Group meets such criteria.

The Group applies for CIR for research expenditures incurred in each fiscal year and recognizes the amount claimed in the line item "Other income" in the statement of operations in the same fiscal year. In the notes to the financial statements, the amount claimed is recognized under the heading "Research tax credit" (see Notes 6.7. - "Trade and other receivables" and 6.17. - "Revenue and other income"). The CIR for fiscal years 2010, 2011, 2012 and 2014 was under audit by the tax authorities and proposed reassessments were made which the Group has contested using the legal remedies available to it (see Note 6.23 - Litigation and contingent liabilities).

6.3.20. Research and development costs

Research expenses are recorded in the financial statements as expenses (see Note 6.18. - "Operating expense").

In accordance with IAS 38, *Intangible Assets*, development expenses are recognized as intangible assets only if all the following criteria are met:

- Technical feasibility necessary for the completion of the development project;
- Intention on the Group's part to complete the project and to utilize it;
- Capacity to utilize the intangible asset;
- Proof of the probability of future economic benefits associated with the asset;
- Availability of the technical, financial, and other resources for completing the project; and
- Reliable evaluation of the expenses attributed to the intangible asset during its development.

Since some of these criteria were not fulfilled, the Group did not capitalize any development costs.

6.3.21. Classification of operating expenses

Research and development expenses include:

- employee-related costs;
- costs related to external employees seconded to the Company (clinical development and IT);
- lab supplies and facility costs;
- donations to The NASH Education Program™ endowment fund, in particular for the creation of patient registry;
- fees paid to scientific advisers and contracted research and development activities conducted by third parties; and
- intellectual property fees corresponding to the filing of the Group's patents.

Contracted research and development activities conducted by third parties include services subcontracted to research partners for technical and/or regulatory reasons. In particular, this includes the production of active ingredients and therapeutic units, all or a part of clinical trials and pre-clinical trials that are necessary to the development of GENFIT's drug candidates and biomarker candidates.

General and administrative expenses include:

- employee-related costs for executive, business development, intellectual property, finance, legal and human resources and communications functions;
- facility-related costs;
- legal, audit and accounting fees;
- press releases and communications firm fees;
- the costs of external employees seconded to the Company (security and reception);
- other service fees (recruiting, etc.); grants to the endowment fund, The NASH Education Program™ earmarked in particular to finance the International NASH Day, and
- intellectual property fees corresponding to the maintenance of the Group's patents.

6.3.22. Share-based compensation

The fair value of equity settled share-based compensation granted to employees, officers, board members and consultants as determined on the grant date is recognized as a compensation expense with a corresponding increase in equity, over the vesting period. The amount recognized as an expense is adjusted to reflect the actual number of awards for which the related service and non-market performance conditions are expected to be met.

The fair values of equity settled share-based compensation granted to employees are measured using the Black-Scholes model with respect to the share warrants (BSA) and the redeemable share warrants (BSAAR) and using the Monte Carlo model for the stock options (SO) and free shares (AGA). Measurement inputs include share price on the measurement date, the exercise price of the instrument, expected volatility, expected maturity of the instruments, expected dividends, and the risk-free interest rate (based on government bonds). With respect to the redeemable share warrants, service and non-market performance conditions attached to the transactions are not taken into account in determining fair value. Regarding the stock options and free shares, market conditions are taken into account in the evaluation of the fair value for the allocation plans that provide for it. For share-based compensation awards with non vesting conditions, the grant date fair value of the share-based compensation is measured to reflect such conditions and there is no adjustment for differences between expected and actual outcomes.

GENFIT may also grant equity-settled share-based compensation in exchange for services to consultants who are not considered employees. In such cases, the value of the services is measured when they are rendered by the consultants and the share-based compensation exchanged for the services is measured at an equal amount. If the value of the services cannot be measured reliably, then such value is measured with reference to the fair value of the equity instruments granted.

Share-based compensation granted to consultants consists of share warrants, some of which may be redeemed at GENFIT's discretion.

Share-based compensation granted to employees consists of redeemable share warrants, stock options and free shares.

6.3.23. Income tax

Income tax expense (or income) comprises current tax expense (or income) and deferred tax expense (or income), as the case may be.

Deferred taxes are recognized for all the temporary differences arising from the difference between the tax basis and the accounting basis of assets and liabilities.

Deferred tax assets are recognized for unused tax losses, unused tax credits and temporary deductible differences to the extent that:

- it is probable that future taxable profit will be available against which they can be used;
- if there are deferred tax liabilities for the same entity in the same tax jurisdiction on which they can be applied.

6.3.24. Earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing profit or loss attributable to the Company's ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings (loss) per share are calculated by adjusting profit attributable to ordinary shareholders and the average number of ordinary shares outstanding weighted for the effects of all potentially dilutive instruments (share warrants, redeemable share warrants, free shares, stock options and bonds convertible into new and/or existing shares).

6.3.25. Operating segments

The Board of Directors and Chief Executive Officer are the chief operating decision makers.

The Board of Directors and the Chief Executive Officer oversee the operations and manage the business as one segment with a single activity; namely, the research and development of innovative medicines, the marketing of which depends on the success of the clinical development phase.

6.4. FINANCIAL RISKS MANAGEMENT

The Group may be exposed to the following risks arising from financial instruments: foreign exchange risk, interest rate risk, liquidity risk and credit risk.

6.4.1. Foreign exchange risk

As of the date of this document, the Group's exposure to exchange rate risk is moderate because the majority of its operations are denominated in euros, with the notable exception of the operations performed by GENFIT CORP in U.S. dollars.

In the future, and in particular with respect to its clinical trials, the Group may have to manage an increasing number of transactions either denominated in other foreign currencies or indirectly exposed to currency risk, which will increase its overall exposure to this risk.

The increase in the overall exposure of the Group to this risk will depend, in particular, on:

- the currencies in which the Group receives its revenues;
- the currencies chosen when agreements are entered into, such as licensing agreements, or co-marketing or co-development agreements;
- the geographic location of clinical trials on drug or biomarker candidates;
- the ability, for its co-contracting parties to indirectly transfer foreign exchange risk to the Group; and
- the Group's foreign exchange risk policy.

During the 2017 fiscal year, the Group used specific hedging arrangements (e.g., purchase of U.S. dollars and of UCITS in U.S. dollars, as well as currency forwards in U.S. dollars). In 2018, the Group studied the implementation of appropriate hedging arrangements without ultimately using any such arrangements.

The following table shows the sensitivity of the Group's expenses in U.S. dollars to a variation of 10% of the U.S. dollar against the euro in 2017 and 2018:

Sensitivity of the Group's expenses to a variation of +/- 10% of the US dollar against the euro (in € thousands or in US dollar thousands, as applicable)	Year ended	
	2017/12/31	2018/12/31
Expenses denominated in US dollars	5 993	9 613
Equivalent in euros, on the basis of the exchange rate described below	4 997	8 396
Equivalent in euros, in the event of an increase of 10% of US dollar vs euro	5 552	9 328
Equivalent in euros, in the event of a decrease of 10% of US dollar vs euro	4 543	7 632

Equivalent in euros, on the basis of a 1 euro = 1,145 US dollar ratio
Equivalent in euros, on the basis of a 1 euro = 1,1993 US dollar ratio

For the 2017 fiscal year, the net impact of the operational exchange rate risk consisted of realized and unrealized foreign exchange losses of €765k, offset in part by gains of €59k, and in 2018, a realized and unrealized foreign exchange rate loss

of €127k, offset in part by gains of €101k. These gains and losses are not necessarily indicative of the future impact of exchange rate risk.

6.4.2. Interest rate risk

As of December 31, 2018, the Group was only liable for governmental advances or conditional advances with no interest or interest at a fixed rate, generally below market rate, and for fixed-rate bank loans (the only variable rate loan was repaid in 2017). Consequently, the Group is not significantly exposed to fluctuations in interest rates for its liabilities.

As of December 31, 2018, the Group's financial liabilities totaled €169,593k (as of December 31, 2017: €164,680k) net of the equity component of the convertible loan and debt issue costs The Group's exposure to interest rate risk through its financial assets is also limited, since these assets are mainly euro-denominated Undertakings for the Collective Investment of Transferable Securities (UCITs), medium-term negotiable notes or term deposits with progressive rates.

6.4.3. Liquidity risk

The Group's loans and borrowings mainly consist of bonds convertible or exchangeable into new or existing shares (OCEANE) government advances for research projects and bank loans. For conditional advances, reimbursement of the principal is subject to the commercial success of the related research project.

The Company has conducted a specific review of its liquidity risk and considers that it is able to meet its future maturities. At December 31, 2018, the Group has €208,553k in cash and cash equivalents and other financial assets (as of December 31, 2017: €274,581k). The Group's net cash at December 31, 2018 amounted to €37,647k (€109,141k at December 31, 2017), consisting of cash and cash equivalents, less the carrying value o the OCEANE and current and non-current financial liabilities. The Company believes that the Group's cash and cash equivalents and current financial instruments are sufficient to ensure its financing, in light of its current projects and obligations, for at least the next twelve months.

If the Group's funds are insufficient to cover any additional financing needs, the Group would require additional financing. The conditions and arrangements for any such new financing would depend, among other factors, on economic and market conditions that are beyond the Group's control.

6.4.4. Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial asset defaults on their contractual commitments. The Group is exposed to credit risk due to trade receivables and other financial assets.

The Group's policy is to manage this risk by contracting with third parties with good credit standards.

6.5. INTANGIBLE ASSETS

Intangible assets consist of office and administrative software as well as scientific software purchased by the Group.

Intangible assets - Variations (in € thousands)	As of 31/12/2017	Increase	Decrease	Translation adjustments	Reclassification	As of 31/12/2018
Gross						
Software	1 900	216	(67)	0	0	2 049
Patents	21	0	0	0	0	21
Other intangibles	0	313	0	0	0	313
TOTAL - Gross	**1 921**	**529**	**(67)**	**0**	**0**	**2 384**
Accumulated depreciation and impairment						
Software	(1 264)	(370)	67	0	0	(1 567)
Patents	(21)	0	0	0	0	(21)
Other intangibles	0	0	0	0	0	0
TOTAL - Accumulated depreciation and impairment	**(1 285)**	**(370)**	**67**	**0**	**0**	**(1 588)**
TOTAL - Net	**636**	**159**	**0**	**0**	**0**	**796**

Intangible assets - Movements (En milliers d'euros)	As of 31/12/2016	Increase	Decrease	Translation adjustments	Reclassification	As of 31/12/2017
Gross						
Software	1 688	268	(56)	0	0	1 900
Patents	21	0	0	0	0	21
Other intangibles	0	0	0	0	0	0
TOTAL - Gross	**1 709**	**268**	**(56)**	**0**	**0**	**1 921**
Accumulated depreciation & impairment						
Software	(1 020)	(298)	54	0		(1 264)
Patents	(21)	0	0	0		(21)
Other intangibles	0	0	0	0		0
TOTAL - Accumulated depreciation & impairment	**(1 042)**	**(298)**	**54**	**0**		**(1 285)**
TOTAL - Net	**668**	**(29)**	**(2)**	**0**	**0**	**636**

6.6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (including assets held under finance lease contracts) consist of the following:

Property, plant and equipment - Variations (in € thousands)	As of 31/12/2017	Increase	Decrease	Translation adjustments	Reclassification	As of 31/12/2018
Gross						
Buildings on non-freehold land	11	0	0	0	1 447	1 458
Scientific equipment	9 576	1 484	(235)	0	54	10 879
Fittings	1 126	443	(43)	0	5	1 531
Vehicles	99	0	0	0	0	99
Computer equipment	1 954	200	(5)	0	(702)	1 446
Furniture	357	8	(4)	0	0	361
In progress	(0)	805	0	0	(804)	0
TOTAL - Gross	**13 123**	**2 939**	**(288)**	**0**	**0**	**15 774**
Accumulated depreciation and impairment						
Buildings on non-freehold land	(0)	(1)	0	0	0	(1)
Scientific equipment	(5 063)	(1 142)	218	0	0	(5 988)
Fittings	(722)	(91)	43	0	0	(769)
Vehicles	(24)	(21)	0	0	0	(45)
Computer equipment	(703)	(216)	4	0	0	(915)
Furniture	(285)	(11)	4	0	0	(292)
In progress	0	0	0	0	0	0
TOTAL - Depreciation and impairment	**(6 798)**	**(1 481)**	**270**	**0**	**0**	**(8 010)**
TOTAL - Net	**6 324**	**1 459**	**(18)**	**0**	**0**	**7 764**

Immobilisations corporelles - Movements (En milliers d'euros)	As of 31/12/2016	Increase	Decrease	Translation adjustments	Reclassification	As of 31/12/2017
Gross						
Buildings on non-freehold land	0	11	0	0	0	11
Scientific equipment	6 078	3 546	(49)	0	0	9 576
Fittings	988	138	0	0	0	1 126
Vehicles	82	61	(44)	0	0	99
Computer equipment	1 475	211	(12)	0	281	1 954
Furniture	317	40	0	0	0	357
In progress	(0)	281	0	0	(281)	(0)
TOTAL - Gross	**8 940**	**4 287**	**(105)**	**0**	**0**	**13 123**
Accumulated depreciation & impairment						
Buildings on non-freehold land	0	(0)	0	0		(0)
Scientific equipment	(4 438)	(673)	48	0		(5 063)
Fittings	(657)	(65)	0	0		(722)
Vehicles	(29)	(17)	22	0		(24)
Computer equipment	(530)	(184)	11	0		(703)
Furniture	(276)	(9)	0	0		(285)
In progress	0	0	0	0		0
TOTAL - Depreciation & impairment	**(5 930)**	**(949)**	**81**	**0**		**(6 798)**
TOTAL - Net	**3 010**	**3 338**	**(24)**	**0**	**0**	**6 324**

Assets under finance lease contracts relate to scientific equipment. Their net carrying value as of December 31, 2018 amounts to €1,889k (at December 31, 2017: €1,895k).

Financial commitments - Operating leases

Lease payments for property rented under the Group's real estate operating leases for its offices in Loos, France, Paris, France and Cambridge, Massachusetts, USA) and the payment schedule for minimum future lease payments under these leases are as follows:

Operating lease payments - group as lessee	Year ended	
(in € thousands)	2017/12/31	2018/12/31
Minimum payments - for the period	1 072	1 153

Operating lease commitments - group as lessee	As of	
(in € thousands)	2017/12/31	2018/12/31
Minimum payments - within 1 year	1 072	1 213
Minimum payments - after 1 year but no more than 5 years	3 832	3 262
Minimum payments - more than 5 years	293	316
TOTAL	**5 197**	**4 791**

GENFIT has guaranteed its rental payment obligation under the lease agreement for the headquarters in Loos in the amount of €455k at December 31, 2018 (same amount as of December 31, 2017).

In May 2018, the Company signed an agreement with an independent third party who owns the Company's headquarters, for a building extension of approximately 1,000 square meters for a maximum amount of €2,500k. The expected delivery date for the extension is end of the first quarter 2019.

Financial commitments – Capital leases

The payment schedule for minimum future lease payments under capital leases is as follows:

Finance lease	As of	
(in € thousands)	2017/12/31	2018/12/31
Minimum payments - Within 1 year	439	539
Minimum payments - After 1 year but not more than 5 years	1 489	1 404
Minimum payments - More than 5 years	0	0
Total - Minimum payments	**1 928**	**1 943**
Of which : Principal - Within 1 year	420	520
Of which : Principal - After 1 year but not more than 5 years	1 460	1 381
Of which : Principal - More than 5 years	0	0
Total - Of which : Principal	**1 880**	**1 900**
Of which : Interest - Within 1 year	18	19
Of which : Interest - After 1 year but not more than 5 years	29	23
Of which : Interest - More than 5 years	0	0
Total - Of which : Interest	**48**	**42**

6.7. TRADE AND OTHER RECEIVABLES

Trade and other receivables consisted of the following:

Trade and other receivables - Total	As of	
(in € thousands)	2017/12/31	2018/12/31
Trade receivables, net	61	25
Research tax credit	8 466	8 785
Social security costs receivables	3	10
VAT receivables	994	1 103
Grants receivables	13	(0)
Other receivables	340	361
TOTAL	**9 876**	**10 284**

Trade and other receivables - Current	As of	
(in € thousands)	2017/12/31	2018/12/31
Trade receivables, net	61	25
Research tax credit	6 545	7 295
Social security costs receivables	3	10
VAT receivables	994	1 103
Grants receivables	13	(1)
Other receivables	340	361
TOTAL	**7 955**	**8 794**

Trade and other receivables - Non-current	As of	
(in € thousands)	2017/12/31	2018/12/31
Trade receivables, net	0	0
Research tax credit	1 921	1 489
Social security costs receivables	0	0
VAT receivables	0	0
Grants receivables	0	0
Other receivables	0	0
TOTAL	**1 921**	**1 489**

At December 31, 2018, trade receivables neither past due nor impaired amounted to €7k compared with €49k as of December 31, 2017.

At December 31, 2018, past due trade receivables amounted to €18k compared with €12k at December 31, 2017.

At December 31, 2018, the part of trade receivables classified as doubtful accounts amounted to €4k (compared to €73k at December 31, 2017).

During the period, the majority of the trade receivables classified as doubtful accounts were classified as irrecoverable, in the amount of €57k.

Research tax credit

The research tax credit receivable as of December 31, 2018 included:

- a partial payment of the assessment (€333k) due to an ongoing tax audit
- the balance of the amount due for the 2014 fiscal year (€1,140k)

the balance of the amount due for the 2016 fiscal year (€447k), the two amounts are used as partial compensation with the assessment notices and the tax notice related to the 2014 CIR as described in section 6.23 - "Litigation and contingent liabilities"

- The amount received following the judgment in favor of the Company at the Montreuil court (€432k) which has been deducted.

The estimated amount at December 31, 2018, of €7,295k for the research tax credit receivable is in addition to the amounts described above.

At December 31, 2018, other receivables mainly included VAT receivables for €1,103k, receivables from suppliers for €235k, and the CICE debt for €122k.

6.8. OTHER FINANCIAL ASSETS

Other financial assets consist of the following:

Financial assets - Total	As of	
(in € thousands)	2017/12/31	2018/12/31
Loans	219	259
Deposits and guarantees	274	284
Liquidity contract net	267	770
TOTAL	**760**	**1 313**

Financial assets - Current	As of	
(in € thousands)	2017/12/31	2018/12/31
Loans	0	0
Deposits and guarantees	31	0
Liquidity contract net	0	0
TOTAL	**31**	**0**

Financial assets - Non current	As of	
(in € thousands)	2017/12/31	2018/12/31
Loans	219	259
Deposits and guarantees	243	284
Liquidity contract net	267	770
TOTAL	**729**	**1 313**

The liquidity contract consists of a share buyback program contracted to an investment service provider in order to fluidify the listing of the Group's shares.

During the period, Genfit made an additional contribution of €1,000k to the liquidity agreement with CM-CIC Market Solutions.

As of December 31, 2018, the liquidity agreement had cash balance of €770k.

CM-CIC Market Solutions holds on behalf of Genfit, 27,911 shares, recorded in deduction from equity.

6.9. OTHER ASSETS

Other assets of €2,078k at December 31, 2018 and €1,761 at December 31, 2017 consist of prepaid expenses related to current operating expenses. This increase follows the increase in operating expenses in 2018.

6.10. CASH AND CASH EQUIVALENTS

The main components of cash equivalents were:

- UCITS and interest-bearing current accounts, available immediately;
- term accounts, available within the contractual maturities or by the way of early exit; and
- negotiable medium-term notes, available with a quarterly maturity or by the way of early exit.

These investments, summarized in the tables below, are short-term, highly liquid and subject to a low risk of changes in value.

Cash and cash equivalents	As of	
(in € thousands)	2017/12/31	2018/12/31
Short-term deposits	244 279	201 522
Cash on hand and bank accounts	29 541	5 718
TOTAL	**273 820**	**207 240**

Short-term deposits	As of	
(in € thousands)	2017/12/31	2018/12/31
UCITS	38 052	29 189
TERM ACCOUNTS	138 967	124 316
NEGOTIABLE MEDIUM-TERM NOTES	4 150	0
INTEREST-BEARING CURRENT ACCOUNT	63 110	48 017
TOTAL	**244 279**	**201 522**

6.11. EQUITY

Ordinary shares are classified under shareholders' equity. Any shareholder, regardless of nationality, whose shares are fully paid-in and registered for at least two years, is entitled to double voting rights under the conditions prescribed by law (Article 32 of the Company's bylaws).

At December 31, 2018, 2,300,214 shares have been held for more than two years and entitle their holders to double voting rights (7.38% of the issued share capital).

Changes in share capital in 2018

On December 27, 2018, the Board of Directors of the Company determined that some of the performance conditions for the AGA D 2016-1 and all of the performance conditions
for the AGA S 2016-1 were met, and thus 17,484 ordinary shares were definitively acquired by their beneficiaries, and the share capital was increased by the same amount.

Changes in share capital in 2017

On October 16, 2017, the Company issued bonds convertible or exchangeable into new or existing shares (OCEANEs) due October 16, 2022 for a nominal amount of €180,000k. This transaction is recorded as a liability component and an equity component, the latter is measured at €14,312k (see section 6.12.2 – "Breakdown of loans and borrowings").

6.12. LOANS AND BORROWINGS

6.12.1. Breakdown of bond issue

On October 16, 2017, the Company issued 6,081,081 OCEANEs at par with a nominal unit value of €29.60 per bond for an aggregate nominal amount of €180,000k.

Convertible loan - general overview	
Number of bonds	6 081 081
Nominal amount of the loan	179 999 997,60 €
Nominal unit value of the bonds	29,60 €
Conversion / exchange premium	30% To GENFIT's reference share price (22,77 €).
Annual nominal interest rate	3,5% Payable semi-annually in arrears
Annual nominal interest rate	7,3%
Offering	10/16/2017 At par
Redemption	10/16/2022 Redemption prior to maturity at the option of the Company from 11/06/2020 if the arithmetic volume-weighted average price of GENFIT's listed share price and the then pravailing conversion ratio (over a 20-trading period) exceeds 150% of the nominal value of the OCEANEs.

Convertible loan - Total (in € thousands)	As of 2017/12/31 corrected (*)	2018/12/31
Convertible loan	155 868	160 489
TOTAL	**155 868**	**160 489**

Convertible loan - Current (in € thousands)	As of 2017/12/31 corrected (*)	2018/12/31
Convertible loan	1 329	1 312
TOTAL	**1 329**	**1 312**

Convertible loan - Non-current (in € thousands)	As of 2017/12/31 corrected (*)	2018/12/31
Convertible loan	154 539	159 176
TOTAL	**154 539**	**159 176**

The conversion of all of the convertible bonds would result in a dilution of 19.5% (expressed as a percentage of share capital).

6.12.2. Breakdown of loans and borrowings

Other loans and borrowings consisted of the following:

Other loans and borrowings - Total	As of	
(in € thousands)	2017/12/31	2018/12/31
Refundable and conditional advances	3 407	3 229
Bank loans	3 488	3 964
Obligations under finance leases	1 890	1 900
Accrued interests	3	3
Other financial loans and borrowings	24	7
TOTAL	**8 812**	**9 104**

Other loans and borrowings - Current	As of	
(in € thousands)	2017/12/31	2018/12/31
Refundable and conditional advances	178	0
Bank loans	1 209	1 319
Obligations under finance leases	420	520
Accrued interests	3	3
Other financial loans and borrowings	24	7
TOTAL	**1 834**	**1 848**

Other loans and borrowings - Non current	As of	
(in € thousands)	2017/12/31	2018/12/31
Refundable and conditional advances	3 229	3 229
Bank loans	2 279	2 645
Obligations under finance leases	1 469	1 381
Accrued interests	0	0
Other financial loans and borrowings	0	0
TOTAL	**6 978**	**7 255**

All financial liabilities are denominated in Euros.

6.12.2.1. Refundable and conditional advances

General overview

The following table summarizes advances outstanding at December 31, 2018.

Refundable and conditional advances - general overview (in € thousands)	Grant date	Total amount allocated	Receipts	Repayments	Other movements	Effets of discounting	Net book value 12/31/2018
BPI FRANCE - IT-DIAB	12/23/2008	3 229	3 229	0	0	0	3 229
Development of a global strategy for the prevention and management of type 2 diabetes							
TOTAL		**3 229**	**3 229**	**0**	**0**	**0**	**3 229**

Receipts and repayments of refundable and conditional advances

Between January 1, 2018 and December 31, 2018, the Group repaid €183k of refundable and conditional advances.

In 2017, GENFIT repaid €166k of refundable and conditional advances.

Main terms of the contracts

BPI FRANCE IT-DIAB	On December 23, 2008, the Group received an advance from BPI France (the BPI France IT-DIAB) as part of a framework innovation aid agreement involving several scientific partners and for which the Group was the lead partner. The contribution expected at each stage by each of the partners in respect of work carried out and results achieved is defined in the framework agreement. With respect to the Group, the aid consisted of a €3,229k conditional advance and a €3,947k non-repayable government grant. The conditional advance is not refundable except in the event of success. The program ended on December 31, 2014. In the event of success, defined as the commercial spin-offs of the IT-Diab program which involves products for the treatment or diagnosis of type 2 diabetes, in that case, the financial returns generated will be used initially to repay the €3,229k conditional advance and the agreement stipulates that the conditional advance will be regarded as repaid in full when the total payments made in this regards by the recipient, discounted at the rate of 5.19%, equal the total amount, discounted at the same rate, of the aid paid. Any further amounts will be classified as additional payments, up to a maximum amount of €14,800k.
BPI FRANCE ADVANCE N°1 - OLNORME II - 1	These non-interest bearing advances are repayable in full (at 100% of their nominal amount) in the event of technical and/or commercial success. The balance of these advances (in an amount of €183k) were reimbursed during 2018.
BPI FRANCE ADVANCE N°2 - OLNORME II - 2	
BPI FRANCE ADVANCE N°3 - OLNORME II - 3	

6.12.2.2. Bank loans

Bank loans are primarily used to finance research and laboratory equipment. Bank loans consisted of the following as of December 31, 2018:

Bank loans (in € thousands)	Loan date	Facility size	Interest rate	Available As of 2017/12/31	Installments	Outstanding As of 2017/12/31
CDN 3	April 2016	500	0.72%	0	60 monthly	335
CDN 4	June 2017	600	0.36%	0	48 monthly	525
CIC 3	March 2015	500	0.85%	0	16 quaterly	158
CIC 4	December 2016	265	0.69%	0	60 monthly	217
CIC 5	July 2017	1 000	0.69%	500	60 monthly	451
BNP	December 2014	500	2.00%	0	20 quaterly	205
BNP 2	June 2016	500	0.80%	0	20 quaterly	377
BNP 3	October 2016	1 050	0.80%	0	20 quaterly	945
BNP 4	April 2017	800	0.87%	800	60 monthly	0
NEUFLIZE 2	Juin 2016	500	1.10%	0	12 quaterly	252
AUTRES	-	0	-	0	-	23
TOTAL		**6 215**		**1 300**		**3 488**

Bank loans (in € thousands)	Loan date	Facility size	Interest rate	Available As of 2018/12/31	Installments	Outstanding As of 2018/12/31
CDN 3	April 2016	500	0.72%	0	60 monthly	236
CDN 4	June 2017	600	0.36%	0	48 monthly	376
CDN 5	November 2018	500	0.46%	0	48 monthly	490
CIC 3	March 2015	500	0.85%	0	16 quaterly	32
CIC 4	December 2016	265	0.69%	0	60 monthly	164
CIC 5	July 2017	1 000	0.69%	0	60 monthly	753
BNP	December 2014	500	2.00%	0	20 quaterly	103
BNP 2	June 2016	500	0.80%	0	20 quaterly	277
BNP 3	October 2016	1 050	0.80%	0	20 quaterly	735
BNP 4	April 2017	800	0.87%	0	60 monthly	695
NEUFLIZE 2	Juin 2016	500	1.10%	0	12 quaterly	84
AUTRES	-	0	-	0	-	19
TOTAL		**6 715**		**0**		**3 964**

6.12.2.3. Development agreements with participation feature

In June 2010, BPI France granted the Company a development agreement with participation feature amounting to €2,300k over a 7 year period.
No repayment of principal was scheduled during the first two years.

The loan agreement has a provision applicable during the reimbursement period which provides for additional remuneration to BPI France depending on whether the Company had industrial income. This additional remuneration amounts to 0.2294% of sales.

This loan had an interest rate of 4.46% and was repaid in its entirety in June 2017.

6.12.3. Maturities of financial liabilities

Maturity of financial liabilities (in € thousands)	As of 2018/12/31	Less than 1 year	Less than 2 years	Less than 3 years	Less than 4 years	Less than 5 years	More than 5 years
BPI FRANCE - IT-DIAB	3 229	0	0	0	0	0	3 229
TOTAL - Refundable and conditional advances	**3 229**	**0**	**0**	**0**	**0**	**0**	**3 229**
Convertible loans	160 489	1 312	0	0	159 176	0	0
Bank loans	3 964	1 319	1 105	942	544	54	0
Obligations under finance leases	1 900	520	525	523	291	42	0
Accrued interests	3	3	0	0	0	0	0
Other financial loans and borrowings	7	7	0	0	0	0	0
TOTAL - Other loans and borrowings	**166 364**	**3 161**	**1 631**	**1 465**	**160 012**	**96**	**0**
TOTAL	**169 593**	**3 161**	**1 631**	**1 465**	**160 012**	**96**	**3 229**

The convertible bond results in the payment of yearly interest of €6,300k and a reimbursement at par in October 2022. The nominal amount of the convertible loan of €180,000k is due in less than 5 years.

6.13. TRADE AND OTHER PAYABLES

Trade and other payables consisted of the following:

Trade and other payables - Current	As of	
(in € thousands)	2017/12/31	2018/12/31
Trade payables	19 053	32 649
Social security costs payables	4 217	2 949
Employee profit sharing	17	17
VAT payables	19	1
Taxes payables	241	286
Other payables	34	71
TOTAL	**23 580**	**35 974**

6.14. PROVISIONS

At December 31, 2018, this line item amounted to €112k (at December 31, 2017: €361k).

The accruals recorded are mainly related to the research tax credit. See Note 6.23 – "Litigation and contingent liabilities".

6.15. EMPLOYEE BENEFITS

In France, pension funds are generally financed by employer and employee contributions and are accounted for as a defined contribution plan with the employer contributions recognized as expense as incurred. The Group has no actuarial liabilities in connection with these plans. Expenses recorded for the fiscal years ended December 31, 2018 and 2017 amounted to €765k and €543k respectively.

French law also requires payment of a lump sum retirement indemnity to employees based on years of service and annual compensation at retirement. Benefits do not vest prior to retirements, which are accounted for as a defined benefit plan. The Group is paying this defined benefit plan. It is calculated as the present value of estimated future benefits to be paid, applying the projected unit credit method whereby each period of service is seen as giving rise to an additional unit of benefit entitlement, each unit being measured separately to build up the final. At December 31, 2018, pension provisions recorded were €1,085k as compared to €936k at December 31, 2017.

As part of the measurement of the retirement indemnity to employees, the following assumptions were used for all categories of employees:

Population	Permanent staff
Retirement age	65
Terms of retirement	Initiated by the employee
Life expectancy	On the basis of the INSEE table
Probability of continued presence in the company at retirement age	On the basis of the DARES table

Rate	As of	
(in € thousands)	2017/12/31	2018/12/31
Salary growth rate - in 2019	5.8%	5.8%
Salary growth rate - beyond	3.%	3.%
Discount rate	1.5%	1.53%

The discount rates are based on the market yield at December 31, 2018 on high quality corporate bonds.

The following table presents the changes in the present value of the defined benefit obligation:

Changes in the present value of the defined benefit obligation	As of
(in € thousands)	2018/12/31
Defined benefit obligation as of January 1, 2017	**849**
Current service cost	76
Interest cost on benefit obligation	13
Actuarial losses on obligation	210
Past service costs	(211)
Defined benefit obligation as of December 31, 2017	**936**
Current service cost	104
Interest cost on benefit obligation	14
Actuarial losses on obligation	31
Past service costs	0
Defined benefit obligation as of December 31, 2018	**1 085**

The actuarial differences are mainly explained by the changes in personnel observed in relation to the hypothesis retained.

6.16. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following tables provide the financial assets and liabilities carrying values by category and fair values as of December 31, 2018 and December 31, 2017:

	As of December 31, 2017						
	Carrying value				Fair value		
(in € thousands)	As per statement of financial position	Assets at fair value through profit and loss	Loans and receivables	Debt at amortized cost	Level 1	Level 2	Level 3
Assets							
Loans	219		219			219	
Deposits and guarantees	274		274			274	
Trade receivables	61		61			61	
Cash and cash equivalents	273 820	273 820			273 820		
TOTAL - Assets	**274 375**	**273 820**	**555**	**0**	**273 820**	**555**	**0**
Liabilities							
Conditional advances	3 407			3 407			3 407
Convertible loans	155 868			155 868		155 868	
Bank loans	3 488			3 488		3 488	
Obligations under finance leases	1 890			1 890		1 890	
Accrued interests	3			3		3	
Other financial loans and borrowings	24			24		24	
Trade payables	19 053			19 053		19 053	
Other payables	34			34		34	
TOTAL - Liabilities	**183 766**	**0**	**0**	**183 766**	**0**	**180 359**	**3 407**

	As of December 31, 2018						
	Carrying value				Fair value		
(in € thousands)	As per statement of financial position	Assets at fair value through profit and loss	Loans and receivables	Debt at amortized cost	Level 1	Level 2	Level 3
Assets							
Loans	259		259			259	
Deposits and guarantees	284		284			284	
Trade receivables	25		25			25	
Cash and cash equivalents	207 240	207 240			207 240		
TOTAL - Assets	**207 808**	**207 240**	**568**	**0**	**207 240**	**568**	**0**
Liabilities							
Conditional advances	3 229			3 229			3 229
Convertible loans	160 489			160 489		160 489	
Bank loans	3 964			3 964		3 964	
Obligations under finance leases	1 900			1 900		1 900	
Accrued interests	3			3		3	
Other financial loans and borrowings	7			7		7	
Trade payables	32 649			32 649		32 649	
Other payables	71			71		71	
TOTAL - Liabilities	**202 313**	**0**	**0**	**202 313**	**0**	**199 084**	**3 229**

6.17. REVENUE AND OTHER INCOME

Other income consisted of the following:

Other income	Year ended	
(in € thousands)	2017/12/31	2018/12/31
CIR tax credit	6 545	7 295
CICE tax credit - Other operating income	171	130
Government grants and subsidies	21	0
TOTAL	**6 737**	**7 425**

As described in Note "6.23. - Litigation and contingent liabilities", the research tax credits for the fiscal years 2010, 2011, 2012 and 2014 were subject to a tax audit and proposed reassessments were made which the Group has contested using the legal remedies available to it.

During the 2018 fiscal year, the Group recognized in other operating income €122k (2017: €170k) relating to the CICE (*Crédit d'impôt pour la compétitivité et l'emploi*), which is a tax credit implemented to enhance the competitiveness of businesses through the promotion of certain activities and employment. In 2018, the tax credit was equal to 6% of all wages paid to employees during the year in respect of salaries that do not exceed 2.5 times the French minimum wage (2017: 7%).
In 2018 as in 2017, this tax credit was used to finance the increase in headcount and to purchase scientific equipment.

6.18. OPERATING EXPENSE

Operating expenses and other operating income (expenses) (in € thousands)	Year ended 2017/12/31	Of which: Raw materials and consumables used	Contracted research and development activities conducted by third parties	Employee expenses	Other expenses (maintenance, fees, travel, taxes…)	Depreciation, amortization and impairment charges	Gain / (loss) on disposal of property, plant and equipment
Research and development expenses	(54 189)	(2 117)	(35 088)	(7 915)	(7 973)	(1 095)	0
General and administrative expenses	(9 421)	(112)	(7)	(5 491)	(3 374)	(437)	0
Other operating income and (expenses)	60	0	0	0	68	1	(8)
TOTAL	**(63 550)**	**(2 229)**	**(35 095)**	**(13 406)**	**(11 280)**	**(1 532)**	**(8)**

Operating expenses and other operating income (expenses) (in € thousands)	Year ended 2018/12/31	Of which: Raw materials and consumables used	Contracted research and development activities conducted by third parties	Employee expenses	Other expenses (maintenance, fees, travel, taxes…)	Depreciation, amortization and impairment charges	Gain / (loss) on disposal of property, plant and equipment
Research and development expenses	(67 024)	(1 724)	(47 659)	(9 431)	(6 502)	(1 707)	0
General and administrative expenses	(9 793)	(130)	(2)	(4 194)	(5 738)	272	0
Other operating income and (expenses)	(162)	0	0	0	(164)	0	2
TOTAL	**(76 979)**	**(1 855)**	**(47 662)**	**(13 625)**	**(12 403)**	**(1 435)**	**2**

Research and development expenses take into account estimates for ongoing activities subcontracted as part of the clinical trials and not yet invoiced, on the basis of detailed information provided by subcontractors and reviewed by the Group's internal departments. The accuracy of these estimates for some types of expenses improves with the progression of the tests and the review of their determination methods.

In 2017, the donation to The NASH Education Program (€1,808k) was classified as a research & development expense because the 2017 donation was primarily related to the creation of a NASH patient registry in particular to increase understanding of the prevalence and natural history of NASH/NAFLD, and the development of co-morbidities historically linked to NASH/NAFLD, which information is to be used as part of the efforts to collect RWE (Real World Evidence) data to better address the needs of the patients, which information could be utilized by the Company in its research & development efforts.

The increase in contracted research and development activities conducted by third parties in 2018 was the result of the progression of the research and development pipeline; and mainly operational outsourcing costs related to the Phase 3 RESOLVE-IT clinical trial of elafibranor for the treatment of NASH and, to a lesser extent, those related to the Phase 2 trial of elafibranor in PBC and the launch of the Phase 2 trial in nitazoxanide.

The increase in employee expenses is mainly due to the evolution of employee profiles, the increase in compensation, and the increase in the number of employees.
Other operating expenses include costs related to facilities and their maintenance, intellectual property costs, and expenses related to the preparation of marketing of elafibranor in NASH. In 2018, the Company's donation to The Nash Education Program endowment fund (€959k) was dedicated mainly to the organization of the first international NASH Day. In this context, in 2018, the Company has classified this charge as general and administrative expenses, a more appropriate category.

6.18.1. Employee expenses

Employee expenses and number of employees were as follows:

Employee expenses	Year ended	
(in € thousands)	2017/12/31	2018/12/31
Wages and salaries	(9 267)	(9 012)
Social security costs	(3 996)	(3 722)
Changes in pension provision	135	(104)
Share-based compensation	(278)	(787)
TOTAL	**(13 406)**	**(13 625)**

Number of employees at December 31

Number of employees at year-end - detail	Year ended	
	2017/12/31	2018/12/31
Average number of employees	123	135
Average age of employees	38 years 1 months	39 years 6 months
Number of employees		
Research and development	92	100
Administration and management	33	48
TOTAL	**125**	**148**

6.19. SHARE-BASED COMPENSATION

Share-based compensation is granted by the Group to employees, executive officers, board members and consultants.

Share-based compensation granted to employees and executive officers in 2014-2018 corresponds to redeemable share warrants ("Bons de Souscriptions et/ou d'Acquisition d'Actions" or "BSAAR"), stock options ("SO") and free shares ("actions gratuities" or "AGA").

Share-based compensation granted to board members and consultants in 2014, 2015 and 2017 corresponds to share warrants ("Bons de Souscriptions d'Actions" or "BSA").

For the measurement of this share-based compensation, the Group has determined that under IFRS, its consultants were not equivalent to employees.

Under these programs, holders of vested instruments are entitled to subscribe to shares of the Company at a pre-determined exercise price. All of the plans are equity settled.

The table below presents the share-based compensation for each of the programs.

Share-based compensation - Annual expense	Year ended		Total expense calculated	Total expense remaining
	2017/12/31	2018/12/31		
BSA 2014-A	**0**	**0**	**945**	**0**
Of which : expense related to non-executive officers	0	0	365	0
Of which : expense related to consultants	0	0	581	0
BSA 2014-B	**0**	**0**	**1 045**	**0**
Of which : expense related to non-executive officers	0	0	365	0
Of which : expense related to consultants	0	0	680	0
BSAAR 2014-A	**0**	**0**	**43**	**0**
Of which : expense related to executive officers	0	0	9	0
Of which : expense related to employees	0	0	34	0
BSAAR 2014-B	**0**	**0**	**191**	**0**
Of which : expense related to executive officers	0	0	35	0
Of which : expense related to employees	0	0	156	0
BSAAR 2014-C	**0**	**0**	**189**	**0**
Of which : expense related to executive officers	0	0	35	0
Of which : expense related to employees	0	0	154	0

Share-based compensation - Annual expense	Year ended		Total expense calculated	Total expense remaining
	2017/12/31	2018/12/31		
BSA 2015-A	**0**	**0**	**335**	**0**
Of which : expense related to non-executive officers	0	0	178	0
Of which : expense related to consultants	0	0	157	0
BSA 2015-B	**0**	**0**	**315**	**0**
Of which : expense related to non-executive officers	0	0	178	0
Of which : expense related to consultants	0	0	138	0

Share-based compensation - Annual expense	Year ended		Total expense calculated	Total expense remaining
	2017/12/31	2018/12/31		
BSAAR 2016-A	**0**	**0**	**0**	**0**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	0	0	0	0
BSAAR 2016-B	**0**	**0**	**0**	**0**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	0	0	0	0
AGA D 2016-1	**38**	**127**	**166**	**0**
Of which : expense related to executive officers	7	25	32	0
Of which : expense related to employees	31	101	133	0
AGA D 2016-2	**17**	**17**	**51**	**16**
Of which : expense related to executive officers	3	3	9	3
Of which : expense related to employees	14	14	42	13
AGA S 2016-1	**44**	**151**	**197**	**0**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	44	151	197	0
AGA S 2016-2	**22**	**22**	**65**	**21**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	22	22	65	21
SO 2016-1	**83**	**83**	**249**	**79**
Of which : expense related to executive officers	13	13	40	13
Of which : expense related to employees	70	70	210	67
SO 2016-2	**38**	**38**	**113**	**36**
Of which : expense related to executive officers	6	6	18	6
Of which : expense related to employees	32	32	95	30
SO US 2016-1	**12**	**12**	**36**	**11**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	12	12	36	11
SO US 2016-2	**5**	**5**	**16**	**5**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	5	5	16	5

Share-based compensation - Annual expense	Year ended		Total expense calculated	Total expense remaining
	2017/12/31	2018/12/31		
BSA 2017-A	**6**	**63**	**69**	**0**
Of which : expense related to non-executive officers	4	43	47	0
Of which : expense related to employees	2	20	22	0
BSA 2017-B	**3**	**66**	**70**	**0**
Of which : expense related to non-executive officers	2	46	48	0
Of which : expense related to employees	1	21	22	0
AGA D 2017-1	**1**	**17**	**35**	**17**
Of which : expense related to executive officers	0	2	4	2
Of which : expense related to employees	1	15	31	15
AGA D 2017-2	**2**	**29**	**89**	**58**
Of which : expense related to executive officers	0	3	11	7
Of which : expense related to employees	2	26	79	51
AGA S 2017-1	**0**	**0**	**0**	**0**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	0	0	0	0
AGA S 2017-2	**2**	**24**	**73**	**48**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	2	24	73	48
SO 2017-1	**2**	**28**	**57**	**28**
Of which : expense related to executive officers	0	5	10	5
Of which : expense related to employees	2	23	47	23
SO 2017-2	**3**	**48**	**146**	**95**
Of which : expense related to executive officers	1	8	26	17
Of which : expense related to employees	3	39	121	79
SO US 2017-1	**0**	**3**	**6**	**3**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	0	3	6	3
SO US 2017-2	**0**	**5**	**16**	**11**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	0	5	16	11

Share-based compensation - Annual expense	Year ended		Total expense calculated	Total expense remaining
	2017/12/31	2018/12/31		
AGA D 2018	**0**	**10**	**202**	**191**
Of which : expense related to executive officers	0	2	95	93
Of which : expense related to employees	0	9	107	98
AGA S 2018	**0**	**12**	**237**	**225**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	0	12	237	225
SO 2018	**0**	**24**	**517**	**493**
Of which : expense related to executive officers	0	3	182	179
Of which : expense related to employees	0	21	335	314
SO US 2018	**0**	**3**	**55**	**52**
Of which : expense related to executive officers	0	0	0	0
Of which : expense related to employees	0	3	55	52

Share-based compensation - Annual expense	Year ended		Total expense calculated	Total expense remaining
	2017/12/31	2018/12/31		
TOTAL	**278**	**787**	**5 530**	**1 390**

6.19.1. Share warrants (*bons de souscription d'actions* or BSA)

The key terms and conditions related to each program are detailed in the following tables:

Share-based compensation Share warrants (BSA)	BSA 2014-A		BSA 2014-B	
	Officers (1)	Consultants	Officers (1)	Consultants
Date of the Shareholders meeting	04/02/2014			
Date of the Executive board meeting	07/24/2014			
Total number of BSA granted	23 385	23 380	23 385	23 380
Total number of BSA subscribed	23 385	23 380	23 385	23 380
Total number of BSA voided	23 385	23 380	0	0
Total number of BSA exercised	0	0	0	0
Total number of BSA remaining	0	0	23 385	23 380
Total number of shares to which the BSA give right	0	0	24 087	24 081
Share entitlement per option	1 warrant / 1.03 share			
Issue price	0.01 €			
Exercise price (2)	23.50 €			
Subscription period	From 08/01/2014 to 09/15/2017		From 01/02/2015 to 02/15/2015	
Exercise period	From 11/01/2014 to 09/30/2018		From 03/01/2015 to 02/28/2019	
Methods of exercise	Exercisable per tranches of a minimum number of BSA equal to 2 000 or a multiple of 2 000, except outstanding balance			
Valuation method used	Black & Scholes			
Expected dividends	0%			
Expected volatility	74.9%			
Risk-free interest rate	0.40%			
Expected life	4 years			
Estimated fair value - valued by expert opinion (3)	13.02 €			
Estimation of fair value as of December 31, 2014				
Period used for the estimation of the underlying share	As of 08/01/2014	From 08/01/2014 To 11/01/2014	As of 08/01/2014	From 08/01/2014 To 12/31/2014
Estimated fair value - according to IFRS 2	15.61 €	24.84 €	15.61 €	24.85 €
Estimation of fair value as of December 31, 2015				
Period used for the estimation of the underlying share	-	-	As of 08/01/2014	From 01/01/2015 To 03/01/2015
Estimated fair value - according to IFRS 2	-	-	15.61 €	40.09 €

(1) : Independant members of the Supervisory board.
(2) : Exercise price of the BSA 2014 is equal to the average, weighted by the volumes, of the closing prices of the share over five consecutive trading days from July 07, 2014 to July 11, 2014, decreased by a discount of 5.00 %.
(3) : Valuation of the financial instrument by independant expert opinion at the time of allocation.

Share-based compensation Share warrants (BSA)	BSA 2015-A		BSA 2015-B	
	Officers (1)	Consultants	Officers (1)	Consultants
Date of the Shareholders meeting	04/02/2014			
Date of the Executive board meeting	01/09/2015			
Total number of BSA granted	7 015	11 690	7 015	11 690
Total number of BSA subscribed	7 015	5 845	7 015	5 845
Total number of BSA voided	0	0	0	0
Total number of BSA exercised	0	0	0	0
Total number of BSA remaining	7 015	5 845	7 015	5 845
Total number of shares to which the BSA give right	7 225	6 020	7 225	6 020
Share entitlement per option	1 warrant / 1.03 share			
Issue price	0.01 €			
Exercise price (2)	35.95 €			
Subscription period	From 01/20/2015 to 02/25/2015		From 07/01/2015 to 09/15/2015	
Exercise period	From 06/01/2015 to 05/31/2019		From 12/01/2015 to 11/30/2019	
Methods of exercise	Exercisable per tranches of a minimum number of BSA equal to 2 000 or a multiple of 2 000, except outstanding balance			
Valuation method used	Black & Scholes			
Expected dividends	0%			
Expected volatility	74.9%			
Risk-free interest rate	0.40%			
Expected life	4 years			
Estimated fair value - valued by expert opinion (3)	14.64 €			
Estimation of fair value as of June 30, 2015				
Period used for the estimation of the underlying share	As of 01/09/2015	From 01/09/2015 To 06/01/2015	As of 01/09/2015	From 01/09/2015 To 06/30/2015
Estimated fair value - according to IFRS 2	25.33 €	26.89 €	25.33 €	26.31 €
Estimation of fair value as of December 31, 2015				
Period used for the estimation of the underlying share	-	-	As of 01/09/2015	From 07/01/2015 To 12/01/2015
Estimated fair value - according to IFRS 2	-	-	25.33 €	20.80 €

(1) : Independant members of the Supervisory board.
(2) : Exercise price of the BSA 2015 is equal to the average, weighted by the volumes, of the closing prices of the share over five consecutive trading days from December 03, 2014 to December 09, 2014, decreased by a discount of 4.98 %.
(3) : Valuation of the financial instrument by independant expert opinion at the time of allocation.

Share-based compensation Share warrants (BSA)	BSA 2017-A		BSA 2017-B	
	Officers (1)	Consultants	Officers (1)	Consultants
Date of the Shareholders meeting	06/16/2017			
Date of the decision and delegation of the Board of Directors to the CEO	11/21/2017			
Date of the Executive board meeting	12/06/2017			
Total number of BSA granted	12 500	5 845	12 500	5 845
Total number of BSA subscribed	12 500	5 845	12 500	5 845
Total number of BSA voided	0	0	0	0
Total number of BSA exercised	0	0	0	0
Total number of BSA remaining	12 500	5 845	12 500	5 845
Total number of shares to which the BSA give right	12 500	5 845	12 500	5 845
Share entitlement per option	1 warrant / 1 share			
Issue price	2.00 €			
Exercise price (2)	19.97 €			
Subscription period	From 12/11/2017 to 12/26/2017		From 07/01/2018 to 07/15/2018	
Exercise period	From 07/01/2018 to 06/30/2022		From 07/16/2018 to 07/15/2022	
Methods of exercise	Exercisable per tranches of a minimum number of BSA equal to 2 000 or a multiple of 2 000, except outstanding balance			
Valuation method used	Black & Scholes			
Expected dividends	0.0%			
Expected volatility	36.4%		35.7%	
Risk-free interest rate	0.0%			
Expected life	0.6 years			
Estimated fair value - valued by expert opinion (3)	3.78 €		3.81 €	
Estimation of fair value as of December 31, 2017				
Period used for the estimation of the underlying share	As of 12/11/2017			
Estimated fair value - according to IFRS 2	3.78 €		3.81 €	

(1) : Independant members of the Board of Directors.
(2) : Exercise price of the BSA 2017 is equal to the average, weighted by the volumes, of the closing prices of the share over five consecutive trading days from October 20, 2017 to October 26, 2017, decreased by a discount of 5 %.
(3) : Valuation of the financial instrument by independant expert opinion at the time of allocation.

The services performed by the consultants are mainly:

- to evaluate product development plans and propose, if necessary, changes to strategic or technical approaches;
- to advise the Company's management and the Scientific Board in identifying strategies and selecting drug candidates, based, in particular, on the scientific results obtained by GENFIT (new therapeutic targets, new compounds); and
- to assist and advise GENFIT in its alliance strategies, such as external growth-supporting synergies (acquisition of new competencies and the purchase of operating rights, drug candidates and innovative technologies, etc.).

6.19.2. Redeemable warrants (*bons de souscription et/ou d'acquisition d'actions remboursables* or BSAAR)

The key terms and conditions related to each program are detailed in the following tables:

Share-based compensation Redeemable share subscription warrants (BSAAR)	BSAAR 2014-A		BSAAR 2014-B		BSAAR 2014-C	
	Members of the Executive Board	Employees	Members of the Executive Board	Employees	Members of the Executive Board	Employees
Date of the Shareholders meeting	04/02/2014					
Date of the Executive board meeting	09/15/2014					
Total number of BSAAR granted	18 711	17 248	18 711	17 248	18 711	17 248
Total number of BSAAR subscribed	5 901	9 299	17 822	5 416	18 711	5 568
Total number of BSAAR voided	5 901	8 466	0	1 083	0	833
Total number of BSAAR exercised	0	833	0	0	0	400
Total number of BSAAR remaining	0	0	17 822	4 333	18 711	4 335
Total number of shares to which the BSAAR give right	0	0	18 357	4 463	19 272	4 465
Share entitlement per option	1 warrant / 1.03 share					
Issue price	5.61 €					
Exercise price (1)	23.50 €					
Subscription period	From 09/19/2014 to 10/15/2014		From 05/07/2015 to 05/29/2015		From 07/06/2015 to 07/31/2015	
Exercise period	From 09/15/2015 to 09/15/2018		From 09/15/2015 to 05/04/2019		From 09/15/2015 to 07/01/2019	
Methods of exercise	Exercisable by fraction of a number of BSAAR equal to 1/3 of the number held by each beneficiairy					
Valuation method used	Black & Scholes					
Expected dividends	0%					
Expected volatility	74.9%					
Risk-free interest rate	0.40%					
Expected life	4 years					
Estimated fair value - valued by expert opinion (2)	5.61 €					
Estimation of fair value as of December 31, 2014						
Period used for the estimation of the underlying share	From 10/10/2014 To 10/14/2014	From 10/10/2014 To 10/14/2014	As of 09/15/2014	As of 09/19/2014	As of 09/15/2014	As of 09/19/2014
Estimated fair value - according to IFRS 2	8.44 €	8.44 €	11.29 €	10.61 €	11.29 €	10.61 €
Estimation of fair value as of December 31, 2015						
Period used for the estimation of the underlying share	From 10/10/2014 To 10/14/2014	From 10/10/2014 To 10/14/2014	As of 09/15/2014	As of 09/19/2014	As of 09/15/2014	As of 09/19/2014
Estimated fair value - according to IFRS 2	8.44 €	8.44 €	11.29 €	10.61 €	11.29 €	10.61 €

(1) : Exercise price of the BSAAR 2014 is equal to the average, weighted by the volumes, of the closing prices of the share over five consecutive trading days from August 13, 2014 to August 19, 2014, decreased by a discount of 13.60 %.
(2) : Valuation of the financial instrument by independant expert opinion at the time of allocation.

Share-based compensation Redeemable share subscription warrants (BSAAR)	BSAAR 2016-A Employees	BSAAR 2016-B Employees
Date of the Shareholders meeting	02/24/2015	
Date of the Executive board meeting	07/22/2016	
Total number of BSAAR granted	7 200	3 600
Total number of BSAAR subscribed	7 200	3 600
Total number of BSAAR voided	0	0
Total number of BSAAR exercised	0	0
Total number of BSAAR remaining	7 200	3 600
Total number of shares to which the BSAAR give right	7 416	3 708
Share entitlement per option	1 warrant / 1.03 share	
Issue price	4.60 €	
Exercise price (1)	23.50 €	
Subscription period	From 07/25/2016 to 07/27/2016	
Exercise period	From 01/01/2018 to 07/27/2020	From 08/01/2019 to 07/27/2020
Methods of exercise	Exercisable by fraction of a number of BSAAR equal to 1/3 of the number held by each beneficiairy	
Valuation method used	Black & Scholes	
Expected dividends	0%	
Expected volatility	75.4%	
Risk-free interest rate	0.00%	
Expected life	4 years	
Estimated fair value - valued by expert opinion (2)	4.60 €	

(1) : Exercise price of the BSAAR 2016 is equal to the average, weighted by the volumes, of the closing prices of the share over five consecutive trading days from July 15, 2014 to July 21, 2016, decreased by a discount of 6.67 %.
(2) : Valuation of the financial instrument by independant expert opinion at the time of allocation.

The exercise of the BSAAR 2016-A is subject to the following performance condition:
The Group will have, at the date it receives the exercise notice accompanied by the payment of the exercise price, the financial means to carry out its research and development programs, and at a minimum, its development program for elafibranor in NASH, until at least the end of 2018.

The exercise of the BSAAR 2016-B is subject to the following performance condition:
The Company will have published, on the date it receives the exercise notice accompanied by the exercise price, the main results of the RESOLVE-IT clinical trial for which it is the sponsor.

6.19.3. Free shares (*actions gratuites* or AGA)

The key terms and conditions related to each program are detailed in the following tables:

Share-based compensation Free shares (AGA)	AGA D 2016-1		AGA S 2016-1	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/21/2016			
Date of the Executive board meeting	12/15/2016			
Total number of AGA granted	5 242	4 879	0	10 419
Total number of AGA subscribed	5 242	4 879	0	10 399
Total number of AGA voided	0	778	0	900
Total number of AGA definitively vested	4 480	3 505	0	9 499
Total number of AGA remaining	762	596	0	0
Acquisition period	From 12/15/2016 to 12/15/2018 or 12/15/2019			
Valuation method used	Monte Carlo			
Price of the share at the time of allocation	20.78 €			
Expected dividends	0%			
Expected volatility	63.0%			
Risk-free interest rate	0.0%			
Turnover rate	15.0%			

(1) : Members of the Executive Board.

Share-based compensation Free shares (AGA)	AGA D 2016-2		AGA S 2016-2	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/21/2016			
Date of the Executive board meeting	12/15/2016			
Total number of AGA granted	2 621	2 439	0	5 209
Total number of AGA subscribed	2 621	2 439	0	5 129
Total number of AGA voided	0	389	0	380
Total number of AGA definitively vested	0	0	0	0
Total number of AGA remaining	2 621	2 050	0	4 749
Acquisition period	From 12/15/2016 to 12/15/2019			
Valuation method used	Monte Carlo			
Price of the share at the time of allocation	20.78 €			
Expected dividends	0%			
Expected volatility	63.0%			
Risk-free interest rate	0.0%			
Turnover rate	15.0%			

(1) : Members of the Executive Board.

Share-based compensation Free shares (AGA)	AGA D 2017-1		AGA S 2017-1	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/16/2017			
Date of the decision and delegation of the Board of Directors to the CEO	11/21/2017			
Date of the CEO decision	12/06/2017			
Total number of AGA granted	2 000	14 646	0	10 822
Total number of AGA subscribed	2 000	14 646	0	10 822
Total number of AGA voided	0	1 806	0	649
Total number of AGA definitively vested	0	0	0	0
Total number of AGA remaining	2 000	12 840	0	10 173
Acquisition period	From 12/06/2017 to 12/31/2020			
Valuation method used	Monte Carlo			
Price of the share at the time of allocation	21.95€			
Expected dividends	0%			
Expected volatility	53.7%			
Risk-free interest rate	0.0%			
Turnover rate	15.0%			

(1) : Chief executive officer

Share-based compensation Free shares (AGA)	AGA D 2017-2		AGA S 2017-2	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/16/2017			
Date of the decision and delegation of the Board of Directors to the CEO	11/21/2017			
Date of the CEO decision	12/06/2017			
Total number of AGA granted	1 000	7 321	0	5 407
Total number of AGA subscribed	1 000	7 321	0	5 407
Total number of AGA voided	0	903	0	324
Total number of AGA definitively vested	0	0	0	0
Total number of AGA remaining	1 000	6 418	0	5 083
Acquisition period	From 12/06/2017 to 12/31/2020			
Valuation method used	Monte Carlo			
Price of the share at the time of allocation	21.95€			
Expected dividends	0%			
Expected volatility	53.7%			
Risk-free interest rate	0.0%			
Turnover rate	15.0%			

(1) : Chief executive officer

Share-based compensation Free shares (AGA)	AGA D 2018		AGA S 2018	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/15/2018			
Date of the decision and delegation of the Board of Directors to the CEO	11/07/2018			
Date of the CEO decision	11/22/2018			
Total number of AGA granted	3 000	16 149	0	17 923
Total number of AGA subscribed	3 000	16 149	0	16 651
Total number of AGA voided	0	0	0	366
Total number of AGA definitively vested	0	0	0	0
Total number of AGA remaining	3 000	16 149	0	16 285
Acquisition period	From 11/22/2018 to 12/31/2020			
Valuation method used	Monte Carlo			
Price of the share at the time of allocation	20.02 €			
Expected dividends	0%			
Expected volatility	38.0%			
Risk-free interest rate	0.0%			
Turnover rate	15.0%			

(1) : Chief executive officer

The final allocation of free shares is subject to continued employment with the Group and performance conditions. These performance conditions are described in Note 6.19.5 - "Performance conditions".

6.19.4. Stock options (*options de souscription d'actions* or SO)

The key terms and conditions related to each program are detailed in the following tables:

Share-based compensation Stock-options (SO)	SO 2016-1		SO US 2016-1	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/21/2016			
Date of the Executive board meeting	12/15/2016			
Total number of SO granted	20 001	21 916	0	7 000
Total number of SO subscribed	20 001	21 916	0	7 000
Total number of SO voided	0	1 667	0	7 000
Total number of SO definitively vested	17 093	17 305	0	0
Total number of SO remaining	2 908	2 944	0	0
Total number of SO exercised	0	0	0	0
Exercise price	15.79€		21.12€	
Vesting period	From 12/15/2016 to 12/15/2019			
Exercise period	From 12/16/2019 to 12/16/2026			
Valuation method used	Monte Carlo			
Fair value	10.30 €		8.52 €	
Price of the share at the time of allocation	20.79 €			
Expected dividends	0%			
Expected volatility	63.0%			
Risk-free interest rate	0.0%			
Turnover rate	15.0%			

(1) : Members of the Executive Board.

Share-based compensation Stock-options (SO)	SO 2016-2		SO US 2016-2	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/21/2016			
Date of the Executive board meeting	12/15/2016			
Total number of SO granted	9 999	10 959	0	3 500
Total number of SO subscribed	9 999	10 959	0	3 500
Total number of SO voided	0	833	0	3 500
Total number of SO definitively vested	0	0	0	0
Total number of SO remaining	9 999	10 126	0	0
Total number of SO exercised	0	0	0	0
Exercise price	15.79€		21.12€	
Vesting period	From 12/15/2016 to 12/15/2019			
Exercise period	From 12/16/2019 to 12/16/2026			
Valuation method used	Monte Carlo			
Fair value	10.30 €		8.52 €	
Price of the share at the time of allocation	20.79 €			
Expected dividends	0%			
Expected volatility	63.0%			
Risk-free interest rate	0.0%			
Turnover rate	15.0%			

(1) : Members of the Executive Board.

Share-based compensation Stock-options (SO)	SO 2017-1		SO US 2017-1	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/16/2017			
Date of the decision and delegation of the Board of Directors to the CEO	11/21/2017			
Date of the CEO decision	12/06/2017			
Total number of SO granted	11 333	52 831	0	8 666
Total number of SO subscribed	11 333	52 831	0	8 666
Total number of SO voided	0	0	0	8 666
Total number of SO definitively vested	0	0	0	0
Total number of SO remaining	11 333	52 831	0	0
Total number of SO exercised	0	0	0	0
Exercise price	17.91 €		22.54 €	
Vesting period	From 12/06/2017 to 12/31/2020			
Exercise period	From 01/01/2021 to 12/31/2027			
Valuation method used	Monte Carlo			
Fair value	9.32 €			
Price of the share at the time of allocation	21.95 €			
Expected dividends	0%			
Expected volatility	53.7%			
Risk-free interest rate	0.0%			
Turnover rate	15.0%			

(1) : Chief executive officer

Share-based compensation Stock-options (SO)	SO 2017-2		SO US 2017-2	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/16/2017			
Date of the decision and delegation of the Board of Directors to the CEO	11/21/2017			
Date of the CEO decision	12/06/2017			
Total number of SO granted	5 667	26 419	0	4 334
Total number of SO subscribed	5 667	26 419	0	4 334
Total number of SO voided	0	0	0	4 334
Total number of SO definitively vested	0	0	0	0
Total number of SO remaining	5 667	26 419	0	0
Total number of SO exercised	0	0	0	0
Exercise price	17.91 €		22.54 €	
Vesting period	From 12/06/2017 to 12/31/2020			
Exercise period	From 01/01/2021 to 12/31/2027			
Valuation method used	Monte Carlo			
Fair value	9.32 €			
Price of the share at the time of allocation	21.95 €			
Expected dividends	0%			
Expected volatility	53.7%			
Risk-free interest rate	0.0%			
Turnover rate	15.0%			

(1) : Chief executive officer

Share-based compensation Stock-options (SO)	SO 2018		SO US 2018	
	Officers (1)	Employees	Officers (1)	Employees
Date of the Shareholders meeting	06/15/2018			
Date of the decision and delegation of the Board of Directors to the CEO	11/07/2018			
Date of the CEO decision	11/07/2018			
Total number of SO granted	17 000	105 000	0	17 500
Total number of SO subscribed	17 000	105 000	0	17 500
Total number of SO voided	0	0	0	0
Total number of SO definitively vested	0	0	0	0
Total number of SO remaining	17 000	105 000	0	17 500
Total number of SO exercised	0	0	0	0
Exercise price	16.00 €		21.65 €	
Vesting period	From 11/07/2018 to 12/31/2021			
Exercise period	From 01/01/2022 to 12/31/2028			
Valuation method used	Monte Carlo			
Fair value	9.32 €		6.90 €	
Price of the share at the time of allocation	22.12 €			
Expected dividends	0%			
Expected volatility	44.1%			
Risk-free interest rate	0.0%			
Turnover rate	15.00%			

(1) : Chief executive officer

Volatility assumptions in the above tables are determined by reference to the Company's historical share price over a 3-year period prior to the grant date, adjusted for extreme and unusual variations, if any.

The final allocation of free shares is subject to continued employment with the Group and performance conditions. These performance conditions are described in Note 6.19.5 - "Performance conditions".

6.19.5. Performance conditions

The SO and SO US stock option plans as well as certain free share plans (AGA "D") implemented in 2016, 2017 and 2018 are subject to internal performance conditions related to the progress of the Group's research and development programs, and to external performance conditions related to the evolution of the Company's stock price.

The other free share plans (AGA "S") are subject only to internal performance conditions.

6.19.5.1. Performance conditions of the 2016-1 and 2016-2 plans

Plans	Evaluation date for performance conditions	Nature of internal conditions
SO 2016-1 SO US 2016-1 AGA D 2016-1	12/15/2018 and/or 12/15/2019	66 2/3 % of the instruments will be exercisable or definitively allocated, regardless of the variation of the stock market price, in the following events: (i) if, on the date of the Allocation Decision, one of the two ongoing or authorized clinical trials (Resolve-It, Phase 2 in PBC) has revealed its first results and/or principal results and these results have been published; and (ii) if, on the date of the Allocation Decision, the authorization to launch at least one of the new clinical trials among the projected clinical trials has been obtained, either : • a clinical trial with elafibranor within a NASH subpopulation; or • a clinical trial with respect to fibrosis within the TGFTX4/repositioning program.
		Nature of external conditions
		33 1/3 % of the instruments will be exercisable or definitively allocated in proportion to the evolution of the stock market price of the Company, as follows: (i) if the Final Price is strictly lower than the Initial Price, the number exercisable or definitively allocated is equal to 0; (ii) if the Final Price is between (i) a value equal to or higher than the Initial Price and (ii) a value lower than the Ceiling Price, the number exercisable or definitively allocated is equal to: [(Final Price / Initial Price)-1] x 1/3 of number of instruments; (iii) if the Final Price is equal to or higher than the Ceiling Price, the number exercisable or definitively allocated is equal to the entire one-third of the instruments granted.

Plans	Evaluation date for performance conditions	Nature of internal conditions
AGA S 2016-1	12/15/2018 and/or 12/15/2019	The free shares will be definitively allocated upon meeting the same internal performance conditions as the SO 2016-1, SO US 2016-1 and AGA D 2016-1 plans.

Plans	Evaluation date for performance conditions	Nature of internal conditions
SO 2016-2 SO US 2016-2 AGA D 2016-2	12/15/2019	66 2/3% of the instruments will be exercisable or definitively allocated, regardless of the evolution of the stock market price if at least one of the three following conditions is met: (i) if an application for marketing authorization for a product (elafibranor in NASH) is examined by the European Medicines Agency (EMA) or the U.S. Food and Drug Administration (FDA); or (ii) if the launch of at least two new clinical trials among the following are authorized by the EMA or the FDA, either: • Phase III clinical trials of or which aim to record a new product (TGFTX4) or a new indication for elafibranor (PBC); or • Clinical trials with a product in Phase II (Elafibranor) within a NASH subpopulation; or (iii) if at least on licensing agreement, on one or another of Genfit's products in one or several territories, is entered into by the Company
		Nature of external conditions
		33 1/3% of the instruments will be exercisable or definitively allocated in proportion to the evolution of the stock market price, as follows: (i) if the Final Price is strictly lower than the Initial Price, the number exercisable or definitively allocated is equal to 0 (ii) if the Final Price is between (i) a value equal to or higher than the Initial Price and (ii) a value lower than the Ceiling Price, the number exercisable or definitively allocated is equal to: [(Final Price / Initial Price)-1]/2 x 1/3 of number of instruments ; (iii) if the Final Price is equal to or higher than the Ceiling Price, the number exercisable or definitively allocated is equal to the entire one-third of the instruments granted.

Plans	Evaluation date for performance conditions	Nature of internal conditions
AGA S 2016-2	12/15/2019	The free shares will be definitively allocated upon meeting the same internal performance conditions as the SO 2016-2, SO US 2016-2 and AGA D 2016-2 plans.

6.19.5.2. Performance conditions of the 2017-1 and 2017-2 plans

Plans	Evaluation date for performance conditions	Nature of internal conditions
SO 2017-1 SO US 2017-1 AGA D 2017-1	12/31/2019	66 2/3 % of the instruments will be definitively allocated, regardless of the variation of the stock market price, in the following events: (i) if, on the date of the Allocation Decision, one of the two ongoing or authorized clinical trials (Resolve-It, Phase 2 in PBC) has revealed its first results and/or principal results and these results have been published; and (ii) if, on the date of the Allocation Decision, the authorization to launch at least one of the clinical trials among the projected clinical trials has been obtained, either : • a clinical trial with elafibranor within a NASH subpopulation; or • a clinical trial with respect to fibrosis with NTZ.
		Nature of external conditions
		33 1/3 % of the instruments will be exercisable or definitively allocated in proportion to the evolution of the stock market price of the Company, as follows : (i) if the Final Price is strictly lower than the Initial Price, the number exercisable or definitively allocated is equal to 0; (ii) if the Final Price is between (i) a value equal to or higher than the Initial Price and (ii) a value lower than the Ceiling Price, the number exercisable or definitively allocated is equal to: [(Final Price / Initial Price)-1] x 1/3 of number of instruments; (iii) if the Final Price is equal to or higher than the Ceiling Price, the number exercisable or definitively allocated is equal to the entire one-third of the instruments exercisable or definitively allocated.

Plans	Evaluation date for performance conditions	Nature of internal conditions
AGA S 2017-1	12/31/2019	The free shares will be definitively allocated upon meeting the same internal performance conditions as the SO 2017-1, SO US 2017-1 and AGA D 2017-1 plans.

Plans	Evaluation date for performance conditions	Nature of internal conditions
SO 2017-2 SO US 2017-2 AGA D 2017-2	12/31/2020	66 2/3% of the instruments will be exercisable or definitively allocated, regardless of the evolution of the stock market price if at least one of the three following conditions is met: (i) if an application for marketing authorization for a product (elafibranor for NASH) is examined by the European Medicines Agency (EMA) or the U.S. Food and Drug Administration (FDA); or (ii) if the launch of at least one clinical trial among the following is authorized by the EMA or the FDA, either: • Phase III clinical trials of or which aim to record a new product (NTZ program) or a new indication for Elafibranor (PBC); • Clinical trials with a product in Phase II (Elafibranor) within a NASH subpopulation; or (iii) if at least on licensing agreement, on one or another of Genfit's products in one or several territories, is entered into by the Company.
		Nature of external conditions
		33 1/3% of the instruments will be exercisable or definitively allocated in proportion to the evolution of the stock market price, as follows: (i) if the Final Price is strictly lower than the Initial Price, the number exercisable or definitively allocated is equal to 0 (ii) if the Final Price is between (i) a value equal to or higher than the Initial Price and (ii) a value lower than the Ceiling Price, the number exercisable or definitively allocated is equal to: [(Final Price / Initial Price)-1]/2 x 1/3 of number of instruments; (iii) if the Final Price is equal to or higher than the Ceiling Price, the number exercisable or definitively allocated is equal to the entire one-third of the instruments granted.

Plans	Evaluation date for performance conditions	Nature of internal conditions
AGA S 2017-2	12/31/2020	The free shares will be definitively allocated upon the same internal performance conditions as the SO 2017-2, SO US 2017-2 and AGA D 2017-2 plans.

Plans	Evaluation date for performance conditions	Nature of internal conditions
SO 2018 SO US 2018 AGA D 2018	12/31/2021	66 2/3 % of the instruments will be exercisable or definitively vested, and 100% of the free shares for the AGA S 2018 will be vested, regardless of the variation of the stock market price, if one of the three following conditions is met: (i) if an application for marketing authorization for elafibranor for the treatment of NASH is submitted to the European Medicines Agency (EMA) or the U.S. Food and Drug Administration (FDA); or (ii) if authorization to launch at least one new clinical trial among the following trials is obtained : Phase III or Phase II/III clinical trial evaluating a new product (NTZ); Phase III or Phase II/III clinical trial evaluating elafibranor in PBC Phase III clinical trial evaluating elafibranor in a NASH subpopulation; or (iii) if at least on licensing agreement, on one or another of Genfit's products in one or several territories, is entered into by the Company
		Nature of external conditions
		33 1/3% of the Stock Options will be exercisable in proportion to the variation of the Company's stock market price as per the following breakdown: (i) if the Final Price is strictly lower than the Initial Price, the number of the Stock Options exercisable is equal to 0; (ii) if the Final Price is between (i) a value equal to or higher than the Initial Price and (ii) a value lower than the Ceiling Price, the number of Stock Options exercisable is equal to: [(Final Price / Initial Price)-1]/2 x 1/3 of number of Stock Options; (iii) if the Final Price is equal to or higher than the Ceiling Price, the number of Stock Options exercisable is equal to the entire one-third of the Stock Options allocated.

Plans	Evaluation date for performance conditions	Nature of internal conditions
AGA S 2018	12/31/2021	The free shares will be definitively allocated upon the same internal performance conditions as the SO 2018, SO US 2018 and AGA D 2018 plans.

6.20. FINANCIAL INCOME AND EXPENSES

Financial income and expenses (in € thousands)	Year ended 2017/12/31 corrected (*)	2018/12/31
Financial income		
Interest income	389	202
Foreign exchange gain	59	101
Other financial income	195	425
TOTAL - Financial income	**642**	**728**
Financial expenses		
Interest expenses	(2 309)	(10 955)
Interest expenses for financial leases	(10)	(21)
Foreign exchange losses	(764)	(127)
Other financial expenses	(13)	(14)
TOTAL - Financial expenses	**(3 096)**	**(11 118)**
FINANCIAL GAIN (LOSS)	**(2 453)**	**(10 391)**

The increase in financial expenses is mainly due to the interest payments on the OCEANEs which were issued in October 2017.

The change in financial expenses is related to the interest on the OCEANEs, mainly due to interest payments at a rate of 3.5% and the discounting of the bond debt at an effective interest rate of 7.29%. The discounting of bond debt consists of bringing the amount of the debt component of the bond issue to the amount that will be repaid (or converted) at maturity, by the recognition of a theoretical annual interest expense resulting from the accretion over the period of an amount equivalent to the equity component at an effective interest rate.

6.21. INCOME TAX

6.21.1. Losses available for offsetting against future taxable income

At December 31, 2018, the tax loss carry forwards for the Company, amounted to €305,530k (€226,708k as of December 31, 2017).

Such carryforwards can be offset against future taxable profit within a limit of €1,000k per year, plus 50% of the profit exceeding this limit. Remaining unused losses will continue to be carried forward indefinitely.

6.21.2. Deferred tax assets and liabilities

The Group's main sources of deferred tax assets and liabilities as of December 31, 2018 related to:

- Tax loss carry forwards: €305,530k (compared to €226,708k as of December 31, 2017);
- Deductible temporary differences:
  - related to the OCEANE: a net deferred tax liability for €1,773k as of December 31, 2018 (€2,165k as of December 31, 2017). See note 6.2.3 – "Correction of errors"; and
  - related to postemployment benefits: €1,085k, or an impact of deferred tax assets of €304k (€936k, or an impact of deferred tax assets of €262k as of December 31, 2017).

In addition to deferred tax liabilities, no other deferred tax asset has been recognized as it is not probable that taxable profit will be available to offset deductible temporary differences and tax loss carryforwards.

6.22. EARNINGS (LOSS) PER SHARE

The components of the earning (loss) per share computation are as follows:

Earnings per share	Year ended	
	2017/12/31 corrected (*)	2018/12/31
Loss for the period (in € thousands)	**(55 728)**	**(79 521)**
Weighted average number of ordinary shares for the period	31 166 437	31 167 203
Loss per share (in €)	**(1.79)**	**(2.56)**

6.23. LITIGATION AND CONTINGENT LIABILITIES

Dispute over research tax credit calculation

1. Context

During 2014, the Company was under a tax audit at the end of which the tax authorities questioned part of the Research Tax Credit (CIR) received by the Company for 2010. The tax audit continued for the 2011 and 2012 CIR returns.

2. Subject matter of the dispute

The dispute with the French tax authorities pertained mainly to collaborative research alliances with companies in the pharmaceutical industry. The tax authorities contended that, in these alliances, the Company was acting as a sub-contractor, which should reduce the basis on which the CIR was computed by deducting amounts billed by the Company to the other party. The Company maintained that the contracts governing the collaborative research alliances included reciprocal provisions concerning intellectual property, the shared governance of the research programs, risk sharing, conditions governing the termination of the agreements and the terms of compensation, which demonstrated that they were not sub-contracting agreements.

3. Status of the tax audit

The Company received proposed tax adjustments in December 2014 (for the 2010 CIR) and in December 2015 (for the 2011 and 2012 CIR), to which the Company presented its observations in written letters in February 2015 and February 2016.

Following the administrative appeal and the departmental meeting (*interlocution départementale*) held in June 2016 and October 2016 respectively, the tax authorities partially accepted the Company's arguments.

As a result, the final tax adjustments on the CIRs totaled €566k for 2010, €623k for 2011 and €285k for 2012, and an additional €5k for late filing.

On January 27, 2017, the Company received the formal tax assessment notice for €1,478k from the tax authorities, which were paid as follows:

- A cash payment of €338k;
- A request for a write-off with the amount withheld on its CIR receivable for2014 (€1,141k), which was accepted up to €693k in August 2017;
- A request for a write-off with the amount due on its CIR receivable for 2016 which was accepted for €447k in August 2017.

The Company filed two claims, on February 15, 2017 and October 6, 2017 contesting the aforementioned adjustments (the initial €1,478k and the potential tax adjustment on the CIR for 2014 of €447k).

On April 5, 2018, the Administrative Court of Montreuil substantially accepted the Company’s claim regarding the tax qualification of its collaborative research. On July 25, 2018, the Ministry of Action and Public Accounts appealed the April 5, 2018 judgment.

On June 28, 2018, the Administrative Court of Montreuil accepted the Company's claim on the CIR for 2014. On September 11, 2018, following the judgment, the Company was reimbursed €432k.

The Company was informed on October 28, 2018 that the Ministry of Action and Public Accounts appealed the aforementioned June 28, 2018 judgment.

4. Potential liability

The Company, in accordance with IFRS standards, measured its potential tax liability should the tax authorities'' interpretation prevail with respect to the CIR for the years under tax audit and subsequent years. The recording and disclosure of this potential tax liability in these consolidated financial statements does not, under any circumstances, constitute an acknowledgement of the tax authorities' arguments in this matter. Based on analyses conducted by independent third party tax experts, the Company believes that the potential tax liability could amount to approximately €1,809k, out of the aggregate €20,695k in CIRs reported in the 2010 to 2015 financial statements.

Independent of the payments made pursuant to the tax authorities' requests in the assessment notice, the amount of the potential tax liability of €1,809k mentioned above remains unchanged considering the appeal formed by the Ministry. There is no provision for this amount considering that the risk was assessed as possible rather than probable.

5. Provision

In addition, the Company has accrued €106k for contracts, other than joint research alliances, which could be considered as sub-contracting for third parties that are themselves eligible for the research tax credit and for other adjustments related to the type of intangible assets considered eligible for the CIR.

Dispute regarding social security contributions and other payments

Following an URSAAF (French social security administration) audit which began in September 2016 with respect to the 2013, 2014 and 2015 fiscal years, the Company received in November 2016, an observation letter containing a social security contribution reassessment for €5k which the Company contested in the amount of €4k before the Tribunal des Affaires Sociales (Social Affairs Court). The Court is expected to rule on this case in March 2019.

6.24. RELATED PARTIES

Biotech Avenir SAS and The NASH Education Program™, an endowment fund set up by the Company, are related parties within the meaning of IAS 24.9.

The registered office of Biotech Avenir SAS and that of The NASH Education Program™ are located at the same address as the Company. These domiciliations are provided without charge.

Biotech Avenir SAS is a holding company incorporated in 2001 by the Company's founders. Most of its share capital is currently held by the four co-founders of the Company and approximately thirteen Company employees.
Jean-François Mouney, the Chairman and CEO of the Company, is also the Chairman of Biotech Avenir SAS.

At December 31, 2018, Biotech Avenir SAS held 6.06% of the share capital of the Company.

The Company did not carry out any transactions with Biotech Avenir in 2017 nor in 2018.

In addition to the cash contributed by the Company to the liquidity agreement put in place with CM-CIC Securities, Biotech Avenir SAS contributed shares of the Company to the liquidity agreement. Biotech Avenir SAS withdrew from this liquidity agreement as of December 1, 2017 in order to comply with the latest recommendations of the *Autorité des Marchés Financiers*.

The NASH Education Program™ endowment fund was created in November 2016 at the initiative of the Company to develop and finance disease awareness activities targeting medical professionals and the general public.

The transactions carried out in 2017 and 2018 between the Company and The NASH Education Program™ and the Group's obligations with respect to The NASH Education Program™ are described in Note 6.26 – "Commitments".

6.25. COMPENSATION OF CORPORATE OFFICERS

By resolution of the General Shareholders Meeting on June 16, 2017, the shareholders adopted the change in mode of administration and management of the Company and decided to switch from the historical two-tiered GENFIT board structure (Executive Board and Supervisory Board) to a single board (Board of Directors).

As a result, the table below provides details of the compensation paid to the Chairman and CEO, as well as that paid to the members of the Executive Board during the first half of 2017 (prior to the change in mode of governance) and for the financial years in which the relevant amounts were recognized in the statement of operations.

Compensation paid to Officers	Year ended	
	2017/12/31	2018/12/31
Short-term employee benefits (gross + employer's social contributions, paid)	1 476	1 569
Post-employment pension & medical benefits	199	0
Share-based payment transactions	51	104
Director fees Genfit Corp (net)	37	30
TOTAL	**1 763**	**1 703**

The changes in provision for pension liabilities relate to rates described in Note 6.15. - "Employee benefits" and the fact that the Chairman and CEO exercised his pension rights in September 2017 retaining his position as Chairman and CEO.

The Chairman and CEO is entitled to a severance payment falling within the scope of article L.225-42-1 of the French commercial code, equal to six months' salary, calculated on the basis of the last 12 months' salary (excluding payments under the Group's incentive plan) and increased by additional compensation of one months' salary per year of service with the Company (calculated on the same basis). This severance payment is capped at 2 years gross compensation (excluding exceptional payments under the incentive plan) paid with respect to the last fiscal year and subject to performance conditions. This commitment (gross amount and employer charges and payroll taxes) at December 31, 2018 amounted to €1,438k.

The directors' fees and other compensation due and paid to the non executive directors are as follows:

Attendance fees and other forms of remuneration payable to each of the non executive officer (In euros)	Amounts due* 2017 (4)	Amounts paid* During the year 2017 (4)	Amounts due* 2018	Amounts paid* During the year 2018
Jean-François MOUNEY (1)				
Attendance fees	0 €	0 €	0 €	0 €
Other remuneration (outside compensation as CEO)	0 €	0 €	0 €	0 €
Total	**0 €**	**0 €**	**0 €**	**0 €**
Xavier GUILLE DES BUTTES				
Attendance fees	30 218 €	24 688 €	53 330 €	41 311 €
Other remuneration	0 €	0 €	0 €	0 €
Total	**30 218 €**	**24 688 €**	**53 330 €**	**41 311 €**
Charles WOLER (2)				
Attendance fees	5 925 €	5 925 €	0 €	0 €
Other remuneration	0 €	0 €	0 €	0 €
Total	**5 925 €**	**5 925 €**	**0 €**	**0 €**
Frédéric DESDOUITS				
Attendance fees	13 627 €	11 258 €	21 174 €	17 113 €
Other remuneration	0 €	0 €	0 €	0 €
Total	**13 627 €**	**11 258 €**	**21 174 €**	**17 113 €**
BIOTECH AVENIR				
Represented by Florence Séjourné				
Attendance fees	0 €	0 €	0 €	0 €
Other remuneration	0 €	0 €	0 €	0 €
Total	**0 €**	**0 €**	**0 €**	**0 €**
Philippe MOONS				
Attendance fees	18 763 €	14 023 €	29 704 €	22 345 €
Other remuneration	0 €	0 €	0 €	0 €
Total	**18 763 €**	**14 023 €**	**29 704 €**	**22 345 €**
Anne-Hélène MONSELLATO (3)				
Attendance fees	14 813 €	10 468 €	37 075 €	24 307 €
Other remuneration	0 €	0 €	0 €	0 €
Total	**14 813 €**	**10 468 €**	**37 075 €**	**24 307 €**
Catherine LARUE (3)				
Attendance fees	11 258 €	8 098 €	21 256 €	17 985 €
Other remuneration	0 €	0 €	0 €	0 €
Total	**11 258 €**	**8 098 €**	**21 256 €**	**17 985 €**
TOTAL	**94 602 €**	**74 458 €**	**162 539 €**	**123 061 €**
	2017 (4)		2018	
IFRS 2 valuation of options granted during the financial year	94 875 €		0 €	

* After applying a required 21% withholding
(1) Jean-François MOUNEY joined the Board of Directors on June 16, 2017 as Chairman.
(2) Since the Shareholders' Meeting on June 16, 2017, Charles WOLER is no longer a board member.
(3) Anne-Hélène MONSELLATO and Catherine LARUE were appointed to the Board of Directors by the shareholders at the June 16, 2017 Shareholders' Meeting.
(4) The remuneration received by Xavier GUILLE DES BUTTES, Frédéric DESDOUITS, Biotech Avenir and Philippe MOONS until June 16, 2017 was in their capacities as members of the Supervisory Board.

6.26. COMMITMENTS

Subcontracting agreements

The Group enters into contracts in the normal course of business with clinical research organizations (CROs) for clinical trials, as well as with third party vendors for clinical and commercial supply manufacturing, commercial and precommercial activities, research and development activities and other services and products for operating purposes. The Group's agreements generally provide for termination with specified periods of advance notice. Such agreements are generally cancelable contracts and not included in the description of the Group's contractual obligations and commitments.

Deposits and guarantees

The Company has guaranteed its rental payment obligation under the lease agreement for the headquarters in Loos, France in the amount of €455k at December 31, 2018 (same amount at December 31, 2017).

Lease commitments

In 2016, CM-CIC Bail and the Company entered into a master agreement for leases with an option to purchase scientific equipment for a maximum amount of €2,000k.
This contract was amended several times, with Amendment No.3 increasing the amount of the agreement to €2,150k, valid until June 30, 2019.
In addition, in 2016, NatioCreditMur (BNP Paribas) and the Company entered into a master lease agreement of €1,050k, which was extended by amendments in 2017 and in 2018 until June 30, 2019.

At December 31, 2018, the Company drew on €2,637k under these leasing agreements.

Obligations in respect of the co-ownership of intellectual property rights

To date, the Company has not been required to license any third-party intellectual property to develop drug candidates and biomarker candidates that comprise its portfolio of proprietary programs and products.

The Company ensures, with regard to these programs, that the collaboration or subcontracting agreements that it is required to enter into, systematically stipulate that the results of the research are the Company's property. This is particularly the case for research consortia, in which the Group is associated with university laboratories and other biotechnology companies. It therefore holds all the intellectual property rights over its portfolio of proprietary programs and products.

On the other hand, the agreements signed in the framework of the Company's historical co-research alliances with partners in the pharmaceutical industry provided that the intellectual property rights of the drug candidates developed under these alliances belonged to the partners. . These agreements also provided that the Company had intellectual property rights over the innovative technologies discovered on this occasion, even if it had to grant a royalty free and non-exclusive license to the industrial partner for the purpose of developing drug candidates discovered under the co-research programs.

To date, Sanofi remains the only industrial partner likely to still have exploitation rights on a drug candidate developed as part of its historical co-research alliance with the Company and therefore able to use on a royalty-free basis, but not exclusively, technologies developed by the Company under this program. The other historic partners have informed the Company of their decision not to exploit or stop exploiting the results of joint research. Nevertheless, to date, Sanofi has not communicated to the Company its desire to continue the development of this program despite the last research phase shared with the Company's teams having ended in May 2015.

Other liabilities

Pursuant to an agreement with effect from July 1, 2016, the Company decided to finance the creation by Pinnacle Clinical Research of a registry of NAFLD/NASH patients, which diseases are targeted by certain of the Company's drug and biomarker candidates. This donation, for a maximum amount of $1,582k is being paid over the course of the creation of the registry on the basis of reporting periods.

The Company's goal in supporting the creation of this registry was to contribute to the improvement of scientific and medical knowledge around NAFLD and NASH. As a result, the Company decided on December 22, 2016, with effect from December 31, 2016, to assign the benefit and obligations of this agreement to its endowment fund, The NASH Education Program™. The NASH Education Program™ was created on November 3, 2016 with Genfit as its sole founding member to educate the medical community and patients on the lessons that can be learned from these patients, in accordance with its objectives.

In 2018, the Company granted to The NASH Education Program™ endowment fund a donation of €959k (€1,808k in 2017) so that The NASH Education Program™ could honor its obligations under the transfer of registry donation and carry out the other planned disease awareness activities to patients and doctors and the organization of the 1st International NASH Day which took place in June 2018.

6.27. EVENTS AFTER THE REPORTING PERIOD

On January 2, 2019, GENFIT signed a licensing agreement with LabCorp, a company specialized in drug development. The agreement will expand access to Genfit's NASH liver diagnostic test for the clinical research market.