Annual Report 2023

uniQure N.V.

Amsterdam, April 25, 2024

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A Report of the Board of Directors

1 Introduction

a) Forward-looking statements

This Report, the Financial Statements and Other Information (the "Annual Report") contain "forward-looking statements" as defined under U.S. federal securities laws. Forward-looking statements are based on our current expectations of future events and many of these statements can be identified using terminology such as "believes," "expects," "anticipates," "plans," "may," "will," "projects," "continues," "estimates," "potential," "opportunity" and similar expressions. These forward-looking statements include, without limitation, statements concerning: our ability to fund our future operations; our financial position, revenues, costs, expenses, uses of cash and capital requirements; our need for additional financing or the time period for which our existing cash resources will be sufficient to meet our operating requirements; the success, progress, number, scope, cost, duration, timing or results of our research and development activities, preclinical and clinical trials, including the timing for initiation or completion of or availability of results from any preclinical studies and clinical trials or for the submission, review or approval of any regulatory filing; the timing of, and our ability to, obtain and maintain regulatory approvals for any of our product candidates; the potential benefits that may be derived from any of our product candidates; our strategies, prospects, plans, goals, expectations, forecasts or objectives; the success of our collaborations with third parties; our ability to identify and develop new product candidates and technologies; our intellectual property position; our commercialization, marketing and manufacturing capabilities and strategy; our estimates regarding future expenses and needs for additional financing; our ability to identify, recruit and retain key personnel; our financial performance; developments and projections relating to our competitors in the industry; and our liquidity and working capital requirements. These forward-looking statements may be found in Part 2, Part 3, Part 4 and other sections of this Annual Report.

Forward-looking statements are only predictions based on management's current views and assumptions and involve risks and uncertainties, and actual results could differ materially from those projected or implied. The most significant factors known to us that could materially adversely affect our business, operations, industry, financial position or future financial performance include those described under "Risk Factors" and elsewhere in this Annual Report and in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the U.S. Securities and Exchange Commission ("SEC") on February 28, 2024, or in the documents where such forward-looking statements appear. You should carefully consider that information before you make an investment decision.

You should not place undue reliance on these statements, which speak only as of the date that they were made. Our actual results or experience could differ significantly from those anticipated in the forward-looking statements and from historical results, due to the risks and uncertainties described under "Risk Factors" and elsewhere in this Annual Report as well as others that we may consider immaterial or do not anticipate at this time. These cautionary statements should be considered in connection with any written or oral forward-looking statements that we may make in the future. We do not undertake any obligation to release publicly any revisions to these forward-looking statements after completion of this Annual Report to reflect later events or circumstances or to reflect the occurrence of unanticipated events. All forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements.

In addition, with respect to all of our forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995.

b) History and development of uniQure

We were incorporated on January 9, 2012 as a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) under the laws of the Netherlands. We are a leader in the field of gene therapy and seek to deliver to patients suffering from rare and other devastating diseases single treatments with potentially curative results. Our business was founded in 1998 and was initially operated through our predecessor company, Amsterdam Molecular Therapeutics (AMT) Holding N.V ("AMT"). In 2012, AMT undertook a corporate reorganization, pursuant to which uniQure B.V. acquired the entire business and assets of AMT and completed a share-for-share exchange with the shareholders of AMT. Effective February 10, 2014, in connection with our initial public offering, we converted into a public company with limited liability (*naamloze vennootschap*) and changed our legal name from uniQure B.V. to uniQure N.V.

We are registered in the trade register of the Dutch Chamber of Commerce (Kamer van Koophandel) in Amsterdam, the Netherlands under number 54385229. Our headquarters are in Amsterdam, the Netherlands, and our registered office is located at Paasheuvelweg 25, Amsterdam 1105 BP, the Netherlands and our telephone number is +31 20 240 6000. Our website address is www.uniqure.com. Our ordinary shares are listed on the Nasdaq Global Select Market ("Nasdaq") and trade under the symbol "QURE".

Unless the context requires otherwise, references in this report to "uniQure," "Company," "we," "us" and "our" and similar designations refer to uniQure N.V. and our subsidiaries.

c) Business overview

We are a leader in the field of gene therapy, seeking to deliver to patients suffering from rare and other devastating diseases single treatments with potentially curative results. We are advancing a focused pipeline of innovative gene therapies, including our clinical candidates for the treatment of Huntington's disease, amyotrophic lateral sclerosis ("ALS"), refractory mesial temporal lobe epilepsy ("MTLE") and Fabry disease. Our internally developed HEMGENIX®, a gene therapy for the treatment of hemophilia B, has been approved for commercialization by the United States Food and Drug Administration (the "FDA") and the European Medicines Agency ("EMA"). The approval of HEMGENIX® follows more than a decade of research and clinical development, represents a major milestone in the field of gene therapy and ushers in a new treatment approach for patients living with hemophilia B. We license HEMGENIX® to CSL Behring LLC ("CSL Behring"), which is responsible for its commercialization. We are manufacturing HEMGENIX® for CSL Behring and are entitled to specific milestone payments and royalties on net sales of the product, a portion of which we sold to a royalty acquisition company in 2023 in exchange for up-front cash.

We believe our validated technology platform and manufacturing capabilities provide us with distinct competitive advantages, including the potential to reduce development risk, cost, and time to market. We produce our adeno-associated virus-based gene therapies in our own facilities with a proprietary, current good manufacturing practices ("GMP") -compliant manufacturing process. We believe our Lexington, Massachusetts-based facility is one of the world's leading, most versatile, gene therapy manufacturing facilities.

Recent Product Candidate Developments

Huntington's disease program (AMT-130)

AMT-130 is our novel gene therapy candidate for the treatment of Huntington's disease, which utilizes our proprietary, gene-silencing miQURE platform and incorporates an AAV vector carrying a miRNA specifically designed to silence the huntingtin gene and the potentially highly toxic exon 1 protein fragment.

We are currently conducting a multi-center randomized, controlled, and blinded Phase I/II clinical trial for AMT-130 in the U.S. in which 26 patients with early-manifest Huntington's disease have been enrolled. The low-dose cohort of this trial includes 10 patients, of which six patients received treatment with AMT-130 and four patients received imitation surgery. The high-dose cohort includes 16 patients, of which 10 patients received treatment with AMT-130 and six patients received imitation surgery. Patients in the high-dose cohort that received imitation surgery had the option to cross over after 12 months if they met the inclusion criteria for the study. In July 2022, we began crossing over patients in the high-dose cohort who received the imitation surgical procedure. Four of the six control patients in the high-dose cohort have been crossed over to treatment (three patients received the high dose and one patient received the low dose). The remaining two control patients in the high-dose cohort did not meet all the inclusion criteria for the study and were not eligible for crossover. All four crossover patients received a short course of immunosuppression therapy concurrent with the administration of AMT-130.

We are also conducting an open-label Phase Ib/II study in the EU and the United Kingdom, which has enrolled 13 patients with the same early-manifest criteria for Huntington's disease as the U.S. study. Six of these patients were treated with AMT-130 in the initial low-dose cohort and seven patients were treated in the subsequent high-dose cohort.

We completed the enrollment of all 26 patients in the first two cohorts of our Phase I/II clinical trial of AMT-130 in the U.S. in March 2022. In June 2022, we announced initial safety and biomarker data from 10 patients enrolled in the low-dose cohort of the ongoing U.S. Phase I/II clinical trial of AMT-130. In June 2023, we announced additional interim data from U.S. Phase I/II clinical trial of AMT-130, including up to 24-month follow-up from the 26 patients enrolled.

In December 2023 we announced updated interim data, including up to 30 months of follow-up from 39 patients enrolled in the ongoing U.S. and European Phase I/II clinical trials, as described in more detail below under "*—Our Development of AMT-130 for Huntington's Disease*". The combined U.S. and European interim data were subject to a September 30, 2023 cut-off date and did not include outcome or biomarker data from the control patients who crossed over to treatment with AMT-130 following the 12-month core study period.

- AMT-130 was generally well tolerated with a manageable safety profile at both doses. Serious adverse events ("SAE") cases of CNS inflammation attributable to AMT-130 have improved with the administration of glucocorticoids.

- Patients treated with both doses of AMT-130 showed evidence of preserved neurologic function relative to pre-treatment baseline measurements and potential clinical benefit relative to a non-concurrent natural history cohort, based in each case on certain clinical and functional measurements.

- CSF NfL trends for the low-dose cohort remained below baseline through month 30 and CSF NfL for the high-dose cohort also further declined and was near baseline at month 18, together suggesting a reduction in neurodegeneration when compared to an expected increase from baseline in CSF NfL based on natural history data. Mean changes in Mutant Huntingtin Protein ("mHTT") levels measured in CSF samples compared to baseline continued to be variable and impacted by baseline levels near or below the lower limit of quantification.

- Brain volumetric changes did not appear to be clinically meaningful or associated with protracted increases in neurodegeneration as measured by NfL.

Amyotrophic Lateral Sclerosis program (AMT-162)

In January 2023, we announced that we had entered into a global licensing agreement with Apic Bio, Inc. ("Apic Bio") for a one-time, intrathecally administered investigational gene therapy for ALS caused by mutations in superoxide dismutase 1 ("SOD1"), a rapidly progressing, rare motor neuron disease that leads to loss of everyday functions and is uniformly fatal (previously known as APB-102). Mutations in the SOD1 gene of ALS account for approximately one-fifth of all inherited forms of this fatal disease. APB-102 is comprised of a recombinant AAVrh10 vector that expresses a miRNA designed to knock down the expression of SOD1 with the goal of slowing down or potentially reversing the progression of ALS in patients with SOD1 mutations.

The FDA has cleared the IND application for APB-102 and has granted Orphan Drug and Fast Track designation.

Other Business Developments

Reorganization

In October 2023, we announced the implementation of a reorganization plan (the "Reorganization"). As a result of the Reorganization, we discontinued investments in more than half of our then-existing research programs, including AMT-210 for the treatment of Parkinson's disease, and certain other technology projects. Following the Reorganization, we are prioritizing advancing our clinical-stage programs, including referenced in the pipeline graphic above, to clinical proof of concept. As a result of the Reorganization, which was completed in December 2023, we eliminated approximately 20% of our total workforce and closed our research laboratory in Lexington, Massachusetts. As part of the Reorganization we consolidated all good manufacturing practices ("GMP") manufacturing into our Lexington manufacturing facility and consolidated process and analytical development into our Amsterdam, Netherlands facility. In addition, we appointed Richard Porter, Ph.D., who previously served as our Chief Business Officer, to serve as our Chief Business and Scientific Officer, effective as of October 2023.

Royalty Financing Agreement

In May 2023, we entered into a royalty purchase agreement (the "Royalty Purchase Agreement") with HemB SPV, L.P. (the "Purchaser") for the sale of a portion of the royalty rights due to us from CSL Behring under the commercialization and license agreement we entered into with CSL Behring in June 2020 (the "Commercialization and License Agreement"). Under the terms of the Royalty Financing Agreement, we received an upfront payment of $375.0 million in exchange for the Purchaser's rights to the lowest royalty tier on CSL Behring's worldwide net sales of HEMGENIX® for certain current and future royalties due to us. We are also eligible to receive an additional $25.0 million milestone payment under the Royalty Financing Agreement if 2024 net sales of HEMGENIX® exceed a pre-specified threshold. We retained the rights to all other royalties, as well as contractual milestones totaling up to $1.3 billion, under the terms of the CSL Behring Agreement. See Note 12, "*Royalty Financing Agreement*" for additional information on the terms of the Royalty Purchase Agreement and payments thereunder.

Our Mission and Strategy

Our mission is to deliver curative, one-time administered genomic medicines that transform the lives of patients. We aim to build an industry-leading, fully integrated, and global company that leverages its technology and proprietary manufacturing platform to deliver these medicines to patients with serious unmet medical needs. Our strategy to achieve this mission is to:

Advance the development of AMT-130, a potential one-time gene-therapy approach for the treatment of Huntington's disease. AMT-130 is the first AAV-based gene therapy that entered into clinical development for Huntington's disease. It consists of an AAV5 vector carrying an artificial miRNA specifically tailored to silence the huntingtin gene and leverages our proprietary miQURE™ silencing technology. The therapeutic goal of AMT-130 is to inhibit the production of the mutant HTT protein. We enrolled 39 patients into our U.S. Phase I/II and our European Phase Ib/II clinical trials. We announced preliminary results from these clinical trials in June 2022, June 2023 and December 2023. Together, these studies are intended to establish safety, proof of concept, and the optimal dose of AMT-130.

In November 2023 we commenced enrollment of a third cohort to further investigate both doses in combination with perioperative immune suppression with a focus on evaluating near-term safety. Up to 12 patients will be treated in this cohort, all of whom will receive AMT-130 using the current, established stereotactic neurosurgical delivery procedure. We intend to use these additional data from our ongoing clinical trials to define our regulatory and ongoing clinical development strategy for AMT-130.

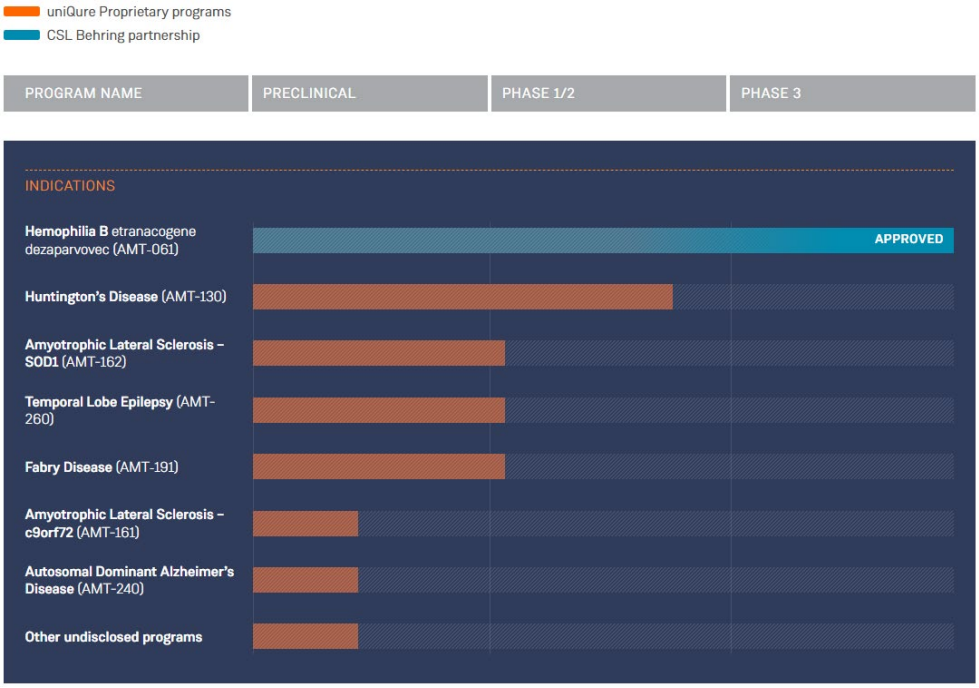
Advance our pipeline of clinical-stage gene therapy candidates. The INDs for our product candidates AMT-260 for the treatment of MTLE, AMT-162 for the SOD1-ALS, and AMT-191 for the treatment of Fabry disease were accepted by the FDA in 2023. We have initiated clinical trials for these three programs with the objective of generating initial safety and tolerability data and generating clinical proof-of concept.

Support the commercialization and global expansion of HEMGENIX®. HEMGENIX® is an FDA and EMA approved one-time administered gene therapy for the treatment of patients with severe and moderately severe hemophilia B. In 2020 we licensed the commercial rights to HEMGENIX® to CSL Behring. We will be supplying CSL Behring with HEMGENIX® for a number of years.

Prioritize technology development on next-generation AAV capsids and novel cargo technologies. We are developing technologies that have the potential to augment the safety and efficacy of our product candidates and broaden the applicability of our gene therapies to a wider range of diseases and patients. These technologies include next-generation delivery approaches, such as smart AAV capsids potentially capable of improved central nervous system ("CNS") transduction and crossing the blood-brain barrier, as well as novel cargo technologies such as miQURE, our one-time administered gene silencing platform, linkQURE to combine multiple miRNAs to suppress different genes, and goQURE for simultaneous silencing of a disease gene and replacement with a healthy gene.

Our Product Candidates

A summary of our key development programs is provided below:



Liver-directed diseases

Hemophilia B (HEMGENIX® or etranacogene dezaparvovec)

Hemophilia B Disease and Market Background

Hemophilia B is a rare, lifelong bleeding disorder caused by a single gene defect, resulting in insufficient production of factor IX, a protein primarily produced by the liver that helps blood clots form. Treatments for moderate to severe hemophilia B include prophylactic infusions of factor IX replacement therapy to temporarily replace or supplement low levels of blood-clotting factor and, while these therapies are effective, those with hemophilia B must adhere to strict, lifelong infusion schedules. They may also still experience spontaneous bleeding episodes as well as limited mobility, joint damage or severe pain as a result of the disease. For appropriate patients, HEMGENIX® allows people living with hemophilia B to produce their own factor IX, which can lower the risk of bleeding.

CSL Behring collaboration

On June 24, 2020, we entered into the CSL Behring Agreement pursuant to which CSL Behring received exclusive global rights to HEMGENIX®. The transaction became fully effective on May 6, 2021 (the "Closing").

Unless earlier terminated as described below, the CSL Behring Agreement will continue on a country-by-country basis until expiration of the royalty term in a country. The royalty term expires in a country on the later of (a) 15 years after the first commercial sale of the Product in such country, (b) expiration of regulatory exclusivity for the Product in such country and (c) expiration of all valid claims of specific licensed patents covering the Product in such country. Either we or CSL Behring may terminate the CSL Behring Agreement for the other party's material breach if such breach is not cured within a specified cure period. In addition, if CSL Behring fails to commercialize the Product in any of a group of major countries for an extended period of time following the first regulatory approval of the Product in any of such group of countries (other than due to certain specified reasons) and such failure has not been cured within a specified cure period, then we may terminate the CSL Behring Agreement. CSL Behring may also terminate the CSL Behring Agreement for convenience.

In March and April 2022, we received the total $55.0 million owed to us by CSL Behring related to CSL Behring's submissions of marketing applications for HEMGENIX® in the EU in March 2022 and the U.S. in April 2022.

In July 2023 we collected a $100.0 million payment from CSL Behring following the first sale of the Product in the U.S in June 2023.

We and CSL Behring also entered into a development and commercial supply agreement, pursuant to which, among other things, we will supply the Product to CSL Behring. We are contractually obligated to supply the Product until such time that these capabilities are transferred to CSL Behring or its designated contract manufacturing organization. On September 6, 2022, CSL Behring notified us of its intent to transfer manufacturing technology in the coming years related to HEMGENIX® to a third-party contract manufacturer designated by CSL Behring.

Fabry disease program (AMT-191)

Fabry Disease and Market Background

Fabry disease is a progressive, inherited, multisystemic lysosomal storage disease characterized by specific neurological, cutaneous, renal, cardiovascular, cochleo-vestibular, and cerebrovascular manifestations. Fabry disease is caused by a defect in a gene that encodes for a protein called α-galactosidase A ("GLA"). The GLA protein is an essential enzyme required to breakdown globotriaosylsphingosine ("Gb3") and lyso-globotriaosylsphingosine ("lyso-Gb3"). In patients living with Fabry disease, Gb3 and lyso-Gb3 accumulate in various cells throughout the body causing progressive clinical signs and symptoms of the disease. Current treatment options, which consist of bi-weekly intravenous enzyme replacement therapy, typically have no therapeutic benefit in patients with advanced renal or cardiac disease. Studies have also shown that a majority of male patients develop antibodies that inhibit the GLA protein and interfere with therapeutic efficacy.

Fabry disease has two major disease phenotypes: the type 1 "classic" and type 2 "later-onset" subtypes. Both lead to renal failure, and/or cardiac disease, and early death. Type 1 males have little or no functional a-Gal A enzymatic activity (<1% of normal mean) and marked accumulation of GL-3/Gb3 and related glycolipids in capillaries and small blood vessels which cause the major symptoms in childhood or adolescence. In contrast, males with the type 2 "later-onset" phenotype (previously called cardiac or renal variants) have residual a-Gal A activity, lack GL-3/Gb3 accumulation in capillaries and small blood vessels, and do not manifest the early manifestations of type 1 males. They experience an essentially normal childhood and adolescence. They typically present with renal and/or cardiac disease in the third to seventh decades of life. Most type 2 later-onset patients have been identified by enzyme screening of patients in cardiac, hemodialysis, renal transplant, and stroke clinics and recently by newborn screening. Fabry disease occurs in all racial and ethnic populations and affects males and females. It is estimated that type 1 classic Fabry disease affects approximately one in 40,000 males and approximately one in 20,000 females. The type 2 later-onset phenotype is more frequent, and in some populations may occur as frequently as about 1 in 1,500 to 4,000 males.

Our Development of AMT-191 for Fabry Disease

In September 2020, we selected a lead gene therapy candidate (AMT-191) for the treatment of Fabry disease. The lead candidate is a one-time administered AAV5 gene therapy incorporating the GLA transgene under control of our proprietary strong liver-specific promoter.

In October 2021, we presented preclinical data for AMT-191 at the ESGCT, confirming efficiency and cross correction in a Fabry mouse model, with increased gamma-linolenic acid in the liver, kidney, heart, and brain and normalized lysoglobotriaosylceramide-3 levels in main target organs.

On November 29, 2023 we announced that the FDA had cleared the IND application for AMT-191 and the first-in-human Phase I/IIa clinical trial will be conducted in the United States. The multicenter, open-label clinical trial consists of two dose-escalating cohorts of three patients each to assess safety, tolerability, and efficacy of AMT-191 in patients with Fabry disease. Three patients will be dosed in the initial dose. If no dose-limiting toxicology is identified, the dose will be escalated. If dose-limiting toxicology occurs in one of the three initial patients, three additional patients will be enrolled at the same dose level. If no additional patients in the cohort experience a dose-limiting toxicology, the dose will be escalated. Assessments will be made at three- and six-months post-treatment.

Central Nervous System diseases

Huntington's Disease

Huntington's Disease and Market Background

Huntington's disease is a severe genetic neurodegenerative disorder causing loss of muscle coordination, behavioral abnormalities, and cognitive decline, often resulting in complete physical and mental deterioration over a 12 to 15-year period. The median survival time after onset is 15 to 18 years (range: 5 to >25 years). Huntington's disease is caused by an inherited defect in a single gene that codes for a protein called Huntingtin ("HTT"). The estimated prevalence of Huntington's disease is three to seven per 100,000 in the general population, similar in men and women, and it is therefore considered a rare disease. Huntington's disease mutation carriers can be identified decades before onset. There is currently no available therapy that can delay onset or slow progression of the disease. Although some symptomatic treatments are available, they only are transiently effective despite significant side effects.

Our Development of AMT-130 for Huntington's Disease

AMT-130 is our novel gene therapy candidate for the treatment of Huntington's disease. AMT-130 utilizes our proprietary, gene-silencing miQURE platform and incorporates an AAV vector carrying a miRNA specifically designed to silence the huntingtin gene and the potentially highly toxic exon 1 protein fragment.

We are currently conducting a Phase I/II clinical trial for AMT-130 in the U.S. and a Phase Ib/II study in the EU. Together, these studies are intended to establish safety, proof of concept, and the optimal dose of AMT-130. AMT-130 has received Orphan Drug and Fast Track designations from the FDA and Orphan Medicinal Product Designation from the EMA.

Our goal for AMT-130 is to develop a gene therapy with the following profile:

(1) one-time administration of disease-modifying therapy into the striatum, the area of the brain where Huntington's disease is known to manifest;
(2) biodistribution of the therapy in both the deep and cortical structures of the brain via transport of the AAV vector and through secondary exosome-mediated delivery; and
(3) safe, on-target and durable knockdown of HTT and exon 1 HTT.

On March 21, 2022, we announced that we completed the enrollment of all 26 patients in the first two cohorts of our randomized, double-blinded, Phase I/II clinical trial of AMT-130 taking place in the U.S. In the study, patients are randomized to either treatment with AMT-130 or to an imitation surgical procedure. The treated patients have received a single administration of AMT-130 using MRI-guided, convection-enhanced stereotactic neurosurgical delivery directly into the striatum (caudate and putamen). The trial consists of a blinded 12-month period followed by unblinded long-term follow-up for five years. The lower-dose cohort includes 10 patients, of which six patients received treatment with AMT-130 and four patients received imitation surgery between June 19, 2020 and April 5, 2021. The higher-dose cohort includes 16 patients, of which 10 patients received treatment with AMT-130 and six patients received imitation surgery between June 13, 2021 and March 21, 2022. In July 2022, we began crossing over patients in the high-dose cohort who received the imitation surgical procedure. Four of the six control patients in the high-dose cohort have been crossed over to treatment (three patients received the high dose and one patient received the low dose). The remaining two control patients in the high-dose cohort did not meet all the inclusion criteria for the study and were not eligible for crossover. All four crossover patients received a short course of immunosuppression therapy concurrent with the administration of AMT-130.

On June 23, 2022, we announced that in our open-label, Phase Ib/II study in Europe all six patients in the lower-dose cohort and five out of the nine patients in the higher-dose cohort had been treated with AMT-130.

On August 8, 2022, we announced a voluntary postponement of AMT-130 higher-dose procedures due to suspected unexpected serious adverse reactions ("SUSARs") reported in three of the 14 patients that were treated with the higher dose of AMT-130. In October 2022, after completing a comprehensive safety investigation, the DSMB recommended resuming treatment at the higher dose of AMT-130. All three patients have experienced full resolution of the reported SUSARs. following the investigation we have added additional risk mitigation procedures including closer patient monitoring during the first two weeks after the administration of AMT-130 and a seven-day, post-surgical in-person visit. The DSMB recommended that the use of immunosuppression remain at the discretion of the treating physician.

On June 23, 2022, we announced safety and biomarker data from the 10 patients enrolled in the lower-dose cohort. At 12 months of follow-up on the patients in the lower-dose cohort:

- AMT-130 was generally well-tolerated with no serious adverse events related to AMT-130 reported in the treated patients at the lower dose of $6x10^{12}$ vector genomes;
- Measurements of CSF NfL increased as expected following the AMT-130 surgical procedure and approached baseline at 12 months;
- Measurements of mHTT protein in the CSF of evaluable treated patients showed potential decreases compared to baseline through 12 months

On June 21, 2023, we announced interim data, including up to 24-month follow-up, from 26 patients enrolled in the ongoing U.S. Phase I/II clinical trial of AMT-130. Efficacy and biomarker data from the crossover patients are not included in the following summary.

- AMT-130 continues to be generally well-tolerated across both dose cohorts;
- Patients treated with AMT-130 potentially show preserved function compared to baseline and clinical benefits relative to natural history of the disease;
- NfL in the CSF was below baseline at 24 months in patients treated with the low-dose of AMT-130 and declining towards baseline at 12 months in patients treated with the high-dose of AMT-130; and

On December 19, 2023 ,we announced updated interim data, including up to 30 months of follow-up from 39 patients enrolled in the ongoing U.S. and European Phase I/II clinical trials:

Safety and tolerability

We believe AMT-130 was generally well-tolerated, with a manageable safety profile in patients treated with the lower dose of $6x10^{12}$ vector genomes and the higher dose of $6x10^{13}$ vector genomes. The most common adverse events in the treatment groups were related to the surgical procedure.

There were four serious adverse events (SAE) unrelated to AMT-130 (post-operative delirium, major depression, suicidal ideation and epistaxis) in the low-dose cohort, six unrelated SAEs in the high-dose cohort (back pain, hypothermia, post procedural hematoma, post-lumbar puncture syndrome (n=2), pulmonary embolism), and one SAE (deep vein thrombosis) in the control group. In addition, there were four AMT-130-related SAEs in the high-dose cohort (central nervous system inflammation (n=3), and severe headache (n=1) that, retrospectively, also was attributable to central nervous system inflammation.

Patients with symptomatic central nervous system inflammation improved with glucocorticoid medication. Additionally, six high-dose patients have received preoperative steroids with the administration of AMT-130 to reduce the risk of inflammation.

Exploratory efficacy data

Clinical and functional measurements for treated patients in each dose cohort were compared to baseline measurements, as well as to control patients (up to 12 months) and a non-concurrent criteria-matched natural history cohort. The natural history cohort was developed by us in collaboration with the Cure Huntington's Disease Initiative (CHDI) using the TRACK-HD natural history study of patients with early Huntington's disease. The cohort includes 31 patients that met our clinical trial inclusion criteria of i) total functional capacity, ii) diagnostic classification level and (iii) minimum striatal volumes.

- Updated clinical data through 30 months for the low-dose cohort and 18 months for the high-dose show ongoing evidence of potential dose-dependent clinical benefit relative to the non-concurrent criteria-matched natural history.

- For patients receiving the high dose, neurological function as measured by composite Unified Huntington's Disease Rating Scale ("cUHDRS") and each of its individual components was preserved or improved at 18 months compared to pre-treatment baseline measurements.

- For patients receiving the low dose, neurological function as measured by Total Motor Score (TMS) and Total Functional Capacity (TFC) was preserved at 30 months compared to pre-treatment baseline measurements.

- When compared to the expected rate of decline from the natural history cohort, AMT-130 showed favorable trends in cUHDRS, TFC and TMS.

  - cUHDRS: AMT-130 showed a favorable difference in cUHDRS of 0.39 points at 30 months and 1.24 points at 18 months for the low- and high-dose, respectively (baseline values: 14.1 in low-dose and 14.9 in high-dose).

  - TFC: AMT-130 showed a favorable difference in TFC of 0.95 points at 30 months in the low-dose and 0.49 points at 18 months in the high-dose (baseline values: 11.9 in low-dose and 12.2 in high-dose).

  - TMS: AMT-130 showed a favorable difference in TMS of 2.80 points at 30 months in the low-dose and 1.70 points in the high-dose at 18 months (baseline values: 13.3 in low-dose and 12.1 in high-dose).

Biomarkers and Volumetric Imaging Data

NfL: Mean CSF NfL for the low-dose cohort remained below baseline through month 30 and was 6.6% below baseline. Mean CSF NfL for the high-dose cohort also further declined and is near baseline at month 18. These data suggest a reduction in neurodegeneration when compared to an expected increase from baseline in CSF NfL based on natural history data. As expected, all patients treated with AMT-130 experienced a transient increase in CSF NfL related to the surgical procedure that peaked at approximately one month following the procedure and declined thereafter. These transient increases were not dose dependent.

mHTT: Given AMT-130 is directly administered deep within the brain, the pharmacodynamics of mHTT in the CSF are not believed to be materially representative of mHTT in the targeted brain regions. Mean changes in mHTT levels measured in CSF samples compared to baseline continue to be variable and impacted by baseline levels near or below the lower limit of quantification.

Total Brain Volume: Changes in the total brain volume of patients treated with AMT-130 were observed after the surgical procedure and trended below natural history. The volumetric changes do not appear to be clinically meaningful or associated with protracted increases in neurodegeneration as measured by NfL.

In November 2023 we commenced enrollment of a third cohort to further investigate both doses in combination with perioperative immune suppression with a focus on evaluating near-term safety. Up to 12 patients will be treated in this cohort, all of whom will receive AMT-130 using the current, established stereotactic neurosurgical delivery procedure.

Amyotrophic Lateral Sclerosis ("ALS")

ALS Disease and Market Background

ALS commonly known as Lou Gehrig's disease, is a progressive and fatal neuromuscular disease with the majority of ALS patients dying within 2 to 5 years of receiving a diagnosis. Familial ALS, a hereditary form of the disease, accounts for 5-10% of cases, whereas the remaining cases (sporadic ALS) have no clearly defined etiology. ALS affects persons of all races and ethnicities; however, persons of certain demographics (Caucasians, males, non-Hispanics and persons aged 60 years or older) and those with a family history of ALS are more likely to develop the disease.

ALS affects approximately 17,800 to 31,800 adults in the U.S. and a similar number of adults in Europe. Evidence from prevalence studies suggests that prevalence and incident rates can vary significantly between regions and ethnicities. Most cases are sporadic ("sALS") but approximately 10% are found to have a familial, i.e., dominant genetic causation ("fALS"). fALS can be caused by mutations in various genes including chromosome 9 open reading frame 72 ("C9ORF72"), SOD1, tyrosyl-DNA phosphodiesterase 2 and others.

The most common genetic mutation that causes ALS is a G4C2 hexanucleotide repeat expansion in the chromosome 9 open reading frame 72 ("C9ORF72") gene. The hexanucleotide expansion causes the formation of ribonucleic acid ("RNA") aggregates and the production of toxic dipeptides that ultimately lead to neuronal death. It is estimated that there are approximately 600 incident cases per year in the U.S. and Europe.

Another genetic mutation that causes ALS are pathogenic mutations in the superoxide dismutase enzyme 1("SOD1"). SOD1 is an enzyme that that is responsible for catalyzing toxic superoxide to hydrogen peroxide and dioxygen. While the exact mechanism for disease is not known, it is believed that a toxic gain of function in SOD1 results in oxidative stress and cell death of motor neurons. More than 100 pathogenic SOD-1 have been identified. Mutations are concentrated in a few regions of the protein. Mutations can be both dominant and recessive. Most common mutations occur in the D90A, G93A, A4H and D46R genes.

Patients with different mutations progress at different rates. It is estimated that there are approximately 300 incident cases per year in the U.S. and Europe.

Our Development of AMT-162 for ALS – SOD1

On January 31, 2023, we announced that we entered into a global licensing agreement with Apic Bio for a novel, one-time, intrathecally administered gene therapy for ALS caused by SOD1 mutations (formerly APB-102). The FDA has cleared the IND for APB-102 and has granted it Orphan Drug and Fast Track designation. APB-102 is comprised of a recombinant AAVrh10 vector that expresses a miRNA designed to knock down the expression of SOD1 with the goal of slowing down or potentially reversing the progression of ALS in patients with SOD1 mutations.

Our Development of AMT-161 for ALS – C9ORF72

AMT-161 is a one-time, intra cerebrospinal fluid-administered AAV gene therapy that targets the repeat-expanded C9ORF72 allele to lower toxic RNA aggregates and prevent dipeptide protein formation. AMT-161 uses our miQURE and linQURE gene silencing technology to target the toxic sense and antisense alleles of C9ORF72 as a potential treatment for ALS.

Temporal Lobe Epilepsy Program (AMT-260)

Temporal Lobe Epilepsy Disease and Market Background

TLE affects approximately 1.0 million people in the U.S. and E.U. alone, of which approximately 0.3 million U.S. patients are inadequately treated through anti-seizure medications and are considered refractory. 240,000 of U.S. refractory TLE patients have a lesion in the mesial temporal lobe (hippocampus), which is expressed as sclerosis, atrophy or scarring. Mesial TLE ("MTLE") is often caused by brain injury, infections or prolonged febrile seizures which can lead to hyperexcitability of the hippocampus and repeated seizures which can further damage the hippocampus over time. Refractory MTLE patients have a poor quality of life and a reduced lifespan. Surgical treatment for refractory patients is lobectomy or laser tissue ablation but only 1-2% of eligible patients undergo surgery.

Our Development of AMT-260 for Temporal Lobe Epilepsy

In July 2021, we acquired uniQure France SAS ("uniQure France," formerly Corlieve Therapeutics SAS) and its lead program now known as AMT-260 to treat refractory MTLE. AMT-260 is being developed based on exclusive licenses to certain patents uniQure France SAS obtained following its formation in 2019 from two French research institutions that continue to collaborate with us.

AMT-260 is a gene therapy using an AAV9 vector. The use of AAV9 to deliver any sequence that affects the expression of the GRIK2 gene in humans has been exclusively licensed from Regenxbio Inc ("Regenxbio").

AMT-260, employs miRNA silencing technology to target suppression of aberrantly expressed GluK2 containing kainate receptors in the hippocampus of patients with MTLE.

In October 2021, we presented preclinical data for AMT-260 at the European Society of Gene and Cell Therapy ("ESGCT"). AMT-260 reduces the expression of GluK2 in cortical neurons, reduces epileptiform activity and hyperlocomotion in a preclinical model of epilepsy and blocks epileptiform discharges in organotypic slices from patients with MTLE.

In July 2022, we initiated IND-enabling, GLP toxicology studies in non-human primates for our gene therapy candidate in MTLE.

On September 5, 2023 we announced that the FDA had cleared the IND application for AMT-260. The first-in-human Phase I/IIa clinical trial will be conducted in the United States and consist of two parts. The first part is a multicenter, open-label trial with two dosing cohorts of six patients each to assess safety, tolerability, and first signs for efficacy of AMT-260 in patients with refractory MTLE. The second part is expected to be a randomized, controlled trial to generate proof of concept ("POC") data.

Alzheimer's Disease (AMT-240)

Alzheimer's Disease and Market Background

Alzheimer's disease causes loss of memory and dementia and is the most common neurodegenerative disease. Human genetic studies suggest that the Apolipoprotein E (APOE) gene is an important factor in the pathogenesis of Alzheimer's disease. APOE consists of 3 major isoforms that are structurally and functionally different. The APOE4 isoform is associated with earlier onset of Alzheimer's disease while APOE2 and variants of APOE3 are protective.

Our Development of AMT-240 for Alzheimer's disease

AMT-240 is our preclinical product candidate for the treatment autosomal dominant Alzheimer's disease. AMT-240 is a one-time intra cerebrospinal fluid-administered AAV gene therapy overexpressing a protective APOE variant with or without a miQure designed to knockdown the toxic APOE4 variant. It is initially targeted as a treatment for autosomal dominant Alzheimer's disease patients but may be effective for a broader population of patients.

New Technology Development

We are seeking to develop next-generation technologies with the goal of further improving the potential of AAV-based gene therapies to treat patients suffering from debilitating diseases. We are focused on innovative technologies across each of the key components of an AAV-based gene therapy, including: (i) the capsid, or the outer viral protein shell that encloses the target deoxyribonucleic acid ("DNA"); (ii) the cargo, including the transgene or therapeutic gene, and promoters, or the DNA sequence that drives the expression of the transgene; and (iii) administration techniques.

We dedicate significant effort to designing and screening novel AAV capsids with the potential for (i) higher biological potency; (ii) improved biodistribution including greater cell transduction and increased cellular specificity; (iii) enhanced safety; and (iv) manufacturing efficiency. We believe we have significant expertise in vector engineering and have created promising genetically engineered capsids using both rational and directed evolution approaches.

We have also demonstrated the ability to deliver engineered DNA constructs that can silence or suppress disease-causing genes. Our miQURE gene silencing platform, based on exclusively licensed technology from Cold Spring Harbor Laboratory ("CSHL"), is designed to degrade mutated genes without off-target toxicity and induce silencing of the mutated gene in the entire target organ through secondary exosome-mediated delivery. miQURE-based gene therapy candidates, such as AMT-130, incorporate proprietary, therapeutic miRNA constructs that can be delivered using AAVs to potentially provide long-lasting activity. Preclinical studies of miQURE-based gene therapies have demonstrated several important advantages, including enhanced tissue-specificity, improved nuclear and cytoplasmic gene lowering and no off-target effects associated with impact to the cellular miRNA or messenger RNA transcriptome. The existing miQURE gene silencing strategy was expanded by linking several miRNA molecules in a single construct, resulting in the new linQURE platform.

Commercial-Scale Manufacturing Capabilities

The ability to reliably produce our products and product candidates at a high quality and at commercial scale is critical to the development of our AAV-based gene therapies. With the exception of AMT-260 and AMT-162, we produce our gene therapies either at our Amsterdam, the Netherlands facility (the "Amsterdam Facility") or our commercially licensed Lexington, Massachusetts-based manufacturing facility (the "Lexington Facility") using our proprietary baculovirus expression vector system. We believe our integrated manufacturing and process development capabilities provide us several potential advantages, including:

(1) *Know-how.* Since our founding in 1998, we have invested heavily in developing optimized processes, methods and formulations to reliably and reproducibly manufacture AAV-based gene therapies at commercial scale. During this time, we have accumulated significant internal experience and knowledge of the underlying manufacturing technology and critical quality attributes of our products. These learnings have been essential in developing a modular, third generation manufacturing platform that can be used to produce all our future gene therapy products.

(2) *Flexibility.* Controlling cGMP allows us to rapidly adapt our production schedule to meet the needs of our business. With the exception of AMT-260 and AMT-162 programs, we do not rely on contract manufacturers, nor do we require costly and time-consuming technology transfers to third parties. Our facility is designed to commercially supply multiple products and is flexibly designed to accommodate expansion and scale up as our needs change.

(3) *Faster Path to Market.* We believe our manufacturing platform enables us to rapidly produce new products for clinical investigation, minimize time between clinical phases and complete scale-up as product candidates advance into late-stage development and commercialization.

(4) *Scalability.* We have demonstrated our manufacturing process is reproducible at volumes ranging from 2 liters to 500 liters and believe it is possible to achieve higher scale production with our insect-cell, baculovirus system.

(5) *Low Cost of Goods.* We believe that our ability to scale production has the potential to significantly reduce unit costs. Our manufacturing process only utilizes disposable components, which enables faster change-over times between batches and avoid costs associated with cleaning and sterilization. Additionally, our production system does not require the use of plasmids, which can be a costly raw material.

Intellectual Property

We strive to protect the proprietary technologies that we believe are important to our business, including by seeking and maintaining patent protection in the U.S., Europe, and other countries for novel components of our gene therapies, the chemistries of and processes for manufacturing these gene therapies, the use of these components in gene therapies, our technology platform, and other inventions and related technology. We also rely on trade secrets, security measures and careful monitoring of our proprietary information to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection.

We expect that our probability of success will be significantly enhanced by our ability to obtain and maintain patent and other proprietary protection for commercially important technology, inventions and know-how related to our business, defend and enforce our patents, maintain our licenses to use intellectual property owned by third parties, preserve the confidentiality of our trade secrets and operate without infringing the valid and enforceable patents and other proprietary rights of third parties. We also rely on know-how, continuing technological innovation and in-licensing opportunities to develop, strengthen and maintain our proprietary position in the field of AAV-based gene therapies.

In some cases, we are dependent on the patented or proprietary technology of third parties to develop and commercialize our products. We must obtain licenses from such third parties on commercially reasonable terms, or our business could be harmed, possibly materially. For example, we license from third parties essential parts of the therapeutic gene cassettes as well as the principal AAV vectors we use and key elements of our manufacturing process. We anticipate that we will require licenses to additional technology in the future.

Because most patent applications throughout the world are confidential for 18 months after the earliest claimed priority date, and since the publication of discoveries in the scientific and patent literature often lags actual discoveries, we cannot be certain that we were the first to invent or file applications for the inventions covered by our pending patent applications. Moreover, we may have to participate in post-grant proceedings in the patent offices of the U.S. or foreign jurisdictions, such as oppositions, reexaminations, or interferences, in which the patentability or priority of our inventions are challenged. Such proceedings could result in substantial cost, even if the eventual outcome is favorable to us. For more information regarding the risks related to our intellectual property, please see Item 1A., *Risk factors—Risks Related to Our Intellectual Property*, in this Annual Report on Form 10-K.

Our intellectual property portfolio consists of owned and in-licensed patents, copyrights, licenses, trademarks, trade secrets and other intellectual property rights.

Patent Portfolio

Our gene therapy programs are protected by patents and patent applications directed to various aspects of our technology. For example, our gene therapy programs are protected by patents and patent applications with composition of matter or method of use claims that cover the therapeutic gene, the promoter, the viral vector capsid, or other specific parts of these technologies. We also seek protection of core aspects of our manufacturing process, particularly regarding our baculovirus expression system for AAV vectors in insect cells. In addition, we have filed manufacturing patent applications with claims directed to alternative compositions of matter and manufacturing processes to seek better protection from competitors.

We file the initial patent applications for our commercially important technologies in both Europe and the U.S. For the same technologies, we typically file international patent applications under the PCT within one year. We also may seek, usually on a case-by-case basis, local patent protection in Canada, Australia, Japan, China, India, Israel, South Africa, New Zealand, South Korea, and Eurasia, as well as South American jurisdictions such as Brazil and Mexico.

As of December 31, 2023, our intellectual property portfolio included 123 issued patents (including 30 U.S. patents and 14 patents granted by the European Patent Office ("EPO")) and 129 pending patent applications (including 23 U.S. patent applications and 31 EPO patent applications). These patents relate to a variety of technologies including our product candidates that are in development and our manufacturing and technology platform.

Our Patent Portfolio Related to Our Key Development Programs

Hemophilia B program (HEMGENIX®)

We own a patent family, including patents and patent applications, directed to the use of the Padua mutation in human Factor IX ("hFIX") for gene therapy in etranacogene dezaparvovec. CSL Behring received exclusive global rights to etranacogene dezaparvovec pursuant to the CSL Behring Agreement and is responsible for the prosecution and enforcement of the underlying patent portfolio pursuant to its obligations thereunder. See "Liver-directed diseases—Hemophilia B (HEMGENIX® or etranacogene dezaparvovec)" for more information on the CSL Behring collaboration.

Huntington's disease program (AMT-130)

We own three patent families directed to gene therapy treatment of Huntington's disease, including with AMT-130 and its formulation. This miQURE gene silencing technology platform is designed to degrade disease-causing genes without off-target toxicity and induce silencing of the entire target organ through secondary exosome-mediated delivery.

Temporal Lobe Epilepsy (AMT-260)

We co-own three patent families directed to gene therapy treatment of TLE, including with AMT-260 of which the other owners have exclusively licensed their rights to us. Additionally, we are the exclusive licensee to two other patent families directed to the Gluk2/Gluk5 antagonists and their use in TLE.

Amyotrophic Lateral Sclerosis (AMT-162)

We have obtained an exclusive license to two patent families directed to gene therapy treatment of ALS, including AMT-162.

Fabry's Disease (AMT-191)

We own a patent family directed to potent liver-specific promoters including the promoter present in our gene therapy treatment of Fabry product AMT-191. Additionally, we own a patent family directed to the formulation of AMT-191 for intravenous infusion.

Licenses

We have obtained exclusive or non-exclusive rights from third parties under a range of patents and other technology that we use in our product and development programs, as described below. Our agreements with these third parties generally grant us a license to make, use, sell, offer to sell, and import products covered by the licensed patent rights in exchange for our payment of some combination of an upfront amount, annual fees, royalties, a percentage of amounts we receive from our licensees and payments upon the achievement of specified development, regulatory or commercial milestones. Some of the agreements specify the extent of the efforts we must use to develop and commercialize licensed products. The agreements generally expire upon expiration of the last-to-expire valid claim of the licensed patents. Each licensor may terminate the applicable agreement if we materially breach our obligations and fail to cure the breach within a specified cure period.

Technology Used for Multiple Programs

We are exploiting technology from third-party sources described below in more than one of our programs.

Cold Spring Harbor Laboratory

In 2015, we entered into a license agreement with CSHL in which CSHL granted to us an exclusive, sublicensable license to develop and commercialize certain of CSHL's patented RNAi-related technology for use in connection with the treatment or prevention of Huntington's disease. We expanded the scope of the license agreement with CSHL in 2018 beyond Huntington's disease to include the diagnosis, treatment, or prevention of all CNS diseases in the field. Under the amended license agreement CSHL granted to us an exclusive license to develop and commercialize therapeutic products for the additional disease classifications in the field of liver diseases, neuromuscular diseases, and cardiovascular diseases, and we have subsequently added such products to our pipeline.

Under this license agreement, as amended, annual fees, development milestone payments and future single-digit royalties on net sales of a licensed product are payable to CSHL. The standard 20-year patent term for the licensed patents expires in 2031.

Protein Sciences

In 2016, we revised our existing license contract with Protein Sciences Corporation for the use of its *expresSF+* insect cell line and associated technology for human therapeutic and prophylactic uses (except influenza) to provide us with a royalty free, perpetual right and license to the technology in the field of AAV-based gene therapy.

Technology Used for Specific Development Programs

Hemophilia B program (HEMGENIX®)

Padua

In April 2017, we entered into an Assignment and License Agreement with Dr. Simioni (the "Padua Assignment"). Pursuant to the Padua Assignment, we acquired from Dr. Simioni all rights, title and interest in a patent family covering the variant of the FIX gene, carrying an R338L mutation (FIX-Padua; "Padua IP"). Under the Padua Assignment, we have also licensed certain know-how included in the Padua IP. We provided Dr. Simioni with an initial license fee and reimbursement of past expenses. Under the agreement, additional payments may come due upon the achievement of certain milestone events related to the development of the Padua IP or as royalties on a percentage of certain revenues. We have granted a license of the Padua IP back to Dr. Simioni for therapeutic or diagnostic use of a modified Factor IX protein (other than in connection with gene therapy) and any application for non-commercial research purposes. We have agreed to indemnify Dr. Simioni for claims arising from our research, development, manufacture, or commercialization of any product making use of the Padua IP, subject to certain conditions. The Padua Assignment will remain in effect, unless otherwise terminated pursuant to the terms of the Padua Assignment, until the later of (i) the expiration date of the last of the patents within the Padua IP and (ii) the expiration of the payment obligations under the Padua Assignment.

St. Jude Children's Research Hospital

In 2008, we entered into a license agreement with St. Jude Children's Research Hospital ("St. Jude"), which we amended in 2012. Under this license agreement, St. Jude has granted us an exclusive license, with a right to sublicense, to patent rights relating to expression of hFIX in gene therapy vectors, to make, import, distribute, use, and commercialize products containing hFIX covered by a valid patent claim in the field of gene therapy for treatment or prophylaxis of hemophilia B. In addition, we have a first right of negotiation regarding any patent applications that are filed by St. Jude for any improvements to the patent rights licensed to us. The U.S. patent rights will expire in 2028 and the European patents will expire in 2025.

We have agreed to pay St. Jude a royalty equal to a low single-digit percentage of net sales by us or our sublicensees of products covered by the licensed patent rights, and a portion of certain amounts we receive from sublicensees ranging from a mid-single digit to a mid-teen double-digit percentage of such amounts. With respect to our collaboration with CSL Behring, we have agreed with St. Jude on an apportionment of certain amounts we receive from CSL Behring as sublicensing revenue that is equivalent to a low-single digit percentage of such amounts.

The agreement will remain in effect until no further payment is due relating to any licensed product under this agreement or either we or St. Jude exercise our rights to terminate it. St. Jude may terminate the agreement in specified circumstances relating to our insolvency. We may terminate the agreement for convenience at any time subject to a specified notice period.

Temporal Lobe Epilepsy (AMT-260)

Regenxbio

In June 2020, uniQure France SAS entered into an agreement, subsequently amended in June 2021, with Regenxbio for an exclusive (in the field of using AAV9 to expression of the *GRIK2* gene in humans (the "Field")), sublicensable, royalty-bearing, worldwide license under Regenxbio's interest in EU patent application 19185533.7 (the "Foreground Patents") and related patents, as well as patents covering inventions developed during the collaboration and certain patents and know-how relating to AAV9. The license also includes non-exclusive rights to exploit the licensed Foreground Patents and certain related patents know-how developed in collaboration pursuant to the license agreement outside the Field. The license also includes retained and license back rights that permit Regenxbio and its upstream licensors to exploit for any research, development, commercialization, or other purposes certain patents, inventions and know-how (other than the Foreground Patents) subject to or created pursuant to the license agreement.

Payment obligations under the agreement provide for royalty payments on net sales in the mid-single digit to low-double digits, and milestone payments to Regenxbio in the mid-tens of millions of dollars related to clinical trials, commercialization, and net sales. The agreement also calls for sublicense fees in the low-double digit range. The royalty is paid on sales of license products using any of licensed patents or know-how for as long as the agreement is in effect. Royalty and milestone payments may continue to be owed under the license following termination of the agreement if licensed products are sold following termination of the license. Under the agreement, uniQure France SAS has certain diligence obligations and Regenxbio has certain obligations related to the pre-clinical development of manufacturing technology.

Inserm Transfert

In January 2020, uniQure France SAS entered into license agreement with Inserm Transfert SA (also acting as a delegate for the French National Institute of Health and Medical Research) and La societe SATT Aquitaine (the counterparties collectively referred to as "Inserm Transfert"). Under the license agreement, uniQure France SAS is granted an exclusive, sublicensable, royalty-bearing, worldwide license under European Patent ("EP") patent application 13306265.3 in the field of the prevention and treatment of epilepsy, and in Inserm Transfert's share in EP patent application 19185533.7 (which is co-owned by Regenxbio) in the field of all human use. uniQure France SAS also is granted a non-exclusive, sublicensable, royalty-bearing, worldwide license under certain know-how in the fields that may be developed by Inserm pursuant to the agreements. Under the agreements, Inserm retains certain rights for teaching, academic and/or research purposes.

Payment obligations under the agreements include a royalty on the net sales of license products in the low single digits, milestone payments associated with clinical trial and regulatory approval milestones of multiple licensed products totaling in the low-single digit millions of Euros. The agreement also calls for sublicense fees in the low to mid double-digit range depending on the timing of such sublicense. The obligation to pay royalties extends until the later of the expiration of the patent rights, any regulatory exclusivity period, and 10 years from the first commercial sale of a licensed product.

Amyotrophic Lateral Sclerosis (AMT-162)

Apic Bio

In January 2023, we announced that we had entered into a global licensing agreement with Apic Bio for a one-time, intrathecally administered investigational gene therapy for ALS caused by mutations in SOD-1, pursuant to which we acquired an exclusive global license (including a sublicense of rights granted to Apic Bio pursuant to an exclusive license agreement with a certain U.S.-based academic institution) to Apic Bio's rights under certain licensed technology to develop, manufacture, and commercialize any product incorporating a licensed construct (including APB-102, certain constructs expressing a SOD1-targeting microRNA or AAV that codes for a microRNA that silences SOD1 expression), in any dosage strength, formulation, concentration or method of delivery in the applicable field. We made an initial cash payment of $10.0 million to Apic Bio. In addition, we will pay Apic Bio up to $43.0 million in milestones upon achievement of regulatory approvals in the U.S. and Europe and pre-specified annual net sales, and a tiered royalty on net sales ranging from the mid-single digits to low double digits.

Trade Secrets

In addition to patents and licenses, we rely on trade secrets and know-how to develop and maintain our competitive position. For example, significant aspects of the process by which we manufacture our gene therapies are based on unpatented trade secrets and know-how. We seek to protect our proprietary technology and processes and obtain and maintain ownership of certain technologies, in part, through confidentiality agreements and invention assignment agreements with our employees, consultants, scientific advisors, contractors and commercial collaborator. We also seek to preserve the integrity and confidentiality of our data, trade secrets and know-how by maintaining physical security of our premises and physical and electronic security of our information technology systems.

Trademarks

We have a number of material registered trademarks, including "uniQure", that we have registered in various jurisdictions including the U.S. and the EU. We may seek trademark protection for other product candidates and technologies as and when appropriate.

Competition

The biotechnology and pharmaceutical industries, including in the gene therapy field, are characterized by rapidly advancing technologies, intense competition, and a strong emphasis on intellectual property. We face substantial competition from many different sources, including large and specialty pharmaceutical and biotechnology companies, academic research institutions and governmental agencies and public and private research institutions.

We face worldwide competition from larger pharmaceutical companies, specialty pharmaceutical companies and biotechnology firms, universities and other research institutions and government agencies that are developing and commercializing pharmaceutical products. Our key competitors focused on developing therapies in various indications, include among others, Pfizer, Freeline Therapeutics, Intellia Therapeutics, Sangamo Biosciences, Voyager Therapeutics, Passage Bio, Roche, PTC Therapeutics, Prilenia Therapeutics, CombiGene, Caritas Therapeutics, Alnylam, Wave Life Sciences, Bayer AG (AskBio), Amicus Therapeutics, 4D Molecular Therapeutics, Sanofi, Idorsia, Amicus, Spark, Takeda, Chiesi, CANbridge, Abeona, Annexon, Vico, Alexion (AZ), Neurona, Combigene, NeuExcell, EpiBlok, Biogen, ionis, Eisai and Lexeo,

We also compete with existing standards of care, therapies, and symptomatic treatments, as well as any new therapies and novel technologies, that may become available in the future for the indications we are targeting.

Many of our current or potential competitors, either alone or with their collaborators, have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials regulatory affairs, and marketing approved products than we do. Mergers and acquisitions in the pharmaceutical, biotechnology and gene therapy industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

The key competitive factors affecting the success of all our programs are likely to be their efficacy, safety, convenience, price, and the availability of reimbursement from government and other third-party payers. We also believe that, due to the small size of the patient populations in the orphan indications we target, being first to market will be a significant competitive advantage. We believe that our advantages in vector and manufacturing technology will enable us to reach market in a number of indications ahead of our competitors, and to potentially capture the markets in these indications either by being first or in those markets with larger populations having a differentiated product.

Government Regulation and Reimbursement

Government authorities in the U.S., EU and other countries extensively regulate, among other things, the approval, research, development, nonclinical and clinical testing, manufacture (including any manufacturing changes), packaging, storage, recordkeeping, labeling, advertising, promotion, distribution, marketing, post-approval monitoring and reporting, reimbursement, and import and export of pharmaceutical products, biological products, and medical devices. We believe that all our product candidates will be regulated as biological products, or biologics, and in particular, as gene therapies, and will be subject to such requirements and regulations under U.S. and foreign laws. For other countries outside of the U.S. and the EU, marketing approval and pricing and reimbursement requirements vary from country to country. If we fail to comply with applicable regulatory requirements, we may be subject to, among other things, civil penalties, refusal to approve pending applications, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions, and criminal prosecution.

Regulation in the United States

In the U.S., the FDA regulates biologics under the Public Health Service Act ("PHSA") and the Federal Food, Drug, and Cosmetic Act ("FDCA") and regulations and guidance implementing these laws. These laws and regulatory guidance are continually evolving. By example, various actions have been taken by the U.S. Congress and President over recent years with respect to drug shortage prevention and reporting, supply chain security, and the promotion of U.S. domestic manufacturing. The FDA also continually issues nonbinding guidance documents that provide the FDA's interpretation of its laws and regulations, as well as the FDA's approach to scientific issues and questions.

Obtaining regulatory approvals and ensuring compliance with applicable statutes and regulatory requirements entails the expenditure of substantial time and financial resources, including payment of user fees for applications to the FDA. All our current product candidates are subject to regulation by the FDA as biologics. An applicant seeking approval to market and distribute a new biologic in the U.S. must typically undertake the following:

- completion of nonclinical laboratory tests, animal studies and formulation studies in compliance with the FDA's current Good Laboratory Practice regulations;
- submission to the FDA of an IND application which allows human clinical trials to begin unless the FDA objects within 30 days; the sponsor of an IND or its legal representative must be based in the U.S.;
- approval by an independent institutional review board ("IRB") and, for some studies, Institutional Biosafety Committee ("IBC") before each clinical trial may be initiated;
- performance of adequate and well-controlled human clinical trials in accordance with the FDA's cGCP to establish substantial evidence of the safety and efficacy for the proposed biological product for each indication;
- preparation and submission to the FDA of a Biologics License Application ("BLA");

- satisfactory completion of one or more FDA inspections or remote regulatory assessments of the manufacturing facility or facilities at which the product, or components thereof, are produced to assess compliance with cGMP requirements and to assure that the facilities, methods, and controls are adequate to preserve the product's identity, strength, quality, and purity, as well as selected clinical trial sites and investigators to determine cGCP compliance;
- approval of the BLA by the FDA, in consultation with an FDA advisory committee, if deemed appropriate by the FDA; and
- compliance with any post-approval commitments, including Risk Evaluation and Mitigation Strategies ("REMS"), and post-approval studies required by the FDA.

Human Clinical Studies in the United States under an IND

Before initiating clinical studies in the U.S. or under an IND, investigational product sponsors must first complete nonclinical studies. Nonclinical studies include laboratory evaluation of chemistry, pharmacology, toxicity, and product formulation, as well as animal studies to assess potential safety and efficacy. Such studies must generally be conducted in accordance with the FDA's GLPs.

Clinical trials involve the administration of the investigational biologic to human subjects under the supervision of qualified investigators in accordance with current GCP requirements, which includes requirements for informed consent, study conduct, and IRB review and approval. Special clinical trial ethical considerations also must be considered if a study involves children. A protocol for each clinical trial and any subsequent protocol amendments must be submitted to the FDA as part of an IND. Sponsors will be required to provide the FDA with diversity action plans. INDs include nonclinical study reports, together with manufacturing information, analytical data, any available clinical data, or literature, and proposed clinical study protocols among other things. A clinical trial may not proceed in the U.S. unless and until an IND becomes effective, which is 30 days after its receipt by the FDA. The FDA may raise concerns or questions related to one or more components of an IND and place the IND on clinical hold if during its review the FDA determines that study subjects would be exposed to significant risk of illness or injury. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Clinical holds also may be imposed by the FDA at any time before or during trials due to safety concerns or non-compliance.

The protocol and informed consent documents, as well as other subject communications must also be approved by an IRB that continues to oversee that trial. In the case of gene therapy studies, an IBC at the local level may also review and maintain oversight over the particular study, in addition to the IRB. The FDA, an IRB, and IBC, or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research subjects are being exposed to an unacceptable health risk or that research requirements are not being met.

Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the clinical trial sponsor that regularly reviews accumulated data and advises the study sponsor regarding the continuing safety of the trial. This group may also review interim data to assess the continuing validity and scientific merit of the clinical trial. This group receives special access to unblinded data during the clinical trial and may advise the sponsor to halt, pause, or otherwise modify the clinical trial.

Information about certain clinical trials, including results, must be submitted within specific timeframes for listing on the ClinicalTrials.gov website. Sponsors or distributors of investigational products for the diagnosis, monitoring, or treatment of one or more serious diseases or conditions must also have a publicly available policy on evaluating and responding to requests for expanded access. Investigators must also provide certain information to the clinical trial sponsors to allow the sponsors to make certain financial disclosures to the FDA.

Subsequent clinical protocols and amendments must also be submitted to an active IND but are not subject to the 30-day review period imposed on an original IND. Progress reports detailing the results of the clinical trials must also be submitted at least annually to the FDA and the IRB and more frequently if serious adverse events or other significant safety information is found. There is a risk that once a new protocol or amendment is submitted to an active IND there may be an extended period before the FDA may comment or provide feedback. This may result in a need to modify an ongoing clinical trial to incorporate this feedback or even a clinical hold of the trial. There is also risk that FDA may not provide comments or feedback but may ultimately disagree with the design of the study once a BLA is submitted.

Human clinical trials are typically conducted in three sequential phases, which may overlap or be combined:

- Phase I: The biological product is initially introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion and, if possible, to gain an early understanding of its effectiveness.
- Phase II: The biological product is administered to a limited patient population to further identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance and optimal dosage.
- Phase III: The biological product is administered to an expanded patient population, generally at geographically dispersed clinical trial sites, in adequate and well-controlled clinical trials to generate sufficient data to statistically confirm the potency and safety of the product for approval, to establish the overall risk-benefit profile of the product and to provide adequate information for the labelling of the product. Typically, two Phase III trials are required by the FDA for product approval. Under some limited circumstances, however, the FDA may approve a BLA based upon a single Phase III clinical study plus confirmatory evidence or a single large multicenter trial without confirmatory evidence.

Recent legislation further established a new program that may be used to facilitate future marketing applications and development programs following a first product approval. Specifically, the Consolidated Appropriations Act, 2023 established a program whereby a platform technology that is incorporated within or utilized by an approved drug or biologic product may be designated as a platform technology, provided that certain conditions are met, in which case development and approval of subsequent products using such technology may be expedited.

In addition, under the Pediatric Research Equity Act (the "PREA"), a BLA or BLA supplement for a new active ingredient, indication, dosage form, dosage regimen, or route of administration, must contain data that are adequate to assess the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements. Orphan products are also exempt from the PREA requirements.

The manufacture of investigational drugs and biologics for the conduct of human clinical trials is subject to cGMP requirements. Investigational drugs and biologics and active ingredients and therapeutic substances imported into the U.S. are also subject to regulation by the FDA. Further, the export of investigational products outside of the U.S. is subject to regulatory requirements of the receiving country as well as U.S. export requirements under the FDCA.

Concurrent with clinical trials, companies usually complete additional nonclinical animal studies and must also develop additional information about the chemistry and physical characteristics of the product candidate as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, manufacturers must develop methods for testing the identity, strength, quality, potency, and purity of the final product. Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

Regulation and FDA Guidance Governing Gene Therapy Products

The FDA has and continues to issue various guidance documents with respect to the development and commercialization of gene therapies. These include guidance on, among other things, the proper preclinical and nonclinical assessment of gene therapies; the chemistry, manufacturing, and controls; the design and conduct of clinical trials; the design and analysis of shedding studies for virus or bacteria based gene therapies; the proper design of tests to measure product potency in support of an IND or BLA application; and measures to observe delayed adverse effects in subjects and patients who have been exposed to gene therapies via long-term follow-up with associated regulatory reporting. The FDA has also issued guidance on the development of gene therapies for the treatment of neurodegenerative diseases, rare diseases, and hemophilia, as such products may face special challenges.

Certain gene therapy studies are also subject to the National Institutes of Health's Guidelines for Research Involving Recombinant DNA Molecules, ("NIH Guidelines"). The NIH Guidelines include the review of the study by an IBC. The IBC assesses the compliance of the research with the NIH Guidelines, assesses the safety of the research and identifies any potential risk to public health or the environment.

Compliance with cGMP Requirements

Manufacturers of biologics must comply with applicable cGMP regulations, including quality control and quality assurance and maintenance of records and documentation. Manufacturers and others involved in the manufacture and distribution of such products must also register their establishments with the FDA and certain state agencies and provide the FDA a list of products manufactured at the facilities. Recently, the information that must be submitted to the FDA regarding manufactured products was expanded through the Coronavirus Aid, Relief, and Economic Security, or CARES, Act to include the volume of drugs produced during the prior year. Establishments may be subject to periodic unannounced inspections and remote regulatory assessments by government authorities to ensure compliance with cGMPs and other laws. Discovery of non-compliance may result in the FDA placing restrictions on a product, manufacturer, or holder of an approved BLA, and may extend to requiring withdrawal of the product from the market, recall, shutdown, enforcement letters, among other consequences. Noncompliance with the applicable manufacturing requirements may also require costly corrective and preventative actions. The FDA will not approve an application unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications.

FDA Programs to Expedite Product Development

The FDA has several programs to expedite product development, including fast track designation and breakthrough therapy designation. These are outlined in specific FDA guidance. Under the fast track program, the sponsor of a biologic candidate may request the FDA to designate the product for a specific indication as a fast track product concurrent with or after the filing of the IND for the product candidate. To be eligible for a fast track designation, the FDA must determine that a product candidate is intended to treat a serious or life-threatening disease or condition and demonstrates the potential to address an unmet medical need. This may be demonstrated by clinical or nonclinical data. If granted, the benefits include greater interactions with the FDA and potentially rolling review of sections of the BLA. In some cases, a fast track product may be eligible for accelerated approval or priority review.

Moreover, under the provisions of the Food and Drug Administration Safety and Innovation Act, enacted in 2012, a sponsor can request designation of a product candidate as a breakthrough therapy. A breakthrough therapy is defined as a product that is intended, alone or in combination with one or more other products, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Products designated as breakthrough therapies are potentially eligible for rolling review, as well as intensive guidance on an efficient development program beginning as early as Phase I trials, and a commitment from the FDA to involve senior managers and experienced review staff in a proactive collaborative, cross disciplinary review.

Biologics studied for their safety and effectiveness in treating serious or life-threatening illnesses and that provide meaningful therapeutic benefit over existing treatments may receive accelerated approval, which means the FDA may approve the product based upon a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. A biologic candidate approved on this basis is subject to rigorous post-marketing compliance requirements, including the completion of Phase 4 or post-approval clinical trials to confirm the effect on the clinical endpoint. By the date of approval of an accelerated approval product, FDA must specify the conditions for the required post approval studies, including enrollment targets, the study protocol, milestones, and target completion dates. FDA may also require that the confirmatory Phase 4 studies be commenced prior to FDA granting a product accelerated approval. Reports on the progress of the required Phase 4 confirmatory studies must be submitted to FDA every 180 days after approval. Failure to conduct required post-approval studies, or confirm a clinical benefit during post-marketing studies, will allow the FDA to withdraw the drug or biologic from the market on an expedited basis using a statutorily defined streamlined process. Failure to conduct the required Phase 4 confirmatory studies or to conduct such studies with due diligence, as well as failure to submit the required update reports can subject a sponsor to penalties. All promotional materials for drug or biologic candidates approved under accelerated regulations are subject to prior review by the FDA. In recent years, the accelerated approval pathway has come under significant FDA and public scrutiny. Accordingly, the FDA may be more conservative in granting accelerated approval or, if granted, may be more apt to withdrawal approval if clinical benefit is not confirmed.

Even if a product qualifies for one or more of these programs, the FDA may later decide that the product no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened.

Submission of a BLA

The results of the nonclinical and clinical studies, together with detailed information relating to the product's chemistry, manufacture, controls, and proposed labeling, among other things, are submitted to the FDA as part of a BLA requesting a license to market the product for one or more indications. The submission of a BLA is subject to an application user fee, though products with orphan designation are exempt from the BLA filing fee. The sponsor of an approved BLA is also subject to annual program user fees. Orphan products may also be exempt from program fees provided that certain criteria are met. These fees are typically increased annually. Under the Prescription Drug User Fee Act ("PDUFA") the FDA has agreed to specified performance goals in the review of BLAs.

Most such applications are meant to be reviewed within ten months from the filing acceptance date (typically 60 days after date of filing), and most applications for priority review products are meant to be reviewed within six months of the filing acceptance date (typically 60 days after date of filing). Priority review designation may be assigned to product candidates that are intended to treat serious conditions and, if approved, would provide significant improvements in the safety or effectiveness of the treatment, diagnosis, or prevention of the serious condition.

The FDA may refuse to file an application and request additional information. In this event, the application must be refiled with the additional information. The refiled application is also subject to assessment of content before the FDA accepts it for review. Once the submission is accepted, the FDA begins an in-depth substantive review. The FDA will assign a date for its final decision for the product (the "PDUFA action date") but can extend this date to complete review of a product application or to consider additional information submitted during the application review period. The PDUFA action date is only a goal, thus, the FDA does not always meet its PDUFA dates.

The FDA may also refer certain applications to an advisory committee. Before approving a product candidate for which no active ingredient (including any ester or salt of active ingredients) has previously been approved by the FDA, the FDA must either refer that product candidate to an external advisory committee or provide in an action letter, a summary of the reasons why the FDA did not refer the product candidate to an advisory committee. The FDA may also refer other product candidates to an advisory committee if the FDA believes that the advisory committee's expertise would be beneficial. An advisory committee is typically a panel that includes clinicians and other experts, which review, evaluate, and make a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

The FDA reviews applications to determine, among other things, whether a product candidate meets the agency's approval standards and whether the manufacturing methods and controls are adequate to assure and preserve the product's identity, strength, quality, potency, and purity. Before approving a marketing application, the FDA typically will inspect or conduct remote regulatory assessments of the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities, including contract manufacturers and subcontractors, are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving a marketing application the FDA will inspect or conduct remote regulatory assessments of one or more clinical trial sites to assure compliance with good clinical practices ("GCPs").

After evaluating the marketing application and all related information, including the advisory committee recommendation, if any, and inspection and remote regulatory inspection reports regarding the manufacturing facilities and clinical trial sites, the FDA may issue an approval letter or a complete response letter. An approval letter authorizes commercial marketing of the biological product with specific prescribing information for specific indications. A complete response letter generally outlines the deficiencies in the submission and may require substantial additional testing or information for the FDA to reconsider the application. Even with submission of this additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If and when those deficiencies have been addressed to the FDA's satisfaction in a resubmission of the BLA, the FDA will issue an approval letter. Many drug applications receive complete response letters from the FDA during their first cycle of FDA review.

If the FDA approves a product, it may limit the approved indications for use of the product; require that contraindications, warnings, or precautions be included in the product labeling, including boxed warnings; require that post-approval studies, including Phase 4 clinical trials and trials to ensure that population representative data is collected, be conducted to further assess a biologic's efficacy and safety after approval; or require testing and surveillance programs to monitor the product after commercialization. The FDA may prevent or limit further marketing of a product based on the results of post-market studies or surveillance programs. The FDA may also not approve label statements that are necessary for successful commercialization and marketing.

In addition to the above conditions of approval, the FDA also may require submission of a REMS to ensure that the benefits of the product candidate outweigh the risks. The REMS plan could include medication guides, physician communication plans, and elements to assure safe use, such as restricted distribution methods, patient registries, or other risk minimization tools. An assessment of the REMS must also be conducted at set intervals. Following product approval, a REMS may also be required by the FDA if new safety information is discovered, and the FDA determines that a REMS is necessary to ensure that the benefits of the product outweigh the risks. In guidance, FDA stated that during the review of a BLA for a gene therapy, it will assess whether a REMS is necessary. Several gene therapy products that have been approved by FDA have required substantial REMS, which included requirements for dispensing hospital and clinic certification, training, adverse event reporting, documentation, and audits and monitoring conducted by the sponsor, among other conditions. REMS, such as these, can be expensive and burdensome to implement, and burdensome for hospitals, clinics, and healthcare providers to comply with.

Biosimilars and Exclusivity

The Biologics Price Competition and Innovation Act of 2009 ("BPCIA") which amended the PHSA authorized the FDA to approve biosimilars under Section 351(k) of the PHSA. Under the BPCIA, a manufacturer may apply for licensure of a biologic product that is biosimilar to or interchangeable with a previously approved biological product or reference product. For the FDA to approve a biosimilar product, it must find that it is highly similar to the reference product notwithstanding minor differences in clinically inactive components and that there are no clinically meaningful differences between the reference product and proposed biosimilar product in safety, purity or potency. A finding of interchangeability requires that a product is determined to be biosimilar to the reference product, and that the product can be expected to produce the same clinical results as the reference product and, for products administered multiple times, the biologic and the reference biologic may be switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic.

An application for a biosimilar product may not be submitted to the FDA until four years following approval of the reference product, and it may not be approved until 12 years following approval of the reference product. These exclusivity provisions only apply to biosimilar companies and not companies that rely on their own data and file a full BLA. Moreover, this exclusivity is not without limitation. Certain changes and supplements to an approved BLA, and subsequent applications filed by the same sponsor, manufacturer, licensor, predecessor in interest, or other related entity do not qualify for the twelve-year exclusivity period. Further, the twelve-year exclusivity period in the U.S. for biologics has been controversial and may be shortened in the future.

The PHSA also includes provisions to protect reference products that have patent protection. The biosimilar product sponsor and reference product sponsor may exchange certain patent and product information for the purpose of determining whether there should be a legal patent challenge. Based on the outcome of negotiations surrounding the exchanged information, the reference product sponsor may bring a patent infringement suit and injunction proceedings against the biosimilar product sponsor. The biosimilar applicant may also be able to bring an action for declaratory judgment concerning the patent.

The FDA maintains a list of approved biological products, which is commonly referred to as the Purple Book. This list includes product names, the date of licensure, and any periods of regulatory exclusivity. Following the exchange of patent information between the biosimilar and reference product sponsor, the reference product sponsor must also provide the exchanged patent information and patent expiry dates to the FDA. The FDA then publishes this information in the Purple Book.

To increase competition in the drug and biologic product marketplace, Congress, the executive branch, and the FDA have taken certain legislative and regulatory steps. By example, the FDA finalized a guidance to facilitate biologic product importation. Moreover, the 2020 Further Consolidated Appropriations Act included provisions requiring that sponsors of approved biologic products, including those subject to REMS, provide samples of the approved products to persons developing biosimilar products within specified timeframes, in sufficient quantities, and on commercially reasonable market-based terms. Failure to do so can subject the approved product sponsor to civil actions, penalties, and responsibility for attorney's fees and costs of the civil action. This same bill also includes provisions with respect to shared and separate REMS programs.

Orphan Drug Exclusivity

Under the Orphan Drug Act of 1983, the FDA may designate a biological product as an orphan drug if it is intended to treat a rare disease or condition that affects fewer than 200,000 individuals in the U.S., or more in cases in which there is no reasonable expectation that the cost of developing and making a biological product available in the U.S. for treatment of the disease or condition will be recovered from sales of the product. Additionally, sponsors must present a plausible hypothesis for clinical superiority to obtain orphan drug designation if there is a product already approved by the FDA that is considered by the FDA to be the same as the already approved product and is intended for the same indication. This hypothesis must be demonstrated to obtain orphan exclusivity. With respect to gene therapies, the FDA has issued a specific guidance on how the agency interprets its sameness regulations. Specifically, whether two products are deemed to be the same by the FDA will depend on the products' transgene expression, viral vectors groups and variants, and additional product features that may contribute to therapeutic effect. Minor product differences will not, generally, result in a finding that two products are different and there are some factors that FDA will consider on a case-by-case basis. Any of the FDA sameness determinations could impact our ability to receive approval for our product candidates and to obtain or retain orphan drug exclusivity.

If a product with orphan designation receives the first FDA approval, it may be granted seven years of marketing exclusivity, which means that the FDA may not approve any other applications for the same product for the same indication for seven years, unless clinical superiority is demonstrated. Competitors may receive approval of different products for the indication for which the orphan product has exclusivity and may obtain approval for the same product but for a different indication. Notably, a 2021 judicial decision, *Catalyst Pharms., Inc. v. Becerra, 14 F. 4th 1299 (11th Cir 2021),* challenged and reversed an FDA decision on the scope of orphan product exclusivity for the drug, Firdapse. Under this decision, orphan drug exclusivity for Firdapse blocked approval of another company's application for the same drug for the entire disease or condition for which orphan drug designation was granted, not just the disease or condition for which approval was received. In a January 2023 Federal Register notice, however, FDA stated that it intends to continue to apply its regulations tying the scope of orphan-drug exclusivity to the uses or indications for which a drug is approved. The exact scope of orphan drug exclusivity will likely be an evolving area.

Orphan drug designation does not change the FDA's standard for product approval. The FDA's regulations, however, provide flexibility in meeting such approval standards such that the FDA may exercise scientific judgment in determining the kind and quantity of data required for approval and during development programs. Per guidance issued by the FDA in 2023, "[t]his flexibility extends from the early stages of development to the design of adequate and well-controlled clinical investigations required to demonstrate effectiveness to support marketing approval and to establish safety data needed for the intended use." The FDA states that it "is committed to helping sponsors create successful drug development programs that address the particular challenges posed by each disease."

Pediatric Exclusivity

Under the Pediatric Research Equity Act of 2003, pediatric exclusivity provides for the attachment of an additional six months of marketing protection to the term of any existing regulatory exclusivity in the US, including orphan exclusivity and reference biologic exclusivity. This six-month exclusivity may be granted if the FDA issues a written request to the sponsor for the pediatric study, the sponsor submits a final study report after receipt of the written request and meets the terms and timelines in the FDA's written request.

Regenerative Advanced Therapy Designation

The 21st Century Cures Act became law in December 2016 and created a new program under Section 3033 in which the FDA has authority to designate a product as a regenerative medicine advanced therapy ("RMAT"). A drug is eligible for a RMAT designation if: 1) it is a regenerative medicine therapy which is a cell therapy, therapeutic tissue engineering product, human cell and tissue product, or any combination product using such therapies or products, except those products already regulated under Section 361 of the PHSA; 2) the drug is intended to treat, modify, reverse, or cure a serious or life-threatening disease or condition; and 3) preliminary clinical evidence indicates that the drug has the potential to address unmet medical needs for such disease or condition. A RMAT designation request must be made with the submission of an IND or as an amendment to an existing IND. FDA will determine if a product is eligible for RMAT designation within 60 days of submission. Advantages of the RMAT designation include all the benefits of the fast track and breakthrough therapy designation programs, including early interactions with the FDA. These early interactions may be used to discuss potential surrogate or intermediate endpoints to support accelerated approval. In 2019 the FDA stated in guidance that human gene therapies, including genetically modified cells, that lead to a sustained effect on cells or tissues, may meet the definition of a regenerative therapy.

FDA Regulation of Companion Diagnostics and Other Combination Products

We may seek to develop companion diagnostics for use in identifying patients that we believe will respond to our gene therapies. Similarly, our product candidates may require delivery devices. A biologic product may be regulated as a combination product if it is intended for use in conjunction with a medical device, such as a drug delivery device or an in vitro diagnostic device. For combination products, the biologic and device components must, when used together, be safe and effective and the product labeling must reflect their combined use. In some cases, the medical device component may require a separate premarket submission. Moreover, clinical trial sponsors using investigational devices in their studies must comply with FDA's investigational device exemption regulations. If the device component (e.g., in vitro diagnostic device) is not packaged with the drug component and authorized by the FDA as a combination product, or approved or cleared as a medical device, the device component must comply with the FDA general controls applicable to a medical device, including establishment registration, device listing, device labeling, unique device identifier, quality system regulation, medical device reporting, and reporting of corrections and removals requirements. If the device component is packaged with the drug component (e.g., drug delivery device), then only certain FDA general controls applicable to a medical device will apply (assuming the manufacturer's quality system complies with the cGMPs).

If the safety or effectiveness of a biologic product is dependent on the results of a diagnostic, the FDA may require that the in vitro companion diagnostic device and biologic product be contemporaneously authorized by the FDA, with labeling that describes the use of the two products together. The type of premarket submission required for a companion diagnostic device will depend on the FDA device classification. A premarket approval ("PMA"), application is required for high-risk devices classified as Class III; a 510(k) premarket notification is generally required for moderate risk devices classified as Class II. A de novo request may be used for novel devices not previously classified by the FDA (and hence are automatically Class III) but are low or moderate risk (due to the application of special controls) and thus are classified as Class II. Except in some limited circumstances, the FDA generally will not approve a biologic that is dependent upon the use of a companion diagnostic device if the device is not contemporaneously FDA-approved or -cleared. It's also possible that an in vitro diagnostic device could be subject to FDA enforcement discretion from compliance with the FDCA if it meets the definition of a Laboratory Developed Test ("LDT"). Recent regulatory and legislative proposals, however, may cause the FDA to actively regulate LDTs.

Post-approval Requirements

Any products manufactured or distributed pursuant to the FDA approvals are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements related to manufacturing, recordkeeping, and reporting, including adverse experience reporting, deviation reporting, shortage reporting, and periodic reporting, product sampling and distribution, advertising, marketing, promotion, certain electronic records and signatures, and post-approval obligations imposed as a condition of approval, such as Phase 4 clinical trials, REMS, and surveillance to assess safety and effectiveness after commercialization.

After approval, most changes to the approved product, such as adding new indications or other labeling claims, are subject to prior FDA review and approval. There also are continuing annual program user fee requirements for approved products, excluding orphan products provided that certain criteria are met. Regulatory authorities may withdraw product approvals, require label modifications, or request product recalls, among other actions, if a company fails to comply with regulatory standards, if it encounters problems following initial marketing, or if previously unrecognized problems are subsequently discovered.

Changes to the manufacturing process are strictly regulated and often require prior FDA approval or notification before being implemented. In fact, in 2023, the FDA issued a guidance specifically on demonstrating product comparability, and the management and reporting of manufacturing changes for investigational and licensed cellular and gene therapy products. FDA regulations also require investigation and correction of any deviations from cGMP and specifications and impose reporting and documentation requirements upon the sponsor and any third-party manufacturers that the sponsor may decide to use. Accordingly, manufacturers must continue to expend time, money, and effort in production and quality control to maintain cGMP compliance.

The FDA also strictly regulates marketing, labeling, advertising, and promotion of products that are placed on the market. A company can make only those advertising and promotional claims relating to a product that are consistent with the label approved by the FDA. Physicians, in their independent professional medical judgment, may prescribe legally available products for unapproved indications that are not described in the product's labeling and that differ from those tested and that have been approved by the FDA. Biopharmaceutical companies, however, are required to promote their products only for the approved indications and in a manner that is consistent with the provisions of the approved label. Companies must also provide adequate balancing information on a product's risks in its advertising and promotional pieces. In 2023, the FDA took a few actions in the advertising and promotional spaces, including issuing a final rule and a guidance on risk and efficacy disclosures in direct-to-consumer advertising, and a guidance on communication of off-label scientific information about approved products. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability, including, but not limited to, criminal fines and civil penalties under the FDCA and False Claims Act, exclusion from participation in federal healthcare programs, mandatory compliance programs under corporate integrity agreements, suspension and debarment from government procurement and non-procurement programs, and refusal of orders under existing government contracts.

Moreover, the enacted Drug Quality and Security Act ("DQSA"), imposes obligations on sponsors of biopharmaceutical products related to product tracking and tracing. Among the requirements of this legislation, sponsors are required to provide certain information regarding the products to individuals and entities to which product ownership is transferred, are required to label products with a product identifier, and are required to keep certain records regarding the product. The transfer of information to subsequent product owners by sponsors is also required to be done electronically and will be required to allow interoperable electronic product tracing at the package level. Sponsors must also verify that purchasers of the sponsors' products are appropriately licensed. Further, under this legislation, manufactures have product verification responsibilities, as well as investigation, quarantine, disposition, and notification responsibilities related to counterfeit, diverted, stolen, and intentionally adulterated products that would result in serious adverse health consequences or death to humans, as well as products that are the subject of fraudulent transactions or which are otherwise unfit for distribution such that they would be reasonably likely to result in serious health consequences or death. Similar requirements additionally are also imposed through this legislation on other companies within the biopharmaceutical product supply chain, such as distributors and dispensers, as well as certain sponsor licensees and affiliates.

Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements before or after approval, may result in significant regulatory actions. Such actions may include refusal to approve pending applications, license or approval suspension or revocation, imposition of a clinical hold or termination of clinical trials, warning letters, untitled letters, cyber letters, modification of promotional materials or labeling, provision of corrective information, imposition of post-market requirements including the need for additional testing, imposition of distribution or other restrictions under a REMS, product recalls, product seizures or detentions, refusal to allow imports or exports, total or partial suspension of production or distribution, FDA debarment, injunctions, consent decrees, corporate integrity agreements, suspension and debarment from government procurement and non-procurement programs, refusal of orders under existing government contracts, exclusion from participation in federal and state healthcare programs, restitution, disgorgement, civil penalties, criminal prosecution, including fines and imprisonment, and adverse publicity, among other adverse consequences.

Additional controls for biologics

To help reduce the increased risk of the introduction of adventitious agents, the PHSA emphasizes the importance of manufacturing controls for products whose attributes cannot be precisely defined. The PHSA also provides authority to the FDA to immediately suspend licenses in situations where there exists a danger to public health, to prepare or procure products in the event of shortages and critical public health needs, and to authorize the creation and enforcement of regulations to prevent the introduction or spread of communicable diseases in the U.S. and between states.

After a BLA is approved, the product may also be subject to official lot release as a condition of approval. As part of the manufacturing process, the manufacturer is required to perform certain tests on each lot of the product before it is released for distribution. If the product is subject to official release by the FDA, the manufacturer submits samples of each lot of product to the FDA together with a release protocol showing the results of all the manufacturer's tests performed on the lot. The FDA may also perform certain confirmatory tests on lots of some products before releasing the lots for distribution by the manufacturer.

In addition, the FDA conducts laboratory research related to the regulatory standards on the safety, purity, potency, and effectiveness of biological products.

Patent Term Restoration

If approved, biologic products may also be eligible for periods of U.S. patent term restoration. If an application for patent term restoration is timely filed with the U.S. Patent and Trademark Office and granted, patent term restoration extends the patent life of a single unexpired patent, that has not previously been extended, for a maximum of five years. The total patent life of the product with the extension also cannot exceed fourteen years from the product's approval date. Subject to the prior limitations, the period of the extension is calculated by adding half of the time from the effective date of an IND to the initial submission of a complete marketing application, and all the time between the submission of the marketing application and its approval. This period may also be reduced by any time that the applicant did not act with due diligence.

Anti-Kickback Provisions and other Fraud and Abuse Requirements

The federal Anti-Kickback Statute is a criminal statute that prohibits, among other things, knowingly and willfully offering, paying, soliciting, or receiving remuneration directly or indirectly, overtly or covertly, in cash or in kind, to induce or in return for purchasing, leasing, ordering, or arranging for the purchase, lease or order of any healthcare item or service reimbursable under Medicare, Medicaid or other federally financed healthcare programs, in whole or in part. The term "remuneration" has been interpreted broadly to include anything of value. The Anti-Kickback Statute has been interpreted to apply to arrangements between biopharmaceutical industry members on the one hand and prescribers, purchasers, and formulary managers on the other. The Beneficiary Inducement Civil Monetary Penalties Law imposes similar restrictions on interactions between the biopharmaceutical industry and federal healthcare program beneficiaries. There are certain statutory exceptions and regulatory safe harbors to the Anti-Kickback Statute protecting some common activities from prosecution. The exceptions and safe harbors are drawn narrowly, and practices that involve remuneration that may be alleged to be intended to induce or reward prescribing, purchases, or recommendations may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all the requirements of a particular applicable statutory exception or regulatory safe harbor does not make the conduct per se illegal under the Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a cumulative review of all its facts and circumstances.

Several courts have interpreted the statute's intent requirement to mean that if any one purpose of an arrangement involving remuneration is to induce or reward referrals of federal healthcare program business, including purchases of products paid by federal healthcare programs, the statute has been violated. The Patient Protection and Affordable Care Act, of 2010, as amended, (the "ACA") modified the intent requirement under the Anti-Kickback Statute to a stricter standard, such that a person or entity no longer needs to have actual knowledge of the statute or specific intent to violate it to have committed a violation. In addition, the ACA also provided that a violation of the federal Anti-Kickback Statute is grounds for the government or a whistleblower to assert that a claim for reimbursement submitted to a federal healthcare program for payment of items or services resulting from such violation constitutes a per se false or fraudulent claim for purposes of the federal civil False Claims Act. The Department of Health and Human Services ("HHS") promulgated a regulation in November 2020 with respect to the safe harbors that is effective in two phases. First, the regulation excludes from the definition of "remuneration" limited categories of (a) Pharmacy Benefit Manager ("PBM") rebates or other reductions in price to a plan sponsor under Medicare Part D or a Medicaid Managed Care Organization plan reflected in point-of-sale reductions in price and (b) PBM service fees. Second, the regulation expressly provides that rebates to plan sponsors under Medicare Part D, either directly to the plan sponsor under Medicare Part D or indirectly through a PBM, will not be protected under the Anti-Kickback Statute discount safe harbor. The Inflation Reduction Act of 2022 extended a moratorium on the implementation, administration or enforcement of this final rule until January 1, 2032.

The federal civil False Claims Act prohibits any person from knowingly presenting, or causing to be presented, a false or fraudulent claim for payment to, or approval by, the federal government, knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government, or avoiding, decreasing, or concealing an obligation to pay money to the federal government. A claim includes "any request or demand" for money or property presented to the U.S. government. The civil False Claims Act has been used to assert liability on the basis of kickbacks and other improper referrals, improperly reported government pricing metrics such as Best Price or Average Manufacturer Price, improper use of Medicare provider or supplier numbers when detailing a provider of services, improper promotion of off-label uses not expressly approved by the FDA in a product's label, and allegations as to misrepresentations with respect to products, contract requirements, and services rendered. In addition, private payers have been filing follow-on lawsuits alleging fraudulent misrepresentation, although establishing liability and damages in these cases is more difficult than under the FCA. Intent to deceive is not required to establish liability under the civil False Claims Act. Rather, a claim may be false for deliberate ignorance of the truth or falsity of the information provided or for acts in reckless disregard of the truth or falsity of that information. Civil False Claims Act actions may be brought by the government or may be brought by private individuals on behalf of the government, called "qui tam" actions. If the government decides to intervene in a qui tam action and prevails in the lawsuit, the individual will share in the proceeds from any damages, penalties or settlement funds. If the government declines to intervene, the individual may pursue the case alone. The civil FCA provides for treble damages and a civil penalty for each false claim, such as an invoice or pharmacy claim for reimbursement, which can aggregate into tens and even hundreds of millions of dollars. For these reasons, since 2004, False Claims Act lawsuits against biopharmaceutical companies have increased significantly in volume and breadth, leading to several substantial civil and criminal settlements, as much as $3.0 billion, regarding certain sales practices and promoting off label uses. Civil False Claims Act liability may further be imposed for known Medicare or Medicaid overpayments, for example, overpayments caused by understated rebate amounts, that are not refunded within 60 days of the identification the overpayment, even if the overpayment was not caused by a false or fraudulent act. In addition, civil judgment for violating the FCA may result in exclusion from federal healthcare programs, suspension and debarment from government procurement and non-procurement programs, and refusal of orders under existing government contracts. The majority of states also have statutes similar to the federal Anti-Kickback Statute and civil False Claims Act, which apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payer.

The government may further prosecute conduct constituting a false claim under the criminal False Claims Act. The criminal False Claims Act prohibits the making or presenting of a claim to the government knowing such claim to be false, fictitious, or fraudulent and, unlike the civil False Claims Act, requires proof of intent to submit a false claim.

The Civil Monetary Penalties Law is another potential statute under which biopharmaceutical companies may be subject to enforcement. Among other things, the civil monetary penalties statue imposes fines against any person who is determined to have knowingly presented, or caused to be presented, claims to a federal healthcare program that the person knows, or should know, is for an item or service that was not provided as claimed or is false or fraudulent.

Payment or reimbursement of prescription therapeutics by Medicaid or Medicare requires sponsors to submit certified pricing information to Centers of Medicare and Medicaid Services ("CMS"). The Medicaid Drug Rebate statute requires sponsors to calculate and report price points, which are used to determine Medicaid manufacturer rebate payments shared between the states and the federal government and Medicaid payment rates for certain therapeutics. For therapeutics paid under Medicare Part B, sponsors must also calculate and report their Average Sales Price, which is used to determine the Medicare Part B payment rate. In addition, therapeutics covered by Medicaid are subject to an additional inflation penalty which can substantially increase rebate payments. For certain products, including those approved under a BLA (including biosimilars), the Veterans Health Care Act (the "VHCA") requires sponsors to calculate and report to the Department of Veterans Affairs ("VA") a different price called the Non-Federal Average Manufacturer Price, which is used to determine the maximum price that can be charged to certain federal agencies, referred to as the Federal Ceiling Price ("FCP"). Like the Medicaid rebate amount, the FCP includes an inflation penalty. A Department of Defense regulation requires sponsors to provide this discount on therapeutics dispensed by retail pharmacies when paid by the TRICARE Program. All these price reporting requirements create risk of submitting false information to the government, potential FCA liability and exclusion from certain of these programs.

The VHCA also requires sponsors of covered therapeutics participating in the Medicaid program to enter into Federal Supply Schedule contracts with the VA through which their covered therapeutics must be sold to certain federal agencies at FCP. This necessitates compliance with applicable federal procurement laws and regulations, including submission of commercial sales and pricing information, and subjects companies to contractual remedies as well as administrative, civil, and criminal sanctions. In addition, the VHCA requires sponsors participating in Medicaid to agree to provide different mandatory discounts to certain Public Health Service grantees and other safety net hospitals and clinics under the 340B program based on the sponsor's reported Medicaid pricing information. The 340B program has its own regulatory authority to impose sanctions for non-compliance, adjudicate overcharge claims against sponsors by the purchasing entities, and impose civil monetary penalties for instances of overcharging.

The federal Health Insurance Portability and Accountability Act of 1996, ("HIPAA"), also created federal criminal statutes that prohibit, among other actions, knowingly and willfully executing, or attempting to execute, a scheme to defraud or to obtain, by means of false or fraudulent pretenses, representations or promises, any of the money or property owned by, or under the custody or control of, a healthcare benefit program, regardless of whether the payor is public or private, in connection with the delivery or payment for healthcare benefits, knowingly and willfully embezzling or stealing from a healthcare benefit program, willfully obstructing a criminal investigation of a healthcare offense and knowingly and willfully falsifying, concealing, or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of, or payment for, healthcare benefits, items, or services relating to healthcare matters. Additionally, the ACA amended the intent requirement of certain of these criminal statutes under HIPAA so that a person or entity no longer needs to have actual knowledge of the statute, or the specific intent to violate it, to have committed a violation.

In addition, as part of the ACA, the federal government enacted the Physician Payment Sunshine Act. Manufacturers of drugs, biologics and devices for which payment is available under Medicare, Medicaid, or the Children's Health Insurance Program (with certain exceptions) are required to annually report to CMS certain payments and other transfers of value made to or at the request of covered recipients, which are physicians (as defined under the Social Security Act), physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists and certified nurse midwifes licensed in the U.S. and U.S. teaching hospitals, as well as ownership and investment interests held by physicians and members of their immediate family. Payments made to principal investigators and research institutions at teaching hospitals for clinical trials are also included within this law. Reported information is made publicly available by CMS. Failure to submit required information may result in civil monetary penalties. If not preempted by this federal law, several states currently also require reporting of marketing and promotion expenses, as well as gifts and payments to healthcare professionals and organizations. State legislation may also prohibit gifts and various other marketing related activities or require the public posting of information. Certain states also require companies to implement compliance programs.

Further, we may be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, ("HITECH Act"), and their respective implementing regulations impose certain requirements on covered entities relating to the privacy, security, and transmission of certain individually identifiable health information known as protected health information. Among other things, the HITECH Act, and its implementing regulations, made HIPAA's security standards and certain privacy standards directly applicable to business associates, defined as persons or organizations, other than members of a covered entity's workforce, that create, receive, maintain, or transmit protected health information on behalf of a covered entity for a function or activity regulated by HIPAA. The HITECH Act also strengthened the civil and criminal sanctions that may be imposed against covered entities, business associates, and individuals, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. HIPAA privacy rules governing disclosures of protected health information by covered entities for research purposes may apply to gene therapy studies. In addition, other federal and state laws, such as the California Consumer Privacy Act and state security breach notification laws, may govern the privacy and security of health and other information in certain circumstances, many of which differ from each other in significant ways, thus complicating compliance efforts.

Many states have also adopted laws similar to each of the above federal laws, which may be broader in scope and apply to items or services reimbursed by any third-party payor, including commercial insurers. Certain state laws also regulate sponsors' use of prescriber-identifiable data. Certain states also require implementation of commercial compliance programs and compliance with the pharmaceutical industry's voluntary compliance guidelines and the applicable compliance program guidance promulgated by the federal government, or otherwise restrict payments or the provision of other items of value that may be made to healthcare providers and other potential referral sources; impose restrictions on marketing practices; or require sponsors to track and report information related to payments, gifts, and other items of value to physicians and other healthcare providers and entities. Recently, states have enacted or are considering legislation intended to make drug prices more transparent and deter significant price increases that impose reporting requirements on biopharmaceutical companies. These laws may affect our future sales, marketing, and other promotional activities by imposing administrative and compliance burdens. Such laws also typically impose significant civil monetary penalties for each instance of reporting noncompliance that can quickly aggregate into the tens of millions of dollars.

If our operations are found to be in violation of any of the laws or regulations described above or any other laws that apply to us, we may be subject to penalties or other enforcement actions, including significant civil monetary penalties, damages, criminal fines, disgorgement, imprisonment, exclusion from participation in government healthcare programs, corporate integrity agreements, suspension and debarment from government procurement and non-procurement programs, refusal of orders under existing government contracts, reputational harm, diminished profits and future earnings, and the curtailment or restructuring of our operations, any of which could adversely affect our business.

U.S. Foreign Corrupt Practices Act

The U.S. Foreign Corrupt Practices Act, to which we are subject, imposes certain recordkeeping requirements and prohibits corporations and individuals from engaging in certain activities to obtain or retain business or to influence a person working in an official capacity. It is illegal to pay, offer to pay or authorize the payment of anything of value to any foreign government official, government staff member, political party, or political candidate in an attempt to obtain or retain business or to otherwise influence a person working in an official capacity.

Coverage, Pricing and Reimbursement

The containment of healthcare costs has become a priority of federal, state, and foreign governments, and the prices of drugs have been a focus in this effort. Third-party payers and independent non-profit healthcare research organizations such as the Institute for Clinical and Economic Review are also increasingly challenging the prices charged for medical products and services and examining the medical necessity, budget-impact, and cost-effectiveness of medical products and services, in addition to their safety and efficacy. If these third-party payers do not consider a product to be cost-effective compared to other available therapies and/or the standard of care, they may not cover the product after approval as a benefit under their plans or, if they do, measures including prior authorization and step-throughs could be required, manufacturer rebates may be negotiated or required and/or the level of payment may not be sufficient to allow a company to sell its products at a profit. The U.S. federal and state governments and foreign governments have shown significant interest in implementing cost containment programs to limit the growth of government-paid healthcare costs, including price controls, restrictions on coverage and reimbursement and requirements for substitution of generic products for branded prescription drugs. In this regard, for example, on November 27, 2020, CMS issued an interim final rule implementing a Most Favored Nation payment model under which reimbursement for certain Medicare Part B drugs and biologicals will be based on a price that reflects the lowest per capital Gross Domestic Product-adjusted ("GDP-adjusted") price of any non-U.S. member country of the Organization for Economic Co-operation and Development ("OECD") with a GDP per capita that is at least sixty percent of the U.S. GDP per capita. While this rule now has been rescinded, government negotiation of certain Medicare drug pricing continues to be the focus of recent proposed legislation. The Budget Control Act of 2011, among other things, created measures for spending reductions by Congress. Failure of the Joint Select Committee on Deficit Reduction to reach required deficit reduction goals triggered the legislation's automatic reduction to several government programs. This includes aggregate reductions of Medicare payments to providers up to 2% per fiscal year. While President Biden previously signed legislation to eliminate this reduction through the end of 2021, a 1% payment adjustment was implemented from April 1 – June 30, 2022, and a 2% payment adjustment took effect beginning July 1, 2022. Adoption of additional healthcare reform controls and measures and tightening of restrictive policies in jurisdictions with existing controls and measures, could limit payments for pharmaceuticals.

As a result, the marketability of any product which receives regulatory approval for commercial sale may suffer if the government and third-party payers choose to provide low coverage and reimbursement. In addition, an increasing emphasis on managed care in the U.S. has increased and will continue to increase the pressure on drug pricing. Decisions regarding whether to cover any of our products, the extent of coverage and amount of reimbursement to be provided are made on a plan-by-plan basis. Further, no uniform policy for coverage and reimbursement exists in the U.S., and coverage and reimbursement can differ significantly from payor to payor. Coverage policies, third party reimbursement rates and drug pricing regulation may change at any time. In particular, the ACA contains provisions that may reduce the profitability of drug products, including, for example, increased rebates for drugs sold to Medicaid programs, extension of Medicaid rebates to Medicaid managed care plans, mandatory discounts for certain Medicare Part D beneficiaries and annual fees based on pharmaceutical companies' share of sales to federal healthcare programs. Multiple other current and proposed legislative and regulatory efforts require and likely will in the future require payment of increased manufacturer rebates and implement mechanisms to reduce drug prices. Even if favorable coverage and reimbursement status is attained for one or more products that receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

Regulation in the European Union

Product development, the regulatory approval process and safety monitoring of medicinal products and their manufacturers in the European Union proceed broadly in the same way as they do in the U.S. Therefore, many of the issues discussed above apply similarly in the context of the European Union. In addition, drugs are subject to the extensive price and reimbursement regulations of the various EU member states. The Clinical Trial Regulation EU 536/2014 ("CTR"), which replaced the Clinical Trials Directive 2001/20/EC, as amended ("CTD"), on January 31, 2022, provides a system for the approval of clinical trials in the European Union. The CTR is directly applicable in all member states without the need for national implementation. Whilst, for trials conducted in only one country, approval has to be obtained from the competent national authority of an EU member state in which the clinical trial is to be conducted before cross-border trials within the EU, it is possible to make a single harmonized electronic submission and have a single assessment process for clinical trials conducted in multiple member states. Furthermore, a clinical trial may only be started after a competent ethics committee has issued a favorable opinion on the Clinical Trial Application ("CTA"), which must be supported by an investigational medicinal product dossier with supporting information prescribed by the CTR and corresponding national laws of the member states and further detailed in applicable guidance documents. In the case of Advanced Therapy Investigational Medical Products ("ATIMPs") consisting of or containing Genetically Modified Organisms ("GMOs"), as is the case for our products, an additional approval for the environmental and biosafety aspects of the use and release of the GMO is required by the GMO competent authorities and GMO directives have been implemented in different ways by Member States; either following the directive for "Contained use" (Directive 2009/41/EC) or "deliberate release" (Directive 2001/18/EC). As a consequence, in some EU member states the GMO application must be approved before the CTA is submitted, in some after approval of the CTA, and in some, in parallel.

The sponsor of a clinical trial, or its legal representative, must be based in the European Economic Area ("EEA"). European regulators and ethics committees also require the submission of adverse event reports during a study and a copy of the final study report. Under the CTR, member states may dispense with the requirement for a legal representative for a non-EU resident sponsor provided there is a contact person based in the EEA.

Under the CTR, the introduction of a new databased called the Clinical Trial Information System ("CTIS"), requires sponsors to upload and submit all data, including initial clinical trial application data and documentation, to the CTIS, with such data being publicly available, with few exceptions. This means data transparency throughout the development process with the onus on sponsors to protect patient confidentiality at the point of submission.

Marketing approval

Marketing approvals under the European Union regulatory system may be obtained through a centralized or decentralized procedure. The centralized procedure results in the grant of a single marketing authorization that is valid for all 27 EU member states. Pursuant to Regulation (EC) No 726/2004, as amended, the centralized procedure is mandatory for drugs developed by means of specified biotechnological processes, and advanced therapy medicinal products as defined in Regulation (EC) No 1394/2007, as amended. Drugs for human use containing a new active substance for which the therapeutic indication is the treatment of specified diseases, including but not limited to acquired immune deficiency syndrome, neurodegenerative disorders, auto-immune diseases and other immune dysfunctions, as well as drugs designated as orphan drugs pursuant to Regulation (EC) No 141/2000, as amended, also fall within the mandatory scope of the centralized procedure. Because of our focus on gene therapies, which fall within the category of advanced therapy medicinal products ("ATMPs") and orphan indications, our products and product candidates will need to go through the centralized procedure.

In the marketing authorization application ("MAA") the applicant must properly and sufficiently demonstrate the quality, safety, and efficacy of the drug. Guidance on the factors that the EMA will consider in relation to the development and evaluation of ATMPs have been issued and include, among other things, the nonclinical studies required to characterize ATMPs; the manufacturing and control information that should be submitted in a MAA; and post-approval measures required to monitor patients and evaluate the long-term efficacy and potential adverse reactions of ATMPs. Although these guidelines are not legally binding, we believe that our compliance will effectively be necessary to gain and maintain approval for any of our product candidates. The maximum timeframe for the evaluation of an MAA under the centralized procedure is 210 days after receipt of a valid application subject to clock stops during which the applicant deals with EMA questions.

Market access can be expedited through the grant of conditional authorization for a medicine that may fulfil unmet needs which may be granted provided that the benefit-risk balance of the product is positive. The benefit-risk balance is likely to be positive if the applicant can provide comprehensive data and the benefit to public health of the medicinal product's immediate availability on the market outweighs the risks due to need for further data. Such authorizations are valid for one year and can be renewed annually. The holder will be required to complete specific obligations (ongoing or new studies, and in some cases additional activities) with a view to providing comprehensive data confirming that the benefit-risk balance is positive. Once comprehensive data on the product have been obtained, the marketing authorization may be converted into a standard marketing authorization (not subject to specific obligations). Initially, this is valid for 5 years, but can be renewed for unlimited validity. Applicants for conditional authorizations can benefit from early dialogue with EMA through scientific advice or protocol assistance and discuss their development plan well in advance of the submission of a marketing-authorization application. Other stakeholders (e.g., health technology assessment bodies) can be included.

In addition, the priority medicines ("PRIME") scheme for medicines that may offer a major therapeutic advantage over existing treatments, or benefit patients without treatment options based on early clinical data, is intended to support the development of medicines that target an unmet medical need. This voluntary scheme is based on enhanced interaction and early dialogue with developers of promising medicines, to optimize development plans and speed up evaluation so these medicines can reach patients earlier. Early dialogue and scientific advice also ensure that patients only participate in trials designed to provide the data necessary for an application, making the best use of limited resources.

The European Union also provides for a system of regulatory data and market exclusivity. According to Article 14(11) of Regulation (EC) No 726/2004, as amended, and Article 10 of Directive 2001/83/EC, as amended, upon receiving marketing authorization, new chemical entities approved on the basis of complete independent data package benefit from eight years of data exclusivity and an additional two years of market exclusivity. Data exclusivity prevents regulatory authorities in the European Union from referencing the innovator's data to assess a generic (abbreviated) application during the eight-year period from when the first placement of the product on the EEA market. During the additional two-year period of market exclusivity, a generic marketing authorization can be submitted, and the innovator's data may be referenced, but no generic medicinal product can be marketed until the expiration of the market exclusivity. The overall ten-year period will be extended to a maximum of eleven years if, during the first eight years of those ten years, the marketing authorization holder obtains an authorization for one or more new therapeutic indications which, during the scientific evaluation prior to their authorization, are held to bring a significant clinical benefit in comparison with existing therapies. Even if a compound is considered to be a new chemical entity and the innovator can gain the period of data exclusivity, another company nevertheless could also market another version of the drug if such company obtained marketing authorization based on an MAA with a complete independent data package of pharmaceutical test, preclinical tests, and clinical trials. The EMA has also issued guidelines for a comprehensive comparability exercise for biosimilars, and for specific classes of biological products. Under European Commission proposals for revisions to the EU's pharmaceutical legislation, the standard period of data protection may be reduced from eight to six years, but this may be extended by up to four years if particular criteria are fulfilled: i.e., two additional years if the new product is available in all EU Member States; an additional six months if the product addresses an unmet medical need; an additional six months for new chemical entities where the supporting clinical trials use an evidence-based comparator based on EMA scientific advice; and an additional year if, during the data protection period following authorization, the marketing authorization ("MA") holder receives an authorization for an additional therapeutic indication for which there is a significant clinical benefit in comparison with existing therapies (replacing the additional year of marketing protection available under the current regime). The additional period of marketing exclusivity protection (described above) will remain as two years following the expiry of the data protection period. These proposals will be subject to continuing discussion so it is not certain when and in what form the new legislation will be adopted.

Under Regulation (EC) No 141/2000 article 3 as amended (Orphan Drug Regulation, ("ODR")) a product can benefit from orphan drug status if it is intended for the diagnosis, prevention, or treatment of a life-threatening or chronically debilitating condition affecting not more than five in 10,000 people in the European Community (EC) when the application is made. The principal benefit of such status is 10 years' market exclusivity once they are approved preventing the subsequent approval of similar medicines with similar indications although this may be reduced to six years under certain circumstances including if the product is sufficiently profitable not to justify maintenance of market exclusivity. Under the proposed new legislation, other than for orphan drugs addressing a high unmet medical need, the current 10-year period would be reduced to nine years. These periods may be extended by one year if either: the new product is available in all EU member states; or at least two years before the expiry of the orphan exclusivity period, the orphan MA holder obtains an MA for one or more further therapeutic indications for a different orphan condition.

Additional rules apply to medicinal products for pediatric use under Regulation (EC) No 1901/2006, as amended. Potential incentives include a six-month extension of any supplementary protection certificate granted pursuant to Regulation (EC) No 469/2009, however not in cases in which the relevant product is designated as an orphan medicinal product pursuant to the ODR. Instead, medicinal products designated as orphan medicinal product may enjoy an extension of the ten-year market exclusivity period granted under Regulation (EC) No 141/2000, as amended, to twelve years subject to the conditions applicable to orphan drugs. The proposed new legislation will retain the 6-month SPC extension but there would be an explicit obligation to place an authorized product with a pediatric indication on the market in every member state where the adult presentation is marketed. Additionally, the current separate reward of two years market exclusivity for pediatric indications of orphan products would no longer apply under the proposed legislation.

Manufacturing and promotion

Pursuant to European Commission Directive 2003/94/EC as transposed into the national laws of the member states, the manufacturing of investigational medicinal products and approved drugs is subject to a separate manufacturer's license and must be conducted in strict compliance with cGMP requirements, which mandate the methods, facilities, and controls used in manufacturing, processing, and packing of drugs to assure their safety and identity. Manufacturers must have at least one qualified person permanently and continuously at their disposal. The qualified person is ultimately responsible for certifying that each batch of finished product released onto the market has been manufactured in accordance with cGMP and the specifications set out in the marketing authorization or investigational medicinal product dossier. cGMP requirements are enforced through mandatory registration of facilities and inspections of those facilities. Failure to comply with these requirements could interrupt supply and result in delays, unanticipated costs, and lost revenues, and subject the applicant to potential legal or regulatory action, including but not limited to warning letters, suspension of manufacturing, seizure of product, injunctive action, or possible civil and criminal penalties.

Advertising

In the European Union, the promotion of prescription medicines is subject to intense regulation and control, including a prohibition on direct-to-consumer advertising. All medicines advertising must be consistent with the product's approved summary of products characteristics, factual, accurate, balanced and not misleading. Advertising of medicines pre-approval or off-label is prohibited. Some jurisdictions require that all promotional materials for prescription medicines be subjected to either prior internal or regulatory review & approval.

Other Regulatory Requirements

A holder of a marketing authorization for a medicinal product is legally obliged to fulfill several obligations by virtue of its status as a marketing authorization holder ("MAH"). The MAH can delegate the performance of related tasks to third parties, such as distributors or marketing collaborators, provided that this delegation is appropriately documented and the MAH maintains legal responsibility and liability.

The obligations of an MAH include:

- *Manufacturing and Batch Release.* MAHs should guarantee that all manufacturing operations comply with relevant laws and regulations, applicable good manufacturing practices, with the product specifications and manufacturing conditions set out in the marketing authorization and that each batch of product is subject to appropriate release formalities.
- *Pharmacovigilance.* MAHs are obliged to establish and maintain a pharmacovigilance system, including a qualified person responsible for oversight, to submit safety reports to the regulators and comply with the good pharmacovigilance practice guidelines adopted by the EMA.
- *Advertising and Promotion.* MAHs remain responsible for all advertising and promotion of their products, including promotional activities by other companies or individuals on their behalf and in some cases, must conduct internal or regulatory pre-approval of promotional materials.
- *Medical Affairs/Scientific Service.* MAHs are required to disseminate scientific and medical information on their medicinal products to healthcare professionals, regulators, and patients.
- *Legal Representation and Distributor Issues.* MAHs are responsible for regulatory actions or inactions of their distributors and agents.
- *Preparation, Filing and Maintenance of the Application and Subsequent Marketing Authorization.* MAHs must maintain appropriate records, comply with the marketing authorization's terms and conditions, fulfill reporting obligations to regulators, submit renewal applications and pay all appropriate fees to the authorities.

We may hold any future marketing authorizations granted for our product candidates in our own name or appoint an affiliate or a collaborator to hold marketing authorizations on our behalf. Any failure by an MAH to comply with these obligations may result in regulatory action against an MAH and ultimately threaten our ability to commercialize our products.

Reimbursement

In the European Union, the pricing and reimbursement mechanisms by private and public health insurers vary largely by country and even within countries. In respect of the public systems, reimbursement for standard drugs is determined by guidelines established by the legislature or responsible national authority. Some jurisdictions operate positive and negative list systems under which products may only be marketed once a reimbursement price has been agreed. Other member states allow companies to determine the prices for their medicines but monitor and control company profits and may limit or restrict reimbursement and can include retrospective rebates to the government. The downward pressure on healthcare costs in general, particularly prescription drugs, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products and some of EU countries require the completion of studies that compare the cost-effectiveness of a particular product candidate to currently available therapies to obtain reimbursement or pricing approval. Special pricing and reimbursement rules may apply to orphan drugs.

Inclusion of orphan drugs in reimbursement systems tend to focus on the medical usefulness, need, quality and economic benefits to patients and the healthcare system as for any drug. Acceptance of any medicinal product for reimbursement may come with cost, use and often volume restrictions, which again can vary by country. In addition, results-based rules or agreements on reimbursement may apply. Recently, a process has been formalized that allows sponsors to receive parallel advice from EMA and relevant national health technology assessment ("HTA") bodies for pivotal clinical studies designed to support marketing approval. This process was followed for etranacogene dezaparvovec.

Orphan Drug Regulation

We have been granted orphan drug exclusivity for etranacogene dezaparvovec for the treatment of hemophilia B as well as for AMT-130 for the treatment of Huntington's disease subject to the conditions applicable to orphan drug exclusivity in the European Union. Regulation (EC) No 141/2000, as amended, states that a drug will be designated as an orphan drug if its sponsor can establish:

- that it is intended for the diagnosis, prevention or treatment of a life-threatening or chronically debilitating condition affecting not more than five in ten thousand persons in the community when the application is made, or that it is intended for the diagnosis, prevention or treatment of a life-threatening, seriously debilitating or serious and chronic condition in the European Union and that without incentives it is unlikely that the marketing of the drug in the European Union would generate sufficient return to justify the necessary investment; and
- that there exists no satisfactory method of diagnosis, prevention, or treatment of the condition in question that has been authorized in the European Union or, if such method exists, that the drug will be of significant benefit to those affected by that condition.

Regulation (EC) No 847/2000 sets out further provisions for implementation of the criteria for designation of a drug as an orphan drug. An application for the designation of a drug as an orphan drug must be submitted at any stage of development of the drug before filing of a marketing authorization application.

If an EU-wide community marketing authorization in respect of an orphan drug is granted pursuant to Regulation (EC) No 726/2004, as amended, the European Union and the member states will not, for a period of 10 years, accept another application for a marketing authorization, or grant a marketing authorization or accept an application to extend an existing marketing authorization, for the same therapeutic indication, in respect of a similar drug.

This period may however be reduced to six years if, at the end of the fifth year, it is established, in respect of the drug concerned, that the criteria for orphan drug designation are no longer met, in other words, when it is shown on the basis of available evidence that the product is sufficiently profitable not to justify maintenance of market exclusivity. Notwithstanding the foregoing, a marketing authorization may be granted, for the same therapeutic indication, to a similar drug if:

- the holder of the marketing authorization for the original orphan drug has given its consent to the second applicant;
- the holder of the marketing authorization for the original orphan drug is unable to supply sufficient quantities of the drug; or
- the second applicant can establish in the application that the second drug, although similar to the orphan drug already authorized, is safer, more effective, or otherwise clinically superior.

Regulation (EC) No 847/2000 lays down definitions of the concepts similar drug and clinical superiority, which concepts have been expanded upon in subsequent European Commission guidance. Other incentives available to orphan drugs in the European Union include financial incentives such as a reduction of fees or fee waivers and protocol assistance. Orphan drug designation does not shorten the duration of the regulatory review and approval process. Note the above proposed legislation would, if implemented, impact orphan protection in the future.

Human Capital Resources

As of December 31, 2023, we had a total of 480 employees, 239 of whom are based in The Netherlands, 221 in the United States of America, and 20 in other European countries. As of December 31, 2023, 170 of our employees had an M.D. or Ph.D. degree, or the foreign equivalent. During 2017, we established a works council in the Netherlands. None of our employees are subject to collective bargaining agreements or other labor organizations. We believe that we have good relations with all our employees and with the works council in the Netherlands.

Our values are to:

- Be passionate about the patient;
- Act with integrity and respect;
- Take ownership and act with urgency;
- Collaborate for success;
- Innovate every day; and
- Focus relentlessly on quality.

Our people are a critical component in our continued success. We strive to maximize the potential of our human capital resources by creating a respectful, rewarding and inclusive work environment that enables our employees to further our values. Development of our culture is reflected as part of our annual corporate goals. We invest in numerous learning opportunities focused on individual, management and team development and other initiatives to support our employees and build our culture. In 2021 we initiated activities to coordinate our various ongoing activities and initiatives within an environmental, social and governance (“ESG”) framework.

2 Financial results

Reorganization

On October 5, 2023, we announced that we are implementing a Reorganization. As a result of the Reorganization, we discontinued investments in more than half of our research programs, including AMT-210 for the treatment of Parkinson's disease and certain technology projects. Following the Reorganization, we are prioritizing advancing our clinical-stage programs to clinical proof of concept.

As a result of the Reorganization, we eliminated approximately 20% of our total workforce and closed our research laboratory in Lexington, Massachusetts. We completed the Reorganization by the end of fiscal year 2023 and incurred costs of approximately $2.5 million for cash expenditures related to employee severance costs. We also incurred costs associated with the closure of a research laboratory in Lexington and associated fixed assets of which the carrying values were determined to not be recoverable as of the cease-use date in November 2023. As part of the Reorganization, we also consolidated all GMP manufacturing into our Lexington manufacturing facility and consolidated process and analytical development into our Amsterdam, Netherlands facility.

As a result of the significant reduction in research activities, Ricardo Dolmetsch, Ph.D., departed as Chief Scientific Officer, effective October 4, 2023. Dr. Dolmetsch served as a scientific consultant through the end of the year. In connection with Dr. Dolmetsch's transition, the Board of Directors of the Company have appointed Richard Porter, Ph.D., our current Chief Business Officer, to serve as the Company's Chief Business and Scientific Officer, effective as of October 5, 2023.

Financing

Royalty Financing Agreement

On May 12, 2023, we entered into the Royalty Financing Agreement with the Purchaser. Under the terms of the Royalty Financing Agreement, we received an upfront payment of $375.0 million in exchange for the Purchaser's rights to the lowest royalty tier on CSL Behring's worldwide net sales of HEMGENIX® for certain current and future royalties due to us. We are also eligible to receive an additional $25.0 million milestone payment under the Royalty Financing Agreement if 2024 net sales of HEMGENIX® exceed a pre-specified threshold. The Purchaser will receive 1.85 times the upfront payment (or $693.8 million) and 1.85 times the $25.0 million milestone payment (if paid) prior to the First Hard Cap Date or, if such cap is not met, up to 2.25 times the upfront and milestone payment (if paid) through December 31, 2038. If 2024 net sales do not exceed a pre-specified threshold, we will be obligated to pay $25.0 million to the Purchaser but only to the extent that we achieve a future sales milestone under the CSL Behring Agreement. If such milestone payment is not due from CSL Behring, we are not obligated to pay any amounts to the Purchaser.

We retained the rights to all other royalties, as well as contractual milestones totaling up to $1.3 billion, under the terms of the CSL Behring Agreement.

Hercules amendment

Upon entering into the Royalty Financing Agreement, we and Hercules amended the 2021 Restated Facility on May 12, 2023. The 2023 Amended Facility extends the maturity date and interest-only period from December 1, 2025 to January 5, 2027.

Investment in debt securities

In July and September 2023, we invested $272.0 million and EUR 87.0 million (or a total of $366.4 million as of the investment dates) of our cash and cash equivalents into short-term U.S. and European government bonds that are U.S. dollar and euro denominated, respectively. Our investment policy requires us to invest in bonds with the highest investment grade credit rating. As of December 31, 2023, the bonds have remaining maturities ranging from less than one month to seven months. We classify these bonds as held-to-maturity.

Results of operations

The following table presents a comparison of the twelve months ended December 31, 2023, and 2022:

	Years ended December 31,		
	2023	2022	2023 vs 2022
	$ in thousands		
Total revenues	**15,843**	**106,483**	**(85)%**
Cost of revenues	(13,628)	(3,343)	308%
Gross profit	**2,215**	**103,140**	**(98)%**
Operating expenses:			
Research and development expenses	(203,144)	(199,452)	2%
Selling, general and administrative expenses	(72,631)	(55,062)	32%
Total operating expenses	**(275,775)**	**(254,514)**	**(8)%**
Other income	7,005	7,171	(2)%
Other expense	(1,690)	(820)	106%
Loss from operations	**(268,245)**	**(145,023)**	**85%**
Finance income	19,577	23,845	(18)%
Finance expense	(51,540)	(16,003)	222%
Finance (expense) / income, net	**(31,963)**	**7,842**	**(508)%**
Loss before income tax (expense) / benefit	**(300,208)**	**(137,181)**	**119%**
Income tax (expense) / benefit	(2,366)	1,787	(232)%
Net loss	**(302,574)**	**(135,394)**	**123%**

	Year ended December 31,		
	2023	2022	2023 vs 2022
		(in thousands)	
License revenues	$ 2,758	$ 100,000	$ (97,242)
Collaboration revenues	2,250	4,766	(2,516)
Contract manufacturing revenues	10,835	1,717	9,118
Total revenues	**$ 15,843**	**$ 106,483**	**$ (90,640)**
Cost of license revenues	(65)	(1,254)	1,189
Cost of contract manufacturing revenues	(13,563)	(2,089)	(11,474)
Total cost	**$ (13,628)**	**$ (3,343)**	**$ (10,285)**

Revenues

CSL Behring

Effective on Closing of the CSL Behring Agreement we sold the exclusive global rights to the Product ("License Sale"). We recognize license revenue in relation to the License Sale when it becomes probable that regulatory and sales milestone events will be achieved as well as when royalties on sales of Product have been earned. We recognized $2.8 million and $100.0 million of license revenue for the years ended December 31, 2023 and 2022, respectively. We recognized $2.8 million of license revenue in 2023 related to royalty payments owed on HEMGENIX® sales, when earned. We recognized $100.0 million of license revenue in 2022 related to a milestone payment following the first sale of HEMGENIX® in the U.S. in 2023, which we considered probable as of December 31, 2022.

We expense contract fulfillment costs associated with license revenue we receive from CSL Behring, which are recognized as costs of license revenues. These expenses primarily consist of payments we owe to our licensors in relation to license payments we receive from CSL Behring. We incurred $0.1 million and $1.3 million of such cost in the years ended December 31, 2023 and 2022, respectively.

We recognize collaboration revenues associated with services to CSL Behring in accordance with the CSL Behring Agreement. Collaboration revenue related to these contracted services is recognized when the performance obligations are satisfied. We recognized $2.3 million and $3.0 million of collaboration revenue for the years ended December 31, 2023 and 2022, respectively. The decrease in collaboration revenue in 2023 of $0.7 million compared to 2022 was primarily related to a reduction in services requested by CSL Behring following the submissions of the BLA and MAA for HEMGENIX®.

We recognize contract manufacturing revenues related to contract manufacturing HEMGENIX® for CSL Behring. Contract manufacturing revenues are realized when earned upon sales of HEMGENIX® to CSL Behring. We recognized $10.8 million and $1.7 million contract manufacturing revenues in the year ended December 31, 2023 and 2022, respectively.

We incurred $13.6 million and $2.1 million of cost of contract manufacturing revenues related to the manufacture of HEMGENIX® in the years ended December 31, 2023 and 2022, respectively. Costs of contract manufacturing revenues has increased in the year ended December 31, 2023 compared to the year ended December 31, 2022 due to the increase in sales of HEMGENIX® and a write-down of inventory that has a cost basis in excess of its expected net realizable value.

BMS

We recognized collaboration revenues associated with certain pre-clinical analytical development and process development activities that were reimbursable to us by Bristol-Myers Squibb ("BMS") under the initial collaboration, research and license agreements ("BMS CLA") and the amended agreements ("amended BMS CLA") as well as other related agreements. Collaboration revenue related to these contracted services were recognized when performance obligations were satisfied. We recognized nil and $1.8 million of collaboration revenue for the years ended December 31, 2023 and 2022, respectively.

Following the termination of the amended BMS CLA on February 22, 2023 we did not recognize any further revenue for services rendered in accordance with the BMS CLA.

Research and development expenses

We expense research and development ("R&D") expenses as incurred. R&D expenses include costs which relate to our primary activities of biopharmaceutical research and development. Our R&D expenses generally consist of costs incurred for the development of our target candidates, which include::

- employee-related expenses, including salaries, benefits, travel and share-based compensation expense;
- costs incurred for laboratory research, preclinical and nonclinical studies, clinical trials, statistical analysis and report writing, and regulatory compliance costs incurred with clinical research organizations and other third-party vendors;
- costs incurred to conduct consistency and comparability studies;
- costs incurred for the development and improvement of our manufacturing processes and methods;
- costs associated with research activities for enabling technology platforms, such as next-generation vectors, promoters and re-administration of gene therapies;
- costs associated with the rendering of collaboration services;
- payments related to identifiable intangible assets without an alternative future use;
- payments to our licensors for milestones that have been achieved related to our product candidates, including approval of the MAA and BLA for HEMGENIX®;
- facilities, depreciation, and other expenses, which include direct and allocated expenses for rent and maintenance of facilities, insurance, and other supplies; and
- changes in the fair value of liabilities recorded in relation to our acquisition of uniQure France SAS.

Our R&D expenses may vary substantially from period to period based on the timing of our research and development activities, including manufacturing campaigns, regulatory submissions, and enrollment of patients in clinical trials. The successful development of our product candidates is highly uncertain. Estimating the nature, timing, or cost of the development of any of our product candidates involves considerable judgement due to numerous risks and uncertainties associated with developing gene therapies, including the uncertainty of:

- the scope, rate of progress and expense of our research and development activities;
- our ability to successfully manufacture and scale-up production;
- clinical trial protocols, speed of enrollment and resulting data;
- the effectiveness and safety of our product candidates; and
- the timing of regulatory approvals.

A change in the outcome of any of these variables with respect to our product candidates that we may develop could mean a significant change in the expenses and timing associated with the development of such product candidate.

Research and development expenses for the year ended December 31, 2023 were $203.1 million, compared to $199.5 million for the year ended December 31, 2022. Other research and development expenses are separately classified in the table below. These are not allocated as they are deployed across multiple projects under development.

	Year ended December 31,		
	2023	2022	2023 vs 2022
	$ in thousands		
Huntington's disease (AMT-130)	$ 12,991	$ 19,846	$ (6,855)
Temporal lobe epilepsy (AMT-260)	11,609	16,199	(4,590)
Programs in preclinical development and platform related expenses	11,005	7,157	3,848
Amyotrophic lateral sclerosis (AMT-162)	10,006	—	10,006
Fabry disease (AMT-191)	2,659	2,862	(203)
Hemophilia B (AMT-060/061)	(1,336)	2,474	(3,810)
Total direct research and development expenses	**$ 46,934**	**$ 48,538**	**$ (1,604)**
Employee and contractor-related expenses	76,702	64,935	11,767
Facility expenses	26,379	20,542	5,837
Fair value changes related to contingent consideration	15,895	7,081	8,814
Disposables	13,232	17,830	(4,598)
Share-based compensation expense	15,734	21,875	(6,141)
Other expenses	6,830	18,651	(11,821)
Impairment related to the Reorganization	1,438	—	1,438
Total other research and development expenses	**$ 156,210**	**$ 150,914**	**$ 5,296**
Total research and development expenses	**$ 203,144**	**$ 199,452**	**$ 3,692**

Direct research and development expenses

Huntington disease (AMT-130)

We incurred $13.0 million and $19.8 million expenses in the years ended December 31, 2023 and 2022, respectively. Our external costs for the development of AMT-130 were primarily related to the execution of our Phase I/II(b) clinical trials in the U.S. and in Europe. We enrolled 26 patients into our U.S. clinical trial between June 19, 2020 and March 21, 2022 and enrolled 13 patients into our European clinical trial between June 23, 2022 and June 21, 2023. The decrease of $6.8 million in external cost in the year ended December 31, 2023 compared to 2022 is a result of enrolling less patients into the clinical trial during 2023, following completion of U.S. enrollment in March 2022.

Temporal lobe epilepsy (AMT-260)

In the years ended December 31, 2023 and December 31, 2022 we incurred $11.6 million and $16.2 million expenses, respectively, for the preclinical development of AMT-260. In August 2023, the FDA cleared our IND application, and we started incurring costs for the preparation of a Phase I clinical trial. The decrease in development costs in the year ended December 31, 2023 compared to 2022, results from completing the IND enabling studies, initiated during the year ended December 31, 2022, in the first half of 2023.

Preclinical programs & platform development

In the years ended December 31, 2023 and 2022 we incurred $11.0 million and $7.2 million, respectively, of costs related to our preclinical activities associated with product candidates for various other research programs and technology innovation projects.

Amyotrophic Lateral Sclerosis caused by mutations in SOD1 (AMT-162)

On January 31, 2023, we entered into a global licensing agreement with Apic Bio for AMT-162. We have incurred $4.0 million of expenses for the purchase of clinical materials directly related to AMT-162. In addition, we have incurred $6.0 million of costs to initiate a Phase I/II clinical trial in 2024.

Fabry disease (AMT-191)

In the years ended December 31, 2023 and December 31, 2022 we incurred $2.7 million and $2.9 million expenses, respectively, primarily related to our preclinical activities. In November 2023, the FDA cleared the IND application, and we started incurring additional costs for Phase I/II clinical trial preparation. The decrease of $0.2 million in external costs in the year ended December 31, 2023 compared to 2022 is a result of completing the IND enabling studies by November 2023.

Etranacogene dezaparvovec (AMT-060/061)

In the years ended December 31, 2023 and December 31, 2022 we incurred $1.4 million income and $2.5 million expenses, respectively, which were primarily related to the Phase II development of the hemophilia B program. After the Closing of the CSL Behring Agreement in May 2021, CSL Behring was responsible for the clinical and regulatory activities and commercialization of the Product. We managed the existing trials on behalf of CSL Behring until such responsibilities were transitioned to CSL Behring in December 2022. Direct research and development expenses related to clinical development incurred in the year ended December 31, 2022 are presented net of reimbursements due from CSL Behring. In the same periods, we also incurred costs related to the long-term follow-up of patients in our Phase I/II clinical trial of AMT-060 and our Phase IIb clinical trial of etranacogene dezaparvovec. These costs are also presented net of reimbursements due from CSL Behring.

The decrease of $3.8 million in externals cost in the year ended December 31, 2023 compared to 2022 is a result of transitioning the activities to CSL Behring in December 2022 and winding down the support in early 2023.

Other research and development expenses

- We incurred $76.7 million in employee and contractor expenses in the year ended December 31, 2023 compared to $64.9 million in 2022. The increase in 2023 of $11.8 million, compared to 2022, primarily related to the hiring of new personnel and contractors to support our clinical-stage programs and manufacturing operations as well as incurring $2.2 million in severance costs related to the Reorganization with no such cost incurred in 2022;
- We incurred $26.4 million in operating expenses and depreciation expenses related to our rented facilities in the year ended December 31, 2023 compared to $20.5 million in 2022. Our costs increased by $5.8 million in 2023 compared to 2022 as a result of incurring additional operating and depreciation expenses in both our Lexington and Amsterdam facilities;
- We incurred $15.9 million of expenses for the year ended December 31, 2023 related to an increase in the fair value of contingent consideration associated with the acquisition of uniQure France SAS, compared to $7.1 million for the same period in 2022. The increase in 2023 was primarily due to an increase in the probability of making future milestone payments following the dosing of the first patient in Phase I/II clinical trial of AMT-260 after receiving IND acceptance in August 2023;
- We incurred $13.2 million in disposables costs in the year ended December 31, 2023 compared to $17.8 million in the year ended December 31, 2022. The decrease in 2023 related to the reduction in activities in the second half of 2023 due to our Reorganization;
- We incurred $15.7 million in share-based compensation expenses in the year ended December 31, 2023 compared to $21.9 million in 2022. The decrease in 2023 of $6.1 million, compared to 2022, is primarily due to forfeitures as a result of the Reorganization and other severance, and a decrease in the fair value of awards granted;
- We incurred $6.8 million in other expenses in the year ended December 31, 2023 compared to $18.7 million in 2022. The decrease in costs in 2023 of $10.4 million, compared to 2022, is due to a decrease in contractual license expenses and a reduction in consultant-related expenses. For the year ended December 31, 2023 we incurred $3.1 million in contractual license expenses upon the EMA approval of HEMGENIX® in February 2023 while for the year ended December 31, 2022, we incurred $7.0 million of contractual license expense upon FDA approval of HEMGENIX® and $1.1 million contractual license expense for a valid patent claim granted within the EU; and
- We incurred $1.4 million of costs related to the impairment of the Lexington, MA facility right-of-use asset and related leasehold improvements for the year ended December 31, 2023 compared to nil in the prior period.

Selling, general and administrative expenses

Our general and administrative expenses consist principally of employee, office, consulting, legal and other professional and administrative expenses. We incurred expenses associated with operating as a public company, including expenses for personnel, legal, accounting and audit fees, board of directors' costs, directors' and officers' liability insurance premiums, Nasdaq listing fees, expenses related to investor relations and fees related to business development and maintaining our patent and license portfolio. Our selling costs include employee expenses as well as professional fees related to the preparation of a commercial launch of HEMGENIX® and advisory fees related to obtaining the CSL Behring Agreement.

Selling, general and administrative expenses for the year ended December 31, 2023 were $72.6 million, compared to $55.1 million for the year ended December 31, 2022.

- We incurred $24.8 million in personnel and contractor expenses in 2023 compared to $21.1 million in 2022. The increase in 2023 of $3.7 million, compared to 2022, was primarily related to the hiring of personnel and contractors to support our business operations. In 2023, we also incurred $0.4 million in severance expense related to the Reorganization;
- We incurred $16.1 million of share-based compensation expenses in 2023 compared to $15.7 million in 2022;
- We incurred $11.7 million in professional fees in 2023 compared to $7.1 million in 2022. We regularly incur accounting, audit and legal fees associated with operating as a public company. In the year ended December 31, 2023, we incurred additional costs in professional fees related to our global licensing agreement with Apic Bio, entering into the Royalty Purchase Agreement, and other corporate initiatives;
- We incurred $3.8 million and $1.0 million in financial advisory fees in relation to our licensing transaction with CSL Behring in the years ended December 31, 2023 and December 31, 2022;
- We incurred $3.8 million in intellectual property fees including registration and professional fees in the year ended December 31, 2023 compared to $1.5 million in 2022. The increase in 2023 compared to 2022 of $2.3 million is mainly related to an increase in professional fees; and
- We incurred $11.6 million in other operating expenses in 2023 compared to $7.9 million in 2022. The increase in 2023 compared 2022 of $3.7 million was primarily a result of an increase in information technology expenses.

Other items, net

In the year ended December 31, 2023, we recognized $0.8 million in other expense in relation to a reduction in the fair market value of our equity stake in VectorY B.V. following an October 2023 financing round. We recognized other income of $0.3 million related to the equity stake for the years ended December 31, 2022. We received the equity stake in VectorY B.V. in conjunction with a settlement agreement that the Company and VectorY B.V. entered into in April 2021.

In 2023, we recognized $5.0 million in income related to payments received from European authorities to subsidize our research and development efforts in the Netherlands compared to $5.6 million in 2022.

Other income for the years ended December 31, 2023 and 2022, also includes income from the subleasing of a portion of our Amsterdam facility. We present expenses related to such income as other expenses.

Finance (expense) / income, net

Our finance (expense) / income, net, for the years ended December 31, 2023, and 2022 was as follows:

	Years ended December 31,		
	2023	2022	2023 vs 2022
		$ in thousands	
Finance income:			
Interest income on cash and cash equivalents and investment securities	19,577	610	18,967
Foreign exchange income, net	—	23,235	(23,235)
Total finance income:	**19,577**	**23,845**	**(4,268)**
Finance expense:			
Interest expenses on Royalty Financing Agreement	(30,178)	—	(30,178)
Interest expenses on Hercules borrowing	(15,355)	(11,799)	(3,556)
Interest expense on leases	(4,315)	(4,031)	(284)
Foreign exchange losses, net	(1,692)	—	(1,692)
Interest expense on cash and cash equivalents	—	(173)	173
Total finance expense:	**(51,540)**	**(16,003)**	**(35,537)**
Finance (expense) / income, net	**(31,963)**	**7,842**	**(39,805)**

We recognize interest income associated with our cash and cash equivalents and investment securities. We recognized $19.6 million interest income in 2023 and $0.6 million in 2022. Interest income increased by $19.0 million in 2023 compared to 2022 as a result of earning interest income from investing the proceeds of our May 2023 Royalty Financing Agreement as well as the $100.0 million milestone payment collected from CSL Behring in July 2023 into debt securities. In addition, our interest income in 2023 and 2022 benefited from an increase in interest rates on cash on hand.

We recognized $51.5 million interest expense in 2023 and $16.0 million in 2022. Interest expense increased by $35.5 million in 2023 compared to 2022 due to the recognition of $30.2 million of accrued interest expense related to the Royalty Financing Agreement that we entered into in May 2023, a $3.6 million increase in interest expense on the Hercules debt due to an increase in market interest rates and a $0.3 million increase in interest expense on lease liabilities related to the lease of office and laboratory space.

We hold monetary items and enter into transactions in foreign currencies, predominantly in euros and U.S. dollars. We recognize foreign exchange results related to changes in these foreign currencies. In 2023, we recognized a net foreign currency loss of $1.7 million related to our borrowings from Hercules, the Royalty Financing Agreement and our cash and cash equivalents and investment securities as well as loans between entities within the uniQure group, compared to a net gain of $23.2 million in 2022.

Income tax

We recognized $2.3 million of deferred tax expense in 2023, compared to $1.8 million of deferred tax benefit in 2022. In 2023, deferred tax expense recorded in the U.S. related to the consumption of net operating losses, more than offset the deferred tax income recorded as a result of the buildup of net operating losses by the French entity.

Deferred tax income recorded in 2022 results from deferred tax benefits recorded related to the buildup of net operating losses by the French entity which are partially offset by deferred tax expense recorded in the U.S. as a result of the consumption of net operating losses. In addition, we recorded deferred tax expense resulting from the release of valuation allowance for the tax benefit of share issuance costs within the Netherlands in 2022.

Cash Flow and Cash Position

As of December 31, 2023, we had cash and cash equivalents, restricted cash and investment securities of $621.1 million. Until such time, if ever, as we can generate substantial cash flows from successfully commercializing our proprietary product candidates, we expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances and marketing, distribution, and licensing arrangements. Based on our current operating plan, research and development plans and our timing expectations related to the progress of our programs and following the Reorganization, we believe that our cash and cash equivalents and investment securities will fund our operations into second quarter of 2027. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we expect. We might not be able to finance our operations into the second quarter of 2027 from our existing cash, cash equivalents, and cash resources if we are not able to refinance the 2023 Amended Facility prior to the January 2027 maturity date. We expect that we will require additional funding if we decide to advance AMT-130 for our Huntington's disease gene therapy program or any of our other product candidates into late-stage clinical development.

The table below summarizes our consolidated cash flow data for the years ended December 31:

	Years ended December 31,		
	2023	2022	2023 vs 2022
		$ in thousands	
Cash and cash equivalents at the beginning of the period	228,012	556,256	(328,244)
Net cash used in operating activities	(135,825)	(143,023)	7,198
Net cash used in investing activities	(219,596)	(182,621)	(36,975)
Net cash generated from / (used in) financing activities	366,527	(827)	367,354
Foreign exchange impact	2,242	(1,773)	4,015
Cash and cash equivalents at the end of the period	**241,360**	**228,012**	**13,348**

We had previously incurred losses and cumulative negative cash flows from operations since our business was founded by our predecessor entity AMT Holding N.V. in 1998, with the exception of generating income in 2021 after receiving the upfront payment upon Closing of the CSL Behring Agreement. We continue to incur losses in the current period. We recorded a net loss of $302.6 million for the year ended December 31, 2023, and net loss of $135.4 million in 2022. As of December 31, 2023, we had an accumulated deficit of $896.0 million.

Net Cash used in operating activities

Net cash used in operating activities was $135.8 million for the year ended December 31, 2023, and consisted of a net loss of $302.6 million adjusted for non-cash items, including depreciation, amortization and impairment expense of $16.3 million, amortization of the premium on investment securities of $10.9 million, share-based compensation expense of $32.7 million, $51.4 million of interest expense, a change in deferred taxes of $2.4 million, $15.9 million change in the fair value of contingent consideration and unrealized foreign exchange gains of $2.1 million. Net cash generated from operating activities also included favorable changes in operating assets and liabilities of $73.0 million. There was a net increase in accounts receivable, prepaid expenses, and other current assets and receivables of $8.4 million. There was a net decrease in contract assets of $100.0 million related to the collection of the $100.0 million milestone due from CSL Behring in July 2023. There was an increase in inventory balances of $6.7 million. There was a net decrease in accounts payable, accrued expenses, other liabilities, and operating leases of $11.9 million, primarily related to a decrease of $4.2 million in accounts payable and a decrease of $7.7 million related to various accruals. Net cash used in operating activities also includes a payment for a contingent consideration milestone of $1.9 million.

Net cash used in operating activities was $143.0 million for the year ended December 31, 2022, and consisted of a net loss of $135.4 million adjusted for non-cash items, including depreciation and amortization expense of $12.2 million, share-based compensation expense of $37.9 million, changes in the fair value of contingent consideration of $7.1 million, unrealized foreign exchange gains of $22.6 million, a change in deferred taxes of $1.8 million, and other non-cash items, net, of $1.9 million. Net cash used in operating activities also included unfavorable changes in operating assets and liabilities of $42.5 million. There was a net increase in accounts receivable, prepaid expenses, and other current assets and receivables of $4.3 million. There was a net increase in contract assets related to CSL Behring milestone payments of $45.0 million. The net increase related to $100.0 million recognized as a contract asset in the current period and collection of $55.0 million of the contract asset related to the CSL milestones of $55.0 million in March 2022 and April 2022. There was an increase in inventories of $6.9 million related to the production of HEMGENIX® under the CSL Behring Agreement. These changes also relate to a net increase in accounts payable, accrued expenses and other liabilities of $13.8 million, primarily related to an increase in accounts payable.

Net cash used in investing activities

In 2023, we used $219.6 million in our investing activities compared to $182.6 million in 2022.

	Years ended December 31,	
	2023	2022
	$ in thousands	
Investment in investment securities	(366,439)	(163,146)
Proceeds from maturity of investment securities	167,907	—
Build out of Lexington site	(3,765)	(5,784)
Build out of Amsterdam site	(3,389)	(11,904)
Purchase of intangible assets	(6,509)	—
Contingent consideration milestone payment	(7,649)	—
Acquisition of remaining outstanding shares of uniQure France SAS	—	(1,900)
Receipt of bank deposit	248	113
Net cash used in investing activities	**(219,596)**	**(182,621)**

In the years ended December 31, 2023 and 2022, we invested $366.4 million and $163.1 million, respectively, of our cash on hand into euro and dollar denominated government bonds. In the year ended December 31, 2023 we received $167.9 million in proceeds from the maturing of investments securities.

In 2023, we invested $3.8 million in our facility in Lexington compared to $5.8 million in 2022. Our investments in 2023 are a result of improvements made to the lease facility and investment in office and laboratory equipment.

In 2023, we invested $3.4 million in the build out of our Amsterdam site compared to $11.9 million in 2022. Our investments in 2023 and 2022 are related to investments into equipment.

In September 2023, following the FDA's clearance of the IND application for AMT-260, we made a payment of $10.6 million to the former shareholders of uniQure France SAS based on contractually defined milestones. $9.6 million of this payment related to a contingent consideration of which $7.6 million was classified as cash flows from investing activities and $1.9 million was classified as a net cash flow used in operating activities.

We paid EUR 1.8 million ($1.9 million) to acquire the remaining outstanding shares of uniQure France SAS in February, July and September 2022.

Net cash generated from / (used in) financing activities

	Years ended December 31,	
	2023	2022
	$ in thousands	
Proceeds from Royalty Financing Agreement, net of transaction costs	370,062	—
Proceeds from issuance of ordinary shares related to employee stock option and purchase plans	308	1,445
Payments for principal portion of lease liability	(3,843)	(2,272)
Net cash generated from / (used in) financing activities	**366,527**	**(827)**

In June 2023, we received $370.1 million net proceeds from the Royalty Financing Agreement.

In 2023, we received $0.3 million from the exercise of options to purchase ordinary shares issued in accordance with our share incentive plans, compared to $1.4 million in 2022.

Equity

Shareholders' equity at December 31, 2023, amounted to $209.9 million compared to $474.2 million for December 31, 2022; a total of 47.8 million ordinary shares were issued and outstanding at December 31, 2023.

We had a net loss of $302.6 million in 2023 and $135.4 million in 2022. As of December 31, 2023, we had an accumulated deficit of $896.0 million.

Outlook 2024

Advancing development of Huntington product candidate ("AMT-130")

In the fourth quarter of 2023, the Company initiated patient dosing in a third cohort of up to 12 patients to further investigate both doses of AMT-130 in combination with perioperative immunosuppression, with a focus on evaluating near-term safety and tolerability. Enrollment in this cohort is expected to be completed in the second half of 2024.

In the second quarter of 2024, the Company expects to initiate regulatory interactions with the U.S. Food and Drug Administration (FDA) to discuss data from the ongoing Phase I/II studies and potential strategies for the further development of AMT-130. Before the end of 2024, the Company expects to have greater clarity regarding a potential approval pathway for AMT-130.

In mid-2024, the Company expects to provide an interim update from the ongoing Phase I/II studies of AMT-130, including up to 24- and 36-month follow-up data from all treated patients in the U.S. and European trials.

Initiation of clinical development for program pipeline

AMT-260 for the treatment of refractory mesial temporal lobe epilepsy (rMTLE) – In September 2023, the Company announced the clearance of an IND for the Phase I/IIa clinical study of AMT-260. Site initiation is underway, and patient enrollment is expected to begin in the first half of 2024.

AMT-162 for the treatment of SOD1 amyotrophic lateral sclerosis (ALS) - In January 2023, the Company entered into a global licensing agreement with Apic Bio for ABP-102, now known as AMT-162, for the treatment of superoxide dismutase 1 (SOD1) ALS, a rare, genetic form of ALS. Patient enrollment in a Phase I/II clinical trial is expected to begin in the first half of 2024.

AMT-191 for the treatment of Fabry disease – In November 2023, the Company announced the clearance of an IND for the Phase I/IIa clinical study of AMT-191. Patient enrollment is expected to begin in the first half of 2024.

3 Risk management

Risk appetite

We are developing gene therapy products for the treatment of rare diseases. The development and commercialization of gene therapy products is a multi-year process involving many risks that can result in delays or even termination of product development efforts. Advancing our product candidates to the commercial stage requires considerable financial resources. We believe, based on our current operating plan, research and development plans and our timing expectations related to the progress of our programs and following the Reorganization, that our cash and cash equivalents and investment securities will fund our operations into second quarter of 2027. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we expect. We expect that we will require additional funding if we decide to advance AMT-130 for our Huntington's disease gene therapy program or any of our other product candidates into late-stage clinical development. As a development-stage biotechnology company, acceptance of these industry risks forms part of our strategy.

We strive to mitigate these industry risks by ensuring that we strictly comply with the rules and regulations governing our highly regulated industry. We have established and maintain adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of our financial reporting as well as processes to ensure that we comply with the rules and regulations defined by the SEC as well as Nasdaq listing standards. Compliance with these rules and regulations is necessary for us to maintain access to external funding, which may be critical for us.

a) Summary Risk Factors

Below is a summary of the principal risks associated with an investment in our ordinary shares speculative or risky:

- We are dependent on the success of our lead product candidate in clinical development, AMT-130 for the treatment of Huntington's disease. A failure of AMT-130 in clinical development, challenges associated with its regulatory pathway, or its inability to demonstrate sufficient efficacy to warrant further clinical development could adversely affect our business.
- We have encountered and may encounter future delays in and impediments to the progress of our clinical trials or fail to demonstrate the safety and efficacy of our product candidates.
- Our progress in early-stage clinical trials may not be predictive of long-term efficacy in late-stage clinical trials, and our progress in trials for one product candidate may not be predictive of progress in trials for other product candidates.
- We may not be successful in our efforts to use our gene therapy technology platform to build a pipeline of additional product candidates or otherwise leverage our research and technology to remain competitive.
- Our future success depends on our ability to retain key executives, technical staff, and other employees and to attract, retain and motivate qualified personnel.
- Actions that we have taken to restructure our business in alignment with our strategic priorities may not be as effective as anticipated, may not result in cost savings to us and could disrupt our business.
- Gene therapies are complex, expensive and difficult to manufacture. We could experience capacity, production or technology transfer challenges that could result in delays in our development or commercialization schedules or otherwise adversely affect our business.
- We will need to raise additional funding in order to advance the development of our product candidates, which may not be available on acceptable terms, or at all. Failure to obtain capital when needed may force us to delay, limit or terminate our product development efforts or other operations which could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- We had net losses in the years ended December 31, 2023 and 2022, have incurred significant losses in previous years and expect to incur losses during the current and over the next several years and may never achieve or maintain profitability.
- The price of our ordinary shares has been and may in the future be volatile and fluctuate substantially.

- If we do not achieve our projected development goals in the timeframes we announce and expect, the commercialization of our product candidates may be delayed and, as a result, our stock price may decline.
- If we are unable to obtain and maintain patent protection for our technology and products, or if the scope of the patent protection is not sufficiently broad, our ability to successfully commercialize our products may be impaired.
- We may become involved in lawsuits to protect or enforce our patents or other intellectual property, or third parties may assert their intellectual property rights against us, which could be expensive, time consuming and unsuccessful.
- We rely, and expect to continue to rely, on third parties to conduct, supervise, and monitor our preclinical studies and clinical trials, and those third parties may not perform satisfactorily, including failing to meet deadlines in the conduct or completion of such trials or failing to comply with regulatory requirements.
- We rely on third parties for important aspects of our development programs. If these parties do not perform successfully or if we are unable to enter into or maintain key collaborations or other contractual arrangements, our business could be adversely affected.
- We face substantial competition, and others may discover, develop, or commercialize competing products before or more successfully than we do.
- Our business development strategy depends on our ability to obtain rights to key technologies through in-licenses and support the development of our product pipeline through out-licenses, and those efforts may not be successful.
- Our business development strategy may not produce the cash flows expected or could result in additional costs and challenges.
- We may be adversely affected by unstable market and economic conditions, such as inflation, which may negatively impact our business, financial condition and stock price.

b) Internal risk management and control system

We have developed an internal risk management and control system that is tailored to the risk factors that are relevant to us. Our controls frequently entail involvement of the Board and Senior Management. Our internal risk management and control systems are regularly discussed with the Board.

The Board is responsible for designing, implementing and operating our internal risk management and control systems. The objective of these systems is to manage in an effective and efficient manner the significant risks to which we are exposed. Our internal risk management and control systems are designed to provide reasonable assurance that these objectives are met. Such systems can never provide absolute assurance regarding achievement of our objectives, nor can they provide absolute assurance that material errors, losses, fraud, and the violation of laws or regulations will not occur. A summary of the risks that could have prevented us from realizing our objectives is included in the section 'Risk Factors' of this report.

Our internal risk management and control systems make use of various measures including:

- Annual strategic evaluations of our business;
- Periodic operational review meetings of our Leadership Team comprising our executive director of the Board and Senior Management;
- Quarterly review of the financial position and prospects as part of our Board meetings;
- A planning and control cycle consisting of annual, quarterly and monthly procedures, including subsequent follow-up on achievements of targets set;
- A system of internal controls and procedures; and
- An Audit Committee that meets regularly with the executives and Senior Management as well as the independent auditors.

We maintain controls and procedures designed to:

- Ensure that records are maintained, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with International Financial Reporting Standards ("IFRS"), and that receipts and expenditures of the Company are being made only by authorized employees in accordance with documented authorizations; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness for future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Based on the evaluation of our Company's disclosure controls and procedures as of December 31, 2023, our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") concluded that our disclosure controls and procedures were effective.

Director's Annual Report on Internal Control Over Financial Reporting

The Board is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended ("Exchange Act"), and in accordance with the Dutch Corporate Governance Code. This rule defines internal control over financial reporting as a process designed by, or under the supervision of, a company's chief executive officer and chief financial officer and effected by its board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

We assessed the effectiveness of our internal control over financial reporting as of December 31, 2023. This assessment was performed under the direction and supervision of our CEO and CFO and based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Our management's assessment of the effectiveness of our internal control over financial reporting included testing and evaluating the design and operating effectiveness of our internal controls. In our management's opinion, we have maintained effective internal control over financial reporting as of December 31, 2023, based on criteria established in the COSO 2013 framework.

The Code also requires the Board to confirm, and the Board hereby confirms, that:

i. The Report of the Board provided sufficient insights into any failings in the effectiveness of the internal risk management and control systems;

ii. The aforementioned systems provided reasonable assurance that the financial reporting does not contain any material inaccuracies;

iii. Based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis; and

iv. The Report states those material risks and uncertainties that are relevant to the expectations of the Company's continuity for the period of twelve months after the preparation of the Report.

Additional information

In addition to the information contained in this Annual Report, we also filed Consolidated Financial Statements for 2023 of uniQure N.V. prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") with the SEC on February 28, 2024, as part of our Annual Report on Form 10-K for the year ended December 31, 2023, which is available on the Company's website.

4 Governance and compliance

We monitor and assess applicable Dutch and U.S. federal and state corporate governance codes, rules, and regulations. For this fiscal year covered by this report, we apply the Dutch Corporate Governance Code 2022 (the "Code"). We also are required to comply with all applicable U.S. securities laws and regulations, including the rules and regulations promulgated by the SEC pursuant to the Exchange Act and the Sarbanes-Oxley Act of 2002, as well as the Nasdaq listing rules.

Our corporate governance structure is based on the requirements of the Dutch Civil Code, the Company's Articles of Association and the rules and regulations applicable to companies listed on Nasdaq. These procedures include a risk management and control system, as well as a system to assure compliance with laws and regulations.

When in this chapter a reference is made to Articles of Association, this shall be a reference to the Company's Articles of Association, as amended by deed on June 22, 2021.

a) Board

All members of the Board, both the executive director and the non-executive directors, are collectively responsible for the management performed by the one-tier Board and the general policy and strategy of the Company. The executive director manages the day-to-day management of the Company and is supported by the leadership team of the Company. The leadership team is identified as the chief operating decision-maker and reviews the consolidated operating results regularly to make decisions about the resources and the technology progress, and to assess overall performance. The non-executive directors focus on the supervision on the policy and functioning of the executive director and the general state of affairs within the Company. The division of tasks and responsibilities, the manner in which decisions are taken and all other matters concerning the Board are laid down in the Corporate Governance Guidelines and Rules for the Board of Directors, which is effective as of April 14, 2017 and published on the Company's website. The Board is supported by a secretary, who is appointed by the Board. The executive director and non-executive directors are appointed as such at the annual general meeting of the shareholders (the "General Meeting") at the binding nomination of the non-executive directors. The General Meeting may at all times overrule a binding nomination by a resolution adopted by at least a two-thirds majority of the votes cast, provided such majority represents more than half the issued share capital. The Board determines the number of executive directors and non-executive directors, provided that the number of executive directors shall at all times be less than the number of non-executive directors. Only natural persons can be non-executive directors. The General Meeting shall at all times be entitled to suspend or dismiss a Board member. The Board shall also at all times be entitled to suspend (but not dismiss) an executive director.

The Board shall appoint an executive director as CEO. The Board shall furthermore appoint a non-executive director to be Chairman of the Board for such period as the Board may decide.

The Board, as well as two executive directors acting jointly, are authorized to represent the Company. In case only one executive director is in office, such executive director is authorized to represent the Company independently.

Under the Company's Articles of Association, members of the Board are appointed for a maximum term of four (4) years, provided that, unless a Board Member resigns earlier, his term shall end at the close of the General Meeting to be held in the fourth year after the date of his appointment. A Board Member may be reappointed with due observance of the preceding sentence. The Articles of Association provide that the Board shall draw up a retirement schedule for the directors of the Board.

The current practice of the Board is to nominate members for terms of three years. Pursuant to that practice, all Board Members are currently serving three-year terms. The following table sets out information with respect to the executive and non-executive directors of the Board, and their ages and position at the Company as of the date of this annual report. The business address of the executive and non-executive directors of the Board is our registered office address at Paasheuvelweg 25, 1105 BP, Amsterdam, The Netherlands.

Name	Age[1]	Nationality	Position	Member Since	Term Expires
Mr. Matthew Kapusta	51	American	Executive Director	2016	2025
Mr. David Meek	60	American	Non-Executive Director, Chairman of the Board	2018	2024
Mr. Madhavan Balachandran[2]	73	American	Non-Executive Director	2017	2026
Mr. Robert Gut	59	American	Non-Executive Director	2018	2025
Ms. Rachelle Jacques	52	American	Non-Executive Director	2021	2024
Mr. Jack Kaye[2]	80	American	Non-Executive Director	2016	2026
Mr. Leonard Post[2]	71	American	Non-Executive Director	2020	2026
Ms. Paula Soteropoulos[3]	56	American	Non-Executive Director	2013	2024
Mr. Jeremy P. Springhorn[2]	61	American	Non-Executive Director	2017	2026

[1] As of March 31, 2024.

[2] Reappointed at AGM held on June 13, 2023.

[3] On April 9, 2024, Ms. Soteropoulos notified us that she will not stand for re-election to the Board when her current term expires at the 2024 Annual Meeting. Upon the expiration of her term as a director, Ms. Soteropoulos will also cease serving as a member of our Nominating and Corporate Governance Committee and as a member of our Research and Development Committee.

MATTHEW KAPUSTA has been Chief Executive Officer of uniQure since December 2016, and currently serves on our Board. Mr. Kapusta also served as our Chief Financial Officer from January 2015 until June 2021. Prior to joining uniQure, Mr. Kapusta held executive roles at AngioDynamics (Nasdaq: ANGO) from 2011 to 2015 and Smith & Nephew (NYSE: SNN) from 2009 to 2011. Mr. Kapusta's career also includes more than a decade of investment banking experience focused on emerging life-sciences companies. Mr. Kapusta was Managing Director, Healthcare Investment Banking at Collins Stewart, and held various positions at Wells Fargo Securities, Robertson Stephens, and PaineWebber. Mr. Kapusta holds an MBA from New York University's Stern School of Business, a B.B.A. from University of Michigan's Ross School of Business and earned his C.P.A license while at Ernst & Young. Mr. Kapusta has served as a director of Decibel Therapeutics (Nasdaq: DBTX) since March 2023. We believe that Mr. Kapusta is qualified to serve as our Chief Executive Officer and as an Executive Director due to his broad expertise in the life science and finance industries.

DAVID MEEK has served as a member of our Board since June 2018 and as Chair of our Board since June 2021. Mr. Meek has more than 30 years of experience in the biopharmaceutical industry in which he has held various global executive positions in major pharmaceutical and biotechnology companies. Mr. Meek served as Chief Executive Officer and Director of Mirati Therapeutics, Inc. (Nasdaq: MRTX), a publicly traded commercial-stage oncology company, from September 2021 to August 2023. Mirati has since been acquired by Bristol Myers Squibb. From January 2020 to March 2021, Mr. Meek served as President, Chief Executive Officer and Director of FerGene, Inc., a biotechnology company focused on gene therapies for the treatment of cancer. From July 2016 to January 2020, Mr. Meek served as Chief Executive Officer and Director of Ipsen, a publicly traded global biopharmaceutical company based in France. Prior to joining Ipsen, Mr. Meek held executive leadership roles including serving as Executive Vice President and President of Oncology at Baxalta Incorporated from 2014 to 2016 leading up to its acquisition by Shire, and serving as Chief Commercial Officer of Endocyte, Inc. from 2012 to 2014. He also served in executive leadership roles at Novartis Pharmaceuticals Corporation and Novartis Oncology from 2005 to 2012, after beginning his career at Johnson & Johnson, Inc. and Janssen Pharmaceuticals, Inc. from 1989 to 2004. Mr. Meek has served as a non-executive director of Fusion Pharmaceuticals Inc. (Nasdaq: FUSN), a radiopharmaceuticals biotechnology company, since October 2023. Mr. Meek served on the boards of Pharmaceutical Research & Manufacturers of America and European Federation of Pharmaceutical Industries & Associations. He also previously served on the board of directors of Entasis Therapeutics Inc. from June 2019 to July 2022 (acquired by Innoviva, Inc.). Mr. Meek holds a B.A. from the University of Cincinnati. We believe Mr. Meek is qualified to serve as a Non-Executive Director due to his extensive experience in the biotechnology industry.

MADHAVAN BALACHANDRAN has served as a member of our Board since September 2017. Mr. Balachandran served as a director of Catalent, Inc. (NYSE: CTLT) from May 2017 to January 2024. Mr. Balachandran was Executive Vice President, Operations of Amgen Inc., a global biotechnology company, from August 2012 until July 2016 and retired as an Executive Vice President in January 2017. Mr. Balachandran joined Amgen in 1997 as Associate Director, Engineering. He became Director, Engineering in 1998, and, from 1999 to 2001, he held the position of Senior Director, Engineering and Operations Services before moving to the position of Vice President, Information Systems from 2001 to 2002. Thereafter, Mr. Balachandran was Vice President, Puerto Rico Operations from May 2002 to February 2007. From February 2007 to October 2007, Mr. Balachandran was Vice President, Site Operations, and from October 2007 to August 2012, he held the position of Senior Vice President, Manufacturing. Prior to his tenure at Amgen, Mr. Balachandran held leadership positions at Copley Pharmaceuticals, now a part of Teva Pharmaceuticals Industries Ltd., and Burroughs Wellcome Company, a predecessor before mergers of GlaxoSmithKline plc. Mr. Balachandran holds a Master of Science degree in Chemical Engineering from The State University of New York at Buffalo, a Bachelor's degree in Chemical Engineering from the Indian Institute of Technology, Bombay, and an MBA from East Carolina University. We believe Mr. Balachandran is qualified to serve as a Non-Executive Director due to his extensive experience in the biotechnology industry.

ROBERT GUT, M.D., PH.D. was elected to his current term as a Non-Executive Director in June 2022. Dr. Gut first joined our Board in June 2018 and previously served as both a Non-Executive and an Executive Director. He also served as our Chief Medical Officer from August 2018 until October 2020. As our Chief Medical Officer, Dr. Gut led clinical development, clinical operation, and medical team activities that successfully initiated and executed our HOPE-B pivotal trial of etranacogene dezaparvovec for hemophilia B and our Phase 1/2 clinical trial of AMT 130 for the treatment of Huntington's disease. In October 2020, he resigned as Chief Medical Officer and as Executive Director (because under Dutch law, our Executive Directors must hold an executive position with the Company). In December 2020, he was reappointed to the Board as a Non-Executive Director. Dr. Gut has more than 25 years of experience in the biopharmaceutical industry-leading, clinical development, and medical affairs activities in rare disorders and other therapeutic areas. For most of his career, Dr. Gut worked at Novo Nordisk Inc. (NYSE: NVO), where he headed the company's U.S. Biopharm Medical organization with leading products in hemophilia, endocrinology, and women's health (NovoSeven®, Norditropin®, and Vagifem®), totaling approximately $1.6 billion in U.S. revenue. Over his career, Dr. Gut has worked on many INDs and BLAs submissions, early-stage and late-stage drug development. He helped to achieve 11 different FDA and EMA approvals and the successful launches of those products overseeing medical activities, including medical science liaisons and health economics and outcomes teams building. He has also served for the FDA's Center for Drug Evaluation and Research as a member of the Advisory Committees for Reproductive Health Drugs and Drug Safety and Risk Management. Dr. Gut was the Chief Medical Officer of Versartis, Inc. in 2017. He received his Doctor of Medicine degree from the Medical University of Lublin and his Doctorate from the Lublin Institute of Medicine, Poland. He attended numerous postgraduate programs at Wharton, Stanford, and Harvard Business School. We believe Dr. Gut is qualified to serve as a Non-Executive Director due to his extensive experience in the biotechnology industry.

RACHELLE JACQUES has served as a member of our Board since October 2021. Ms. Jacques has more than 25 years of industry experience, with strong global experience in strategic, cross-functional leadership roles spanning finance, business operations, manufacturing and commercial, including the successful launches of several novel therapies for rare diseases. Ms. Jacques currently serves as President and Chief Executive Officer of Akari Therapeutics, Inc. a late-stage biopharmaceutical company focused on innovative therapeutics to treat orphan autoimmune and inflammatory diseases, a position which she has held since her appointment in March 2022. From February 2019 to March 2022, Ms. Jacques has served as the Chief Executive Officer of Enzyvant Therapeutics, Inc. focusing on the development of transformative regenerative therapies for rare diseases. From August 2017 to February 2019, she served as Senior Vice President and Global Complement Franchise Head at Alexion Pharmaceuticals, Inc. where she was responsible for global franchise strategy development and execution across the therapeutic areas of hematology, nephrology, and neurology. From January 2016 to June 2017, she served as Vice President of U.S. Hematology Marketing at Baxalta Incorporated and then Shire plc, following Shire's acquisition of Baxalta in 2016. From July 2015 to June 2016, Ms. Jacques served as Vice President of Business Operations at Baxalta after its spinoff from Baxter International. Ms. Jacques held multiple leadership positions at Baxter, including Vice President of Finance, U.S. BioScience Business. Earlier in her career, Ms. Jacques served in various roles at Dow Corning Corporation, including operational management positions in the U.S., Europe, and China. Ms. Jacques received her B.A. in business administration from Alma College. Earlier in her career Ms. Jacques served as a financial auditor for Ernst & Young and Deloitte & Touche. Ms. Jacques has served on the board of directors of Corbus Pharmaceuticals (Nasdaq: CRBP) since April 2019 and previously served on the board of directors of Viela Bio from April 2020 to February 2021. She is a founding member of the Alliance for Regenerative Medicine (ARM) Action for Equality Task Force, and is a member of the board of trustees of Alma College. We believe Ms. Jacques is qualified to serve as a Non-Executive Director due to her extensive experience in the biotechnology industry.

JACK KAYE has served as a member of our Board since 2016. Mr. Kaye serves as Chair of our Audit Committee and as a member of our Compensation Committee. Mr. Kaye has served on the board of directors of Dyadic International, Inc. (OTC: DYAI) since February 2015, and on the board of directors of TDA Industries, Inc., a private company, since February 2024. At Dyadic, Mr. Kaye serves as Chair of the company's audit committee and as a member of the compensation committee. He has also served as Chairman of the audit committee of Keryx Biopharmaceuticals, Inc. (Nasdaq: KERX) from 2006 to 2016. Mr. Kaye was a partner at Deloitte LLP from 1978 until May 2006. At Deloitte, he was responsible for servicing a diverse client base of public and private, global, and domestic companies in a variety of industries. Mr. Kaye has extensive experience consulting with clients on accounting and reporting matters, private and public debt financings, SEC rules and regulations, corporate governance, and Sarbanes-Oxley matters. Prior to retiring, Mr. Kaye served as Partner-in-Charge of Deloitte's Tri-State Core Client practice, a position he held for more than 20 years. Mr. Kaye has a Bachelor of Business Administration from Baruch College and is a Certified Public Accountant. We believe that Mr. Kaye is qualified to serve as a Non-Executive Director due to his extensive accounting and financial experience.

LEONARD POST, PH.D. has over 35 years of experience in the pharmaceutical industry, where he has held various global executive positions and has extensive experience in the research and development of product candidates. From 2016 to January 2024, Dr. Post has served as Chief Scientific Officer of Vivace Therapeutics, an oncology company working on small molecules targeting the hippo pathway and, from 2018 to January 2024, as Chief Scientific Officer of its sister company Virtuoso Therapeutics, a company working on bispecific antibodies for oncology. From February 2010 until June 2016, Dr. Post worked at BioMarin (Nasdaq: BMRN), in various positions including Chief Scientific Officer. During that time, he oversaw the initiation of BioMarin's first gene therapy project for hemophilia A. Prior to that, Dr. Post served as Chief Scientific Officer of LEAD Therapeutics, Senior Vice President of Research & Development at Onyx Pharmaceuticals, and Vice President of Discovery Research at Parke-Davis Pharmaceuticals. He is also currently an advisor to Canaan Partners. Dr. Post is a virologist by training and did early work on the engineering of the herpes simplex virus as a post-doctoral fellow. He has a Bachelor of Science degree in Chemistry from the University of Michigan, and a Doctorate degree in Biochemistry from the University of Wisconsin. We believe Dr. Post is qualified to serve as a Non-Executive Director due to his extensive experience in the biotechnology industry.

PAULA SOTEROPOULOS has served as a member of our Board since July 2013. Ms. Soteropoulos is an executive leader with more than 30 years of experience in the biopharmaceutical industry in areas of drug development, manufacturing, business development, global commercialization and company building. She currently serves as the Interim Chief Executive Officer of Ensoma, a private venture-backed company, a position she has held since January 2024, as well as Chairman of the board of directors of Ensoma since October 2021. She has served on the board of directors of Rallybio Corporation since November 2020 and on the board of directors of Dianthus Therapeutics, Inc. since May 2020. Since January 2023, she also has served as a Venture Partner to 5AM Ventures. From January 2015 through September 2019, she served as President and Chief Executive Officer of Akcea Therapeutics, Inc. (Nasdaq: AKCA). From July 2013 to December 2014, she served as Senior Vice President and General Manager, Cardiometabolic Business and Strategic Alliances at Moderna Therapeutics Inc. Ms. Soteropoulos previously worked at Genzyme Corporation, a biotechnology company, from 1992 to 2013, most recently as Vice President and General Manager, Cardiovascular, Rare Diseases. Ms. Soteropoulos holds a B.S. in chemical engineering and an M.S. in chemical and biochemical engineering, both from Tufts University, and holds an executive management certificate from the University of Virginia, Darden Graduate School of Business Administration. Ms. Soteropoulos serves on the Advisory Board for the Chemical and Biological Engineering Department of Tufts University. We believe Ms. Soteropoulos is qualified to serve as a Non-Executive Director due to her extensive experience in the biotechnology industry.

JEREMY P. SPRINGHORN, PH.D. has served as a member of our Board since September 2017. Since April 2021, Dr. Springhorn has been Chief Executive Officer of Nido Biosciences, a developer of small molecule therapeutics. Prior to taking his position at Nido, Dr. Springhorn was Chief Business Officer of Syros Pharmaceuticals, Inc. (Nasdaq: SYRS) from November 2017 until April 2021. Prior to taking his position at Syros, Dr. Springhorn served as Partner, Corporate Development at Flagship Pioneering from March 2015 until June 2017 where he worked with VentureLabs in helping companies in various strategic and corporate development capacities, creating next generation startups, and working with Flagship's Corporate Limited Partners. Prior to joining Flagship, Dr. Springhorn was one of the original scientists at Alexion Pharmaceuticals, Inc. (Nasdaq: ALXN) and was one of the original inventors of the drug Soliris®. At Alexion Pharmaceuticals, Dr. Springhorn was Vice President of Corporate Strategy and Business Development from 2006 until March 2015. Dr. Springhorn started at Alexion in 1992, where he served in various leadership roles in R&D before switching to Business Development in 2006. Prior to 1992, Dr. Springhorn received his Ph.D. from Louisiana State University Medical Center in New Orleans and his BA from Colby College. We believe Dr. Springhorn is qualified to serve as a Non-Executive Director due to his extensive experience in the biotechnology industry.

Meetings and board committees

We have established an Audit Committee ("Audit Committee"), a Compensation Committee ("Compensation Committee"), a Nominating and Corporate Governance Committee ("Nominating and Corporate Governance Committee"), and a Research and Development Committee ("Research and Development Committee") (collectively, the "Committees"). The charter of the Compensation Committee and the Nominating and Corporate Governance Committee were amended in June 2018 and the charter of the Audit Committee was amended in March 2024. The charter of the Research and Development Committee was established in December 2019. The charters are published at our website.

Meetings

In 2023, the Board held ten (10) meetings in person and by means of a video conference call. During these meetings and also in informal communications among its members, extensive discussions were held to ensure the continuity of high-level management of the Company. The Chairman sets the agenda and ensures that the directors receive accurate information in time. During these formal meetings and discussions, the Board primarily focuses on the objectives and strategy of uniQure, the main risks of its business, the assessment made by the executive directors of the design and effectiveness of the internal risk management and control systems, the progress made on clinical development, corporate governance, the financial budgets, the operational plan and the annual and quarterly consolidated financial statements. Specifically, pursuant to the Company's Corporate Governance Guidelines and Board Rules, the Board is charged with assessing major risks facing the Company and reviewing options to mitigate such risks. The Board performs this oversight role by using several different levels of review. In connection with its reviews of the operations and corporate functions of the Company, the Board addresses the primary risks associated with those operations and corporate functions. In addition, the Board reviews the risks associated with the Company's business strategies periodically throughout the year as part of its consideration of undertaking any such business strategies.

The Board has delegated certain risk oversight responsibilities to the Committees. Each of our Committees also oversees the management of the Company's risk that falls within each Committee's areas of responsibility. In performing this function, each Committee has full access to management, as well as the ability to engage advisors. For example, the Audit Committee is required to regularly review and discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures. In addition, the Audit Committee is responsible for the oversight of risks from cybersecurity threats and receives regular updates from senior management, including leaders from our information technology, legal and compliance teams regarding matters of cybersecurity. The Nominating and Corporate Governance Committee is required to regularly review the corporate governance principles of the Company and recommend to the Board any proposed changes it may deem appropriate. The Compensation Committee considers risks related to the attraction and retention of professional talent and the implementation and administration of compensation and benefit plans affecting the Company's employees. The Research and Development Committee serves as an advisory body to the Board in matters related to the Company's technology and evaluates the function and effectiveness of the Company's research, development, manufacturing operations, clinical operations, and other technical, scientific and medical operations. All Committees are required, pursuant to their respective charters, to report regularly to the Board. The activities of the Audit, Nominating and Corporate Governance and Compensation as well as the Research and Development Committees are more fully described below.

Throughout 2023, the Board actively reviewed progress on the advancement and expansion of our pipeline of gene therapy product candidates, including AMT-130 for the treatment of Huntington's disease, AMT-260 for the treatment of Temporal Lobe Epilepsy, AMT-162 for the treatment of SOD-1 Amyotrophic Lateral Sclerosis and AMT-191 for the treatment of Fabry disease, along with our approved product HEMGENIX® for the treatment of Hemophilia B, which we have licensed to CSL-Behring for commercialization.

Attendance at the Board meetings during 2023 was as follows:

	Number of meetings	Meetings attended
David Meek (Chair)	10	10
Matthew Kapusta	10	10
Paula Soteropoulus	10	9
Jack Kaye	10	9
Jeremy Springhorn	10	10
Madhavan Balachandran	10	10
Robert Gut	10	10
Rachelle Jacques	10	10
Leonard Post	10	10

Audit Committee

Our Audit Committee currently consists of our non-executive directors Mr. Kaye, Ms. Jacques and Dr. Springhorn. Mr. Kaye serves as the Chair of the Audit Committee. Each member attended at least 75% of the meetings of the committee for the time they served on the committee. Each member satisfies the independence requirements of Nasdaq listing standards, and Ms. Jacques and Mr. Kaye qualify as an audit committee financial expert pursuant to Section 407 of the U.S. Sarbanes-Oxley Act of 2002 and as determined by the Board. The Audit Committee oversees our accounting and financial reporting processes, the funding of the Company and the audits of our consolidated financial statements. In addition to the risk oversight responsibilities discussed above, the Audit Committee assists the Board and is responsible for:

- Recommending the selection of our independent registered public accounting firm;
- Reviewing with the Company's independent registered public accounting firm the procedures for and results of their audits;
- Reviewing with the independent accountants and management our financial reporting, internal controls and internal audit procedures;
- Reviewing and approving related party transactions; and
- Reviewing matters relating to the relationship between the Company and our independent registered public accounting firm, including the selection of and engagement fee for our independent registered public accounting firm, and assessing the independence of the independent registered public accounting firm.

The Audit Committee has the authority to engage independent legal, accounting and other advisers, as it determines necessary to carry out its duties. The Audit Committee reviews regularly and discusses with management the Company's major financial, income tax and information technology related risk exposures and the steps management has taken to monitor and control such exposures. The Audit Committee met seven (7) times during 2023. During these meetings, the committee discussed the reports of the Disclosure Committee, internal controls, related party transactions, the whistle blower hotline, the (interim) financial statements, the actual financial results of each of the quarters, securities filings and financial press releases as well as the audit approach and the budget for 2023 and 2024. The Audit Committee held quarterly discussions with the auditor as well as an annual meeting with the external auditor without management present.

The Audit Committee annually reviews the independent registered public accounting firm's independence, including reviewing all relationships between the independent registered public accounting firm and us and any disclosed relationships or services that may impact the objectivity and independence of the independent registered public accounting firm, and the independent registered public accounting firm's performance.

Compensation Committee

Our Compensation Committee currently consists of our non-executive directors Mr. Balachandran, Mr. Kaye and Mr. Meek. Mr. Balachandran serves as Chair of the Compensation Committee. Each of them attended at least 75% of the meetings of the committee for the time they served on the committee. Each member satisfies the independence requirements of Nasdaq listing standards. The Compensation Committee assists the Board in reviewing and approving or recommending our compensation structure, including all forms of compensation relating to our non-executive and executive directors as well as senior management. Members of our senior management (other than the General Counsel) may not be present at any committee meeting while the compensation of that person is deliberated, and the practice of the committee is to hold discussions on the compensation of any executive director as well as other compensation matters in executive session. The Compensation Committee has the authority to retain compensation consultants and other outside advisors to assist in the evaluation of executive officer compensation.

Subject to the terms of the compensation policy approved by our General Meeting and as required by Dutch law, the Compensation Committee assists the Board and is responsible for:

- Reviewing and approving or recommending to the Board for approval, as appropriate, the compensation of our executive officers following consideration of corporate goals and objectives relevant to such executive officers;
- Overseeing the evaluation of the Company's senior executives;
- Reviewing and making recommendations to the Board regarding incentive compensation and equity-based plans; and
- Administering our stock option plans.

The Compensation Committee met nine (9) times during 2023. The committee discussed the long-term incentive grant guidelines, the compensation terms of our newly recruited executives, the terms and conditions of our executive compensation, and assessed the Company's 2023 corporate goals. The remuneration policy provides for fixed pay, incentives and benefits. The fixed pay is in cash and is paid monthly. The fixed pay is set at the median of the appropriate peer group. Benefits include provisions of death, disability and medical insurance cover, directors' liability insurance and tax returns preparation costs. The Company has established a long-term incentive plan and sets incentives on a year-to-year delivery basis in support of the strategic and corporate goals as part of the ongoing enhancement of shareholders value. The target annual bonus of the CEO is 60% of the fixed pay adjusted by the corporate factor. The corporate factor is the outcome of the assessment of the achievement of the corporate goals. Over 2023 the Board assessed the corporate factor at 90%.

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee consists of our non-executive directors Mr. Springhorn, Ms. Soteropoulos and Mr. Meek. Each of them attended at least 75% of the meetings of the committee for the time they served on the committee. Each member satisfies the independence requirements of Nasdaq listing standards. The Nominating and Corporate Governance Committee assists the Board in selecting individuals qualified to serve as an executive or non-executive director of the Board and in determining the composition of the board and its committees.

The Nominating and Corporate Governance Committee assist the Board and is responsible for, among other things:

- Identifying individuals qualified to become Board members and to recommend to the Board the nominees for director at annual general meetings of Shareholders;
- Recommending to the Board nominees for each committee; developing and recommending to the Board corporate governance principles applicable to the Company; and
- Leading the Board in its annual review of the Board's performance.

The Nominating and Corporate Governance Committee met five (5) times during 2023. The committee discussed the composition of the committees, the selection of new non-executive members, the appointment of an additional non-executive member, and conducted a review of the Company's policies related to corporate governance.

Research and Development Committee

Our Research and Development Committee consists of our non-executive directors Mr. Post, Dr. Gut, Ms. Soteropoulos and Mr. Springhorn. Each of the members of the committee attended at least 75% of the meetings held for the time they served on the committee. The members of this committee are not subject to independence requirements of Nasdaq listing standards. The Research and Development Committee serves as an advisory body to the Board in matters related to the Company's technology, research and development activities, product pipeline, and manufacturing platform (the "Company's Technology").

The Research and Development Committee assist the Board and is responsible for, among other things:

- Advising the Board on the strategic direction of the Company with respect to the Company's Technology;
- Evaluating the function and effectiveness of the Company's research, development, manufacturing operations, clinical operations, and other technical, scientific and medical operations;
- Conferring with officers and employees of the Company as needed on matters related to the Company's technology; and
- Performing other tasks customarily performed by research and development committees as may be reasonably required to effectively advise the Board on matters associated with the Company's Technology.

The Research and Development Committee met five (5) times during 2023. The committee discussed the status of various programs, reviewed potential business development transactions, evaluated the Company's manufacturing, quality and clinical operations, and reviewed the Company's research and development pipeline.

b) Corporate governance

In addition to U.S. securities laws, Nasdaq listing standards and rules and regulations as promulgated by the SEC, as a Dutch company, our governance practices are governed by the Code, a copy of which is available at the website of the Monitoring Committee Corporate Governance Code, www.mccg.nl. The Code contains a comply-or-explain principle, offering the possibility to deviate from the Corporate Governance Code and still comply, provided such deviations be explained. The Company, as a domestic filer under SEC and Nasdaq rules, recognizes that the Code and the SEC rules do not always align. In the event of non-alignment between applicable U.S. rules and the Code, it is permissible for the Company to deviate from the Code provided the Company explains such deviation. In essence, the Company complies with most of the principles and best practice provisions of the Code. In certain cases, the Company has not applied the Code's principles or best practice provisions and in those instances, we explain the non-application.

We conduct our operations in accordance with internationally accepted principles of good governance and best practice, while ensuring compliance with the corporate governance requirements applicable in the countries in which we operate. There is considerable overlap between the requirements we must meet under U.S. rules and regulations and the provisions of the Code, and we apply most of the provisions of the Code. For further clarity, we have listed below deviations from the Code and our reasons for deviating.

1.3.6 Absence of an internal audit department

The Audit Committee meets with the executive director of the Board prior to the release of the publicly disclosed financial reports, which enables the Audit Committee to monitor the quality and the completeness of such reports.

The Board is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act and in accordance with the Dutch corporate governance code. These Rules define internal control over financial reporting as a process designed by, or under the supervision of, a company's chief executive officer and chief financial officer and effected by our Board, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Under the direction and supervision of our CEO and CFO and based on criteria established in Internal Control—Integrated Framework (2013) issued by the COSO an assessment on the effectiveness of our internal control over financial reporting was performed. This included testing and evaluating the design and operating effectiveness of our internal controls.

The non-executive directors have adopted the recommendation of the audit committee, that due to the limited size and complexity of the Company and the retaining of the support services of an external professional services provider, no internal audit department had to be established in 2023.

2.1.5 – 2.1.6 Diversity Policy.

The Board applies the criteria for nominating executive and non-executive members of the Board as defined in the charter of the Nominating and Governance Committee. The Company publishes the personal information of a candidate nominated for the Company's Board at the Company's website and at the website of the SEC. Currently the Company's Board consists of nine members, two of whom are female. The Board believes, that whilst gender is an important part of diversity, members of the Board were and will continue to be selected on the basis of the criteria reflected in the charter and their experience, background, skills, knowledge and insight. It is the ambition of the Board that the composition of the Board consists at least of two female members. The Board will not discriminate based on race, religion, sexual orientation, sex or national origin. The Board feels that this policy serves the interest of the Company and its stakeholders best.

Board Diversity Matrix				
Total number of Directors	9			
	Female	**Male**	**Non-binary**	**Did not disclose gender**
Gender Identity				
Directors	2	7	0	0

2.2.2 Appointment and Reappointment Periods.

According to this best practice provision, non-executive directors are appointed for a period of four years. However, the current practice of the Company's Board is to nominate directors for terms of three years.

3.1.2 Remuneration Policy.

> *vi. If shares are being awarded, the terms and conditions govern this. Shares should be held for at least five years after they are awarded.*
> *vii. If share options are being awarded, the term and conditions governing this and the terms and conditions subject to which the share options can be exercised. Share options cannot be exercised during the first three years after they are awarded.*

The stock options and restricted share units the Company grants to its executive and non-executive directors of the Board and to our senior management are issued under the 2014 Incentive Plan as amended and are exercisable pursuant to a vesting schedule before the fourth anniversary of the date of grant, which is contrary to best practices provision 3.1.2 of the Code. The vesting terms of options vary between one and four years, and begin vesting on the first anniversary of date of grant.

We believe our vesting schedules are in line with the practices of our peer group used for executive compensation purposes and necessary to attract and retain the best people.

3.2.3 Severance Payment.

The remuneration in the event of a dismissal of the executive director of the Board exceeds one year's salary. The terms and conditions triggering a higher severance amount have been approved following a review and recommendation by the Compensation Committee. In addition, we believe it is in line with the practice of our peer group used for executive compensation.

3.3 Remuneration of the non-executive Members of the Board.

The non-executive members of the Board are eligible to receive restricted share units and options grants, and will vest on the first anniversary of the grant date. We believe it is in line with the practice of our peer group used for non-executive compensation.

The Remuneration Policy provides guidelines for the compensation of non-executive directors. The non-executive directors are compensated for their services on the Board as follows:

- Each non-executive director receives an annual retainer of $45,000, pro-rated for service over the course of the year.
- The chairman of the Board receives an additional annual retainer of $35,000, and as such receives a total annual retainer of $80,000.
- Each non-executive director who serves as member of a committee of the Board receives additional compensation as follows:

    - Compensation Committee: members receive an annual retainer of $7,500; the chair receives an annual retainer of $15,000 in total.
    - Nominating and Corporate Governance Committee: members receive an annual retainer of $5,000; the chair receives an annual retainer of $10,000 in total.
    - Audit Committee: members receive an annual retainer of $10,000; the chair receives an annual retainer of $20,000 in total.
    - Research and Development Committee: members receive an annual retainer of $7,500; the chair receives an annual retainer of $15,000 in total.
    - Non-executive director receives an annual equity grant vesting after one year. The total fair value of the grant is divided equally by fair value between options to acquire our ordinary shares as well as restricted stock units. The size of the annual equity grant is determined by reference to our peer group companies.

Each annual retainer for Board and committee services is payable semi-annually.

Each member of our Board is entitled to be reimbursed for reasonable travel and other expenses incurred in connection with attending meetings of the Board and any committee of the Board on which she or he serves.

3.4.1 Remuneration report.

The Company has not posted a comprehensive report on its website, but remuneration information is reported publicly in our filings with the SEC. We engaged an independent, third-party compensation expert to benchmark our remuneration of non-executive directors, executive directors and senior management compared to our peer group. Based on this evaluation, we believe our compensation is in line with market practice. The remuneration of the Board is disclosed in Note 24 "*Key management compensation*" to the consolidated financial statement.

3.4.2 Agreement of the executive member of the Board.

We do not disclose the main elements of the agreement with the executive director of the Board at the Company's website. As for the year ended December 31, 2023, the Company was a listed company on Nasdaq. The disclosures made by the Company under the applicable listing rules, and which are published at http://www.sec.gov are deemed to be appropriate in this respect.

4.2.2 Policy on bilateral contacts with shareholders

The Company has not formulated a policy on bilateral contacts with shareholders. The Company regularly meets with shareholders in one-on-one situations, which it considers to be in the best interests of the Company and its stakeholders. In such meetings no price-sensitive or material, non-public financial information shall be disclosed.

The Company announces by press release most corporate presentations held at investor conferences and provides for real time participation via webcast. However, considering the Company's size, it would create an excessive burden to establish and maintain formal bilateral contacts with shareholders. The Company endeavors to facilitate its shareholders by announcing its business updates on its website and follow such updates, to the extent possible, via webcast. The Company does not issue press releases as a standard practice. The Company will undertake that presentations are posted on its website immediately after the meetings in question.

5.1.3 Independence of chairman of the Board.

The current chairman of the Board (David Meek) is independent within the meaning of the Code and under Nasdaq rules.

c) Related party transactions

Details of transactions between the Company and members of the Board are set out in Note 23 "*Related party transactions*" to the consolidated financial statements. There have been no material transactions with shareholders having a significant influence over the Company.

d) Functioning of the Board of Directors

The members of the Board have discussed their individual functioning, as well as that of the Board as a whole, on a continuing basis. The Board undertakes a self-assessment of its performance annually to identify, discuss and act on any areas of potential deficiency as well as for overall improvement. Additionally, the Nominating and Governance Committee addresses as a standing agenda item at each meeting the composition of the Board to determine whether the existing members of the Board collectively have the proper profile for the needs of the Company both at the present time and as are anticipated for the future, which are reported to and discussed with the full Board on a regular basis. In these discussions, also consideration was given to the composition and profile of the Board, as well as the functioning of its members and committees and the Board's tasks. The profile sets out the types of expertise the Board must possess. Annually, following the completion of the annual review of the Board's performance, the Board considers and discusses the recommendations by the nominating and corporate governance committee. The chairman of the Board reviews and assesses the performance of the executive director. As the Board devotes time and addresses the issues reported at regular scheduled Board meetings, the Board, in our view satisfies the defined requirements, and we consider the composition to be adequate for the proper performance of its duties. The Board has appointed from among its members four separate committees with special tasks, the Audit Committee, the Compensation Committee, the Research and Development Committee, and the Nominating and Corporate Governance Committee. These committees prepare the decision making of the Board on the relevant matters. The following regulations can be found on the Company's website: Corporate Governance Guidelines and Rules for the Board, Disclosure Policy, Expanded Access Policy, Insider Trading Policy, Code of Business Conduct and Ethics, Related Party Transaction Policy, Audit Committee Charter, Compensation Committee Charter, Nominating and Corporate Governance Committee Charter, Research and Development Committee Charter, Remuneration Policy and the Articles of Association of the Company.

e) Compensation of the executive director

This report sets out the remuneration policy operated by the Company in respect of its executive director.

In summary, the Company's compensation program is designed to be straightforward in nature with five core elements, the first three of which are compensation related and the last two are benefits reflecting local market practices for each executive officer.

Element	Purpose	Key Features
Base Salary	Provide market-competitive fixed compensation Attract exceptional talent in the relevant market	• Fixed cash compensation • Reviewed annually • Value informed by market levels for executives with comparable qualifications, experience, and responsibility, coupled with the nature, scope and impact of the role • Target approximately 50th percentile of market peers, considering the factors noted above
Short-Term Incentive (Annual Cash Bonus)	Reward for achievement of pre-defined criteria in areas of strategic importance to uniQure Align compensation with Company performance	• Subject to the approval of the Board in its discretion • Discretionary variable cash compensation of 60% of annual Base Salary in 2023 • Maximum opportunity capped at 150% of target • Weighting based solely on corporate performance for the Chief Executive Officer • Corporate and individual targets established in the beginning of each year • Assessment against the predetermined targets informs actual cash bonus that is awarded • Target opportunity informed by levels in the market, with reference to the 50th percentile
Long-Term Incentives (Equity Awards)	Align long-term interests with shareholders Reward sustainable value creation Encourage retention	• Annual awards subject to the approval of the Board in its discretion • Annual awards in 2023 were a mix of stock options and restricted stock units • Stock options have a ten-year term, with 25% vesting after one year and then ratably on a quarterly basis • Restricted stock units vest ratably on an annual basis over three years • Target opportunity informed by prior year performance and levels in the market with reference to the 50th percentile
Pension and Retirement Savings Plans	Provide market-competitive retirement benefits	• Based on local market practice • Eligible to participate in a qualified 401(k) Plan with matching of up to 3% of base salary
Other Benefits	Provide market competitive benefits focused on well-being	• An Employee Stock Purchase Plan ("ESPP") is offered to all eligible employees, which includes the executive director • ESPP allows for purchase of discounted ordinary shares through accumulated payroll deductions • Medical, dental and vision health care plans with premiums paid by the company • Up to four weeks of paid time off • Company-paid life insurance and short-term and long-term disability, with some employee contribution • Tuition reimbursement • Fitness membership reimbursement

f) Financial statements

The Annual Accounts have been prepared by our executive Board member and discussed within the full Board. The Report of the Independent Auditor, KPMG Accountants N.V., is included in 'D Other Information.' The financial statements are being presented for adoption by shareholders at the General Meeting. The Board recommends that shareholders adopt these financial statements.

g) Shareholders and the general meeting of shareholders

The General Meeting shall be held within six months after the end of each financial year. The Company's financial year is equal to a calendar year. The Board or those who are authorized by law or pursuant to the Articles of Association of the Company may convene the General Meeting. The Articles of Association provide that, unless another majority of votes or a quorum is required by virtue of law, all resolutions of the General Meeting shall be adopted by at least a simple majority cast, in a meeting where more than 33⅓% of the issued share capital is represented.

An Extraordinary General Meeting of Shareholders may be convened by the Board or by those who are authorized by law or pursuant to the articles of association of the Company.

In accordance with Dutch law and the Articles of Association, shareholders representing alone or in aggregate at least one-tenth of the Company's issued and outstanding share capital can petition a court for authorization to convene a General Meeting after first requesting the Company to convene a General Meeting.

A record date shall apply to establish which shareholders are entitled to attend and vote in the General Meeting. The Company applies as record date the date as set by the Dutch Civil Code, i.e., the twenty-eighth day prior to the date of the meeting.

Each of the Company's shares is entitled to one vote. Shareholders may vote by proxy. The voting rights attached to any of the shares held by the Company are suspended as long as they are held in treasury.

Amendment of the Articles of Association

The General Meeting may only resolve to amend the articles of association at the proposal of the Board.

Issuance of ordinary shares, options, restricted share units and performance share units

The General Meeting, following a proposal by the Board, is authorized to issue shares or grant rights thereto. Following a proposal by the Board, the General Meeting can delegate this authority to the Board. On June 13, 2023, the General Meeting delegated the authority to the Board to issue ordinary shares in the share capital of the Company and to grant rights to subscribe for ordinary shares and to limit or exclude pre-emptive rights in connection therewith:

- For a period of 18 months with effect from June 13, 2023. The number of ordinary shares to be issued shall be up to a maximum of (i) the authorized share capital of the Company in the event of an underwritten public offering, or (ii) a maximum of 19.9% of the Company's aggregate issued capital at the time of issuance in connection with any other single issuances (or series of related issuances).

Acquisition of own shares

The Company may acquire its own fully paid shares at any time for nil consideration (*om niet*). Furthermore, subject to certain provisions of Dutch law and the Articles of Association, the Company may acquire fully paid shares in the Company's own capital, within the limits set by Dutch law.

Unless for nil consideration, shares may only be acquired subject to a resolution of the Board and authorized by the General Meeting. Such authorization from the General Meeting for the acquisition of the Company's shares shall specify the number of shares that may be acquired, the manner in which these shares may be acquired and the price range within which shares may be acquired. Such authorization shall be valid for a period of not more than 18 months and may be extended from time to time for a period of not more than 18 months. On June 13, 2023, the General Meeting authorized the Board to acquire the Company's own fully paid ordinary shares up to a maximum of ten percent of the Company's issued share capital within the limits set by Dutch law and the Company's articles of association through purchase on the public market or otherwise at a purchase price between the nominal value of the ordinary shares concerned and an amount equal to 110% of the highest price officially quoted for the ordinary shares on any of the official stock markets on which the Company's ordinary shares are listed during any of 30 banking days preceding the date the repurchase is effected or proposed.

No authorization from the General Meeting is required for the acquisition of fully paid shares for the purpose of transferring these shares to employees under a scheme applicable to such employees. Any shares the Company held in its own capital may not be voted or counted for voting quorum purposes.

Reduction of share capital

Subject to Dutch law, the General Meeting may resolve to reduce the Company's issued and outstanding share capital by (i) amending the Articles of Association to reduce the nominal value of the shares or (ii) canceling:

- shares which the Company holds itself in the Company's share capital, or
- all issued shares against repayment of the amount paid on those shares.

Dividends and other distributions

The Board may determine which part of the profits shall be added to the reserves. The part of the profit remaining after reservation shall be at the disposal of the General Meeting, which may resolve to carry it to the reserves or to distribute it among the shareholders.

Under the Articles of Association, the Company may make distributions of profit to the Company's shareholders after adoption of the Company's annual accounts demonstrating that such distributions are legally permitted. With due observance of applicable law and the articles of association, the Board may resolve to make interim distributions to the shareholders.

The General Meeting may, at the proposal of the Board, resolve to distribute to the shareholders a dividend in the form of shares in the share capital of the Company. Each of the Company's shares entitled its holder to equal ranking rights to dividends and other distributions.

h) Company culture and Code of Conduct

The Company has established the following values: be passionate about the patient; act with integrity and respect; take ownership and act with urgency; collaborate for success; and innovate every day. These values were established to guide the Company and its employees in order to effectively execute the Company's mission and strategy. In order to assure that employees live up to these principles we have implemented various training and evaluation programs. By virtue of these programs and evaluations we create an environment in which the employees, with more than 20 different nationalities represented, can contribute to the growth and values of the Company.

The Company has a Code of Business Conduct and Ethics in place which sets forth the legal and ethical standards of conduct for employees and directors. The Code of Business Conduct and Ethics is provided to every new employee and the Company annually requires confirmation from all employees and directors of their adherence.

i) Non-Executive Board Report

The personal information of the non-executive directors is detailed starting at page 57.

The appointment and reappointment periods of the non-executive board members deviate from the provision of the articles of association of the Company as further detailed at page 57.

The non-executive directors have assessed and considered if it is necessary to establish an internal audit department. The non-executive directors following the recommendation of the audit committee, that due to the limited size and complexity of the Company and retaining of the support services of an external professional services provider no internal audit department had to be established in 2032, have adopted the recommendation.

The evaluation accountability is incorporated in the section "*Nominating and Corporate Governance Committee"* starting at page 61 and in the section "*Functioning of the Board of Directors*" staring at page 67.

Details of the reporting of the Committees and on the attendance of the Board and Committee meetings are reflected in each Committee section starting at page 58.

(1) In the opinion of the non-executive directors, the independence requirements referred to in best practice provision 2.1.7 to 2.1.9, have been fulfilled with the exception of our non-executive board member Robert Gut, who served as our Chief Medical Officer and executive director from August 2018 until October 2020, when he resigned as Chief Medical Officer and as executive director. He was appointed to the Board as a non-executive director in December 2020.

5 Statement of the Board of Directors

The Board of Directors is responsible for the preparation of the Annual Accounts and the Annual Report of uniQure N.V. for the year ended December 31, 2023, in accordance with applicable Dutch law and IFRS Accounting Standards as endorsed by the European Union (EU-IFRS).

RESPONSIBILITY STATEMENT PURSUANT TO SECTION 5:25C PARAGRAPH 2(C) OF THE DUTCH FINANCIAL MARKETS SUPERVISION ACT ('*Wet op het financieel toezicht*')

Each of the Directors of the Board confirms that to the best of his or her knowledge:

- the uniQure N.V. 2023 Annual Accounts give a true and fair view of the assets, liabilities, financial position and profit or loss of uniQure N.V. and the entities included in the consolidation;
- the uniQure N.V. 2023 Annual Report gives a true and fair view of the state of affairs on December 31, 2023, the course of business during the financial year of uniQure N.V. and of the entities affiliated to it whose data are included in the 2023 Annual Accounts and that the 2023 Annual Report describes the substantial risks with which uniQure N.V. is confronted.

Amsterdam, April 25, 2024

Executive Director

/s/ Matthew Kapusta
Matthew Kapusta, Chief Executive Officer

Non-Executive Directors

/s/ David Meek
David Meek, Chairman

/s/ Madhavan Balachandran
Madhavan Balachandran, Member

/s/ Robert Gut
Robert Gut, Member

/s/ Rachelle Jacques
Rachelle Jacques, Member

/s/ Jack Kaye
Jack Kaye, Member

/s/ Leonard Post
Leonard Post, Member

/s/ Paula Soteropoulos
Paula Soteropoulos, Member

/s/ Jeremy P. Springhorn
Jeremy P. Springhorn, Member

B Consolidated Financial Statements of uniQure N.V. for the year ended December 31, 2023

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uniQure N.V.

Consolidated Statements of Financial Position

	Note	December 31, 2023	December 31, 2022
		$ in thousands	
Current assets			
Cash and cash equivalents	4	241,360	228,012
Current investment securities	6	376,532	124,831
Accounts receivable and contract asset	5	4,193	102,376
Inventories	7	12,024	6,924
Prepaid expenses		15,089	11,817
Other current assets and receivables		2,653	2,813
Total current assets		**651,851**	**476,773**
Non-current assets			
Property, plant and equipment, net	8	46,548	50,532
Non-current investment securities	6	—	39,984
Right-of-use assets	21	25,718	30,174
Intangible assets other than goodwill, net	9	66,990	58,778
Goodwill	9	26,379	25,581
Deferred tax assets, net	19	12,660	15,499
Other non-current assets		5,363	6,061
Total non-current assets		**183,658**	**226,609**
Total assets		**835,509**	**703,382**
Current liabilities			
Accounts payable		6,586	10,984
Accrued expenses and other current liabilities	10	30,534	31,999
Current portion of contingent consideration	4	28,211	25,982
Lease liabilities - current	21	8,420	8,781
Total current liabilities		**73,751**	**77,746**
Non-current liabilities			
Borrowings	11	98,610	99,882
Liability from royalty financing agreement	12	397,486	—
Lease liabilities - non-current	21	29,749	33,032
Contingent consideration, net of current portion	4	14,795	9,334
Deferred tax liability, net	19	7,543	8,257
Other non-current liabilities		3,700	935
Total non-current liabilities		**551,883**	**151,440**
Total liabilities		**625,634**	**229,186**
Shareholders' equity			
Share capital		2,883	2,838
Share premium		953,258	952,995
Other reserves		149,716	111,771
Accumulated deficit		(895,982)	(593,408)
Total shareholders' equity	14	**209,875**	**474,196**
Total liabilities and shareholders' equity		**835,509**	**703,382**

After appropriation of the result for the year
The accompanying notes are an integral part of these consolidated financial statements.

uniQure N.V.

Consolidated Statements of Profit or Loss and Other Comprehensive Income or Loss

	Note	Years ended December 31, 2023	2022
		$ in thousands, except for per share data (in $)	
License revenues	5	2,758	100,000
Contract manufacturing revenues	5	10,835	1,717
Collaboration revenues	5	2,250	4,766
Total revenues		**15,843**	**106,483**
Cost of license revenues	5	(65)	(1,254)
Cost of contract manufacturing revenues	5	(13,563)	(2,089)
Gross profit		**2,215**	**103,140**
Operating expenses:			
Research and development expenses	16	(203,144)	(199,452)
Selling, general and administrative expenses	16	(72,631)	(55,062)
Total operating expenses		**(275,775)**	**(254,514)**
Other income	2.23	7,005	7,171
Other expense	2.23	(1,690)	(820)
Loss from operations		**(268,245)**	**(145,023)**
Finance income	18	19,577	23,845
Finance expense	18	(51,540)	(16,003)
Finance (expense) / income, net		**(31,963)**	**7,842**
Loss before income tax (expense) / benefit		**(300,208)**	**(137,181)**
Income tax (expense) / benefit	19	(2,366)	1,787
Net loss		**(302,574)**	**(135,394)**
Total other comprehensive loss, net of income tax:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation adjustments		7,412	(29,726)
Defined benefit pension loss, net of taxes		(2,136)	—
Total comprehensive loss		**(297,298)**	**(165,120)**
Loss per share			
Basic and diluted loss per ordinary share	20	(6.35)	(2.90)

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

uniQure N.V.

Consolidated Statements of Changes in Equity

	Note	Share Capital No. of shares	Share Capital Amount	Share Premium	Other Reserves	Accumulated Deficit	Total Equity
				$ in thousands (except number of shares)			
Balance at January 1, 2022		**46,298,635**	**2,802**	**950,778**	**103,603**	**(458,014)**	**599,169**
Net loss		—	—	—	—	(135,394)	(135,394)
Other comprehensive loss		—	—	—	(29,726)	—	(29,726)
Total comprehensive loss		—	—	—	(29,726)	(135,394)	(165,120)
Income tax benefit of past share issuance cost	14	—	—	808	—	—	808
Exercises of share options	15	152,356	8	1,272	—	—	1,280
Restricted and performance share units distributed during the period	15	505,799	27	(27)	—	—	—
Share-based compensation expense	15	—	—	—	37,894	—	37,894
Issuance of ordinary shares relating to employee stock purchase plan		11,242	1	164	—	—	165
Balance at December 31, 2022		**46,968,032**	**2,838**	**952,995**	**111,771**	**(593,408)**	**474,196**
Net loss		—	—	—	—	(302,574)	(302,574)
Other comprehensive income		—	—	—	5,276	—	5,276
Total comprehensive loss		—	—	—	5,276	(302,574)	(297,298)
Exercises of share options	15	14,070	1	129	—	—	130
Restricted and performance share units distributed during the period	15	832,530	43	(43)	—	—	—
Share-based compensation expense	15	—	—	—	32,669	—	32,669
Issuance of ordinary shares relating to employee stock purchase plan	15	19,198	1	177	—	—	178
Balance at December 31, 2023		**47,833,830**	**2,883**	**953,258**	**149,716**	**(895,982)**	**209,875**

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

uniQure N.V.

Consolidated Statements of Cash Flows

	Note	Years ended December 31, 2023	2022
		$ in thousands	
Cash flows from operating activities			
Net loss		(302,574)	(135,394)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation, amortization and impairment of intangible assets and property, plant and equipment, and right-of-use assets	8, 9, 21	16,276	12,162
Amortization of premium on investment securities	6	(10,917)	—
Share-based compensation expense	15	32,669	37,894
Interest expense, net	11, 12, 18, 21	51,371	13,278
Increase in fair value of contingent consideration	4	15,895	7,081
Unrealized foreign exchange (gains), net		(2,109)	(22,603)
Deferred tax expense / (income)	19	2,366	(1,787)
Other non-cash items, net		1,975	1,873
Changes in operating assets and liabilities:			
Contract asset related to CSL Behring milestone payments	5	100,000	(45,000)
Accounts receivable, prepaid expenses and other current assets	5	(8,407)	(4,289)
Inventories	7	(6,740)	(6,924)
Accounts payable		(4,169)	9,238
Accrued expenses and other liabilities	10	(7,707)	4,518
Contingent consideration milestone payment	4	(1,914)	—
Cash used in operating activities		(123,985)	(129,952)
Interest paid	18	(21,193)	(13,277)
Interest received	18	9,353	206
Net cash used in operating activities		(135,825)	(143,023)
Cash flows from investing activities			
Investment in debt securities	6	(366,439)	(163,146)
Proceeds from maturity of debt securities	6	167,907	—
Purchase of intangible assets	9	(6,509)	—
Purchase of property, plant and equipment	8	(7,154)	(17,688)
Acquisition of remaining outstanding shares of uniQure France SAS		—	(1,900)
Receipt of bank deposit		248	113
Contingent consideration milestone payment	4	(7,649)	—
Net cash used in investing activities		(219,596)	(182,621)
Cash flows from financing activities			
Proceeds from royalty financing agreement		374,350	—
Payment of transaction costs related to the royalty financing agreement		(4,288)	—
Proceeds from issuance of ordinary shares related to employee stock option and purchase plans	15	308	1,445
Payments for principal portion of lease liability	21	(3,843)	(2,272)
Net cash generated from / (used in) financing activities		366,527	(827)
Currency effect cash and cash equivalents		2,242	(1,773)
Net increase / (decrease) in cash and cash equivalents		13,348	(328,244)
Cash and cash equivalents at the beginning of the year		228,012	556,256
Cash and cash equivalents at the end of the year		**241,360**	**228,012**

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

Notes to the Consolidated Financial Statements

1. General information

uniQure N.V.

uniQure N.V. (the "Company") was incorporated on January 9, 2012 as a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) under the laws of the Netherlands. The Company's business was founded in 1998 and was initially operated through its predecessor company, Amsterdam Molecular Therapeutics (AMT) Holding N.V ("AMT"). In 2012, AMT undertook a corporate reorganization, pursuant to which uniQure B.V. acquired the entire business and assets of AMT and completed a share-for-share exchange with the shareholders of AMT. Effective February 10, 2014, in connection with its initial public offering, the Company converted into a public company with limited liability (naamloze vennootschap) and changed its legal name from uniQure B.V. to uniQure N.V. Unless the context indicates otherwise, all references to "uniQure" or the "Company" refer to uniQure and its consolidated subsidiaries.

The Company is registered in the trade register of the Dutch Chamber of Commerce (Kamer van Koophandel) under number 54385229. The Company's headquarters are in Amsterdam, the Netherlands, and its registered office is located at Paasheuvelweg 25, Amsterdam 1105 BP, the Netherlands and its telephone number is +31 20 240 6000. The Company's website address is www.uniqure.com.

The Company's ordinary shares are listed on Nasdaq and trade under the symbol "QURE".

This Annual Report and the Consolidated Financial Statements (this "Annual Report") were authorized for issue by the board of directors on April 25, 2024 and will be filed at the trade register of the Chamber of Commerce in Amsterdam, the Netherlands within eight days after adoption by the 2024 general meeting of shareholders.

The Company is a leader in the field of gene therapy, seeking to deliver to patients suffering from rare and other devastating diseases single treatments with potentially curative results. The Company is advancing a focused pipeline of innovative gene therapies, including clinical candidates for the treatment of Huntington's disease, amyotrophic lateral sclerosis ("ALS"), refractory mesial temporal lobe epilepsy ("MTLE") and Fabry disease. The internally developed HEMGENIX®, a gene therapy for the treatment of hemophilia B, has been approved for commercialization by the United States Food and Drug Administration (the "FDA") and the European Medicines Agency ("EMA"). The approval of HEMGENIX® follows more than a decade of research and clinical development, represents a major milestone in the field of gene therapy and ushers in a new treatment approach for patients living with hemophilia B. The Company licenses HEMGENIX® to CSL Behring LLC ("CSL Behring"), which is responsible for its commercialization. The Company is manufacturing HEMGENIX® for CSL Behring and is entitled to specific milestone payments and royalties on net sales of the product, a portion of which the Company sold to a royalty acquisition company in 2023 in exchange for up-front cash.

The Company believes its validated technology platform and manufacturing capabilities provide it with distinct competitive advantages, including the potential to reduce development risk, cost, and time to market. The Company produces its adeno-associated virus ("AAV")-based gene therapies in its own facilities with a proprietary, current good manufacturing practices ("GMP") -compliant manufacturing process. The Company believes its Lexington, Massachusetts-based facility is one of the world's leading, most versatile, gene therapy manufacturing facilities.

Organizational structure of uniQure

uniQure N.V. is the ultimate parent of the following entities:

Entity name
uniQure biopharma B.V.
uniQure IP B.V.
uniQure Inc.
uniQure France SAS (formerly Corlieve Therapeutics SAS)
Corlieve Therapeutics AG

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

The Company prepared its consolidated financial statements in compliance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and effective as of December 31, 2023.

The consolidated financial statements have been prepared on a historical cost basis, except contingent consideration, which are recorded at fair value through profit or loss.

The functional currency of the Company and each of its entities (with the exception of uniQure Inc. and Corlieve Therapeutics AG) is the euro (€). This represents the currency of the primary economic environment in which the entities operate. The functional currency of uniQure Inc. is the U.S. dollar and the functional currency of Corlieve AG is the Swiss Franc (CHF).

The Company files consolidated financial statements with the SEC in accordance with U.S. generally accepted accounting principles, presented in U.S. dollars ($). To consistently report financial information the Company is also presenting its consolidated financial statements in accordance with IFRS Accounting Standards in U.S. dollars ($), except where otherwise indicated. Transactions denominated in currencies other than U.S. dollars are presented in the transaction currency with the U.S. dollar amount included in parenthesis, converted at the foreign exchange rate as of the transaction date.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement at exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss.

Upon consolidation, the assets and liabilities of foreign operations are translated into the functional currency of the shareholding entity at the exchange rates prevailing at the reporting date; items of income and expense are translated at monthly average exchange rates. The consolidated assets and liabilities are translated from uniQure N.V.'s functional currency into the presentation currency U.S. dollar at the exchange rates prevailing at the reporting date; items of income and expense are translated at monthly average exchange rates. Issued capital and share premium are translated at historic rates with differences to the reporting date rate, recorded as translation adjustments in other reserves. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to the foreign operation is recognized in profit or loss.

The consolidated financial statements presented have been prepared on a going concern basis based on the Company's cash and cash equivalents as of December 31, 2023, and the Company's budgeted cash flows for the twelve months following the issuance date.

The financial information of the Company is included in the consolidated financial statements. For this reason, pursuant to Section 2:402 of the Dutch Civil Code, the Statement of Profit or Loss in the separate financial statements exclusively states the share of the result of participating interests and other income and expenses. For an appropriate interpretation of these statutory financial statements, the consolidated financial statements of the Company should be read in conjunction with the separate financial statements, as included in section C "Company-only Financial Statements".

2.2 Use of judgements and estimates

In preparing these consolidated financial statements, management made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Estimates and assumptions are primarily made in relation to contingent consideration related to the acquisition of uniQure France SAS, the treatment of revenue to be recognized under the commercialization and license agreement entered into ("CSL Behring Agreement") between the Company and CSL Behring LLC ("CSL Behring"), and the assessment of the Company's deferred tax assets in the Netherlands and the U.S. If actual results differ from the Company's estimates, or to the extent these estimates are adjusted in future periods, the Company's results of operations could either benefit from, or be adversely affected by, any such change in estimate.

2.3 New standards, amendments and interpretations

New and amended standards adopted by the Company in 2023

There were no new IFRS Accounting Standards adopted by the Company in 2023.

New and amended standards not yet adopted by the Company

There are no other IFRS Accounting Standards or IFRIC Interpretations that are not yet effective or that could have been early adopted that would have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

2.4 Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company that the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases.

Intra-group transactions, balances, income and expenses on transactions between uniQure entities are eliminated in consolidation. Profits and losses resulting from intra-group transactions that are recognized in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

2.5 Current versus non-current classification

The Company classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the end of the reporting period (except for liabilities for which the Company does not have an unconditional right to defer settlement of that liability for at least twelve months after the end of the reporting period), when they are realized or settled within the Company's normal operating cycle or when they are primarily held for trading purposes. Cash and cash equivalents are presented as current unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities, if any, are classified as non-current.

2.6 Fair value measurement

The Company measures financial instruments and non-financial assets at fair value at each reporting date using valuation techniques that are appropriate in the circumstances and for which sufficient data are available as disclosed in Note 4.3.

2.7 Business Combinations

a. Goodwill

Goodwill represents the excess of the fair value of the consideration transferred over the fair value of the net assets assumed in a business combination. Goodwill is not amortized but is evaluated for impairment on an annual basis and between annual tests if the Company becomes aware of any events occurring or changes in circumstances that would more likely than not reduce the fair value of a reporting unit below its carrying amount.

b. Acquired research and development

An in-process research and development intangible asset ("IPR&D Intangible Asset") is considered to be indefinite lived until the completion or abandonment of the associated research and development efforts and is not amortized. If and when development is completed, which generally occurs when regulatory approval to market a product is obtained, the associated asset would be deemed finite-lived and would then be amortized based on its respective useful life at that point in time.

c. Contingent consideration

Each reporting period, the Company revalues the contingent consideration obligations associated to its fair value and records changes in the fair value within research and development expenses. Changes in contingent consideration result from changes in assumptions regarding the probabilities of achieving the relevant milestones, or probability of success ("POS"), the estimated timing of achieving such milestones, and the interest rate to discount the payments.

Contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

2.8 Notes to the Consolidated Statement of Cash Flows

The consolidated statements of cash flows have been prepared using the indirect method. Cash and cash equivalents include bank balances, demand deposits and other short-term highly liquid investments (with maturities of less than three months at time of purchase) that are readily convertible into a known amount of cash and are subject to an insignificant risk of fluctuation in value.

Cash flows denominated in foreign currencies are translated at the average exchange rates for the reporting period. Exchange differences, if any, affecting cash and cash equivalents are presented separately in the consolidated statements of cash flows.

2.9 Segment reporting

The Company's chief operating decision-maker regularly reviews and determines whether a particular component of uniQure's activities constitutes a separate operating segment by identifying and reviewing the allocation of resources to that component of uniQure's activities and/or assessing the performance of that particular component of uniQure's activities. The leadership team is identified as the chief operating decision-maker and reviews the consolidated operating results regularly to make decisions about the resources and to assess overall performance. The leadership team regularly reviews total cash operating expenditures by departmental area. The leadership team has determined that the activities of uniQure are one segment, which comprises the discovery, development and commercialization of innovative gene therapies, and the segmental analysis is the same as the analysis for uniQure as a whole.

2.10 Impairment

Non-financial assets

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

Non-financial assets, other than goodwill, that have been previously impaired are reviewed for possible reversal of the impairment at each subsequent reporting date.

2.11 Accounts receivable

Accounts receivables include amounts due from services provided to the Company's licensing and collaboration partners as well as unconditional rights to consideration from its licensing and collaboration partners.

2.12 Inventories

The Company started producing commercial materials in April 2022 to supply CSL Behring with the Product in accordance with the June 2020 Development and Commercial Supply Agreement between the Company and CSL Behring. From this date onwards, the Company presents the costs associated with the aforementioned activities as cost of contract manufacturing. Refer to Note 5, *"Collaboration arrangements and concentration of credit risk"* for further detail.

Per IAS 2, Inventories, inventory is stated at the lower of cost or estimated net realizable value, on a first-in, first-out basis. The Company capitalizes raw materials to the extent these can be used in the manufacturing of the Product. The Company uses standard costs, approximating average costs to determine its cost basis for work in progress and finished goods. The Company's assessment of recoverability value requires the use of estimates regarding the net realizable value of its inventory balances, including an assessment of excess or obsolete inventory. As applicable, write-downs resulting from adjustments to net realizable value will be recorded to cost of contract manufacturing.

2.13 Other (non) current assets

Deposits paid are either presented as other current assets or as other non-current assets based on duration of the underlying contractual arrangement. Deposits are classified as restricted cash and primarily relate to facility leases.

Contract assets are presented in current assets or as non-current assets based on the timing of the right to consideration.

2.14 Property, plant and equipment

Property, plant and equipment comprise mainly of laboratory equipment, leasehold improvements, construction-in-progress ("CIP"), and office equipment. All property, plant and equipment is stated at cost less accumulated depreciation. CIP consists of capitalized expenses associated with construction of assets not yet placed into service. Depreciation commences on CIP once the asset is placed into service based on its useful life determined at that time.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, when it is probable that future economic benefits associated with the item will flow to uniQure and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed as incurred. Upon disposal, the related cost and accumulated depreciation is removed from the accounts and any resulting gain or loss on the transaction is recognized in the Consolidated Statements of Profit or Loss and Other Comprehensive Income or Loss

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets (or in the case of leasehold improvements a shorter lease term), which are as follows:

Leasehold improvements	Between 10 – 15 years
Laboratory equipment	5 years
Office equipment	Between 3 – 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2.15 Intangible Assets

(a) Licenses

Acquired licenses have either an indefinite or a finite useful life. Acquired licenses with a finite or indefinite useful life are carried at cost. An intangible asset with an indefinite life is tested annually for impairment. The cost of an intangible asset with a finite life is adjusted by accumulated amortization and impairment losses. Amortization is calculated using the straight-line method to allocate the cost of licenses over their estimated useful lives (generally 20 years unless a license expires prior to that date). Amortization is included in research and development expenses.

(b) Research and development

Research and development expenditures are expensed as incurred. Development expenses are capitalized prospectively following regulatory approval for commercial production of a target.

(c) Goodwill

In addition to the goodwill recognized as part of the uniQure France SAS transaction, there is also $0.5 million goodwill originating from a past acquisition, which represents the excess of the consideration transferred over the fair value of the identifiable net assets acquired.

2.16 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. At commencement, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date.

Lease liabilities are initially measured at the present value of minimum lease payments and a right to use asset is recorded for the same amount. Lease liabilities are measured at the present value of the lease payments that are not paid at that date including:

- fixed payments less any lease incentives receivable; and

- variable lease payments that are based on an index or a rate.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Company's incremental borrowing rate at the lease commencement date is used, which is based on an assessment of the interest rate the Company would have to pay to borrow funds, including the considerations of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest (presented as finance expense in the Consolidated Statements of Profit or Loss and Other Comprehensive Income or Loss) and reduced for the lease payments made.

The interest element of the finance expense is determined so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period during the lease term. The interest element is presented within cash flows from operating activities and the repayment of the liability is presented within cash flows from financing activities. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments, or a change in future lease payments arising from a change in an index. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;

- any lease payment made at or before the commencement date less any lease incentives received; and

- any initial direct costs.

The right-of-use assets are subsequently accounted for using principles for property, plant and equipment. Right-of-use assets are depreciated using the straight-line method from the commencement date to the end of the lease term. Depreciation expense related to right-of-use assets are presented within operating expenses.

Payments associated with short-term leases and leases of low value assets are recognized on a straight-line basis as an expense in the Consolidated Statements of Profit or Loss and Other Comprehensive Income or Loss. Short-term leases are leases with a term of 12 months or less. The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to the extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement in evaluating whether it is reasonably certain to exercise an option to renew.

2.17 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is accounts receivable without a significant financing component) or a financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost, Fair value through other comprehensive income ("FVOCI") – debt investment, FVOCI – equity investment; or Fair value through profit or loss ("FVTPL").

The Company classifies its investment securities as measured at amortized cost. A financial asset is measured at amortized cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets and collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for debt securities that are determined to have low credit risk at the reporting date which are measured at 12-month expected credit losses.

The Company applies a simplified approach to measurement of lifetime expected credit losses based on the probability of default of its counterparties. The probability of default is derived from applicable external credit ratings. The Company considers a debt security to have a low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. Loss allowances are presented within "Other expense" in the Consolidated Statements of Profit or Loss and Other Comprehensive Income, unless material.

All other financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire.

Borrowings

The Company classifies and measures borrowings initially at fair value and subsequently measures borrowings at amortized cost using the effective interest method. The Company recognizes interest expense and foreign exchange gains and losses in the Consolidated Statements of Profit or Loss and Other Comprehensive Income. The Company derecognizes borrowings when its contractual obligations are discharged or cancelled, expire, or its terms are modified and the cash flows of the modified liability are substantially different. The Company also recognizes any gain or loss on derecognition in the Consolidated Statements of Profit or Loss and Other Comprehensive Income. If the cash flows of the borrowings do not substantially differ before and after modification, then the Company continues to apply the originally effective interest rate and recognizes the difference in net present value as at modification date in the Consolidated Statements of Profit or Loss and Other Comprehensive Income. Any fees incurred are capitalized.

Other financial liabilities

The Company recognizes other financial liabilities on the trade date when the entity becomes a party to the contractual provisions of the instrument and derecognizes the financial liability when its contractual obligations are discharged or cancelled, or expire. Other financial liabilities are initially measured at fair value less any directly attributable transaction costs. Following the initial recognition, these liabilities are measured at amortized cost using the effective interest method.

Equity

An equity instrument is defined as any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. An instrument is an equity instrument only if the issuer has an unconditional right to avoid settlement in cash or another financial asset.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Ordinary shares are classified as equity.

Dividend distributions to the Company's shareholders are recognized as a liability in uniQure's Consolidated Statement of Financial Position in the period in which the dividends are approved by its shareholders. To date, uniQure has not paid dividends.

2.18 Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit and loss. Tax consequences related to items recognized in other comprehensive income are recognized in other comprehensive income as well.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future and taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used at the individual tax filing entity level. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used at the individual tax filing entity level.

The Company's management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate.

Income tax is measured using tax rates enacted or substantively enacted at the reporting date. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse.

Income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.19 Employee benefits

uniQure operates a defined contribution pension plan for all employees at its Amsterdam facility in the Netherlands, which is funded by uniQure through payments to an insurance company. uniQure has no legal or constructive obligation to pay further contributions if the plan does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

In 2016, the Company adopted a qualified 401(k) Plan for all employees located in the United States. The 401(k) Plan offers both a pre-tax and post-tax (Roth) component. Employees may contribute up to the IRS statutory limit each calendar year. The Company matches $0.50 for every $1.00 contributed to the plan by participants up to 6% of base compensation. Employer contributions are recognized as they are contributed, as long as the employee is rendering services in that period. If employer contributions are made in periods after an individual retires or terminates, the estimated cost is accrued during the employee's service period.

The Company maintains defined benefit plans for its Swiss employees, including retirement benefit plans required by applicable local law. The liability in respect to defined benefit pension plans is the defined benefit obligation calculated annually by independent actuaries using the projected unit credit method.

The defined benefit obligation as of December 31, 2023 represents the actuarial present value of the estimated future payments required to settle the obligation that is attributable to employee services rendered before that date. Service cost is reported in research and development and general and administrative expenses. All other components of net period costs are reported in interest expense in the Consolidated Statements of Profit or Loss and Other Comprehensive Income or Loss. Plan assets are recorded at their fair value. Gains or losses arising from plan curtailments or settlements are accounted for at the time they occur. Actuarial gains and losses arising from differences between the actual and the expected return on plan assets are recognized in other reserves.

2.20 Share-based compensation

Employee share-based compensation plans

The fair value of services received in exchange for equity instruments granted is recognized as an expense, with a corresponding adjustment to Other Reserves in equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the instruments granted and based on the share price and vesting conditions. For share-based payments that do not vest until the employees have completed a specified period of service, uniQure recognizes the services received as the employees render services during the service period. For the allocation of the expenses to be recognized, the Company treats each installment of a graded vesting award as a separate share grant.

For performance share units ("PSUs) which depend on a performance condition, the Company recognizes an amount for the services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest. The Company will revise that estimate if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates.

Options

The fair value of options granted is determined at the grant date.

Restricted share units ("RSUs")

The fair value of RSUs granted is determined at the grant date by reference to the share-price.

Performance share units ("PSUs")

Awards of PSUs are subject to the achievement of specified performance objectives. The fair value of PSUs granted in 2021 and 2022 is determined at the grant date by reference to share-price. The fair value of PSUs granted in years prior to 2021 was determined at the date performance was determined and the discretion on the final number of awards to be granted was removed.

2.21 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of amounts expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

2.22 Revenue recognition

The Company primarily generates revenue from its commercialization and license agreement with CSL Behring and its collaboration, research, and license agreements with BMS for the development and commercialization of product candidates.

CSL Behring collaboration

On June 24, 2021 ("Signing Date"), the Company entered into a commercialization and license agreement pursuant to which CSL Behring received exclusive global rights to etranacogene dezaparvovec. The Company concluded that CSL Behring is a customer in accordance with IFRS 15 and identified two material performance obligations related to the CSL Behring Agreement:

(i) Sale of the exclusive global rights to etranacogene dezaparvovec, our investigational gene therapy for patients with hemophilia B (the "Product") ("License Sale"); and

(ii) Generate information to support the regulatory approval of the current and next generation manufacturing process of the Product and to provide any such information generated to CSL Behring ("Manufacturing Development").

These performance obligations are considered distinct from one another, as CSL Behring can benefit from the identified service either on its own or together with other resources that are readily available to CSL Behring, and as the performance obligations are separately identifiable from other performance obligations in the CSL Behring Agreement.

Refer to Note 5 "*Collaboration arrangements and concentration of credit risk*" for further detail.

Bristol-Myers Squibb collaboration

The Company initially entered into collaboration, research, and license agreements with Bristol-Myers Squibb ("BMS") in 2015 ("BMS CLA") and amended them in 2020 ("amended BMS CLA"). The agreement terminated on February 21, 2023 ("Termination Date").

The Company recognizes Collaboration Revenues associated to optional work orders it receives from BMS to provide analytical development and process development activities that are reimbursable by BMS in accordance with the BMS CLA as well as the amended BMS CLA.

2.23 Other income, other expense

The Company receives certain government and regional grants, which support its research efforts in defined projects, and include contributions towards the cost of research and development. These grants generally provide for reimbursement of approved costs incurred as defined in the respective grants and are deferred and recognized in the statements of operations and comprehensive loss over the period necessary to match them with the costs they are intended to compensate, when it is probable that the Company has complied with any conditions attached to the grant and will receive the reimbursement.

The Company's other income also consists of income derived from a net modification gain resulting from the amendments to the Company's loan agreements under the 2023 Amended Facility, as well as income from subleasing part of the Company's Amsterdam facility. Other expense consists of expenses incurred in relation to the subleasing income.

3. Reorganization

On October 5, 2023, the Company announced the Reorganization. As a result, the Company recorded severance and other personnel related expenses for the impacted employees.

In 2023, as a part of the Reorganization, the Company decided to sublease one of its laboratories in Lexington. The carrying amount of the right-of-use asset was determined not to be recoverable. As a result, the Company recorded impairment charges for the related lease right-of-use assets and leasehold improvements.

A summary of the restructuring charges for the year ended December 31, 2023 by major activity type is as follows:

	Severance and Other Personnel Costs	Impairment Charges	Total
		(in thousands)	
Research and development	$ 2,188	1,438	3,626
General and administrative	361	—	361
Total	**$ 2,549**	**1,438**	**3,987**

A summary of the changes in the severance and other personnel liabilities, included within accrued expenses and other current liabilities on the consolidated balance sheets, related to the workforce reduction is as follows:

	Amount of liability
	(in thousands)
Balance as of January 1, 2023	$ —
Severance and other personnel costs	2,549
Cash payments during the period	(1,522)
Balance as of December 31, 2023	**$ 1,027**

4. Financial Risk Management

4.1 Financial Risk Factors

uniQure is exposed to a variety of financial risks, including credit risk, market risk (e.g., currency risk, interest rate risk and other price risk) and liquidity risk. The Company's overall management program focuses on preservation of capital and the unpredictability of financial markets and has sought to minimize potential adverse effects on its financial performance and position.

uniQure's risk management policies are established to identify and analyze the risks faced by the Company and are reviewed regularly to reflect changes in market conditions and its activities. Financial risk management is carried out by the finance department, which identifies and evaluates financial risks and hedges these risks if deemed appropriate.

uniQure does not engage in speculative transactions, nor does it issue or hold financial instruments for trading purposes.

a) Credit Risk

Credit risk is managed on a consolidated basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, outstanding receivables and committed transactions with collaboration partners and security deposits paid to landlords. The Company currently has no wholesale debtors other than CSL Behring.

The Company deposited funds as security to landlords related to its facility in Lexington, Massachusetts and its facility in Amsterdam. The Company also deposited funds to the provider of our U.S. corporate credit cards. The deposits are neither impaired nor past due.

The Company's cash and cash equivalents include bank balances, demand deposits and other short term highly liquid investments (with maturities of less than three months at the time of purchase) that are readily convertible into a known amount of cash and are subject to an insignificant risk of fluctuation in value. Restricted cash includes deposits made in relation to facility leases. The Company also has short-term investment securities in U.S. and European government bonds maturing within one to seven months. Our investment policy requires us to invest with counterparties with the highest investment credit rating. Due to the high credit quality of our counterparties, we believe there is no material exposure to credit risk in our portfolio of investment securities.

Cash and cash equivalents and restricted cash were placed at the following banks and accounts receivable were receivable from the following trade customers:

	As of December 31,			
	2023		2022	
	Amount	Credit rating	Amount	Credit rating
	$ in thousands		$ in thousands	
Cash, cash equivalents and restricted cash				
Bank of America	71,351	Aa1	73,921	Aa2
Rabobank	172,155	Aa2	135,391	Aa2
BNP Paribas	919	Aa3	624	Aa3
Credit Suisse	118	A3	76	Baa2
Investment in debt securities	—	n/a	21,160	Aaa - A1
Total	**244,543**		**231,172**	
Investment in debt securities				
Investment in debt securities	376,532	Aaa - Aa2	164,815	Aaa - A1
	376,532		**164,815**	
Accounts receivable and contract assets				
Bristol Myers Squibb	—	n/a	136	A2
CSL Behring	4,193	A3	102,240	A3
Total	**4,193**		**102,376**	

Ratings are by Moody's. The credit exposure related to accounts receivable from BMS and accounts receivable and contract assets from CSL Behring is not considered material. Refer to Note 5 "*Collaboration arrangements and concentration of credit risk* " for further details.

b) Market Risk

uniQure's market risks did not substantially change during the twelve months ended December 31, 2023 compared to the twelve months ended December 31, 2022.

(i) Currency risk

uniQure primarily operates from Lexington, MA in the United States of America and Amsterdam, the Netherlands. uniQure is exposed to foreign exchange risk arising from various currencies, primarily to the U.S. dollar and the euro and to a lesser extent to the British pound and the Swiss Franc. As uniQure's U.S. operations are primarily conducted in the U.S. dollar, its exposure to changes in foreign currency is insignificant. Similarly, the exposure to changes in foreign currencies of the Company's Swiss and French entities are insignificant as well.

The Company's Dutch operations hold significant amounts of U.S. dollars in cash and cash equivalents and investment securities, have debt and interest obligations to Hercules Capital, Inc. ("Hercules") (see note 11 "*Borrowing*") and the royalty financing agreement (see note 12 "*Royalty Financing Agreement*") denominated in U.S. dollars, generate collaboration revenue denominated in U.S. dollars, receive services from vendors denominated in U.S. dollars and occasionally British Pounds and fund the operations of our U.S. operating entity in U.S. dollars. Foreign currency denominated account receivables and account payables are short term in nature (generally 30 to 45 days).

Variations in exchange rates impact earnings and other comprehensive income or loss. On December 31, 2023, if the euro had weakened 10% against the U.S. dollar with all other variables held constant, pre-tax loss the year would have been $5.6 million higher (December 31, 2022: pre-tax loss $20.7 million lower), and other comprehensive loss would have been $0.8 million higher (December 31, 2022: $24.5 million higher). Conversely, if the euro had strengthened 10% against the US dollar with all other variables held constant, pre-tax loss for the year would have been $5.6 million lower (December 31, 2022: pre-tax loss $20.7 million higher), and other comprehensive loss would have been $3.2 million lower (December 31, 2022: $32.2 million lower).

The Company strives to mitigate foreign exchange risk through holding sufficient funds in euro and dollars to finance budgeted cash flows for 18 months forward.

The sensitivity in other comprehensive income to fluctuations in exchange rates primarily relates to the translation of the net assets of our Dutch entities from their functional currency euro into our reporting currency U.S. dollar.

(ii) Interest rate risk

The Company's interest rate risk arises from short- and long-term debt, investment securities and cash on hand.

In June 2013, the Company entered into the Hercules Agreement, which was last amended in May 2023, under which the Company's borrowings bear interest at a variable rate with a fixed floor. Long-term debt issued at fixed rates expose the Company to fair value interest rate risk. As of December 31, 2023, the loan bore a nominal interest rate of 13.2%.

On December 31, 2023 if interest rates on borrowings had been 1.0% higher with all other variables held constant, pre-tax results for the year would have been $1.0 million (December 31, 2022: $1.0 million) lower. This is partially offset by interest income we generate from investments in government bonds and cash on hand.

We invest in government debt in accordance with our investment policy. We are exposed to interest rate risk as market interest rates could differ from the interest rates that we fix at the time of acquiring these investment securities. As we intend to hold these to maturity, we do not recognize changes in the fair value of our investment which are caused by changes in market interest rates.

This means that a change in prevailing interest rates may cause the fair value of the investment to fluctuate. For example, if we hold a security that was issued at a fixed interest rate at the then-prevailing rate and the prevailing interest rate later rises, the fair value of our investment will probably decline.

The average duration of all of our investment securities held as of December 31, 2023, was between one and seven months. Due to the relatively short-term nature of these financial instruments and our ability and intention to hold these investments to maturity, we believe there is no material exposure to interest rate risk.

(iii) Other price risk

uniQure is not exposed to significant price risk.

c) Liquidity risk

Based on the Company's current operating plan, research and development plans and timing expectations related to the progress of our programs and following the Reorganization, management believe that uniQure's cash and cash equivalents and investment securities will fund its operations into the second quarter of 2027. The Company has based this estimate on assumptions that may prove to be wrong, and the Company could exhaust its available capital resources sooner than we expect. The Company expects that it will require additional funding if it decides to advance AMT-130 for its Huntington's disease gene therapy program or any of its other product candidates into late-stage clinical development.

The table below analyzes the Company's financial liabilities in relevant maturity groupings based on the term until the contractual maturity date (excluding lease liabilities disclosed in Note 21 "*Leases*"). Disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying value balances as the impact of discounting is not significant.

	Undefined	Less than 1 year	Between 1 - 3 years	Between 3 - 5 years	Over 5 years
			$ in thousands		
At December 31, 2023					
Borrowings (including interest payments)	—	13,420	134,150	—	—
Accounts payable, accrued expenses and other current liabilities	—	37,120	—	—	—
Commitments related to uniQure France SAS acquisition (maximum nominal amount)	209,707	—	—	—	—
Total	**209,707**	**50,540**	**134,150**	**—**	**—**
At December 31, 2022					
Borrowings (including interest payments)	—	14,870	129,622	—	—
Accounts payable, accrued expenses and other current liabilities	—	42,983	—	—	—
Commitments related to uniQure France SAS acquisition (maximum nominal amount)	214,070	—	—	—	—
Total	**214,070**	**57,853**	**129,622**	**—**	**—**

In relation to the acquisition of uniQure France SAS, the Company entered into commitments to make payments to the former shareholders upon the achievement of certain contractual milestones. The commitments include payments related to post-acquisition services that we agreed to as part of the transaction. The timing of achieving these milestones, as well as whether the milestone will be achieved at all, and consequently the timing of payments is generally uncertain with the exception of payments we owed upon acquiring the remaining outstanding shares as well as certain payments for post-acquisition services made in 2022. The Company expects these obligations will become payable between 2024 and 2031, with the next milestone expected to be settled within the next year. If and when due, up to 25% of the milestone payments can be settled with ordinary shares subject to the Board being authorized by the shareholders to issue such ordinary shares.

4.2 Capital risk management

The Company's objectives in managing capital are to safeguard the Company's ability to continue as a going concern and to minimize the cost of capital to provide returns for shareholders and benefits for other stakeholders.

uniQure has no firm sources of additional financing. Until such time, if ever, as uniQure can generate substantial cash flows from successfully commercializing its proprietary product candidates, the Company expects to finance its cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances and marketing, distribution and licensing arrangements.

On May 12, 2023, the Company and Hercules amended the 2021 Restated Facility ("2023 Amended Facility"). The Company is subject to covenants under this facility with Hercules, and may become subject to covenants under any future indebtedness that could limit its ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends, which could adversely impact its ability to conduct its business. In addition, its pledge of assets as collateral to secure its obligations under the 2023 Amended Facility may limit its ability to obtain debt financing.

If financing is not available when needed, including through debt financings or equity offerings, or is available only on unfavorable terms, uniQure may be unable to meet its cash needs. If uniQure raises additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, uniQure may have to relinquish valuable rights to its technologies, future revenue streams or product candidates or grant licenses on terms that may not be favorable to it. If uniQure is unable to raise additional funds through equity or debt financings when needed, uniQure may be required to delay, limit, reduce or terminate its product development or future commercialization efforts or grant rights to develop and market product candidates that the Company would otherwise prefer to develop and market itself, which could have a material adverse effect on its business, financial conditions, results of operations and cash flows.

The amount of total shareholders' equity as recorded in the Consolidated Statements of Financial Position is managed as capital by the Company.

4.3 Fair value measurement

Financial instruments measured at fair value are categorized as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of financial assets and financial liabilities, measured at amortized cost, are a reasonable approximation of their fair value and therefore information about the fair values of each class is not disclosed.

Liabilities measured at fair value using Level 3 inputs as of December 31, 2023 and December 31, 2022 consisted of contingent consideration.

The movement in the fair value of these Level 3 instruments during the years ended December 31, 2023, and 2022, is as follows:

	Contingent Consideration	Total
	$ in thousands	
Fair value at January 1, 2022	**29,542**	**29,542**
Losses recognized in profit or loss	7,080	7,080
Currency translation effects	(1,306)	(1,306)
Fair value at December 31, 2022	**35,316**	**35,316**
Losses recognized in profit or loss	15,895	15,895
Contingent consideration milestone payment	(9,563)	(9,563)
Currency translation effects	1,358	1,358
Fair value at December 31, 2023	**43,006**	**43,006**

Contingent Consideration

The Company is required to pay up to EUR 178.8 million ($197.3 million at the December 31, 2023 foreign exchange rate) to the former shareholders of uniQure France (formerly Corlieve Therapeutics SAS) upon the achievement of contractually defined milestones in connection with the Company's acquisition of uniQure France in 2021. The Company recorded a liability for the fair market value of the contingent consideration of EUR 20.2 million ($24.0 million) at the Acquisition Date. The fair market value was determined using unobservable initial inputs with respect to (i) the probability of achieving the relevant milestones, or POS, (ii) the estimated timing of achieving such milestones, and (iii) the interest rate used to discount the payments. The Company determined the fair market value of the contingent consideration by calculating the probability-adjusted payments based on each milestone's probability of achievement. The probability-adjusted payments were then discounted to present value using a discount rate representing the Company's credit risk. This discount rate was determined using the effective interest rate of the Company's existing debt facility adjusted for difference in maturity dates based on market data on effective yields for U.S. bonds with a CCC credit rating. In September 2023, a milestone payment of EUR 10.0 million ($10.6 million) was paid, of which EUR 8.9 million ($9.6 million) related to contingent consideration.

The fair value of the contingent consideration as of December 31, 2023 was $43.0 million (December 31, 2022: $35.3 million) using discount rates ranging from 15.3% to 15.6% (December 31, 2022: 14.0% to 14.4%). Following the clearance of an Investigational New Drug ("IND") application for AMT-260 in August 2023, the Company increased the probability of achieving a EUR 30.0 million ($33.1 million) milestone payment following the dosing of the first patient in Phase I/II clinical trial from 66.0% to 100.0%. This also resulted in an increase of the probability that AMT-260 may advance to late-stage development and commercialization.

If as of December 31, 2023 the Company had assumed a 100% likelihood of AMT-260 advancing into a Phase III clinical study, then the fair value of the contingent consideration would have increased to $75.9 million. If as of December 31, 2023 the Company assumed that it would discontinue development of the AMT-260 program, then the contingent consideration would be released to income.

As of December 31, 2023, the Company classified $28.2 million of the total contingent consideration of $43.0 million as current liabilities. The balance sheet classification between current and non-current liabilities is based upon the Company's best estimate of the timing of settlement of the remaining relevant milestones.

Investment securities

Refer to Note 6 "*Investment securities"* for the fair value of the investment securities as of December 31, 2023.

Pension plan assets

Refer to Note 13 "*Retirement benefits"* for the fair value of the plan assets as of December 31, 2023.

5. Collaboration arrangements and concentration of credit risk

CSL Behring collaboration

License Sale

The Company concluded that variable milestone payments, sales milestone payments and royalties should be allocated to the License Sale performance obligation. Since the Company cannot control the achievement of regulatory and first commercial sales milestones the Company determined that it would recognize revenue related to these payments only to the extent that it becomes highly probable that no significant reversal of recognized cumulative revenue will occur thereafter.

The Company recorded $100.0 million in variable milestone revenue related to a first sale of HEMGENIX® in the U.S. during the year ended December 31, 2022 as the Company considered the occurrence of this event to be highly probable following the November 2022 BLA approval of HEMGENIX®. The Company collected the $100.0 million payment from CSL Behring in July 2023 following the first sale of the Prodcut in the U.S. in June 2023.

The Company is also eligible to receive up to $1.3 billion in additional payments based on the achievement of commercial milestones, which are not subject to the Royalty Financing Agreement. Royalties on the sale of HEMGENIX® are recorded once earned and are presented as license revenue.

The Company recognized $2.8 million (of which all related to royalty revenue) and $100.0 million (nil related to royalty revenue) of revenues related to the License Sale in the years ended December 31, 2023 and December 31, 2022, respectively.

The Company records expenses related to its existing license and other agreements as well as its financial advisor for a high single digit percentage of any such revenue recognized associated to meeting a milestone.

Manufacturing Development

The Company determined that the $50.0 million variable milestone payment related to Manufacturing Development should be allocated to the Manufacturing Development performance obligation. The Company concluded that this milestone payment represents the stand-alone selling price ("SSP") of the services based on the estimated cost of providing the services including a reasonable margin. Manufacturing Development includes providing information regarding a next generation manufacturing process of the Product to CSL Behring. CSL Behring did not request such services during the years ended December 31, 2023 and 2022.

The variable consideration will be reduced based on a formula linked to quantities supplied using the currently approved manufacturing process following the one year anniversaries of the BLA and MAA approvals. In conjunction with the ongoing technology transfer (see below), the Company is not actively generating information with respect to a next generation manufacturing process of the Product. The Company utilized the most likely amount method to estimate the variable consideration to be included in the transaction price. As of December 31, 2023, the Company has not recognized any revenue related to the Manufacturing Development milestone.

Contract manufacturing

On the Signing Date, the Company and CSL Behring entered into a development and commercial supply agreement, pursuant to which, among other things, the Company will supply HEMGENIX® to CSL Behring at an agreed-upon price commensurate with the SSP. The Company will be responsible for supplying development and commercial Product until such time that these capabilities may be transferred to CSL Behring or a designated contract manufacturing organization. On September 6, 2022, CSL Behring notified the Company of its intent to transfer manufacturing technology related to the Product in the coming years to a third-party contract manufacturer designated by CSL Behring.

The Company generated $10.8 million and $1.7 million contract manufacturing revenue from sales to CSL Behring in the years ended December 31, 2023 and December 31, 2022, respectively. The Company recognizes contract manufacturing revenue when CSL Behring obtains control of the HEMGENIX®. The Company incurred $13.6 million and $2.1 million of cost in relation to its contract manufacturing activities during the years ended December 31, 2023 and December 31, 2022, respectively.

Collaboration services

Following Closing, the Company was facilitating the completion of the HOPE-B clinical trial on behalf of CSL Behring until CSL Behring took over the execution of the clinical trials in December 2022. Activities related to on-demand development services and other services in accordance with the CSL Behring Agreement as well as activities related to the completing the HOPE-B clinical trial are reimbursed by CSL Behring at an agreed full-time-employee rate ("FTE-rate") and CSL Behring also reimbursed agreed third-party expenses incurred in relation to performing these activities. The Company concluded that these rights at Closing did not represent material rights.

The Company recognized $2.3 million of collaboration revenue in the year ended December 31, 2023, compared to $3.0 million in the same period in 2022.

Accounts receivable and contract asset

As of December 31, 2023, the Company recorded accounts receivable of $4.0 million from CSL Behring related to collaboration services, contract manufacturing revenue and royalty revenue.

As of December 31, 2022, the Company recorded accounts receivable of $2.2 million from CSL Behring related to collaboration services as well as a contract asset of $100.0 million for a milestone due from CSL Behring following the first sale of HEMGENIX® in the U.S., which was collected in July 2023.

BMS collaboration

On November 21, 2022, the Company received written notice that BMS is terminating the BMS CLA as amended effective February 21, 2023.

The Company recognized collaboration revenues associated with Collaboration Target-specific pre-clinical analytical development and process development activities that were reimbursable by BMS under the amended BMS CLA as well as other related agreements. Collaboration revenue related to these contracted services was recognized when performance obligations were satisfied. Total collaboration revenue generated with BMS are as follows:

	Years ended December 31,	
	2023	2022
	$ in thousands	
Bristol Myers Squibb	—	1,752
Total	**—**	**1,752**

Amounts owed by BMS are as follows (presented as "Accounts receivables" as of December 31, 2023 and 2022):

	December 31, 2023	December 31, 2022
	$ in thousands	
Bristol Myers Squibb	—	136
Total	**—**	**136**

6. Investment securities

The Company classifies its financial assets as at amortized cost only if both of the following criteria are met:

(i) The asset is held within a business model whose objective is to collect the contractual cashflows, and

(ii) The contractual terms give rise to cashflows that are solely payments of principal and interest.

Refer to Note 2 *"Summary of significant accounting policies"*.

The following table summarizes the Company's investments into sovereign debt as of December 31:

	December 31,			
	2023		2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	$ in thousands		$ in thousands	
Current investments:				
Government bonds - at amortized cost	376,532	376,671	124,831	124,548
Non-current investments				
Government bonds - at amortized cost	—	—	39,984	39,941
	376,532	**376,671**	**164,815**	**164,489**

As of December 31, 2023, investments in government bonds measured at amortized cost have remaining maturities from less than one month to seven months.

Inputs to the fair value of the investments are considered Level 2 inputs. Refer to Note 4 "*Financial risk management*" for information about the Company's exposure to credit and market risks.

Investments securities with original maturities of less than three months when purchased are presented within cash and cash equivalents (December 31, 2023: nil, December 31, 2022: $21.2 million).

7. Inventories

The following table summarizes the inventory balances as of December 31:

	December 31, 2023	December 31, 2022
	(in thousands)	
Raw materials	$ 7,157	$ 3,584
Work in progress	4,109	1,874
Finished goods	758	1,466
Inventories	**$ 12,024**	**$ 6,924**

Inventories recognized in cost of contract manufacturing revenues during the year ended December 31, 2023 amounted to $13.6 million (December 31, 2022: $2.1 million).

During the year ended December 31, 2023, inventories have been reduced by $1.6 million (December 31, 2022: nil) as a result of a write-down to net realizable value. This write-down was recognized as an expense during the year and included within the $13.6 million cost of contract manufacturing revenues.

8. Property, plant and equipment

	Leasehold improvements	Laboratory equipment	Office equipment	Construction in-progress	Total
			$ in thousands		
Cost	45,372	25,499	4,465	5,069	80,405
Accumulated depreciation	(18,092)	(16,040)	(2,768)	—	(36,900)
Carrying amount January 1, 2022	**27,280**	**9,459**	**1,697**	**5,069**	**43,505**
Additions	—	982	—	15,742	16,724
Reclassifications	899	13,676	642	(15,217)	—
Disposals - cost	—	(410)	(3)	—	(413)
Disposals - accumulated depreciation	—	298	—	—	298
Depreciation expense	(3,512)	(3,984)	(687)	—	(8,183)
Currency translation effects	(1,051)	(99)	(64)	(185)	(1,399)
Carrying amount December 31, 2022	**23,616**	**19,922**	**1,585**	**5,409**	**50,532**
Cost	44,871	39,393	4,985	5,409	94,658
Accumulated depreciation	(21,255)	(19,471)	(3,400)	—	(44,126)
Carrying amount December 31, 2022	**23,616**	**19,922**	**1,585**	**5,409**	**50,532**
Additions	—			6,664	6,664
Reclassifications	903	3,949	1,358	(6,210)	—
Disposals - cost	—	(341)	(50)		(391)
Disposals - accumulated depreciation	—	337	48		385
Depreciation expense	(4,034)	(6,453)	(766)		(11,253)
Currency translation effects	421	346	39	(195)	611
Carrying amount December 31, 2023	**20,906**	**17,760**	**2,214**	**5,668**	**46,548**
Cost	46,512	43,657	6,383	5,668	102,220
Accumulated depreciation	(25,606)	(25,897)	(4,169)	—	(55,672)
Carrying amount December 31, 2023	**20,906**	**17,760**	**2,214**	**5,668**	**46,548**

Total depreciation expense was $10.3 million for the year ended December 31, 2023 (December 31, 2022: $8.2 million). Depreciation expense is allocated to research and development expenses to the extent it relates to the Company's manufacturing facility and equipment and laboratory equipment. All other depreciation expenses are allocated to cost of contract manufacturing revenues and selling, general and administrative expense.

The carrying amount of property, plant and equipment by location is set out below:

	December 31, 2023	December 31, 2022
	$ in thousands	
Amsterdam (the Netherlands)	27,095	30,252
Lexington (United States of America)	19,437	20,258
Other	16	22
Carrying amount	**46,548**	**50,532**

9. Intangible assets and goodwill

	Acquired licenses	Acquired IPR&D	Goodwill	Total
	$ in thousands	$ in thousands	$ in thousands	$ in thousands
Cost	5,194	60,758	27,633	93,585
Accumulated amortization	(3,119)	—	—	(3,119)
Carrying amount January 1, 2022	**2,075**	**60,758**	**27,633**	**90,466**
Amortization expense	(519)	—	—	(519)
Disposal - cost	(2,110)	—	—	(2,110)
Disposal - accumulated amortization	2,110	—	—	2,110
Currency translation effects	(110)	(3,426)	(2,052)	(5,588)
Carrying amount December 31, 2022	**1,446**	**57,332**	**25,581**	**84,359**
Cost	2,761	57,332	25,581	85,674
Accumulated amortization	(1,315)	—	—	(1,315)
Carrying amount December 31, 2022	**1,446**	**57,332**	**25,581**	**84,359**
Additions	-	6,509	—	6,509
Amortization expense	(127)	—	—	(127)
Currency translation effects	43	1,787	798	2,628
Carrying amount December 31, 2023	**1,362**	**65,628**	**26,379**	**93,369**
Cost	2,761	65,628	26,379	94,768
Accumulated amortization	(1,399)	—	—	(1,399)
Carrying amount December 31, 2023	**1,362**	**65,628**	**26,379**	**93,369**

a. Acquired licenses

All intangible assets are owned by uniQure biopharma B.V, a subsidiary of the Company.

b. Acquired in-process research and development

The Company identified certain intangible assets related to an IPR&D Intangible Asset as part of its acquisition of uniQure France SAS in 2021. The Company acquired a $6.5 million IPR&D Intangible Asset as part of the global licensing agreement with Apic Bio in 2023.

c. Goodwill

The Company recorded goodwill as part of its acquisition of uniQure France SAS in 2021.

In 2023, the Company estimated the recoverable amount of the cash-generating unit ("CGU") to which the carrying amount of goodwill has been allocated. The recoverable amount was estimated based on its fair value less costs of disposal. The estimated recoverable amount exceeded its carrying amount.

10. Accrued expenses and other current liabilities

Accrued expenses and other current liabilities include the following items:

	December 31, 2023	December 31, 2022
	$ in thousands	
Personnel related accruals and liabilities	16,263	17,201
Accruals for services provided by vendors-not yet billed	12,834	12,548
Liability owed to the Purchaser pursuant to the Royalty Financing Agreement	1,437	—
Accrued contract fulfillment costs and costs to obtain a contract	—	2,250
Total	**30,534**	**31,999**

11. Borrowing

On June 14, 2013, the Company entered into a venture debt loan facility with Hercules Capital, Inc. (formerly known as Hercules Technology Growth Capital, Inc.) ("Hercules"), which was amended and restated on June 26, 2014, on May 6, 2016 ("2016 Amended Facility") and on December 6, 2018 ("2018 Amended Facility"). On January 29, 2021, the Company and Hercules amended the 2018 Amended Facility ("2021 Amended Facility"). Pursuant to the 2021 Amended Facility, Hercules agreed to an additional Facility of $100.0 million ("Tranche B") increasing the aggregate principal amount of the term loan facilities from $35.0 million to up to $135.0 million. On January 29, 2021, the Company drew down $35.0 million of the Tranche B.

On December 15, 2021, the Company and Hercules amended and restated the 2021 Amended Facility ("2021 Restated Facility"). Pursuant to the 2021 Restated Facility, Tranche A and Tranche B of the 2021 Amended Facility with a total outstanding balance of $70.0 million were consolidated into one tranche with a total commitment of $100.0 million. The Company drew down an additional $30.0 million, resulting in total principal outstanding as of December 31, 2021 of $100.0 million. The 2021 Restated Facility extended the loan's maturity date from June 1, 2023 until December 1, 2025. The interest-only period was extended from January 1, 2023 to December 1, 2024, or December 1, 2025 if, prior to June 30, 2024, either (a) the BLA for AMT-061 had been approved by the U.S. Food and Drug Administration ("FDA") or (b) AMT-130 had advanced into a pivotal trial. On November 22, 2022, the FDA approved the BLA for AMT-061 resulting in the extension of the interest-only period to December 1, 2025.

On May 12, 2023 the Company and Hercules amended the 2021 Restated Facility (the "2023 Amended Facility"). The total principal outstanding under the 2023 Amended Facility remained $100.0 million. The 2023 Amended Facility extended the maturity date and interest only period from December 1, 2025 to January 5, 2027 (the "Maturity Date"). The Company is required to repay the entire principal balance on the Maturity Date. The interest rate is adjustable and is the greater of (i) 7.95% and (ii) 7.95% plus the prime rate less 3.25% per annum. The Company paid a $2.5 million back-end fee in June 2023. Under the 2023 Amended Facility, the Company owes a back-end fee of $4.9 million on December 1, 2025 and a back-end fee of $1.3 million on the Maturity Date. The May 12, 2023 amendment resulted in a non-substantial modification in accordance with IFRS 9. As a result of the modification, a modification gain of $0.9 million was recorded as other income in the consolidated statement of profit or loss and other comprehensive income during the year ended December 31, 2023.

The amortized cost (including interest due presented as part of accrued expenses and other current liabilities) of the 2023 Amended Facility was $99.7 million as of December 31, 2023, compared to $100.9 million as of December 31, 2022. The foreign currency gain on the loan was $3.0 million in 2023 (2022: loss of $5.8 million). The fair value of the loan approximates its carrying amount. Inputs to the fair value of the loan are considered Level 3 inputs.

The movement in the amortized cost of the borrowing during the years ended December 31, 2023, and 2022, is as follows:

	Borrowing
	$ in thousands
At January 1, 2022	**98,393**
Non-cash changes recognized in profit or loss	2,524
At December 31, 2022	**100,917**
Payment of back-end fee	(2,520)
Non-cash changes recognized in profit or loss	1,349
At December 31, 2023	**99,746**

Interest expense recorded during the years ended December 31 was as follows:

Years	Amount
	$ in thousands
2023	15,355
2022	11,800

Under the 2023 Amended Facility the Company must remain current in its periodic reporting requirements and is required to keep a minimum cash balance deposited in bank accounts in the United States, equivalent to the lesser of (i) 65% of the outstanding balance of principal due or (ii) 100% of worldwide cash and cash equivalents. This restriction on cash and cash equivalents only relates to the location of the cash and cash equivalents, and such cash and cash equivalents can be used at the discretion of the Company. Beginning on April 1, 2024, the Company is required to keep a minimum of unrestricted cash of at least 30% of the loan amount outstanding. In combination with other covenants, the 2023 Amended Facility restricts the Company's ability to, among other things, incur future indebtedness and obtain additional debt financing, to make investments in securities or in other companies, to transfer assets, to perform certain corporate changes, to make loans to employees, officers, and directors, and to make dividend payments and other distributions to its shareholders. The Company secured the facilities by directly or indirectly pledging its total assets of $835.5 million, less $9.3 million of cash and cash equivalents and other current assets held by the Company and $90.4 million of other current assets and investment held by uniQure France SAS as well as receivables sold to the Purchaser.

Under the 2023 Amended Facility, the occurrence of a material adverse effect, as defined therein, would entitle Hercules to declare all principal, interest and other amounts owed by the Company immediately due and payable. As of December 31, 2023, the Company was in material compliance with all covenants and provisions.

The aggregate payments of the loan, including $47.6 million of coupon interest payments and back-end fees, for each of the 37 months subsequent to December 31, 2023, are as follows:

Years	Payments $ in thousands
2024	13,420
2025	18,233
2026	13,383
2027	102,533
Total	**147,569**

12. Royalty Financing Agreement

On May 12, 2023, the Company entered into the Royalty Financing Agreement with the Purchaser. Under the terms of the Royalty Financing Agreement the Company received an upfront payment of $375.0 million in exchange for its rights to the lowest royalty tier on CSL Behring's worldwide net sales of HEMGENIX® for certain current and future royalties due to the Company. The Company is also eligible to receive an additional $25.0 million milestone payment under the Royalty Financing Agreement if 2024 net sales of HEMGENIX® exceed a pre-specified threshold, as set forth in the Royalty Financing Agreement. The Purchaser will receive 1.85 times the upfront payment (or $693.8 million) and 1.85 times the $25.0 million milestone payment (if paid) until June 30, 2032 ("First Hard Cap Date") if such thresholds are met or, if such cap is not met by June 30, 2032, up to 2.25 times of the upfront and milestone payment (if paid) through December 31, 2038. If 2024 net sales do not exceed a pre-specified threshold, the Company will be obligated to pay $25.0 million to the Purchaser but only to the extent that the Company achieves a future sales milestone under the CSL Behring Agreement. If such milestone payment is not due from CSL Behring, the Company is not obligated to pay any amounts to the Purchaser.

The Company has retained the rights to all other royalties, as well as commercial milestones totaling up to $1.3 billion, under the terms of the CSL Behring Agreement.

Net proceeds from the Royalty Financing Agreement, after deducting professional and financial advisory fees related to the transaction of $4.9 million, were $370.1 million. The Company initially recorded these net proceeds as "Liability from royalty financing agreement" at their fair market value on its balance sheet as of closing of the transaction on June 5, 2023. Following the initial recognition, the Company measures the debt at amortized cost.

The Company expects to satisfy its commitment to the Purchaser prior to the First Hard Cap Date. The Company will record the difference of $323.7 million between the total expected payments of $693.8 million to the Purchaser and the $370.1 million net proceeds as interest expense using the effective interest rate method. The Company determined the original effective interest rate on June 5, 2023, based on the initial projected cash flows up to the First Hard Cap Date.

At December 31, 2023, the Company adjusted the amortized cost of the financial liability to reflect revised estimated future cash flows. The Company recalculated the amortized cost of the financial liability as the present value of the revised estimated future cash flows, determined at December 31, 2023, discounted at the original effective interest rate. The adjustment was recognized in profit or loss as interest expense.

The liability was initially recognized at fair value and inputs were considered Level 3 inputs.

The following table presents the movement in the liability related to the Royalty Financing Agreement between the closing of the transaction on June 5, 2023 and December 31, 2023:

	Amount of liability $ in thousands
Gross proceeds from royalty financing agreement on June 5, 2023	375,000
Transaction costs paid	(4,938)
Royalty payments to Purchaser	(1,317)
Liability owed to the Purchaser (presented as "Accrued expenses and other current liabilities")	(1,437)
Interest expense for the period June 5, 2023 to December 31, 2023	30,178
Carrying amount of liability at December 31, 2023	**397,486**

13. Retirement Benefits

Defined benefit pension plan

The Company operates a defined benefit pension plan for its Swiss employees (the "Swiss Plan") in accordance with local regulations and practices. The normal retirement age under the Swiss Plan is 65 for men and women. All benefits are immediately vested. Under the Swiss Plan, a percentage of pensionable salary is contributed as a retirement credit with additional contributions being made for death and disability benefits. Under Swiss pension law, participants who are covered by the pension plan of another employer are required to transfer the termination benefit of that pension plan into the plan of the Company. When employment at the Company ends before reaching retirement, the termination benefit is transferred out of the defined benefit pension plan. At time of retirement the accumulated retirement credit can be converted into a life-long annuity or be paid-out as a lump-sum. Participants are also permitted to withdraw a part of the accumulated termination benefit in special circumstances before reaching retirement age for example for payments related to obtain home ownership.

The Company recognized its net defined benefit obligation as of December 31, 2023 at a carrying amount of $2.5 million, presented within other non-current liabilities in the consolidated statement of financial position.

The funded status of the Swiss Plan as of December 31, 2023 is as follows:

	December 31, 2023
	(in thousands)
Fair value of plan assets	$ 8,946
Present value of defined benefit obligation	(11,499)
Funded status: (net liability)	**$ (2,553)**
Accumulated benefit obligation as at December 31, 2023	**$ 10,739**

Actuarial losses of $2.1 million, net of $0.4 million deferred tax income, were recognized in other comprehensive income, net, during the year ended December 31, 2023.

The assumptions related to the Swiss Plan are as follows:

Actuarial assumptions (% p.a.)	December 31, 2023
Discount rate	1.50%
Expected return on plan assets	2.60%
Expected inflation rate	1.60%
Interest credit rate	1.25%
Long-term expected rate of salary increases	1.60%
Pension increase	0.00%

Future benefits expected to be paid are as follows:

	December 31, 2023
Year 1	$ 533
Year 2	610
Year 3	528
Year 4	529
Year 5	540
Next 5 years	4,992
Other disclosure items:	
Next year's expected employer contribution	**$ 552**

The Company's investment strategy for its pension plan is to optimize the long-term investment return on plan assets in relation to the liability structure to maintain an acceptable level of risk while minimizing the cost of providing pension benefits and maintaining adequate funding levels in accordance with the applicable rules in each jurisdiction. The Company does not manage any assets internally. The plan assets relate to assets being held by the Swiss pension foundations in which the Company's pension plan is set-up.

The allocation of plan assets is presented below:

	December 31, 2023
Bonds	61%
Equities	25%
Real estate	10%
Others	4%

Reasonably possible changes at the reporting date to each one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	December 31, 2023	
	Increase	Decrease
	$ in thousands	
Discount rate (0.25% movement)	(890)	1,012
Future salary growth (0.25% movement)	240	(236)
Future pension growth (0.25% movement)	415	—
Total	**(235)**	**776**

14. Total Shareholders' equity

As of December 31, 2023, the Company's reserve for a currency translation adjustment was a loss of $53.7 million (December 31, 2022: loss of $61.1 million) as a result of $7.4 million presented in the consolidated statement of profit or loss and other comprehensive income as other comprehensive gain (2022: $29.7 million other comprehensive loss). The reserve for the currency translation adjustment is reflected in the Company's equity, under Other Reserves.

As of December 31, 2023, the Company's authorized share capital is €4.0 million (or $4.4 million when translated at an exchange rate as of December 31, 2023, of $1.10 / €1.00), divided into 80,000,000 ordinary shares, each with a nominal value of €0.05.

All ordinary shares issued by the Company were fully paid. Under the Company's Articles of Association, the Company is required to maintain a minimum amount of share capital in reserve. In addition, the Company is only permitted to make distributions on its ordinary shares to the extent that its shareholders' equity exceeds the sum of the paid-up and called-up capital and the reserves it is required to maintain under Dutch law. There are no other distribution restrictions applicable to the Company's shares.

Following the Closing of the CSL Behring transaction, the Company consumed its tax net operating loss carryforwards from the years 2011 to 2018. The Company allocated the tax benefit from the release of the valuation allowance related to net operating loss carryforwards generated by share issuance costs incurred in 2014, 2015, 2017 and 2018 to additional paid-in capital.

The Company recorded $0.8 million increase of additional paid-in capital in the year ended December 31, 2022 resulting from the release of valuation allowance for the tax benefit of share issuance costs incurred in 2018, 2019 and 2021 within the Netherlands.

15. Share-based compensation

Share-based compensation expense recognized by classification included in the Consolidated Statements of Profit or Loss and Other Comprehensive Profit or Loss was as follows:

	Years ended December 31,	
	2023	2022
	$ in thousands	
Cost of manufacturing services revenue	826	323
Research and development	15,734	21,875
Selling, general and administrative	16,110	15,696
Total	**32,670**	**37,894**

Share-based compensation expense recognized by award type was as follows:

	Years ended December 31,	
	2023	2022
Award type	$ in thousands	
Share options	11,451	13,591
Restricted share units	19,476	17,733
Performance share units	1,710	6,544
Employee share purchase plan	33	26
Total	**32,670**	**37,894**

The Company satisfies the exercise of share options and vesting of Restricted Share Unites (“RSUs”) and Performance Share Units (“PSUs “) through newly issued ordinary shares.

The Company’s share-based compensation plans include the 2014 Amended and Restated Share Option Plan (the “2014 Plan”) and inducement grants under Rule 5653(c)(4) of The Nasdaq Global Select Market with terms similar to the 2014 Plan (together the “2014 Plans”).

At the general meeting of shareholders on January 9, 2014, the Company’s shareholders approved the adoption of the 2014 Plan. At an extraordinary general meeting of shareholders in November 2023, an additional 1,750,000 shares were authorized for issuance, increasing the total to 14,351,471 shares. This is in addition to the 11,070,000 shares previously approved in 2015, 2016, 2018 and 2021.

Share options

Share options are priced on the date of grant and, except for certain grants made to non-executive directors, vest over a period of four years. The first 25% vests after one year from the initial grant date and the remainder vests in equal quarterly installments over years two, three and four. Certain grants to non-executive directors vest in full after one year. Any options that vest must be exercised by the tenth anniversary of the initial grant date.

2014 Plan

The following table summarizes option activity under the Company's 2014 Plan for the years ended December 31, 2023 and 2022:

	Options		
	Number of ordinary shares	Weighted average exercise price	Weighted average remaining contractual life in years
Outstanding at January 1, 2022	**3,308,325**	**$ 31.02**	**7.05**
Granted	1,426,966	$ 15.90	
Forfeited	(204,224)	$ 38.29	
Expired	(154,794)	$ 36.86	
Exercised	(138,356)	$ 7.81	
Outstanding at January 1, 2023	**4,237,917**	**$ 26.13**	**7.14**
Granted	1,650,030	$ 18.16	
Forfeited	(543,481)	$ 22.04	
Expired	(356,366)	$ 36.26	
Exercised	(14,070)	$ 9.24	
Outstanding at December 31, 2023	**4,974,030**	**$ 23.25**	**6.71**
Fully vested and exercisable at December 31, 2022	2,139,360	$ 28.82	5.45
Fully vested and exercisable at December 31, 2023	2,738,595	$ 26.08	5.15
Outstanding and expected to vest after December 31, 2023	2,235,435	$ 19.78	8.77
Total weighted average grant date fair value of options issued during 2023 (in $ millions)		$ 17.4	
Granted to directors and officers during 2023 (options, grant date fair value $ in millions)	786,580	$ 9.0	

The weighted-average share price of options exercised during the year ended December 31, 2023 at the date of exercise was $20.18.

The following table summarizes information about the weighted average grant-date fair value of options granted during the years ended December 31:

	Granted during the year	Weighted average grant - date fair value (in $)
2023	1,650,030	10.57
2022	1,426,966	9.04

Share options outstanding at the end of the year have the following weighted-average remaining contractual life and ranges of exercise prices:

Weighted average remaining contractual life	Range exercise price per share	Number of options
0 to 5 years	$5.37 -$78.01	1,280,369
6 years	$38.67 - $65.87	318,765
7 years	$28.24 - $37.00	788,605
8 years	$14.08 - $23.73	1,158,686
9 years	$6.03 - $20.18	1,427,605
At December 31, 2023		**4,974,030**

Weighted average remaining contractual life	Range exercise price per share	Number of options
0 to 5 years	$5.31 - $65.87	1,168,670
6 years	$31.71 - $78.01	373,387
7 years	$38.67 - $65.87	367,729
8 years	$28.24 - $37.00	927,475
9 years	$14.08 - $23.73	1,400,656
At December 31, 2022		**4,237,917**

The fair value of each option issued was estimated at the date of grant using the Hull & White option pricing model with the following weighted-average assumptions:

	Years ended December 31,	
Assumptions	2023	2022
Options with change of control and service-based vesting conditions	4,974,030	4,237,917
Share price [1)]	$5.37- $78.01	$5.31- $78.01
Estimated fair value per option as of grant date	$3.14 - $45.9	$2.83 - $45.94
Expected volatility	70%-80%	70%-80%
Expected term	10 years	10 years
Exercise price	$5.37- $78.01	$5.31- $78.01
Expected dividend yield [2)]	0%	0%
Risk-free rate [3)]	0.16% - 4.8%	0.16% - 4.16%

1) Closing share price on the grant dates.
2) The Company currently does not pay dividends and has no plans to do so.
3) Based on Government bonds with a term that is commensurate with the expected term of each option tranche. Also considered is the risk- free rate over the performance period for each option tranche.

Expected option term

The Hull & White option model captures early exercises by assuming that the likelihood of exercises will increase when the share price reaches defined multiples of the strike price. This analysis is included for the full contractual term.

Expected volatility

Volatility was based on a publicly traded peer group with similar years on the market as compared to the Company. The Company's own volatility was weighted against the peer group to arrive at expected volatility.

Restricted share units

The movement in the number of RSUs issued under the 2014 Plan is as follows:

	RSU	
	Number of Ordinary shares	Weighted average grant-date fair value
Non-vested at January 1, 2022	**710,617**	**$ 38.89**
Granted	1,604,533	$ 16.10
Distributed	(292,688)	$ 39.31
Forfeited	(203,688)	$ 23.39
Non-vested at January 1, 2023	**1,818,774**	**$ 20.46**
Granted	1,770,025	$ 17.88
Distributed	(738,447)	$ 22.65
Forfeited	(585,983)	$ 19.12
Non-vested at December 31, 2023	**2,264,369**	**$ 18.07**
Total weighted average grant date fair value of RSUs granted during 2023 (in $ millions)		$ 31.6
Granted to directors and officers during 2023 (shares, $ in millions)	419,200	$ 8.3

RSUs vest over one to three years. RSUs granted to non-executive directors will vest one year from the date of grant. In determining the fair values no payments of dividends were assumed during the service periods.

Performance share units

The movement in the number of PSUs issued under the 2014 Plan is as follows:

	PSU	
	Number of Ordinary shares	Weighted average grant-date fair value
Non-vested at January 1, 2022	**632,930**	**$ 33.54**
Granted	34,700	$ 15.11
Retired	(213,145)	$ 40.46
Distributed	(53,795)	$ 29.35
Non-vested at January 1, 2023	**400,690**	**$ 28.82**
Retired	(94,510)	$ 30.65
Distributed	(83,630)	$ 28.22
Non-vested at December 31, 2023	**222,550**	**$ 28.09**

The Company granted shares to certain employees in September and December 2021 and various dates during the year ended December 31, 2022 that will be earned upon achievement of defined milestones. Earned shares will vest upon the later of a minimum service period of one year or three years, or the achievement of defined milestones, subject to the grantee's continued employment. In addition, portions of the December 2021 granted to executives and other members of senior management are subject to achieving a minimum total shareholder return relative to the Nasdaq biotechnology index. The Company recognizes an amount for the services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest. The Company will revise that estimate if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates.

In January and February 2019, the Company awarded PSUs to its executives and other members of senior management. The PSUs awarded for the year ended December 31, 2019 vested in January 2022.

In determining the fair values no payments of dividends were assumed during the service periods.

Employee Share Purchase Plan ("ESPP")

In June 2018, the Company's shareholders adopted and approved an ESPP allowing the Company to issue up to 150,000 ordinary shares. The ESPP is intended to qualify under Section 423 of the Internal Revenue Code of 1986. Under the ESPP, employees are eligible to purchase ordinary shares through payroll deductions, subject to any plan limitations. The purchase price of the shares on each purchase date is equal to 85% of the lower of the closing market price on the offering date or the closing market price on the purchase date of each three-month offering period. During the year ended December 31, 2023, 19,198 shares have been issued (December 31, 2022: 11,242). As of December 31, 2023, a total of 96,862 ordinary shares remains available for issuance under the ESPP plan.

16. Expenses by nature

Operating expenses excluding expenses presented in other expenses included the following expenses by nature:

	Years ended December 31,	
	2023	2022
	$ in thousands	
Employee-related expenses	133,304	123,593
Laboratory and development expenses	54,884	65,285
Legal and advisory expenses	21,975	15,782
Office and housing expenses	15,509	11,411
Fair value loss - uniQure France SAS contingent consideration	15,895	7,081
Other operating expenses	11,236	9,940
Depreciation and amortization	10,046	8,386
Patent and license expenses	7,112	9,548
Expenses related to lease arrangements	4,376	3,489
Impairment related to Reorganization	1,438	—
Total	**275,775**	**254,514**

The Company employed an average 519 employees during the year ended December 31, 2023 (December 31, 2022: 484) including an average 238 employees outside the Netherlands (December 31, 2022: 208). The average number of employees by function during the year ended December 31, is summarized as follows:

	2023	2022
Manufacturing, research and development	425	399
Selling, general and administrative	94	85
Total	**519**	**484**

Details of employee-related expenses for the years ended December 31 are as follows:

	Years ended December 31,	
	2023	2022
	$ in thousands, except for employee numbers	
Wages and salaries	71,852	63,704
Share-based compensation expenses	31,843	37,571
Contractor expenses	6,141	3,959
Social security costs	5,900	5,179
Health insurance	4,216	4,148
Costs related to pension plans	3,611	2,667
Severance costs related to the Reorganization	2,549	—
Other employee expenses	7,192	6,365
Total	**133,304**	**123,593**
Number of employees at the end of the period	480	501

17. Other income

Other income during the year ended December 31, 2023 was $7.0 million compared to $7.2 million during the same period in 2022.

Other income in 2023 and 2022 includes income from payments received from European authorities to subsidize the Company's research and development efforts in the Netherlands. The amount recognized in the year ended December 31, 2023 was $5.0 million compared to $5.6 million in 2022.

In the year ended December 31, 2022 the Company recognized other income of $0.3 million related to its equity stake in VectorY B.V. The Company received the equity stake in VectorY B.V. in conjunction with a settlement agreement that the Company and VectorY B.V. entered into in April 2021. In the year ended December 31, 2023 the Company recognized $0.8 million in other expense in relation to a reduction in the fair market value of our equity stake in VectorY B.V. following an October 2023 financing round.

In 2023, the Company recognized $0.9 million of other income derived from a net modification gain resulting from the amendments to the Company's loan agreements under the 2023 Amended Facility. Refer to Note 11 "*Borrowing*" for further details.

In 2023 and 2022 the Company's other income also consisted of income from the subleasing of a portion of the Amsterdam facility while other expense consists of expenses incurred in relation to the subleasing income.

18. Finance (expense) / income, net

	Years ended December 31,	
	2023	2022
	$ in thousands	
Finance income		
Interest income on cash and cash equivalents and investment securities	19,577	610
Foreign exchange gains, net	-	23,235
Total finance income	**19,577**	**23,845**
Finance expense		
Interest expense on Royalty Finance Agreement (see note 12 "Royalty Financing Agreement")	(30,178)	-
Interest expense on Hercules borrowing (see note 11 "Borrowings")	(15,355)	(11,799)
Interest expense on leases (see note 21 "Leases")	(4,315)	(4,031)
Foreign exchange losses, net	(1,692)	-
Interest expense on cash and cash equivalents	-	(173)
Total finance expense	**(51,540)**	**(16,003)**
Finance (expense) / income, net	**(31,963)**	**7,842**

Foreign exchange losses and gains, net include foreign currency gains and losses on cash and cash equivalents and investment securities, Hercules borrowing, the Royalty Financing Agreement as well as loans between entities within the uniQure group and other foreign currency monetary items.

19. Income taxes

Due to the uncertainty surrounding the realization of favorable tax attributes in future tax returns, the Company has not recognized net deferred tax assets in the Netherlands.

In connection with the uniQure France SAS acquisition, the Company recognized a deferred tax liability related to acquired identifiable intangible assets and a deferred tax asset for net operating tax loss carryforwards for a net of EUR 11.9 million ($14.2 million) as of the Acquisition Date.

There are no significant unrecognized tax benefits as of December 31, 2023 and 2022.

The reconciliation of the Dutch statutory income tax rate to the Company's effective tax rate for the years ended December 31, 2023, and 2022 (-1% in 2023 and 1% in 2022) is as follows:

	Years ended December 31,			
	2023		2022	
	%	$ in thousands	%	$ in thousands
Loss before income tax (expense) / benefit		(300,208)		(137,181)
Expected tax benefit at the tax rate enacted in the Netherlands (2023: 25.8%, 2023: 25.8%)	26%	77,454	26%	35,393
Difference in tax rates between the Netherlands and foreign jurisdictions	0%	(137)	0%	137
Tax effect of:				
Non-deductible expenses	(4)%	(11,535)	(9)%	(12,220)
Current-year loss for which no deferred tax asset is recognized	(23)%	(69,852)	(28)%	(37,885)
Current year changes in unrecognized temporary differences, net	1%	1,704	13%	17,170
Recognition of previously unrecognized net operating loss carryforwards	0%	—	(1)%	(808)
Income tax (expense) / benefit	(1)%	**(2,366)**	1%	**1,787**
Income tax (expense) / benefit				
Current tax expense		(110)		(22)
Deferred tax (expense) / benefit		(2,256)		1,809
Income tax (expense) /benefit recorded in the period		**(2,366)**		**1,787**

Non-deductible expenses relate to share-based compensation expenses for an amount of $8.4 million in 2023 (2022: $9.5 million). The fair value loss on contingent consideration affected the effective tax rate reconciliation by an amount of $4.1 million in the period ended December, 31 2023 ($1.9 million in the period ended December 31, 2022).

Movement in deferred tax balances:

	Balance at 1 January 2023	Recognized in profit and loss	Directly to equity	Other comprehensive income	Balance at 31 December 2023
			$ in thousands		
Movement in deferred tax balances					
Net operating loss carryforwards	16,528	(677)	—	175	16,026
Lease liabilities	11,182	(1,057)	—	—	10,125
Defined pension liabiliy	—	—		406	406
Accrued expenses and other current liabilities	1,861	(426)	—	—	1,435
Property, plant and equipment	510	(510)	—	—	—
Intangible assets and other	1,589	(629)	—	—	960
Inventory	—	497	—	—	497
Total deferred tax assets	31,670	(2,802)	—	581	29,449
IPR&D asset	(14,792)	—	—	(450)	(15,242)
Right-of-use assets	(8,584)	1,215	—	—	(7,369)
Prepaid expenses and other	(1,052)	50	—	—	(1,002)
Property, plant and equipment	—	(719)	—	—	(719)
Total deferred tax liabilities	(24,428)	546	—	(450)	(24,332)
Net deferred tax asset	**7,242**	**(2,256)**	**—**	**131**	**5,117**

	Balance at 1 January 2022	Recognized in profit and loss	Directly to equity	Other comprehensive income	Balance at 31 December 2022
			$ in thousands		
Movement in deferred tax balances					
Net operating loss carryforwards	12,989	3,168	808	(437)	16,528
Lease liabilities	5,951	5,231	—	—	11,182
Accrued expenses and other current liabilities	1,311	550	—	—	1,861
Property, plant and equipment	971	(461)	—	—	510
Intangible assets	802	787	—	—	1,589
Inventory	148	(148)	—	—	—
Total deferred tax assets	22,172	9,127	808	(437)	31,670
IPR&D asset	(15,189)	—	—	397	(14,792)
Right-of-use assets	(3,580)	(5,004)	—	—	(8,584)
Prepaid expenses and other	(86)	(2,314)	—	1,348	(1,052)
Total deferred tax liabilities	(18,855)	(7,318)	—	1,745	(24,428)
Net deferred tax asset	**3,317**	**1,809**	**808**	**1,308**	**7,242**

Deferred tax assets and liabilities have not been recognized in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Unrecognized temporary differences:

	Years ended December 31,			
	2023		2022	
	Gross Amount	Tax Effect	Gross Amount	Tax Effect
	$ in thousands			
Unrecognized temporary differences				
Deductible temporary differences	69,275	17,873	23,709	6,117
Net operating loss carryforwards	479,977	123,834	248,981	64,237
Total	549,252	141,707	272,690	70,354
Unrecognized deferred temporary differences, net	**549,252**	**141,707**	**272,690**	**70,354**
Unrecognized deferred temporary differences in relation to equity				
Share issuance costs incurred in relation to public offerings	15,458	3,354	14,991	3,253
Unrecognized deferred tax assets in relation to equity	**15,458**	**3,354**	**14,991**	**3,253**

Netherlands

As of December 31, 2023, the total amount of net operating losses carried forward under the Dutch tax regime was $492.7 million (December 31, 2022: $264.0 million). The Company has historically not recognized deferred temporary differences. The Company evaluates all positive and negative evidence in assessing whether to recognize deferred temporary differences. Management considers reversing taxable temporary differences, projected future taxable income and tax-planning strategies in making this assessment. The Company concluded that as of December 31, 2023, and December 31, 2022 it is more likely than not that the remaining deferred tax assets will not be realized.

As of December 31, 2023, the tax treatment of the Royalty Agreement has not yet been agreed with the Dutch tax authorities. A different tax treatment could result in a different unrecognized temporary difference.

The Company recorded an $0.8 million increase of share premium in the year ended December 31, 2022 resulting from the release of valuation allowance for the tax benefit of share issuance costs incurred in 2018, 2019 and 2021.

As of December 31, 2023, a portion of the not recognized deferred temporary differences continues to relate to follow-on offering costs incurred in 2019. Any subsequently recognized tax benefits will be credited directly to share premium. As of December 31, 2023, that amount was $3.4 million ($3.3 million as of December 31, 2022).

The Dutch corporate tax rate is 25.8%. Net operating losses can be carried forward indefinitely subject to limit of offsetting taxable profit in excess of EUR 1.0 million ($1.1 million) to 50% of the taxable profit.

In June 2021 legislation was enacted allowing for an indefinite carryforward from fiscal year 2022 onwards of existing and future net operating loss carryforwards subject to a limit of offsetting taxable profit in excess of EUR 1.0 million to 50% of the taxable profit.

The fiscal periods from 2022 onwards are still open for inspection by the Dutch tax authorities.

United States of America

The federal corporate tax rate in the U.S. is 21.0%. In addition, the Company is subject to state income taxes resulting in a combined tax rate of 27.3% for its U.S. operation. As of December 31, 2023, an estimated $31.1 million of net operating losses remain to be carried forward. These net operating losses carried forward will expire in 2036 and 2037 with no deduction limit and $0.7 million can be carried forward indefinitely with a deduction limited to 80% of taxable income in a given year.

The Company's U.S. operations generated taxable income in the fiscal years 2018 to 2021 and 2023. The Company expects to continue to generate taxable income in the U.S. during the foreseeable future.

Under the provision of the Internal Revenue Code, the U.S. net operating losses carried forward may become subject to an annual limitation in the event of certain cumulative exchange in the ownership interest of significant shareholders over a three-year period in excess of 50 percent, as defined under Section 382 and 383 of the Internal Revenue Code. This could limit the amount of tax attributes that can be utilized annually to offset future taxable income or tax liabilities. The amount of the annual limitation is determined based on the value of the Company immediately prior to the ownership change. Subsequent ownership changes may further affect the limitation.

The fiscal periods from 2020 are still open for inspection by the Internal Revenue Service ("IRS"). To the extent the Company has tax attribute carryforwards, the tax years in which the attribute was generated may still be adjusted upon examination by the IRS or Massachusetts Department of Revenue to the extent utilized in a future period. The Company is currently not under examination by the IRS for any tax years.

France

The French corporate tax rate for fiscal year 2023 was 25.0%. In addition, the Company is subject to a surcharge of 3.3% of the 25.0% standard corporate tax rate resulting in a combined rate of 25.8%.

The Company's French operations have incurred losses since incorporation and are expected to continue incurring tax losses for the foreseeable future. The French operations as of December 31, 2023 have an estimated $39.6 million ($23.3 million as of December 31, 2022) of net operating losses that are available for carry forward indefinitely. The Company recorded a partial valuation allowance during the year ended December 31, 2023. No such valuation allowance was recorded in the year ended December 31, 2022. The Company evaluates all positive and negative evidence including future income from reversing taxable temporary differences (particularly from reversing the deferred tax liability related to the acquired IPR&D intangible asset), projected future taxable income and tax-planning strategies in making this assessment.

20. Basic and diluted earnings per ordinary share

Basic net loss per ordinary share is computed by dividing net loss for the period by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per ordinary share are calculated by adjusting the weighted average number of ordinary shares outstanding, assuming conversion of all potentially dilutive ordinary shares. As the Company has incurred a net loss for the year ended December 31, 2023 and December 31, 2022, all potentially dilutive ordinary shares would have an antidilutive effect, if converted, and thus have been excluded from the computation of loss per ordinary share. The ordinary shares are presented without giving effect to the application of the treasury method or exercise prices that would be above the price of an ordinary share as of December 31, 2023 and December 31, 2022, respectively.

Loss attributable to ordinary shareholders:

	Year ended December 31,			
	2023		2022	
	Continuing operations	Total	Continuing operations	Total
	$ in thousands			
Loss attributable to ordinary shareholders (basic and diluted)	(302,574)	(302,574)	(135,394)	(135,394)

The weighted-average number of ordinary shares are summarized below:

	Years ended December 31,	
	2023	2022
	ordinary shares	
Weighted-average number of ordinary shares - basic and diluted	47,670,986	46,735,045

The potentially dilutive ordinary shares are summarized below:

	Years ended December 31,	
	2023	2022
	ordinary shares	
Anti-dilutive ordinary shares equivalents		
Stock options under 2014 Plan	4,974,030	4,237,917
Non-vested RSUs and PSUs	2,486,919	2,219,464
Employee share purchase plan	3,640	1,048
Total anti-dilutive ordinary share equivalents	**7,464,589**	**6,458,429**

21. Leases

The Company's most significant leases relate to office and laboratory space under the following lease agreements:

Lexington, Massachusetts / United States

In July 2013, the Company entered into a lease for a facility in Lexington, Massachusetts, United States. The term of the lease commenced in November 2013, was set for 10 years starting from the 2014 rent commencement date and is non-cancellable. Originally, the lease for this facility had a termination date of 2024. In November 2018, the term was expanded by five years to June 2029. The lease continues to be renewable for two subsequent five-year terms. Additionally, the lease was expanded to include an additional 30,655 square feet within the same facility and for the same term. The lease of the expansion space commenced on June 1, 2019.

The contractually fixed annual increase of lease payments through 2029 for both the extension and expansion lease have been included in the lease payments.

In December 2021, the Company entered into a new lease for an additional laboratory and office facility in Lexington, Massachusetts, U.S. of approximately 13,501 square feet of space. The lease commenced in May 2022. Following the Company's announcement of the Reorganization, the Company incurred costs amounting to $1.4 million associated with the impairment of the righ-of-use asset and its associated leasehold improvement's carrying value that was determined not to be recoverable as of the cease-use date in late 2023. This facility is intended to be sub-leased in 2024.

In February 2022, the Company also entered into a new lease for a multiuser office-building in Lexington, Massachusetts, U.S. of approximately 12,716 square feet. The lease commenced in November 2022 and is set for a non-cancellable period of seven years and four months. The lease is renewable for one five-year term.

Amsterdam / The Netherlands

In March 2016, the Company entered into a 16-year lease for a facility in Amsterdam, the Netherlands and amended this agreement in June 2016. The lease for the facility terminates in 2032, with an option to extend in increments of five-year periods. The lease contract includes variable lease payments related to annual increases in payments based on a consumer price index.

On December 1, 2017, the Company entered into an agreement to sub-lease three of the seven floors of its Amsterdam facility for a ten-year term ending on December 31, 2027, with an option for the sub-lessee to extend until December 31, 2031. In February 2020, the Company amended the agreement to sub-lease to take back one of the three floors effective March 1, 2020. The fixed lease payments to be received during the remaining term under the agreement to sub-lease amount to EUR 3.6 million ($4.0 million) as of December 31, 2023.

In May 2021, the Company entered into a sublease agreement to let an additional approximately 1,080 square meters of office space to accommodate the hiring of additional full-time employees. The sublease expires in October 2028.

Other information related to leases is included below for the year ended December 31, 2023:

	Year ended December 31, 2023			
	Lexington	Amsterdam	Other	Total
	$ in thousands			
Depreciation expense for right-of-use assets	3,043	1,121	212	4,376
Interest expense on lease liabilities	2,681	1,578	56	4,315
Variable lease payments not included in the measurement of lease liabilities	872	—	—	872
Total cash outflows	5,236	2,879	42	8,157
Additions to right-of-use assets	—	—	627	627
Carrying amount of right-of-use assets as of December 31, 2023	15,739	8,643	1,336	25,718

Other information related to leases is included below for the year ended December 31, 2022:

	Year ended December 31, 2022			
	Lexington	Amsterdam	Other	Total
	$ in thousands			
Depreciation expense for right-of-use assets	2,266	977	246	3,489
Interest expense on lease liabilities	2,510	1,425	96	4,031
Variable lease payments not included in the measurement of lease liabilities	607	—	—	607
Total cash outflows	4,156	1,768	379	6,303
Additions to right-of-use assets	9,222	—	573	9,795
Carrying amount of right-of-use assets as of December 31, 2022	20,061	8,505	1,608	30,174

Sublease income for the year ended December 31, 2023 was $1.0 million (December 31, 2022: $0.8 million).

As of December 31, 2023, the lease liability maturity analysis of contractual undiscounted cash flows is as follows:

	Year ended December 31, 2023			
	Lexington	Amsterdam	Other	Total
	$ in thousands			
Not later than 1 year	5,504	2,463	477	8,444
Later than 1 year and not later than 5 years	24,485	9,785	888	35,158
Later than 5 years	2,956	6,619	—	9,575
Total undiscounted lease liabilities at December 31, 2023	**32,945**	**18,867**	**1,365**	**53,177**
Lease liabilities included in the Consolidated Statements of Financial Position as of December 31, 2023	**24,938**	**12,072**	**1,159**	**38,169**
Current	5,504	2,464	452	8,420
Non-current	19,434	9,608	707	29,749

As of December 31, 2022, the lease liability maturity analysis of contractual undiscounted cash flows was as follows:

	Year ended December 31, 2022			
	Lexington	Amsterdam	Other	Total
	$ in thousands			
Not later than 1 year	5,236	3,216	329	8,781
Later than 1 year and not later than 5 years	23,601	8,767	979	33,347
Later than 5 years	9,343	7,964	566	17,873
Total undiscounted lease liabilities at December 31, 2022	**38,180**	**19,947**	**1,874**	**60,001**
Lease liabilities included in the Consolidated Statements of Financial Position as of December 31, 2022	**27,493**	**12,978**	**1,342**	**41,813**
Current	5,236	3,216	329	8,781
Non-current	22,257	9,762	1,013	33,032

22. Commitments and contingencies

In the course of its business, the Company enters as a licensee into contracts with other parties regarding the development and marketing of its pipeline products. Among other payment obligations, the Company is obligated to pay royalties to the licensors based on future sales levels and milestone payments whenever specified development, regulatory and commercial milestones are met. As both future sales levels and the timing and achievement of milestones are uncertain, the financial effect of these agreements cannot be estimated reliably. The Company also has obligations to make future payments that become due and payable upon the collection of milestone payments from CSL Behring. The achievement and timing of these milestones is not fixed and determinable. Relevant commitments and contingencies are further discussed in other sections, such as, Note 5 "*Collaboration arrangements and concentration of credit risk*", amongst others.

23. Related party transactions

In the years ended December 31, 2023, and 2022, executive directors received regular salaries, post-employment benefits and share-based payments. Additionally, non-executive directors received compensation for their services in the form of cash compensation and equity grants.

24. Key management compensation

On June 13, 2023, the Company's shareholders reappointed Madhavan Balachandran, Jack Kaye, Leonard Post and Jeremy Springhorn as non-executive directors of the Board for terms ending at the Company's 2026 annual general meeting.

In June 2023, Walid Abi-Saab, M.D., was appointed Chief Medical Officer. Dr. Abi-Saab is responsible for leading the Company's clinical research and development, regulatory affairs, medical affairs, and program management.

In May 2023, Jeannette Potts, J.D., Ph.D. was appointed Chief Legal and Compliance Officer. Dr. Potts oversees the Company's legal, compliance and intellectual property functions.

On June 14, 2022, the Company's shareholders reappointed Mr. Kapusta as an executive director of the Board and Mr. Gut as a non-executive director for a term ending at the Company's 2025 annual general meeting. Matthew Kapusta has been the Company's Chief Executive Officer since December 2016 and had been the Company's Chief Financial Officer from January 2015 to June 2021.

Board of Directors

The aggregate remuneration of the Board of Directors amounted to $8.9 million for the year ended December 31, 2023 (December 31, 2022: $9.0 million). Details by director are as follows:

		Year ended December 31, 2023					
		Short-term employee benefits	Share-based payments [1]	Post-employment benefits	Board fee	Termination benefits	Total
		$ in thousands					
Matthew Kapusta [2]	Executive	1,062	4,782	4	—	—	5,848
Total executive director		**1,062**	**4,782**	**4**	**—**	**—**	**5,848**
David Meek	Non-Executive, Chairman	—	309	—	90	—	399
Madhavan Balachandran[3]	Non-Executive	—	309	—	57	—	366
Robert Gut [2]	Non-Executive	—	377	—	50	—	427
Rachelle Jacques	Non-Executive	—	350	—	53	—	403
Jack Kaye[3]	Non-Executive	—	309	—	70	—	379
Leonard Post[3]	Non-Executive	—	315	—	58	—	373
Paula Soteropoulos	Non-Executive	—	309	—	55	—	364
Jeremy P. Springhorn[3]	Non-Executive	—	309	—	61	—	370
Total non-executive directors		**—**	**2,587**	**—**	**494**	**—**	**3,081**

		Year ended December 31, 2022					
		Short-term employee benefits	Share-based payments [1]	Post-employment benefits	Board fee	Termination benefits	Total
		$ in thousands					
Matthew Kapusta [2]	Executive	1,193	5,309	9	—	—	6,511
Total executive director		**1,193**	**5,309**	**9**	**—**	**—**	**6,511**
David Meek	Non-Executive, Chairman	—	204	—	86	—	290
Madhavan Balachandran[3]	Non-Executive	—	204	—	52	—	256
Robert Gut [2]	Non-Executive	—	543	—	46	—	589
Rachelle Jacques	Non-Executive	—	258	—	50	—	308
Jack Kaye[3]	Non-Executive	—	204	—	64	—	268
Leonard Post[3]	Non-Executive	—	246	—	53	—	299
Paula Soteropoulos	Non-Executive	—	204	—	50	—	254
Jeremy P. Springhorn[3]	Non-Executive	—	204	—	65	—	269
Total non-executive directors		**—**	**2,067**	**—**	**466**	**—**	**2,533**

[1] The share-based payment reflects the value of equity settled share options, RSUs and PSUs expensed during the year, as required by IFRS 2.
[2] Reappointed on June 14, 2022.
[3] Reappointed on June 13, 2023.

Management team

The compensation costs of the Management Team (excluding Mr. Kapusta) for the years ended December 31, 2023, and 2022 were as follows:

	Short-term employee benefits	Share-based payments	Post-employment benefits	Termination benefits	Total
			$ in thousands		
Year ended December 31, 2023	5,756	8,661	249	819	15,485
Year ended December 31, 2022	5,853	11,983	238	—	18,074

Refer to Note 15 "*Share-based compensation*" for further information regarding share-based payment awarded to key management personnel and directors. Expenses resulting from the acceleration of performance share units for executives leaving the Company are presented within share-based payments.

25. Events after the reporting date

None.

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uniQure N.V.

Company-Only Statement of Financial Position

	Note	December 31, 2023	December 31, 2022
		$ in thousands	
Non-current assets			
Intangible fixed assets	3	25,891	25,108
Financial fixed assets	4	178,286	397,556
Total fixed assets		**204,177**	**422,664**
Current assets			
Receivables from affiliated entities	5	69,390	91,242
Other current assets		262	276
Cash and cash equivalents		9,006	63,393
Total current assets		**78,658**	**154,911**
Total assets		**282,835**	**577,575**
Current liabilities			
Payable to affiliated entity	5	24,428	64,285
Current liabilities	6	28,211	25,982
Accrued expenses and other current liabilities		3,819	3,460
Total current liabilities		**56,458**	**93,727**
Non-current liabilities			
Non-current liabilities	6	15,298	9,652
Total non-current liabilities		**15,298**	**9,652**
Total liabilities		**71,756**	**103,379**
Shareholders' equity			
Share capital		3,067	2,807
Share premium		816,493	816,230
Legal reserves		(53,610)	(61,022)
Other reserves		206,816	175,294
Accumulated deficit		(761,687)	(459,113)
Total shareholders' equity	7	**211,079**	**474,196**
Total liabilities and shareholders' equity		**282,835**	**577,575**

After appropriation of the result for the year
The accompanying notes are an integral part of these company-only financial statements.

uniQure N.V.

Company-Only Statement of Profit or Loss

	Years ended December 31,	
	2023	2022
	$ in thousands	
Share in results from participating interests	(255,643)	(113,022)
Other income and expenses	(46,931)	(22,372)
Net loss	**(302,574)**	**(135,394)**

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

Notes to the Company-only Financial Statements

1. General

uniQure N.V. ("uniQure" or the "Company") was incorporated on January 10, 2012.

The Company-only financial statements are part of the 2023 financial statements of uniQure N.V. On February 10, 2014, the Company converted from a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands into a public company with limited liability (*naamloze vennootschap*), and changed its legal name from uniQure B.V. to uniQure N.V.

The Company is the parent company of the uniQure group and is listed on Nasdaq. The Company provides intercompany funding to its operational subsidiaries in the form of loans and equity financing. The Company conducts its business through its Dutch subsidiary uniQure biopharma B.V. ("Biopharma"), its French subsidiary uniQure France SAS and its Swiss subsidiary Corlieve Therapeutics AG. Biopharma owns the U.S. operating entity uniQure Inc. The Company issued a joint and several liability statements per Section 2:403 of the Dutch Civil Code, for the benefit of its Dutch subsidiaries, thereby establishing a contingent liability.

uniQure N.V. forms a fiscal unity with its Dutch subsidiaries for income tax purposes. In accordance with the standard conditions, a company and its subsidiaries that form the fiscal unity are jointly and severally liable for tax payable by the fiscal unity.

2. Basis of preparation

These Company-only financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of the result for its Company-only financial statements, uniQure makes use of the option provided in Section 2:362 (8) of the Dutch Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result are the same as those applied in the consolidated financial statements and are based on IFRS Accounting Standards as endorsed by the European Union for the financial year ended December 31, 2023.

Please see the notes to the consolidated financial statements for a description of these recognition and measurement principles, including those for foreign currency transactions and intra-group transactions. For an appropriate interpretation of these separate financial statements, the separate financial statements should be read in conjunction with the consolidated financial statements. These financial statements are presented in U.S. dollars as the Company is listed on Nasdaq and its reporting currency is the U.S. Dollar.

With reference to the Company-only income statement of uniQure, use has been made of the exemption pursuant to Section 2:402 of the Dutch Civil Code.

In the Company-only financial statements, participating interests in group companies and long-term loan receivables are presented at their net asset value, being the equity of the respective participating interest in group companies. If the net asset value of a participating interest in group companies is negative, then the carrying amount of the long-term loan receivable from that participating interest in group companies is reduced with the negative equity amount. The Company adopted a policy whereby a reduction of negative equity will first be recorded as a reversal of a reduction of a long-term loan receivable's carrying amount before reversing reductions of the carrying amount of participating interests in group companies.

The Company-only financial statements have been prepared on a going concern basis based on the Company's cash and cash equivalents as of December 31, 2023, and the Company's budgeted cash flows for the twelve months following the issuance date.

3. Intangible fixed assets

	Goodwill $ in thousands
Cost	
Balance at January 1, 2022	27,132
Effect of movement in exchange rates	(2,024)
Balance at December 31, 2022	**25,108**
Balance at January 1, 2023	25,108
Effect of movement in exchange rates	783
Balance at December 31, 2023	**25,891**
Accumulated amortization and impairment losses	
Balance at January 1, 2022	—
Balance at December 31, 2022	—
Balance at January 1, 2023	—
Balance at December 31, 2023	—
Carrying amounts	
Balance at January 1, 2022	27,132
Balance at December 31, 2022	25,108
Balance at December 31, 2023	25,891

Goodwill has been recognized in connection with the Company's acquisition of uniQure France SAS (formerly Corlieve Therapeutics SAS) on July 30, 2021. Further disclosures relating to goodwill can be found in Note 9 "Intangible Assets" to the consolidated financial statements.

4. Financial fixed assets

uniQure N.V. holds participating interests in the following group companies:

Name	Percentage of shares	Statutory seat
uniQure biopharma B.V.	100%	Amsterdam, Netherlands
uniQure IP B.V.	100%	Amsterdam, Netherlands
uniQure France SAS	100%	Paris, France
Corlieve Therapeutics AG	100%	Allschwill, Switzerland

	Investment in participating interests
	$ in thousands
Cost [1)]	695,587
Accumulated share in results from participating interests, including currency translation effects [1)]	(157,052)
Share in results from participating interests for the period, including currency translation effects [1)]	(140,979)
Carrying amount January 1, 2023	**397,556**
Investments	25,300
Share in results from participating interests for the period [2)]	(255,643)
Currency translation effects	11,073
Carrying amount December 31, 2023	**178,286**
Cost [1)]	743,092
Accumulated share in results from participating interests, including currency translation effects [1)]	(320,236)
Share in results from participating interests for the period, including currency translation effects [1)]	(244,570)
Carrying amount December 31, 2023	**178,286**

1) Translated into the presentation currency at the December 31, 2023 and December 31, 2022 exchange rate, respectively.
2) Translated into the presentation currency at monthly average exchange rates for the year ended December 31, 2023.

Services provided by employees of uniQure N.V. group are partially compensated through the issuance of ordinary shares of uniQure N.V. The Company records any share-based compensation incurred by its participating interests as an investment into the respective participating interest together with a corresponding increase of its share premium.

One of the participating interests has a negative net asset value and is valued at nil, resulting in a difference between the group and Company equity.

5. Receivables from and payables to affiliated entities

During the year ended December 31, 2023 the Company advanced $8.4 million (EUR 7.1 million) in cash to uniQure France SAS. As of December 31, 2023, the Company has an outstanding receivable of $27.7 million with uniQure France SAS (December 31, 2022: $18.0 million), presented in receivables from affiliated entities in the Company-Only Statement of Financial Position. The receivable is presented as current, based on the contractual terms of the loan agreement, but the Company does not expect repayment within one year.

During the year ended December 31, 2023 the Company received $30.3 million (EUR 29.5 million) in cash from uniQure Inc. As of December 31, 2023, the Company has an outstanding receivable of $41.6 million with uniQure Inc. (December 31, 2022: $71.9 million), presented in receivables from affiliated entities in the Company-Only Statement of Financial Position.

During the year ended December 31, 2023 the Company advanced $39.6 million (EUR 37.7 million) in cash to uniQure biopharma B.V. As of December 31, 2023, the Company has an outstanding payable of $24.4 million with uniQure biopharma B.V. (December 31, 2022: payable of $64.0 million), presented in payable to affiliated entity, in the Company-Only Statement of Financial Position.

6. Non-current liabilities

	As of December 31,	
	2023	2022
	$ in thousands	
Contingent consideration	14,794	9,334
Other non-current liabilities	504	318
Total non-current liabilities	**15,298**	**9,652**

Contingent consideration has been recognized in connection with the Company's acquisition of uniQure France SAS on July 30, 2021. As of December 31, 2023, the Company presented $28.2 million of the total contingent consideration of $43.0 million as current liabilities.

Further disclosures relating to the contingent consideration can be found in Note 4 "Financial Risk Management" to the consolidated financial statements.

7. Shareholders' equity

During the period covered by these Company-only financial statements uniQure had a single class of shares which are denominated as ordinary shares.

	Attributable to equity holders of the Company						
	Share Capital		Legal Reserves				
	No. of shares	Amount	Share Premium	Currency translation differences	Other Reserves	Accumulated Deficit	Total Equity
	$ in thousands (except number of shares)						
Balance at January 1, 2022	**46,298,635**	**2,623**	**814,013**	**(31,296)**	**137,548**	**(323,719)**	**599,169**
Net loss	—	—	—	—	—	(135,394)	(135,394)
Other comprehensive loss	—	—	—	(29,726)	—	—	(29,726)
Total comprehensive loss	—	—	—	(29,726)	—	(135,394)	(165,120)
Share capital translation reserve	—	148	—	—	(148)	—	—
Income tax benefit of past share issuance cost	—	—	808	—	—	—	808
Exercise of share options	152,356	8	1,272	—	—	—	1,280
Restricted and performance share units distributed during the period	505,799	27	(27)	—	—	—	—
Share-based compensation expense	—	—	—	—	37,894	—	37,894
Issuance of ordinary shares relating to employee stock purchase plan	11,242	1	164	—	—	—	165
Balance at December 31, 2022	**46,968,032**	**2,807**	**816,230**	**(61,022)**	**175,294**	**(459,113)**	**474,196**
Balance at January 1, 2023	**46,968,032**	**2,807**	**816,230**	**(61,022)**	**175,294**	**(459,113)**	**474,196**
Net loss	—	—	—	—	—	(302,574)	(302,574)
Other comprehensive income	—	—	—	7,412	(932)	—	6,480
Total comprehensive loss	—	—	—	7,412	(932)	(302,574)	(296,094)
Share capital translation result	—	215	—	—	(215)	—	—
Exercises of share options	14,070	1	129	—	—	—	130
Restricted and performance share units distributed during the period	832,530	43	(43)	—	—	—	—
Share-based compensation expense	—	—	—	—	32,669	—	32,669
Issuance of ordinary shares relating to employee stock purchase plan	19,198	1	177	—	—	—	178
Balance at December 31, 2023	**47,833,830**	**3,067**	**816,493**	**(53,610)**	**206,816**	**(761,687)**	**211,079**

Further disclosures relating to the capital contributions and share-based payment expenses can be found in Notes 14 "*Shareholder's equity*" and 15 "*Share-based compensation*" to the consolidated financial statements.

As of December 31, 2023, a total of 47,833,830 ordinary shares were issued and paid up in full at a nominal value of €0.05 per share (December 31, 2022: 46,968,032 ordinary shares). Of these, 865,798 ordinary shares were issued during the year (December 31, 2022: 669,397 ordinary shares).

The total proceeds for issuance of ordinary shares during the year ended December 31, 2023 amount to $0.3 million (December 31, 2022: $1.4 million).

The Company proposes to the General Meeting of Shareholders to allocate the net loss for the twelve-month period ended December 31, 2023, of $302.6 million to the accumulated deficit.

8. Compensation of the Board of Directors

The executive director of uniQure N.V. is employed by a subsidiary of the Company. As of December 31, 2023, the Company recorded an amount of $0.0 million (December 31, 2022: $0.0 million) for social security and payroll tax obligations, in relation to the Board of Directors. Personal loans or guarantees have not been provided by any member of the uniQure group to any member(s) of the Board of Directors.

Refer to Note 24 "*Key management compensation*" of the consolidated financial statements.

9. Audit fees

The following table sets forth the final fees, for each of the years indicated, when the work was performed by the Company's independent auditors and the percentage of each of the fees out of the total fees when the work was performed by the independent auditors.

	Year ended December 31, 2023			
	KPMG Accountants N.V.		Other KPMG network	
	$ in thousands	%	$ in thousands	%
Audit of the financial statements	1,270	91%	214	100%
Other audit services	125	9%	—	0%
Total	**1,395**	**100%**	**214**	**100%**

	Year ended December 31, 2022			
	KPMG Accountants N.V.		Other KPMG network	
	$ in thousands	%	$ in thousands	%
Audit of the financial statements	1,212	93%	186	100%
Other audit services	93	7%	—	0%
Total	**1,305**	**100%**	**186**	**100%**

The fees listed above relate to the procedures applied to the Company and its consolidated group entities by its independent auditor as referred to in Section 1, subsection 1 of the Dutch Accounting Firms Oversight Act (Dutch acronym: Wta), as well as by Dutch and foreign-based accounting firms, including their tax services and advisory groups.

Signing of the Financial Statements

Amsterdam, April 25, 2024

Executive Director

/s/ Matthew Kapusta
Matthew Kapusta, Chief Executive Officer

Non-Executive Directors

/s/ David Meek
David Meek, Chairman

/s/ Madhavan Balachandran
Madhavan Balachandran, Member

/s/ Robert Gut
Robert Gut, Member

/s/ Rachelle Jacques
Rachelle Jacques, Member

/s/ Jack Kaye
Jack Kaye, Member

/s/ Leonard Post
Leonard Post, Member

/s/ Paula Soteropoulos
Paula Soteropoulos, Member

/s/ Jeremy P. Springhorn
Jeremy P. Springhorn, Member

D Other Information

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Statutory Arrangement Concerning the Appropriation of Profit

The statutory arrangements regarding the appropriation of profit are described in article 10.1 of the articles of association:

10.1. **Profit and loss. Distributions on Shares.**

10.1.1. The Board will keep a share premium reserve and profit reserve for the Shares.

10.1.2. The Company may make distributions on Shares only to the extent that its shareholders' equity exceeds the sum of the paid-up and called-up part of the capital and the reserves which must be maintained by law.

10.1.3. Distributions of profit, meaning the net earnings after taxes shown by the adopted Annual Accounts, shall be made after the adoption of the Annual Accounts from which it appears that they are permitted, without prejudice to any of the other provisions of these articles of association.

10.1.4. The Board may determine that any amount out of the profit shall be added to the reserves.

10.1.5. The profit remaining after application of article 10.1.4 shall be at the disposal of the General Meeting, which may resolve to carry it to the reserves or to distribute it among the Shareholders.

10.1.6. On a proposal of the Board the General Meeting may resolve to distribute to the Shareholders a dividend in the form of Shares in the share capital of the Company.

10.1.7. Subject to the other provisions of this article 10.1 the General Meeting may, on a proposal made by the Board resolve to make distributions to the Shareholders to the debit of one (1) or several reserves which the Company is not prohibited from distributing by virtue of the law.

10.1.8. No dividends shall be paid on Shares held by the Company in its own share capital, unless such Shares are encumbered with a right of use and enjoyment (*vruchtgebruik*) or pledge.

Independent auditor's report

To: the General Meeting of Shareholders and the Board of Directors of uniQure N.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of uniQure N.V. as at December 31, 2023 and of its result and its cash flows for the year then ended, in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- the accompanying company financial statements give a true and fair view of the financial position of uniQure N.V. as at December 31, 2023 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2023 of uniQure N.V. ('the Company') based in Amsterdam, the Netherlands. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1 the consolidated statement of financial position as at December 31, 2023;
2 the following consolidated statements for 2023: profit or loss and other comprehensive income or loss, changes in equity and cash flows; and
3 the notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1 the company-only statement of financial position as December 31, 2023;
2 the company-only statement of profit or loss for 2023; and
3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of uniQure N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of going concern, fraud and non-compliance with laws and regulations, and the key audit matters was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

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

Information in support of our opinion

Summary

Materiality
• Materiality of USD 7.5 million • 2.6% of loss before tax

Group audit
• Audit coverage of 88% of total assets • Audit coverage of 85% of total expenses

Fraud, NOCLAR, Going concern related risks
• Fraud risks: presumed risk of management override of controls identified and further described in the section 'Audit response to the risk of fraud and non-compliance with laws and regulations'. • Non-compliance with laws and regulations (NOCLAR) risks: no risk of material misstatements related to NOCLAR identified. • Going concern risks: no going concern risks identified.

Key audit matter
Effective interest rate of Royalty financing agreement

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at USD 7.5 million (2022: 5.0 million). The materiality is determined with reference to the relevant benchmark e.g. loss before tax (2.6%). We consider loss before tax as the most appropriate benchmark based on our analysis of the common information needs of users of the financial statements and stakeholders of the Company. On this basis, and given the stage of the Company's research & development projects, we believe that loss before tax is the most relevant metric to determine materiality. Materiality significantly changed compared to last year due to the increased size of the Company over the past several years. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors that misstatements identified during our audit in excess of USD 375 thousand would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

uniQure N.V. is at the head of a group of components. The financial information of this group is included in the financial statements of uniQure N.V.

Our group audit mainly focused on significant components with identified risk of material misstatements.

We have:

- performed audit procedures ourselves at the holding, uniQure N.V. and group component uniQure Biopharma B.V.; and
- made use of the work of other auditors for the audit of uniQure Inc.

For the residual population not in scope we performed analytical procedures to corroborate that our scoping remained appropriate throughout the audit.

By performing the procedures mentioned above at group components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements.

The audit coverage as stated in the section summary is 88% on total assets and 85% of total expenses.

Audit response to the risk of fraud and non-compliance with laws and regulations

In chapter 3, Risk Management of the Report of the Board of Directors, the Board of Directors describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment and the Company's risk management in relation to fraud and non-compliance.

Our procedures included, among other things, assessing the Company's code of conduct, whistleblowing procedures, incidents register and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with the Board of Directors and other relevant functions, such as Chief Financial Officer, Chief Legal Officer, and the Vice President of Financial Planning and Analysis ('FP&A'). We have also incorporated an element of unpredictability in our audit, such as: detailed testing of certain specific research and development contracts.

As a result of our risk assessment, we identified the following laws and regulations as those most likely to have a material effect on the financial statements in case of non-compliance:

— pharmaceutical regulation (reflecting the Company's involvement in the development and manufacturing of gene therapies);

— employment law (reflecting the Company's activities involving a highly skilled work force);

— health and safety law (reflecting the nature of the Company's production and distribution processes).

Further, we assessed the presumed fraud risk on revenue recognition as irrelevant because there is limited perceived pressure and opportunity to fraudulently recognize revenue. The Company recognizes limited manufacturing and royalty revenue due to the recent launch of a commercial product.

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit, including the relevant presumed risks laid down in the auditing standards, and responded as follows:

- **Management override of controls (a presumed risk)**

Risk:

- Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Responses:

- We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls that mitigate fraud risks, such as processes related to journal entries and estimates.
- We performed a data analysis of high-risk journal entries and evaluated key estimates and judgments for bias by the Company's management. Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.

Our evaluation of procedures performed related to fraud and non-compliance with laws and regulations did not result in an additional key audit matter.

We communicated our risk assessment, audit responses and results to the Audit Committee of the Board of Directors.

Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to going concern

The Board of Directors has performed its going concern assessment and has not identified any going concern risks. To assess the Board of Directors' assessment, we have performed, inter alia, the following procedures:

- we considered whether the Board of Directors' assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit;
- we analyzed the Company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks.
- we inquired with the Chief Financial Officer on the key assumptions and principles underlying the Board of Directors' assessment of the going concern risks;

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's going concern assessment.

Our key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matter to the Board of Directors. The key audit matter is not a comprehensive reflection of all matters discussed.

Compared to last year the key audit matter with respect to the evaluation of the recognition of milestone revenue is not included, as this specifically related to the financial year 2022. Furthermore, compared to last year the key audit matter with respect to the effective interest rate of the royalty financing agreement has been added.

Effective interest rate on the royalty financing agreement

Description

As included in note 12 the Company entered into a royalty financing agreement. Under the terms of the royalty financing agreement the Company received an upfront payment of $375.0 million and the counterparty would receive 1.85 times the upfront payment, and other payments if any, if paid by June 30, 2032. If the amount is not repaid by June 30, 2032 the counterparty would receive up to 2.25 times the payments through December 31, 2038.

The Company recorded the proceeds, net of transaction costs, of $ 370.1 million as "Liability from royalty financing agreement" at their fair market value on its balance sheet as of closing of the transaction on June 5, 2023. Following the initial recognition, the Company measures the debt at amortized cost.

The Company determined the effective interest rate based on the projected cash flows up to the First Hard Cap Date. The Company periodically assesses and adjusts the expected timing of projected cash flows.

Due to the significance of the amounts involved, the impact on the results, and the judgement management applied in the selection of information used, the royalty financing agreement is considered the key audit matter in our audit.

Our response

We have obtained an understanding of the process to determine the effective interest rate of the royalty financing agreement. We have read the royalty financing agreement and we have inspected joint steering committee meeting minutes.

We assessed the adequacy of the cash flows estimated by management, and we have performed procedures to challenge the data inputs and assumptions used by uniQure management to corroborate the assessment. We have inspected documentation such as the royalty revenue forecast and performed inquiries with the vice president of FP&A whose department prepares the projected cash flows as input to the effective interest rate.

We have inspected sensitivity analyses prepared by management and performed additional sensitivity analyses which take into account a range of possible reasonable outcomes.

Finally, we evaluated the completeness and accuracy of the disclosure regarding the royalty financing agreement, as disclosed in note 12 ‘Royalty Financing Agreement’ in the notes to the financial statements to evaluate compliance with disclosure requirements included in EU-IFRS. In particular we have paid attention to the disclosure of the range of the effective interest rate to provide readers of the financial statements with sufficient and appropriate information.

Our observation

Based on our procedures performed we consider the determination of the effective interest rate of the royalty financing agreement to be reasonable and in compliance with EU-IFRS. We determined that the disclosures relating to the measurement of royalty financing liability are adequate.

Report on the other information included in the annual report

In addition to the financial statements and our auditor’s report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and other information.

We have read the other information included in the annual report. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information included in the annual report contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors of uniQure N.V. is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were initially appointed by the General Meeting of Shareholders as auditor of uniQure N.V. on May 10, 2019, as of the audit for the year 2019 and have operated as statutory auditor ever since that financial year.

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors of uniQure N.V. for the financial statements

The Board of Directors of uniQure N.V. is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors of uniQure N.V. is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In that respect the Board of Directors of uniQure N.V. are responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.

As part of the preparation of the financial statements, the Board of Directors of uniQure N.V. is responsible for assessing the uniQure N.V.'s ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors of uniQure N.V. should prepare the financial statements using the going concern basis of accounting unless the Board of Directors of uniQure N.V. either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors of uniQure N.V. should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Audit Committee of the Board of Directors is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in the appendix of this auditor's report. This description forms part of our auditor’s report.

Amstelveen, April 25, 2024

KPMG Accountants N.V.

B.S. Geerling RA

Appendix:
Description of our responsibilities for the audit of the financial statements

Appendix

Description of our responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of uniQure N.V.;
- concluding on the appropriateness of the Board of Directors of uniQure N.V.'s use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure, and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising, and performing the group audit.

We communicate with the Audit Committee of the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the Audit Committee of the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee of the Board of Directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.