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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of **August 2021**

Commission File Number: **001-39034**

**BELLUS HEALTH INC.**

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*(Name of registrant)*

**275 Armand-Frappier Blvd.  
Laval, Québec  
H7V 4A7  
Canada**

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*(Address of principal executive offices)*

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**BELLUS Health Inc.**

Date: August 11, 2021

By: /s/ Ramzi Benamar  
Name: Ramzi Benamar  
Title: Chief Financial Officer

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## Form 6-K Exhibit Index

<b>Exhibit Number</b>	<b>Document Description</b>
<a href="#"><u>99.1</u></a>	<a href="#"><u>Condensed Consolidated Interim Financial Statements (Unaudited) for the periods ended June 30, 2021 and 2020.</u></a>
<a href="#"><u>99.2</u></a>	<a href="#"><u>Management's Discussion and Analysis for the three and six-month periods ended June 30, 2021.</u></a>
<a href="#"><u>99.3</u></a>	<a href="#"><u>Form 52-109F2 Certification of Interim Filings – CEO.</u></a>
<a href="#"><u>99.4</u></a>	<a href="#"><u>Form 52-109F2 Certification of Interim Filings – CFO.</u></a>

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Condensed Consolidated Interim Financial Statements of  
(Unaudited)

**BELLUS HEALTH INC.**

Periods ended June 30, 2021 and 2020  
(In thousands of United States dollars)

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**BELLUS HEALTH INC.**

Condensed Consolidated Interim Financial Statements  
(Unaudited)

Periods ended June 30, 2021 and 2020  
(In thousands of United States dollars)

**Condensed Consolidated Interim Financial Statements**

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**BELLUS HEALTH INC.**Condensed Consolidated Interim Statements of Financial Position  
(Unaudited)June 30, 2021 and December 31, 2020  
(In thousands of United States dollars)

	June 30, 2021	December 31, 2020
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents (note 4)	\$ 29,120	\$ 48,889
Short-term investments (note 4)	43,213	49,371
Trade and other receivables	542	325
Research tax credit receivable	807	724
Prepaid expenses and other assets	2,363	3,005
<b>Total current assets</b>	<b>76,045</b>	<b>102,314</b>
<b>Non-current assets:</b>		
Right-of-use asset (note 5)	410	501
Other assets	200	198
In-process research and development asset (note 6)	50,100	50,100
<b>Total non-current assets</b>	<b>50,710</b>	<b>50,799</b>
<b>Total Assets</b>	<b>\$ 126,755</b>	<b>\$ 153,113</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities:</b>		
Trade and other payables	\$ 9,347	\$ 5,495
Lease liability (note 5)	169	156
<b>Total current liabilities</b>	<b>9,516</b>	<b>5,651</b>
<b>Non-current liabilities:</b>		
Lease liability (note 5)	262	347
<b>Total non-current liabilities</b>	<b>262</b>	<b>347</b>
<b>Total Liabilities</b>	<b>9,778</b>	<b>5,998</b>
<b>Shareholders' equity:</b>		
Share capital (note 7 (a))	575,286	575,286
Other equity (notes 7 (b) (i) and (ii))	34,801	31,360
Deficit	(502,408)	(468,829)
Accumulated other comprehensive income	9,298	9,298
<b>Total Shareholders' Equity</b>	<b>116,977</b>	<b>147,115</b>
Commitments and contingencies (note 10)		
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 126,755</b>	<b>\$ 153,113</b>

See accompanying notes to unaudited condensed consolidated interim financial statements.

**BELLUS HEALTH INC.**Condensed Consolidated Interim Statements of Loss and Other Comprehensive Loss  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data)

	Three-month periods ended June 30,		Six-month periods ended June 30,	
	2021	2020	2021	2020
Revenues	\$ 4	\$ 4	\$ 8	\$ 8
Expenses:				
Research and development	15,394	5,996	27,980	12,572
Research tax credits	(193)	(97)	(331)	(163)
	15,201	5,899	27,649	12,409
General and administrative	2,805	3,439	6,275	6,201
Total operating expenses	18,006	9,338	33,924	18,610
Loss from operating activities	(18,002)	(9,334)	(33,916)	(18,602)
Finance income	182	920	371	699
Finance costs	(8)	(8)	(34)	(651)
Net finance income (note 8)	174	912	337	48
Net loss for the period	\$ (17,828)	\$ (8,422)	\$ (33,579)	\$ (18,554)
Loss per share (note 9)				
Basic and diluted	\$ (0.23)	\$ (0.14)	\$ (0.43)	\$ (0.33)

See accompanying notes to unaudited condensed consolidated interim financial statements.

**BELLUS HEALTH INC.**Condensed Consolidated Interim Statements of Changes in Shareholders' Equity  
(Unaudited)Periods ended June 30, 2021 and 2020  
(in thousands of United States dollars)

	Share capital (note 7 (a))	Other equity	Deficit	Accumulated other comprehensive income	Total
Balance, December 31, 2020	\$ 575,286	\$ 31,360	\$ (468,829)	\$ 9,298	\$ 147,115
<b>Total comprehensive loss for the period:</b>					
Net loss and comprehensive loss	—	—	(33,579)	—	(33,579)
<b>Total comprehensive loss for the period</b>	<b>—</b>	<b>—</b>	<b>(33,579)</b>	<b>—</b>	<b>(33,579)</b>
<b>Transactions with shareholders, recorded directly in shareholders' equity:</b>					
Stock-based compensation (note 7 (b) (i))	—	3,441	—	—	3,441
Balance, June 30, 2021	<u>\$ 575,286</u>	<u>\$ 34,801</u>	<u>\$ (502,408)</u>	<u>\$ 9,298</u>	<u>\$ 116,977</u>
	Share capital (note 7 (a))	Other equity	Deficit	Accumulated other comprehensive income	Total
Balance, December 31, 2019	\$ 486,401	\$ 26,858	\$ (433,818)	\$ 9,298	\$ 88,739
<b>Total comprehensive loss for the period:</b>					
Net loss and comprehensive loss	—	—	(18,554)	—	(18,554)
<b>Total comprehensive loss for the period</b>	<b>—</b>	<b>—</b>	<b>(18,554)</b>	<b>—</b>	<b>(18,554)</b>
<b>Transactions with shareholders, recorded directly in shareholders' equity:</b>					
Issued in consideration for acquisition of remaining BLU-5937 Assets (note 6)	47,749	—	(301)	—	47,448
Stock-based compensation (note 7 (b) (i))	—	1,945	—	—	1,945
Issued upon stock options exercise (note 7 (b) (i))	318	(151)	—	—	167
Issued upon broker warrants exercise (note 7 (b) (ii))	552	(131)	—	—	421
Balance, June 30, 2020	<u>\$ 535,020</u>	<u>\$ 28,521</u>	<u>\$ (452,673)</u>	<u>\$ 9,298</u>	<u>\$ 120,166</u>

See accompanying notes to unaudited condensed consolidated interim financial statements.



**BELLUS HEALTH INC.**Condensed Consolidated Interim Statements of Cash Flows  
(Unaudited)Periods ended June 30, 2021 and 2020  
(in thousands of United States dollars)

	Six-month periods ended June 30,	
	2021	2020
<b>Cash flows from operating activities:</b>		
Net loss for the period	\$ (33,579)	\$ (18,554)
Adjustments for:		
Depreciation (note 5)	91	89
Stock-based compensation	3,441	1,945
Loss on lease modification	—	6
Net finance income	(337)	(48)
Other items	(50)	45
Changes in operating assets and liabilities		
Trade and other receivables	(209)	(416)
Research tax credits receivable	(55)	318
Prepaid expenses and other assets	1,279	1,529
Trade and other payables	3,670	(190)
	<u>(25,749)</u>	<u>(15,276)</u>
<b>Cash flows from financing activities:</b>		
Deferred financing costs	(472)	(136)
Share issue costs related to issuance of common shares to finance acquisition of in-process research and development asset (note 6)	—	(301)
Issuance of common shares upon stock options exercise	—	167
Issuance of common shares upon broker warrants exercise	—	421
Lease liability – principal repayments	(102)	(76)
Interest paid	(18)	(10)
	<u>(592)</u>	<u>65</u>
<b>Cash flows from investing activities:</b>		
Sales of short-term investments	6,308	21,072
Purchases of short-term investments	—	(2,605)
Acquisition of in-process research and development asset, including transaction costs (note 6)	—	(535)
Interest received	82	295
	<u>6,390</u>	<u>18,227</u>
Net (decrease) increase in cash and cash equivalents	(19,951)	3,016
Cash and cash equivalents, beginning of period	48,889	18,688
Effect of foreign exchange on cash and cash equivalents	182	(445)
Cash and cash equivalents, end of period	<u>\$ 29,120</u>	<u>\$ 21,259</u>
<b>Supplemental cashflow disclosure:</b>		
Non-cash transactions:		
Issuance of common shares in consideration for acquisition of remaining BLU-5937 Assets (note 6)	\$ —	\$ 47,749
Ascribed value related to issuance of common shares upon stock options exercise (note 7 (b) (i))	—	151
Ascribed value related to issuance of common shares upon broker warrants exercise (note 7 (b) (ii))	—	131
Value of DSUs in Prepaid expenses (note 7 (b) (iii))	<u>239</u>	<u>170</u>

See accompanying notes to unaudited condensed consolidated interim financial statements.

**BELLUS HEALTH INC.**

Notes to Condensed Consolidated Interim Financial Statements  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**1. Reporting entity:**

BELLUS Health Inc. (“BELLUS Health” or the “Company”) is a clinical-stage biopharmaceutical company developing novel therapeutics for the treatment of refractory chronic cough and other hypersensitization-related disorders. The Company's product candidate, BLU-5937, is being developed for the treatment of refractory chronic cough and chronic pruritus associated with atopic dermatitis. The Company is domiciled in Canada. The address of the Company’s registered office is 275 Armand-Frappier Blvd., Laval, Quebec, H7V 4A7. BELLUS Health’s common shares trade on the Nasdaq Capital Market (“Nasdaq”) and on the Toronto Stock Exchange (“TSX”), both under the symbol BLU.

These condensed consolidated interim financial statements include the accounts of BELLUS Health Inc. and its subsidiaries.

The annual consolidated financial statements of the Company as at and for the year ended December 31, 2020 are available on our web site at [www.bellushealth.com](http://www.bellushealth.com), on SEDAR at [www.sedar.com](http://www.sedar.com) and on EDGAR at [www.sec.gov/edgar](http://www.sec.gov/edgar).

**2. Basis of preparation:****(a) Statement of compliance:**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting of International Financial Reporting Standards (“IFRS”). The condensed consolidated interim financial statements do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements as at and for the year ended December 31, 2020.

These condensed consolidated interim financial statements for the three and six-month periods ended June 30, 2021 were approved by the Board of Directors on August 11, 2021.

**BELLUS HEALTH INC.**Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**2. Basis of preparation (continued):**

## (b) Use of estimates and judgements:

The preparation of the condensed consolidated interim financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The reported amounts and note disclosures reflect management's best estimates of the most probable set of economic conditions and planned course of actions. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended December 31, 2020.

## (c) Functional and presentation currency:

Items included in the condensed consolidated interim financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). These condensed consolidated interim financial statements are presented in United State dollars ("USD"), which is the Company's functional and presentation currency for all periods presented.

## (d) COVID-19 pandemic:

The COVID-19 pandemic continues to cause significant financial market and social dislocation. The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak. Since the Company is considered an "essential service", its operations in Quebec have not been subject to mandated business closures and, accordingly, disruptions to its business as a result of COVID-19 have been limited thus far. However, the COVID-19 pandemic continues to rapidly evolve and the extent to which it may impact our business will depend on future developments that are highly uncertain. The Company cannot presently predict the scope and severity of any potential business shutdowns or disruptions related to COVID-19, the impact of any new variants nor the impact of the vaccines that are now accessible, but if the Company or any of the third parties with whom it engages, were to experience shutdowns or other business disruptions, its ability to conduct its business in the manner and on the timelines presently planned could be materially and negatively impacted. The Company will continue to monitor developments of the pandemic and continuously assess its potential further impact on its operations to prevent any disruptions to the conduct of its business and clinical trials. In the event of a prolonged continuation of the pandemic, it is not clear what the potential impact may be on the Company's business, financial position and financial performance.

**BELLUS HEALTH INC.**Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**3. Significant accounting policies and basis of measurement:**

The accounting policies and basis of measurement applied in these condensed consolidated interim financial statements are the same as those applied by BELLUS Health in its consolidated financial statements for the year ended December 31, 2020.

**4. Cash, cash equivalents and short-term investments:**

Cash, cash equivalents and short-term investments consist of cash balances with banks and short-term investments:

	June 30, 2021	December 31, 2020
Cash balances with banks	\$ 3,468	\$ 5,734
Short-term investments with initial maturities of less than three months or that can be withdrawn on demand:		
Savings accounts and term deposits, yielding interest at 0.10% to 0.40% as at June 30, 2021 (December 31, 2020 – 0.20% to 0.45%)	25,652	43,155
Cash and cash equivalents	29,120	48,889
Short-term investments with initial maturities greater than three months:		
Term deposits, yielding interest at 0.23% to 0.55% as at June 30, 2021 (December 31, 2020 – 0.23% to 0.55%)	16,556	20,021
Term deposits issued in CAD (CAD \$2,014), yielding interest at 0.85% as at June 30, 2021 (December 31, 2020 – (CAD \$5,529), 0.85% to 1.27%)	1,624	4,341
Bearer deposit notes, yielding interest at 0.16% to 0.22% as at June 30, 2021 (December 31, 2020 – 0.16% to 0.22%)	25,033	25,009
Short-term investments	<u>43,213</u>	<u>49,371</u>
Cash, cash equivalents and short-term investments	<u>\$ 72,333</u>	<u>\$ 98,260</u>

**BELLUS HEALTH INC.**Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**5. Right-of-use asset and lease liability:**

BELLUS Health's leases are mainly real estate leases for office space.

The Company leases office space in Laval, Quebec, Canada. Its main property lease at that location expires on September 30, 2023.

Right-of-use asset:

	Carrying value
Cost:	
Balance as at December 31, 2020	\$ 802
Accumulated depreciation:	
Balance as at December 31, 2020	\$ (301)
Depreciation	(91)
Balance as at June 30, 2021	\$ (392)
Net carrying value:	
Balance as at December 31, 2020	\$ 501
Balance as at June 30, 2021	410

Lease liability:

	Carrying value
Balance as at December 31, 2020	\$ 503
Interest expense	16
Principal repayment	(102)
Foreign exchange loss	14
Balance as at June 30, 2021	\$ 431
Current portion of lease liability	169
Non-current portion of lease liability	\$ 262

**BELLUS HEALTH INC.**

Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**5. Right-of-use asset and lease liability (continued):**

Lease liability (continued):

The remaining life of the Company's property leases as of June 30, 2021 is 2.3 years.

Lease payments were discounted using an incremental borrowing rate of 5%.

Minimum annual payments under the non-cancelable leases, undiscounted, are as follows:

Years ending December 31,	
2021 (remainder of the year)	\$ 87
2022	212
2023 and after	166
	<u>\$ 465</u>

**6. In-process research and development asset:**

As at June 30, 2021, the aggregate carrying value of the in process research and development ("IPR&D") asset related to BLU-5937 amounted to \$50,100 (\$50,100 as at December 31, 2020). The IPR&D asset related to BLU-5937 is accounted for as an indefinite-life intangible asset until the project, currently in its clinical phase, is completed or abandoned, at which point it will be amortized or impaired, respectively.

BELLUS Health acquired the initial IPR&D asset related to BLU-5937 in February 2017 from the NEOMED Institute ("NEOMED") in the form of an exclusive worldwide license to develop and commercialize BLU-5937, a potent, highly selective, orally bioavailable small molecule antagonist of the P2X3 receptor, a clinically validated target for chronic cough.

On March 25, 2020, the Company closed an asset purchase and sale agreement to acquire all of the remaining BLU-5937 and related P2X3 antagonists intellectual property assets (the "BLU-5937 Assets") from adMare BioInnovations' NEOMED Institute ("adMare"), which is accounted for as an acquisition of assets. The February 2017 license agreement was terminated as part of this transaction.

In consideration of the foregoing, the Company issued to adMare and AstraZeneca AB ("AstraZeneca") an aggregate of 4,770,000 BELLUS Health common shares from treasury, having an aggregate fair value of \$47,749 at the date of the closing of the transaction, calculated using the average of the BELLUS Health's March 25, 2020 opening and closing share price, plus a cash consideration paid to adMare of \$352 (CAD \$500). AstraZeneca assigned the BLU-5937 Assets to adMare in 2012.

**BELLUS HEALTH INC.**Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**6. In-process research and development asset (continued):**

The total consideration paid for the IPR&D asset related to the remaining BLU-5937 Assets was \$48,284, consisting of the shares issued and cash paid referred to above, as well as transaction costs in relation to the acquisition of \$183. Transaction costs in relation to the share issuance amounted to \$301 and have been charged to the deficit. This acquisition was accounted for as a non-employee share-based payment transaction and measured using the consideration transferred by the Company. As a result of the transaction, the IPR&D asset's carrying value was increased for the additional portion acquired by the Company.

**7. Shareholders' equity:**

(a) Share capital:

Changes in issued and outstanding common shares for the six-month periods ended June 30, 2021 and 2020 were as follows:

	Number	Dollars
Balance, June 30, 2021 and December 31, 2020	<u>78,337,361</u>	<u>\$ 575,286</u>
	Number	Dollars
Balance, December 31, 2019	55,378,660	\$ 486,401
Issued in consideration for acquisition of remaining BLU-5937 Assets (note 6)	4,770,000	47,749
Issued upon stock options exercise (note 7 (b) (i))	119,333	318
Issued upon broker warrants exercise (note 7 (b) (ii))	171,590	552
Balance, June 30, 2020	<u>60,439,583</u>	<u>\$ 535,020</u>

**BELLUS HEALTH INC.**

Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**7. Shareholders' equity (continued):**

(a) Share capital (continued):

“At-the-market” sales agreement

On December 23, 2020, the Company entered into an “at-the-market” (ATM) sales agreement (the “Sales Agreement”) with Jefferies LLC (“Jefferies”) pursuant to which the Company may from time to time sell through at-the-market distributions with Jefferies acting as sales agent (the “Agent”) its common shares for aggregate gross proceeds of up to \$50,000, including sales made directly on the Nasdaq or on any other existing trading market for the common shares in the United States. No common shares will be offered or sold in Canada. The common shares would be issued at market prices prevailing at the time of the sale and, as a result, prices may vary between purchasers and during the period of distribution. The ATM has a 2-year term and requires the Company to pay to the Agent a commission of up to 3.0% of the gross proceeds of any common shares sold. Subject to the terms and conditions of the Sales Agreement, the Agent will use its commercially reasonable efforts to sell the common shares from time to time, based upon the Company’s instructions. The Company has no obligation to sell any of the common shares and may at any time suspend sales under the Sales Agreement. The Company and the Agent may terminate the Sales Agreement in accordance with its terms. Under the terms of the Sales Agreement, the Company has provided the Agent with customary indemnification rights.

During the six-month period ended June 30, 2021, no common shares were sold under the ATM program. As at June 30, 2021, total costs incurred to register the Sales Agreement, amounting to \$388 (December 31, 2020 - \$380), are recorded as deferred financing costs and classified as prepaids and other assets in the consolidated statement of financial position. Under an ATM program, proportional costs for commission, legal and costs related to common shares sold are reclassified from deferred financing costs to deficit upon share issuance.



**BELLUS HEALTH INC.**Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**7. Shareholders' equity (continued):**

(b) Share-based payment arrangements:

(i) Stock option plan:

Changes in outstanding stock options issued under the stock option plan for the six-month periods ended June 30, 2021 and 2020 were as follows:

	Number	Weighted average exercise price <sup>(1)</sup>
Balance, December 31, 2020	6,288,166	\$ 3.88
Granted <sup>(2), (3), (4)</sup>	1,508,000	\$ 4.33
Forfeited	(39,000)	\$ 3.32
Balance, June 30, 2021	<u>7,757,166</u>	<u>\$ 3.97</u>
	Number	Weighted average exercise price <sup>(1)</sup>
Balance, December 31, 2019	4,726,943	\$ 2.12
Granted <sup>(5), (6)</sup>	1,075,000	\$ 10.28
Exercised	(119,333)	\$ 1.44
Cancelled	(65,610)	\$ 5.45
Balance, June 30, 2020	<u>5,617,000</u>	<u>\$ 3.66</u>

(1) USD equivalent of stock options granted in CAD is presented at the closing rate of the corresponding period.

(2) 1,408,000 stock options were granted on February 25, 2021, having an exercise price of \$4.36; 1,171,000 stock options granted to key management personnel and 237,000 granted to other employees.

(3) 50,000 stock options were granted to key management personnel on March 30, 2021, having an exercise price of \$3.83.

(4) 50,000 stock options were granted to other employees on May 10, 2021, having an exercise price of \$3.92.

(5) 1,010,000 stock options were granted on April 1, 2020, having an exercise price of \$10.25 (CAD \$13.91); 750,000 stock options granted to key management personnel and 260,000 granted to other employees.

(6) 65,000 stock options were granted to other employees on May 14, 2020, having an exercise price of \$10.84 (CAD \$14.72).

**BELLUS HEALTH INC.**Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**7. Shareholders' equity (continued):**

(b) Share-based payment arrangements (continued):

(i) Stock option plan (continued):

The following table summarizes information about stock options outstanding and exercisable as at June 30, 2021:

Exercise price/share	Options outstanding		Options exercisable
	Number	Weighted average years To expiration	Number
Stock options granted in USD			
\$3.83	50,000	9.8	—
\$3.92	50,000	9.9	—
\$4.36	1,408,000	9.7	—
Stock options granted in CAD <sup>(1)</sup>			
\$0.87 (CAD \$1.08)	719,445	5.8	575,834
\$1.02 (CAD \$1.26)	1,127,779	6.6	670,001
\$1.22 (CAD \$1.51)	41,667	6.4	25,000
\$1.45 (CAD \$1.80)	1,077,777	1.2	1,077,777
\$1.66 (CAD \$2.05)	41,667	7.0	16,667
\$2.53 (CAD \$3.14)	185,000	9.4	—
\$2.89 (CAD \$3.58)	70,000	9.1	—
\$3.05 (CAD \$3.78)	5,667	1.2	5,667
\$3.25 (CAD \$4.03)	28,611	4.7	28,611
\$3.32 (CAD \$4.12)	421,000	9.5	—
\$3.51 (CAD \$4.36)	974,998	7.6	386,666
\$6.77 (CAD \$8.39)	512,222	8.4	102,444
\$9.20 (CAD \$11.41)	8,333	8.1	4,166
\$11.22 (CAD \$13.91)	970,000	8.8	194,000
\$11.87 (CAD \$14.72)	65,000	8.9	13,000
	<u>7,757,166</u>	<u>7.1</u>	<u>3,099,833</u>

<sup>(1)</sup> USD equivalent of stock options granted in CAD is presented at the closing rate.

**BELLUS HEALTH INC.**

Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**7. Shareholders' equity (continued):**

(b) Share-based payment arrangements (continued):

(i) Stock option plan (continued):

Stock-based compensation

For the three and six-month periods ended June 31, 2021, the Company recorded a stock-based compensation expense related to the stock option plan (excluding compensation under the DSU plans) in the amount of \$1,720 and \$3,441, respectively in the condensed consolidated interim statement of loss and other comprehensive loss; from these amounts, \$625 and \$1,199, respectively, is presented in Research and development expenses and \$1,095 and \$2,242, respectively, is presented in General and administrative expenses (\$1,327 and \$1,945 for the corresponding periods of the previous year, \$527 and \$862 respectively presented in Research and development and \$800 and \$1,083 respectively presented in General and administrative expenses).

The fair value of each stock option granted is estimated on the date of grant using the Black-Scholes pricing model. Expected volatility is estimated by considering historic average share price volatility for a period commensurate with the expected life. The weighted average assumptions for stock options granted during the six-month periods ended June 30, 2021 and 2020 were as follows:

	2021 <sup>(1)</sup>	2020 <sup>(2) (3)</sup>
Weighted average fair value of stock options at grant date	\$ 3.35	\$ 7.87 (CAD \$11.17)
Weighted average share price	\$ 3.97	\$ 9.84 (CAD \$13.96)
Weighted average exercise price	\$ 3.97	\$ 9.84 (CAD \$13.96)
Risk-free interest rate	0.95%	0.56%
Expected volatility	112%	99%
Expected life in years	7	7
Expected dividend yield	Nil	Nil

(1) Stock options were granted on February 25, 2021, March 30, 2021 and May 10, 2021.

(2) Stock options were granted on April 1, 2020 and May 14, 2020.

(3) USD equivalent is presented at the historical rate.

Dividend yield was excluded from the calculation since it is the present policy of the Company to retain all earnings to finance operations and future growth.

**BELLUS HEALTH INC.**Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**7. Shareholders' equity (continued):**

(b) Share-based payment arrangements (continued):

(ii) Broker warrants:

Changes in outstanding broker warrants for the six-month periods ended June 30, 2021 and 2020 were as follows:

	Number	Dollars
Balance, June 30, 2021 and December 31, 2020	—	\$ —
	Number	Dollars
Balance, December 31, 2019	171,590	\$ 131
Exercised – from the 2018 Offering <sup>(1)</sup>	(171,590)	(131)
Balance, June 30, 2020	—	\$ —

(1) During the six-month period ended June 30, 2020, the Company issued a total of 171,590 common shares from treasury upon the exercise of a total of 171,590 broker warrants issued in connection with the Company's equity offering in December 2018 (the "2018 Offering"). Each broker warrant entitled the holders to buy one common share at a price of \$2.52 (CAD \$3.42) per share for a period of 18 months from the closing of the 2018 Offering. As a result of their exercise, the aggregate carrying value of the broker warrants of \$131, initially allocated to Other equity pending the issuance of common shares, was reclassified to Share capital.

(iii) Deferred share unit ("DSU") plan:

Changes in the number of units outstanding for the six-month periods ended June 30, 2021 and 2020 were as follows:

Number of units	2021	2020
Balance, beginning of period	253,028	234,633
Units granted <sup>(1)</sup>	71,317	18,395
Balance, end of period	324,345	253,028
Balance of DSU liability, included in Trade and other payables <sup>(2)</sup>	\$ 1,007	\$ 2,619

(1) All DSUs were granted to key management personnel.

(2) Balance of DSU liability as at December 31, 2020 amounted to \$761.

**BELLS HEALTH INC.**Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**7. Shareholders' equity (continued):**

(b) Share-based payment arrangements (continued):

(iii) Deferred share unit ("DSU") plan (continued):

The stock-based compensation net (recovery) expense related to DSU plan recorded in the condensed consolidated interim statement of loss and other comprehensive loss for the three and six-month periods ended June 30, 2021 amounted to \$(185) and \$57, respectively; from these amount, \$(1) and nil, respectively, is presented in Research and development expenses and \$(184) and \$57, respectively, is presented in General and administrative expenses (\$58 and \$822 for the corresponding periods of the previous year, \$1 and \$2 presented in Research and development expenses and \$57 and \$820 presented in General and administrative expenses). During the six-month period ended June 30, 2021, the Company granted 71,317 DSUs having a fair value per unit of \$3.73 (CAD \$4.63) (18,395 DSUs having an average fair value per unit of \$10.69 (CAD \$14.51) were granted during the six-month period ended June 30, 2020).

**8. Net finance income:**

Finance income and Finance costs for three and six-month periods ended June 30, 2021 and 2020 were attributed as follows:

	Three-month periods ended		Six-month periods ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Interest income	\$ 63	\$ 316	\$ 134	\$ 699
Foreign exchange gain	119	604	237	—
Finance income	182	920	371	699
Interest expense on lease liability (note 5)	(8)	(3)	(16)	(7)
Interest and bank charges	—	(5)	(18)	(10)
Foreign exchange loss	—	—	—	(634)
Finance costs	(8)	(8)	(34)	(651)
Net finance income	\$ 174	\$ 912	\$ 337	\$ 48

**BELLS HEALTH INC.**

Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**9. Loss per share:**

	Three-month periods ended June 30,		Six-month periods ended June 30,	
	2021	2020	2021	2020
Basic and diluted weighted average number of common shares outstanding	78,337,361	60,332,389	78,337,361	56,255,094
Basic and diluted loss per share	\$ (0.23)	\$ (0.14)	\$ (0.43)	\$ (0.33)

Excluded from the calculation of the diluted loss per share for the three and six--month periods ended June 30, 2021 and 2020 is the impact of all stock options granted under the stock option plan, as they would be anti-dilutive.

Stock options granted under the stock option plan could potentially be dilutive in the future.

**10. Commitments:**

## (a) Contracts in the normal course of business:

The Company enters into contracts in the normal course of business, including for research and development activities, consulting and other services.

As at June 30, 2021, the Company has commitments for expenditures related to contracts for research and development activities of approximately \$24,042 (approximately \$36,659 as at December 31, 2020), of which \$22,190 is expected to be payable in 2021, \$ 1,551 in 2022 and \$301 in 2023.

## (b) Contingencies:

On March 16, 2021, a Company stockholder, Carl D. Cachia, individually and on behalf of all persons who purchased or otherwise acquired Company securities between September 5, 2019 and July 5, 2020, filed a complaint against the Company and certain of its executive officers. The complaint alleges claims under provisions of the Securities Exchange Act of 1934. The complaint seeks compensatory damages and reasonable costs and expenses, including counsel fees and expert fees.

No provision has been made in the financial statements for the resolution of the above matter. Resolution of this matter could have an effect on the Company's financial statements in the year that a determination is made, however, in management's opinion, given the early stage of this litigation, the final resolution of this matter is not projected to have a material adverse effect on the Company's financial position.

**BELLUS HEALTH INC.**

Notes to Condensed Consolidated Interim Financial Statements (Continued)  
(Unaudited)

Periods ended June 30, 2021 and 2020

(in thousands of United States dollars, except per share data, unless otherwise noted)

**11. Related party transactions:**

(a) There is no single ultimate controlling party.

(b) Dr. Francesco Bellini, Chairman of the Board of Directors, provides ongoing advisory services to the Company under the terms of a consulting and services agreement between the Company and Picchio International, wholly-owned by Dr. Francesco Bellini and his spouse. The agreement has a one-year term and shall renew for successive one-year terms. The Company recorded fees and expenses of \$77 and \$152 (CAD \$95 and \$190) and \$69 and \$141 (CAD\$95 and \$190) under the consulting and services agreement for the three and six-month periods ended June 30, 2021 and 2020, respectively.

(c) Key management personnel:

The Chief Executive Officer, Chief Financial Officer, Chief Medical Officer, Executive Vice-Presidents and Directors of BELLUS Health are considered key management personnel of the Company.

The aggregate compensation for the three and six-month periods ended June 30, 2021 and 2020 to key management personnel of the Company is set out below:

	Three-month periods ended June 30,		Six-month periods ended June 30,	
	2021	2020	2021	2020
Short term benefits	\$ 739	\$ 497	\$ 1,475	\$ 1,063
DSU plan (recovery) expense	(185)	58	57	822
Stock option plan expense	1,294	1,044	2,601	1,584
	<u>\$ 1,848</u>	<u>\$ 1,599</u>	<u>\$ 4,133</u>	<u>\$ 3,469</u>

**12. Financial instruments:**

Carrying values and fair values:

Fair value estimates are made as of a specific point in time, using available information about the financial instrument. These estimates are subjective in nature and may not be determined with precision. A three-tier fair value hierarchy prioritizes the inputs used in measuring fair value.

There was no financial asset or liability fair valued on a recurring basis as at June 30, 2021 and December 31, 2020.

For its financial assets and liabilities measured at amortized cost as at June 30, 2021, the Company has determined that the carrying value of its short-term financial assets and liabilities approximates their fair value because of the relatively short periods to maturity of these instruments.

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

This Management’s Discussion and Analysis (“MD&A”) provides a review of BELLUS Health Inc.’s operations and financial performance for the three and six-month periods ended June 30, 2021. In this MD&A, unless the context otherwise requires, the terms “BELLUS Health”, “Company”, “we”, “us”, and “our” refer to BELLUS Health Inc. This document should be read in conjunction with our unaudited condensed consolidated interim financial statements for the three and six-month periods ended June 30, 2021, as well as our audited consolidated financial statements for the year ended December 31, 2020.

We prepare our condensed consolidated interim financial statements in accordance with the International Accounting Standard (“IAS”) 34, *Interim Financial Reporting* of International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). The condensed consolidated interim financial statements and MD&A for the three and six-month periods ended June 30, 2021 have been reviewed by our Audit Committee and approved by our Board of Directors. This MD&A was prepared by management with information available on August 11, 2021. Additional information regarding our business and other matters, including related-party transactions, contractual obligations, financial risk management, disclosure controls and procedures, internal control over financial reporting, and risks and uncertainties, can be found in our Annual Report and Annual Information Form for the year ended December 31, 2020, as well as in our annual report on Form 40-F filed with the U.S. Securities and Exchange Commission and our other public filings, which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and on EDGAR at [www.sec.gov/edgar](http://www.sec.gov/edgar). Please also refer to the “Risks and Uncertainties” section, which can be found below.

This document contains forward-looking statements, which are qualified by reference to, and should be read together with the “Forward-Looking Statements” cautionary notice, which can be found below.

All currency figures reported in the condensed consolidated interim financial statements and in this document are in US dollars, unless otherwise specified.



## FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute “forward-looking information” within the meaning of applicable securities laws in Canada and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, as amended (collectively, “forward-looking statements”), which involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements include information about possible or assumed future results of our business, financial condition, results of operations, liquidity, objectives and strategies to achieve those objectives, as well as statements with respect to our beliefs, targets, expectations, anticipations, estimates or intentions. In some cases, you can identify forward-looking statements by terminology such as “believe”, “may”, “estimate”, “continue”, “anticipate”, “intend”, “should”, “plan”, “expect”, “predict”, “potential”, “could”, “assume”, “project”, “guidance” or the negative of these terms or other similar expressions, although not all forward-looking statements include such words. These statements reflect current expectations of management regarding future events and operating performance and speak only as of the date of this MD&A. The statements we make regarding the following matters are forward-looking by their nature and are based on certain of the assumptions noted below:

- our aim to develop and commercialize BLU-5937 for the treatment of hypersensitization disorders, including refractory chronic cough and chronic pruritus;
- our aim to complete additional preclinical studies on BLU-5937;
- our aim to complete additional clinical Phase 1 trials with BLU-5937;
- our expectations to release topline results in the fourth quarter of 2021 for our Phase 2b SOOTHE clinical trial of BLU-5937 for the treatment of patients with refractory chronic cough and conduct an interim analysis in September 2021, the results of which we may use to accelerate planning activities associated with the Phase 3 program;
- our expectations to release topline results in the fourth quarter of 2021 for our Phase 2a BLUEPRINT clinical trial of BLU-5937 for the treatment of patients with chronic pruritus associated with atopic dermatitis;
- our aim to further explore the potential of BLU-5937 for the treatment of other afferent hypersensitization-related conditions;
- our expectations with respect to the timing and cost of the research and development activities of BLU-5937;
- the function, potential benefits, tolerability profile, effectiveness and safety of our product candidates, including BLU-5937, including with respect to patient population, pricing and labeling, and the impact of our enrichment strategy on labeling;
- our expectations with respect to pre-commercialization activities related to the commercial launch of BLU-5937;
- our expectations regarding the potential once-daily dosing with extended-release formulation for BLU-5937 and our aim to begin prototype development of the BLU-5937 once-daily formulation in 2021;
- our expectations regarding our ability to arrange for and scale up the manufacturing of BLU-5937 to reach commercial scale;
- our estimates and assessment of the potential markets (including size) for our product candidates;
- our expectations regarding pricing and acceptance of our product candidates by the market;

- our estimates and projections regarding potential pricing for BLU-5937 and how such pricing compares to other P2X3 antagonists;
- our estimates and projections regarding the size of the total addressable global refractory chronic cough market and associated P2X3 revenue potential;
- the benefits and risks of our product candidates as compared to others;
- our aim to obtain regulatory approvals to market our product candidates;
- our expectations with respect to the cost of preclinical studies and clinical trials and commercialization of our product candidates, including BLU-5937;
- our expectation of the continued listing of the common shares on the TSX and Nasdaq;
- our current and future capital requirements and anticipated sources of financing or revenue;
- our expectations regarding the COVID-19 pandemic and its impact on our business;
- our expectations regarding the protection of our intellectual property;
- our business strategy; and
- our development and partnership plans and objectives.

The preceding list is not intended to be an exhaustive list of all of our forward-looking statements.

Conclusions, forecasts and projections set out in forward-looking information are based on our current objectives and strategies and on expectations and estimates and other factors and assumptions that we believe to be reasonable at the time applied but may prove to be incorrect. These include, but are not limited to:

- the function, potential benefits, effectiveness and safety of BLU-5937;
- the benefits and risks of our product candidates as compared to others;
- the accuracy of our belief that selective P2X3 antagonists have an improved tolerability profile compared to the most advanced P2X3 receptor antagonist in development, Merck & Co.'s gefapixant;
- progress, timing and costs related to the development, completion and potential commercialization of our product candidate;
- estimates and projections regarding our industry;
- market acceptance of our product candidate;
- future success of current research and development activities;
- achievement of development and commercial milestones, including forecasted preclinical study and clinical trial milestones within the anticipated timeframe;
- our reliance on third parties to conduct preclinical studies and clinical trials for BLU-5937;
- the accuracy of the timelines and cost estimates related to our preclinical and clinical programs;
- the successful development of once daily dosing with extended release formulation for BLU-5937;
- our ability to achieve intended order of market entry of BLU-5937 relative to other P2X3 antagonists;
- accuracy of our findings of statistically significant interaction between baseline cough frequency and treatment benefit, and realization of the intended benefits of our enrichment strategy;
- accuracy of our estimates and projections regarding potential pricing for BLU-5937, including parity to other P2X3 antagonists;
- accuracy of our estimates and projections regarding the size of the total addressable global refractory chronic cough market and associated P2X3 revenue potential;
- the capacity of our primary supply chain to produce the required clinical supplies to support a Phase 3 program in refractory chronic cough within the anticipated timeframe;

- absence of interruption or delays in the operations of our suppliers of components or raw materials, contract research organizations or other third parties with whom we engage, whether as a result of disruptions caused by the COVID-19 pandemic or otherwise;
- accuracy of our expectations regarding label indication for BLU-5937 in refractory chronic cough and the potential to expand the use of P2X3 antagonists to all refractory chronic cough patients;
- absence of material deterioration in general business and economic conditions, including the impact on the economy and financial markets of the COVID-19 pandemic and other health risks;
- the effectiveness of COVID-19 containment efforts, including the roll out of vaccination programs, effectiveness of vaccines against variant strains of COVID-19 (including the Delta variant) and gradual recovery of global environment and global economic conditions;
- the impact of COVID-19 on patient enrolment;
- the receipt of regulatory and governmental approvals for research and development projects and timing thereof;
- the availability of tax credits and financing for research and development projects, and the availability of financing on favorable terms;
- our expectations regarding our status as a passive foreign investment company;
- the accuracy of our estimates regarding future financing and capital requirements and expenditures;
- the achievement of our forecasted cash burn rate;
- the sufficiency and validity of our intellectual property rights;
- our ability to secure, maintain and protect our intellectual property rights, and to operate without infringing on the proprietary rights of others or having third parties circumvent the rights owned or licensed by us;
- our ability to source and maintain licenses from third-party owners on acceptable terms and conditions;
- absence of significant changes in Canadian dollar-U.S. dollar and other foreign exchange rates or significant variability in interest rates;
- the absence of material changes in market competition and accuracy of our assumptions and projections regarding profile and market dynamic amongst more selective agents;
- our ability to attract and retain skilled staff;
- our ability to maintain ongoing relations with employees and business partners, suppliers and other third parties;
- the accuracy of the market research, third-party industry data and forecasts relied upon by us; and
- the absence of adverse changes in relevant laws or regulations.

There are important factors that could cause our actual results, levels of activity, performance or achievements to differ materially from the results, levels of activity, performance or achievements expressed or implied by the forward-looking statements. See the “Risk Factors” section in our Annual Information Form for the year ended December 31, 2020 as well as our other public filings with the Canadian securities regulatory authorities and the United States Securities and Exchange Commission for further risk factors that might affect us and our business. Please also refer to the “Risks and Uncertainties” section, which can be found below. Should one or more of the risks, uncertainties or other factors outlined in our Annual Information Form for the year ended December 31, 2020 as well as our other public filings materialize, our objectives, strategies or intentions change, or any of the factors or assumptions underlying the forward-looking information prove incorrect, our actual results and our plans and targets could vary significantly from what we currently foresee. Accordingly, we warn investors to exercise caution when considering statements containing forward-looking information and that it would be unreasonable to rely on such statements as creating legal rights regarding our future results or plans or targets. All of the forward-looking information in this MD&A is qualified by the cautionary statements herein.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this MD&A, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this MD&A, to conform these statements to actual results or to changes in our expectations.

## CORPORATE PROFILE

We are a clinical-stage biopharmaceutical company developing novel therapeutics for the treatment of refractory chronic cough (cough hypersensitivity) and other hypersensitization disorders. Our lead product candidate, BLU-5937, is an investigational product that is a highly selective antagonist of the P2X3 receptor, a target linked to hypersensitivity. We are developing BLU-5937 for the treatment of refractory chronic cough (“RCC”) and chronic pruritus associated with atopic dermatitis (“AD”). We believe these hypersensitization-related disorders, which share a common pathophysiology that is mediated through the P2X3 receptor, represent areas of significant unmet medical need and potentially large market opportunities. We believe the characteristics of BLU-5937 observed in our preclinical studies and Phase 1 and 2 clinical trials support the development of BLU-5937 and position it as a potential competitive treatment option in the P2X3 antagonist class, if approved. We currently have two ongoing trials that were initiated in the fourth quarter of 2020: SOOTHE, a Phase 2b trial evaluating the efficacy and safety of BLU-5937 in RCC patients and BLUEPRINT, a Phase 2a proof-of-concept trial evaluating the efficacy and safety of BLU-5937 in patients with chronic pruritus associated with AD.

Our shares trade on the Nasdaq Global Market (“Nasdaq”) and on the Toronto Stock Exchange (“TSX”) both under the symbol “BLU”.

## BUSINESS OVERVIEW

### Key Updates

#### **Ongoing Phase 2b SOOTHE clinical trial of BLU-5937 in patients with RCC.**

- As of August 2021, the SOOTHE trial has achieved approximately 80% of its enrollment target of 300 patients.
- A pre-specified, blinded Sample Size Re-Estimation (“SSRE”) analysis has been conducted, and no changes have been made to the SOOTHE trial size.
- We expect topline results in the fourth quarter of 2021.
- We expect to conduct an administrative interim analysis in September 2021.

#### **Ongoing Phase 2a BLUEPRINT clinical trial of BLU-5937 in patients with chronic pruritus associated with AD.**

- As of August 2021, the BLUEPRINT trial has achieved approximately 90% of its enrollment target of 128 patients.
- A pre-specified, blinded SSRE analysis has been conducted, and no changes have been made to the BLUEPRINT trial size.
- We expect topline results in the fourth quarter of 2021.

#### **Presented clinical data at the American Thoracic Society 2021 International Conference (“ATS”).**

- Three abstracts on BLU-5937 – including a mini symposium presentation – were presented at ATS, which was held on May 14-19, 2021.

#### **Ended the second quarter of 2021 with cash, cash equivalents and short-term investments totaling \$72.3 million.**

- Current cash position is expected to be sufficient to fund our operating plan until the end of 2022.

## BUSINESS SECTION

### Our Pipeline

We are evaluating BLU-5937 in RCC and chronic pruritus associated with AD, as identified in the following pipeline table:

PROGRAM	DEVELOPMENT				STATUS		
	Indication	Preclinical	Phase 1	Phase 2	Phase 3	Worldwide Rights	Next Anticipated Milestone
<b>BLU-5937</b>							
Refractory Chronic Cough						 Worldwide Rights	Q3 2021: interim analysis Q4 2021: top line data
Chronic Pruritus Associated with Atopic Dermatitis						 Worldwide Rights	Q4 2021: top line data

### BLU-5937 for Refractory Chronic Cough

We are developing BLU-5937, a potent, highly selective, small molecule antagonist of the P2X3 receptor, as an oral therapy to potentially reduce cough frequency and severity, as well as to potentially improve quality of life in RCC patients.

We are currently conducting the SOOTHE clinical trial, a Phase 2b trial evaluating the efficacy and safety of BLU-5937 in RCC patients, enriched for higher cough frequency patients. The SOOTHE trial was initiated in December 2020. As of August 2021, the trial has achieved approximately 80% of its enrollment target of 300 patients. Topline results are expected in the fourth quarter of 2021.

The SOOTHE trial is a multicenter, randomized, double-blind, four-week, parallel-arm, placebo-controlled Phase 2b trial evaluating the efficacy and safety of three doses of BLU-5937 (12.5 mg, 50 mg and 200 mg BID) in 300 participants. 240 participants with a baseline awake cough frequency of  $\geq 25$  coughs per hour are expected to be randomized across four arms (1:1:1:1) evaluating the three active doses and placebo in the main trial. Treatment arms are stratified to balance the number of participants per treatment group with baseline awake cough frequency  $\geq 45$  coughs per hour. The primary efficacy endpoint is placebo-adjusted change in the 24-hour cough frequency from baseline to day 28 collected with a cough recorder. An exploratory group of an additional 60 participants with a baseline awake cough frequency of  $\geq 10$  and  $< 25$  coughs per hour are expected to be randomized across two arms (1:1) evaluating one active dose (200 mg BID) and placebo to further investigate the effect of BLU-5937 in patients with lower cough frequency.

A pre-specified, blinded Sample Size Re-Estimation (“SSRE”) analysis has been conducted in the Main Population (participants with  $\geq 25$  coughs per hour at baseline). Based on the blinded SSRE results, no changes have been made to the SOOTHE trial size. Consequently, the enrollment target remains 240 participants which maintains the statistical power for the primary endpoint. The SSRE analysis was based on the evaluation of the blinded standard deviation for the primary endpoint after approximately 33% of the targeted number of subjects were evaluable for the primary endpoint of the trial.

An administrative interim analysis is expected to be conducted by an independent statistical team in September 2021, once 50% of participants have completed the main trial. Doses will be evaluated using predefined efficacy and probability thresholds, with the goal to potentially identify a most likely dose in order to accelerate the preparation and initiation of the Phase 3 program. The SOOTHE trial will continue to completion regardless of the results of the interim analysis; futility will not be assessed at the interim analysis.





The trial is expected to enroll participants in approximately 120 sites of which approximately 50% are in the United States.

In July 2020, we announced topline results from our Phase 2a RELIEF clinical trial of BLU-5937 that demonstrated proof-of-concept in RCC patients. Numerical differences in favor of BLU-5937 were observed in the primary endpoint of reduction in cough frequency. The RELIEF trial did not achieve statistical significance for the primary endpoint of reduction in placebo-adjusted awake cough frequency at any dose tested in the Intent to Treat Population; however, clinically meaningful and statistically significant reductions in cough frequency were observed in two pre-specified sub-group analyses including participants with baseline awake cough frequency of  $\geq 20$  coughs per hour (80% of trial participants) and  $\geq 32$  coughs per hour (50% of trial participants), linking higher baseline cough frequency with improved treatment benefit. In the RELIEF trial, BLU-5937 was well tolerated and showed an adverse event profile comparable to placebo. The taste disturbance adverse events were limited to 10% or less, confirming the hypothesis that BLU-5937 has a favorable adverse event profile compared to the first generation P2X3 antagonist. Additionally, no complete loss of taste was observed at any dose, no severe taste adverse event was reported and no dropouts due to taste disturbance occurred.

RCC, our lead indication for BLU-5937, is a cough lasting more than eight weeks that persists despite treatment of any contributing underlying conditions, and may have a significant adverse impact on patients' quality of life. It is estimated that approximately 26 million adults in the United States suffer from chronic cough of which approximately 9 million patients are identified as having RCC. Many patients report that their condition has a marked effect on their quality of life including sleep disruption, tiredness, urinary incontinence, and disruption of social interactions. Currently, there is no specific therapy approved for RCC. Available treatment options are limited and may have inadequate benefit and/or significant safety and tolerability issues. We believe that BLU-5937, if approved, may be adopted by physicians as an oral cough therapy in patients for whom cough hypersensitivity is the primary etiology.

## Competitive Landscape

In addition to BELLUS Health, other companies are developing P2X3 antagonist product candidates for the treatment of RCC, including Merck & Co. (“Merck”), Bayer AG (“Bayer”) and Shionogi Inc. (“Shionogi”).

	1 <sup>ST</sup> IN CLASS P2X3 ANTAGONIST	2 <sup>ND</sup> GENERATION P2X3 ANTAGONISTS		BEST IN CLASS SELECTIVITY FOR P2X3
<b>Company<sup>1</sup></b>	 MERCK	 BAYER	 SHIONOGI	 Bellus HEALTH
<b>Candidate</b>	MK-7264	BAY 1817080	S-600918	BLU-5937
<b>Stage of Development</b>	phase 3	phase 2	phase 2	phase 2
<b>Dosing</b>	BID	BID	QD	BID
<b>P2X3 vs. P2X2/3 Selectivity</b>	3-7x <sup>2</sup>	~ 20x <sup>3</sup>	~ 250x <sup>4</sup>	~ 1500x

<sup>1</sup>Limited head to head studies have been conducted; data presented is derived from company specific disclosures.

<sup>2</sup>Smith J., Lancet Respir Med 2020: Gefapixant, a P2X3 receptor antagonist, for the treatment of refractory or unexplained chronic cough: a randomised, double-blind, controlled, parallel group, phase 2b trial.

<sup>3</sup>Safety and Efficacy of BAY 1817080, a P2X3 Receptor Antagonist, in Patients with Refractory Chronic Cough (RCC), Presenter Q&A – ERS 2020.

<sup>4</sup>Niimi A, European Respiratory Journal 2019 54: RCT452.

Merck announced in March of 2020 that the 45mg BID dose of MK-7264 (“gefapixant”) had reached statistical significance on the primary efficacy endpoint in both the COUGH-1 and COUGH-2 Phase 3 trials and that the 15mg BID dose had not achieved statistical significance in either trial. Pursuant to this announcement, in September 2020 at the European Respiratory Society (“ERS”) International conference, Merck presented these results in further detail. The 45 mg BID dose of MK-7264 achieved a statistically significant result in its primary endpoint of placebo-adjusted reduction in 24-hour cough frequency (18% in the 12-week COUGH-1 trial and 16% in the 24-week COUGH-2 trial) but showed significant rates of taste disturbance adverse events (58% and 69% in the COUGH-1 trial and COUGH-2 trial, respectively). In March 2021, Merck announced that the U.S. Food and Drug Administration (“FDA”) had accepted for review Merck’s New Drug Application (“NDA”) for gefapixant. The application will be discussed at an upcoming advisory committee meeting.

Shionogi announced top-line results of its Phase 2a trial of S-600918 (“sivopixant”) in patients with RCC at the ERS International Congress in October 2019, which included a placebo-adjusted reduction in 24-hour cough frequency of 32% (p=0.055) and a rate of 6.5% of taste disturbance adverse events. The mean cough per hour frequency at baseline was 56. At the 2020 ERS International Congress, Shionogi reported that they observed an interaction between baseline cough frequency and treatment effect in their Phase 2a trial; this prompted the utilization of a minimal cough frequency threshold as an inclusion criterion in the Phase 2b trial of S-600918.

In April 2020, Bayer announced top-line results of its Phase 2a trial evaluating BAY 1817080 (“eliapixant”) at the American Thoracic Society International Conference, which demonstrated that higher doses of Bayer’s P2X3 antagonist significantly reduced 24-hour cough counts in patients with RCC (ranging from 15% to 25% cough reduction compared to placebo) and cough severity. Taste disturbance adverse events were dose-dependent and reported by 5% to 21% of participants receiving BAY 1817080. In October 2020, Bayer initiated a Phase 2b trial evaluating three doses of BAY1817080 in 236 RCC participants. Bayer disclosed on August 3, 2021 that the trial had met its primary endpoint.



### Market Opportunity in Refractory Chronic Cough

We estimate that 10% of the adult population in developed countries suffer from chronic cough including the United States, nations in the European Union, the United Kingdom and Japan. This represents approximately 26 million patients with chronic cough in the United States alone.

We estimate that approximately 30% of chronic cough patients, or approximately 9 million patients in the U.S., are uncontrolled or have RCC, which is the expected addressable patient population for BLU-5937. The prevalence rate is expected to outpace population growth due to an aging population, increase in respiratory illnesses and increase in RCC diagnosis. RCC patients continue to cough despite treatment for potential underlying causes triggering the cough, or have an unexplained cough. We estimate that approximately one-third, or approximately three million, of these RCC patients in the U.S. have been coughing for over a year, a key inclusion criteria in current RCC trials, including the Phase 2 RELIEF trial of BLU-5937. RCC patients can also be segmented by severity, with about 45% of patients having moderate to severe disease and 55% having mild disease. Severely affected patients have a debilitating disease, moderately affected patients have important impacts on their quality of life, and mildly affected patients have fewer but still relevant impact from their disease.

As for potential pricing considerations for BLU-5937, comparable analogue drugs in the U.S. market have a monthly wholesale acquisition cost that ranges from \$300 to \$600. These analogues include, but are not limited to, comparable chronic use drugs for Asthma and COPD, CIC and IBS-C, Chronic Constipation, Migraine, and High Cholesterol.

### **BLU-5937 in Chronic Pruritus**

We are also developing BLU-5937 as an oral therapy to reduce itch (pruritus) in patients with chronic pruritus associated with AD.

We are currently conducting the BLUEPRINT clinical trial, a Phase 2a trial evaluating the efficacy and safety of BLU-5937 in patients with chronic pruritus associated with AD. BLUEPRINT was initiated in December 2020. As of August 2021, the trial has achieved approximately 90% of its enrollment target of 128 patients. Topline results are expected in the fourth quarter of 2021.

A pre-specified, blinded SSRE analysis has been conducted. Based on the blinded SSRE results, no changes have been made to the BLUEPRINT trial size. Consequently, the enrollment target remains 128 participants which maintains the statistical power for the primary endpoint. The SSRE analysis was based on the evaluation of the blinded standard deviation for the primary endpoint after approximately 50% of the total targeted number of subjects were evaluable for the primary endpoint of the trial.

The BLUEPRINT trial is a multicenter, randomized, double-blind, placebo-controlled, parallel design Phase 2a trial evaluating the efficacy, safety, and tolerability of BLU-5937 in approximately 128 adults with moderate to severe chronic pruritus associated with mild to moderate AD. Participants are randomized into one of two treatment arms (1:1) and receive either 200 mg BID of BLU-5937 or placebo for a four-week treatment period. The primary efficacy endpoint is the change from baseline in weekly mean Worst Itch-Numeric Rating Scale (“WI-NRS”) score at week four. A key secondary endpoint is a responder-rate analysis of at least a four-point WI-NRS improvement from baseline at week four.

The BLUEPRINT trial is being conducted at 32 centers located in Canada and the United States.

Chronic pruritus, the second studied indication for BLU-5937, is commonly known as chronic itch, and is an irritating sensation that leads to scratching and persists for longer than six weeks, which can be debilitating and can significantly impact quality of life. It is a hallmark of many inflammatory skin diseases, including AD. It is estimated that up to 10% of adults in the United States suffer from AD – almost all report symptoms of pruritus with over 50% of patients attributing chronic pruritus as their most burdensome symptom. Despite currently available treatments targeting AD, there continues to be a lack of options targeting the burden of pruritus in patients with AD.

#### **BLU-5937 in Other P2X3 Hypersensitization-Related Disorders**

In addition to RCC and chronic pruritus, the mechanism of BLU-5937 may also have broad therapeutic applicability across other afferent hypersensitization-related disorders, enabling us to consider BLU-5937 as a potential treatment for a number of other indications. Consequently, we are exploring how the P2X3 pathway may contribute to irritation and pain in a variety of afferent hypersensitization-related disorders and whether inhibition of P2X3 receptors can help treat these conditions.

Merck, Bayer and Shionogi are currently developing P2X3 antagonists for other afferent hypersensitization-related disorders, with Phase 2 trials ongoing or planned in four non-cough P2X3 indications: overactive bladder, neuropathic pain, endometriosis pain and sleep apnea.

#### **Supporting Preclinical and Clinical Development Activities**

Preclinical, toxicology, and clinical development activities to support an anticipated Phase 3 RCC program start are ongoing or expected to be initiated in 2021, including: chronic toxicity studies in rats and dogs; a 2-year carcinogenicity study in the rat, a drug-drug interaction clinical trial in combination with an inhibitor of CYP3A4; a Phase 1 clinical trial to assess the potential effect of BLU-5937 on cardiac repolarization as measured by QT/QTc interval and a pharmacokinetic study in Asian population. An absorption, metabolism and excretion clinical trial was completed in March 2021.

#### **Chemistry, Manufacturing, and Controls (“CMC”)**

We have a primary supply chain in place with the capacity to produce the required clinical supplies to support a Phase 3 program in RCC. Activities related to manufacturing process optimization and scale up to support potential commercial activities are ongoing.

#### **Development of a Once-Daily (“QD”) Formulation**

We have initiated activities in preparation for the development of a QD formulation for BLU-5937 using an extended-release tablet formulation. We are developing a QD formulation because BLU-5937 exhibits favorable physical-chemical and pharmacokinetic characteristics, including high solubility and permeability, good absorption in the small and large intestine, linear pharmacokinetic profile, no interaction with food observed to date and a low predicted therapeutic dose. A pharmacokinetic pharmacology-based modelization study has been completed and we plan to initiate the development of a BLU-5937 QD formulation prototype after the completion of the Phase 2b RCC trial.

## Intellectual Property

Our BLU-5937 program is protected by a comprehensive patent estate comprised of issued and allowed patents, as well as pending patent applications. We have secured composition of matter patent protection for BLU-5937 in all major pharmaceutical markets, including the United States of America, Europe, Japan and China, all with an expiration date of 2034. Under certain circumstances, such patent term may be extended for up to five years in certain jurisdictions such as the United States, Europe and Japan. In addition, we have secured methods of use patent protection in the United States for avoiding loss of taste response while treating chronic cough patient through treatment with BLU-5937, expiring in 2038. Patent applications with similarly broad claims are currently pending in other industrialized nations. We own 100% of the BLU-5937 and related P2X3 antagonists intellectual property assets.

## RESULTS OF OPERATIONS

For the three-month period ended June 30, 2021, net loss amounted to \$17,828,000 (\$0.23 per share), compared to \$8,422,000 (\$0.14 per share) for the corresponding period the previous year. For the six-month period ended June 30, 2021, net loss amounted to \$33,579,000 (\$0.43 per share), compared to \$18,554,000 (\$0.33 per share) for the corresponding period the previous year. The increase in net loss is primarily attributable to higher research and development expenses in relation to the development of BLU-5937.

*Research and development expenses*, net of research tax credits, amounted to \$15,201,000 for the three-month period ended June 30, 2021 (\$27,649,000 for the six-month period), compared to \$5,899,000 for the corresponding period the previous year (\$12,409,000 for the six-month period), an increase of \$9.3 million or 158% year over year. The increase is primarily attributable to higher expenses incurred for the development of BLU-5937, mainly activities in relation to the Phase 2b SOOTHE trial in RCC and the Phase 2a BLUEPRINT trial in chronic pruritus associated with AD, which were initiated in December 2020, and for which top-line results are expected in the fourth quarter of 2021.

*General and administrative expenses* amounted to \$2,805,000 for the three-month period ended June 30, 2021 (\$6,275,000 for the six-month period), compared to \$3,439,000 for the corresponding period the previous year (\$6,201,000 for the six-month period), a decrease of \$0.6 million or 18% year over year. The decrease in the three-month period is mainly due to lower external G&A expenses.

*Net finance income* amounted to \$174,000 for the three-month period ended June 30, 2021 (\$337,000 for the six-month period), compared to \$912,000 for the corresponding period the previous year (\$48,000 for the six-month period). The decrease in the three-month period is mainly due to a lower foreign exchange gain that arose from the translation of our net monetary assets denominated in Canadian dollars during the period, compared to same period the previous year. The decrease is also attributable to lower interest income due to lower interest rates on short-term investments. The increase in net finance income in the six-month period is mainly due to a foreign exchange gain that arose from the translation of our net monetary assets denominated in Canadian dollars during the period, compared to a foreign exchange loss in the corresponding period the previous year. The increase in finance income is partially offset by lower interest income due to lower interest rates on short-term investments.

**Quarterly Results (Unaudited)***(in thousands of dollars, except per share data)*

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3
Revenues	\$ 4	\$ 4	\$ 4	\$ 3	\$ 4	\$ 4	\$ 7	\$ 7
Expenses:								
Research and development, net	15,201	12,448	5,017	5,796	5,899	6,510	7,048	5,600
General and administrative	2,805	3,470	3,078	456	3,439	2,762	2,087	1,666
Total operating expenses	18,006	15,918	8,095	6,252	9,338	9,272	9,135	7,266
Operating loss	(18,002)	(15,914)	(8,091)	(6,249)	(9,334)	(9,268)	(9,128)	(7,259)
Net finance income (costs)	174	163	597	540	912	(864)	(845)	739
Net loss	\$ (17,828)	\$ (15,751)	\$ (7,494)	\$ (5,709)	\$ (8,422)	\$ (10,132)	\$ (9,973)	\$ (6,520)
Loss per share	\$ (0.23)	\$ (0.20)	\$ (0.10)	\$ (0.09)	\$ (0.14)	\$ (0.18)	\$ (0.18)	\$ (0.14)

Effective January 1, 2020, we adopted the US dollar as our functional and presentation currency. Historical consolidated quarterly results for 2019 in the above table were recast in US dollars by translating revenue and expenses at the average rate in effect for the respective period.

The variation of the net loss of a quarter compared to the corresponding quarter of the previous year are explained by the following elements. The increase in net loss for the second and first quarters of 2021 is primarily attributable to higher research and development expenses. The decrease in net loss for the fourth quarter of 2020 is primarily attributable to lower research and development expenses. The decrease in net loss for the third quarter of 2020 is primarily attributable to a stock-based compensation net recovery related to our deferred share unit plan, due to the change in the BELLUS Health stock price in 2020.

**Related Party Transactions**

Dr. Francesco Bellini is the Chairman of our Board of Directors and provides ongoing advisory services under the terms of a consulting and services agreement between us and Picchio International Inc. ("Picchio International"), wholly-owned by Dr. Francesco Bellini and his spouse. Picchio International receives a monthly fee of CAD\$20,833, plus the reimbursement of applicable expenses for services rendered under the agreement. The agreement has a one-year term renewable for successive one-year terms. We have recorded fees and expenses of \$77,000 and \$152,000 (CAD\$95,000 and CAD\$190,000) and \$69,000 and \$141,000 (CAD\$95,000 and CAD\$190,000) under the consulting and services agreement for the three and six-month periods ended June 30, 2021 and 2020, respectively.

## FINANCIAL CONDITION

### Liquidity and Capital Resources

As at June 30, 2021, we had available cash, cash equivalents and short-term investments totaling \$72,333,000, compared to \$98,260,000 as at December 31, 2020. For the six-month period ended June 30, 2021, the net decrease in cash, cash equivalents and short-term investments amounted to \$25,927,000 and is primarily attributable to funds used to finance our operating activities, mainly the research and development activities associated with our product candidate BLU-5937.

Based on management's estimate and current level of operations, we believe that our current cash, cash equivalents and short-term investments are projected to be sufficient to fund our operating plan until the end of 2022. We will need to raise additional capital to fund our operations and to develop BLU-5937.

In October 2020, we raised total gross proceeds of \$40.3 million from the 2020 Offering by issuing a total of 17,888,889 common shares at a price of \$2.25 per share including the exercise in full of the underwriters' option to purchase 2,333,333 common shares. We intend to use the net proceeds of the 2020 Offering primarily to fund research and development activities, general and administrative expenses, working capital needs and other general corporate purposes.

The use of proceeds presented in our prospectus supplement dated October 19, 2020 did not include funds from the exercise of the overallotment option. Taking into consideration these additional funds, we intend to use the net proceeds of the 2020 Offering, together with our cash, cash equivalents and short-term investments on hand at the time of closing for the purposes and in the amounts indicated below.

	As per October 19, 2020 prospectus supplement	As at June 30, 2021, including overallotment option
BLU-5937 clinical trials in chronic cough and chronic pruritus	\$ 59 million	\$ 62 million
Manufacturing, formulation and scale-up	\$ 16 million	\$ 17 million
Other project costs	\$ 5 million	\$ 6 million

with the remaining net proceeds allocated to administrative expenses, working capital and other general corporate purposes.

As at June 30, 2021, we have used \$31.7million of the 2020 Offering net proceeds.

On December 23, 2020, we entered into an “at-the-market” (ATM) sales agreement (the “Sales Agreement”) with Jefferies LLC (“Jefferies”) pursuant to which we may from time to time sell through at-the-market distributions with Jefferies acting as sales agent (the “Agent”), our common shares for aggregate gross proceeds of up to \$50 million, including sales made directly on the Nasdaq or on any other existing trading market for the common shares in the United States. No common shares will be offered or sold in Canada. The Common Shares would be issued at market prices prevailing at the time of the sale and, as a result, prices may vary between purchasers and during the period of distribution. The ATM has a 2-year term and requires us to pay to the Agent a commission of up to 3.0% of the gross proceeds of any common shares sold. Subject to the terms and conditions of the Sales Agreement, the Agent will use its commercially reasonable efforts to sell the common shares from time to time, based upon our instructions. We have no obligation to sell any of the common shares and may at any time suspend sales under the Sales Agreement. We and the Agent may terminate the Sales Agreement in accordance with its terms. Under the terms of the Sales Agreement, we have provided the Agent with customary indemnification rights and the Agent will be entitled to compensation, as previously mentioned. During the six-month period ended June 30, 2021, no common shares were sold under the ATM program.

During the six-month period ended June 30, 2021, we sold short-term investments with initial maturities greater than three months and less than a year for an aggregate amount of \$6,308,000 (purchased short-term investments with initial maturities greater than three months and less than a year for an aggregate amount of \$2,605,000 and redeemed at maturity short-term investments for an aggregate amount of \$21,072,000 for the six-month period ended June 30, 2020).

There has been no significant change to our contractual obligations since December 31, 2020 other than in the ordinary course of business. As at June 30, 2021, we had commitments for expenditures related to contracts for research and development activities of approximately \$24,042,000 (approximately \$36,659,000 as at December 31, 2020), of which \$22,190,000 is expected to be payable in 2021, \$1,551,000 in 2022 and \$301,000 in 2023.

On March 16, 2021, a Company stockholder, Carl D. Cachia, individually and on behalf of all persons who purchased or otherwise acquired Company securities between September 5, 2019 and July 5, 2020, filed a complaint against the Company and certain of its executive officers in the United States District Court for the Southern District of New York, captioned *Cachia v. BELLUS Health Inc., et al.*, Case No. 1:21-CV-02278-GBD (S.D.N.Y.). The complaint alleges claims under Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder against all defendants, and Section 20(a) of the Exchange Act against the executive officers, premised upon allegations of false and misleading statements and omissions relating to BLU-5937, the Phase 2 RELIEF clinical trial of BLU-5937 and associated risks. The complaint seeks compensatory damages and reasonable costs and expenses, including counsel fees and expert fees.

No provision has been made in the financial statements for the resolution of the above matter. Resolution of this matter could have an effect on our financial statements in the year that a determination is made, however, in management’s opinion, given the early stage of this litigation, the final resolution of this matter is not projected to have a material adverse effect on our financial position.

During the six-month period ended June 30, 2021, we granted 1,508,000 stock options and 39,000 stock options were forfeited.

As at August 11, 2021, we had 78,337,361 common shares outstanding and 86,114,527 common shares on a fully diluted basis, including 7,777,166 stock options granted under the stock option plan.

## **CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

The preparation of our condensed consolidated interim financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The reported amounts and note disclosures reflect management's best estimate of the most probable set of economic conditions and planned course of actions. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying our accounting policies and key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended December 31, 2020.

Refer to the audited consolidated financial statements for the year ended December 31, 2020 for discussions on our accounting policies and estimates that are most important in assessing, understanding and evaluating our consolidated financial statements. Change in these estimates and assumptions could have a significant impact on our consolidated financial statements.

## **CHANGES IN ACCOUNTING POLICIES**

The accounting policies and basis of measurement applied in our condensed consolidated interim financial statements as at June 30, 2021 are the same as those applied in our consolidated financial statements for the year ended December 31, 2020.

## **CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)**

There have been no changes in our ICFR that occurred during the period beginning January 1, 2021 and ended June 30, 2021 that have materially affected, or are reasonably likely to materially affect, our ICFR.

## **RISKS AND UNCERTAINTIES**

We are a clinical-stage biopharmaceutical company that operates in an industry that is dependent on a number of factors that include the capacity to raise additional capital on reasonable terms, obtain positive results of clinical trials, obtain positive results of clinical trials without serious adverse or inappropriate side effects, and obtain market acceptance of its product. An investment in our common shares is subject to a number of risks and uncertainties. An investor should carefully consider the risks described in our AIF and our annual report on Form 40-F filed with the U.S. Securities and Exchange Commission, as well as our other public filings with the securities regulators before investing in our common shares. If any of such described risks occur, or if others occur, our business, operating results and financial condition could be seriously harmed, and investors may lose a significant proportion of their investment. There are important risks which management believes could impact our business. For information on risks and uncertainties, please refer to the "Risk Factors" section of our most recent AIF filed on SEDAR at [www.sedar.com](http://www.sedar.com) and included in the annual report on Form 40-F filed on EDGAR at [www.sec.gov/edgar](http://www.sec.gov/edgar) and our other public filings.

**FORM 52-109F2**  
**CERTIFICATION OF INTERIM FILINGS**  
**FULL CERTIFICATE**

I, Roberto Bellini, President and Chief Executive Officer of BELLUS Health Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of BELLUS Health Inc. (the “issuer”) for the interim period ended June 30, 2021.
  2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
  3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
  4. **Responsibility:** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in Regulation 52-109 respecting Certification of Disclosure in Issuers’ Annual and Interim Filings (c. V-1.1, r. 27), for the issuer.
  5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings
    - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
      - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
      - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
    - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
  - 5.1 **Control framework:** The control framework the issuer’s other certifying officer(s) and I used to design the issuer’s ICFR is based on the framework established in the Internal Control – Integrated Framework by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
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5.2 **ICFR – material weakness relating to design:** N/A

5.3 **Limitation on scope of design:** N/A

6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on April 1, 2021 and ended on June 30, 2021 that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: August 11, 2021.

/s/ Roberto Bellini

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Roberto Bellini

President and Chief Executive Officer

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**FORM 52-109F2**  
**CERTIFICATION OF INTERIM FILINGS**  
**FULL CERTIFICATE**

I, Ramzi Benamar, Chief Financial Officer of BELLUS Health Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of BELLUS Health Inc. (the “issuer”) for the interim period ended June 30, 2021.
  2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
  3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
  4. **Responsibility:** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in Regulation 52-109 respecting Certification of Disclosure in Issuers’ Annual and Interim Filings (c. V-1.1, r. 27), for the issuer.
  5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings
    - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
      - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
      - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
    - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
  - 5.1 **Control framework:** The control framework the issuer’s other certifying officer(s) and I used to design the issuer’s ICFR is based on the framework established in the Internal Control – Integrated Framework by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
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5.2 **ICFR – material weakness relating to design:** N/A

5.3 **Limitation on scope of design:** N/A

6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on April 1, 2021 and ended on June 30, 2021 that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: August 11, 2021.

/s/ Ramzi Benamar

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Ramzi Benamar

Chief Financial Officer

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