



PRESS RELEASE

SUCCESS OF THE CAPITAL INCREASE BY PRIVATE PLACEMENT FOR AN AMOUNT OF 15 MILLION EUROS

Paris, April 24, 2023, 8am CET

AB Science S.A. (the “**Company**” or “**AB Science**”, NYSE Euronext – FR0010557264 – AB), announces today the success of its capital increase through the issuance of new ordinary shares with attached warrants, with a waiver of preferential subscription rights, *via* a private placement for a final amount of 15.0 million euros (the “**Capital Increase**”).

Alain Moussy, Chief Executive Officer of AB Science, states:

« *AB Science is satisfied with the success of this capital increase, through which AB Science's historical shareholders have had the opportunity to renew their confidence in AB Science and to show their support for its new strategy announced on April 21.* »

AB Science has decided to focus its development strategy as follows:

- *Allocation of current resources primarily to the development of masitinib for the treatment of amyotrophic lateral sclerosis and the development of the microtubule destabilizer agents (MDA) platform, with the clinical development of AB8939 in refractory acute myeloid leukemia and the initiation of regulatory preclinical development of a new oral molecule in the same microtubule class for sarcoma and solid tumors.*

We want to focus the majority of our clinical resources on the development of rare diseases with masitinib, on the development of the microtubule platform with AB8939 and future molecules of the same family due to the very encouraging first results.

- *Acceleration of the process of seeking a license for masitinib in non-rare disease indications, with priority given to progressive forms of multiple sclerosis and Alzheimer's disease.*

This acceleration is possible now that the confirmatory Phase 3 studies have been approved by the FDA in the United States and the major European agencies. To this end, the Company has retained the services of a leading investment bank.

This license search is a priority in the Company's strategy, given the number of clinical studies already conducted and the maturity of the *pipeline*, and given the additional investments required to complete the clinical program, up to market authorizations. We want to highlight that the duration of this license search is not predictable and that the realization of a license is dependent on a number of factors and is not guaranteed. However, the milestones reached at this stage are essential factors that contribute to the feasibility of this strategy.

As a result of the focus strategy, AB Science has decided to adapt its organization, which should lead to a significant reduction in costs. This strategic focus reinforces and sustains the existing agreement between certain shareholders of AB Science and Alain Moussy.

Terms of the Capital Increase

The Capital Increase consisted of a private placement pursuant to Articles L. 225-136 of the French Commercial Code and L. 411-2 1° of the French Monetary and Financial Code and has been carried out with a waiver of preferential subscription rights, pursuant to the delegation of authority granted to the Board of Directors under the 20th resolution of the Combined General Shareholders' Meeting of June 29, 2022. The Capital Increase has taken the form of the issuance of 2,608,686 actions new ordinary shares (the “**New Shares**”) to each of which are attached a share subscription warrant (the “**Warrants**”).

The Capital Increase was made through a cash contribution of approximately EUR 11.5 million and by offsetting existing receivables, i.e. approximately EUR 3.0 million (receivables related to the pre-financing of the research tax credit for the 2020 financial year and maturing in 2023, as well as approximately EUR 500,000 in interest accrued to date on the convertible bonds issued in February 2022).

Two warrants giving the right to subscribe to one ordinary share, all of the 2,608,686 New Shares and all of the 1,304,343 new shares that would be issued upon exercise of the warrants, i.e. a total of 3,913,029 shares in the Company, represent 7.36% of the Company's current share capital.

The issue price of the New Shares has been set at 5.75 euros (0.01 euro par value and 5.74 euros issue premium) and the exercise price of the Warrants at 8.625 euros, representing a total fundraising of approximately EUR 15.0 million (taking into account the exercise of the warrants, the maximum amount of the Capital Increase could be increased by an amount of 26.3 million euros).

The Warrants may be exercised from January 1st, 2025 to December 31, 2030, will be immediately detached from the New Shares upon their issuance and will not be listed.

The settlement-delivery of the new ordinary shares to be issued in the context of the Capital Increase and their listing on Euronext Paris are expected to occur on April 28, 2023 at the latest. The new shares will bear current dividend rights and will be listed on the regulated market on Euronext Paris under ISIN code: FR0010557264 – AB.

The proceeds of the Capital Increase will provide AB Science with the additional resources necessary to finance its activities over the next twelve months. In particular, the raised funds will be used for the clinical development of masitinib in amyotrophic lateral sclerosis and other orphan indications and for the development of the AB Science microtubule destabilizer agents platform. The Capital Increase will also support the strategy communicated on April 21.

Shareholding structure of the Company after the Capital Increase

After the Capital Increase (excluding the exercise of the Warrants), the share capital of the Company will amount to 558,081.39 euros, and will be composed of 55,808,139 shares with a nominal value of 0.01 euro each (all share classes included).

By way of illustration, a shareholder holding 1% of the Company's share capital (including all categories of shares) prior to the Capital Increase and who did not participate in the Capital Increase will hold 0.95% of the Company's share capital after the Capital Increase and 0.93% in the event that all the Warrants are exercised.

The table below reflects the shareholding to the best of the Company's knowledge.

| Shareholders | Before the Capital Increase | | After the Capital Increase (before exercise of the warrants) | | After the Capital Increase and exercise of the warrants | |
|---|-----------------------------|----------------|--|----------------|---|----------------|
| | Ordinary shares | % | Ordinary shares | % | Ordinary shares | % |
| A. Moussy | 7 058 068 | 13,27% | 7 058 068 | 12,65% | 7 058 068 | 12,36% |
| AMY SAS | 12 273 000 | 23,07% | 12 273 000 | 21,99% | 12 273 000 | 21,49% |
| Agreement (excluding A. Moussy and AMY SAS) | 2 183 696 | 4,10% | 2 673 442 | 4,79% | 2 918 315 | 5,11% |
| Other investors | 31 684 689 | 59,56% | 33 803 629 | 60,57% | 34 863 099 | 61,04% |
| Total | 53 199 453 | 100,00% | 55 808 139 | 100,00% | 57 112 482 | 100,00% |

Information available to the public

The Capital Increase will not be subject to a prospectus approved by the French Financial Market Authority (the “AMF”). AB Science draws the attention of the public to the risk factors relating to the Company and its business described in its annual management reports and press releases, which are available free of charge on the Company's website (www.ab-science.com).

In addition, the main risks specific to securities are as follows:

- The existing shareholders who do not participate in the Capital Increase will see their shareholding in the share capital of AB Science diluted, and this shareholding may also be diluted in the event of exercise of the Warrants, as well as in the event of new securities transactions.
- The volatility and liquidity of AB Science shares could fluctuate significantly. The sale of Company shares may occur on the secondary market, after the Capital Increase, and have a negative impact on the Company share price.

About masitinib

Masitinib is a novel oral tyrosine kinase inhibitor that targets mast cells and macrophages, key immune cells, through inhibition of a limited number of kinases. Due to its unique mode of action, masitinib can be developed in a wide range of diseases, including oncology, inflammatory diseases, and certain central nervous system diseases. In oncology, through its immunotherapy activity, masitinib may have an effect on survival, alone or in combination with chemotherapy. Through its activity on mast cells and microglial cells and therefore its inhibitory effect on the activation of the inflammatory process, masitinib may have an effect on the symptoms associated with certain inflammatory and central nervous system diseases.

About AB8939

AB8939 is a new synthetic microtubule-destabilizing drug. Preclinical data show that AB8939 has broad anticancer activity, with a notable advantage over standard chemotherapies that target microtubules of being able to overcome P-glycoprotein (Pgp) and myeloperoxidase (MPO) mediated drug resistance. Development of drug resistance often restricts the clinical efficacy of microtubule-targeting chemotherapy drugs (for example, taxanes and vinca alkaloids); thus, AB8939 has strong potential to be developed in numerous oncology indications.

About AB Science

Founded in 2001, AB Science is a pharmaceutical company specializing in the research, development and commercialization of protein kinase inhibitors (PKIs), a class of targeted proteins whose action are key in signaling pathways within cells. Our programs target only diseases with high unmet medical needs, often lethal with short term survival or rare or refractory to previous line of treatment.

AB Science has developed a proprietary portfolio of molecules and the Company's lead compound, masitinib, has already been registered for veterinary medicine and is developed in human medicine in oncology, neurological diseases, inflammatory diseases and viral diseases. The company is headquartered in Paris, France, and listed on Euronext Paris (ticker: AB).

Further information is available on AB Science's website: www.ab-science.com.

Disclaimer

In accordance with article L. 411-1 of the French Monetary and Financial Code and the applicable regulatory provisions, no prospectus will be published or approved by the Autorité des marchés financiers.

With respect to the Member States of the European Economic Area, no action has been taken or will be taken to allow a public offering of the securities covered by this press release that would require the publication of a prospectus (pursuant to Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017) in any of the Member States.

This press release and the information contained herein do not constitute an offer to subscribe or purchase, or the solicitation of an order to purchase or subscribe, for the New Shares in the United States of America or in any other jurisdiction. Securities may not be offered or sold in the United States of America absent registration under the U.S. Securities Act or an exemption from registration under the U.S. Securities Act. AB Science does not intend to make a public offering of the New Shares in the United States of America or in any other jurisdiction.

The distribution of this press release may be subject to legal or regulatory restrictions in certain countries. Persons in possession of this press release should inform themselves of and observe any local restrictions.

The information contained herein is subject to change without notice. This information contains forward-looking statements, which are not guarantees of future performance. These statements are based on the current expectations and beliefs of AB Science's management and are subject to several factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. AB Science and its affiliates, directors, officers, employees, consultants or agents do not undertake, and are not under any obligation, to release any updates to any forward-looking statement or to revise any forward-looking statement.

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