Paris, September 30, 2019, 8pm

Net loss of 13M€ in the first half of 2019

Operating loss of -10.6M€, a 25.5% expenses decrease as compared with the first half of 2018 (14.2M€)

Cash position of 2.7M€ as of 30 June 2019, plus 15.3M€ (5.6M€ of 2018 tax credit received in July 2018 and 9.7M€ of capital increase performed in August 2019 through a private placement)

AB Science SA (NYSE Euronext - FR0010557264 - AB) today reports its revenues for the first half of 2019 and provides an update on its activities.

I. Key events for the first half of 2019

Clinical studies

- **Lifting of the ANSM clinical hold**

The Agence Nationale de la Sécurité des Médicaments (ANSM - French National Agency for Medicines and Health Products Safety) has lifted its suspension of clinical studies conducted by AB Science in France on May 28, 2019.

This lifting of the clinical hold follows the in-depth restructuring of the Company performed over the past 2 years and the last ANSM inspection, which ensured that the conditions required to lift the clinical hold had been met.

As a reminder, the ANSM decision to suspend clinical studies was made on May 11, 2017.

- **IDMC recommendation in pancreatic cancer**

In June 2019, the Independent Data Monitoring Committee (IDMC) recommended to continue the masitinib study in pancreatic cancer, following the interim analysis that was pre-planned in the protocol.

The IDMC recommended the study continuation without resampling in the pre specified subgroup of patients with unresectable locally advanced tumors, which means that the probability of success is above 80% in this selected sub-population.

The study compares the efficacy and safety of masitinib in combination with gemcitabine to placebo in combination with gemcitabine, in first-line treatment of unresectable locally advanced or metastatic pancreatic cancer patients with pain at baseline or taking opioids.

The recruitment is completed and AB Science expects to report the final results in 2020.

- **Interim analysis results in Alzheimer's Disease**

In June 2019, the pre-planned interim analysis of masitinib study in Alzheimer's Disease showed a positive trend of efficacy in one of the doses tested. Two doses of masitinib are evaluated, masitinib 4.5 mg/kg/day and a dose titration from masitinib 4.5 to 6.0 mg/kg/day, each dose having its own control arm.

The study compares the efficacy and safety of masitinib when administered as an add-on therapy to cholinesterase inhibitor (donepezil, rivastigmine or galantamine) and/or memantine, to placebo as add-on to cholinesterase inhibitor and/or memantine, in patients with confirmed mild to moderate Alzheimer's disease.

The recruitment is completed and AB Science expects to report the final results in Q4 2019.

- **Upcoming clinical milestones**

The next planned clinical milestones are:

- Final analysis of the masitinib phase 3 study in severe asthma uncontrolled with oral corticosteroids planned in Q4 2019
- Final analysis of the masitinib phase 2/3 study in progressive primary and secondary multiple sclerosis planned in Q4 2019
- Final analysis of the masitinib phase 2/3 study in Alzheimer's Disease planned in Q4 2019
- Launch of two confirmatory masitinib phase 3 studies, one in indolent systemic mastocytosis and the other in amyotrophic lateral sclerosis in Q1 2020
- Final analysis of the masitinib phase 3 study in pancreatic cancer planned in 2020
- Final analysis of the masitinib phase 3 study in prostate cancer planned in 2020
- Launch of a phase 1/2 study in refractory acute myeloid leukemia with the molecule developed by AB Science (AB8939) planned in 2020

Other information

AB Science confirms its eligibility for the PEA-SMEs in accordance with decree n°2014-283 of 4 March 2014 for the implementation of Article 70 of 2014 Finance Law n°2013-1278 of 29 December 2013, setting the PEA-PME eligibility for companies: less than 5 000 employees on one hand, a turnover lower than 1,500 million euros or total assets of less than 2,000 million, on the other hand.

II. Recent events since half-year closing

Validation of the AB8939 clinical development plan through regulatory authority Scientific Advice procedure

AB8939 is a new microtubule destabilizer that differs from other drugs of this class because it is a synthetic, as opposed to being derived from nature, and because it is not transported by the Pgp protein; thereby, overcoming Pgp-dependent multidrug resistance.

AB8939 is initially being developed in AML because cancer cells proliferate rapidly in this disease. AB8939 is more potent than doxorubicin (adriamycin), which is a reference drug in AML.

The clinical development program has been validated by EMA though Scientific Advice, and in particular:
- Design of the phase 1/2 study
- The efficacy criteria to be met to be eligible for accelerated approval base on non-controlled phase 2 study

Publication of the positive phase 2/3 clinical trial with masitinib in ALS in the journal Amyotrophic Lateral Sclerosis and Frontotemporal Degeneration

Full results from the phase 2/3 study of masitinib in amyotrophic lateral sclerosis (ALS) have been published in the journal Amyotrophic Lateral Sclerosis and Frontotemporal Degeneration (ALSFD). This publication is entitled *« Masitinib as an add-on therapy to riluzole in patients with amyotrophic lateral sclerosis: a randomized clinical trial ».*

Study AB10015 reached its primary endpoint and showed that masitinib at 4.5 mg/kg/day in combination with riluzole was able to significantly (p-value < 0.05) slow ALSFRS-R decline by 27% as compared with the active riluzole control at week 48.

Capital increase through private placement

In August 2019, AB Science placed a total of 2,463,054 Securities by means of a capital increase without shareholders' preemptive rights, which represents approximately 5.9% of the outstanding shares prior to the private placement and a dilution of approximately 5.6% for existing shareholders.

Following an accelerated book-building process, the price of the placement was set at EUR 4.06 per share, equal to the volume weighted average price of the last three trading days preceding the pricing date. The net proceeds to the Company are estimated to be approximately EUR 9.8 million.

Two warrants will give the right to subscribe to one additional ordinary share of the Company at an exercise price of EUR 5.50, that is a potential additional dilution of 2.7% for existing shareholders.

The warrants shall be exercisable within 5 years from their issuance and not freely transferable. They will not be listed on Euronext Paris. If all the warrants are exercised, the Company would receive an additional EUR 6.7 million of proceeds.

No other event that is likely to have an impact on the financial position of the Company has occurred since closing.

III. Consolidated financial statements for the first half of 2019

The Company's turnover, entirely generated by the commercialization of a drug in veterinary medicine, amounts to 791 K€ for the first half of 2019, as compared with 872 K€ 1 year earlier, which represents a decrease of 9.3%.

Operating expenses

The Company's operating expenses amounted to 11,370 K€ on 30 June 2019 as compared with 15,064 K€ on 30 June 2018, corresponding to a decrease of 24.5%

The Company's marketing expenses are stable (551K€ on 30 June 2019 compared with 530K€ on 30 June 2018).

Administrative expenses decreased by 8.7% from 1,202 K€ on 30 June 2019 to 1,098 K€ on 30 June 2019.

Research and development expenses decreased by 27.8%, from 13,2876 K€ as of 30 June 2018 to 9,600 K€ as of 30 June 2019. This decrease is explained by the following reasons:

- Recruitment completion in many masitinib studies, which triggered a decrease of the clinical costs (clinical partners, hospitals, laboratory)
- Study portfolio rationalization in order to focus masitinib clinical program on key indications, with a consequence that some studies were stopped

Operating profit/loss

The operating loss as at 30 June 2019 amounted to 10,579 K€ as compared with 14,192 K€ as of 30 June 2018, which is a decrease of the operating loss by 3,613 K€ (25.5%).

Financial profit/loss

The financial loss as of 30 June 2019 was 2,434 K€, as compared with a profit of 3,076 K€ a year earlier.

As of 30 June 2018, the 3,076 K€ profit was mainly related to the accounting at the fair value of the financial liabilities. This variation generated a non-recurring and non-cash effect income.

The 2,434 K€ loss is composed of:

- ✓ Financial income: 42 K€, mainly due to exchange gains.
- ✓ Financial loss: 2,476 K€, which mainly corresponds to:
  - Currency effects: 40 K€
  - Exchange gains: 36 K€
  - Accounting of the change in fair value between December 31, 2018 and June 30, 2019 of the preferred shares resulting from the conversion of the bonds in December 2016, which corresponds 2,408 K€. This variation generates a non-recurring and non-cash effect income. This valuation of financial liabilities is explained in the 12.3 note of the appendix to the consolidated financial statements of the present document

Net profit/loss

The total net loss as at 30 June 2019 amounted to 13,016 K€, as compared to 11,121 K€ as of 30 June 2019, an increase of 17%.
The net loss variation is explained by the reasons explained above and summarized below:

- ✓ Operating profit increase: +3,613 K€
- ✓ The financial profit variation, mainly due to the accounting of the non-recurring expense of the fair value of financial liabilities, with no impact on the cash position

IV. Consolidated balance sheet information

Assets

Given the stage of product development, development costs were expensed, marketing prospects being difficult to evaluate. Fixed assets correspond essentially to the cost of registration of the Company's patents. Registration costs of the Company's patents booked as net fixed assets are stable compared to 30 June 2018 and amounts to 1,546 K€ as at 30 June 2019.

According to IFRS 16 guidelines, leases with a duration of more than 12 months are now recognized as assets by the recognition of a right of use. This amounts to 1,527 K€ as of June 30, 2019.

Inventory amounted to 176 K€ as of 30 June 2019 as compared with 153 K€ as of 31 December 2018.

Trade receivable are stable and amount to 226 K€ as of June 30, 2019, as compared with 236 K€ as of June 30, 2018.

As of 30 June 2019, there is no current financial asset. These financial assets correspond to cash instruments, the term of which is beyond 3 months. As of 30 June 2019, there is no cash with a term beyond 3 months.

Other current assets of the Company increased from 8,764 K€ as of 31 December 2018 to 11,793 K€ as of 30 June 2019, a 34.6% increase over the period (3,029 K€). This increase is explained by the accounting of the research tax credit for the first half of 2019 (2,496 K€) and the provision of the conditional cash advance to be received by BPIFrance (865 K€).

Total cash amounts to 2,721 K€ as of 30 June 2019, against 11,560 K€ as of 31 December 2018. This amount excludes the reimbursement of the 5,647 K€ amount for the 2018 research tax credit reimbursed by Finance Public Department in July 2019 and the 9,726 K€ capital increase performed in August 2019 through a private placement.

Total cash and current financial assets amount to 14,915 K€ as of June 30, 2019, as compared with 20,712 K€ as of June 30, 2018.

Liabilities

Funding used by the Company comes mainly from issue of bond loan agreements, issue of new shares and various public aids (research tax credits, reimbursable advances and grants).

The table hereafter shows the change in the Company's equity between 31 December 2018 and 30 June 2019.

(in thousands of euros) – IFRS norms	Company Equity
Equity as of 31 December 2018	10 735
Capital increases and additional paid-in capital net of issuance costs	50
Total profit/loss over the period	(11 046)
Conversion options	0
Payments in shares	76
Equity as of 30 June 2019	(184)

As of 30 June 2019, shareholders' equity amounted to – 27 931 K€.

Current liabilities amount to 23,325 K€ as of 30 June 2019 against 19,200 K€ in late 2018, which represents an increase of 21.5%.
This increase of 4,125 K€ can be explained by the following effects:

- The increase of the accounts payable: 1 539 K€
- The increase of current liabilities: 2 195 K€. This increase results from the signature of a loan of 2.5 million dollars in June 2019, fully reimbursed in August 2019.
- The increase of current provisions: 129 K€
- The accounting of lease obligations (IFRS 16): 318 K€

Non-current liabilities amount to 22,817 K€ as of 30 June 2019 against 18,253 K€ as of 31 December 2018, an increase of 4,564 K€, which is explained by the following reasons:

- The increase of conditional cash advances: 865 K€
- The increase of cash instruments 2,408 K€. This variation is mainly due to the cash instruments fair value variation
- The accounting of lease obligations (IFRS 16): 1 225 K€

V. Risk factors and uncertainties

Additionally, to the risks and uncertainties described in Chapter 5 of the Annual Financial Report to 31 December 2018, the Company is exposed to the risks and uncertainties related to clinical study results expected in Q4 2019.

VI. Foreseeable evolution of the Group's situation and future prospects

In 2019, AB Science continued and reinforced the transformation plan in order to ensure that clinical studies are carried out in compliance with good clinical practices.

AB Science continues to allocate most of its resources to the development of masitinib, the most advanced molecule of the Company, with the launch of confirmatory studies in ALS and mastocytosis.

The Company also continued to invest in drug discovery activities in order to fuel its portfolio of molecules. AB Science intends to launch a phase 1/2 study in refractory acute myeloid leukemia with a new molecule developed by AB Science (AB8939).

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, and inflammatory 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.

Forward-looking Statements - AB Science
This press release contains forward-looking statements. These statements are not historical facts. These statements include projections and estimates as well as the assumptions on which they are based, statements based on projects, objectives, intentions and expectations regarding financial results, events, operations, future services, product development and their potential or future performance.

These forward-looking statements can often be identified by the words "expect", "anticipate", "believe", "intend", "estimate" or "plan" as well as other similar terms. While AB Science believes these forward-looking statements are reasonable, investors are cautioned that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to predict and generally beyond the control of AB Science and which may imply that results and actual events significantly differ from those expressed, induced or anticipated in the forward-looking information and statements. These risks and uncertainties include the uncertainties related to product development of the Company which may not be successful or to the marketing authorizations granted by competent authorities or, more generally, any factors that may affect marketing capacity of the products developed by AB Science, as well as those developed or identified in the public documents filed by AB Science with the Autorité des Marchés Financiers (AMF), including those listed in the Chapter 4 "Risk Factors" of AB Science reference document filed with the AMF on November 22, 2016, under the number R. 16-078. AB Science disclaims any obligation or undertaking to update the forward-looking information and statements, subject to the applicable regulations, in particular articles 223-1 et seq. of the AMF General Regulations.

For additional information, please contact:

AB Science
Financial Communication & Media Relations
investors@ab-science.com

FINANCIAL STATEMENTS AS OF 30 JUNE 2019

Assets ***(in thousands of euros)***	30/06/2019	31/12/2018
Intangible assets	1 574	1 572
Tangible assets	126	153
Use rights related to leases	1 527	
Non-current financial assets	69	54
Other non-current assets	0	0
Deferred tax assets	0	0
Non-current assets	3 296	1 779
Inventory	176	153
Trade receivable	226	236
Current financial assets	0	0
Other current assets	11 793	8 764
Cash and cash equivalent	2 721	11 560
Current assets	14 915	20 712
TOTAL ASSETS	**18 212**	**22 491**

Liabilities ***(in thousands of euros)***	30/06/2019	31/12/2018
Share capital	411	411
Additional paid-in capital	193 271	193 271
Translation reserve	(67)	(63)
Other reserves and results	(221 545)	(208 580)
Total equity attributable to equity holders of the Company	(27 931)	(14 962)
Non-controlling interests		
Total equity	(27 931)	(14 962)
Non-current provisions	787	718
Non-current financial liabilities	20 805	17 535
Other non-current liabilities	0	0
Non-current lease obligations	1 225	0
Deferred tax liabilities	0	0
Non-current liabilities	22 817	18 253
Current provisions	274	145
Trade payable	16 575	15 036
Current financial liabilities	2 206	11
Tax liabilities / Tax payable	0	0
Current lease obligations	318	0
Other current liabilities	3 952	4 008
Current liabilities	23 325	19 200
TOTAL EQUITY AND LIABILITIES	**18 212**	**22 491**

STATEMENT OF COMPREHENSIVE INCOME 30 JUNE 2019

(in thousands of euros)	30/06/2019	30/06/2018
	791	**872**
Revenue	0	0
Other operating revenues	**791**	**872**
Total revenues	(121)	(45)
Cost of sales	(551)	(530)
Marketing expenses	(1 098)	(1 202)
Administrative expenses	(9 600)	(13 287)
Research and development expenses	-	-
Other operating expenses	**(10 579)**	**(14 192)**
Operating income	42	3 121
Financial income	(2 476)	(45)
Financial expenses	**(2 434)**	**3 076**
Financial income	(4)	(5)
Income tax expense	**(13 016)**	**(11 121)**
Net income		
Other comprehensive income		
Items that will not be reclassified subsequently to net income:	(4)	80
- Actuarial differences		
Items that should be reclassified subsequently to net income:	(5)	(5)
- Translation differences – Foreign operations		
Other comprehensive income for the period net of tax	**(9)**	**75**
Total comprehensive income for the period	**(13 025)**	**(11 046)**
Net income for the period attributable to:		
- Attributable to non-controlling interests	-	-
- Attributable to equity holders of the parent Company	(13 016)	(11 121)
Comprehensive income for the period attributable to:		
- Attributable to non-controlling interests	-	-
- Attributable to equity holders of the parent Company	(13 025)	(11 046)
Basic earnings per share - in euros	(0.34)	(0.29)
Diluted earnings per share - in euros	(0.34)	(0.29)

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	30/06/2019	30/06/2018
Net income	(13 016)	(11 121)
- Adjustment for amortization and charges to provisions	568	349
- Adjustment for income from asset sales	0	0
- Non-cash income and expenses linked to share-based payments	56	76
- Other non-cash income and expenses	2 236	(3 078)
- Adjustment for income tax expense	0	0
- Adjustment for change in deferred tax	0	0
- Impact of change in working capital requirement generated by operating activities	(694)	(3 790)
- Income from interest on financial assets	38	(19)
- Cash flow from operations before tax and interest	**(10 812)**	**(17 582)**
- Income Tax (paid) / received	0	0
Net cash flow from operating activities	**(10 812)**	**(17 582)**
Acquisitions of fixed assets	(177)	(151)
Sales of tangible and intangible assets	0	0
Acquisitions of financial assets	0	0
Proceeds from the sale and financial assets	0	0
Changes in loans and advances	0	0
Interest received / (paid)	(39)	8
Other cash flow related to investing activities	0	0
Net cash flow from investing activities	**(217)**	**(142)**
Dividends paid		
Capital increase (decrease)	0	50
Issue of loans and receipt of conditional advances	2 197	0
Repayments of loans and conditional advances	(3)	0
Other cash flows from financing activities	0	0
Net cash flow from financing activities	**2 194**	**50**
Effect of exchange rate fluctuations	(5)	(5)
Effect of assets held for sale	0	0
Impact of changes in accounting principles	0	0
Net increase /decrease in cash and cash equivalents – by cash flows	**(8 839)**	**(17 679)**
Cash and cash equivalents – opening balance	11 560	38 789
Cash and cash equivalents – closing balance	2 721	21 109
Net increase / decrease in cash and cash equivalents – by change in closing balances	**(8 839)**	**(17 679)**