

PRESS RELEASE

Paris, 30 November 2020, 7 a.m.

EIB supports AB Science in its COVID-19 development programme

- **Financing deal worth €15.0 million signed to support clinical development programme for masitinib**
- **Masitinib developed as a credible candidate for treating COVID-19 in addition to other diseases for which no therapeutic solutions are available**

AB Science SA (Euronext – FR0010557264 – AB) and the European Investment Bank (the **EIB**) are pleased to announce the signing of a loan agreement totalling €15.0 million (the **COVID-19 loan**) today.

This agreement will enable AB Science to fund the clinical development programme evaluating masitinib as a treatment for COVID-19.

Masitinib might be an effective treatment for COVID-19 due to its recently discovered dual mechanism allowing it to act as both an anti-inflammatory and an antiviral agent. Masitinib directly inhibits the 3CL protease, the main protease of SARS-CoV-2 directly involved in the replication of the virus.

This initial partnership with the EIB might be expanded in the future, as discussions are already underway about additional financing for other indications in which masitinib is or could be evaluated, for a maximum budget of €30.0 million.

This financing is supported by the European Fund for Strategic Investments, the financial centrepiece of the Investment Plan for Europe under which the EIB and European Commission have joined forces to kick-start priority investments in the European Union. It is also backed by the InnovFin risk-sharing mechanism which targets corporate research initiatives supported by Horizon 2020, the European Union's framework programme for research and innovation.

The combination of the EIB's expertise and the European Commission's support with the InnovFin guarantee has made it possible to set up an innovative financing package tailor-made to the needs of AB Science.

The COVID-19 loan consists of two tranches of €6 million each, and a third tranche worth €3 million. The first tranche is expected to be released in the coming weeks. The remaining two tranches will be made available at a later stage, subject to certain milestones, including clinical progress in AB Science's study regarding the treatment of COVID-19 and the company's future equity funding.

The COVID-19 loan is supplemented by an agreement to issue warrants for the EIB. The number of warrants to be issued by AB Science each time a tranche of the COVID-19 loan is drawn will depend on its reference price prior to the disbursement and the amount of the tranche in question. Purely as an illustration, a reference price of €10.0 would mean that AB Science should issue 162,162 warrants when it draws the first tranche. Each warrant will entitle the EIB to subscribe to one ordinary share in AB Science at the reference price (discount of 5.0%) for a period of 15 years.

Each time a tranche of the COVID-19 loan is drawn, AB Science will issue a press release specifying the terms and conditions and the final number of warrants issued on the occasion.

Alain Moussy, co-founder and chief executive of AB Science, said: *"This is an important agreement because this major loan is a sign of a leading European institution's interest in the development of masitinib. The EIB loan supporting masitinib's development as a treatment for COVID-19 demonstrates that masitinib is a credible candidate thanks to its dual antiviral and anti-inflammatory mechanism. We hope that this first agreement is only the beginning of a long partnership with the European Investment Bank, allowing us to move faster in developing new medicines for diseases where therapeutic solutions are not available or insufficient."*

"I am delighted to announce this funding agreement with AB Science. The fight against COVID-19 is a priority for the European Union's bank, which is why we support the development of therapeutic options that could provide an effective response to the health crisis," said EIB Vice-President **Ambroise Fayolle**. He added, *"Small and medium-sized enterprises are a major source of medical innovation that we need to build on. That's why it is important that we support and work with them."*

Against the backdrop of the health crisis, this new financing reflects the EIB's strong mobilisation to support the development of new and effective treatments for COVID-19. This new funding takes total European investment to €600 million in support of 19 biotechs and medtechs involved in the fight against the epidemic.

Note to editors

About the European Investment Bank

Created by the Treaty of Rome and founded in 1958, the EIB is the European Union's bank, which, together with its dedicated SME support subsidiary the European Investment Fund (EIF), forms the EIB Group. The EIB Group is a key player in reviving Europe's – including France's – economy through investment. Thanks to its reliable expertise and the financial attractiveness of its AAA rating, the EIB Group has strengthened its activities in France since 2012 (reaching €8.5 billion of investment in 2019), not only supporting businesses and innovation but also financing projects in strategic sectors such as climate action, energy, healthcare, housing, education for young people and training infrastructure. The EIB Group is the operator of the Investment Plan for Europe, commonly known as the Juncker Plan.

To find out more about the EIB: www.eib.org

InnovFin – EU Finance for Innovators – Under Horizon 2020, the EU research and innovation programme for 2014-2020, the European Commission and the European Investment Bank Group (EIB and EIF) launched a new generation of financial instruments and advisory services in 2014 to help innovative firms access finance more easily. Until the end of 2020, the InnovFin – EU Finance for Innovators programme is offering a range of customised products providing financing support for research and innovation projects conducted by small, medium-sized and large companies and promoters of research infrastructure.

About masitinib

Masitinib is a new orally administered tyrosine kinase inhibitor that targets mast cells and macrophages, which are important cells for immunity, by inhibiting a limited number of kinases. Thanks to its unique mechanism, masitinib can be developed for a large number of medical conditions including cancer, inflammatory diseases, and certain diseases of the central nervous system. In oncology, masitinib has the potential to improve survival when administered alone or in combination with chemotherapy, thanks to its immunotherapeutic properties.

Masitinib can alleviate symptoms in certain inflammatory disorders and central nervous system diseases by acting on mast cells and microglia, thereby inhibiting the activation of the inflammatory process.

About AB Science

Founded in 2001, AB Science is a pharmaceutical company specialising in the research, development and commercialisation of protein kinase inhibitors (PKIs), a class of targeted proteins whose action is key in signalling pathways within cells. Our programmes only target diseases which have high unmet medical needs, are often lethal with short-term survival, or are rare or refractory to a 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).

To find out more about AB Science: www.ab-science.com

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Forward-looking statements – AB Science

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