PRESS RELEASE

AB SCIENCE PRESENTS ITS FINANCIAL INFORMATION FOR THE FIRST HALF OF 2023 AND THE KEY EVENTS OF THE PERIOD

- **Clinical development strategy based on two platforms: the late-stage masitinib platform and the new microtubule platform**
  - Masitinib platform:
    - License search for masitinib
    - Studies in amyotrophic lateral sclerosis (ALS), mastocytosis, MCAS and Covid-19 are ongoing
    - Ongoing EMA and Health Canada procedures for conditional authorisation of masitinib in ALS
    - Timetable extension granted by EMA for examination of the masitinib marketing authorization application in ALS
    - Strengthening of AB Science's intellectual property position in key indications, with protection guaranteed until 2037 in ALS, 2041 in multiple sclerosis and Alzheimer's disease, and 2042 in prostate cancer
  - Microtubule platform:
    - Encouraging preliminary efficacy results for low-dose AB8939 after three days of treatment with a bone marrow response in a patient with acute myeloid leukemia
    - No decrease in neutrophils or platelets observed, which is unusual for a drug in this class

- **Financial and operational information**
  - Operating loss of €8.9 million as of 30 June 2023, a decrease of 7.5% compared to the first half of 2022
  - Cash position of €14.8 million as of 30 June 2022, plus the €11.1 million to be received of 2020, 2021 and 202 research tax credit
  - Reduction in AB Science's cost structure while preserving all key functions

Paris, September 29, 2023, 7.45pm CET

AB Science SA (Euronext - FR0010557264 - AB) today reports its revenues for the first half of 2023 and provides an update on its activities.

CLINICAL DEVELOPMENT KEY EVENTS FOR THE FIRST HALF OF 2023 AND SINCE JUNE 30, 2023

Clinical development strategy based on two platforms: the late-stage masitinib platform and the new microtubule platform

On 21 April 2023, AB Science announced its decision 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.

AB Science wants 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.*

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 lead to a significant reduction in costs. AB Science has therefore implemented a redundancy plan.

This strategic focus reinforces and sustains the existing agreement between certain shareholders of AB Science and Alain Moussy.

Update on the European Medicines Agency's (EMA) timetable for examination of the masitinib marketing authorization application in amyotrophic lateral sclerosis (ALS)

AB Science provided an update on the European Medicines Agency's (EMA) Committee for Medicinal Products for Human Use (CHMP) timetable for examination of the masitinib marketing authorization application in amyotrophic lateral sclerosis (ALS).

The timetable extension was requested by AB Science in order to address a question from the CHMP that arose following implementation of a guidance, updated on July 28, 2023, from the EMA. This guidance requested all marketing authorisation holders to review their manufacturing processes for all products containing chemically synthesised or biological active substances to identify and, if necessary, mitigate the risk of presence of nitrosamine impurities.

Because performing this activity was not compatible with the conventional 30 days stop-clock, AB Science requested an extension of this stop-clock in order to complete a risk evaluation of the manufacturing process in terms of risk of formation of nitrosamines in active substance and finished product.

An extension of clock-stop is not automatic. A request for extension together with a corresponding scientific justification must be submitted by the applicant and needs to be discussed in a CHMP plenary session. AB Science's request was accepted during the September 11-14, 2023 CHMP session.

Based on this updated timetable, the CHMP decision on masitinib marketing authorization in ALS is expected during the first quarter of 2024.

Based on the current stage of investigations, AB Science is confident that the current manufacturing process of masitinib complies with this new EMA guidance.

Strengthening of AB Science's intellectual property position in ALS

AB Science announced that the patent office of Japan and the patient office of Canada have issued a Notice of Allowance (NOA) for a patent relating to methods of treating amyotrophic lateral sclerosis (ALS) with its lead compound masitinib.

These new patents provide strong protection for masitinib in the treatment of ALS until 2037 and complete the IP coverage for ALS across all key geographic areas where masitinib could be marketed.

First complete bone marrow response in an acute myeloid leukemia patient in its AB8939 Phase I/II clinical trial

AB Science announced in March 2023 a case report from the initial stage of its Phase I/II study (AB18001) evaluating AB8939, a microtubule destabilizer, in patients with refractory and relapsed acute myeloid leukemia (AML).

The AML patient in question was in failure to prior treatment with *azacitidine and* presented with a MECOM gene rearrangement, which is a biomarker for resistance to standard chemotherapies that is associated with a high-risk of disease progression and inferior prognosis.

One month after the first treatment cycle (i.e., three consecutive days of AB8939 treatment) there was a drastic reduction in bone marrow blast cells (i.e., leukemia cells), from a pretreatment level of 55% to 5% (i.e., a morphologic leukemia free state). Remarkably, this response was achieved at a very low dose of AB8939, corresponding to the second step of dose increment (out of 13 potential steps) in phase I. The patient also showed excellent tolerance to AB8939, having experienced no treatment-related toxicities. At the request of the investigator, AB Science has authorized further treatment cycles of AB8939 to this patient. One month after the second treatment cycle of three consecutive days at this dose, a good response has been maintained with bone marrow blasts being at 10% (corresponding to a 5-fold reduction relative to baseline). A third treatment cycle for this patient has been initiated.

Considering the overall study to date, there have been no signs of moderate, severe or serious toxicity and approximately 50% of patients have requested further treatment cycles of AB8939 after the first cycle of treatment and a measurement at day 28.

CONSOLIDATED FINANCIAL INFORMATION FOR THE FIRST HALF OF 2023

The operating loss as of June 30, 2023 was 8,850 K€, compared to a loss of 9,562 K€ as of June 30, 2022, i.e. a decrease in the operating loss of 712 K€ (7.5%).

- Operating income, exclusively made up of sales related to the operation of a veterinary medicine, amounted to 448 K€ as of June 30, 2023 compared to 629 K€ one year earlier, a decrease of 28.8%. This decrease is due to a product supply disruption between August 2022 and April 2023, due to a change in the synthesis process for Masivet active ingredient (masitinib), which required to submit a variation of Masivet marketing authorisation to the European Medicines Agency (EMA), which was approved in April 2023.
- Operating expenses amounted to 9,298 K€ as of June 30, 2023, compared to 10,192 K€ as of June 30, 2022, a decrease of 8.8%.
- Marketing expenses decreased by 13.8% from 253 K€ as of June 30, 2022 to 218 K€ as of June 30, 2023.
- Administrative expenses were stable compared with 30 June 2022 (down 2%).
- Research and development expenses decreased by 886 K€, i.e 10.9 %, from 8,099 K€ as of June 30, 2022 to 7,213 K€ as of June 30, 2023. This variation is mainly explained by:
    - the increase in the research tax credit (633 K€),
    - the decrease in the value of warrants issued as payment for research and development services, from 414 K€ as of 30 June 2022 to 160 K€ as of 30 June 2023.

The financial income as of June 30, 2023 is a loss of 1,569 K€ compared to a gain of 2,424 K€ one year earlier. As of June 30, 2023, financial income (1,042 K€) corresponded mainly to the difference between the cancellation of the recognition of the ADPC debt following their cancellation for 3,692 K€ and the recognition of the new E shares, created to replace the ADPCs and with a value of 2,908 K€ as of 30 June 2023. This transaction generated net proceeds of 784 K€. Financial expenses (2,610 K€) mainly relate to the restatement of the bond loan contract (985 K€), interest on loans (947 K€) and the discounting of conditional advances (652 K€). These effects had no cash impact.

The net loss as of June 30, 2023 amounts to 10,411 K€ compared to a loss of 7,141 K€ as of June 30, 2022.

The following table summarizes the consolidated financial statements for the first half of 2023 prepared in accordance with IFRS, and comparative information with the first half of 2022:

In thousands of euros, except for share data	30/06/2023	30/06/2022
Net turnover	**448**	**629**
Cost of sales and marketing expenses	(219)	(158)
Marketing expenses	(218)	(253)
Administrative expenses	(1,648)	(1,682)
Research and development expenses	(7,213)	(8,099)
Operating income	**(8,850)**	**(9,562)**
Financial income	1,042	3,847
Financial expenses	(2,610)	(1,423)
Financial income	**(1,569)**	**2,424**
Net income	**(10,411)**	**(7,141)**
Other comprehensive income for the period net of tax	**51**	**174**
Total comprehensive income for the period	**(10,360)**	**(6,967)**
Basic earnings per share - in euros	(0.22)	(0.15)
Diluted earnings per share - in euros	(0.22)	(0.15)

In thousands of euros	30/06/2023	31/12/2022
Cash and cash equivalents	14,786	7,269
Total Assets	**33,198**	**23,841**
Equity	(19,225)	(35,670)
Non-current liabilities	1,209	393
Trade payables	12,417	12,248
Current liabilities	21,381	23,079

OTHER CORPORATE INFORMATION FOR THE FIRST HALF OF 2023 AND SINCE JUNE 30, 2023

Drawdown of the second tranche of €6 million under its financing agreement with the European Investment Bank

AB Science announced in January 2023 that it has received payment of €6.0 million as the second tranche of a €15 million loan from the European Investment Bank (EIB).

The second tranche has a maturity of five years and is therefore repayable in January 2028. It carries a capitalized annual interest rate of 7.0% and the issuance of 115,830 warrants, each giving the right to subscribe to one ordinary share of AB Science at 14.0 euros for 15 years. These warrants represent 0.22% of the current capital of the Company (if they were to be exercised in their entirety).

Financial restructuring

On 21 April 2023, AMY S.A.S and Alain Moussy (majority shareholders), AB Science and the minority shareholder entities (including in particular the convertible bondholders, the Tax Research Credit lenders and the APDC holders) signed an Agreement relating to:

(i) the implementation of AB Science's new strategy,
(ii) the financing of AB Science and
(iii) the restructuring of AB Science's bond debt and Class C preference shares.

These transactions were the subject of an agreement signed by the parties on 21 April 2023, the date on which all transactions were accounted for, and are detailed in section 12 of the notes to the consolidated financial statements as of 30 June 2023.

Restructuring of convertible bonds issued in February 2022 and Class C preferred shares

AB Science announced on 21 April 2023 the negotiation of a framework agreement under which the terms and conditions of the bond issue agreement (entered into with the holders of the US$8.5 million

convertible bonds issued in February 2022 and to which 50,000 warrants were attached with an exercise price of 000 warrants with an exercise price of EUR 12.65) would be amended to provide, on 15 July 2023 and automatically, for the conversion of all the convertible bonds into ordinary shares of AB Science on the basis of a price per share of EUR 5.75 (*i.e.* the subscription price of the New Shares).

The framework agreement has also been negotiated with the holders of Class C preferred shares (the "C Preferred"). It provides the C Preferred still in circulation to be repurchased by AB Science for one symbolic euro (and subsequently cancelled). 520,786 share warrants (each warrant entitling the holder to subscribe for one ordinary share of AB Science at par value for a period of 12 months) will be issued in substitution of the C Preferred. In addition, still in substitution of the C Preferred, it provides a new class of preferred shares to be created, benefiting from priority dividend rights (equal to 1.25% of the net sales of masitinib or of any licensing royalties, up to a limit of 9.0 million euros) and convertible into 750,000 ordinary shares of AB Science if the share price of AB Science exceeds a threshold of 30 euros for more than 90 consecutive days.

Finally, it has been proposed to the shareholders to extend the term of certain lines of warrants already issued, to adapt to the evolution of AB Science's strategy and of its clinical pipeline.

These agreements were submitted approved by the General Meeting of AB Science held on 30 June 2023.

Capital increase for an amount of 15 million euros

AB Science announced on April 24, 2023 the success of its capital increase through the issuance of new ordinary shares with attached warrants, with a waiver of preferential subscription rights.

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.

Renewal of the Programme d'Augmentation de Capital à Terme (PACT®) concluded with Alpha Blue Ocean

Alpha Blue Ocean is committed to subscribe, from April 28, 2023, to newly issued shares of AB Science (in tranches comprised of a number of shares between 500,000 and 1 million) over a period of 24 months, up to a maximum of 4.0 million shares in total (or 7.2% of the company's share capital on the basis of the capital after the capital increase announced on 24 April 2023). Such subscriptions for new shares shall be carried out using the 28th resolution of the Shareholder's Meeting of June 29, 2022 (as renewed or otherwise amended, if applicable).

By way of example, based on the April 27, 2023 closing price of AB Science's shares, i.e 6.27 euros, on Euronext Paris, it is estimated that AB Science could raise approximately 25 million euros through this equity financing facility.

For each tranche, the issuance price of new shares of AB Science, subscribed by Alpha Blue Ocean, shall be equal to 100% of the volume-weighted average price of the shares of AB Science traded on Euronext Paris over the three trading days preceding a tranche drawdown request.

For each tranche, and after the settlement-delivery of the new shares of AB Science following the relevant capital increase, 80% of the proceeds of the tranche shall be secured in an escrow account with a third-party escrow agent. The remaining balance shall be kept by AB Science.

Following predefined trading rules for each tranche, Alpha Blue Ocean shall manage the orderly sale, on or off the market, of the AB Science shares subscribed to. 95% of the proceeds shall be distributed to AB Science on a monthly basis (minus a structuration fee), directly from Alpha Blue Ocean or by way of a release from the escrow account.

AB Science has no obligations to draw down on the PACT® and shall utilise this innovative financing solution only if necessary and if the market conditions are favourable to the interests of AB Science and its shareholders.

For each drawdown, the number of shares issued with respect to this agreement and admitted to trading will be reported in an Euronext notice and in a specific communication on AB Science's website.

Investors are invited to take note of the risks associated with this transaction, potentially dilutive of 7.2% of the company's share capital on the basis of the capital after the capital increase announced on 24 April 2023, which could create downward pressure on the AB Science share. Investors are also invited to be vigilant before taking the decision to invest in a company that carries out such operations, particularly when they are carried out successively. AB Science recalls that the present dilutive financing operation is not the first one it has put in place.

Other events

- Other securities transactions

During the first half of 2023, 2,739,516 share warrants were allocated, including 115,830 to the European Investment Bank as part of the financing agreement, 2,608,686 relating to the capital increase and 15,000 to the directors.

- Other information

AB Science confirms its eligibility for PEA-PME (a share savings plan aimed at providing finance to SMEs) in accordance with decree no. 2014-283 of 4 March 2014 taken for the application of article 70 of law no. 2013-1278 of 29 December 2013 of finance for 2014 fixing the eligibility of companies for PEA-PME, i.e. less than 5,000 employees on the one hand, an annual turnover of less than 1,500 million euros or a total balance sheet of less than 2,000 million euros, on the other hand.

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.

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 published by AB Science. 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.

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