



Press release

ABIONYX announces the signing of an agreement for the contribution of 100% of the capital of IRIS Pharma Holding, fully remunerated by the issuance of new ABIONYX shares at a fixed price of 3.60 euros per share

ABIONYX announces the launch of a capital increase in cash of about 5 million euros by private placement (currently secured at 75% or more) at the same price of 3.60 euros per ABIONYX share

By integrating IRIS Pharma, ABIONYX becomes a specialist in bioproducts for ophthalmology in addition to renal diseases

- **A potential portfolio of 3 new bioproduct candidates that could enter clinical trials and 14 different indications in ophthalmology**
- **Preclinical and clinical development of the first class of bioproducts in ophthalmology thanks to IRIS Pharma's worldwide expertise**
- **IRIS Pharma becomes a subsidiary of ABIONYX and remains independent in its service activities for the largest pharmaceutical and biotech groups in ophthalmology**

Toulouse, FRANCE, November 17, 2021, 7pm CET – ABIONYX Pharma (FR0012616852 - ABNX - PEA PME eligible), a new generation biotech company dedicated to the discovery and development of innovative therapies for patients, today announces that it has reached an agreement with the shareholders of IRIS Pharma Holding, concerning the contribution to the company of 100% of the capital of IRIS Pharma Holding, which owns 100% of IRIS Pharma, one of the leaders specialized in preclinical and clinical research in the field of ophthalmology, a contribution fully remunerated by the issuance of new ABIONYX shares at a fixed price of 3.60 euros per share.

The value of IRIS Pharma Holding has been set at 5 million euros.

The contribution of IRIS Pharma Holding shares to ABIONYX is conditional upon the successful completion of a prior cash capital increase of ABIONYX in order to develop a

portfolio of biomedical candidates, notably in ophthalmology. It has been agreed that this conditional precedent will be deemed to be fulfilled when the preliminary cash capital increase targeted at 5 million euros is subscribed for at least 4 million euros.

The issue price of this capital increase in cash has been set at the same price as the new ABIONYX shares issued for the remuneration of the contribution of IRIS Holding, i.e. 3.60 euros, i.e. +243% compared to the ABIONYX share price at market closing on November 16, 2021 (1.48 euros).

This capital increase in cash is already subscribed at more than 75%.

The contribution in kind of the IRIS Pharma Holding shares to ABIONYX will be decided by the board of directors of Abionyx upon delegation of authority granted under the terms of the 20th resolution of the shareholders' meeting of June 11, 2021. It will be remunerated by the issuance of new ordinary shares at the price of the capital increase in cash, i.e., 3.60 euros, which will represent 5.06% of the final share capital of ABIONYX.

The contribution in kind was the subject of a report by ACG, the contribution auditor, which concluded that the contribution value of 5 million euros was not overvalued. The auditor also determined that the remuneration of this contribution in ABIONYX shares was fair.

Creation of a specialty in ophthalmologic bioproducts

Founded in 1989 by Dr. Pierre-Paul ELENA and managed today by Yann QUENTRIC, IRIS Pharma has been offering its services in the development of ophthalmic drugs and ocular medical devices to the pharmaceutical industry, biotechnology companies and research institutes worldwide (Europe, North America, Asia) for over 30 years. Having participated in the development of more than 70 drugs and ocular medical devices on the international market today, and with more than 400 clients, among them the largest pharma and biotech companies in ophthalmology, IRIS Pharma is recognized as one of the world's leading experts in pharmacokinetics and preclinical studies within the ophthalmology community. In 2020, IRIS Pharma had a total turnover of 7.8 million euros and a profit of 0.7 million euros (company accounts).

The expertise acquired by ABIONYX includes all of IRIS Pharma's preclinical and clinical development activities focused on ophthalmology. Thus, ABIONYX Pharma will be able to structure and develop a portfolio of first-in-class HDL bioproducts within the first class of biomedicines in ophthalmology. Within this portfolio 3 drug candidates for clinical trials and 14 future indications in ophthalmology have already been identified. The acceleration of preclinical and clinical development in ophthalmology, thanks to IRIS Pharma's teams, will contribute to ABIONYX's strategic objective of having three new clinical programs and/or a marketing authorization for a new biomedical candidate in ophthalmology by 2024.

"Thanks to the anticipated preclinical and clinical development programs with IRIS Pharma, ABIONYX Pharma is poised to create a unique technological platform to develop the first class of biomedicines in ophthalmology, to treat the most severe and rare ophthalmological diseases", commented Cyrille TUPIN, CEO of ABIONYX Pharma. "The combination of ABIONYX Pharma's experience in bio-HDL, both in clinical studies and biomedical manufacturing, and IRIS Pharma's worldwide expertise in specialized preclinical and clinical development gives our association a unique strength to accelerate the marketing of the first biomedical drugs in ophthalmology. In addition, ABIONYX will continue to develop its renal franchise, which remains the most advanced bio-HDL, and will maintain IRIS Pharma's operations in ophthalmology drug discovery services. The capital raised from the issuing of new shares will contribute to the financing of our programs in ophthalmology."

Pierre-Paul ELENA, founder and Chairman of the Supervisory Board of IRIS Pharma, declares: *"This collaboration stems from our analysis of the quality of ABIONYX Pharma's biotech research and our expert assessment of bio-HDLs that open up an extraordinary field in ophthalmology. Our expertise will be key to the development of the first class of biomedicines in ophthalmology, either as bio-HDLs or as HDL-vectors of known active ingredients in ophthalmology, and will support the acceleration of preclinical and clinical trials in order to reach the market as soon as possible."*

Yann QUENTRIC, President of IRIS Pharma Holding, concludes: *"The full remuneration of our contribution by new ABIONYX shares is the mark of our strong commitment and our winning conviction in the development of the first biomedicines in ophthalmology. This is an exciting challenge for us and our teams and will further contribute to the quality of our research services which remain fully independent for all our clients, but benefit from the support of ABIONYX Pharma for the extension of our research to new clinical and pre-clinical fields. The independence of our ophthalmology service activities, which remain under my direction, will be guaranteed on the one hand by a confidentiality charter and by the maintenance of IRIS Pharma as a subsidiary of ABIONYX and, on the other hand, by the fact that ABIONYX's bioproducts do not exist anywhere else in the world. Finally, our expertise with the largest pharmaceutical groups will allow the development of strategic partnerships in preclinical and clinical research in ophthalmology bioproducts."*

A value-creating transaction

IRIS Pharma, based in La Gaude near Nice, operates state-of-the-art research facilities in the field of ophthalmology. It currently employs 60 people. The operations of ABIONYX Pharma's drug discovery and development division remain based in Toulouse. The acquired capabilities in preclinical development and pharmacology will benefit ABIONYX Pharma's current drug discovery programs. As a result, ABIONYX Pharma expects substantial savings on preclinical and clinical development for the entire ophthalmic product portfolio, primarily due to the reduction of outsourcing requirements for ABIONYX Pharma's drug development, and partly due to operational synergies.

The acceleration of the development of biomedicines in ophthalmology is a major strategic initiative that gives the new entity a strong technological lead. Beyond the major role of lipids involved in many ophthalmological indications that bio-HDL can target, ABIONYX Pharma has renewed its intellectual property thanks to the filing of new patent families for its bioproduct in these new indications, but above all, this rejuvenation of the patents in ophthalmology confers a new exclusivity for the exploitation of its bio-HDL for the next 20 years. In fact, this position is very rewarding insofar as most biotechs no longer benefit from this level of commercial protection when they are so close to the start of clinical studies and the marketing of their product, in this case with one of the most advanced bio-HDL in the world.

This acquisition is in line with ABIONYX Pharma's strategy to develop innovative therapies in the most severe and rare renal and ophthalmological indications that lack existing or effective treatments. The acceleration of ophthalmology development significantly broadens the existing portfolio already very advanced in renal indications, with a phase 2a in sepsis with high risk of renal damage, the results of which are expected in early 2022, and the granting of orphan drug status in a rare disease, LCAT deficiency.

Governance and management

IRIS Pharma will become a subsidiary of ABIONYX Pharma for the independence of the ophthalmology services activities guaranteed by a confidentiality charter, and will remain managed by Yann QUENTRIC who will report directly to Cyrille TUPIN, CEO of the new entity. Pierre-Paul ELENA, founder of IRIS Pharma will join ABIONYX Pharma as Chief Scientific

Officer (CSO), and he and Yann Quentric will be proposed as Members of the Board of Directors of ABIONYX Pharma.

Terms and conditions of the transaction and timetable

The transaction has already received the favorable opinion of the relevant Employee Representative Bodies within IRIS Pharma. The completion of the transaction is subject to the finalization of the capital increase in cash. The final completion of the transaction is expected before the end of 2021.

Terms and conditions of the capital increase in cash

The Board of Directors has decided today to issue 1,388,888 new ordinary shares at a price of 3.60 euros per share (i.e. +243% compared to the closing price of the ABIONYX share on November 16, 2021). This operation is part of a capital increase with cancellation of the preferential subscription right by an offer referred to in the first paragraph of article L.411-2 of the French Monetary and Financial Code (private placement), decided today by the Board of Directors, acting on the basis of the delegation of powers granted by the General Meeting of May 29, 2020 under its twenty-second extraordinary resolution.

The maximum total amount of the capital increase is 5 million euros (including a maximum nominal amount of 69,444.40 euros and a maximum issue premium of 4,930,555.60 euros). The new shares will carry current dividend rights, will be assimilated with the existing shares and will enjoy the same rights. They will be subject to all the provisions of the bylaws and will be admitted to trading on Euronext on the same quotation line as the existing shares.

Provisional calendar

The subscription period will start on November 18th 2021 and will end on December 1st 2021 inclusive at the latest, it being specified that this period will be closed by anticipation in case of receipt of all the subscriptions before this date.

Shareholding

The maximum number of shares likely to be issued as a result of the capital increase in cash represents approximately 5.64% of the number of shares in circulation before the issue and 5.34% after the issue.

As an illustration, a shareholder who held a number of shares representing 1% of the capital of ABIONYX before the envisaged cash issue, would represent after this issue 0.95% of the share capital (in case of full subscription of the capital increase in cash).

Subscription commitments

In this context and in order to support the announced strategy, Messrs. Emmanuel HUYNH, Chairman of the Board, Cyrille TUPIN, Director and General Manager and Christian CHAVY, Director, have informed the company of their commitment to subscribe (directly or through the intermediary of companies they control) for 22.40% of the issue. Messrs. Emmanuel HUYNH and Cyrille TUPIN did not participate in the decision to issue new shares and Mr. Christian CHAVY abstained from taking part in the deliberations and the vote of the Board. The Board of Directors was, at the time of this decision, chaired by an independent director.

Lock-up

Mr. Emmanuel HUYNH and Mr. Cyrille TUPIN, subscribers to this capital increase, have agreed to lock-up all the shares they hold at the date of the realization of the contributions for a period of 12 months, then, for an additional period of 24 months, up to a proportion of 75%.

Objective of the fund raising in cash

The objective of this fund raising is to allow the combination of ABIONYX and IRIS Pharma and to strengthen the cash position of the company in order to be able to finance the development of the enlarged portfolio in the field of ophthalmology up to clinical trials.

No prospectus

The issues carried out in the context of both the capital increase in cash and the contribution in kind will not give rise to a prospectus submitted for the approval of the AMF.

Risk factors

The risk factors of ABIONYX are described in the 2020 Universal Registration Document (chapter 3) filed with the AMF under number D.21-0356 on April 27, 2021 and available on the Company's website: www.abionyx.com as well as on the AMF website: www.amf-france.org.

The main risk factors relating to the issues are set out below:

- The market price of the Company's shares could remain below the issue price of the new shares, or even fall;
- The volatility and liquidity of the Company's shares may vary significantly due to fluctuations in the stock markets;
- Sales of shares of the Company could occur on the secondary market, after the completion of the Transaction and have an unfavorable impact on the share price of the Company.
- The shareholders, and in particular the subscribers, could be diluted during future issues that could be carried out by the Company without preferential subscription rights in order to finance itself with equity.
- The Company has not paid any dividends in the last three years.

Impact of the two capital increases on the shareholder base

The maximum number of shares likely to be issued under the capital increase in cash and the capital increase in consideration for the contribution in kind represents approximately 11.27% of the number of shares in circulation before the planned issues and 10.13% after these issues.

Taking into account the number of shares issued on the occasion of the capital increase in cash and the one in remuneration of the contribution in kind mentioned above (i.e. 2,777,776 shares), as an illustration, a shareholder who held a number of shares representing 1% of the capital of ABIONYX before the two contemplated issues, would represent after these issues 0.90% of the share capital (in case of full subscription of the capital increase in cash).

Ownership of shareholders* before and after the capital increases in %

Shareholders	Before capital increase	% of ownership	After capital increase in cash	% of ownership	After capital increase in kind	% of ownership
Domundi SC (represented by M. Emmanuel Huynh)	2,986,865	12.12%	3,195,198	12.27%	3,195,198	11.65%
Cyrille Tupin	837,117	3.40%	906,561	3.48%	906,561	3.31%
BPI Participations (FR)	1,630,451	6.62%	1,630,451	6.26%	1,630,451	5.95%
Jean-Louis Dasseux	1,286,781	5.22%	1,286,781	4.94%	1,286,781	4.69%
TVM Life Science Ventures	1,213,439	4.92%	1,213,439	4.66%	1,213,439	4.43%
Luc Demarre	896,286	3.64%	1,104,619	4.24%	1,104,619	4.03%
Christian Chavy	-	-	-	-	586,110	2.14%
Pierre-Paul Elena	-	-	-	-	347,222	1.27%
Yann Quentric	173,913	0.71%	207,246	0.80%	207,246	0.76%
Float	15,617,812	63.39%	16,487,257	63.34%	16,942,813	61.9%
TOTAL	24,642,664	100%	26,031,552	100%	27,420,440	100%

* On the basis of information brought to the Company's attention, in particular for bearer shareholders via declarations of crossing of thresholds (legal and statutory)

About IRIS Pharma

IRIS Pharma is a French company, one of the world leaders in preclinical and clinical research in the field of ophthalmology. Founded in 1989 by Dr. Pierre-Paul ELENA and managed today by Yann QUENTRIC, IRIS Pharma has been providing services in the development of ophthalmic drugs and ocular medical devices to pharmaceutical industries, biotechnology companies and research institutes worldwide (Europe, North America, Asia) for more than 30 years. Having participated in the development of more than 70 ocular drugs and medical devices currently on the international market, IRIS Pharma is recognized as one of the world's leading experts in the ophthalmic community.

About ABIONYX Pharma

ABIONYX Pharma is a new generation biotech company that aims to contribute to health through innovative therapies in indications where there is no effective or existing treatment, even the rarest ones. Thanks to its partners in research, medicine, biopharmaceuticals and shareholding, the company innovates on a daily basis to propose drugs for the treatment of renal and ophthalmological diseases, or new HDL vectors used for targeted drug delivery.

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