Ikonisys has signed a financing agreement of up to €6m of aggregate nominal amount to continue the commercial roll-out map

Paris, May 4th, 2022 – 11pm CEST – Ikonisys SA (Euronext Growth Paris: ALIKO), a company specializing in the early and accurate detection of cancers with a unique fully-automated solution for medical analysis labs (the "**Issuer**"), announces it has secured a financing program that could reach an aggregate nominal amount of €6 million with Negma Group (the "**Investor**"), an institutional investment fund headquartered in Dubai, UAE, in the form of bonds convertible into new shares ("**OCA**"), with a par value of €2,500 each, with attached share subscription warrants ("**BSA**", together referred to as "**OCABSA**"). This financing can be drawn down in several tranches for the next 2 years, without any obligation to do so.

The purpose of this funding program is to provide the Company with additional resources to accelerate its commercialization strategy in the United States and Europe, including additional marketing investments, new contacts with KOLs who will serve as reference laboratories, participation in conferences and the implementation of a distribution strategy with agreements for Spain, Portugal, Eastern Europe, the Middle East and Latin America, and to continue the development of the Ikoniscope20.

Mario Crovetto, CEO of Ikonisys, comments: *"This transaction is motivated by our desire to maintain financial flexibility, in addition to other available sources of financing, in order to pursue the company's future developments in an efficient and agile manner. These will primarily concern the acceleration of the commercial strategy in the United States and Europe, with additional marketing investments, as well as the continued development of the Ikoniscope20 platform, in particular for CTC testing and the integration of AI technologies."*

"Negma is pleased to support Ikonisys, the most advanced cell based diagnostic company, which has designed and is now in the process of marketing the Ikoniscope, a medical device designed to deliver highly accurate and reliable detections of rare cells. We are confident that the Ikonisys team will successfully complete its next milestones of not only R&D but also commercialization in the very near future. The increasingly attractive European ecosystem has been a primary reason for the listing of Ikonisys, an originally American medtech, on Euronext Growth Paris. Ikonisys deserves much greater visibility than it currently receives, and we are certain the next few months of business development will change this." says **Sophie Villedieu, Associate ECM of Negma Group.**

Legal framework of the transaction

The Issuer's board of directors approved the entry into this financing program in its meeting dated May 4, 2022.

The securities to be issued in the framework of this financing agreement will give access to the Issuer's share capital with cancellation of the shareholders' preferential subscription rights. Such securities will be issued on the basis of the 8th resolution of the general meeting of the shareholders of Ikonisys dated June 15, 2021.

This financing program will not require the approval of a prospectus by the AMF.

Main characteristics of the OCA

The OCA will be issued in several tranches of €300,000 of nominal amount each, being specified that the Issuer shall be allowed to issue up to three tranches of €500,000 of nominal amount each, at its sole discretion.

The tranches of OCABSA will be issued upon request of the Issuer, subject to standard conditions precedent described in Note 1 and no earlier than

i. the trading day following the conversion (whether in one time or several times) of all the OCA that had been issued in connection with a previous tranche; or
ii. the expiry of a period of 24 trading days from the drawdown of any tranche of an aggregate principal amount of EUR 300,000 or 40 trading days from the drawdown of any tranche of an aggregate principal amount of EUR 500,000.

The OCA will have a par value of €2,500. The subscription price of each OCA will be equal to their par value.

The OCA will be freely transferable to affiliates of the Investor. The OCA will not be listed or admitted to trading on a financial market.

The OCA will not bear interest and will have a 12 months maturity period from their date of issuance. Holders of OCA may request at any time to convert them until their maturity date. On their maturity date, and if the OCA have not been converted yet, the OCA will be automatically converted into new shares on the maturity date.

Upon occurrence of an event of default (as detailed in Note 2 below), unconverted OCA may be redeemed by the Issuer, upon request of the Investor, at their nominal amount.

The Issuer shall have the right to buy-back any OCA outstanding at their par value at any time.

The OCA may be converted in new shares at any time at the conversion ratio determined by the following formula:

N=Vn / (Pr),

Where:

"N" is the number of new shares to be issued to the OCA holder

"Vn" is the nominal amount of the OCA, i.e. €2,500

"Pr" is the conversion price, i.e., 85% of the lowest closing volume-weighted average price of the shares over the 15 trading days preceding the date on which a conversion is requested (the "**Pricing Period**") for the first three tranches, and 90% of the lowest closing VWAP over the Pricing Period for all the other tranches being called (the "**Conversion Price**"). The Conversion Price will be determined (i) to two decimal places and rounded down to the nearest 100th if the Conversion Price is higher than or equal to

EUR 0.10, (ii) to three decimal places and rounded down to the nearest 1000th if the Conversion Price is lower than EUR 0.10 and higher than or equal to EUR 0.01, and (iii) to four decimal places and rounded down to the nearest 10000th if the Conversion Price is lower than EUR 0.01.

Any trading day where the Investor has sold more than 30% of the daily volumes of the shares on Euronext Growth shall be excluded from the Pricing Period. Should trading days be excluded from the Pricing Period, the Pricing Period shall be extended backward to include an additional number of Trading Days equal to the number of excluded trading days, provided that such additional trading days (i) shall only be trading days where the Investor has not sold more than 30% of the daily volumes of the shares on Euronext Growth, and (ii) shall be taken among the twenty-four (24) trading days immediately preceding the issuance of the relevant conversion notice by the Investor.

If the applicable (theoretical) Conversion Price on the relevant conversion date is lower than the nominal value of the shares and if the early redemption of the OCA was not requested by the relevant holder or by the Issuer, the holder shall (i) receive a number of shares equal to the aggregate nominal amount of such OCA divided by the nominal amount of the shares and (ii) have a receivable of an amount equal to the closing price of the share on the trading day preceding the relevant conversion date multiplied by the difference between (x) the aggregate nominal amount of the converted OCA divided by the theoretical Conversion Price and (y) the aggregate nominal amount of such OCA divided by the nominal value of the shares. Such receivable may be paid in cash or in additional OCA (with no BSA attached), at the Issuer's sole discretion, within 15 calendar days.

Main characteristics of the BSA

The total number of BSA issued within the framework of this financing will be calculated so that if all BSA are exercised, the total number of new shares to be issued by the Issuer to the holder of said BSA shall be equivalent to 20% of the total nominal amount of the OCA to be issued divided by the exercise price of such BSA.

The BSA shall be detached from the OCA immediately upon their issuance. They may be freely transferred to affiliates of the Investor.

The BSA will not be listed or admitted to trading on a financial market. They may be exercised within five years from their date of issuance.

Each BSA will give its holder a right to subscribe one (1) new share, subject to legal adjustments.

The exercise price of the BSA will be calculated using the following formula:

Pe = 125% x P,

Where:

"Pe" is the exercise price of the BSA, subject to contractual adjustments

"P" is the volume-weighted average price of the shares over the 15 trading days preceding the date on which the drawdown of the relevant tranche of OCA to which the BSA are attached is requested, determined (i) to two decimal places and rounded down to the nearest 100th if the Warrant Exercise Price is higher than or equal to EUR 0.10, (ii) to three decimal places and rounded down to the nearest 1000th if the Warrant Exercise Price is lower than EUR 0.10 and higher than or equal to EUR 0.01, and (iii) to four decimal places and rounded down to the nearest 10000th if the Warrant Exercise Price is lower than EUR 0.01. It is specified that, with respect to the BSA to be issued in the framework of the first tranche, "P" shall not be higher than € 2.69.

Depending on the assumed volatility of the share price applied (2.90%) and on the basis of the Issuer's closing share price on May 3, 2022 (i.e. €2.56), the theoretical value of a BSA is equal to €0.81.

Commitment fees

As compensation for the Investor's commitment to subscribe to the OCABSA tranches issued within the framework of the financing agreement, the Issuer will pay the Investor commitment fees equal to 5% of the nominal amount of this financing, i.e. €300,000, through the issuance of 120 additional OCA (with no BSA attached) within 60 days from the date of the financing agreement.

Such additional OCA may not be converted by the Investor until the expiry of a 4-month period from the date of the entry into the financing agreement.

Impact of the transaction in terms of managing liquidity risk and financing horizon

As at December 31, 2021, the Company's consolidated cash and cash equivalents amounted to €1,516,526, as mentioned in the annual financial statements issued on April 29, 2022.

The financing program presented above, concerning a total nominal value of €6 million if made fully available to the Company, would enable the Company to meet its financing requirements for more than 24 months.

Main risks associated with the Issuer

The main risks associated with the Issuer are set out in the 2021 annual financial report for the financial year ended December 31, 2021, published on April 29, 2022, and available on the website of the Issuer (www.Ikonisys.com).

Theoretical impact of the issuance of the OCABSA (on the basis of the Issuer's closing share price on May 3, 2022 (i.e. €2.56))

For illustration purposes, the impact of the issuance of OCABSA would be as follows:

- Based on the 9,481,727 shares outstanding and the equity as at December 31, 2021 (i.e. €20,013,576), the theoretical impact on equity per share would be:

Impact on equity per share (1)	Non-diluted basis	Diluted basis
Before issuance of OCABSA	€2.11	€2.02
After issuance of 98,654 new shares resulting from the conversion of the first tranche of OCA	€2.12	€2.03
After issuance of 98,654 new shares resulting from the conversion of the first tranche of OCA and the issuance of 17,818 shares resulting from the exercise of the first tranche of BSA	€2.12	€2.03

After issuance of 197,308 new shares resulting from the conversion of the OCA issued as payment of the commitment fees	€2.10	€2.01
After issuance of 2,526,773 new shares resulting from the conversion of all the OCA and BSA (including the OCA issued as payment of the commitment fees)	€2.27	€2.19

(1) Theoretical calculations made on the basis of the Issuer's closing share price on May 3, 2022, i.e. €2.56, and an OCA conversion price corresponding to 85% of the lowest Closing VWAP of the Shares, i.e. €2.58, and an exercise price of BSA of 125% of the VWAP of the Shares over the fifteen (15) Trading Days' preceding such date, i.e. €3.36. This dilution does not affect the final number of shares to be issued or their issue price, which shall be determined according to the share price, as described above. The diluted basis takes into account the exercise of all existing dilutive instruments that could result in the creation of an indicative maximum of 426,673 new shares.

- Based on the 9,481,727 shares outstanding, the theoretical impact on a shareholder holding a 1% stake in the Issuer's share capital prior to the transaction would be:

Impact on a shareholder holding a 1% stake in the Issuer's share capital prior to the transaction (1)	Non-diluted basis	Diluted basis
Before issuance of OCABSA	1.00%	0.96%
After issuance of 98,654 new shares resulting from the conversion of the first tranche of OCA	0.99%	0.95%
After issuance of 98,654 new shares resulting from the conversion of the first tranche of OCA and the issuance of 17,818 shares resulting from the exercise of the first tranche of BSA	0.99%	0.95%
After issuance of 197,308 new shares resulting from the conversion of the OCA issued as payment of the commitment fees	0.98%	0.94%
After issuance of 2,526,773 new shares resulting from the conversion of all the OCA and BSA (including the OCA issued as payment of the commitment fees)	0.79%	0.76%

(1) Theoretical calculations made on the basis of the Issuer's closing share price on May 3, 2022, i.e. €2.56, and an OCA conversion price corresponding to 85% of the lowest Closing VWAP of the Shares, i.e. €2.58, and an exercise price of BSA of 125% of the VWAP of the Shares over the fifteen (15) Trading Days preceding such date, i.e. €3.36. This dilution does not affect the final number of shares to be issued or their issue price, which shall be determined according to the share price, as described above. The diluted basis takes into account the exercise of all existing dilutive instruments that could result in the creation of an indicative maximum of 426,673 new shares.

Note 1: main conditions to the subscription of OCABSA by the Investor:

- No material adverse change has occurred;
- No authority (including the AMF) has opposed or is opposed to the issuance of the OCA (or their conversion) or BSA (or their exercise);
- The Issuer's shares are still listed and the listing of the Issuer's shares has not been suspended (and no risk of any such suspension has been identified);
- The Issuer has enough authorised shares to allow for the conversion of OCA to be issued within the framework of the tranche to be drawn down (and, if applicable, OCA outstanding), i.e. at least a number of shares corresponding to the aggregate nominal amount of such OCA divided by the lowest closing volume weighted-average price of the shares on the date of the drawdown.

Note 2 : main events of default :

- Include the delisting of the shares, a failure to deliver or late delivery of shares to the Investor, and the occurrence of a material adverse change

About Ikonisys

Ikonisys SA is a cell-based diagnostics company based in Paris (France), New Haven (Connecticut, USA) and Milan (Italy) specialized in the early and accurate detection of cancer. The company develops, produces and markets the proprietary Ikoniscope20® platform, a fully-automated solution designed to deliver accurate and reliable detection and analysis of rare cells. Ikonisys has received FDA clearance for several automated diagnostic applications, which are also marketed in Europe under CE certification. Through its breakthrough fluorescence microscopy platform, the company continues to develop a stream of new tests, including liquid biopsy tests based on Circulating Tumor Cells (CTC).

For further information, please go to www.Ikonisys.com

Ikonisys
Alessandro Mauri
CFO
investors@ikonisys.com

NewCap
Louis-Victor Delouvrier
Investor Relations
Ikonisys@newcap.eu
Tel.: +33 (0)1 44 71 94 92

NewCap
Nicolas Merigeau
Media Relations
Ikonisys@newcap.eu
Tel.: +33 (0)1 44 71 94 98

NegmaGroup
Anthony de Rauville CIO
Sophie Villedieu ECM Associate
sophie@negmagroup.com
Tel.: +33 (0)6 24 48 07 94

Contacts

Disclaimer

This press release contains forward-looking statements about the Issuer's prospects and development. These statements are sometimes identified by the use of the future tense, the conditional tense and forward-looking words such as "believe", "aim to", "expect", "intend", "estimate", "believe", "should", "could", "would" or "will" or, where appropriate, the negative of these terms or any other similar variants or expressions. This information is not historical data and should not be construed as a guarantee that the facts and data set forth will occur. This information is based on data, assumptions and estimates considered reasonable by the Issuer. It is subject to change or modification due to uncertainties relating to the economic, financial, competitive and regulatory environment. This information contains data relating to the Issuer's intentions, estimates and objectives concerning, in particular, the market, strategy, growth, results, financial situation and cash flow of the Issuer. The forward-looking information contained in this press release is made only as of the date of this press release. The Issuer does not undertake to update any forward-looking information contained in this press release, except as required by applicable law or regulation. The Issuer operates in a competitive and rapidly changing environment and therefore cannot anticipate all of the risks, uncertainties or other factors that may affect its business, their potential impact on its business or the extent to which the materialization of any one risk or combination of risks could cause results to differ materially from those expressed in any forward-looking information, it being recalled that none of this forward-looking information constitutes a guarantee of actual result