

OSE Immunotherapeutics Receives a €10 Million Payment Corresponding to the Second Tranche of the Financing Granted by the European Investment Bank

This financing will further support the progress and expansion of OSE Immunotherapeutics' lead clinical development programs in therapeutic areas with high unmet medical needs.

Nantes, France – 16 December 2022 - 6:00PM CET – OSE Immunotherapeutics SA (ISIN: FR0012127173; Mnemo: OSE) announced today a €10 million drawdown corresponding to the second tranche of the financing granted by the European Investment Bank (EIB). The finance contract was signed on February 12, 2021.

After the drawdown of the first tranche in July 2021¹, the Company had an option to access further 10 million euros, subject to the achievement of certain milestones. Following the achievement of those milestones, the Company wishes to reinforce its financial position until Q3 2023 by drawing on the second tranche of the facility, to finance its preclinical and clinical programs.

This second tranche will carry a fixed interest of 5% per year paid annually, with a maturity of five years.

The second tranche is linked to the issuance of warrants to the EIB giving right, in the event of exercise, to the subscription of 550,000 shares of the Company (i.e., 2.97% of the share capital on an undiluted basis). Warrants are not the subject to an application for admission to trading on any market.

The subscription price is €0.01 per warrant, i.e., €5,500.

In order to limit the dilutive impact and except in the event of the occurrence of an early exercise event (notably a change of control, including the loss of a significant holding by the current management shareholders, or other events of default, including a significant change in the current governance not approved by the EIB), the warrants will only be exercisable from 16 December 2027, i.e. five years from the drawdown of the relevant tranche and at the latest at the end of a period of twelve years following their issue (i.e. 16 December 2034).

The subscription price for the new shares upon exercise of the warrants was set at 7.19 euros per share, i.e. corresponding to the volume-weighted average of the three trading days preceding the pricing, without discount.

In accordance with the warrant agreement, as with the first tranche, the EIB has an anti-dilution clause allowing it to benefit from additional warrants, in the event of a capital increase of the Company at a price less than €20 per share, after application of a deductible on the first 1,500,000 shares to be issued. In such a case, the Company would have to allocate additional warrants to the EIB allowing it to remain at a potential capital level of 2.97% (corresponding to its theoretical holding percentage post-allocation of these 550.00 warrants and exercise of these warrants subscribed in the context of the second tranche of funding).

The shares to be issued upon exercise of the warrants will be subject to an application for admission to trading on Euronext Paris. On the basis of 550,000 new Company's shares issued upon exercise of all the warrants at

¹ Cf. Press release of July 9, 2021

a price of 7.19 euros per new share, the gross proceeds of the issue, issue premium included, will amount to 3,954,500 euros, thereby strengthening the Company's equity.

On 16 December 2027, the EIB has the option to ask the Company to buy back its warrants at market value (less the exercise price of the warrants) up to a maximum of 15 million euros provided that the Company retains a cash level of at least 10 million euros. Otherwise, the EIB's put option will be exercised on a number of warrants allowing the Company to maintain a cash level of 10 million euros. This put option also applies in the event of a change of control, understood as the holding of more than 33% of the capital or the taking of control by a third party (other than the current key managers). The Company may substitute an existing shareholder or a third party to buy back these warrants at market value. The Company has a call option allowing it to buy back the EIB warrants at market value (less the exercise price of the warrants) in the event of a public offer by a third party resulting in the exit of the management shareholders, for a period of one month following such exit. The Company also has a right of first refusal allowing it to buy back the EIB's warrants if the latter wishes to sell them to a third party.

Following the drawdown of this second tranche, the financial debt amounts to 26 M€.

ABOUT THE EUROPEAN INVESTMENT BANK

The EIB is the European Union (EU) long-term financing institution, and its shareholders are the 27 EU Member States. Its mission is to contribute to the integration, balanced development and economic and social cohesion of EU Member States. It borrows large volumes of funds from the capital markets and lends them with very favorable terms to support projects which contribute to the achievement of EU objectives. The EIB is working to put the EU at the forefront of the next wave of innovation, especially in the health sector. In response to the Covid-19 health crisis, the EIB has released € 6 billion for investments in the health sector to support medical infrastructure, additional research activities or other financing related to vaccines and treatments. As a European bank supporting the climate, the EIB is one of the main fund providers in the green transition towards a more low-carbon and sustainable growth model.

ABOUT OSE IMMUNOTHERAPEUTICS

OSE Immunotherapeutics is a biotech company dedicated to developing first-in-class assets in immuno-oncology and immuno-inflammation.

The Company's current well-balanced first-in-class clinical pipeline includes:

- **Tedopi®** (immunotherapy activating tumor specific T-cells, off-the-shelf, neoepitope-based): this cancer vaccine is the Company's most advanced product; positive results from the Phase 3 trial (Atalante 1) in Non-Small Cell Lung Cancer patients in secondary resistance after checkpoint inhibitor failure. Other Phase 2 trials, sponsored by clinical oncology groups, of Tedopi® in combination are ongoing in solid tumors.
- **OSE-279** (anti-PD1): advanced preclinical stage.
- **OSE-127/S95011 *lusvertikimab*** (humanized monoclonal antibody antagonist of IL-7 receptor) developed in partnership with Servier; ongoing Phase 2 in ulcerative colitis (sponsor OSE Immunotherapeutics) and ongoing Phase 2a in Sjögren's syndrome (sponsor Servier); ongoing pre-clinical research in leukemia (OSE Immunotherapeutics).
- **FR-104/VEL-101** (anti-CD28 monoclonal antibody): developed in partnership with Veloxis Pharmaceuticals, Inc. in transplantation; ongoing Phase 1/2 in renal transplant (sponsor Nantes University Hospital); Phase 1 ongoing in the US (sponsor Veloxis Pharmaceuticals, Inc.).
- **OSE-172/BI 765063** (anti-SIRPα monoclonal antibody on CD47/SIRPα pathway) developed in partnership with Boehringer Ingelheim in advanced solid tumors; positive Phase 1 dose escalation results in monotherapy and in combination, in particular with anti-PD-1 antibody ezabemlimab; international Phase 1b ongoing clinical trial in combination with ezabemlimab alone or with other drugs in patients with recurrent/metastatic head and neck squamous cell carcinoma (HNSCC) and hepatocellular carcinoma (HCC).

OSE Immunotherapeutics expects to generate further significant value from its two proprietary drug discovery platforms, which are central to its ambitious goal to deliver next-generation first-in-class immunotherapeutics:

- **BiCKI® platform** focused on immuno-oncology (IO) is a bispecific fusion protein platform built on the key backbone component of anti-PD1 combined with a new immunotherapy target to increase anti-tumor efficacy. BiCKI-IL-7 is the most advanced BiCKI® candidate targeting anti-PD1xIL-7.
- **Myeloid platform** focused on optimizing the therapeutic potential of myeloid cells in IO and immuno-inflammation (I&I). **OSE-230** (ChemR23 agonist mAb) is the most advanced candidate generated by the platform, with the potential to resolve chronic inflammation by driving affected tissues to tissue integrity.

Additional information about OSE Immunotherapeutics assets is available on the Company's website: www.ose-immuno.com

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Contacts

OSE Immunotherapeutics

Sylvie Détry
sylvie.detry@ose-immuno.com
+33 1 53 198 757

French & Belgian Media: FP2COM

Florence Portejoie
fportejoie@fp2com.fr
+33 6 07 768 283

International Media: MEDISTRAVA Consulting

Sylvie Berrebi / David Dible / Eleanor Perkin
OSEImmuno@medistrava.com
+44 203 928 6900

Investor Relations

Thomas Guillot
thomas.guillot@ose-immuno.com
+33 6 07 380 431

Forward-looking statements

This press release contains express or implied information and statements that might be deemed forward-looking information and statements in respect of OSE Immunotherapeutics. They do not constitute historical facts. These information and statements include financial projections that are based upon certain assumptions and assessments made by OSE Immunotherapeutics' management in light of its experience and its perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate.

These forward-looking statements include statements typically using conditional and containing verbs such as "expect", "anticipate", "believe", "target", "plan", or "estimate", their declensions and conjugations and words of similar import. Although the OSE Immunotherapeutics management believes that the forward-looking statements and information are reasonable, the OSE Immunotherapeutics' shareholders and other investors are cautioned that the completion of such expectations is by nature subject to various risks, known or not, and uncertainties which are difficult to predict and generally beyond the control of OSE Immunotherapeutics. These risks could cause actual results and developments to differ materially from those expressed in or implied or projected by the forward-looking statements. These risks include those discussed or identified in the public filings made by OSE Immunotherapeutics with the AMF. Such forward-looking statements are not guarantees of future performance. This press release includes only summary information and should be read with the OSE Immunotherapeutics Universal Registration Document filed with the AMF on 15 April 2022, including the annual financial report for the fiscal year 2021, available on the OSE Immunotherapeutics' website. Other than as required by applicable law, OSE Immunotherapeutics issues this press release at the date hereof and does not undertake any obligation to update or revise the forward-looking information or statements.