



## **Advicenne launches a capital increase with preferential subscription rights ("PSR") to accelerate growth in Europe and optimize clinical development of ADV7103**

- *Capital increase with pre-emptive subscription rights ("PSR") for an initial amount of €6.0 million, which may be increased to €6.9 million if the Extension Clause is fully exercised.*
- *Subscription price: €2.41 per share, i.e. a 27.4% discount on the face value*
- *Subscription ratio: 1 new share per 4 existing shares*
- *Subscription commitments of €4.6 million, by Bpifrance, Cemag Invest and Promontoires, representing over 75% of the planned capital increase.*
- *PSR detachment on September 13, 2023, and subscription period from September 15 to 27, 2023*
- *Eligibility of Advicenne shares for FIP, FCPI, the PEA, the PEA-PME and the 150-0 B ter scheme of the French General Tax Code (reinvesting capital gains)*

**Paris (France), September 11, 2023 – 6.15 pm CET** – Advicenne (Euronext Growth® - FR0013296746 - ALDVI), a pharmaceutical company specializing in the development and marketing of innovative treatments for people suffering from rare kidney diseases (the "**Company**"), announces the launch of a capital increase through the issuance of new ordinary shares (the "**New Shares**") with shareholders' preferential subscription rights ("**PSR**"), for an initial amount of €6.0 million (the "**Capital Increase**"), which may be increased to €6.9 million in the event of the fully exercise of the extension clause representing 15% of the initial amount of the Capital Increase (the "**Extension Clause**").

The capital increase will involve the issue of 2,489,287 New Shares at a unit price of €2.41, representing a 27.4% discount to the closing price of Advicenne shares on September 8, 2023 (€3.32), which may be increased to 2,862,680 New Shares if the Extension Clause is fully exercised.

### **Prospectus**

In accordance with the provisions of Article L.411-2-1 1° of the French Monetary and Financial Code and Article 211-2 of the General Regulations of the Autorité des Marchés Financiers (the "AMF"), the Capital Increase will not give rise to a prospectus subject to approval by the AMF, as the total amount of the offering calculated over a twelve-month period does not exceed €8,000,000.



## **Purpose of the Capital Increase**

The Capital Increase is part of the financing of Advicenne's growth in order to achieve operational breakeven. The funds will be allocated as follows:

- around 40% for the commercial development of Sibnaya<sup>®</sup>, particularly in France and the UK, where Advicenne has direct sales operations ;
- around 40% to optimize the industrial and clinical development of ADV7103;
- 20% to finance the Company's ongoing operations.

The Capital Increase will ensure the financing of Advicenne's anticipated cash requirements at least until mid-2025 if the Capital Increase is completed at 100%, and at least until the first quarter of 2025 if it is completed at 75%. As of the date of this press release, the financial resources available to date cover the Company's needs until the first quarter of 2024.

**Didier Laurens, Chief Executive Officer of Advicenne, said:** *"Our half-year results show that Advicenne is well on the way to growth. To enable us to pursue our development, and thus give us sufficient means to achieve operational profitability, we need to strengthen our cash position, and a capital increase became necessary. I am particularly pleased to be able to do this through a rights issue. It's the only way to preserve the rights of all the shareholders who have placed their trust in us over the years. I would like to thank Bpifrance Investissement and Cemag Invest, whose commitment has made this operation possible. In the continuity of their constant support on the Board of Directors, they are expressing their confidence in the company's continued development. It is also recognition of the work accomplished over the past 2 years by the entire team around me, and their day-to-day involvement in the transformation of Advicenne into a commercial biopharmaceutical company".*

## **Main terms and conditions of the Capital Increase with PSR**

### **Share capital prior to the Capital Increase**

At the date of launch of the Capital Increase, Advicenne's share capital comprised 9,957,151 fully subscribed and paid-up shares with a par value of €0.20 each, listed on the Euronext Growth<sup>®</sup> market in Paris.

### **Shares details :**

Name: ADVICENNE

ISIN code: FR0013296746

Symbol: ALDVI

Stock market: Euronext Growth<sup>®</sup> in Paris

### **Legal framework of the Capital Increase**

On 11 September 2023, Advicenne's Board of Directors, making use of the authorization granted by the 12th and 18th resolutions of the Combined General Meeting of June 8, 2023, decided to implement



the authorization granted to it, decided to launch a capital increase with pre-emptive subscription rights and delegated full powers to the Chief Executive Officer to carry it out.

### **Nature of Offering and number of New Shares**

Advicenne is launching a capital increase with shareholders' preferential subscription rights ("PSR"), on the basis of 1 New Share for 4 existing shares with a par value of €0.20 each.

### **Extension clause**

Depending on the level of demand, Advicenne reserves the right to exercise the extension clause, up to a maximum of 15% of the initial issue amount, i.e. additional issue proceeds of €0.9 million, bringing the total amount of the Capital Increase to €6.9 million, in order to serve all or part of the reducible subscription orders. Thus, the initial number of 2,489,287 New Shares could be increased by an additional 373,393 New Shares, bringing the total number of New Shares to be issued to a maximum of 2,862,680 New Shares.

### **Characteristics of the New Shares**

The New Shares will carry dividend rights and will be assimilated to the Company's existing shares.

Application will be made for the New Shares to be admitted to trading on Euronext Growth® in Paris. Their admission is scheduled for October 4, 2023, on the same quotation line as the existing shares (ISIN code FR0013296746).

### **Subscription period**

The subscription period begins on September 15, 2023 and ends on September 27, 2023.

### **Subscription price of the New Shares**

2.41 per new share (including a par value of €0.20 and a share premium of €2.21), representing a 27.4% discount to Advicenne's closing share price on September 8, 2023 (€3.32), and a 23.2% discount to the theoretical value of the share ex-rights (€3.14, taking into account the theoretical value of the PSR which amounts to €0.182).

### **Gross amount of the capital increase**

The total gross amount of the issue is €5,999,181.67, corresponding to the number of New Shares issued, i.e. 2,489,287 New Shares, multiplied by the subscription price of one New Share (€2.41). This amount could be increased to €6,899,058.80 if the Extension Clause is exercised in full.

### **Net amount of the Capital Increase**

Assuming a 100% subscription to the Capital Increase (i.e. an amount of 6.0 M€), the total net amount of the Capital Increase (corresponding to the gross amount less all financial, legal and communication costs relating to the Capital Increase) would amount to approximately 5.7 M€.



### **Subscription commitments**

The FPS Innovation 1 fund, managed by Bpifrance Investissement, which also manages the Innobio fund, the Company's reference shareholder, has irrevocably undertaken to subscribe to the capital increase on an unrestricted basis, or, as the case may be, on a reducible or irreducible basis in proportion to the preferential subscription rights potentially acquired by the FPS Innovation 1 fund, for a maximum total amount of €1,000,000<sup>1</sup>.

CEMAG INVEST, the Company's reference shareholder, has irrevocably undertaken to subscribe to the capital increase on an irreducible basis in proportion to the preferential subscription rights that will be detached from the existing shares held in the Company, and on a reducible basis for the balance insofar as possible, for a maximum total amount of €3,500,000.<sup>2</sup>

Promontoires<sup>3</sup> has irrevocably undertaken to subscribe to the capital increase on an unrestricted basis, or, as the case may be, on a reducible or irreducible basis in proportion to the preferential subscription rights potentially acquired by Promontoires, for a maximum total amount of €100,000.

The Company is not aware of the intentions of its other shareholders.

As a result, the threshold of 75% of the capital increase provided for in article L.225-134 of the French Commercial Code will have been reached.

### **Preferential subscription rights on an irreducible and reducible basis**

Subscription for the New Shares will be reserved, by preference, for (i) holders of existing shares registered in their securities account at the close of business on September 12, 2023, who will be allocated one preferential subscription right per existing share held on September 12, 2023, and (ii) transferees of the preferential subscription rights.

Holders of preferential subscription rights will be able to subscribe:

- by irrevocable entitlement, on the basis of 1 New Share for every 4 existing shares held, so that 4 preferential subscription rights will entitle holders to subscribe to 1 New Share at a price of €2.41 per New Share;
- on a reducible basis, the number of New Shares they would like in addition to that to which they would be entitled by exercising their irreducible preferential subscription rights.

The PSRs may only be exercised up to the number of PSRs required to subscribe for a whole number of New Shares. Holders of preferential subscription rights who do not hold a sufficient number of existing shares to subscribe for a whole number of New Shares by irrevocable entitlement will be

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<sup>1</sup> In the hypothesis of the completion of 100% of the Capital Increase and the fully execution of the subscription undertaking on a voluntary basis of FPS Innovation 1, the shareholding of all of the funds managed by BPI France would represent 21.41% of the share capital and 23.46% of the voting rights.

<sup>2</sup> In the hypothesis of the completion of 100% of the Capital Increase and the fully execution of the subscription undertaking of CEMAG Invest, the shareholding of CEMAG INVEST would increase from 7.69% (10.42% of voting rights) to 17.82% of the share capital and 17.44% of the voting rights.

<sup>3</sup> The company Promontoires is managed by Mrs Catherine Dunand, who represents CEMAG Invest as member of the Board of Directors of the Company. There is no capitalistic link between CEMAG INVEST and Promontoires.



required to purchase the number of preferential subscription rights required to subscribe for a whole number of New Shares on the Euronext Growth® market in Paris.

Fractional PSRs may be sold on the Euronext Growth® market in Paris during the PSRs listing period.

Only the New Shares that may not have been subscribed for by irrevocable entitlement will be allocated among the reducible entitlement subscribers, within the limit of their requests and in proportion to the number of existing shares whose preferential subscription rights will have been used to support their irrevocable entitlement subscriptions.

In the event that the same subscriber submits several separate subscriptions, the number of shares to which he or she is entitled on a reducible basis will be calculated on the basis of all his or her subscription rights only if he or she expressly makes a special request to this effect in writing, no later than the closing date for subscriptions. This special request must be attached to one of the subscriptions and must give all the information required for the aggregation of rights, specifying the number of subscriptions made and the authorized institution(s) or intermediary(ies) with which these subscriptions have been deposited.

Subscriptions in the name of separate subscribers may not be grouped together to obtain New Shares on a reducible basis.

A notice published by Euronext will make known, where applicable, the allocation scale for subscriptions subject to reduction (on a reducible basis)

Amounts paid for subscriptions subject to reduction (on a reducible basis) and remaining available after the allocation will be reimbursed without interest to subscribers by the authorized intermediaries who have received them.

For information purposes, the Company held 36,546 of its own shares at September 8, 2023. The preferential subscription rights detached from the Company's treasury shares at September 12, 2023 will be sold on the market before the end of the subscription period, in accordance with Article L. 225-210 of the French Commercial Code.

### **Exercise of preferential subscription rights**

To exercise their preferential subscription rights, shareholders must submit a request to their authorized financial intermediary at any time between September 15, 2023 and September 27, 2023 inclusive, and pay the corresponding subscription price. Subscriptions that have not been paid up in full will be cancelled ipso jure, without the need for formal notice. Unexercised preferential subscription rights will automatically lapse at the end of the subscription period, i.e. at the close of trading on September 27, 2023.



### **Listing of preferential subscription rights (“PSR”)**

At the close of trading on September 12, 2023, 1 preferential subscription right (“PSR”) will be recorded in the securities account of Advicenne shares for each share held (i.e. a total of 9,957,151 PSRs issued). Each shareholder holding 4 PSRs (and multiples thereof) will be entitled to subscribe to 1 New Share (and multiples thereof) at a unit price of €2.41. The preferential subscription rights may be acquired or sold on the market during their listing period, between September 13, 2023 and September 25, 2023 inclusive, under ISIN code FR001400KMM8. In the absence of subscription before September 27, 2023 or sale of these preferential subscription rights before September 25, 2023, they will become null and void.

### **Free subscription requests**

In addition to the possibility of subscribing on an irreducible and reducible basis in accordance with the specified terms and conditions, any individual or legal entity, whether or not holding preferential subscription rights, may subscribe to the Capital Increase on a voluntary basis.

Persons wishing to subscribe on a voluntary basis must submit their request to their authorized financial intermediary at any time during the subscription period, and pay the corresponding subscription price.

In accordance with the provisions of article L.225-134 of the French Commercial Code, subscriptions made on a voluntary basis will only be taken into account if the subscriptions made on an irreducible basis and on a reducible basis have not absorbed the entire Capital Increase, it being specified that the Board of Directors (with the option of sub-delegation) will have the power to freely allocate the unsubscribed New Shares, in whole or in part, among the persons (shareholders or third parties) of its choice who have made requests for subscriptions on a voluntary basis.

### **Guarantee**

The issue is not subject to a performance guarantee. It is however specified that the Company has received commitments to subscribe (i) on an irreducible and reducible basis, and (ii) on an unrestricted basis, the total amount of which represents over 75% of the Capital Increase, making it possible to reach the issue completion threshold.

### **Re-allocation by the Board of Directors of New Shares not subscribed by the exercise of irreducible preferential subscription rights and, where applicable, of reducible preferential subscription rights**

In the event that subscriptions for New Shares do not reach the entire issue, the Board of Directors may make use, in whole or in part, of the options available to it under Article L. 225-134 of the French Commercial Code, and in the order it shall determine.

### **Limitation of the capital increase**

Pursuant to Article L. 225-134 of the French Commercial Code, in the event that irreducible and reducible subscriptions, as well as unrestricted subscriptions, do not absorb the entire issue, the Board of Directors may limit the Capital Increase to the amount of subscriptions received, provided that this



amount reaches at least 75% of the amount initially set, it being specified, however, that the Company has already received commitments to subscribe representing at least 75% of the amount of the Capital Increase.

#### **Indicative timetable for the Capital Increase**

11 September 2023	Decision by the Board of Directors to launch the Capital Increase Press release announcing the Capital Increase
12 September 2023	Accounting day at the end of which holders of existing shares recorded in their securities accounts will be allocated preferential subscription rights
13 September 2023	Detachment of the PSRs - Start of trading of the PSRs on Euronext Growth Paris at the start of trading
15 September 2023	Opening of the subscription period - Start of exercise period for stock subscription rights
16 September 2023	Suspension of the right to exercise BSPCEs issued by the Company
25 September 2023 (inclusive)	End of listing of the PSRs on Euronext Growth Paris
27 September 2023 (inclusive)	Closing of the subscription period – End of the PSRs exercise period
2 October 2023	Meeting of the Board of Directors or decision of the Chief Executive Officer deciding the issue of the New Shares, and, where applicable, the limitation of the Capital Increase, the reallocation of the Capital Increase or the exercise of the Clause of Extension Publication of the press release announcing the final amount of the Capital Increase
4 October 2023	Settlement-delivery of the New Shares
4 October 2023	Resumption of the right to exercise BSPCEs issued by the Company

#### **Undertakings to abstain from trading and to retain shares**

The Company has entered into a 6-month lock-up commitment in connection with the Capital Increase.

#### **Impact of the issue on shareholders' equity per share**

For information purposes, the impact of the Capital Increase on consolidated shareholders' equity per share (calculated on the basis of consolidated shareholders' equity at June 30, 2023 and the number of shares comprising the Company's share capital at September 11, 2023) would be as follows:



<b>Share of equity per share (in €)</b>	<b>Undiluted basis *</b>	<b>Diluted basis **</b>
Before issuance of the New Shares via the Offering	-1.41 €	-0.61 €
After issuance of 2,489,287 New Shares via the Offering (completion of the capital increase to 100%)	-0.64 €	-0.04 €
After issuance of 1,866,966 New Shares (completion of the capital increase to 75%)	-0.80 €	-0.16 €
After issuance of 2,862,680 New Shares (realization of the capital increase to 115% in the event of exercise of the extension clause)	-0.55 €	0.02 €

*\* on the basis of 9,957,151 existing shares at September 11, 2023*

*\*\* if all BSPCEs are exercised, representing a total number of shares of 906,000.*

#### **Impact of the issue on the shareholder's situation (for non-subscribing shareholders)**

For information purposes, the impact of the Capital Increase on the shareholding of a shareholder holding 1.00% of the Company's share capital prior to the Capital Increase and not subscribing to it (calculated on the basis of the number of shares making up the Company's share capital at September 11, 2023) would be as follows:

<b>Shareholder participation (%)</b>	<b>Undiluted basis **</b>	<b>Diluted basis **</b>
Before issuance of the New Shares via the Offering	1.00 %	0.92 %
After issuance of 2,489,287 New Shares via the Offering (completion of the capital increase to 100%)	0.80 %	0.73 %
After issuance of 1,866,966 New Shares (completion of the capital increase to 75%)	0.84 %	0.77 %
After issuance of 2,862,680 New Shares (realization of the capital increase to 115% in the event of exercise of the extension clause)	0.78 %	0.71 %

*\* on the basis of 9,957,151 existing shares at September 11, 2023*

*\*\* if all BSPCEs are exercised, representing a total number of shares of 906,000.*





### **Suspension of the right to exercise the Company's BSPCE warrants**

Holders of BSPCE warrants allocated by the Company have been informed of the suspension of their right to the allocation of new shares in the Company with effect from September 16, 2023 (0:01 a.m., Paris time) by registered letter with acknowledgement of receipt, for a maximum period of three months, i.e. until December 16, 2023 (11:59 p.m., Paris time) at the latest, unless the period is shortened.

The rights of holders of warrants allocated or issued by the Company who have not exercised their right to the allocation of shares in the Company by September 16, 2023 (00:00 Paris time) will be preserved in accordance with legal and regulatory provisions.

### **Subscription terms**

You have PSRs attached to your Advicenne shares, which allow you to subscribe in priority to the New Shares by applying the ratio 1 New Share for 4 PSRs (1 old share giving right to 1 PSR).

Either you have an exact and sufficient number of old shares to be able to subscribe via your PSRs to a whole number of New Shares (for example, if you have 400 Advicenne shares, you will be able to subscribe by priority to 100 New Shares).

Or you do not hold a sufficient number of existing shares to obtain a whole number of New Shares: you may then buy or sell the number of PSRs needed to reach the ratio leading to a whole number of new shares (1 New Share for 4 PSRs).

In addition to the subscriptions made by means of your existing preferential subscription rights, you may also subscribe on a voluntary basis before September 27, 2023, inclusive (your subscription will only be considered if the transaction has not already been fully subscribed by the holders of preferential subscription rights).

Each subscription must be accompanied by payment of the subscription price.

### **Paying agents - Subscription payments**

Subscriptions for the New Shares and payments of funds by subscribers whose shares are held in bearer or administered registered form, or by their authorized agent acting in their name and on their behalf, will be received until September 27, 2023, inclusive by the authorized financial intermediaries.

Subscriptions and payments by subscribers whose shares are held in a pure registered account will be received free of charge until September 27, 2023, inclusive by Uptevia - Les Grands Moulins de Pantin - 9, rue du Débarcadère - 93500 Pantin.

Each subscription must be accompanied by payment of the subscription price in cash.

Funds paid in support of subscriptions will be centralized by Uptevia - Les Grands Moulins de Pantin - 9, rue du Débarcadère - 93500 Pantin, which will be responsible for drawing up the certificate of deposit of funds recording the completion of the capital increase and the issue of the New Shares.

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Subscriptions for which payments have not been made will be cancelled ipso jure, without the need for formal notice.

### **Risk factors**

Risk factors relating to the Company and its business are set out in its 2022 universal registration document and in the 2023 half-year report,, available in the Investor Relations section of its website (<https://advicenne.com/>).

The occurrence of any or all these risks could have an adverse effect on the Company's business, financial situation, results, development or prospects.

In addition, investors are invited to consider the following risks specific to the Capital Increase:

- the preferential subscription rights market could offer only limited liquidity and be subject to high volatility;
- shareholders who do not exercise their preferential subscription rights will see their stake in the Company's capital diluted;
- the market price of the shares could fluctuate and fall below the subscription price of the shares issued as part of the Capital Increase;
- in the event of a fall in the market price of the Company's shares, preferential subscription rights could lose their value;
- the volatility and liquidity of the Company's shares could fluctuate significantly;
- sales of the Company's shares could occur on the market and adversely affect the Company's share price;
- the Company's shareholders could suffer potentially significant dilution because of any future capital increases.

All information and documentation relating to the Capital Increase can be found at <https://advicenne.com/fr/login-augmentation-de-capital/>

### **Capital Increase Partners**



Global Coordinator,  
Lead Manager and Bookrunner

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Legal advice

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### **About Advicenne**

Advicenne (Euronext: ALDVI) is a specialty pharmaceutical company founded in 2007, specializing in the development of innovative treatments in Nephrology. Its lead product Sibnaya<sup>®</sup> (ADV7103) has received its Marketing Approval for distal renal tubular acidosis in EU and GB. ADV7103 is currently in late-stage development in cystinuria in Europe and in dRTA and cystinuria in the US and in Canada. Headquartered in Paris, Advicenne, listed on the Euronext Paris stock exchange since 2017, has now been listed on Euronext Growth Paris since its transfer on March 30, 2022. **For additional information, see: <https://advicenne.com/>.**

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### **Forward-looking statements**

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