

## MedinCell and the European Investment Bank (EIB) have replaced a financial covenant of their ongoing loan agreement to better fit with MedinCell business model

Euronext: MEDCL · Montpellier - France · October 3, 2023 · 6:00 pm (CEST)

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- The EIB granted MedinCell a 40M€ credit facility in November 2022, fully drawn since July 2023 after completion of all conditions specified in the agreement
  - MedinCell and EIB agreed that one financial covenant of the agreement no longer fits for the Company and therefore decided to replace it with a covenant more suitable to the Company business model, effective since September 28, 2023
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### The new covenant

MedinCell and the EIB signed an amendment to the loan agreement that replaces the former financial covenant by a new one requiring the Company (i) constantly have at least 8M€ in available cash and cash equivalent, and (ii) benefit from at least one year of cash visibility on the basis of its base-case cash forecast. In case of default, the Company would have 30 days to remedy. After this period, EIB would have the right to ask for partial or total early repayment of the existing loan. The Company points out that, with its current base cash forecast, the covenant should be met during the current fiscal year and beyond. This forecast does not include the potential additional revenues from new service contracts or licensing agreements.

### As a reminder, the former covenant

The financial clause of the agreement that has been removed stated that the sum of “cash plus shareholders' equity” must be greater than one euro. If this covenant was not met, EIB had the right to ask for a partial or total early repayment of the existing loan. Given the specificities of its activity, MedinCell did not meet that covenant as of March 31, 2023, closing date of the last fiscal year. On June 12, 2023, the Company obtained a waiver from EIB, in which it abandoned its right to ask for partial or total early repayment of the loan. Both parties also decided at that time to revisit the agreement to prevent the situation from happening again.

Details of the loan agreement are available [here](#)

### About MedinCell

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MedinCell is a commercial-stage technology pharmaceutical company developing long-acting injectable drugs in many therapeutic areas. Our innovative treatments aim to guarantee compliance with medical prescriptions, to improve the effectiveness and accessibility of medicines, and to reduce their environmental footprint. They combine already known and used active ingredients with our proprietary BEPO<sup>®</sup> technology which controls the delivery of a drug at a therapeutic level for several days, weeks or months from the subcutaneous or local injection of a simple deposit of a few millimeters, entirely bioresorbable. The first treatment based on BEPO technology, intended for the treatment of schizophrenia, was approved by the FDA in April 2023, and is now distributed in the United States by Teva under the name UZEDY<sup>™</sup> (BEPO technology is licensed to Teva under the name SteadyTeq<sup>™</sup>).

We collaborate with leading pharmaceutical companies and foundations to improve global health through new treatment options. Based in Montpellier, MedinCell currently employs more than 140 people representing more than 25 different nationalities.

*UZEDY<sup>™</sup> and SteadyTeq<sup>™</sup> are trademarks of Teva Pharmaceuticals*

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This press release contains forward-looking statements, including statements regarding Company's expectations for (i) the timing, progress and outcome of its clinical trials; (ii) the clinical benefits and competitive positioning of its product candidates; (iii) its ability to obtain regulatory approvals, commence commercial production and achieve market penetration and sales; (iv) its future product portfolio; (v) its future partnering arrangements; (vi) its future capital needs, capital expenditure plans and ability to obtain funding; and (vii) prospective financial matters regarding our business. Although the Company believes that its expectations are based on reasonable assumptions, any statements other than statements of historical facts that may be

contained in this press release relating to future events are forward-looking statements and subject to change without notice, factors beyond the Company's control and the Company's financial capabilities.

These statements may include, but are not limited to, any statement beginning with, followed by or including words or phrases such as "objective", "believe", "anticipate", "expect", "foresee", "aim", "intend", "may", "anticipate", "estimate", "plan", "project", "will", "may", "probably", "potential", "should", "could" and other words and phrases of the same meaning or used in negative form. Forward-looking statements are subject to inherent risks and uncertainties beyond the Company's control that may, if any, cause actual results, performance, or achievements to differ materially from those anticipated or expressed explicitly or implicitly by such forward-looking statements. A list and description of these

risks, contingencies and uncertainties can be found in the documents filed by the Company with the Autorité des Marchés Financiers (the "AMF") pursuant to its regulatory obligations, including the Company's registration document, registered with the AMF on September 4, 2018, under number I. 18-062 (the "Registration Document"), as well as in the documents and reports to be published subsequently by the Company. In particular, readers' attention is drawn to the section entitled "Facteurs de Risques" on page 26 of the Registration Document.

Any forward-looking statements made by or on behalf of the Company speak only as of the date they are made. Except as required by law, the Company does not undertake any obligation to publicly update these forward-looking statements or to update the reasons why actual results could differ materially from those anticipated by the forward-looking statements, including in the event that new information becomes available. The Company's update of one or more forward-looking statements does not imply that the Company will make any further updates to such forward-looking statements or other forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

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