



PRESS RELEASE

AB SCIENCE PRESENTS ITS FINANCIAL INFORMATION AS OF DECEMBER 31, 2023 AND THE KEY EVENTS OF THE PERIOD

■ Clinical development

- Continuation of the conditional marketing authorisation application procedures with the European Medicines Agency (EMA) and Health Canada for masitinib in the treatment of amyotrophic lateral sclerosis (ALS)
- First complete bone marrow response in an acute myeloid leukemia patient in its AB8939 Phase I/II clinical trial
- New clinical development program for masitinib in sickle cell disease, among the winning projects to be funded under the sixth call for "Hospital-University Research in Health" (Recherche Hospitalo-Universitaire en santé) projects, part of the Future Investments Program
- Strengthening of intellectual property protection for masitinib in ALS, mastocytosis and prostate cancer

■ Financial information and other corporate information

- Consolidated operating loss of €13.4 million as of 31 December 2023, compared with a loss of €15.9 million as of 31 December 2022, a decrease of the operating loss of €2.5 million (15.7%)
- Cash position of €6.1 million as of 31 December 2023, plus a cash contribution of €4.9 million for the research tax credit for the years 2020 and 2021 paid in 2024, and an estimated amount of 3.0 million euros for the research tax credit for the year 2022 to be received in the first half of 2024, as well as the payment or mobilisation of the research tax credit for the year 2023 to be received in the second half of 2024. The difference between the planned initial amount of research tax credit and the amount paid is currently under discussion with the tax administration
- Clinical development strategy based on two platforms: the late-stage masitinib clinical phase 3 platform and the new microtubule platform in clinical Phase 1
- Renewal of the Programme d'Augmentation de Capital à Terme (PACT®) concluded with Alpha Blue Ocean and subscription by Alpha Blue Ocean of a tranche of one million shares
- Coverage initiation by DNA Finance and In Extenso Finance

Paris, May 15, 2024, 8pm CET

AB Science SA (Euronext - FR0010557264 - AB) today reports its revenues for the year 2023 and provides an update on its activities.

CLINICAL DEVELOPMENT KEY EVENTS DURING THE YEAR 2023 AND SINCE DECEMBER 31, 2023

Continuation of the conditional marketing authorisation application procedure with the European Medicines Agency (EMA) for masitinib in the treatment of amyotrophic lateral sclerosis (ALS)

In August 2022, AB Science announced that it had submitted a conditional marketing authorisation application to the European Medicines Agency (EMA) for masitinib in the treatment of amyotrophic lateral sclerosis (ALS). This procedure continued in 2023.

In January 2024, AB Science announced that the Committee for Medicinal Products for Human Use (CHMP) had proposed that AB Science respond in writing to the outstanding questions at D195 of the procedure, instead of addressing these questions at the *Oral Explanation*. AB Science accepted this proposal. A new *Oral Explanation* is not mandatory and will only be scheduled if major objections remain after the review of the written responses.

AB Science now expects an opinion from the CHMP before the end of the second quarter of 2024.

Continuation of the Notice of Compliance with Conditions procedure with Health Canada for masitinib in the treatment of amyotrophic lateral sclerosis (ALS)

In February 2022, AB Science announced that it had submitted a conditional marketing authorization application to Health Canada for masitinib in the treatment of amyotrophic lateral sclerosis (ALS). This procedure continued in 2023.

AB Science announced in February 2024 that Health Canada had issued a Notice of Deficiency-Withdrawal (NOD/w) regarding the submission file for masitinib in the treatment of ALS and indicated its intention to file a request for reconsideration of the file.

In April 2024, AB Science announced that Health Canada had deemed the request for reconsideration of masitinib eligible. The reconsideration process will re-assess, with new reviewers, the decision on the basis of the data in the initial dossier.

Health Canada and AB Science have met to discuss the reconsideration process. AB Science is working closely with the Agency to facilitate the review of the conditional approval of masitinib in ALS.

First complete bone marrow response in an acute myeloid leukemia patient in its AB8939 Phase I/II clinical trial

AB Science announced in March 2023 a case report from the initial stage of its Phase I/II study (AB18001) evaluating AB8939, a microtubule destabilizer, in patients with refractory and relapsed acute myeloid leukemia (AML).

The AML patient in question was in failure to prior treatment with *azacitidine* and presented with a MECOM gene rearrangement, which is a biomarker for resistance to standard chemotherapies that is associated with a high-risk of disease progression and inferior prognosis.

One month after the first treatment cycle (i.e., three consecutive days of AB8939 treatment) there was a drastic reduction in bone marrow blast cells (i.e., leukemia cells), from a pretreatment level of 55% to 5% (i.e., a morphologic leukemia free state). Remarkably, this response was achieved at a very low dose of AB8939, corresponding to the second step of dose increment (out of 13 potential steps) in phase I. The patient also showed good tolerance to AB8939, having experienced no treatment-related toxicities. At the request of the investigator, AB Science has authorized further treatment cycles of AB8939 to this patient. One month after the second treatment cycle of three consecutive days at this dose, a good response has been maintained with bone marrow blasts being at 10% (corresponding to a 5-fold reduction relative to baseline). A third treatment cycle for this patient has been initiated.

New clinical development program for masitinib in sickle cell disease, among the winning projects to be funded under the sixth call for "Hospital-University Research in Health" (Recherche Hospitalo-Universitaire en santé) projects, part of the Future Investments Program

AB Science announced that a new clinical development program for masitinib in sickle cell disease is among the winning projects to be funded under the sixth call for "Hospital-University Research in Health" (Recherche Hospitalo-Universitaire en santé) projects, which is part of the Future Investments Program.

The "Hospital-University Research in Health" (RHU) call for projects of the Future Investments Program, operated by the National Research Agency, aims to support innovative and large-scale research projects in the field of health. Focused on translational research, i.e., converting results in basic research into results that directly benefit humans, RHU projects involve academic, hospital, and business stakeholders.

As part of this call for projects, the SICKMAST project, funded with 9.2 million euros, aims to:

- First, identify and validate, from a database of 1500 patients (including 700 already identified), biomarkers highlighting the role of mast cells and basophils in orchestrating acute and chronic complications of sickle cell disease.
- Second, demonstrate in a phase 2 clinical trial the efficacy of masitinib in the treatment of acute and chronic complications of sickle cell disease in patients identified based on biomarkers.

The Assistance Publique-Hôpitaux de Paris (AP-HP) will be the promoter of these phase 2 studies. AB Science will mainly be involved in supplying masitinib and monitoring masitinib pharmacovigilance data. AB Science remains free to carry out, as it sees fit, any potential phase 3 development following the success of phase 2.

A new patent has been filed, which, if granted, will extend the international protection of masitinib in sickle cell disease until 2040. As part of the consortium agreement established for its patents, AB Science will pay royalties to AP-HP in the event of commercialization of masitinib in sickle cell disease.

Strengthening of intellectual property protection for masitinib in ALS, mastocytosis and prostate cancer

In ALS, AB Science announced that the patent Office of Japan and the patent Office of Canada have issued a Notice of Allowance (NOA) for a patent relating to methods of treating amyotrophic lateral sclerosis (ALS) with its lead compound masitinib. These new patents provide strong protection for masitinib in the treatment of ALS until 2037 and completes the IP coverage for ALS across all key geographic areas where masitinib could be marketed.

In mastocytosis, AB Science announced that the European Patent Office has issued a Notice of Allowance for a patent relating to methods of treating severe systemic mastocytosis (i.e. a medical use patent) with masitinib. This new European patent provides intellectual property protection for masitinib in this indication until October 2036.

In prostate cancer, AB Science announced that the European Patent Office has issued a Notice of Allowance for a patent relating to methods of treating (mCRPC) with masitinib, based on findings from study AB12003. This new European patent provides intellectual property protection for masitinib in the treatment of mCRPC until 2042.

The same medical use patent strategy is being pursued in other indications such as multiple sclerosis and Alzheimer's disease for protection until 2041.

CONSOLIDATED FINANCIAL INFORMATION FOR THE YEAR 2023

The operating result as of 31 December 2023 was a loss of €13,429k, compared with a loss of €15,937k as of 31 December 2022, a decrease in the operating loss of €2,508k (15.7%).

- Operating income, exclusively made up of revenues related to the operation of a drug in veterinary medicine, amounted to €970k as of 31 December 2023, compared to €958k a year earlier.

- Operating expenses decreased by 14.8% between the years ended 31 December 2023 and 2022. This decrease is mainly due to lower research and development costs (down 21.5%).
- Marketing expenses were stable compared to 31 December 2022, rising from €480k as of 31 December 2022 to €522k as of 31 December 2023.
- Administrative expenses were stable compared to 31 December 2022, decreasing from €3,040k as of 31 December 2022 to €3,017k as of 31 December 2023.
- Research and development costs decreased by €2,868k, or 21.5%, from €13,345k as of 31 December 2022 to €10,477k as of 31 December 2023.

Net financial income for the years ended 31 December 2022 and 31 December 2023 was €2,326k and €3,382k respectively. In 2023, as in 2022, this financial result has no cash impact. The financial result of €3,382k includes income of €4,169k (versus €3,165k in 2022) resulting from the valuation of these financial instruments, and a financial expense of €1,598k (versus €1,510k in 2022), of which €941k corresponds to the provision for capitalised interest relating to the loan with the EIB.

The consolidated net loss as of 31 December 2023 is €10,048k compared to a loss of €13,615k as of 31 December 2022, a decrease of 26.2%.

The following table summarizes the consolidated financial statements for the year 2023 prepared in accordance with IFRS, and comparative information with the year 2022:

<i>In thousands of euros, except for share data</i>	31/12/2023	31/12/2022
Net turnover	970	958
Cost of sales	(383)	(31)
Marketing expenses	(522)	(480)
Administrative expenses	(3,017)	(3,040)
Research and development expenses	(10,477)	(13,345)
Operating income	(13,429)	(15,937)
Financial income	5,962	4,904
Financier expenses	(2,580)	(2,578)
Financial income	3,382	2,326
Net income	(10,048)	(13,615)
Total comprehensive income for the period	(9,791)	(13,356)
Basic earnings per share - in euros	(0,20)	(0,29)
Diluted earnings per share - in euros	(0,20)	(0,29)

<i>In thousands of euros</i>	31/12/2023	31/12/2022
Cash and cash equivalents	6,066	7,269
Total Assets	25,499	23,841
Equity	(21,010)	(35,670)
Non-current liabilities	27,825	36,432
Trade payables	11,075	12,248
Current liabilities	18,683	23,079

OTHER CORPORATE INFORMATION FOR YEAR 2023 AND SINCE DECEMBER 31, 2023

Clinical development strategy based on two platforms: the late-stage masitinib clinical phase 3 platform and the new microtubule platform in clinical Phase 1

In April 2023, AB Science announced its decision to focus its development strategy as follows:

- Allocation of current resources primarily to the development of masitinib for the treatment of amyotrophic lateral sclerosis and the development of the microtubule destabilizer agents (MDA) platform, with the clinical development of AB8939 in refractory acute myeloid leukemia and the initiation of regulatory preclinical development of a new oral molecule in the same microtubule class for sarcoma and solid tumors.

AB Science wants to focus the majority of our clinical resources on the development of rare diseases with masitinib, on the development of the microtubule platform with AB8939 and future molecules of the same family due to the very encouraging first results.

- *Seeking of license for masitinib*

This license search is a priority in the Company's strategy, given the number of clinical studies already conducted and the maturity of the pipeline, and given the additional investments required to complete the clinical program, up to market authorizations. We want to highlight that the duration of this license search is not predictable and that the realization of a license is dependent on a number of factors and is not guaranteed. However, the milestones reached at this stage are essential factors that contribute to the feasibility of this strategy.

As a result of the focus strategy, AB Science has decided to adapt its organization, which lead to a significant reduction in costs. AB Science has therefore implemented a redundancy plan.

Renewal of the Programme d'Augmentation de Capital à Terme (PACT®) concluded with Alpha Blue Ocean and subscription by Alpha Blue Ocean of a tranche of one million shares

Alpha Blue Ocean is committed to subscribe, from April 28, 2023, to newly issued shares of AB Science (in tranches comprised of a number of shares between 500,000 and 1 million) over a period of 24 months, up to a maximum of 4.0 million shares in total (or 7.2% of the company's share capital on the basis of the capital after the capital increase announced on 24 April 2023).

The Board of Directors of AB Science decided to draw down one million shares under this programme, on the basis of the 17th resolution of the Combined General Meeting of shareholders of 30 June 2023 (reserved cash capital increase with cancellation of preferential subscription rights). They were subscribed by Alpha Blue Ocean at the end of March 2024 at a price of €2.5701 (i.e. the volume-weighted average price of AB Science shares on Euronext Paris over the three trading sessions preceding the drawdown request). AB Science received all the proceeds from the issue of the shares subscribed by Alpha Blue Ocean, and 80% of these proceeds were then placed in an escrow account. Alpha Blue Ocean is now responsible for the orderly sale of the AB Science shares subscribed for. 95% of the sale proceeds (less a structuring fee) will be paid monthly to AB Science, either directly by Alpha Blue Ocean or by drawing on the escrow account referred to above, after deduction of the 20% advance on the issue proceeds retained by AB Science.

Following this drawdown and the corresponding capital increase, the company's share capital amounted to €588,662.03, made up of 52,071,069 ordinary shares with a par value of €0.01 each (and 58,866,203 including all categories of shares). By way of illustration, a shareholder holding 1% of the company's share capital (all classes of shares included) before the first tranche of the PACT® programme was drawn down held 0.98% of the company's share capital after the drawdown.

PACT® features

For each tranche, the issuance price of new shares of AB Science, subscribed by Alpha Blue Ocean, shall be equal to 100% of the volume-weighted average price of the shares of AB Science traded on Euronext Paris over the three trading days preceding a tranche drawdown request.

For each tranche, and after the settlement-delivery of the new shares of AB Science following the relevant capital increase, 80% of the proceeds of the tranche shall be secured in an escrow account with a third-party escrow agent. The remaining balance shall be kept by AB Science.

Following predefined trading rules for each tranche, Alpha Blue Ocean shall manage the orderly sale, on or off the market, of the AB Science shares subscribed to. 95% of the proceeds shall be distributed to AB Science on a monthly basis (minus a structuration fee), directly from Alpha Blue Ocean or by way of a release from the escrow account.

AB Science has no obligations to draw down on the PACT® and shall utilise this innovative financing solution only if necessary and if the market conditions are favourable to the interests of AB Science and its shareholders.

Coverage initiation by DNA Finance and In Extenso Finance

AB Science announced that two financial analysis firms, DNA Finance and In Extenso Finance, have initiated the coverage of the Company.

DNA Finance estimates that AB Science stands out as a compelling investment opportunity in the biotech sector.

In Extenso has initiated a strong buy opinion on the share.

These new coverages aim to strengthen the AB Science visibility among French and international institutional investors and to broaden its investor base. They are in addition to the coverage by Chardan, an investment bank based in the United States and specialized in biotechnologies and health technologies.

Partial payments of 2020 and 2021 research tax credit by the tax administration

Partial payments of the 2020 and 2021 research tax credit by the tax administration took place in 2024 for a total amount of €4,942k. The difference between the planned initial amount of research tax credit and the amount paid is currently under discussion with the tax administration.

The partial payment of the 2022 research tax credit is expected in the first half of 2024, for an estimated amount of €3,040k.

The total or partial payment of the 2023 research tax credit, or its mobilisation, is anticipated in the second half of 2024.

Going concern is guaranteed for 12 months, taking into account partial payments of the 2020 and 2021 research tax credit and estimated payments of the 2022 and 2023 research tax credit.

Confirmation by the Paris Court of Appeal of the acquittal of the CEO of AB Science, Alain Moussy, and reduction of the amount of the financial penalty imposed on AB Science

AB Science and the Chairman of the French market regulator (Autorité des Marchés Financiers - AMF) had filed an appeal to the Paris Court of Appeal against the decision of the AMF Sanctions commission, dated March 24, 2022, which acquitted Alain Moussy, CEO of AB Science, for an alleged insider trading and sanctioned AB Science for a failure to comply with some of its communication obligations (as part of the assessment of conditions for a deferral of privileged information publication), as indicated in the AB Science press release of March 29, 2022.

The Paris Court of Appeal confirmed the fully acquittal of Alain Moussy and reduced by 200,000 euros the amount of the financial penalty pronounced against AB Science. This amount of 200,000 euros will have to be reimbursed by the French Treasury, as AB Science has paid the full financial penalty initially pronounced by the AMF Sanctions commission on March 24, 2022.

Financial restructuring

In April 2023, AMY S.A.S and Alain Moussy (majority shareholders), AB Science and the minority shareholder entities (including in particular the convertible bondholders, the Tax Research Credit lenders and the APDC holders) signed an Agreement relating to:

- the implementation of AB Science's new strategy,
- the financing of AB Science and
- the restructuring of AB Science's bond debt and Class C preference shares.

Restructuring of convertible bonds issued in February 2022 and Class C preferred shares

AB Science announced on 21 April 2023 the negotiation of a framework agreement under which the terms and conditions of the bond issue agreement (entered into with the holders of the US\$8.5 million convertible bonds issued in February 2022 and to which 50,000 warrants were attached with an exercise price of 000 warrants with an exercise price of EUR 12.65) would be amended to provide, on 15 July 2023 and automatically, for the conversion of all the convertible bonds into ordinary shares of AB Science on the basis of a price per share of EUR 5.75 (*i.e.* the subscription price of the New Shares).

The framework agreement has also been negotiated with the holders of Class C preferred shares (the "C Preferred"). It provides the C Preferred still in circulation to be repurchased by AB Science for one

symbolic euro (and subsequently cancelled), which was done in March 2024. 520,786 share warrants (each warrant entitling the holder to subscribe for one ordinary share of AB Science at par value for a period of 12 months) will be issued in substitution of the C Preferred. In addition, still in substitution of the C Preferred, it provides a new class of preferred shares to be created, benefiting from priority dividend rights (equal to 1.25% of the net sales of masitinib or of any licensing royalties, up to a limit of 9.0 million euros) and convertible into 750,000 ordinary shares of AB Science if the share price of AB Science exceeds a threshold of 30 euros for more than 90 consecutive days.

Finally, it has been proposed to the shareholders to extend the term of certain lines of warrants already issued, to adapt to the evolution of AB Science's strategy and of its clinical pipeline.

Capital increase for an amount of 15 million euros

AB Science announced on April 24, 2023 the success of its capital increase through the issuance of new ordinary shares with attached warrants, with a waiver of preferential subscription rights.

The Capital Increase consisted of a private placement pursuant to Articles L. 225-136 of the French Commercial Code and L. 411-2 1° of the French Monetary and Financial Code and has been carried out with a waiver of preferential subscription rights, pursuant to the delegation of authority granted to the Board of Directors under the 20th resolution of the Combined General Shareholders' Meeting of June 29, 2022. The Capital Increase has taken the form of the issuance of 2,608,686 actions new ordinary shares (the "New Shares") to each of which are attached a share subscription warrant (the "Warrants").

The Capital Increase was made through a cash contribution of approximately EUR 11.5 million and by offsetting existing receivables, i.e. approximately EUR 3.0 million (receivables related to the pre-financing of the research tax credit for the 2020 financial year and maturing in 2023, as well as approximately EUR 500,000 in interest accrued to date on the convertible bonds issued in February 2022).

Two warrants giving the right to subscribe to one ordinary share, all of the 2,608,686 New Shares and all of the 1,304,343 new shares that would be issued upon exercise of the warrants, i.e. a total of 3,913,029 shares in the Company, represent 7.36% of the Company's current share capital. The issue price of the New Shares has been set at 5.75 euros (0.01 euro par value and 5.74 euros issue premium) and the exercise price of the Warrants at 8.625 euros, representing a total fundraising of approximately EUR 15.0 million (taking into account the exercise of the warrants, the maximum amount of the Capital Increase could be increased by an amount of 26.3 million euros).

The Warrants may be exercised from January 1st, 2025 to December 31, 2030.

Drawdown of the second tranche of €6 million under its financing agreement with the European Investment Bank

AB Science announced in January 2023 that it has received payment of €6.0 million as the second tranche of a €15 million loan from the European Investment Bank (EIB).

The second tranche has a maturity of five years and is therefore repayable in January 2028. It carries a capitalized annual interest rate of 7.0% and the issuance of 115,830 warrants, each giving the right to subscribe to one ordinary share of AB Science at 14.0 euros for 15 years. These warrants represent 0.22% of the current capital of the Company (if they were to be exercised in their entirety).

Other events

- Other securities transactions

During the year 2023, the following were granted:

- ✓ 69,000 share warrants, of which 54,000 were granted to a business finder, and 15,000 to directors
- ✓ 105,900 stock-options to an employee
- ✓ In September 2023, 12,560 free shares (AGAP B') were issued. These free shares will be definitively allocated in September 2024.

- PEA-PME eligibility

AB Science confirms its eligibility for PEA-PME (a share savings plan aimed at providing finance to SMEs) in accordance with decree no. 2014-283 of 4 March 2014 taken for the application of article 70

of law no. 2013-1278 of 29 December 2013 of finance for 2014 fixing the eligibility of companies for PEA-PME, i.e. less than 5,000 employees on the one hand, an annual turnover of less than 1.5 billion euros or a balance sheet total of less than 2 billion euros, on the other hand.

About AB Science

Founded in 2001, AB Science is a pharmaceutical company specializing in the research, development and commercialization of protein kinase inhibitors (PKIs), a class of targeted proteins whose action are key in signaling pathways within cells. Our programs target only diseases with high unmet medical needs, often lethal with short term survival or rare or refractory to previous line of treatment.

AB Science has developed a proprietary portfolio of molecules and the Company's lead compound, masitinib, has already been registered for veterinary medicine and is developed in human medicine in oncology, neurological diseases, inflammatory diseases and viral diseases. The company is headquartered in Paris, France, and listed on Euronext Paris (ticker: AB).

Further information is available on AB Science's website:

www.ab-science.com.

Forward-looking Statements - AB Science

This press release contains forward-looking statements. These statements are not historical facts. These statements include projections and estimates as well as the assumptions on which they are based, statements based on projects, objectives, intentions and expectations regarding financial results, events, operations, future services, product development and their potential or future performance.

These forward-looking statements can often be identified by the words "expect", "anticipate", "believe", "intend", "estimate" or "plan" as well as other similar terms. While AB Science believes these forward-looking statements are reasonable, investors are cautioned that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to predict and generally beyond the control of AB Science and which may imply that results and actual events significantly differ from those expressed, induced or anticipated in the forward-looking information and statements. These risks and uncertainties include the uncertainties related to product development of the Company which may not be successful or to the marketing authorizations granted by competent authorities or, more generally, any factors that may affect marketing capacity of the products developed by AB Science, as well as those developed or identified in the public documents published by AB Science. AB Science disclaims any obligation or undertaking to update the forward-looking information and statements, subject to the applicable regulations, in particular articles 223-1 et seq. of the AMF General Regulations.

For additional information, please contact:

AB Science

Financial Communication & Media Relations

investors@ab-science.com