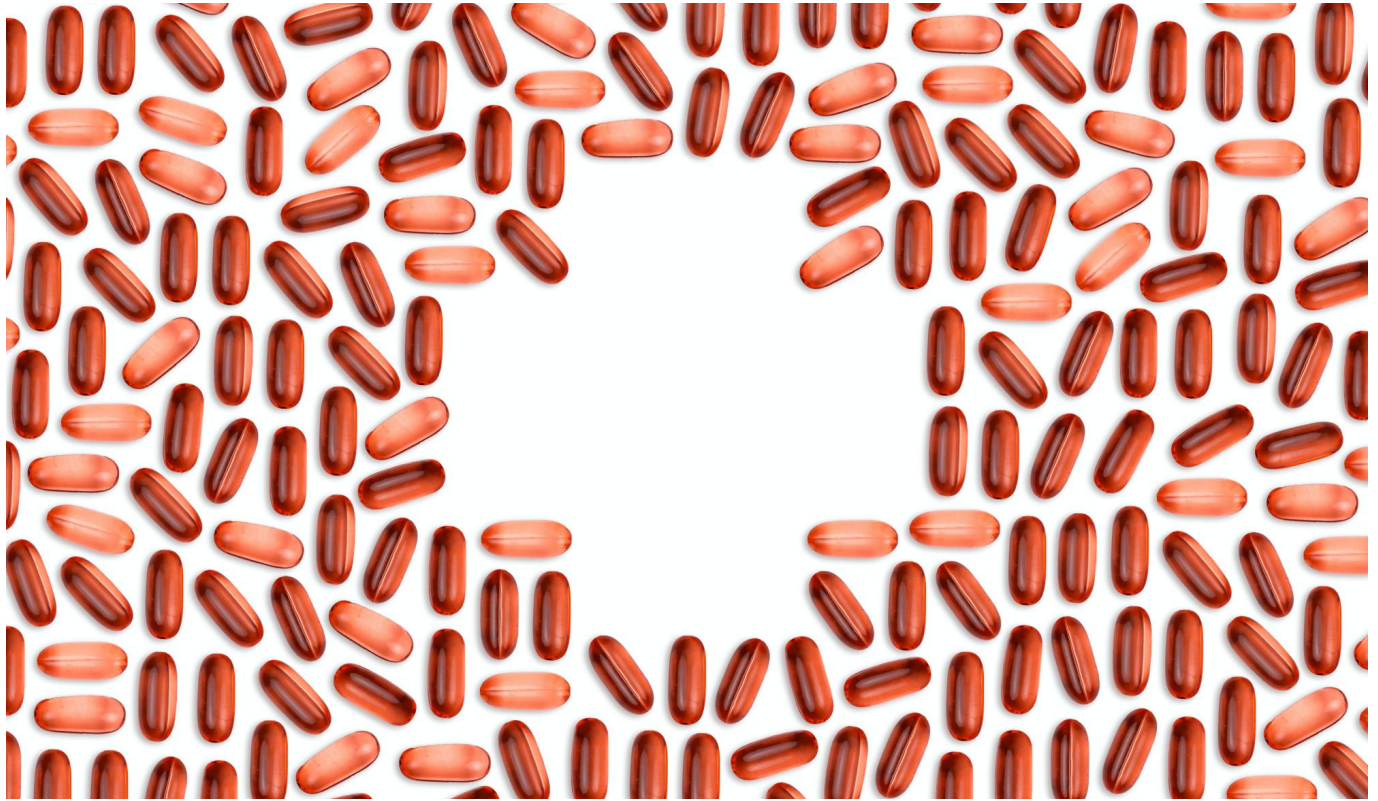


France: EIB supports AB Science in its COVID-19 development programme



©Volodymyr Hryshchenko/Unsplash

- **Financing deal worth €15.0 million signed to support clinical development programme for masitinib**
- **Masitinib developed as a credible candidate for treating COVID-19 in addition to other diseases for which no therapeutic solutions are available**
- **The EIB venture loan is financed under the Infectious Diseases Finance Facility set up as part of Horizon 2020, the European Union's research and innovation programme for 2014-2020**

AB Science SA (Euronext – FR0010557264 – AB) and the European Investment Bank (the **EIB**) are pleased to announce the signing of a loan agreement totalling €15.0 million (the **COVID-19 loan**) today.

This agreement will enable AB Science to fund the clinical development programme evaluating masitinib as a treatment for COVID-19.

Masitinib might be an effective treatment for COVID-19 due to its recently discovered dual mechanism allowing it to act as both an anti-inflammatory and an antiviral agent. Masitinib directly inhibits the 3CL protease, the main protease of SARS-CoV-2 directly involved in the replication of the virus.

This initial partnership with the EIB might be expanded in the future, as discussions are already underway about additional financing for other indications in which masitinib is or could be evaluated, for a maximum budget of €30.0 million.

The EIB loan to AB Science is backed by the [Infectious Diseases Finance Facility](#) (IDFF) set up as part of the European Union's [Horizon 2020 Programme](#) Horizon 2020 program. The IDFF is an example of successful collaboration between the European Commission and the EIB in the face of a health crisis. Through this facility, the EIB has supported European companies via total lending of some €400 million for developing cures, vaccines and diagnostics for various infectious diseases, most prominently coronavirus.

The combination of the EIB's expertise and the European Commission's support with the InnovFin guarantee has made it possible to set up an innovative financing package tailor-made to the needs of AB Science.

The COVID-19 loan consists of two tranches of €6 million each, and a third tranche worth €3 million. The first tranche is expected to be released in the coming weeks. The remaining two tranches will be made available at a later stage, subject to certain milestones, including clinical progress in AB Science's study regarding the treatment of COVID-19 and the company's future equity funding.

The COVID-19 loan is supplemented by an agreement to issue warrants for the EIB. The number of warrants to be issued by AB Science each time a tranche of the COVID-19 loan is drawn will depend on its reference price prior to the disbursement and the amount of the tranche in question. Purely as an illustration, a reference price of €10.0 would mean that AB Science should issue 162,162 warrants when it draws the first tranche. Each warrant will entitle the EIB to subscribe to one ordinary share in AB Science at the reference price (discount of 5.0%) for a period of 15 years.

Each time a tranche of the COVID-19 loan is drawn, AB Science will issue a press release specifying the terms and conditions and the final number of warrants issued on the occasion.

Alain Moussy, co-founder and chief executive of AB Science, said: *"This is an important agreement because this major loan is a sign of a leading European institution's interest in the development of masitinib. The EIB loan supporting masitinib's development as a treatment for COVID-19 demonstrates that masitinib is a credible candidate thanks to its dual antiviral and anti-inflammatory mechanism. We hope that this first agreement is only the beginning of a long partnership with the European Investment Bank, allowing us to move faster in developing new medicines for diseases where therapeutic solutions are not available or insufficient."*

"I am delighted to announce this funding agreement with AB Science. The fight against COVID-19 is a priority for the European Union's bank, which is why we support the development of therapeutic options that could provide an effective response to the health crisis," said EIB Vice-President **Ambroise Fayolle**. He added, *"Small and medium-sized enterprises are a major source of medical innovation that we need to build on. That's why it is important that we support and work with them."*

Against the backdrop of the health crisis, this new financing reflects the

EIB's strong mobilisation to support the development of new and effective treatments for COVID-19. This new funding takes total European investment to €700 million in support of 20 biotechs and medtechs involved in the fight against the pandemic.

Background information

The **InnovFin Infectious Diseases Finance Facility** (IDFF) is dedicated to supporting the fight against infectious diseases. This joint European Commission and EIB Group initiative is part of Horizon 2020, the 2014-2020 EU research and innovation programme. The IDFF enables the EIB to provide between €7.5 million and €75 million of funding to innovative players active in developing vaccines, drugs, medical and diagnostic devices and research infrastructure for combating infectious diseases. The financing mainly goes to projects that have completed the preclinical stage and need clinical approval for further development. The IDFF has been increased by €400 million to boost its capacity for tackling the outbreak of the coronavirus. The total EU contribution to the IDFF via Horizon 2020 is estimated at almost €700 million.

About masitinib

Masitinib is a new orally administered tyrosine kinase inhibitor that targets mast cells and macrophages, which are important cells for immunity, by inhibiting a limited number of kinases. Thanks to its unique mechanism, masitinib can be developed for a large number of medical conditions including cancer, inflammatory diseases, and certain diseases of the central nervous system. In oncology, masitinib has the potential to improve survival when administered alone or in combination with chemotherapy, thanks to its immunotherapeutic properties.

Masitinib can alleviate symptoms in certain inflammatory disorders and central nervous system diseases by acting on mast cells and microglia, thereby inhibiting the activation of the inflammatory process.

About AB Science

Founded in 2001, AB Science is a pharmaceutical company specialising in the research, development and commercialisation of protein kinase inhibitors (PKIs), a class of targeted proteins whose action is key in signalling pathways within cells. Our programmes only target diseases which have high unmet medical needs, are often lethal with short-term survival, or are rare or refractory to a 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, and inflammatory diseases. The company is headquartered in Paris, France, and listed on Euronext Paris (ticker: AB).

To find out more about AB Science: www.ab-science.com