OSE Immunotherapeutics Receives a €10 Million Payment Corresponding to the First 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.**
- **This €10 million payment reinforces the Company's financial visibility until Q3 2022.**

Nantes, France, July 9, 2021, 6:00PM CET – OSE Immunotherapeutics (ISIN: FR0012127173; Mnemo: OSE) announced today a €10 million payment corresponding to the first tranche of the financing granted by the European Investment Bank (EIB). The finance contract was signed on February 12, 2021.

The finance contract allows the Company to borrow up to €25 million. The second and third tranches, respectively of €10 million and €5 million, may be drawn at the hand of the Company, subject to the achievement of specific clinical steps.

This type of financing, granted by the EIB and benefiting from a guarantee from the European Commission within the framework of the European Fund for Strategic Investments (known as the "Juncker Plan"), aims to support development research and innovation projects developed by companies with high growth potential.

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

The first tranche is associated to the issuance of warrants to the EIB giving right, in the event of exercise, to the subscription of 850,000 shares of the Company (i.e. 4.44% of the share capital on an undiluted basis). Warrants are not the subject of an application for admission to trading on any market.

The subscription price is €0.01 per warrant, i.e, €8,500.

In order to limit the dilutive impact over time, 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 9 July 2026, 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. 9 July 2033).

The subscription price for the new shares upon exercise of the warrants was set at 10.59 euros per share, i.e. a discount of 2.5% compared to the volume-weighted average of the three trading days preceding the pricing.

In accordance with the warrant agreement, 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 4.44% (corresponding to its theoretical holding percentage post-allocation and exercise of the warrants subscribed in the context of the first 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 850,000 new Company's shares issued upon exercise of all the warrants at a price of 10.59 euros per new share, the gross proceeds of the issue, issue premium included, will amount to 9,001,500 euros.

On 9 July 2026, 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 EUR 15 million, provided that the Company retains a cash level of at least EUR 10 million. 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.

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 an integrated biotechnology company focused on developing and partnering therapies to control the immune system for immuno-oncology and autoimmune diseases. The company's immunology research and development platform is focused on three areas: T-cell-based vaccination, Immuno-Oncology (focus on myeloid targets), Auto-immunity & Inflammation. Its balanced first-in-class clinical and preclinical portfolio has a diversified risk profile:

Vaccine platform

- **Tedopi®** (innovative combination of neoepitopes): the company's most advanced product; positive results for Step-1 of the Phase 3 trial (Atalante 1) in Non-Small Cell Lung Cancer post checkpoint inhibitor failure.
  In Phase 2 in pancreatic cancer (TEDOPaM), sponsor GERCOR.
  In Phase 2 in ovary cancer (TEDOVA), sponsor ARCAGY-GINECO.
  In Phase 2 in non-small cell lung cancer in combination with nivolumab, sponsor Italian foundation FoRT.
- **CoVepiT**: a prophylactic second-generation vaccine against COVID-19, developed using SARS-CoV-2 optimized epitopes against multi variants. Positive preclinical and human ex vivo results in August 2020. In clinical Phase 1.

Immuno-oncology platform

- **BI 765063** (OSE-172, anti-SIRPα mAb on SIRPα/CD47 pathway): developed in partnership with Boehringer Ingelheim in advanced solid tumors; positive Phase 1 results in monotherapy and BI 765063 dose escalation study ongoing in combination with Ezabenlimab (PD-1 antagonist).
- **CLEC-1** (novel myeloid checkpoint target): identification of mAb antagonists of CLEC-1 blocking the "Don't Eat Me" signal that increase both tumor cell phagocytosis by macrophages and antigen capture by dendritic cells.
- **BiCKI®**: bispecific fusion protein platform built on the key backbone component anti-PD-1 (OSE-279) combined with new immunotherapy targets; 2nd generation of PD-(L)1 inhibitors to increase antitumor efficacy.

Auto-immunity and inflammation platform

- **FR104** (anti-CD28 monoclonal antibody): Licensing partnership agreement with Veloxis in the organ transplant market; ongoing Phase 1/2 in renal transplant (sponsored by the Nantes University Hospital); Phase 2-ready asset in a niche indication in autoimmune diseases.
- **OSE-127/S95011** (humanized monoclonal antibody targeting IL-7 receptor): developed in partnership with Servier; positive Phase 1 results; in Phase 2 in ulcerative colitis (OSE sponsor) and an independent Phase 2a planned in Sjögren's syndrome (Servier sponsor).
- **OSE-230** (ChemR23 agonist mAb): first-in-class therapeutic agent with the potential to resolve chronic inflammation by driving affected tissues to tissue integrity.

For more information: **https://ose-immuno.com/en/**
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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 2021, including the annual financial report for the fiscal year 2020 and the Amendement to the Universal Registration Document filed with the AMF on 2 June 2021 under number D.21-0310-A01, 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.