

## **AMOEBBA RENEWS A FINANCING LINE OF UP TO €23M WITH NICE & GREEN TO SUPPORT ITS DEVELOPMENT**

*This new 24-month financing line is intended to give Amoéba the means to finance its key activities, in particular the development of its biocontrol product, and to restructure its debt.*

*It can be suspended or terminated by Amoéba at any time.*

**Chassieu (France), December 21, 2020 – 5.45 pm-** AMOEBBA (FR0011051598 - ALMIB), producer of a biological biocide capable of eliminating the risk in water and human wounds, and of a biocontrol product for plant protection, still in the testing phase, announces the signature of a new contract for the issue of bonds convertible into shares with a profit-sharing programme (OCAPI) and a subordination agreement between Amoéba, Nice & Green SA and the European Investment Bank (EIB).

*"The relationship of mutual trust that we have developed with Nice & Green over the last 2 years has naturally led us to set up this new line of financing, unprecedented in the history of Amoéba. This operation will enable us to develop our biocontrol application worldwide on field crops, to continue the examination of our regulatory files and to restructure the company's debt while strengthening its equity",* says Valérie FILIATRE, Deputy Managing Director of Amoéba.

### **Legal framework of the operation**

Acting on a delegation from the Board of Directors and in accordance with the 20<sup>th</sup> resolution of the Combined General Meeting of Shareholders of 24 June 2020 relating to capital increases reserved for categories of persons<sup>1</sup>, the Company has decided to set up this financing line, provided by Nice & Green SA, a private company under Swiss law specialising in providing financing solutions tailored to listed companies (the "Investor").

On 16 December 2020, Amoéba signed a contract for the issue of bonds convertible into shares (the "OCA") with a profit-sharing programme (the "Contract") for a total nominal amount of €23 million for the benefit of the Investor.

### **Characteristics of the OCAs:**

In accordance with the terms of the Agreement, the Investor has undertaken, except in the event of usual events of default, to subscribe to OCAs in tranches issued quarterly in accordance with the following schedule:

- the first six (6) tranches consisting of sixty (60) OCAs;

<sup>1</sup> Investor section / Regulatory information and financial documents / General Meetings / 2020 / General Meeting of 28 May 2020: Agenda and text of resolutions

- one (1) tranche composed of forty (40) OCAs; and
- an additional optional tranche of eighty (80) OCAs.

This schedule allows for a regular financing of the Company while limiting the impact on the share price. This new financing will be effectively launched at the end of the convertible bond issue plan currently in place between the Company and the Investor, the last tranche of which is due to be issued in March 2021 (see press release of 06 April 2020).

The OCAs have a nominal value of fifty thousand (50,000) euros each. They will be subscribed at a unit price equal to ninety-six percent (96%) of their nominal value, i.e. forty-eight thousand (48,000) euros each.

The OCAs will be non-interest bearing and will have a maturity of 12 months from the date of issue. Except in the event of an event of default<sup>2</sup> and subject to the provisions below relating to the conversion of the OCAs, the matured and unconverted OCAs will be converted into shares on a mandatory basis.

In the event of an event of default, the Investor may require Amoéba to redeem in cash and at par value all OCAs subscribed by the Investor at that date.

The OCAs will be transferable under certain conditions, will not be the subject of an application for admission to trading on Euronext Growth in Paris and will therefore not be listed.

Under the terms of the issuance agreement, Amoéba and the Investor have a suspension option allowing them to suspend the issuance and the correlative subscription of the OCA corresponding only to the tranche and/or the second tranche immediately following their decision of suspension for a maximum period of 2 months<sup>3</sup>.

Amoéba will be able to exercise this suspension option, at its own discretion, at any time during the commitment period, without having to justify its decision.

Amoéba retains the right to terminate the Contract at any time.

### **Conversion of the OCAs:**

The OCAs may be converted into Amoéba shares at the request of the holder at any time, according to the conversion parity determined by the formula below:

$$N = V_n / P$$

where,

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<sup>2</sup> Events of default include the delisting of the Amoéba share, the announcement of a takeover of Amoéba and the occurrence of a significant adverse event.

<sup>3</sup> The event giving rise to the Investor's suspension option may in particular correspond to the issue, on or off market, of ordinary shares, shares conferring special rights or obligations, bonds, warrants or other securities giving or not giving access to Amoéba's capital.

"N" corresponding to the number of new Amoéba ordinary shares to be issued upon conversion of an OCA;

"Vn" corresponding to the nominal value of the OCAs;

"P" corresponds to 92% of the lowest volume weighted average closing price of the Amoéba share (as published by Bloomberg) over the six (6) trading days immediately preceding the date of receipt by Amoéba of a conversion request; it should be noted that "P" may not be less than the nominal value of an Amoéba share (currently Euro 0.02).

At its sole discretion, Amoéba may decide, upon receipt of an OCA conversion request, to :

- deliver new or existing Amoéba shares at the conversion parity defined above; or
- pay an amount in cash to each relevant holder determined by the formula below:

$$V=Vn/0.97$$

where,

"V" corresponding to the amount in cash to be repaid to the Investor;

"Vn" corresponding to the nominal value of the OCAs.

Should the market price of the Company during any trading session on Euronext (or another market, as the case may be) reach two hundred per cent (200%) of the nominal value of the Shares (ie 0.04 Euro, the nominal value of the Shares of the Issuer currently being 0.02 Euro), the Company has undertaken to immediately convene an Extraordinary General Meeting of Shareholders, which shall be held within a maximum period of forty-five (45) calendar days from the date on which the market price of the Shares has reached two hundred percent (200%) of their nominal value, in order to decide on a share split or a reduction of the share capital so that the nominal value of the Shares is at least halved and subject to the approval of the shareholders of the Issuer for the share split or the reduction of the share capital, proceed as soon as possible with such transaction. The Investor will have the right (i) to terminate the Agreement or (ii) to immediately suspend the payment of a Tranche pending the convening of an extraordinary general meeting of shareholders.

#### **Subordination of the OCAs:**

The parties have further agreed in principle to fully subordinate<sup>4</sup> the repayment of the Investor i) to the loan agreement between Amoéba and the European Investment Bank dated 6 October 2017, in the amount of euro twenty million (20,000,000) (see press release dated 6 October 2017)<sup>5</sup> and ii) to the potential debt arising from the Share Subscription Warrant issuance agreement entered into between Amoéba and the European Investment Bank dated 31 March 2020 (see press release dated 31 March 2020).

<sup>4</sup> The full subordination implies that no cash claim of the Investor could be paid until the EIB has been fully repaid under the loan agreement of 6 October 2017, including in the event of default under the Agreement.

<sup>5</sup> As a reminder, only the 1st instalment of the €5,000,000 loan was paid to the company. The 2 other 2 instalments were cancelled as the company did not meet the triggering criteria provided for in the contract.

The terms and conditions for the subordination of the Investor's repayment to the European Investment Bank gave rise on 16 December 2020 to the signature of a subordination agreement between Amoéba, the Investor and the European Investment Bank.

This issue does not give rise to the preparation of a prospectus subject to approval by the Autorité des Marchés Financiers (AMF).

#### **Profit-sharing plan:**

The Investor has agreed to set up a profit-sharing plan designed to enable Amoéba to participate in the possible positive financial result achieved by the Investor.

This profit-sharing plan consists of the allocation in cash to the Company of a portion of any capital gain that it may realize on the sale of shares resulting from the conversion of the OCAs.

The purpose of such a plan is based on the principle that good management of the resources made available to the Company by the Investor will enable the Company to evolve positively in its development as well as in the creation of value, thus making the eventual disposal of the securities resulting from the conversion of the OCAs easier.

In addition, under the contract for the issue of bonds convertible into shares with a profit-sharing plan, signed on December 16, 2019 and amended on March 9, 2020 (see press release of March 9, 2020), the profit-sharing plan is still in progress. No amount has been paid by the Investor to Amoéba. As a reminder, this agreement stipulates that the Investor will pay Amoéba the amount of the profit-sharing within 60 days following the sale of all the shares issued upon conversion of the OCAs subscribed during the commitment period.

#### **Use of proceeds:**

The issue by Amoéba of the OCAs and the possible issue of new shares for which admission to trading will be requested, is intended to ensure the continuity of operations until September 2023<sup>6</sup> and in particular to finance:

- i) current expenditure linked to the activity over the funding period, including operational expenditure, research and development activities on biocontrol applications and support for applications for authorisation of the biocidal active substance and the plant protection substance in Europe and the United States<sup>7</sup>;
- ii) the repayment of the EIB loan and capitalised accrued interest scheduled in November 2022 and amounting to €11.8m.

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<sup>6</sup> Subject to the fulfilment of the usual conditions precedent and the absence of cases of default.

<sup>7</sup> Cf. Document d'Enregistrement Universel de la Société déposé le 30 avril 2020, le Rapport Financier Semestriel publié le 30 septembre 2020 et la communication de la Société sur l'avancement réglementaire et commercial des projets de développement pour les applications de biocide et de biocontrôle.

### Communication:

The number of shares resulting from the conversion of the OCAs will appear in Amoéba's communication on regulated information relating to the number of shares and voting rights outstanding. To this end, Amoéba will make available on its website (<http://www.amoeba-biocide.com/fr>) a table monitoring the number of outstanding OCAs and shares issued upon conversion of the OCAs (Section Investors/Regulatory Information and Financial Documents/ Other Information) and will update this table within a reasonable period of time following receipt of a conversion notice sent by the Investor.

### New shares resulting from the conversion of the OCAs:

The new shares issued upon conversion of the OCAs will carry current dividend rights. They will have the same rights as those attached to the existing ordinary shares of Amoéba and will be listed on the Euronext Growth market on the same trading line (ISIN Code FR0011051598/ ALMIB mnemonic code).

### Risks related to the issue:

Nature of Risk	Risk description	Criticality level of risk
The total amount of OCA subscriptions is not guaranteed.	The issue of all the OCAs by the Company and the receipt of the total subscription amount is subject to the fulfilment of all the conditions precedent provided for in the Agreement.	High
Risk of dilution	In the event of the issue of new shares resulting from the conversion of the OCAs, shareholders will see their stake in the Company's share capital significantly diluted. These new shares are intended to be sold by the Investor on the market at very short notice after the conversion of the OCAs. Shareholders have been significantly diluted by the OCA programmes authorised by (i) the Company's general meeting of 14 January 2019 and (ii) the Company's general meeting of 13 March 2020.	High
Risk of volatility of the Company's shares	The market price of the Company's shares could fluctuate significantly in response to various factors, including in particular announcements made by the Company regarding the authorisation process for the active substance, as was the case on 26 April 2018 following the announcement of the decision by the ECHA to refuse authorisation of the biocide or on 19 August 2019 following the announcement of the withdrawal of the dossier by the EPA. Following these announcements, the Company's share price fell significantly.	High
Share price risk	The sale by the Investor of the new shares issued or the existing shares remitted is likely to have an unfavourable impact on the AMOEBA share price.	High

In addition, the Company's Universal Registration Document filed on 30 April 2020 with the "Autorité des Marchés Financiers" and the Company's Half-Yearly Report 2020 present the risk factors relating

to the Company, in particular those relating to the consequences of the health crisis linked to Covid-19.

### Shareholding and Governance:

The new shares are intended to be sold by the Investor at very short notice on the market after conversion of the OCAs. The Investor does not wish to be a long-term shareholder of the Company.

Consequently, Nice & Green's policy is not to integrate the governance of the companies in which it invests and does not intend to seek representation on the Company's Board of Directors.

### Theoretical impact of the OCA issue:

The theoretical impact of the OCA issue is calculated on the basis of the lowest volume-weighted average daily closing price of the Amoéba share prior to December 16, 2020 over the last six days, namely € 3.5697.

As an indication, the impact of the issuance of 480 OCAs would be as follows:

- Impact of the issue on shareholders' equity (calculation based on Amoéba's shareholders' equity at June 30, 2020 established in accordance with International Financial Standards (IFRS) and adjusted for capital increases carried out up to December 16, 2020, i.e. 5,670,164 euros and the number of shares making up the Company's share capital at December 16, 2020, i.e. 16,367,761 shares):

	Shareholders' equity at 30 June 2020 (in euros) *	
	Non diluted basis	Diluted basis**
Before the new OCAPI operation	5 670 164	7 171 764
After the issue of 7,307,885 new shares resulting from the conversion of 480 OCAs	28 710 164	30 211 764

(\*) amount of shareholders' equity at 30 June 2020 established in accordance with IFRS and adjusted for capital increases carried out up to 16 December 2020.

(\*\*) assuming:

- the full exercise of the warrants for business creator shares and the share warrants issued and allocated by Amoéba, exercisable or not, giving the right to subscribe for 200,000 new shares
  - the definitive allocation of conditional rights to receive 530,000 free shares subject to a condition of continuous presence.
  - the conversion of 78 OCAs to be issued in 3 tranches and not yet converted at December 16, 2020
- Impact of the issue on the interest of a shareholder holding 1% of Amoéba's share capital prior to the issue (calculation based on the number of shares comprising Amoéba's share capital at December 16, 2020, i.e 16,367,761 shares).

	Shareholder participation (in %)	
	Non diluted basis	Diluted basis*
Before the new OCAPI operation	1%	0,93%
After the issue of 7,307,885 new shares resulting from the conversion of 480 OCAs	0,69%	0,66%

(\*) assuming :

- the full exercise of the warrants for business creator shares and share warrants issued and allocated by Amoéba, exercisable or not, giving the right to subscribe for 200,000 new shares
- the definitive allocation of conditional rights to receive 530,000 free shares fully subject to a condition of uninterrupted presence.
- the conversion of 78 OCAs to be issued in 3 tranches and not yet converted at December 16, 2020

The weighted average price used to calculate dilution is the lower of the volume-weighted average closing price of the Amoéba share prior to 16 December 2020 over the last six days, i.e. 3.5697 euros. This dilution is without prejudice to the final number of shares to be issued or their issue price, which will be determined on the basis of the share price, as described above.

#### About AMOEBA:

Amoéba's ambition is to become a major player in the treatment of bacterial risk in the fields of water, healthcare and plant protection. Our biological solution is an alternative to chemical products widely used today. Amoéba is currently focusing on the market of industrial cooling towers estimated at €1.7Bn (1) on a global chemical biocide market for water treatment, evaluated at €21Bn (2) and on the biocontrol market for plant protection estimated globally at €1.6Bn (4). In the future, the Company is looking at developing new applications such as chronic wound care, estimated at € 751 million (3) in the USA. Sales of associated products with healthcare, biocides and crop protection are subject to the Company being granted local regulatory market authorizations. The Company is currently in a trial phase for biocidal and plant protection applications and does not market any products.

Created in 2010, based in Chassieu (Lyon, France) with a subsidiary in Canada and in the United States, Amoéba is quoted on Euronext Growth. The Company is a member of the BPIfrance Excellence network and is eligible for the PEA-PME SME equity savings plan setup. More information on [www.amoeba-biocide.com](http://www.amoeba-biocide.com).

(1): Amoéba data combined from sources: DRIRE 2013, Eurostat, ARHIA 2013

(2): Sources combined by Amoéba from water treaters, Freedonia, Eurostat et MarketsandMarkets

(3): BCC Research, "Markets for Advanced Wound Management Technologies," Wellesley, MA, 2017

(4): Biopesticides Worldwide Market 2013, CPL, Wallingford, UK

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**Disclaimer**

This press release contains certain forward-looking statements concerning AMOEBA which are based on its own assumptions and hypothesis and on information that are available to us. However, AMOEBA gives no assurance that the estimates contained in such forward-looking statements will be verified, which estimates are subject to numerous risks including the risks set forth in the Universal Registration Document of AMOEBA filed with the French Financial Markets Authority (Autorité des Marchés Financiers) on April 30, 2020 under number D20-0416 (a copy of which is available on [www.amoeba-biocide.com](http://www.amoeba-biocide.com)). The forward-looking statements contained in this press release are also subject to risks not yet known to AMOEBA or not currently considered material by AMOEBA. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of AMOEBA to be materially different from such forward-looking statements.