

## Esperite N.V. secures external financing of up to EUR 35 million of convertible notes with warrants draw-able under certain conditions

### Transaction highlights

- Esperite NV secures an external financing of up to EUR 35 million through further private placements of convertible notes with share subscription warrants attached over a period of 36 months, subject to fulfillment of certain conditions
- The Warrants, if exercised, are leading to an additional EUR 35 million proceeds over a period of 5 years
- Bridge note of EUR 150,000 issued today
- Subscription by European Small Caps Opportunities Fund, based in Australia
- Before the end of September Esperite will convene a Shareholder Extraordinary General Meeting.
- Esperite will propose a settlement to its creditors
- Proceeds to be used to support Esperite' s restructuring plan to be approved by creditors

**The Netherlands, 28 July 2020** - Esperite N.V. (Euronext: ESP, "**Esperite**" or "**the Issuer**") announces today (i) the issuance of a bridge note of EUR 150,000 nominal value (the "**Bridge Note**") and (ii) the signing of a financing agreement allowing Esperite to draw up to EUR 35 million (the "**Financing**") private placement of convertible notes with share subscription warrants attached under certain conditions (the "**Notes and Warrants**") and having the characteristics detailed in Appendix 1 (the "**Issuance Agreement**").

The Bridge Note (issued) and the Notes and Warrants shall be subscribed by European Small Cap Opportunities Fund, a fund based in Australia (the "**Investor**").

The Bridge Note financing shall allow Esperite to initiate next steps of restructuring.

With regards to the Financing, the first tranche of Notes and Warrants of a nominal amount of EUR 400,000 shall be issued after the approval of resolutions by the general meeting of shareholders of the Issuer and approval by Esperite' s creditors of a settlement amount to be paid overtime by the Issuer for their debt (the "**Restructuring Plan Approval**").

The second tranche of Notes and Warrants of a nominal amount of EUR 500,000 shall be issued after the approval of a prospectus by the AFM with regards to the new shares to be issued upon conversion of the Notes and exercise of the Warrants.

Pursuant to the Issuance Agreement, the Investor has committed to subscribe up to EUR 35 million of Notes and Warrants over the next 36 months, subject to the fulfillment of certain conditions (the "**Com- mitment**").

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The issuance of and subscription to Notes and Warrants shall be structured through the issuance by Esperite to the Investor of tranche warrants (the “**Tranche Warrants**”) within 5 trading days from the Restructuring Plan Approval, whose characteristics are described in Appendix 1 to this press release.

The terms and conditions of the Tranche Warrants, the Notes and the Warrants will be published on Esperite's website ([www.esperite.com](http://www.esperite.com)).

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#### About ESPERITE

ESPERITE group, listed at Euronext Amsterdam and Paris, is a leading international company in regenerative and precision medicine founded in 2000.

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*This press release contains inside information as referred to in article 7 paragraph 1 of Regulation (EU) 596/2014 (Market Abuse Regulation).*

*With respect to Member States of the European Economic Area that have transposed European Directive 2003/71/EC of the European Parliament and European Council (as amended in particular by Directive 2010/73/EU to the extent that the said Directive has been transposed into each Member State of the European Economic Area), no action has been taken or will be taken to permit a public offering of the securities referred to in this press release requiring the publication of a prospectus in any Member State.*

*This press release and the information it contains do not, and will not, constitute an offer to subscribe for or sell, nor the solicitation of an offer to subscribe for or buy, securities of Esperite in the United States of America or any other jurisdiction. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), it being specified that the securities of Esperite have not been and will not be registered within the US Securities Act. Esperite does not intend to register securities or conduct a public offering in the United States of America.*

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## Appendix 1

# Terms and conditions of the financing through the issuance of warrants giving access to convertible notes with share subscription warrants attached

### Legal framework of the transaction

On July 27, 2020, the Issuer and the Investor entered into an issuance agreement pursuant to which the Investor has agreed to commit to fund the Issuer up to EUR 35,000,000 over the course of a period of 36 months from the Issuance Date (as defined below) by subscribing for up to 3,500 notes with a principal amount of EUR 10,000 each, which are convertible into ordinary shares of the Issuer, with share subscription warrants attached.

The Commitment is subject to:

- the adoption by the Issuer's shareholders of the resolutions to be proposed for adoption at the next general meeting of shareholders of the Issuer to be held no later than September 30, 2020 in respect notably of (i) the approval to grant rights to subscribe for shares and to limit or exclude pre-emptive rights in respect of such grant of rights to the extent required in connection with the Issuance Agreement and (ii) the reduction of the Issuer's share capital through the reduction of the nominal value of the Share to EUR 0.01;
- the Restructuring Plan Approval.

### Main characteristics of the Tranche Warrants

The issuance of 3,500 Tranche Warrants shall occur within 5 trading days from the Restructuring Plan Approval (the "**Issuance Date**").

Over the 36 months following the Issuance Date, provided that all the conditions to the delivery of a Request and the funding of a tranche (the "**Conditions**", see Note 1 below) have been satisfied (or waived by the Investor), the Issuer shall request for the disbursement of a tranche (the "**Request**") by submitting a Request as follows:

- for the first tranche, within five (5) trading days from the Restructuring Plan Approval;
- for the second tranche, within five (5) trading days from the date of the approval of the listing Prospectus by the AFM.

For the following tranches, the Issuer shall have the right (and not the obligation) to request for the disbursement of a tranche by submitting a Request on the earlier of:

- (i) the fifth (5<sup>th</sup>) trading day following the conversion (whether through one or several conversions) or redemption of all the Notes that had been issued in connection with previous tranches; or
- (ii) the 2-month anniversary date of the issuance of the previous tranche.

Esperite may therefore request the exercise of Tranche Warrants in order to issue the Notes with Warrants in a first tranche of EUR 400,000 nominal amount and several subsequent tranches of EUR 500,000 nominal amount (amount which may be increased or decreased upon mutual consent).

The exercise of one Tranche Warrant gives access to the subscription of one Note (having a nominal value of EUR 10,000) with Warrants attached at a subscription price of EUR 9,500.

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The right of the Investor to exercise Tranche Warrants at its sole and exclusive discretion will only be available regarding the exercise of 650 Tranche Warrants (i.e. up to an aggregate principal amount of EUR 6.5 million).

The Tranche Warrants will not be admitted to trading on any financial market.

#### Main characteristics of the Notes

The Notes have a nominal value of EUR 10,000 each and will be subscribed at 95% of such nominal value. The Notes bear no interest and have a maturity of 12 months from their respective issuance date.

Each Note gives its holder a conversion right (a “**Conversion**”) to receive ordinary shares. Upon a Conversion, the corresponding number of shares issued by Esperite shall be equal to:

$$N = Nv / Cp$$

- “**N**”: number of new and/or existing shares to be remitted to the Note holder (rounded down);
- “**Nv**”: nominal value of the Note (EUR 10,000);
- “**Cp**”: 90% of the lowest daily volume weighted-average price of the share over the Pricing Period<sup>1</sup>.

At maturity any Note for which no Conversion has occurred shall be redeemed at par in cash by Esperite. Upon the occurrence of any event of default, any Note for which no Conversion has occurred shall be redeemed at 110% of par in cash by Esperite.

The Notes will not be admitted to trading on any financial market.

#### Main characteristics of the Warrants

The number of Warrants to be issued under each tranche will be such that, multiplied by their strike price (determined as described below), the resulting amount shall be equal to the principal amount of the tranche.

The Warrants shall be immediately detached from the Notes. The Warrants shall have a maturity of 5 years from their respective issuance date (the “**Exercise Period**”). Each Warrant will give right to its holder, during the Exercise Period, to subscribe one new share of Esperite, subject to customary adjustments.

Subject to customary ratchet provisions, the strike price of the Warrants will be equal to:

- for the first, the second and the third tranches (the “**Warrants 1**”), 110% of the lower of (i) the lowest daily volume weighted average price of the share over the Pricing period preceding each request of such tranches and (ii) EUR 0.0272; and
- for the subsequent tranches (the “**Warrants 2**”), 110% of the lowest daily volume weighted average price of the share over the Pricing Period preceding the Request (or the Tranche Warrant exercise date, in case of Tranche Warrants exercised at the discretion of the Investor).

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<sup>1</sup> shall mean the fifteen (15) consecutive trading days immediately preceding the relevant date to be considered in order to determine the conversion price or the Warrant 1 exercise price or the Warrant 2 exercise price. In the case of a conversion of Notes or upon the exercise of Tranche Warrants at the discretion of the Investor, Pricing Period shall mean the trading days during which the Investor (or the relevant Note or Tranche Warrant holder as the case may be) has not sold any Share in the market among the fifteen (15) consecutive trading days immediately preceding the applicable date.

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The Warrants will not be admitted to trading on any financial market.

**New shares resulting from conversion of Notes or exercise of Warrants**

The new shares issued upon conversion of Notes or exercise of Warrants will be admitted to trading on Euronext as from their issuance, will carry immediate and current dividend rights and will be fully assimilated to and fungible with the existing shares (ISIN code NL0009272137).

Esperite will publish and update on its website a follow-up table of the outstanding Tranche Warrants, Notes, Warrants and number of shares.

**Note 1: Conditions to the delivery of a Request and the funding of a tranche**

The right of Esperite to deliver a Request to the Investor and the obligation of the Investor to fund the requested tranche through the exercise of Tranche Warrants are subject to the fulfilment, on the date of such Request and on the date of funding of the requested tranche, of each of the following conditions (unless waived by the Investor):

- (i) no more than thirty-six (36) months shall have expired from the Issuance Date;
- (ii) the Notes of the previous tranches have been fully converted and/or redeemed for more than four (4) trading days or more than 2 months have elapsed since the previous Tranche Warrant exercise date. It is specified that this Condition shall not apply to the issuance of the second Tranche which shall be issued within five (5) trading days from the date of the approval of the listing Prospectus by the AFM;
- (iii) no material adverse change shall have occurred;
- (iv) no event that constitutes an early redemption event and no triggering event that would constitute an early redemption event if not cured during the applicable cure period, if any, shall be in existence;
- (v) the Issuer shall have at least:
  - two (2) times coverage of Shares (based on the conversion price) authorized, available and approved for issuance to the Investor and admission to trading on Euronext, increased, as the case may be, by the amount of any other outstanding Notes; and
  - one (1) time coverage of Shares authorized, available and approved for issuance to the Investor upon exercise of the maximum number of Warrants to be issued for the applicable Tranche;
- (vi) taking into account the Notes to be issued to the Investor under the requested tranche, the Investor shall not hold more than EUR 700,000 of aggregate principal amount of Notes;

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- (vii) no suspension of the trading of the Shares on Euronext (other than intra-day suspension at the request of Euronext Amsterdam under Euronext rules) shall have occurred for more than five (5) consecutive trading days over the ninety (90) preceding calendar days;
- (viii) the closing price and the daily VWAP on each of the five (5) preceding trading days shall be at least equal to 250% of the nominal value of the Shares;
- (ix) the average daily value traded of the Shares over the ten (10) preceding trading days shall be at least equal to EUR 20,000;
- (x) except with respect to the first Tranche, the AFM shall have approved a prospectus for the admission to trading of any shares to be issued upon conversion of the Notes or exercise of the Warrants;
- (xi) the final Restructuring Plan Approval shall have occurred;
- (xii) the Issuer has provided the Investor with all necessary information to fulfil its disclosure requirements with the AFM.

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