

GenSight Biologics announces the drawdown of the first EUR 8 million tranche under its credit agreement with the European Investment Bank

- Proceeds intended to support the development of GenSight Biologics' product portfolio, including the preparation of the LUMEVOQ[®] European launch expected by the end of 2023

Paris, France, Monday February 6, 2023, 5:45 pm CET – GenSight Biologics (Euronext: SIGHT, ISIN: FR0013183985, PEA-PME eligible) (the "**Company**"), a biopharma Company focused on developing and commercializing innovative gene therapies for retinal neurodegenerative diseases and central nervous system disorders, announced today that it has received the payment of EUR 8 million under the first tranche (the "**Tranche A**") of the unsecured credit facility executed with the European Investment Bank (the "**EIB**") on November 3, 2022 maturing in November 2027 (the "**Credit Facility**").

"Thanks to this first EUR 8 million tranche of the EIB facility, and the EUR 12 million of Heights Capital's convertible notes announced last December, we have been able to extend our cash runway to May 2023, while minimizing dilution for our shareholders, despite particularly challenging market conditions in 2022," said **Thomas Gidoïn**, Chief Financial Officer of GenSight. *"With the EIB Tranche B expected in Q2 2023, our cash runway would be extended from May 2023 to early 2024. We are now focusing our resources on the commercial launch of LUMEVOQ in Europe expected by the end of the year."*

The Credit Facility provides funding in three tranches of EUR 8 million, EUR 12 million and EUR 15 million, each subject to the fulfillment of certain conditions precedent. All drawdowns under the terms of the Credit Facility that have not been completed within 5 years from the date of signature of the Credit Facility, i.e. November 3, 2027, may not be completed at a later date. No guarantee can be given as to the satisfaction by the Company of the conditions precedent and the completion of the second and third tranches.

The disbursement of Tranche A (with fixed annual interest of 2% and capitalized interest of 5%) was subject to, among other conditions:

- the conclusion of an agreement to offer warrants (the "**Warrants**") with the EIB on December 22, 2022, and the issuance of the Warrants for Tranche A on January 25, 2023 (as detailed below),
- the full repayment of the remaining financing with Kreos (condition met),
- the successful production of a pilot batch of LUMEVOQ[®] (condition met on [September 19, 2022](#)),
- the decision by the Company to launch the validation batch production campaign ("**PPQ**") (condition met), and
- a cash injection of EUR 10 million in cash, in the form of convertible bond equity (to the extent that repayment is subordinated to the EIB debt under the terms of a subordination agreement to be entered into) or licensing revenues, a condition fulfilled by the raising of EUR 10.8 million by the Company through the issuance of bonds convertible into new shares fully subscribed by Heights Capital on [December 23, 2022](#).

The disbursement of EUR 12 million Tranche B is subject to, among other things:

- the full drawdown of Tranche A (condition met),

- the issue of the warrants relating to Tranche B,
- the successful manufacturing campaign of several PPQ batches of LUMEVOQ[®], and
- the submission of responses to the Day 120 List of Questions to the European Medicines Agency (EMA) (condition satisfied in [October 2022](#)).

On January 25, 2023, the Company issued 1,141,096 Warrants to the EIB, in accordance with the terms of the 24th resolution of the shareholders' meeting held on May 25, 2022 and Article L. 225-138 of the French Commercial Code, as a condition for the financing of Tranche A, representing 2.46% of the Company's current share capital.

The exercise price of the Warrants is equal to EUR 3.4533 and corresponds to 95% of the volume-weighted average price of the Company's ordinary shares over the last five trading days preceding the decision of the competent body of the Company to issue the Warrants.

As previously announced, the Warrants have a maturity of 20 years and will be exercisable only upon the occurrence of certain events (such as upon a change of control or in the event of compulsory redemption of one or more tranches or voluntary redemption of an outstanding amount in respect of a single tranche exceeding 75% of the disbursed amount of such tranche), thus avoiding dilution for existing shareholders in the short term. The Warrants will automatically lapse if not exercised after 20 years.

The EIB also has a call option, as soon as the Warrants become exercisable, to require the Company to repurchase all or part of the exercisable but unexercised Warrants at their face value (up to a limit equal to the amount drawn under the facility). In addition, the Company has a call option on all outstanding Warrants in certain limited circumstances.

Upon exercise of all the Warrants, 1,141,096 new shares of the Company may be issued at a price of EUR 3.4533 per new share, the Company could potentially receive gross proceeds amounting to EUR 3,940,546. There is no guarantee that the EIB will exercise all or part of the Warrants or that the Company will receive any proceeds from the exercise of the Warrants.

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About GenSight Biologics

GenSight Biologics S.A. is a clinical-stage biopharma company focused on developing and commercializing innovative gene therapies for retinal neurodegenerative diseases and central nervous system disorders. GenSight Biologics' pipeline leverages two core technology platforms, the Mitochondrial Targeting Sequence (MTS) and optogenetics, to help preserve or restore vision in patients suffering from blinding retinal diseases. GenSight Biologics' lead product candidate, LUMEVOQ[®] (GS010; lenadogene nolparvovec), is an investigational compound and has not been registered in any country at this stage; a marketing authorization application is currently under review by the EMA for the treatment of Leber Hereditary Optic Neuropathy (LHON), a rare mitochondrial disease affecting primarily teens and young adults that leads to irreversible blindness. Using its gene therapy-based approach,



GenSight Biologics' product candidates are designed to be administered in a single treatment to each eye by intravitreal injection to offer patients a sustainable functional visual recovery.

About the European Investment Bank (EIB)

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.