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### **MEDICREA® raises €8.5 million through a private placement**

**Lyon and New York, January 24th 2020** — MEDICREA® (Euronext Growth Paris : FR0004178572 – ALMED, PEA-PME eligible and OTCQX : MRNTF), pioneering the transformation of spinal surgery through Artificial Intelligence, predictive modeling and patient specific implants with its UNiD™ ASI (Adaptive Spine Intelligence) proprietary software platform, services and technologies announces a capital increase of €8.5 million through a private placement.

This fund raising covers a total of 2,421,653 ordinary shares with nominal value of 0.16 euro, issued at a unit price of €3.51 (including issue premium), representing an amount of €8,500,002,03.

This fund raising is mainly intended to meet the Company's financing needs in connection with the discussions it is currently conducting with leading US players in the spine industry with a view to concluding strategic agreements. The proceeds of the raise, combined with available cash at the date of the transaction, should provide the Company with the necessary resources to finance its operations in 2020.

#### **KEY FEATURES OF THE CAPITAL INCREASE**

##### **Subscription Price**

The shares have been subscribed at a price of €3.51, for a reference share price calculated on the basis of the volume-weighted average share price over the last 10 trading days preceding the setting of the subscription price on January 23, 2020 and without any discount.

Settlement and delivery of the shares should take place (subject to customary market conditions) on January 28th, 2020.

##### **Number of securities issued and resulting dilution**

The transaction involves 2,421,653 new ordinary shares issued, resulting in a dilution of approximately 12.5%. Based on existing capital of 16,915,847 shares prior to the transaction, the capital increase raises the total number of ordinary shares to 19,337,500 shares.

The new shares are tradable on the Euronext Growth market as from January 28<sup>th</sup>, 2020. They will be listed on the same listing line as the existing shares (ISIN: FR0004178572) as soon as they are admitted for trading.

The shares represent 14.31 % of the Company's share capital as of today (pre-issue).

For illustrative purposes, the interest of a shareholder holding 1.00% of the share capital of the Company prior to the transaction is brought to 0.875% after the transaction.

##### **Main investor**

Stonepine Capital, L.P., and SSF Life Science Fund, US institutional investors have subscribed in total for approximately one third of the 2,421,653 shares issued.

##### **Information on total dilution after exercise of all of the outstanding financial instruments**

The dilution subject to the exercise or conversion of outstanding securities giving access to the capital is analysed as follows:

	Before the January 2020 placement	Fund raising January 2020	Exercise of the December 2017 warrants	Exercise of the July 2018 warrants	Exercise of the November 2018 warrants	Free share grants December 2018	Stocks Options exercise	After the January 2020 placement subject to conversion of all of the instruments
Number of ordinary shares	16,915,847	2,421,653	1,168,170	563,968	1,000,000	90,000	1,350,000	23,509,638
Exercise / conversion price	-	3.51 €	3.15 €	3 €	2.15 €	-	3.27 € *	-
Possible cumulative dilution	-	12.52 %	17.51 %	19.71 %	23.35 %	23.66 %	28.05 %	28.05 %

\*average stock-options exercise price

To the Company's knowledge, the distribution of the Company's shareholders holding more than 5% of the share capital on a non-diluted basis before and after the capital increase is as follows:

Shareholders holding at least 5,00% of the share capital of the Company before the capital increase	Shares before the completion of the capital increase (non-diluted basis)		Shares after the completion of the capital increase (non-diluted basis)	
	Number of shares	% of capital	Number of shares	% of capital
Orchard international	1,727,490	10.21%	1,727,490	8.93 %
Stonepine Capital	1,683,470	9.95%	2,118,432	10.96 %
SSF Life Science Fund	1,545,418	9.14 %	1,980,380	10.24 %
Amiral Gestion	997,321	5.90 %	1,176,710	6.08 %
<b>Total</b>	<b>5,877,608</b>	<b>35.20 %</b>	<b>7,003,012</b>	<b>36.21 %</b>

### Type of transaction and type of offering

This fund raising is made by a capital increase through the issuance of ordinary shares with cancellation of preferential subscription rights, within an offer exclusively addressing restricted investors acting on their own behalf or qualified investors in accordance with Article L, 225-136-3 of the Commercial Code and paragraph 1° of Article L.411-2 of the monetary and financial Code.

None of the current officers of the Company are among the subscribers.

### Legal framework

Using the authorization granted by the ordinary and extraordinary General Meetings of May 17, 2018, pursuant to its 12th resolution, the Board of Directors decided on January 22<sup>th</sup> 2020 to issue 2,421,653 shares in the context of an offer exclusively addressing restricted investors as defined in the 12th resolution of the said meeting in accordance with the provisions of Article L.225-136-3 of the French Commercial Code and paragraph 1° of Article L.411-2 of the monetary and financial Code,

As a reminder, in conformity with Article 211-3 of the French Stock Exchange Code, it should be noted that the Company's shares offer as part of this capital increase did not give rise to, nor will it give rise to, the establishment of a prospectus subject to approval by the " *Autorité des Marchés Financiers* " (AMF).

## Risk factors

The Company draws the public's attention to the risk factors related to the Company and its activities described in the registration document ("*document de reference*") filed with the AMF under number R.19- 024 on June 26, 2019 and in its 2019 half year financial report, which are available free of charge on the Company ([www.medicrea.com](http://www.medicrea.com)) and/or AMF ([www.amf-france.org](http://www.amf-france.org)) websites.

The Company also draws attention to the main specific risks associated with the securities to be issued:

- Dilution: shareholders who have not subscribed to this capital increase will see their stake in the Company's share capital diluted, In the event of a new equity raise, this would result in additional dilution for the shareholders;
- Liquidity: market price and liquidity of the Company's shares could fluctuate significantly;
- And
- Risks related to the transaction: the Company may require additional financing

## Placement Agent

Mainfirst, A Stifel Company, is acting as lead manager and bookrunner for the transaction, Euroland Corporate acted as advisor to the Company.

**Next publication:** 2020 First Quarter sales: April 7, 2020 after market

## About MEDICREA® ([www.medicrea.com](http://www.medicrea.com))

Through the lens of predictive medicine, MEDICREA® leverages its proprietary software analysis tools with big data and machine learning technologies supported by an expansive collection of clinical and scientific data, The Company is well-placed to streamline the efficiency of spinal care, reduce procedural complications and limit time spent in the operating room.

Operating in a \$10 billion marketplace, MEDICREA® is a Small and Medium sized Enterprise (SME) with 180 employees worldwide, which includes 40 who are based in the U,S, The Company has an ultra-modern manufacturing facility in Lyon, France housing the development and production of 3D- printed titanium patient-specific implants.

## Warning

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