

## SpineGuard secures €2.4M equity line with Nice & Green

- Provides over 12 months run way
- Secured and flexible financing with no associated warrants
- An asset in the context of the Chapter 11 & French 'Sauvegarde' plans

**PARIS and BOULDER (CO), June 26, 2020** – 18:00 CEST - **SpineGuard** (FR0011464452 – ALSGD), an innovative company that deploys its DSG® (Dynamic Surgical Guidance) sensing technology to secure and streamline the placement of bone implants, announces today that it has secured a €2.4M financing in the form of an equity line made of 120 convertible warrants (BSAR) over a period of 12 months.

This flexible financing secures the Company's cash runway in the context of both the COVID-19 pandemic and the Chapter 11 and French 'sauvegarde' plans currently being prepared.

Pierre Jérôme, Chairman, CEO and co-founder of SpineGuard, comments: « *Whereas we were on track with our objective of operational profitability, COVID-19 strongly impacted our revenue beginning in mid-March. Elective surgeries are now progressively resuming and we are about to launch our new DSG-Connect interface, however we thought it was important to secure the company's cash runway beyond 12 months. We are very pleased with this financing as it provides us with greater flexibility as we work on the plans for the Chapter 11 and French 'Sauvegarde' to be presented to the US and French Courts. I wish to thank Nice & Green for their renewed confidence.* »

### MAIN TERMS AND CONDITIONS

The financing is provided by Nice & Green, a private company that specializes in financing solutions tailored to the requirements of listed companies.

A meeting of the Board of Directors, held on May 14, 2020, acting upon the delegation granted by the General Shareholders Meeting has approved the concept of the facility, without preferential right of subscription, in favor of Nice & Green of one hundred and twenty (120) BSAR with a nominal value of twenty thousand (20,000) euros each and delegated to the CEO ('*Directeur Général*') the authority to execute each of the draws contemplated under the facility agreement.

- The BSAR will not be listed
- Conversion of the BSAR by Nice & Green is at their hand
- The number of shares resulting from the conversion of the BSAR will be determined by the lowest VWAP 10 days plus a discount of 8%.

The facility provides secured and scheduled monthly draws of € 200,000 each during a period of 12 months according to the timetable below that will be subscribed by Nice & Green.

The facility does not require the establishment of a prospectus requiring a visa by the AMF.

## MAIN CHARACTERISTICS OF THE BSAR – SHARE DISPOSALS AFTER CONVERSION OF THE BSAR

The company has entered into this BSAR facility as authorized by the Shareholders' Meeting of May 14, 2020 in its 11<sup>th</sup> and 12<sup>th</sup> resolutions.

**Nominal value of the BSAR:** € 20,000 each at 100% of the par value.

### Identification – Timetable for the issuance of the BSAR:

The BSAR are numbered from 1 to 120 and shall be issued and subscribed by Nice & Green in several monthly tranches of 200,000 euros each according to the following timetable:

DATE	BSAR #
1 July 2020	1 à 10
31 July 2020	11 à 20
31 Aug. 2020	21 à 30
29 Sep. 2020	31 à 40
28 Oct. 2020	41 à 50
27 Nov. 2020	51 à 60
30 Dec. 2020	61 à 70
1 Feb 2021	71 à 80
2 March 2021	81 à 90
31 March 2021	91 à 100
3 May 2021	101 à 110
3 June 2021	111 à 120

- The BSAR are non-transferable, except to companies controlled by Nice & Green.
- Cases of default: The agreement includes standard provisions for cases of defaults under similar contracts that allow the solicitation of an anticipated reimbursement or a stop of the BSAR issuances and subscriptions and/or to suspend or refuse to subscribe the OCAPI not yet issued.
- SpineGuard has a unilateral right of revocation to repay the outstanding BSAR at any time.

### **Subscription and exercise of the BSAR**

The subscription price of each BSAR is of eighteen thousand (18,000) euros and shall be paid by Nice & Green to SpineGuard on the subscription date.

Except in the case of suspension per the terms and condition of the agreement, each BSA shall be converted within 45 days after the subscription date at Nice & Green discretion.

The exercise price of each BSAR is of two thousand (2,000) euros and shall be paid by Nice & Green to SpineGuard on each exercise date.

**Conversion of the BSAR:** BSAR can be converted into SpineGuard shares upon their holder request, at any time, according the following conversion formula:

$$N = (PS + PEx) / PE$$

« N »: the number of new ordinary shares of to be issued under one BSAR conversion

« PS »: the subscription price

« PEx »: the exercise price

« PE »: the emission price

Example for the 10 BSAR to be converted

Average Weighted Stock Price for the period: €0.30 x 0.92 = €0.2760

# of shares to be issued: (180,000 + 20,000) / €0.2760 = 724,638 shares

The new shares issued upon the conversion of the BSAR shall be immediately eligible for dividends, bear the same right of all others existing ordinary shares and will trade on Euronext Growth under Code ISIN FR0011464452 - ALSGD.

The number of shares issued pursuant the BSAR conversions will be communicated by the Company on its web site under the category of regulated information relative to the existing number of shares and their associated voting rights. Should the case of significant conversion of BSAR occur, thus with a potential impact on the stock price, the Company will proceed to an ad-hoc communication in respect.

Nice & Green policy is not to be part of the governance of the companies in which it has invested. Therefore, it will not require any seat at SpineGuard's Board of Directors.

Nice & Green does not act as a financial intermediary and invests its own equity resources. Therefore, while Nice & Green has no constraints for a fast sell of the converted shares, it has no intention of remaining a long term shareholder.

### THEORETICAL EFFECT OF THE ISSUANCE OF THE BSAR

The theoretical effect of the issue of the BSAR for a total nominal amount of € 2,400,000 would be as follows:

- Effect of the issue on the equity per share: base is the net equity per the financial statements as of 31 May 2020 and of the total issued shares on the effective date of the financing i.e. 17,707,245 shares:

Equity per share (in euros)	Base non diluted	Base diluted (1)	Number of shares
Before the issue of the BSAR	(€0.03)	(€0.03)	17,707,245
After the issue of 120 BSAR	(€0.02)	(€0.02)	26,402,897

(1) Calculations are made on the assumption that all warrants, stock-options and free shares are exercised prior to the issue of the OCAPI.

- Incidence of the issue on a 1% stake of a shareholder:

Equity per share (%)	Base non diluted	Base diluted (1)	Number of shares
Before the issue of the BSAR	1.00%	0.87%	17,707,245
After the issue of 120 BSAR	0.67%	0.61%	26,402,897

The calculation of the number of new issued shares and its subsequent dilution for the shareholders has been made on the base of an exercise price of €0.2760 per share resulting in a total of 8,695,652 newly created shares for the 120 BSAR

## About SpineGuard®

Founded in 2009 in France and the USA by Pierre Jérôme and Stéphane Bette, SpineGuard is an innovative company deploying its proprietary radiation-free real time sensing technology DSG® (Dynamic Surgical Guidance) to secure and streamline the placement of implants in the skeleton. SpineGuard designs, develops and markets medical devices that have been used in over 75,000 surgical procedures worldwide. Fifteen studies published in peer-reviewed scientific journals have demonstrated the multiple benefits DSG® offers to patients, surgeons, surgical staff and hospitals. Building on these solid fundamentals and several strategic partnerships, SpineGuard has expanded its technology platform in a disruptive innovation: the « smart » pedicle screw launched late 2017 and is broadening the scope of applications in dental implantology and surgical robotics. DSG® was co-invented by Maurice Bourlion, Ph.D., Ciaran Bolger, M.D., Ph.D., and Alain Vanquaethem, Biomedical Engineer.

For further information, visit [www.spineguard.com](http://www.spineguard.com)

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