Press release **Ecully, May 25, 2023 – 8 a.m.**

Strengthening of the cash position in support of the Group's developments

"Without compromising on its values, purpose or strategy, the Spineway Group has achieved a genuine transformation of its organization and product offering, which is starting to pay off. Our aim of becoming a benchmark in less invasive spine surgery more than ever requires a strengthening of our range of premium products and services. To that end, we must maintain a policy of sustained investment in R&D and sales development. New financing will be required to support that investment and secure our cash position. However, future developments and the growth of our sales, both in France and internationally, allow us to anticipate a return to profitability in the medium term."

Stéphane Le Roux, Spineway CEO

Spineway, a specialist in innovative implants for the treatment of severe disorders of the spinal column, has been on a new growth trajectory for more than a year, driven by the acquisitions of Distimp in June 2021 and Spine Innovations in July 2022. These acquisitions have enabled it to extend its geographical footprint, to offer two operating techniques – fusion and non-fusion – and to stimulate product innovation.

The Group's revenue accordingly rose from €4.3 million in 2021 to €7.4 million in 2022 (+73%), and growth has continued since the start of this year, with a 79% increase in the first quarter of 2023 (€2.4 million).

Receipt of a €1.5 million Participative Stimulus Loan (PPR) for innovative companies

In support of its innovation strategy and R&D investments, the Group recently obtained an 8-year €1.5 million Participative Stimulus Loan (*Prêt Participatif Relance* – PPR) thanks to its status as an innovative company. This significant cash inflow is a first step to cover ongoing developments.

However, to support the growth strategy and meet the increased regulatory and clinical expenses related to the new Medical Device Regulation (MDR), the group is seeking to secure its cash position through additional funding.

Conclusion of a financing agreement in the form of bonds convertible into shares in the amount of €10,990,000

Spineway has accordingly implemented financing through bonds convertible into shares (the "**OCA**") in the amount of €10,990,000. Aware that this type of financing is detrimental to the stock market valuation, the Group has sought to limit dilution as much as possible. As such, no warrants shall be attached to the bonds issued. This financing will allow Spineway to secure its development during this period, with the aim of significantly increasing its profitability within three years on a stronger business scope.

Details of the financing are appended to this press release and will also be available on the Company's website.

At the end of this period, Spineway should be in a sound and predictable financial position, allowing it to access classic financing.

Disclaimer:

Spineway arranged this financing in the form of bonds convertible into shares (the "**OCA**") with Negma Group Investment Ltd ("**Negma**"), which, after receiving the shares resulting from the conversion or exercise of these instruments, will not remain a shareholder of the Company.

The shares resulting from the conversion or exercise of the aforementioned securities could be sold on the market within very short timeframes, which could create strong downward pressure on the share price.

Shareholders could suffer a loss of their invested capital due to a significant fall in the value of the Company's shares, as well as significant dilution due to the large number of securities issued to Negma.

Investors are advised to exercise particular caution before deciding to invest in Spineway securities.

The Company notes that this is not the first time it has implemented dilutive financing.

In particular, investors should be aware of the risks associated with this type of transaction, as mentioned in this press release.

***Next event**: July 11, 2023 – H1 2023 revenue*

SPINEWAY IS ELIGIBLE FOR PEA-SME (EQUITY SAVINGS PLANS FOR SMES)

Find out all about Spineway at www.spineway.com

This press release has been prepared in both English and French. In case of discrepancies, the French version shall prevail.

Spineway designs, manufactures and markets innovative implants and surgical instruments for treating severe disorders of the spinal column.
Spineway has an international network of over 50 independent distributors and 90% of its revenue comes from exports.
Spineway, which is eligible for investment through FCPIs (French unit trusts specializing in innovation), has received the OSEO Excellence award since 2011 and has won the Deloitte Fast 50 award (2011). Rhône Alpes INPI Patent Innovation award (2013) – INPI Talent award (2015).
ISIN: FR001400BVK2 - ALSPW

Contacts:

Shareholder-services line
Available Tuesday through Thursday
+33 (0)806 706 060

ALSPW

Investor relations
Investor relations
spineway@aelium.fr

APPENDIX

MAIN CHARACTERISTICS OF THE OCAS

Legal framework of the transaction

On May 24, 2023, the Company entered into an issuance and subscription agreement (the "**Issuance Agreement**") for bonds convertible into shares ("**OCA**") in a maximum total nominal amount of ten million nine hundred ninety thousand euros (€10,990,000) reserved for the Investor (the "**Transaction**").

The Combined General Meeting of Shareholders held on April 4, 2023, in its eighth resolution, delegated to the Board of Directors its authority to increase the share capital by issuing ordinary shares and securities giving access to the capital, reserved for categories of persons meeting specified characteristics. The Company's Board of Directors has decided to set up a financing line with Negma Group Investment Ltd, an investment company specializing in the provision of flexible debt or equity-linked financing to SMEs (the "**Investor**").

At its meeting of May 24, 2023, the Board of Directors, acting in accordance with the aforementioned delegation, authorized the implementation of equity line financing and:

(i) authorized the Chief Executive Officer to finalize and sign the documentation and to draw down the first tranche; and

(ii) delegated to the Chief Executive Officer the power to draw down each subsequent tranche during the term of the Issuance Agreement without the need to seek prior approval from the Board of Directors.

Concurrently with the signing of the Issuance Agreement, the Chairman of the Board of Directors issued the first financing tranche of five hundred thousand euros (€500,000), consisting of 200 OCAs, subscribed for in full by the Investor.

Each OCA will have a nominal value of two thousand five hundred euros (€2,500).

Each subsequent tranche of OCAs will represent a total nominal amount of two hundred fifty thousand euros (€250,000), which may exceptionally be increased to five hundred fifty thousand euros (€550,000) if certain conditions set out in the Issuance Agreement are met and depending on the volume of shares traded.

The Investor's objective is to allow the Company to raise funds on a step-by-step basis. It does not intend to keep the shares and remain a shareholder of the Company on a long-term basis, but rather to sell them gradually on the market.

It is stipulated that this Transaction will not give rise to the preparation of a prospectus subject to the approval of the Autorité des Marchés Financiers.

The Company will post an up-to-date table summarizing the OCAs and the number of shares outstanding on its website.

MAIN CHARACTERISTICS OF THE OCAS:

Holders of OCAs have the right to convert, on the trading day of their choice, all or part of their OCAs by submitting a conversion notice to the Company.

Tranches	Each tranche of OCAs will represent a total nominal amount of bonds ranging from two hundred fifty thousand euros (€250,000), which may exceptionally be increased to five hundred fifty thousand euros (€550,000) if certain conditions set out in the Issuance Agreement are met and depending on the volume of shares traded, in a maximum total amount of ten million nine hundred ninety thousand euros (€10,990,000), for which the Investor will subscribe at the request of the Company at the end of a sixty-six (66) trading day interim period between each drawdown, subject to certain conditions set out in the Issuance Agreement (in particular the absence of an event of default, material adverse change or change of control of the Company, listing of Company shares, etc.). Consequently, the total number of Tranches is unknown as of the date of signature of this Issuance Agreement. It is stipulated that the first tranche of five hundred thousand euros (€500,000) was issued on the date of signature of the Issuance Agreement, i.e. May 24, 2023.
Minimum Commitment Period	During each period of four (4) months from the date of signature of the Issuance Agreement, the Investor undertakes to subscribe, each time after acceptance by the Issuer, for one or more tranches in a maximum total amount of two million euros (€2,000,000). It is stipulated that the first period runs from the date of signature of the Issuance Agreement and will end on September 24, 2023. As long as the minimum commitment of two million one hundred ninety-seven thousand five hundred euros (€2,197,500) has not been reached, the Investor may, at any time during the relevant minimum commitment period, submit a request to subscribe for a new Tranche to the Issuer, which will be free to refuse or accept in writing, in accordance with the terms set out in the Issuance Agreement.
Form of the OCAs	Registered form
Nominal value of the OCAs	€2,500
Subscription price of the OCAs	The subscription price of the OCAs will be 91% of their nominal value, i.e. two thousand two hundred seventy-five euros (€2,275) for each OCA.
Maturity	Twelve months from the date of issue
Interest rate	0%
Listing of the OCAs	The OCAs will not be listed

Transfer	The OCAs may not be assigned or transferred without the prior consent of the Company, except to affiliates of the Investor.
Redemption at maturity	If the OCAs have not been converted into shares or redeemed by their maturity date, the OCA holder will be required to request their conversion into shares.
Event of default	The events of default provided for in the Issuance Agreement are the usual events of default for transactions of this type, including failure by the Company to comply with its undertakings under the Issuance Agreement, delisting or withdrawal of the Company's shares, refusal of the statutory auditors to certify the Company's financial statements, default in respect of another significant debt of the Company, material adverse change or change of control, etc.
Conversion of the OCAs	The OCAs may be converted into new ordinary shares at the request of the holder at any time after their issue and until their maturity date, in accordance with the conversion ratio determined by dividing the nominal amount of the converted OCAs by the conversion price. The conversion ratio and the number of shares to be issued may be calculated by applying the following formula: N = Vn / P Where "**N**" is the number of shares issued or delivered by the Issuer to the relevant OCA holder upon conversion of one or more OCAs; "**Vn**" is the total nominal value of the OCAs to be converted; "**P**" is 95% of the lowest daily volume-weighted average price of the Company's shares for a period of fifteen (15) trading days immediately preceding the conversion date of the OCAs (the "**Conversion Price**"). It is stipulated that the Conversion Price may not be less than (i) the nominal value of the share, or (ii) the minimum issue price per share provided for in the first resolution of the Extraordinary General Meeting of Shareholders held on April 4, 2023, i.e. 80% of the volume-weighted average of the Company's share price over the thirty (30) trading days preceding the conversion date of the OCAs. In the event that P is less than the nominal value of the share, the Company has undertaken contractually to compensate the Investor for the loss resulting from the conversion of the OCAs of the said tranche at the nominal value of the share, whereas their theoretical conversion price calculated on the basis of the stock market price would be less than the nominal value of the share (the "**Compensation**"). Payment of the Compensation will be made: (i) in cash or in kind, at the Company's discretion by issuing new OCAs subscribed for by the Investor by way of set-off against a claim that is certain, liquid and due; and

(ii) at the earlier of the two dates between:

- every twenty-fifth (25th) of the month following the date of the
  notification of conversion of the relevant OCA; and

- the issue of the next tranche of OCAs.

OTHER CHARACTERISTICS:

New shares	The new shares of the Company issued upon conversion of one or more OCAs will be subject to all provisions of the Bylaws, as well as to the decisions of the General Meetings of Shareholders of the Company. New shares will be admitted to trading on Euronext Growth Paris from the date of their issue, will immediately carry dividend rights and will be fully assimilated and fungible with the existing shares of the Company.
Duration/Termination	The Issuance Agreement is concluded for a period of twenty-four (24) months. The Issuance Agreement may be terminated in the event of an Event of Default.
Commitment Fee	EUR 450,000, in the form of the issuance of 180 OCAs subscribed for on the date of signature of the agreement by Negma by offsetting debts, it being stipulated that Negma has undertaken to limit the conversion of these OCAs as follows: - up to 22 OCAs from the expiry of a period of 1 month after the date of signature; - up to 44 OCAs from the expiry of a period of 2 months after the date of signature; - up to 66 OCAs from the expiry of a period of 3 months after the date of signature; - up to 90 OCAs from the expiry of a period of 4 months after the date of signature; it being stipulated that, in any event, Negma Group may convert up to 90 OCAs once the Company has carried out one or more drawdowns in a total amount of €2,000,000; - up to 180 OCAs from December 29, 2023.

Theoretical impact:

Theoretical impact on a shareholder's interest based on the share price:

Dilutive impact of the exercise of instruments giving entitlement to a share of the share capital	Number of shares issued per period	Shares resulting from conversions by period	Total number of shares	Shareholder's interest (%)	
				Undiluted basis	Diluted basis*
Before issue			**3,642,198**	**1.00%**	**0.98%**
After the issue of new shares resulting from the conversion of €2,198k during the first subscription period ending on September 24, 2023	**879**	**2,616,666**	**6,258,864**	**0.58%**	**0.57%**
After the issue of new shares resulting from the conversion of €2,198k and 50% of the commitment fee, i.e. €225k during the first subscription period ending on September 24, 2023	969	2,884,523	6,526,721	0.56%	0.55%
After the issue of new shares resulting from the conversion of €2,198k during the second subscription period ending on January 24, 2024	**879**	**2,616,666**	**8,875,530**	**0.41%**	**0.41%**
After the issue of new shares resulting from the conversion of €2,198k and the balance of the commitment fee, i.e. €225k during the second subscription period ending on January 24, 2024	969	2,884,523	9,411,244	0.39%	0.38%
After the issue of new shares resulting from the conversion of €2,198k during the third subscription period ending on May 24, 2024	**879**	**2,616,666**	**11,492,196**	**0.32%**	**0.31%**
After the issue of new shares resulting from the conversion of €2,198k during the third subscription period ending on May 24, 2024 and impact of the commitment fee converted during the two first periods, i.e.€450k	879	2,616,666	12,027,910	0.30%	0.30%
After the issue of new shares resulting from the conversion of €2,198k during the fourth subscription period ending on September 24, 2024	**879**	**2,616,666**	**14,108,862**	**0.26%**	**0.26%**
After the issue of new shares resulting from the conversion of €2,198k during the fourth subscription period ending on September 24, 2024 and impact of the commitment fee converted during the two first periods, i.e. €450k	879	2,616,666	14,644,576	0.25%	0.25%
After the issue of new shares resulting from the conversion of €2,198k during the fifth subscription period ending on January 24, 2025	**879**	**2,616,666**	**16,725,528**	**0.22%**	**0.22%**
After the issue of new shares resulting from the conversion of €2,198k during the fifth subscription period ending on January 24, 2025 and impact of the commitment fee converted during the two first periods, i.e. €450k	879	2,616,666	17,261,242	0.21%	0.21%

As this agreement does not include any warrants, the only additional potential dilutive instruments are the warrants issued under the previous OCABSA financing agreements, representing 82,398 additional potential shares

The dilution assumptions are based on the volume-weighted average price (VWAP) applicable on the date of signature of the contract, i.e. the smallest VWAP over a period of fifteen (15) trading days immediately preceding May 24, 2023.

Theoretical impact on a shareholder's interest based on the current nominal value:

Please note: the impact set out in the table below is purely theoretical as the current par value is €0.05, or one-eighteenth of the current share price.

Dilutive impact of the exercise of instruments giving entitlement to a share of the share capital	Number of shares issued per period	Shares resulting from conversions by period	Total number of shares	Shareholder's interest (%)	
				Undiluted basis	Diluted basis*
Before issue			**3,642,198**	**1.00%**	**0.98%**
After the issue of new shares resulting from the conversion of €2,198k during the first subscription period ending on September 24, 2023	**879**	**43,960,000**	**47,602,198**	**0.08%**	**0.08%**
After the issue of new shares resulting from the conversion of €2,198k and 50% of the commitment fee, i.e. €225k during the first subscription period ending on September 24, 2023	969	48,460,000	52,102,198	0.07%	0.07%
After the issue of new shares resulting from the conversion of €2,198k during the second subscription period ending on January 24, 2024	**879**	**43,960,000**	**91,562,198**	**0.04%**	**0.04%**
After the issue of new shares resulting from the conversion of €2,198k and the balance of the commitment fee, i.e. €225k during the second subscription period ending on January 24, 2024	969	48,460,000	100,562,198	0.04%	0.04%
After the issue of new shares resulting from the conversion of €2,198k during the third subscription period ending on May 24, 2024	**879**	**43,960,000**	**135,522,198**	**0.03%**	**0.03%**
After the issue of new shares resulting from the conversion of €2,198k during the third subscription period ending on May 24, 2024 and impact of the commitment fee converted during the two first periods, i.e.€450k	879	43,960,000	144,522,198	0.03%	0.03%
After the issue of new shares resulting from the conversion of €2,198k during the fourth subscription period ending on September 24, 2024	**879**	**43,960,000**	**179,482,198**	**0.02%**	**0.02%**
After the issue of new shares resulting from the conversion of €2,198k during the fourth subscription period ending on September 24, 2024 and impact of the commitment fee converted during the two first periods, i.e. €450k	879	43,960,000	188,482,198	0.02%	0.02%
After the issue of new shares resulting from the conversion of €2,198k during the fifth subscription period ending on January 24, 2025	**879**	**43,960,000**	**223,442,198**	**0.02%**	**0.02%**
After the issue of new shares resulting from the conversion of €2,198k during the fifth subscription period ending on January 24, 2025 and impact of the commitment fee converted during the two first periods, i.e. €450k	879	43,960,000	232,442,198	0.02%	0.02%

As this agreement does not include any warrants, the only additional potential dilutive instruments are the warrants issued under the previous OCABSA financing agreements, representing 82,398 additional potential shares

The main risks associated with the Transaction are as follows:

(i) The Transaction could have a more or less significant dilutive effect depending on the extent to which the financing is drawn down, as the Investor converts the OCAs. The potential impact of the Transaction on shareholders' investments and their share of equity is described above.

(ii) The Transaction could have an impact on the degree of volatility and liquidity of the Company's shares, which could vary significantly.

(iii) The Transaction could have an impact on the share price when shares resulting from the conversion of OCAs by the Investor are sold on the market.

(iv) In the event that all tranches are not issued, the Company may need to seek additional financing. The total amount of the OCA issue is not guaranteed and will depend notably on market conditions and the authorization given by the General Meeting, if any.