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SMAIO announces a €2.5 million fundraising, consisting of a €1.5 million capital increase and a €1 million convertible bond issue

Dallas (United States) and Lyon (France), April 15, 2025 – 5:45 pm CEST – SMAIO (Software, Machines and Adaptative Implants in Orthopaedics – Euronext Growth Paris, ISIN: FR0014005180 / Ticker: ALSMA), a French-American player specialized in complex spine surgery with a global offer comprising software, adaptative implants and related services (the "Company"), announces the launch of a fundraising operation totaling €2.5 million (the "Transaction") fully subscribed by NextStage AM (the "Investor"), comprising a capital increase with cancellation of preferential subscription rights for an amount of €1.5 million (the "Capital Increase"), and an issue of bonds convertible into shares for an amount of €1 million (the "Convertible Bonds Issue").

Main features of the Transaction

The Transaction, for a total amount of €2.5 million, is structured in two distinct but concomitant components:

i. A Capital Increase

SMAIO will carry out a capital increase with cancellation of shareholders' preferential subscription rights for a total amount of around **€1.5 million**, with the following main characteristics:

- Number of new ordinary shares issued (the "**New Shares resulting from the Capital Increase**"): 416,666
- Issue price of the New Shares (the "**Subscription Price**"): €3.60 per share (€0.19 par value and €3.41 issue premium per New Share), representing a premium of +0.6% over the closing price of SMAIO shares on April 14, 2025, i.e. €3.58, and a premium of 3.4% over the average of the volume-weighted average prices of SMAIO shares over the 5 trading days preceding the pricing of the issue (i.e. the trading days of 7, 8, 9, 10 and 11 April 2025), i.e. €3.48.
- Listing of the New Shares: Euronext Growth Paris, on the same line as the existing shares (ISIN code FR0014005180).

ii. A Convertible Bonds Issue

SMAIO will issue bonds convertible into ordinary shares for a total amount of **€1 million**, with the following main characteristics:

- Face value of the bonds convertible into ordinary shares (the "**Convertible Bonds**"): €1.00
- Conversion ratio: €4.50 for one New Share, i.e. a total number of 222,222 potential new shares (the "**New Shares resulting from the Convertible Bonds Issue**" and, together with the "**New Shares resulting from the Capital Increase**", the "**New Shares**")
- Annual interest rate: 6%, payable quarterly
- Annual non-conversion premium: 6% non-capitalized (calculated *pro rata temporis* for any incomplete year), paid in the event of redemption of the Convertible Bonds.
- Vesting date of the New Shares resulting from conversion of the Convertible Bonds Issue: immediate
- Maturity of the bonds: 5 years

The Transaction will be carried out for the benefit of NextStage AM (for the funds it manages), which has been a shareholder of SMAIO since its IPO, holding 5.70% of the capital at the date of this press release.

Philippe ROUSSOULY, Chairman and CEO of SMAIO, comments: *"The transaction we are launching today reflects our determination to sustainably consolidate the growth trajectory embarked upon by SMAIO in recent months. The year 2024 and the beginning of 2025 have been marked by major advances, including the installation of the company's general and commercial management in the United States, the significant acceleration in activity driven by the dynamics of this strategic market, and the structuring of our teams and our offering.*

The funds raised will enable us to accelerate, on the one hand, the structuring of our commercial deployment in the United States, and on the other, our ongoing R&D efforts, with the progressive integration of Artificial Intelligence into our surgical planning platform.

This €2.5 million fund-raising, fully subscribed by our shareholder NextStage AM, testifies to its great confidence in SMAIO's potential to create value. I would like to warmly thank NextStage AM for their support and confidence in reinvesting in SMAIO's capital, while limiting the dilutive impact on shareholders.

With this support, we believe we are well on our way to positioning SMAIO on a profitable and sustainable growth trajectory, while offering surgeons and their patients increasingly high-performance, precise and innovative solutions."

Transaction objectives

The purpose of the transaction is to support the execution of the Company's strategic roadmap, with the funds raised being allocated alongside two strategic axes:

- **Intensified commercial deployment in the United States**, a high value-added market and the Group's largest market, representing 53% of 2024 sales, through "Sagittal Alignment Think Tanks", exchanges with opinion leaders (KOLs), training courses for surgeons at reference centers, and product registration in new centers.
- **Ongoing investment in R&D**, mainly in the development of new functionalities enabling the progressive integration of Artificial Intelligence (AI) into SMAIO's solutions, notably the future KEOPS-4ME AI modules for SMAIO's new preoperative planning platform, which aims to make spinal alignment planning both more realistic and faster.

Share capital before the operation

Prior to the Transaction, the Company's share capital comprised 5,228,651 fully subscribed and paid-up ordinary shares with a par value of €0.19 each.

Legal framework of the Transaction

At its meeting of April 14, 2025, the Company's Board of Directors decided to implement the eleventh resolution adopted by the Combined General Meeting of June 18, 2024, in accordance with the delegation of authority granted to it by the Company's shareholders to carry out the Capital Increase and the Convertible Bonds Issue.

In accordance with legal and regulatory provisions, this Transaction will not give rise to the preparation of a prospectus subject to the approval of the French stock market authority (*Autorité des marchés financiers*).

Settlement and delivery of the New Shares

In accordance with the indicative timetable below, settlement and delivery of the New Shares resulting from the Capital Increase will take place on April 29, 2025 at the latest, subject to fulfillment of the usual conditions precedent. The listing of the New Shares on Euronext Growth Paris is scheduled to take place at the same time.

The entire Transaction is thus expected to be finalized by April 28, 2025, at which time the legal instruments relating to the issue will be formally signed.

Impact of the Capital Increase and the Convertible Bonds Issue on shareholders' equity per share

Equity per share (in euros)*	
Before issue of the 638,888 New Shares	€1.89
After issue of 416,666 New Shares resulting from the Capital Increase	€2.01
After issue of 638,888 New Shares resulting from the Capital Increase and the conversion of 1,000,000 Convertible Bonds	€2.11

* These impacts, gross of expenses, have been calculated on the basis of the yet unapproved and not yet definitively audited parent company financial statements for the year ended December 31, 2024, showing shareholders' equity of €9,870,912.00, and on the basis of a number of shares making up the share capital of 5,228,651 shares.

Impact of the Capital Increase and Convertible Bonds Issue on the shareholder's situation

Shareholder's interest (%)*	
Before issue of the 638,888 New Shares	1%
After issue of 416,666 New Shares from the Capital Increase	0.93%
After issue of 638,888 New Shares resulting from the Capital Increase and the conversion of 1,000,000 Convertible Bonds	0.89%

* This impact has been calculated on the shareholding of a shareholder holding 1% of the capital prior to the Transaction and who has not subscribed to the present Transaction.

Impact of the Capital Increase and the Convertible Bonds Issue on the Company's shareholder structure

To the best of the Company's knowledge, the breakdown of shareholders (on a non-diluted basis) before and after completion of the Transaction is as follows:

Shareholders	Breakdown of capital and voting rights prior to the Transaction		Ownership structure and voting rights after the Transaction (assumption of total conversion of Convertible Bonds)	
	Number of shares	% of capital and voting rights	Number of shares	% of capital and voting rights
Sylorus Scientific SA*	2,782,031	53.21%	2,782,031	47.41%
Jean-Charles Roussouly*	907,676	17.36%	907,676	15.47%
NuVasive	813,015	15.55%	813,015	13.86%
NextStage AM	298,258	5.70%	937,146	15.97%
Floating	427,671	8.18%	427,671	7.29%
TOTAL	5,228,651	100.00%	5,867,539	100.00%

* Jean-Charles Roussouly and Sylorus Scientific SA, 80.00% owned by Philippe Roussouly, Chairman and CEO of SMAIO, are not acting in concert.

Indicative timetable for the operation

April 14, 2025	Approval of the Transaction by SMAIO's Board of Directors
April 15, 2025	Post-trade press release announcing the launch the Transaction
April 28, 2025 (at the latest)	Final contracts signed
April 29, 2025 (pre-market)	Settlement and delivery of the New Shares
April 29, 2025 (at the latest)	Issue of Convertible Bonds Listing of the New Shares resulting from the Capital Increase on Euronext Growth Paris

Risk factors

The Company points out that the risk factors relating to the Company and its business are detailed in its 2023 annual financial report, including the Board of Directors' management report dated April 15, 2024, which is available free of charge on the Company's website (www.smaio-finance.com).

The occurrence of any or all of these risks could have an adverse effect on the Company's business, financial situation, results, development or prospects. The risk factors presented in the aforementioned document remain unchanged at the date of this press release.

In addition, investors are invited to consider the following risks specific to the Transaction:

- the market price of the shares could fluctuate and fall below the subscription price of the shares issued as part of the Transaction;
- the volatility and liquidity of the Company's shares could fluctuate significantly;
- sales of the Company's shares could occur on the market and have an unfavorable impact on the Company's share price; and

the Company's shareholders could suffer potentially significant dilution as a result of any future capital increases.

About SMAIO

A precursor in the use of clinical data and imaging of the spine, SMAIO designs global solutions for spine surgery specialists. The Company has recognized expertise thanks to KEOPS, its Big Data management software that has become a global reference with more than 100,000 patient cases documented.

SMAIO offers spine surgeons a comprehensive platform, I-Kontrol, incorporating planning, implants and related services, enabling them to treat spinal pathologies in a safe, effective and lasting way.

SMAIO is positioned at the forefront of innovation with the ambition of providing surgeons with the first active robotic solution enabling a high level of performance and repeatability to be achieved.

Based in Dallas (United States) and Lyon (France), SMAIO benefits from the skill and expertise of more than 40 highly specialized staff.

For further information, please visit our website: www.smaio.com

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Forward-looking statements

Certain information contained in this press release is forward-looking and not historical. These forward-looking statements are based on current opinions, forecasts and assumptions, including, but not limited to, assumptions regarding SMAIO's current and future strategy and the environment in which SMAIO operates. They involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements, or industry results or other events, to differ materially from those described or implied by such forward-looking statements. These risks and uncertainties include those detailed in section 3 "Risk factors" of the Annual Financial Report 2023.

These forward-looking statements are made only as of the date of this press release, and SMAIO expressly disclaims any obligation or undertaking to release publicly any updates or corrections to any forward-looking statements included in this press release to reflect any change in expectations or events, conditions or circumstances on which any such forward-looking statements are based. Forward-looking information and statements are not guarantees of future performance and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond SMAIO's control. Actual results could differ materially from those described in, or suggested or projected by, the forward-looking information and statements.

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This press release is a promotional communication and does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (the "Prospectus Regulation").

With respect to member states of the European Economic Area other than France (the "Member States"), no action has been or will be taken to permit a public offering of the securities that would require the publication of a prospectus in any of the Member States. Accordingly, the securities may only be offered and will only be offered in the Member States (i) to qualified investors within the meaning of the Prospectus Regulation or (ii) in accordance with the other exemptions provided for in Article 1(4) of the Prospectus Regulation.

For the purposes of this paragraph, the notion of "public offer" in each of the Member States is defined as any communication addressed in any form and by any means whatsoever to persons and presenting sufficient information on the terms of the offer and on the securities to be offered, so as to enable an investor to decide to purchase or subscribe to such securities.

This investment restriction is in addition to any other investment restrictions applicable in member states.

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