

## **MKEA announces strategic equity investment of €7.5 Mn by J & J**

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**JJDC will invest in the share capital of the Company an amount of 7.5 million euro, in consideration for 5,357,142 new ordinary shares, corresponding to an issue price per ordinary share equal to approximately €1.40**



Mauna Kea Technologies (MKEA) inventor of Cellvizio®, the multidisciplinary probe and needle-based confocal laser endomicroscopy (p/nCLE) platform, has announced a strategic equity investment of 7.5 million euro by Johnson & Johnson Innovation – JJDC, Inc. (JJDC). Pursuant to the agreement, JJDC, the strategic venture capital arm of Johnson & Johnson, will subscribe to 5,357,142 new ordinary MKEA shares for €1.40 per share, representing a total equity value of 7.5 million euro.

“We are very proud to announce a strategic equity investment agreement with Johnson & Johnson Innovation – JJDC, Inc.,” said Robert L. Gershon, Chief Executive Officer of Mauna Kea Technologies. “This agreement represents a significant strategic inflection point for Mauna Kea Technologies, particularly in that it provides a capital infusion that will help us execute our strategic growth initiatives.”

Mr. Gershon continued: “This strategic investment will advance our collaboration with the Lung Cancer Initiative at Johnson & Johnson, which is working to develop new diagnostic and therapeutic approaches for this disease with significant unmet need. Our Cellvizio platform and AQ-Flex™ 19 Confocal Miniprobe™ (nCLE) is designed to be used through existing bronchoscopes, transbronchial needles and other bronchoscopic accessories, which makes it a viable option for use with the new emerging robotic and existing advanced navigation platforms.”

### **Transaction Summary**

JJDC will invest in the share capital of the Company an amount of 7.5 million euro, in consideration for 5,357,142 new ordinary shares, corresponding to an issue price per ordinary share equal to approximately €1.40. The new ordinary shares will be fungible with the existing shares of the Company. JJDC will own approximately 17.5% of the total ordinary shares outstanding following this transaction. JJDC will not have any board representation rights.

As part of the investment, JJDC agreed to customary lock up and stand still obligations for a period of 12 months. Pursuant to an agreement entered into as part of the investment, Mauna Kea has granted, for 24 months, to JJDC and its affiliates, a right of first refusal with respect to a transaction (other than change of control of Mauna Kea) on its pCLE (probe CLE) or nCLE

(needle CLE) variants for use in endoluminal robotic procedures for lung applications and to the application of machine learning and artificial intelligence for lung applications.

Mauna Kea has also granted, for 24 months, to JJDC and its affiliates, a right of first negotiation with respect to a transaction (other than change of control of Mauna Kea) on its pCLE (probe CLE) or nCLE (needle CLE) variants for use in endoluminal robotic procedures for GI and urology applications.

The closing of the transaction is expected to occur on December 19, 2019.