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SUCCESS OF THE NEOVACS CAPITAL INCREASE OFFERING OVERSUBSCRIBED BY 35% €7.2 MILLION RAISED AFTER FULL IMPLEMENTATION OF EXTENSION CLAUSE

Paris, March 12, 2013 – NEOVACS (Alternext Paris: ALNEV), a biotech company focused on the development of active immunotherapies to treat autoimmune and inflammatory diseases, announces the positive outcome of its capital increase, with preemptive subscription rights (“Rights”); for existing shareholders, launched on February 15, 2013.

Given the high level of demand, the Board of Directors of the Company has decided to exercise 100% of the extension clause, thus taking the total value of the offering to the maximum allowed amount of €7,205 million via the issuance of 4,003,115 new shares.

Total demand for the offering amounted to 4,725,969 shares with an approximate value of €8.5 million, a total subscription rate of 135%.

- 13,329,576 Rights were issued
- 2,962,128 shares were subscribed on a preemptive basis (“à titre irréductible”), or nearly 74% of all new shares;
- The demand for new shares in excess of Rights (“à titre réductible”) amounted to 1,763,841 new shares, including 749,995 new shares by OTC Asset Management and Truffle Capital.

“We are very pleased to announce the success of our capital increase and we would like to thank our investors especially those who have been supporting us in the long term, notably Truffle Capital and OTC AM, as well as new investors who have supported the issue, especially MW Gestion, Claresco Finance, SPGP and COGEFI. The level of participation of retail investors, even in a tough economy, is a strong signal of the trust they have put in us, and we would like to thank them too” commented Guy-Charles Fanneau de la Horie, CEO of Neovacs. *“We now have the resources we need to launch a clinical proof-of-concept study for our TNF-Kinoid, in order to bring validation to our innovative and differentiated approach in the treatment of auto-immune and inflammatory diseases”.*

Use of funds raised

The immediate goal of the rights issue is to accelerate Neovacs’ strategic development goals, by initiating in the short term a phase IIb study of TNF-Kinoid in Rheumatoid Arthritis. This decision was made taking into account the encouraging clinical results obtained to date in this indication, as well as the market opportunity for differentiated therapeutics in this disease.

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Neovacs' Board and management had decided to raise capital in order to 1) obtain rapidly proof-of-concept for the TNF-Kinoid and 2) allow all shareholders to take part in this critical phase of the Company's development.

The settlement and delivery of the new shares is expected to occur on March 15, 2013. The listing of new shares on NYSE Alternext is expected on March 18 2013. The new shares will rank pari passu in all respects with existing shares and will be traded under the same ISIN code FR0004032746.

Financial Intermediaries

Invest Securities
Corporate Finance
Advisor

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Société de Bourse
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ABOUT NEOVACS

NEOVACS is a biotechnology company focused on an active immunotherapy technology platform (Kinoids) with applications in autoimmune and inflammatory diseases. On the basis of the company's proprietary technology for inducing a polyclonal immune response (covered by six patent families that run until at least 2023), Neovacs is focusing its development efforts on two active immunotherapies: TNF-Kinoid is being developed for the treatment of TNF-mediated autoimmune diseases such as rheumatoid arthritis and Crohn's disease, whereas IFN α -Kinoid is being developed for the indication of lupus. The goal of the Kinoid approach is to enable patients to have access to safe treatments with efficacy that is sustained in these life-long diseases.

For more information on Neovacs, visit www.neovacs.fr

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