Press Release

POXEL announces its IPO on the regulated market of Euronext in Paris

- Capital increase of up to €36.4m
- Shareholder subscription commitments of up to €10m
- Indicative price range: between €6.66 and €8.14 per share

Lyon, France, January 23, 2015 – POXEL, an independent French biopharmaceutical company focused on the development of antidiabetic drugs (the "**Company**"), announces today that the French market regulator *Autorité des marchés financiers* (AMF) granted its visa n°15-030 on January 22, 2015 on the prospectus relative to the listing of POXEL shares on the regulated market of Euronext in Paris ("**Euronext Paris**").

A French biopharmaceutical company with unique strengths to develop a first in class treatment for type 2 diabetes

- **A team of former Merck-Serono executives, including leading diabetes experts**;
- **Imeglimin, a late stage drug candidate, is expected to be 1st in a new class of oral antidiabetic agents, with an innovative mechanism of action**:
  - Directly targeting the two key defects of diabetes, slowing down disease progression and complications occurrence;
  - Demonstrated a strong efficacy (in six phase 2 clinical trials) and a good safety and tolerability (on nearly 800 patients);
  - Ready to start its phase 3 trials as soon as 2015, following recent positive phase 2b results on 400 patients; and
  - Positioned for a premium partnership to perform the phase 3 trials in Europe and the United States;
- **A second drug candidate, a franchise complement with strong potential, with an innovative mechanism, ready to start phase 1 clinical trials; and**
- **A portfolio of several patents, representing a growth opportunity for the company**.

Type 2 diabetes: THE pandemic of the 21st century

A real pandemic, type 2 diabetes is a chronic and progressive disease accounting for 90% of diabetes cases and affecting today nearly 400 million people worldwide. So far, no drug therapy has effectively stopped the progression of the disease. The type 2 diabetes market is currently estimated at $26 billion and is expected to reach $49 billion in 2021.

Imeglimin, the first 2-in-1 antidiabetic drug candidate targeting diabetes progression and slowing down the complications

Imeglimin is the first diabetes drug candidate to target the two major defects of diabetes by increasing insulin secretion in response to glucose and improving its efficiency, to restore the functioning of all of the three key organs involved in diabetes progression: the pancreas, the liver and the muscles. Thanks to its unique mechanism of action, Imeglimin aims to slow down disease progression and the associated complications.

Working to sign a premium partnership for the development of Imeglimin in phase 3 and for future market approval in Europe and in the United States

Imeglimin is ready to start its final development phase (phase 3) following recent phase 2b results in the United States and in Europe. This last phase will aim at comparing Imeglimin to currently-used treatments, in monotherapy, as well as in combination with the main marketed drugs. Six phase 2 clinical trials have already demonstrated Imeglimin efficacy potential in monotherapy as well as in combination with the two leading drugs on the market today, thereby increasing Imeglimin phase 3 probability of success.

For Imeglimin phase 3 financing and further commercialization, Poxel expects to select a partner among the world leaders in diabetes treatments, with a significant sales force suitable for deployment to general practitioners. Few innovative drug candidates are as advanced as Imeglimin in the type 2 diabetes arena, which will strengthen its attractiveness as a product.

PXL770, Poxel's second antidiabetic drug candidate with a disruptive double benefit to target both hyperglycemia and lipid abnormalities

PXL770 is the first drug candidate aiming at directly activating the AMP Kinase or "enzyme of sport", to provide the same metabolic benefits as exercise. In addition to its glucose-lowering properties, PLX770 treats lipid abnormalities (cholesterol, triglycerides) present in many diabetic patients and causing frequent cardiovascular events. PXL770 has demonstrated safety and efficacy in preclinical trials and is ready to be administered to humans in the context of a phase 1 clinical trial as soon as 2015.

POXEL goes public to:

- **Leverage the Asian opportunity, the most accessible market region for rapid growth**, by progressing Imeglimin development, mainly in Japan, and turning it into a product ready for a worldwide phase 3 program;
- **Perform complementary studies on the benefits of Imeglimin with regards to its unique and original mechanism of action,** to reinforce its positioning as a first representative of a new class **of drugs**;
- **Sign a premium partnership for Imeglimin in Europe and in the United States** to drive its phase 3 development and its registration in Europe and in the United States to ensure a successful commercialization. The development of Imeglimin in Asia could be led by the partner under this agreement; and
- **Enter phase 1 for PXL770** to confirm its good safety and activity on the diabetic patient.

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Terms of the IPO

Structure of the offering

The offering of Poxel shares (the "**Offering**") will comprise:

- A public offering in France in the form of an open-price offer ("**French Public Offering**"), mainly for individuals and
- An international offering o (the "**International Offering**") for institutional investors including:
  - A private placement in France; and
  - An international private placement in certain countries (excluding notably Japan, Canada and Australia), including the United States of America pursuant to Rule 144A under the US Securities Act of 1993, as amended (the "**Securities Act**") and outside the United States of America, pursuant to *Regulation S* of the Securities Act.

The allocation of the offered shares between the French Public Offering, on the one hand, and the International Offering, on the other hand, will be determined according to the nature and amount of demand.

If the demand within the French Public Offering is sufficient, the number of shares allocated in response to the orders placed in the French Public Offering will at least equal 10% of the total number of shares offered in the Offering before exercise of the Overallotment Option.

Initial size of the offering

3,378,378 new shares to be issued.

Extension Option

15% of the number of new shares initially offered, representing a maximum of 506,756 new shares (the "**"Extension Option"**). The Extension Option may be exercised in whole or in part on one single occasion on February 5, 2015.

Overallotment Option

15% of the number of new shares offered after exercise of the Extension Option, as the case may be, representing up to 582,770 additional new shares (the "**Overallotment Option"**). This Overallotment Option may be exercised in whole or in part until March 6, 2015.

Indicative price range

Between €6.66 and €8.14 per share[1]

The price of the shares offered in the French Public Offering will equal the price of the shares offered in the International Offering (the "**Offer Price**").

Gross proceeds of the Offering

About €25.0m, which can be increased up to around €28.7m if the Extension Option is exercised in full, and to around €33.1m if the Extension Option and the Overallotment Option are exercised in full (based on an Offer Price of €7.40, i.e., the mid-range price).

[1] The Offer Price may be fixed outside this range. In the event that the upper limit of this range is raised or that the Offer Price is fixed above the upper limit of the range, the closing date of the French Public Offering will be postponed or a new public subscription period will be opened, as appropriate, so that there are no fewer than two business days between the date of publication of the press release giving notice of this modification and the new French Public Offering closing date. Orders placed in the French Public Offering before publication of the above press release will remain valid unless they have been specifically revoked before the new French Public Offering closing date. The Offer Price may be set freely below the lower limit of the indicative price range or the indicative price range may be modified downwards (subject to there being no significant impact on the other terms of the Offering).

Estimated net proceeds of the Offering

About €22.2m which can be increased up to around €25.6m if the Extension Option is exercised in full, and to around €29.7m if the Extension Option and the Overallotment Option are exercised in full (based on an Offer Price of €7.40, i.e., the mid-range price).

Shareholder subscription undertakings

Several investment funds managed by Edmond de Rothschild Investment Partners, Omnes Capital, Bpifrance Investissement, and Bpifrance Participations, have undertaken to place subscription orders for a total amount of up to €10m, i.e 40% of the gross proceeds of the Offering (excluding the exercise of the Extension Option).

Lock-up commitments from the Company and the shareholders

- 180 days standstill for the Company
- Existing financial shareholders: 180 days for 100%, 270 days for 66.66% and 360 days for 33.33%
- Founders / management / directors: 360 days

Expected timetable

January 22 2015	• AMF visa on the Prospectus
January 23 2015	• Euronext notice of commencement of the French Public Offering • French Public Offering and International Offering open
February 4 2015	• French Public Offering closed at 6.00 p.m. (Paris time) for over-the-counter orders and 8.00 p.m. (Paris time) for Internet orders
February 5 2015	• International Offering closed at 12.00 p.m. (Paris time) • Determination of the Offer Price for the Offering and exercise of the Extension Option, as the case may be • Underwriting agreement signed • Press release regarding the Offer Price, the final number of shares issued and the results of the Offering • Euronext notice of the results of the Offering • First listing of the Company's shares on Euronext Paris • Beginning of stabilization period, if any
February 6 2015	• Beginning of conditional trading in the Company's shares on Euronext Paris (in the form of undertakings to deliver shares (*promesses d'actions*) on the line "POXEL AIW" until February 9, 2015
February 9 2015	• Settlement and delivery of the Offering
February 10 2015	• Beginning of unconditional trading in the Company's shares on Euronext Paris on the line "POXEL"
March 6 2015	• Deadline for exercise of the Overallotment Option • End of stabilization period, if any

Terms of subscription

Anyone wishing to participate in the French Public Offering must place orders through a financial intermediary registered in France, no later than 6.00 p.m (Paris time) for over-the-counter orders and 8.00 p.m (Paris time) for Internet orders on February 4, 2015. To be accepted, orders placed under the International Offering must be received by the Lead Managers and Bookrunners no later than 12.00 p.m. (Paris time) on February 5, 2015.

POXEL codes

- Name: POXEL
- ISIN code: FR0012432516
- Mnemonic: POXEL
- Section: Compartment C
- Business sector:
  - NAF code: 7211Z – « *Recherche – développement en biotechnologie* »
  - ICB classification: 4573 - Biotechnology

Financial intermediaries

SOCIETE GENERALE Corporate & Investment Banking

ODDO & CIE

Lead Managers and Book Runners

Information available to the Public - Copies of the prospectus in the French language (the "**Prospectus**"), which received a visa from the AMF on January 22, 2015 under number 15-030, comprising a document de base registered with the AMF on January 7, 2015 under number I.15-001 (the "***Document de Base***") and a securities note (the "**Securities Note**") including the summary of the Prospectus, may be obtained free of charge at the company's headquarter, (200 avenue Jean Jaurès, F-69007 Lyon, France) as well as from the company's (www.poxel.com) and the AMF's (www.amf-france.org) websites.

Risk factors - POXEL draws the public's attention to the business-related risks described in Chapter 4 "Risk Factors" of the *Document de Base* and the offer-related risks described in Chapter 2 "Offer-related Risk Factors" of the *Securities Note*.

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About Poxel

POXEL, founded in 2009 in Lyon, is a French independent biopharmaceutical company developing anti-diabetic drug candidates discovered by Merck Serono Company, a major player in the type 2 diabetes market. POXEL product pipeline consists in several new compounds with strong potential aiming at a better disease evolution control and at reducing the complications. POXEL's most advanced product, Imeglimin, is a new oral anti-diabetic agent whose efficacy has been tested in six phase 2 clinical trials and whose safety has been demonstrated on almost 800 patients. Ready to start its phase 3 trials in 2015, Imeglimin is expected to be the first anti-diabetic drug to target simultaneously and directly the two main type 2 diabetes defects in the liver, pancreas and muscles, by increasing insulin secretion in response to glucose and improving its efficiency. Imeglimin is protected by 16 patent families and has a unique and innovative mechanism of action regulating the mitochondrial bioenergetics in the cell. Imeglimin restores normal functioning of mitochondria, which are directly involved in type 2 diabetes pathophysiology. PXL770 is a direct AMPK activator ready for phase 1. AMP Kinase is a key enzyme in metabolic regulations, also activated by physical exercise. POXEL is located in the Lyon biotech cluster.

For more information, please visit www.poxel.com

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This communication is an advertisement and does not constitute a prospectus for the purposes of the Prospectus Directive (as defined below). A prospectus prepared pursuant to the Prospectus Directive has been published and scan be obtained in accordance with the Prospectus Directive.

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For the purposes of this provision, the expressions "public offering" and "offer to the public" in relation to any POXEL securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

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All statements other than statements of historical fact included in this press release about future events and are subject to (i) change without notice and (ii) factors beyond the POXEL's control. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target," "believe," "expect," "aim," "intend," "may," "anticipate," "estimate," "plan," "project," "will," "can have," "likely," "should," "would," "could" and other words and terms of similar meaning or the negative thereof. Forward-looking statements are subject to inherent risks and uncertainties beyond POXEL's control that could cause the Company's actual results or performance to be materially different from the expected results or performance expressed or implied by such forward-looking statements.