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THE ORPHAN ONCOLOGY INNOVATOR

PRESS RELEASE

# *Onxeo launches a capital increase by means of an accelerated book-build offering*

**Paris (France), June 19, 2017 – 05:45 pm CEST** – Onxeo S.A. (Euronext Paris, NASDAQ Copenhagen: ONXEO), ("**Onxeo**" or the "**Company**"), a clinical-stage biotechnology company specializing in the development of innovative drugs for the treatment of orphan diseases, in particular in oncology, today announced the launch of a capital increase directed at certain institutional investors located in France and internationally.

The funds raised will be used to pursue the development of its orphan oncology programs, as well as for general corporate purposes.

Onxeo's pipeline is made of 3 strategic assets, with the following upcoming milestones:

- Livatag®, a nanoformulation of doxorubicine (doxorubicine Transdrug™) currently evaluated in a phase III trial in hepatocellular carcinoma; the first readout of the Relive phase III trial is expected before the end of September 2017.

- Beleodaq®, an HDAC inhibitor marketed in the treatment of peripheral T cell lymphoma (PTCL) in the United States; an exploratory preclinical program for other indications is ongoing with first results expected end Q3 2017.

- AsiDNA™, a first-in-class product that prevents the repair of tumor DNA; initial preclinical results of systemic administration (IV) are expected during the summer which would enable the initiation of a phase I study at the end of the year.

Gross proceeds from the transaction are expected to be approximately 12M€. The Company has announced consolidated cash reserves of 21.7M€ as of end of Q1 2017 and this transaction aims to extend its financial visibility into Q4 2018. The Company is also continuing the optimization of its asset portfolio which could result in additional non-dilutive financing including the monetization of non-strategic assets. This capital raise would correspond to approximately 3 000 000 shares, representing approximately 6.4% of the outstanding share capital of the Company.

The capital raise will be made through a share capital increase without preemptive rights to the Company's existing shareholders, pursuant to the authorization granted via the eighteenth and the twentieth resolutions of the extraordinary shareholders general meeting of the Company dated May 24, 2017 and in accordance with articles L. 225-136 of the French Commercial code (*code de commerce*) and L. 411-2(II) of the French monetary and financial code (*code monétaire et financier).*

The capital raise will be conducted by way of an accelerated book-build process, which will begin immediately and which is expected to end before markets open tomorrow, and which may close early or be extended. The Company will announce the results of the capital raise as soon as possible after closing of the book-building in a subsequent press release. Settlement and delivery of the new shares and the new shares' admission to

trading is expected to occur on June 22, 2017 on the regulated market of Euronext in Paris and as soon as possible on the regulated market of Nasdaq OMX in Copenhagen (Denmark).

The capital raise via the accelerated book-building is open to institutional investors in France, in any Member State of the European Economic Area in accordance with the exemptions of Article 3(2) of the European Directive 2003/71/EC of the European Parliament and European Council (as amended) to the extent they have been transposed by the relevant Member State or, otherwise, in cases not requiring the publication of a prospectus under aforementioned Article 3(2) and/or the applicable regulations in such Member State, and elsewhere outside the United States of America in reliance on Regulation S under the U.S. Securities Act of 1933 (the "**Securities Act**"). Simultaneously, the Company is undertaking a private placement in the United States to "qualified institutional buyers" as defined in Rule 144A under the Securities Act or to "institutional 'accredited investors'" as defined in Rule 501(a) thereunder.

The capital raise is not subject to a prospectus to be approved by the French financial markets authority (*Autorité des marchés financiers*).

Attention is drawn to the risk factors related to the Company and its activities presented in section 5.5.1.4. of the 2016 reference document filed with the *Autorité des marchés financiers* on April 24, 2017 under number D.17-0423, which is available on the *Autorité des marchés financiers* website (www.amf-france.org) or on the Company's website (www.onxeo.com).

Simultaneously with the determination of the final terms and conditions of the capital increase, the Company will enter into a lock-up agreement ending 90 calendar days after the date of the pricing of the offering, subject to certain customary exceptions. Executives and/or directors of the Company have also signed lock-up agreements with regard to the Company's shares that they hold, for the same period.

Guggenheim Securities, LLC and Oddo BHF are acting as Joint Bookrunners.

This announcement does not constitute a prospectus within the meaning of the Prospectus Directive or an offer to the public.

## About Onxeo

Onxeo is a biotechnology company developing innovative drugs for the treatment of orphan diseases in oncology, driven by high therapeutic demand in one of the fastest growing segments of the pharmaceutical industry.

Onxeo's objective is to become a major international player in the field of rare cancers. Its growth strategy is founded on the development of innovative, effective, and safe drugs based on breakthrough technologies that can make a real difference in the treatment of orphan oncology diseases and considerably improve the quality of life of patients affected by rare or resistant cancers.

Onxeo's comprehensive portfolio features a broad orphan oncology pipeline, with 3 major products in several on-going preclinical and clinical programs, alone or in combination for various cancer indications:

- **Livatag®** (Doxorubicin Transdrug™): Currently evaluated in the treatment of Hepatocellular carcinoma (HCC, also called primary liver cancer) in a phase III trial, ReLive. ReLive is a randomized, international trial designed to demonstrate the efficacy and the safety of Livatag® compared to the best available treatment chosen by the physician in 390 patients with advanced HCC after failure or intolerance to sorafenib.
- **Beleodaq®** (belinostat): FDA conditional approved in the US in 2014 under the agency's accelerated approval program as a second-line treatment for patients with peripheral T-cell lymphoma (PTCL) and currently marketed by Onxeo's partner in the US, Spectrum Pharmaceuticals; belinostat in combination with other cancer agents is currently in development in first-line treatment for patients with PTCL (BelCHOP) and in solid tumors.
- **AsiDNA™**: The first-in-class siDNA (signal-interfering DNA) which has successfully undergone a proof-of-concept Phase I trial with a local administration in metastatic melanoma. The Company is currently pursuing preclinical program to demonstrate AsiDNA activity with a systemic administration

The Company is headquartered in Paris, France with offices in Copenhagen and in New York, and has approximately 60 employees. Onxeo is listed on Euronext in Paris, France and Nasdaq Copenhagen, Denmark (Ticker: ONXEO, ISIN Code: FR0010095596).

Learn more by visiting www.onxeo.com

**Disclaimer**

In France, the offer and sale of Onxeo SA shares described above will take place solely through a private placement, in accordance with Article L. 411-2 of the *French Code monétaire et financier* and applicable regulations. The offer and sale do not constitute a public offering in France, as defined in Article L. 411-1 of the French *Code monétaire et financier* and no prospectus needs to be filed with, or approved by, the *Autorité des marchés financiers*.

With respect to Member States of the European Economic Area that have transposed European Directive 2003/71/EC of the European Parliament and European Council (as amended in particular by Directive 2010/73/EU to the extent that the said Directive has been transposed into each Member State of the European Economic Area) (the "**Prospectus Directive**"), no action has been taken or will be taken to permit a public offering of the securities referred to in this press release requiring the publication of a prospectus in any Member State. Therefore, such securities may not be and shall not be offered in any Member State other than in accordance with the exemptions of Article 3(2) of the Prospective Directive to the extent they have been transposed by the relevant Member State or, otherwise, in cases not requiring the publication of a prospectus under Article 3(2) of the Prospective Directive and/or the applicable regulations in such Member State.

This press release and the information it contains are being distributed to and are only intended for persons who are (i) outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (iii) high net worth entities and other such persons falling within Article 49(2)(a) to (d) of the Order ("high net worth companies", "unincorporated associations", etc.) or (iv) other persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000) may otherwise lawfully be communicated or caused to be communicated (all such persons in (i), (ii), (iii) and (iv) together being referred to as "**Relevant Persons**"). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire securities to which this press release relates will only be engaged with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this press release or any of its contents.

This press release and the information it contains does not, and will not, constitute an offer to subscribe for or sell, nor the solicitation of an offer to subscribe for or buy, securities of Onxeo SA in the United States of America or any other jurisdiction where restrictions may apply. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), it being specified that the securities of Onxeo SA have not been and will not be registered within the U.S. Securities Act. Onxeo SA does not intend to register securities or conduct a public offering in the United States of America.

In accordance with Article 211-3 of the General Regulation of the AMF, it is recalled that:

- the offer does not require a prospectus to be submitted for approval to the AMF.
- persons or entities referred to in Point 2°, Section II of Article L. 411-2 of the Monetary and Financial Code may take part in the offer solely for their own account, as provided in Articles D. 411-1, D. 411-2, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the Monetary and Financial Code.
- the financial instruments thus acquired cannot be distributed directly or indirectly to the public otherwise than in accordance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the Monetary and Financial Code.

The distribution of this press release may be subject to legal or regulatory restrictions in certain jurisdictions. Any person who comes into possession of this press release must inform him or herself of and comply with any such restrictions.

Any decision to subscribe for or purchase the shares or other securities of Onxeo SA must be made solely based on information publicly available about Onxeo SA. Such information is not the responsibility of Guggenheim Securities, LLC and Oddo BHF Corporate & Markets and has not been independently verified by Guggenheim Securities, LLC and Oddo BHF Corporate & Markets.

**Forward looking statements**

This communication expressly or implicitly contains certain forward-looking statements concerning Onxeo and its business. Such statements involve certain known and unknown risks, uncertainties and other factors, which could cause the actual results, financial condition, performance or achievements of Onxeo to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Onxeo is providing this communication as of this date

and does not undertake to update any forward-looking statements contained herein as a result of new information, future events or otherwise. For a discussion of risks and uncertainties which could cause actual results, financial condition, performance or achievements of Onxeo to differ from those contained in the forward-looking statements, please refer to the section 5.5.1.4 "Risk Factors" ("*Facteurs de Risque*") of the 2016 reference document filed with the *Autorité des marchés financiers* on April 24, 2017 under number D.17-0423, which is available on the *Autorité des marchés financiers* website (www.amf-france.org) or on the Company's website (www.onxeo.com).

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