



**The first connected all-in-one Diabetes Management System**

*Press release*

## **Cellnovo launches a capital increase for approximately €15 million**

**Paris, France, July 6, 2017** – Cellnovo Group (“**Cellnovo**” or the “**Company**” CLNV:EN Paris), a medical technology company marketing the first mobile, connected, all-in-one diabetes management system, today announces the launch of a capital increase reserved for a category of investors as described below.

Gross proceeds from the planned transaction are expected to be approximately €15m. As at June 30, 2017, the Company had a consolidated cash position of €7m and this transaction aims to extend its financial visibility to the end of the first half of 2019.

The funds raised will be used to finance the following projects:

- Boosting sales in Europe, Latin America and Oceania (in particular, marketing costs and working capital requirements);
- The targeted US launch of the Cellnovo System in certain key territories;
- Increasing insulin cartridge production capacity with Flex by acquiring additional production lines;
- An optimisation programme to pursue the reduction in production costs of consumables (insulin cartridges); and
- Activities needed to finalise the development of artificial pancreas solutions (in particular, regulatory activities).

As announced in the press release concerning the availability of its 2016 reference document (“*document de référence*”), Cellnovo is in advanced discussions with the European Investment Bank and is preparing, subject to the outcome of current negotiations, to sign a financing agreement for a total of €20m. This additional financing will reinforce its cash position and provide funding for business development.

The planned capital increase would correspond to a maximum of 4,211,759 new shares, representing approximately 25.2% of the Company’s outstanding share capital after capital increase.

The capital raise will be made through a share capital increase without preferential subscription rights for existing shareholders. In accordance with Article L. 225-138 of the French Commercial Code, the capital increase would be reserved for a category of investors defined in the 14th resolution of the Company’s extraordinary general meeting of June 22, 2017, namely (i) one or more French or foreign companies or investment funds, (a) investing primarily, or having invested more than €5 million during the 24 months preceding the capital increase in question, in the life sciences and healthcare technologies sector, (b) for a unit subscription amount of over €50,000 (including additional paid-in capital) or (ii) strategic or financial partners of the Company, located in France or abroad, that have signed or are due to sign one or more commercial or financing partnership agreements (development, joint development, distribution, production etc.) with the Company.



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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. It will be open to institutional investors in accordance with Article 3.2(a) of Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (as amended), and falling within the category of persons meeting the characteristics determined by the 14th resolution of the extraordinary general meeting of June 22, 2017, within the European Union (including France) and Switzerland, excluding certain countries, in particular, the United States of America in accordance with Regulation S of the US Securities Act of 1933, as amended.

The Company's historic investors – Edmond de Rothschild Investment Partners (EDRIP), Air Liquide Investissements d'Avenir et Démonstration (ALIAD) and ForCe-Novo B.V. (Forbion Capital Partners), holding respectively 13.8%, 3.4% and 14.3% of Cellnovo's share capital and voting rights on a non-diluted basis as at June 30, 2017 – have agreed to place orders for a total maximum, if necessary reduced according to demand, of €1,4m, equal to 9.3% of the transaction gross proceeds.

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.

An application for the new shares to be listed on the Euronext Paris regulated market will be requested. A listing prospectus containing the Company's 2016 reference document ("*document de référence*") registered by the Autorité des Marchés Financiers (the "**AMF**") on July 5, 2017, under number R.17-053, available free of charge on the Company's website ([www.cellnovo.com/](http://www.cellnovo.com/)) and/or the AMF website ([www.amf-france.org](http://www.amf-france.org)), as well as a securities note ("*note d'opération*"), including a summary of the prospectus, will be the object of a request for approval ("*visa*") from the AMF. The public's attention is drawn to the risk factors set out in Section 4 of the 2016 reference document and Section 2 of the "*note d'opération*".

Within the framework of the capital increase, the Company will sign a standstill agreement expiring 90 days after the settlement-delivery date, subject to certain customary exceptions. In addition, EDRIP, ALIAD and ForCe-Novo B.V. (Forbion Capital Partners) will sign lock-up agreements expiring 90 days after the settlement-delivery date concerning shares in the Company to which they subscribe, if applicable, within the framework of the capital increase.

Oddo BHF is acting as the sole Global Coordinator and the sole Bookrunner for the transaction.

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

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## **About Cellnovo**

An independent medical technology company specialising in diabetes, Cellnovo has developed and markets the first mobile, connected, all-in-one diabetes management system that helps make life easier for patients. Compact, intuitive and entirely connected, Cellnovo's insulin pump comprises a mobile touchscreen controller with an integrated blood-glucose meter. This unique device allows optimal management of insulin injections whilst ensuring extensive freedom of movement and peace of mind for patients. Thanks to the automatic transmission of data, it also allows the patient's condition to be continually monitored by family members and healthcare professionals in real time. Cellnovo is currently participating in several major Artificial Pancreas projects with Diabeloop, TypeZero and Horizon 2020 to develop automated insulin delivery systems.

For further information please visit [www.cellnovo.com](http://www.cellnovo.com)



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### **About the Cellnovo Diabetes Management System**

Compact, intuitive and entirely connected, Cellnovo's insulin pump comprises a mobile touchscreen controller with an integrated blood-glucose meter. This unique device allows optimal management of insulin injections with drop-by-drop precision, whilst ensuring extensive freedom of movement and peace of mind for patients. Thanks to the automatic transmission of data, it also allows the patient's condition to be continually monitored by family members and healthcare professionals in real time.

Cellnovo is listed on Euronext, Compartment C  
ISIN: FR0012633360 – Ticker: CLNV



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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. 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) outside the United States, (iii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), (iv) 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 (v) 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), (iv) and (v) together being referred to as "Relevant Persons"). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire



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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. However, a prospectus will be registered with the AMF in connection with the admission to trading of the shares to be issued in the transaction.
- 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.

Any decision to subscribe for or purchase the shares or other securities of Cellnovo must be made solely based on information publicly available about Cellnovo. Such information is not the responsibility of Oddo BHF SCA and has not been independently verified by Oddo BHF SCA.

**Forward looking statements**

This press release implicitly or expressly contains certain forward-looking statements concerning Cellnovo and its business activities. These statements involve certain known or unknown risks, uncertainties and other factors that may result in a material difference between Cellnovo's actual results, financial conditions, performance or achievements and the results, financial conditions, performance or achievements expressed or implied in these forward-looking statements. Cellnovo issues this press release as of the present date and makes no undertaking to update the forward-looking statements it contains, whether as a result of new information, future events or other factors. For a non-exhaustive description of the risks and uncertainties that may result in a difference between Cellnovo's actual results, financial conditions, performance and achievements and those contained in the forward-looking statements, please refer to Section 4 "Risk Factors" of the 2016 reference document registered with the AMF on July 5, 2017, under number R.17-053, which is available on the AMF website ([www.amf-france.org](http://www.amf-france.org)) and the Cellnovo website ([www.cellnovo.com](http://www.cellnovo.com)).