



## **Biom'Up completes the first of its financing operations for a total amount of more than 40 M€**

**€16 million capital increase completed successfully by means of a public offering without preferential subscription rights**

**Biom'Up aims to complete its second financing transaction by finalizing, as soon as possible, a bond issue with Athyrium Capital Management for an initial amount of €25 million which may subsequently be increased to €35 million.**

**The proposed bond issue will enable the company to refinance the Kreos Capital loan of €8.2m**

**Saint-Priest, France, February 20, 2018 – 7.00 am Paris time** – Biom'Up (the "Company"), a specialist in surgical hemostasis, announces today the success of its capital increase without preferential subscription rights for shareholders by means of a public offering and with a priority subscription period, as of right only, for existing shareholders (the "Offering"), in a total amount (including additional paid-in capital) of €16 million. Athyrium Capital Management ("Athyrium") has confirmed it is participating in the Offering and efforts are underway to finalize the €25 million bond issue (the "Bond Issue") with stock warrants, the size of which may subsequently be increased to €35 million.

The net proceeds from the capital increase and the Bond Issue will be used to increase HEMOBLAST™ Bellows' production capacity, including the opening of a second manufacturing facility close to the existing unit in Saint Priest to support the marketing of the drug in Europe and the United States from summer 2018, to fund further preclinical and clinical trials for HEMOBLAST™ Bellows and HEMOSNOW™ and to repay the loan from Kreos Capital.

**Etienne Binant, Biom'Up's Chief Executive Officer, commented:** *"Biom'Up wishes to thank all its investors—those from France and those from further afield, those who have long supported us and those who have only recently come on board—for making this fundraising transaction a success. The €16 million capital increase will enable us to accelerate the industrial development of Biom'Up, and to prepare the expansion of our hemostatic range. As planned, these funds will be used to accelerate the ramp-up in our production in connection with the launch of HEMOBLAST™ Bellows and further clinical efforts on HEMOBLAST™ Bellows and HEMOSNOW™. I would also like to warmly thank Athyrium Capital and its*

*teams for their involvement in Biom'Up's development as an investor, in the context of the offering, and particularly in the process of the Bond Issue."*

## (i) Public Offering

Shares not subscribed for during the priority subscription period, as well as new shares that may be issued under the extension clause, were made available in a global offering, consisting of an open-price offering in France (the "Public Offering") and a global placement (the "Global Placement"), comprising a private placement in France primarily with qualified investors and an international private placement primarily with institutional investors in certain other countries.

The subscription price for the new shares, which was set by the Company's Board of Directors on February 13, 2018 at €11.00 per share, represented a discount of 5% to the volume-weighted average price of the Company's shares over the final three trading days prior to February 13, 2018 (inclusive).

The capital increase in a total amount of €16 led to the issue of 1,452,418 new shares, representing 12.9% of the Company's existing share capital.

During the priority period granted to the Company's existing shareholders, demand, on a non-reducible basis, from them totaled €1,249,193, which accounted for 7.8% of the total amount of the capital increase.

As part of the public offer, the demand, on a reducible basis, reached a total amount of €339,196, or 2.1% of the total amount of the capital increase.

Top-tier international investors subscribed for shares worth €14,388,209 through the Global Placement, or 90.1% of the capital increase.

To the best of the Company's knowledge, the Company's ownership structure upon completion of the capital increase was as follows:

Shareholders	On a non-diluted basis				On a diluted basis *					
	Before issuance of 1,452,418 new shares		After issuance of 1,452,418 new shares		Before issuance of 1,452,418 new shares		After issuance of 1,452,418 new shares		After issuance of the 1,452,418 new shares, and completion of the Bond Issue**	
	Number of shares	% of capital in voting rights	Number of shares	% of capital in voting rights	Number of shares	% of capital in voting rights	Number of shares	% of capital in voting rights	Number of shares	% of capital in voting rights
Bpifrance Participations	1,637,006	14.6 %	1,637,006	12.9 %	1,637,006	13.3 %	1,637,006	11.9 %	1,637,006	11.6 %
Bpifrance Investissement (InnoBio)	1,148,542	10.2 %	1,148,542	9.1 %	1,148,542	9.3 %	1,148,542	8.3 %	1,148,542	8.1 %
<i>Sub-Total Bpifrance</i>	<i>2,785,548</i>	<i>24.8 %</i>	<i>2,785,548</i>	<i>22.0 %</i>	<i>2,785,548</i>	<i>22.6 %</i>	<i>2,785,548</i>	<i>20.2 %</i>	<i>2,785,548</i>	<i>19.7 %</i>
Gimv	1,206,272	10.8 %	1,206,272	9.5 %	1,206,272	9.8 %	1,206,272	8.8 %	1,206,272	8.5 %
Lundbeckfond Ventures	925,492	8.2 %	925,492	7.3 %	925,492	7.5 %	925,492	6.7 %	925,492	6.5 %
Sham Innovation Santé	742,899	6.6 %	742,899	5.9 %	742,899	6.0 %	742,899	5.4 %	742,899	5.2 %
Viveris Fund	570,354	5.1 %	570,354	4.5 %	570,354	4.6 %	570,354	4.1 %	570,354	4.0 %

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Mérieux Participations	267,088	2.4 %	267,088	2.1 %	267,088	2.2 %	267,088	1.9 %	267,088	1.9 %
<b>Sub-total historical shareholders</b>	<b>6,497,653</b>	<b>57.9 %</b>	<b>6,497,653</b>	<b>51.3 %</b>	<b>6,497,653</b>	<b>52.8 %</b>	<b>6,497,653</b>	<b>47.2 %</b>	<b>6,497,653</b>	<b>45.9 %</b>
<b>Various historical shareholders</b>	<b>395,990</b>	<b>3.5 %</b>	<b>395,990</b>	<b>3.1 %</b>	<b>395,990</b>	<b>3.2 %</b>	<b>395,990</b>	<b>2.9 %</b>	<b>395,990</b>	<b>2.8 %</b>
<b>Founding Partners and Directors</b>	<b>387,014</b>	<b>3.4 %</b>	<b>387,014</b>	<b>3.1 %</b>	<b>880,379</b>	<b>7.1 %</b>	<b>880,379</b>	<b>6.4 %</b>	<b>880,379</b>	<b>6.2 %</b>
<b>Free Float</b>	<b>3,935,706</b>	<b>35.1 %</b>	<b>5,206,306</b>	<b>41.1 %</b>	<b>3,935,706</b>	<b>32.0 %</b>	<b>5,206,306</b>	<b>37.8 %</b>	<b>5,206,306</b>	<b>36.8 %</b>
<i>o/w Invesco</i>	<i>600,000</i>	<i>5.3 %</i>	<i>674,332</i>	<i>5.3 %</i>	<i>600,000</i>	<i>4.9 %</i>	<i>674,332</i>	<i>4.9 %</i>	<i>674,332</i>	<i>4.8 %</i>
<b>Own shares</b>	<b>3,280</b>	<b>0.0 %</b>	<b>3,280</b>	<b>0.0 %</b>	<b>3,280</b>	<b>0.0 %</b>	<b>3,280</b>	<b>0.0 %</b>	<b>3,280</b>	<b>0.0 %</b>
<b>Dilutive instruments held by employees</b>	-	-	-	-	<b>454,576</b>	<b>3.7 %</b>	<b>454,576</b>	<b>3.3 %</b>	<b>454,576</b>	<b>3.2 %</b>
<i>o/w BSPCE</i>	-	-	-	-	<i>141,468</i>	<i>1.1 %</i>	<i>141,468</i>	<i>1.0 %</i>	<i>141,468</i>	<i>1.0 %</i>
<i>o/w AGA</i>	-	-	-	-	<i>207,950</i>	<i>1.7 %</i>	<i>207,950</i>	<i>1.5 %</i>	<i>207,950</i>	<i>1.5 %</i>
<i>o/w stock-options</i>	-	-	-	-	<i>105,158</i>	<i>0.9 %</i>	<i>105,158</i>	<i>0.8 %</i>	<i>105,158</i>	<i>0.7 %</i>
<b>Kreos</b>	-	-	-	-	<b>147,320</b>	<b>1.2 %</b>	<b>147,320</b>	<b>1.1 %</b>	<b>147,320</b>	<b>1.0 %</b>
<b>Athyrium</b>	-	-	<b>181,818</b>	<b>1.43 %</b>	-	-	<b>181,818</b>	<b>1.32 %</b>	<b>566,818</b>	<b>4.01 %</b>
<b>TOTAL</b>	<b>11,219,643</b>	<b>100.0 %</b>	<b>12,672,61</b>	<b>100.0 %</b>	<b>12,314,904</b>	<b>100.0 %</b>	<b>13,767,322</b>	<b>100.0 %</b>	<b>14,152,322</b>	<b>100.0 %</b>

\* In the event of the exercise of all the outstanding BSA, BSPCE and stock options and the vesting of the shares granted free of charge at the date of the prospectus.

\*\* If this project was to be completed, the bonds attached to the bonds issued under the Bond Loan would give Athyrium the right to subscribe for 385,000 new shares of the Company, of which 275,000 new shares as of January 1, 2019 in the first tranche of € 25 million, and 110,000 new shares in the second tranche of € 10 million, in each case paying a subscription price equal to the weighted average of the five last trading days preceding the issue of the warrants plus a premium of 2%.

Settlement and delivery, and the admission to trading of the new shares is due to take place on the Euronext Paris market on February 21, 2018.

The Offering was led by Bryan Garnier & Co acting as Global Coordinator, Joint Lead Manager and Joint Bookrunner, and by RBC Capital Markets acting as Joint Lead Manager and Joint Bookrunner.

### Availability of the Prospectus

A prospectus containing the Company's document de base registered on September 11, 2017 under number I. 17-064, a note d'opération and a summary of the prospectus (included in the note d'opération) was approved by the AMF on February 13, 2018, under number 18-038. Copies of the prospectus, comprising the document de base, the note d'opération and the summary are available free of charge from Biom'Up (Parc Technologique de Lyon, 8, allée Irène Joliot Curie, 69800 Saint-Priest, France) as well as on the Company's website ([www.biomup.com](http://www.biomup.com)) and the AMF website ([www.amf-france.org](http://www.amf-france.org)).

Investors' attention is drawn to the risk factors mentioned in chapter 4 of the document de base, as updated in chapter 11 of the note d'opération, as well as chapter 2 of the note d'opération, before making their investment decision. The realization of all or some of these risks may have an unfavorable effect on Biom'Up's activity, financial position, results, development or outlook.

### (ii) Bond Financing

Since the capital increase met Athyrium's requirements, the Company and the investor are working to finalize the legal documentation for the bond financing agreement as rapidly as possible. The Bond Issue will be for up to €35 million, including €25 million upon issue, along with an option for an additional €10 million to be agreed at the discretion of the parties within 12 months of the initial issue, repayable quarterly as of the third anniversary of the issue, in each case in the form of bonds with stock warrants with a maturity

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of five years after the initial issue, and to be subscribed for by one or more funds managed by Athyrium. The bonds will be secured by collateral equivalent to that granted for the purposes of the December 2016 bond issue to Kreos Capital. Furthermore, the bond financing agreement provides for a representative of Athyrium to join the Company's Board of Directors as a non-voting advisor.

The arrangements for the issue are as follows:

- the interest rate on the bonds stands at 10% p.a. (increased to 13% p.a. in the event of a default that goes unremedied, where no waiver had been granted and that had not ceased), representing an annual interest charge of €2.5 million, which may be increased to €2.8 million if the option for an additional €10 million is exercised
- the stock warrants attached to the bonds entitle their holder to subscribe for 385,000 new shares in the Company (equal to 3.1% of the Company's share capital on a diluted basis prior to the capital increase), including 275,000 new shares in respect of the first tranche of €25 million (issued pursuant to the Sixth resolution of the Company's Extraordinary General Meeting of August 31, 2017), and 110,000 new shares in respect of the second tranche of €10 million (issued pursuant to a subsequent resolution of the Company's Extraordinary General Meeting), in each case entailing the payment of a subscription price equal to the volume-weighted average for the final five trading days preceding the issue of the stock warrants plus a premium of 2%
- the stock warrants attached to the bonds may be exercised during the period running from January 1, 2019 through to the 5-year anniversary date of the issue of the bonds
- the transferability of the stock warrants attached to the bonds will be restricted to affiliates of the bondholders for the first two years, except in the event of a default, and
- only the underlying shares will be admitted to trading on Euronext's regulated market in Paris.

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## About Biom'Up

Founded in 2005 and based in the Lyon suburb of Saint-Priest (France), Biom'Up designs hemostatic products based on patented biopolymers that aim to simplify surgical procedures in numerous specialties (spine, cardiothoracic, general, orthopedic, plastic) and give patients a better quality of life. Its flagship product, HEMOBLAST™ Bellows, is a unique hemostatic solution, ready to use (no preparation time needed, no need to mix, no heat required), usable once or several times during the surgery. Developed by a world-renowned scientific team, HEMOBLAST™ Bellows has obtained positive results for all the primary and secondary endpoints of Phase III of its pivotal study involving 412 patients in the United States. HEMOBLAST™ Bellows obtained its CE Mark in December 2016, and its PMA (Pre-Market Approval) application was granted by the FDA (Food & Drug Administration) in December 2017 with a view to commercializing in the United States over the summer in 2018. Since its creation, Biom'Up has benefited

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from the support of prominent European investors such as Bpifrance, Innobio, GIMV, Lundbeckfond, Mérieux Participation, SHAM and ACG, as well as all the Company's managers, who have invested €2 million in equity. Biom'Up successfully completed its IPO on Euronext Paris, raising 42.5 million euros in October 2017.

### **About Athyrium Capital Management**

Athyrium Capital Management, LP ("Athyrium") is a specialized asset management company formed in 2008 to focus on investment opportunities in the global healthcare sector. As of September 30, 2017, Athyrium had over \$3.5 billion of assets under management. The Athyrium team has substantial investment experience in the healthcare sector across a wide range of asset classes including public equity, private equity, fixed income, royalties, and other structured securities. Athyrium invests across all healthcare verticals including biopharma, medical devices and products, and healthcare focused services. The team partners with management teams to implement creative financing solutions to companies' capital needs. For more information, please visit [www.athyrium.com](http://www.athyrium.com).

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This announcement is an advertisement and does not constitute a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council (the "**Prospectus Directive**"), as amended, to the extent such Directive has been transposed in the relevant Member State of the European Economic Area.

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