

Press release

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DEINOVE ANNOUNCES THE LAUNCH OF A CAPITAL INCREASE THROUGH AN ACCELERATED BOOK BUILDING

Montpellier, 14 June 2018 (6:00 pm CEST) – DEINOVE (Euronext Growth Paris: ALDEI), a biotech company that discovers, develops, and produces high-value compounds from rare bacteria, **announces today the launch of a capital increase, without preferential subscription rights, reserved for one category of beneficiaries**, in accordance with the thirteenth resolution approved by the Combined General Shareholder's Meeting of 23 May 2018 and with the authorization of the Board of Directors held on 14 June 2018 (the “**Transaction**”). The Transaction aims to raise a targeted amount of €8 million, giving potential dilution of around 19%. The number of new shares, the amount raised, and the exact dilution will be disclosed in the press release announcing the result of the Transaction.

Regarding the category of persons for whom preferential subscription rights are being waived (investment companies and investment funds established under French or foreign law investing in a field similar or complementary to Deinove's one), funds will be raised solely from qualified domestic and international investors, with the exception of investors in the USA, Canada, Australia and Japan.

This fundraising comes within the scope of DEINOVE's strategy to develop innovative antibiotics capable of responding to the antimicrobial resistance health emergency. Last May, the Company finalized the acquisition of BIOVERTIS, its subsidiary MORPHOCHEM, and their innovative antibiotic candidate targeting severe forms of *Clostridium difficile* infections, which has already been through Phase I clinical trials. This acquisition came with the entry in DEINOVE's capital of the German fund TVM Capital, one of the leading European funds specializing in life sciences, which holds 3,34% of DEINOVE's current capital. Moreover, TVM Capital GmbH was appointed member of DEINOVE's Board of Directors at the time of the acquisition of BIOVERTIS and MORPHOCHEM¹. Lastly, TVM will contribute € 2 million to this capital increase.

The successful completion of the capital increase would provide DEINOVE with the resources needed to launch a Phase II clinical trial scheduled for late 2018. The funds raised would also contribute to the financing of DEINOVE's operations in its various fields of activity, mainly antibiotics and cosmetic ingredients. In particular, they would finance the preclinical development of NBTI molecules as relevant, as well as the development of a second carotenoid, the first of which was launched in the cosmetics market in April 2018.

The placement will be performed via the accelerated building of an order book, after which the number and price of the new shares to be issued will be determined. The accelerated book building will begin immediately and should be completed before market opening on 15 June 2018, although it may end

¹ Cf. press release May 23, 2018

before or after that time. The Company shall announce the result of the transaction in a press release as soon as possible after the closing of the order book.

According to the terms of the thirteenth resolution of the Combined General Shareholder's Meeting of 23 May 2018 and with the authorization of the Board of Directors held on 14 June 2018, the issue price of the new shares will be at least equal to the 5-day weighted average price of the Company's share on the Euronext Growth market in Paris prior to setting the issue price, which may be reduced by a maximum discount of 20%.

The new shares will bear current dividend rights and will be admitted for trading on the Euronext Growth market in Paris, under ISIN code FR0010879056 – ALDEI.

DEINOVE has agreed with Invest Securities to a lock-up period of 90 calendar days following the settlement of the new shares.

In accordance with the provisions of Article 211-3 of the General Regulation of the Autorité des Marchés Financiers, the Company's offer of shares in the context of this capital increase reserved for one category of beneficiaries does not give rise to an obligation to issue a prospectus approved by the Autorité des Marchés Financiers. Detailed information about the Company, in particular with regards to its business, results and related risk factors, are described in the annual financial report for the fiscal year ended 31 December 2017. This document is available together with other regulated information and all of the Company's press releases, on its website (www.deinove.com).

Invest Corporate Finance provides consulting services and Invest Securities acts as Lead Arranger and Bookrunner.

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ABOUT DEINOVE

DEINOVE (Euronext Growth Paris: ALDEI) is a biotech company that discovers, develops and produces compounds with industrial value from rare microorganisms, for the healthcare, nutrition and cosmetics markets. For this, DEINOVE relies on two key assets:

- A unique strain bank with 6,000 rare bacteria that have not yet been exploited;
- A genetic, metabolic and fermentation engineering platform that enables them to customize these natural micro-factories, transforming them into new industry standards.

Based in Montpellier, DEINOVE employs approximately 50 employees and has nearly 130 international patent applications. The Company has been listed on Euronext Growth® since April 2010.



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