

Press release

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DEINOVE: SUCCESSFUL CAPITAL INCREASE OF € 8.5 MILLION

Montpellier, 15 June 2018 (08:30 am CEST) – DEINOVE (Euronext Growth Paris: ALDEI), a biotech company that discovers, develops, and produces high-value compounds from rare bacteria, **announces today the success of its capital increase reserved for one category of beneficiaries, performed via the accelerated building of an order book.**

The Company issued 3,148,149 new shares each with a par value of €0.40, with a unit price of €2.70, including the issue premium, for a total of €8,500,002.3, accounting for 25.35% of the share capital prior to the transaction, on a non-diluted basis, resulting in a dilution of 20.22%.

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 German funds managed by TVM Capital, one of the leading European funds specializing in life sciences. TVM Capital GmbH was also appointed member of DEINOVE's Board of Directors at the time of the acquisition of BIOVERTIS and MORPHOCHEM¹. Investment funds managed by TVM have contributed to this capital increase at a level of € 2 million, bringing its stake in the Company to 7.42%.

The successful completion of the capital increase will provide DEINOVE with the resources needed to launch a Phase II clinical trial for the MORPHOCHEM compound scheduled for late 2018. The funds raised will also contribute to the financing of DEINOVE's operations in its various fields of activity, mainly antibiotics and cosmetic ingredients. In particular, they will finance the preclinical development of the NBTI molecules as relevant, as well as the development of a second carotenoid. To date, DEINOVE's cash position amounts to approximately +€2.4 million. Consequently, the funds raised allow the Company to finance its operations over the next twelve months.

"We decided to call on the market to quickly obtain the necessary resources to continue our developments, says Emmanuel PETIOT, CEO of DEINOVE. In the current market conditions, we gave priority to an accelerated book building, a flexible, fast and inexpensive operation. In this way we restructure our share capital with not only French funds, but also European and international funds, some specialized in health and life sciences. We thank them for the trust they place in us and will make every effort to achieve the stated objectives."

The Operation was implemented on the basis of a decision made by the Board of Directors on 14 June 2018 and by the CEO on 14 June 2018, in accordance with the delegation of authority granted by the thirteenth resolution approved by the Combined General Shareholder's Meeting held on 23 May 2018. It has been

¹ Cf. press release May 23, 2018

completed at a price that represents a 20% discount compared with the 5-day weighted average price of the Company's share on the Euronext Growth market in Paris prior to setting the issue price.

The capital increase was executed through the issue of 3,148,149 new ordinary shares, without preferential subscription rights, reserved for one category of beneficiaries. The settlement and delivery of the new shares issued within the frame of the capital increase and their admission for trading on the Euronext Growth Paris market is scheduled on 19 June 2018. The new shares will bear current dividend rights and will be admitted for trading on the Euronext Growth market in Paris under the same listing as the Company's existing shares (ISIN code ISIN FR0010879056 – ALDEI).

The Company's share capital will be comprised of 15,566,484 shares following the settlement-delivery.

Post-capital increase and on the basis of the information available to Deinove, the breakdown of the Company's share capital is:

Shareholders	Number of shares	% of share capital	Voting rights	%
Funds managed by Truffle Capital	1,380,595	8.87%	1,893,760	11.65%
Funds managed by TVM Capital	1,155,617	7.42%	1,155,617	7.11%
Scientific founders	20,000	0.13%	40,000	0.25%
Management and Board members	53,990	0.35%	88,101	0.54%
Free float	12,956,282	83.23%	13,083,097	80.46%
TOTAL	15,566,484	100.00%	16,260,575	100.00%

For information purposes, the stake of a shareholder holding 1% of the Company's share capital (non-diluted) prior to the issue will be brought to 0.80%.

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

The Operation was advised by Invest Corporate Finance and led by Invest Securities acting as Lead Arranger and Bookrunner (Allinvest Group). DEINOVE was advised by Fieldfisher on the legal aspects of the Operation.

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).

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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