

## Valbiotis launches a capital increase through a private placement

### Launch of a cash capital increase of approximately 12 million euros using an accelerated bookbuilding process

La Rochelle, April 14, 2021 (5:40 pm CEST) - Valbiotis (FR0013254851 – ALVAL, PEA-PME eligible), a Research & Development company committed to scientific innovation for preventing and combating metabolic diseases, **today announces the launch of a capital increase within the context of a private placement through an accelerated bookbuilding process for an amount of approximately 12 million euros. This capital increase, with the removal of shareholders' preferential subscription rights in favor of a category of persons, will be reserved exclusively for qualified investors as referred to in article 2(e) of Regulation (EU) 2017/1129 of June 14, 2017.**

#### Reasons for the offer

The net proceeds of the capital increase are intended primarily to finance the acceleration of the development of TOTUM•854 (prevention of arterial hypertension) with the launch of three clinical trials at the end of this year including a Phase II/III clinical trial, prior to a health claim application. In partnership with a major healthcare player, TOTUM•854 could then be marketed at the end of this study, up to 3 years ahead of the initial schedule.

This acceleration comes in the wake of the positive preclinical results obtained with this active substance, presented at the annual ESH – ISH congress ([press release of April 12, 2021](#)) and available on the Company website ([www.valbiotis.com/en](http://www.valbiotis.com/en)). These results obtained *in vivo* on predictive models of human hypertension have shown that TOTUM•854 effectively prevents arterial hypertension, considered as the number one chronic disease worldwide with over 124 million people with moderately high blood pressure in the United States and the 5 main European countries (Germany, Spain, France, Italy, and the United Kingdom) alone. This represents an addressable market for Valbiotis worth an estimated 1.15 billion euros (source: AEC Partners, 2020).

The capital increase will also help to extend Valbiotis' funding horizon and enable the Company to reach the next steps in value creation of its various products:

- funding of preclinical research on the other products in the portfolio;
- reinforcement of staff, mainly clinical and supply chain teams, to prepare the upcoming marketing of TOTUM•63 in prediabetes by Nestlé Health Science;
- financing the Company's overall costs until summer 2023.

#### Conditions of the offer

The transaction consists in a private placement and will be undertaken with the removal of shareholders' preferential subscription rights in favor of a category of persons by using the delegation granted by the Shareholders' Annual General Meeting held on May 28, 2020 (13<sup>th</sup>

resolution). The issue price of the new shares will be determined in accordance with the said resolution.

The offer is reserved for “qualified investors” within the European Economic Area (including France) as defined in article 2(e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, and “Qualified Institutional Buyers” in the United States as defined in Rule 144A of the U.S. Securities Act of 1933 (“Securities Act”) or “Institutional Accredited Investors” as defined in Regulation D of the Securities Act, based on the exemption from registration under the Securities Act.

The private placement will be executed through an accelerated bookbuilding process, following which the number and price of the new shares issued will be determined.

The accelerated bookbuilding process will begin immediately and should be concluded before the opening of the markets on April 15, 2021.

Valbiotis will announce the outcome of the private placement as soon as possible after the closure of the bookbuilding process in a press release specifying in particular the final number of new shares issued and the issue price.

The settlement of the new shares issued within the context of the capital increase should take place within 3 business days following the closure of the capital increase.

Pursuant to Article 1(4) of Regulation (EU) 2017/1129, a Prospectus approved by the French Financial Markets Authority (AMF) will not be published for the issuances envisaged.

**Within the framework of the transaction, Invest Securities and TP ICAP Europe will act as Global Coordinators, Leaders, and Bookkeepers of the private placement.**

## **Warning**

Valbiotis (the “Company”) draws the attention of the public to:

- The risk factors presented in the registration agreement approved by the French Financial Markets Regulator (AMF) on 31 July 2020 (application number R 20-018) the annual financial report for the financial year ending December 31, 2020 and the half-year financial report for the period ending June 30, 2020 (these documents are available on the Company's website ([www.valbiotis.com](http://www.valbiotis.com))); the materialization of any or all of these risks is likely to have a detrimental effect on the activity, financial situation, or the results of Valbiotis or on its ability to achieve its objectives.
- The main risks associated with the capital increase are the following:
  - the market price of the Company shares may fluctuate and fall below the subscription price of the new shares;
  - due to stock market fluctuations, the volatility and liquidity of the Company shares may vary significantly;
  - the sale of Company shares may occur on the secondary market, after the capital increase, and have a negative impact on the Company share price;

- regarding the use of the expected proceeds of the issuance within the context of the present capital increase, the Company has room for maneuver as to the use of the funds raised and could use them in a way that the shareholders may not adhere to or that would not increase the value of their investment in the short term;
- a new market-based call by the Company, after the capital increase, could result in further dilution for the investors.

## About Valbiotis

Valbiotis is a Research & Development company committed to scientific innovation for preventing and combating metabolic diseases in response to unmet medical needs.

Valbiotis has adopted an innovative approach, aiming to revolutionize healthcare by developing a new class of health nutrition products designed to reduce the risk of major metabolic diseases, based on a multi-target approach enabled by the use of plant-based ingredients.

Its products are intended to be licensed to players in the health sector.

Created at the beginning of 2014 in La Rochelle, the Company has forged numerous partnerships with leading academic centers. The Company has established three sites in France: Périgny, La Rochelle (17) and Riom (63).

Valbiotis is a member of the "BPI Excellence" network and has been recognized as an "Innovative Company" by the BPI label. Valbiotis has also been awarded "Young Innovative Company" status and has received major financial support from the European Union for its research programs via the European Regional Development Fund (ERDF). Valbiotis is a PEA-SME eligible company.

For more information about Valbiotis, please visit: [www.valbiotis.com](http://www.valbiotis.com)

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## Warning

This press release contains forward-looking statements about VALBIOTIS' objectives. VALBIOTIS considers that these projections are based on rational hypotheses and the information available to the company at the present time. However, in no way does this constitute a guarantee of future performance, and these projections may be reconsidered based on changes in economic conditions and financial markets, as well as a certain number of risks and uncertainties mentioned in this press release. This document is available on the Company's website ([www.valbiotis.com](http://www.valbiotis.com)).

This press release, as well as the information contained herein, does not constitute an offer to sell or subscribe to, or a solicitation to purchase or subscribe to, VALBIOTIS' shares or securities in any country.

As a reminder, pursuant to the provisions of Article 211-3 of the General Regulations of the *Autorité des marchés financiers* and Article 1, 4 of Regulation (EU) 2017/1129, the offer of the Company's shares in the context of the capital increase carried out for the benefit of a category of persons meeting

specific characteristics, in particular qualified French and international investors, will not give rise to a prospectus subject to the visa of the *Autorité des marchés financiers*.

Detailed information about Valbiotis, including its business, results and risk factors, has been presented in the annual financial report for the financial year ending December 31, 2020, in the half-year financial report for the period ending June 30, 2020 and in the registration agreement approved by the French Financial Markets Regulator (AMF) on 31 July 2020 (application number R 20-018). These documents, as well as other regulated information and press releases, can be consulted on the Company's website ([www.valbiotis.com](http://www.valbiotis.com)).

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Securities may be offered or sold in the United States only pursuant to registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or pursuant to an exemption from such registration requirement. The securities of the Company that are the subject of this press release have not been and will not be registered under the Securities Act, and the Company does not intend to conduct a public offering of the securities that are the subject of this press release in the United States.

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