

Valbiotis: largely successful capital increase through a private placement totaling 15 million euros

- Gross amount of the capital increase: 15 M€.
- Market capitalization: 79 M€, after issuance of 1,930,000 New Shares at a unit price of 7.80 €, representing a 5.1% discount.
- Funding secured until first semester 2024.
- A sustainably secure financial situation that does not include milestones payments and potential royalties resulting from the partnership with Nestlé Health Science as well as additional revenues associated with the signing of any new partnership.

La Rochelle, April 15, 2021 (07:35 am CEST) - Valbiotis (FR0013254851 – ALVAL, PEA-PME eligible), a Research & Development company committed to scientific innovation for the treatment and prevention of metabolic diseases, **today announces the large successful capital increase through a private placement open to certain categories of beneficiaries launched the previous day and achieved using an accelerated bookbuilding process.** Given the very high demand from French and international investors, Valbiotis decided to set the amount of the capital increase at 15 million euros, compared to approximately 12 million euros initially forecast.

Sébastien PELTIER, CEO of Valbiotis stated: *"I am extremely grateful to all the new investors who participated in this capital increase, as well as all our historic shareholders who continue to support our company in its mission and its development. This capital increase is key, as it will enable us to accelerate our development program for the prevention of high blood pressure with the aim of marketing by 2023, up to three years ahead of our initial schedule. It will also contribute to the achievement of our preclinical programs across our entire portfolio and to the strengthening of our supply chain in view of, among other things, the future commercialization of TOTUM•63 in prediabetes by Nestlé Health Science. Thanks to these new resources, that secure the execution of our roadmap in the long term, we have everything we need to succeed!"*

Allocation of funds to the development strategy of Valbiotis

The net proceeds of the capital increase of approximately 14.2 M€ are primarily intended 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). 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 first semester 2024.

Main characteristics of the capital increase

Valbiotis has issued 1,930,000 new shares at a unit price of 7.80 euros, share premium included, which corresponds to a nominal value of 0.10 euros and a share premium of 7.70 euros, for a gross amount of 15,054,000 euros. This represents 25% of the share capital of Valbiotis before the capital increase and an overall dilution of 20%.

The capital increase was executed with the removal of shareholders' preferential subscription rights through a private placement using an accelerated bookbuilding process with both French and international qualified investors belonging to the category of persons referred to in the 13th resolution of the Shareholders' Annual General Meeting held on May 28, 2020.

The Board set the subscription price at 7.80 euros per new share. This price, fixed under the conditions provided for in the above-mentioned 13th resolution, represents a 5.1% discount compared to the closing price of the Company shares on April 14, 2021.

Incidence of the capital increase on the capital distribution

This transaction will result in an increase of the share capital of Valbiotis from 777,626.20 euros to 970,626.20 euros divided by 9,706,262 shares with a nominal value of 0.10 euros each, and is broken down as follows:

Shareholders	Before offering		After offering	
	Number of shares	% of capital	Number of shares	% of capital
Stake of Board members (1)	1,006,051	12.9%	1,006,051	10.4%
Sébastien PELTIER (via Djanka Investissement and as an individual)	647,100	8.3%	647,100	6.7%
Jocelyn PINEAU (via Financière ELOUJON and as an individual)	349,751	4.5%	349,751	3.6%
Pascal SIRVENT	9,200	0.1%	9,200	0.1%
Stake of Supervisory Board members (1)	13,400	0.2%	13,400	0.1%
Laurent LEVY	10,400	0.1%	10,400	0.1%
Sébastien BESSY	3,000	0.0%	3,000	0.0%
Liquidity contract (2)	10,679	0.1%	10,679	0.1%
Public	6,746,132	86.8%	8,676,132	89.4%
TOTAL	7,776,262	100%	9,706,262	100%

(1) The other members of the Board and Supervisory Board do not hold any shares. It is recalled that all the members of the Board and the Supervisory Board together hold 867,124 share warrants and share warrants for entrepreneurs out of a total of 1,140,046 share warrants and share warrants for entrepreneurs issued.

(2) Data from the session on March 31, 2020.

The allocation of voting rights is as follows:

Shareholders	Before offering		After offering	
	Number of shares	% of capital	Number of shares	% of capital
Stake of Board members (1)	1,863,551	21.5%	1,863,551	17.6%
Sébastien PELTIER (via Djanka Investissement and as an individual)	1,252,100	14.4%	1,252,100	11.8%
Jocelyn PINEAU (via Financière ELOUJON and as an individual)	602,251	6.9%	602,251	5.7%
Pascal SIRVENT	9,200	0.1%	9,200	0.1%
Stake of Supervisory Board members (1)	13,400	0.2%	13,400	0.1%
Laurent LEVY	10,400	0.1%	10,400	0.1%
Sébastien BESSY	3,000	0.03%	3,000	0.03%
Liquidity contract (2)	-	0.0%	-	0.0%
Public	6,808,460	78.4%	8,738,460	82.3%
TOTAL	8,685,411	100%	10,615,411	100%

(1) The other members of the Board and Supervisory Board do not hold any shares. It is recalled that all the members of the Board and the Supervisory Board together hold 867,124 share warrants and share warrants for entrepreneurs out of a total of 1,140,046 share warrants and share warrants for entrepreneurs issued.

(2) Data from the session on March 31, 2020.

Impact on the situation of the shareholder

Based on the post-transaction share capital, the stake of a shareholder holding 1% of the capital of the Company before the capital increase and not having subscribed to the latter now holds 0.80%.

Shareholder stake	
Non-diluted basis	Diluted basis (1)
1%	0.88%
0.80%	0.72%

(1) Taking into account the subscription of 1,930,000 new shares likely to be created to date.

The impact on the equity per share is as follows:

Equity (1) per share on December 31, 2020	
Non-diluted basis	Diluted basis (1)
0.92 €	0,81 €
0.74 €	0.66 €

(1) Established according to the IFRS and before charging expenses against the issue premium, based on audited accounts, closed and not approved at December 31, 2020.

(2) Taking into account the subscription of 1,930,000 new shares likely to be created to date

Admission to trading of new shares

The new shares will bear dividend rights and will be admitted to trading on the Euronext Growth Paris market under the same ISIN code: FR0013254851 – ALVAL. They will be subject to all statutory provisions and will be ranked with the existing shares upon completion of the capital increase. The settlement of the new shares and their admission to trading on the Euronext Growth Paris market is scheduled within 3 working days.

The information presented in this press release is so following the placement of shares through an accelerated bookbuilding process, now closed, but remains subject to the correct execution of the settlement transactions.

Pursuant to the provisions of Article 211-3 of the General Regulation of the Autorité des marchés financiers and Article 1(4) of Regulation (EU) 2017/1129, the Offer has not resulted in or will not result in the preparation of a prospectus submitted to the AMF for approval.

Parties involved



Associate Leaders and Bookkeepers



Legal advice

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

Contacts

Corporate communication / Valbiotis

Carole ROCHER / Marc DELAUNAY

+33 5 46 28 62 58

media@valbiotis.com

Financial communication / Actifin

Stéphane RUIZ

+33 1 56 88 11 14

sruiz@actifin.fr



Name: Valbiotis
ISIN code: FR0013254851
Mnemonic code: ALVAL
EnterNext® PEA-PME 150

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).

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).

This press release is for information purposes only. This press release does not constitute and shall not be deemed to constitute an offer to the public, an offer to subscribe, an offer to sell or a solicitation of interest to the public in connection with any transaction by way of public offering of securities in any jurisdiction.

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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