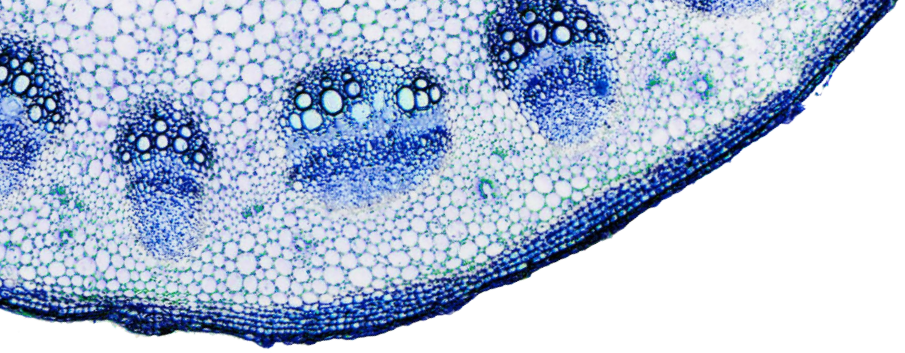

Valbiotis publishes its 2021 annual report

- A cash position of nearly €22M (excluding potential additional revenue) at the end of December 2021, securing the execution of the strategic roadmap through to the first half of 2024;
- 2021: new steps taken on the roadmap;
- 2022: a decisive year with the completion of several clinical trials in the portfolio's major indications that should pave the way for future commercialization.

La Rochelle, March 15, 2022 (17:40 CET) - Valbiotis (FR0013254851 – ALVAL, PEA/SME eligible), a Research and Development company committed to scientific innovation for preventing and combating metabolic diseases, **announces its results for the 2021 fiscal year and provides an update on recent advances.**

Key events in 2021: new advances ahead of a decisive fiscal year 2022

TOTUM•63, prediabetes

- Continuation of the last phase of clinical development

This latest Phase II/III clinical study (REVERSE-IT) was designed with Nestlé Health Science teams and financed by the partnership. The main objective of this study is to confirm the positive Phase II results on fasting blood glucose, a well-established risk factor for type 2 diabetes. REVERSE-IT continued throughout FY2021. The study is being conducted in more than 50 clinical centers worldwide. In January 2022, Valbiotis announced that it expects to complete recruitment in the second quarter of 2022 with results expected in the fourth quarter of 2022.

- Exploratory clinical mode of action study conducted by the Institute of Nutrition and Functional Foods (INAF) at Laval University, Quebec City

This study will be conducted on 20 volunteers and will explore many mechanistic parameters of the pathophysiology of prediabetes and type 2 diabetes. It is intended to strengthen the scientific and commercial value of TOTUM•63.

- Patent in China

Announced in May 2021, this patent grants broad protections on the composition and use of TOTUM•63. It also grants exclusive commercial rights in this strategic country as one of the most affected by metabolic diseases, where the prevalence of prediabetes in the adult population is estimated at 35%, or 390 million people, and that of overweight and obesity at 50%. This patent, which has now been acquired in nearly 50 countries including Europe, the United States and China, is a concrete expression of the Company's global protection strategy.

Finally, news on TOTUM•63 was also marked by publications in three international scientific journals (American Journal of Physiology - Endocrinology and metabolism, International Journal of Obesity and Nutrients journal), describing its multi-target mechanism of action. These publications have validated the work done in the R&D program for the active substance since its discovery in 2015.

TOTUM•854, blood pressure reduction

For TOTUM•854, the positive preclinical results obtained in hypertension were selected and presented by the European Society of Hypertension (ESH) and the International Society of Hypertension (ISH). *In vivo* results in predictive models of hypertension in humans have shown that TOTUM•854 effectively prevents hypertension. This proof of concept was obtained in partnership with the Cardiovascular Pharm-Ecology Laboratory (LaPEC) of the University of Avignon as well as within the Valbiotis R&D platform. Buoyed by these positive preclinical results, the Company announced in December 2021 that it had submitted three clinical protocols for TOTUM•854 in blood pressure reduction to the relevant authorities (the studies have since been launched):

- The INSIGHT and INSIGHT 2 clinical trials, international Phase II/III studies with recruitment expected to end in the first half of 2023;
- A clinical bioavailability and mode of action study to characterize its metabolites and identify their effects on human cell lines. Results are expected in the fourth quarter of 2022.

This strategy will allow Valbiotis to build a complete claim file. This acceleration would allow for commercialization by a major healthcare player as soon as Phase II/III results are available, up to 3 years ahead of the initial plan.

As a reminder, the market for mild to moderate hypertension in the United States and in the primary European countries is estimated at 1.15 billion euros (study conducted in 2020 by the firm AEC).

TOTUM•070, reduction of LDL-cholesterol concentration in the blood

For TOTUM•070, 2021 began with the launch of a multicenter, randomized, placebo-controlled, double-blind, Phase II HEART clinical trial including 120 people with untreated mild to moderate high LDL-cholesterol. Its primary endpoint is the reduction of blood LDL-cholesterol levels, a cardiovascular risk factor. Recruitment of the final, randomized volunteer was announced in early September 2021, with results to be reported in the second quarter of 2022, similar to the results of the clinical bioavailability and mode of action study.

Meanwhile, in November 2021, TOTUM•070's positive preclinical results on high cholesterol were selected and presented at the American Heart Association (AHA) annual meeting. They demonstrated a 38-47% reduction in "bad" cholesterol (including LDL-cholesterol) by TOTUM•070, as well as a reduction in total cholesterol and blood triglycerides, in two *in vivo* models predictive of human physiology. These initial data suggest that TOTUM•070 has a multi-targeted mode of action, with effects revealed on the gut and liver, involving lipid metabolism and inflammation. All these data pave the way for promising clinical developments.

TOTUM•448, reduction of hepatic steatosis

TOTUM•448 is the fourth active substance in the Valbiotis portfolio and is being developed to address unmet needs in the management of metabolic liver diseases: non-alcoholic fatty liver and non-alcoholic steatohepatitis (NAFL and NASH).

The development plan has been updated to meet the challenges imposed by these emerging pathologies, for which effective preventive and therapeutic strategies have yet to be developed. This plan will be based on an innovative study design, in 'real life', in healthcare centers and in direct connection with patient care. Combined with clinical mode of action studies, this work on the ground positions TOTUM•448 very well on the management of NAFL and NASH.

New R&D area: microalgae

Finally, the latest advances in Research and Development, Valbiotis has integrated the exploration of microalgae produced in New Caledonia into its portfolio, through an exclusive agreement with ADECAL-Technopole and IFREMER. This program should make it possible to develop a bank of high-potential strains selected by ADECAL-Technopole and IFREMER in New Caledonia since 2013 as part of the joint research project "AMICAL".

In addition to the progress made in the field of Research and Development, this year, Valbiotis obtained ISO 9001 certification awarded by AFNOR. This certification guarantees all of the Company's partners control over all Discovery, Preclinical Research, Clinical Research, Production, as well as product quality management.

Valbiotis has also strengthened its management structure by appointing Sébastien Bessy, international expert in Consumer Healthcare, as Director of Marketing and Sales Operations. Previously Vice President of Global Strategic Operations Consumer Healthcare at Ipsen, Sébastien Bessy has more than 20 years of experience in international marketing strategy, sales strategy, portfolio strategy and business development. This appointment comes at a key time in the acceleration of the Company's growth, with four active substances now in clinical phase.

On the financial front, Valbiotis successfully completed a €15 million private placement capital increase in April 2021 with the issuance of 1,930,000 new shares at a unit price of €7.80. Financing needs are assured until the first half of 2024. The financial situation is therefore secure in the long term. In addition, Valbiotis has received €1.25M in innovation support from Bpifrance (€750,000 Research and Development Innovation Loan and €500,000 Investment Seed Loan).

As at December 31, 2021, Valbiotis had a cash position of €21,819,000, up nearly 50% compared to December 31, 2020. At this time, the cash flow horizon is estimated to be the first half of 2024 and does not take into account additional milestone payments and potential royalties that could be received from Nestlé Health Science or additional revenue that could be generated from new strategic partnerships on other products in the portfolio.

2021 annual results: a perfectly controlled financial situation that is well positioned for future developments

The Company's 2021 financial statements prepared in accordance with IFRS standards were approved by the Executive Board on March 9, 2022. They have been audited by the Statutory Auditor and are available on the Valbiotis website: www.valbiotis.com/investors.

Income statement - IFRS in €K, as at December 31	**2021**	**2020**
Operating income including	2,693	5,099
Turnover	*298*	*3,092*
Grants	*645*	*750*
Research Tax Credit	*1,750*	*1,258*
R&D expenditure	-7,028	-5,411
Sales & Marketing expenditure	-1,509	-1,031
Overhead expenditure	-1,115	-1,387
Operating profit for the period	**-8,475**	**-3,407**
Operating profit	-8,475	-3,407
Earnings before tax	-8,681	-3,829
Net income	**-8,681**	**-3,829**

IFRS in €K	**2021**	**2020**
Cash flow from operating activities	-7,156	2,693
Cash flow from investing activities	-7	-332
Cash flow from financing activities	14,398	4,191
Change in cash position	**7,235**	**6,552**
Closing cash position	**21,819**	**14,585**

In 2021, Valbiotis generated a turnover of €298,000, in light of the 5 million Swiss franc (€4,679,000) upfront payment spread over the duration of the licensing agreement under the partnership with Nestlé Health Science.

In addition to turnover, operating income (€2,693,000) consists mainly of the Research Tax Credit acquired during the period (€1,750,000) and grants (€645,000), which remained stable during the year.

Research and Development expenses increased by 30% to €7,028,000 (compared to €5,411,000 in 2020). This anticipated increase includes the continuation of the Phase II/III clinical trial, REVERSE-IT, on TOTUM•63, the launch of the Phase II clinical trial on TOTUM•070 and the continuation of preclinical research work on the Riom technical platform.

Sales and marketing expenses were up 46% to €1,509,000 (compared to €1,031,000 in 2020). This increase, again expected, reflects the intensification of marketing and sales efforts to prepare for future opportunities. The increase in personnel costs illustrates the need to strengthen the Group's management structure in order to secure the execution of the business plan for the various indications in the portfolio.

Cash flow from operating activities amounted to (€7,156,000) in 2021, reflecting the intensification of research and development work. Cash flows from investing activities were negative by €7,000. Cash flows from financing activities were positive by €14,398,000, mainly due to the private placement capital increase in April 2021, for a gross amount of €15M, as well as to two loans obtained from Bpifrance for an amount of €1.3M.

As at December 31, 2021, Valbiotis had a cash position of €21,819,000, up 49% compared to the available liquid assets at the end of December 2020 (€14,595,000).

To date, taking into account in particular:
- its €21,819,000 in available liquid assets on December 31, 2021,
- its operating expenses related to its current development plan,
- the maturity of its current financial debt.

Valbiotis considers that it does not face a liquidity risk with an estimated cash flow horizon of the first half of 2024. This cash flow horizon does not take into account additional milestone payments that may be made to Nestlé Health Science, nor additional revenue that may be generated from new strategic partnerships.

2022: a decisive year with the completion of several clinical trials on the portfolio's major indications

After 2021, a year of background work, which enabled us to reach new milestones in the clinical plans of the portfolio's main active substances, 2022 will be a pivotal year with major clinical results expected in three key indications: prediabetes, high cholesterol and blood pressure:
- TOTUM•63 (prediabetes): end of recruitment planned for the second quarter with results expected in the fourth quarter of 2022 for the pivotal Phase II/III REVERSE-IT study and completion of the mode of action clinical study by INAF;
- TOTUM•070 (high cholesterol): results of the Phase II HEART clinical efficacy study and the clinical bioavailability and mode of action study (second quarter 2022);
- TOTUM•854 (blood pressure): results of the bioavailability and mode of action clinical study (fourth quarter 2022) and launch of the two Phase II/III clinical studies INSIGHT and INSIGHT 2. In February 2022, these two randomized, placebo-controlled studies were authorized, paving the way for the recruitment of 800 volunteers, which should be completed in the first half of 2023. Their results are essential for a health claim application and will follow the protocols validated by the competent authorities.

Sébastien PELTIER, CEO, Chairman of the Board of Valbiotis, states: *"We closed 2021 with a strong financial position that will allow us to continue to execute our business plan across our entire product portfolio with confidence. 2022 thus promises to be a key year with major clinical results expected on our primary active substances. Thanks to these results, we intend to demonstrate the efficacy of our innovations for patients*

and impose our innovative model in the prevention of metabolic and cardiovascular diseases. They should also enable us to prepare for future commercialization, particularly in prediabetes, alongside our partner Nestlé Health Science. We are therefore looking forward to the coming months with even greater mobilization and enthusiasm to achieve our position as an innovative player in health nutrition."

Valbiotis' annual financial report on December 31, 2021, has been made available to the public and filed with the AMF. This document is available on the website: www.valbiotis.com/investors.

Valbiotis confirms that it complies with the PEA-SME eligibility criteria specified in Article D.221-113-5 of the regulatory decree no. 2014-283 of March 4, 2014, namely:

- A total workforce of fewer than 5,000 employees;
- A total turnover of less than 1.5 billion euros or total assets of less than 2 billion euros.

As a result, Valbiotis shares continue to be included in PEA-SME accounts, which benefit from the same tax advantages as the traditional equity savings plan (PEA).

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, relying on a multi-target strategy enabled by the use of plant-based terrestrial and marine resources.
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) – and a subsidiary in Quebec City (Canada).
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

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