

Biophytis has signed €24m bond funding from Negma to continue the development of its drug candidates to treat neuromuscular diseases

Paris, 23rd August 2019, 08.00am CET – BIOPHYTIS (Euronext Growth Paris: ALBPS), a biotechnology company specialized in developing new therapeutics to slow the degenerative processes and improve functional outcomes for patients suffering from age-related diseases, announces it has secured a line of funding that could reach €24 million, set up with Negma, a specialist investment fund based in Dubai, UAE, in the form of 2,400 note warrants for Bonds Redeemable in Cash or New or Existing Shares (ORNANE), at a par value of €10,000 each, combined with Share Subscription Warrants (BSAs), together referred to as ORNANEBSA. The €24m financing can be exercised for 4 years, without obligation to do so, through 8 successive tranches of €3 million each. This line of funding will enable Biophytis to continue the clinical development of Sarconeos (BIO101) for the treatment of sarcopenia (Phase IIb SARA-INT study) and Duchenne muscular dystrophy (DMD) (Phase I/II MYODA study)

Main characteristics of ORNANEBSA

Today, Biophytis issued 2400 ORNANEBSA note warrants. ORNANE are bonds redeemable in cash or convertible in existing or new shares. Together combined with warrants: ORNANEBSA. Note warrants were fully subscribed by Negma. The contract signed between Biophytis and Negma, includes the same main terms and conditions as the previous contract held by Bracknor Fund, which is now terminated. The main characteristics of the ORNANE and BSA are set to ensure continuity with the previous contract.

Legal framework

The issued securities will give access immediately or in the future to the Company's capital without shareholders' preferential subscription rights, for the benefit of a category of persons pursuant to Article L. 225-129 et seq. of the French Commercial Code.

The Company's Board of Directors approved this agreement in its meeting of August 8th 2019. The Company has issued one tranche of ORNANEBSA of an amount of €3m; the 7 next tranches shall be subject to Board of Directors approval, in accordance with the delegations granted by the Exceptional General Shareholders Meeting of August 8th 2019, under the twelfth resolution.

This offer of financial securities did not result in a prospectus subject to AMF approval. The Company will notify shareholders of the ORNANEBSA note warrants exercises, and maintain an up-to-date reporting on its website summarizing note warrants, bonds, warrants, and shares outstanding.

Main characteristics of the ORNANEBSA note warrants

The 2,400 4-year note warrants require their holder to exercise them, at the Company's request, in tranches of 300 warrants each. Each warrant grants its holder the right to one (1) ORNANEBSA. Note warrants may not be transferred and will not be subject to a request for admission to trading on the Euronext Growth market.

Warrants will be detached immediately from ORNANE once ORNANEBSA are issued.

Main characteristics of the ORNANE

The ORNANE (Bonds) will have a par value of 10,000 euros. They will not bear interest and will have a 12-month maturity from issuance. Holders of ORNANE may request at any time to convert them during their maturity period, and at that time, the Company will be able to redeem the ORNANE in cash. At the end of the maturity period, and if the ORNANE have not yet been converted or redeemed, the holder will have to convert them.

The holder may ask to convert the ORNANE at any time at the conversion parity determined by the following formula: $N = V_n / (R \times P)$, where

- "N" is the number of shares yielded by the conversion,
- " V_n " is the par value of the ORNANEs, i.e., 10,000 euros,
- "R" is the conversion ratio, i.e., 0.92,
- "P" is the conversion price, i.e., the lowest volume weighted average price over the 15 trading days preceding the date on which conversion is requested.

On the day of the conversion request, the Company may redeem the ORNANE in cash using the following formula: $V = V_n / R$, where

- "V" is the amount redeemed to the holder.

ORNANE may be transferred by their holders only to Affiliates and will not be subject to a request for admission to trading on the Euronext Growth market.

Main characteristics of the warrants

The warrants shall be detached from ORNANE immediately. They may be transferred by their holders only to Affiliates and will not be subject to a request for admission to trading on the Euronext Growth market.

They may be exercised for a period of five (5) years as of their date of issuance. Each warrant will give its holder a right to subscribe one (1) new Biophytis share.

The strike price of the warrants will be calculated using the following formula: $P_e = 125\% \times P$, where

- “ P_e ” is the warrant strike price,
- “ P ” is the conversion price, i.e., the lowest volume weighted average price over the 15 trading days preceding the date on which exercise is requested.

The number of warrants to be issued upon the issuance of the ORNANEBSA will be such that, when multiplied by the warrants strike price (determined according to the terms and conditions below), the resulting amount is equal to 12.5% of the par value of the tranche according to the following formula:

$$n = (r \times V_n) / (125\% \times P), \text{ where}$$

- “ n ” is the number of warrants issued,
- “ r ” is the ratio of warrants issued as compared to the number of ORNANE, i.e., 12.5%,
- “ P ” is the conversion price, i.e., the lowest volume weighted average price over the 15 trading days preceding the date on which exercise is requested.

Number of securities and dilution

Based on the 13,463,413 shares outstanding, and based on an issuance, or conversion, or exercise on 21st August 2019, i.e., a lowest volume weighted average price over the 15 trading days preceding the concerned date equal to €0.48m, the impact on a shareholder’s 1% stake in the Company’s capital prior to the operation is:

Impact on a shareholder’s 1% stake in the Company’s capital prior to the operation	Non-diluted basis	Diluted basis
Before issuance of ORNANEBSA	1.00	0.94
After issuance of 6,793,478 new shares issued from the conversion of the first ORNANE tranche	0.66	0.63
After issuance of 6,793,478 new shares issued from the conversion of the first ORNANE tranche and the issuance of 625,000 shares issued from the exercise of the first tranche of warrants (BSA)	0.64	0.61
After issuance of 54,347,826 new shares issued from the conversion of the totality of ORNANE	0.20	0.20
After issuance of 54,347,826 new shares issued from the conversion of the totality of ORNANE and the issuance of 5,000,000 shares issued from the exercise of the first tranche of warrants (BSA)	0.18	0.18

About BIOPHYTIS

Biophytis is a clinical-stage biotechnology company focused on the development of therapeutics that slow the degenerative processes and improve functional outcomes for patients suffering from age-related diseases. Our therapeutic approach is aimed at targeting and activating key biological resilience pathways that can protect against and counteract the effects of the multiple biological and environmental stresses that lead to age-related diseases. Our lead drug candidate, Sarconeos (BIO101), is an orally administered small molecule in development for the treatment of neuromuscular diseases, including sarcopenia and Duchenne muscular dystrophy (DMD). Our second drug candidate, Macuneos (BIO201), is an orally administered small molecule in development for the treatment of retinal diseases, including dry age-related macular degeneration (AMD) and Stargardt disease. Biophytis is headquartered in Paris, France, and has offices in Cambridge, Massachusetts.

The Company's ordinary shares are listed on Euronext Growth Paris (Ticker: ALBPS - ISIN: FR0012816825).

For more information please visit www.biophytis.com.

Disclaimer

This press release contains certain forward-looking statements. Although the Company believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated. For a discussion of risks and uncertainties which could cause the Company's actual results, financial condition, performance or achievements to differ from those contained in the forward looking statements, please refer to the Risk Factors ("Facteurs de Risque") section of the Listing Prospectus upon the admission of Company's shares for trading on the regulated market Euronext Growth of Euronext Paris filed with the AMF, which is available on the AMF website (www.amf-france.org) or on BIOPHYTIS' website (www.biophytis.com).

This press release and the information contained herein do not constitute an offer to sell or a solicitation of an offer to buy or subscribe to shares in BIOPHYTIS in any country. Items in this press release may contain forward-looking statements involving risks and uncertainties. The Company's actual results could differ substantially from those anticipated in these statements owing to various risk factors which are described in the Company's prospectus. This press release has been prepared in both French and English. In the event of any differences between the two texts, the French language version shall prevail.

Biophytis Investor Relations Contact

Daniel SCHNEIDERMAN, CFO

dan.schneiderman@biophytis.com

Tel: +1 (857) 220-9720

US Media Contact

LifeSci Public Relations

Cherilyn CECCHINI, M.D.

ccecchini@lifescipublicrelations.com

Tel: +1 (646) 876-5196

European Media Contact

Citigate Dewe Rogerson

Quentin DUSSART/ Sylvie BERREBI / Nathaniel DAHAN

biophytis@citigatedewerogerson.com

Tel: +33 (0)1 55 30 70 91 / +44 (0)20 7638 9571