

This press release is a promotional announcement and does not constitute a prospectus.



Press release

Valbiotis announces the success of its €15 M capital increase and is now focusing on marketing its range of dietary supplements

- A gross fundraising of €15.0 M (excluding fees), resulting in a net amount of approximately €13.0 M;
- An increase in capital that was secured by commitments under the guarantee for a total amount of €11.6 M (bringing the total coverage of the operation to 130%), which will be subscribed up to 61% to complete the operation at 100% of its amount;
- A total subscription request amounting to a gross amount of €7.9 M, broken down as follows:
 - A request for more than €3.9 M within the priority period, reflecting the strong interest of existing shareholders;
 - A request for €3.5 M in the context of the Global Placement; and
 - A request for more than €0.5 M in the context of the Public Offering.

La Rochelle, December 22, 2023 (07:35 a.m CET) - **Valbiotis** (FR0013254851 – ALVAL, PEA/SME eligible), a commercially oriented company, specializing in dietary supplements, committed to scientific innovation for preventing and combating metabolic and cardiovascular diseases, **announces the success of its capital increase with cancellation of preferential subscription rights and implementation of a priority subscription period. This €15.0 M round of financing is designed to ensure the company's continued expansion and enable it to fund its own growth, while maintaining its focus on its current activities.**

Sébastien PELTIER, Chairman of the Board of Directors, and co-founder of Valbiotis comments: *"We express our great satisfaction with the success of this capital increase, characterized by a priority period, which confirms the trust and sustained commitment of investors towards our strategy and growth ambitions. This achievement validates our ambitious positioning as a future major player in the European market for 100% plant-based dietary supplements. With particular pride, we acknowledge the strong support of our shareholders, both institutional and individual, already present in our capital, and we thank all the new subscribers. Thanks to the successful fundraising, we now have strengthened resources, serving as a crucial lever to materialize our international marketing strategy through partnerships and direct operations in France. Consequently, these resources will be complemented by additional revenues from 2024 onward."*

Reasons for the Offering

Buoyed by the excellent results of the REVERSE-IT study published earlier in the year, Valbiotis is embarking on a new phase in its development, focused on generating revenues and based on the following three strategic priorities:

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- Preparing to market TOTUM•63 alongside Nestlé Health Science;
- Launching direct marketing of other products in France, including TOTUM•070 as early as the 1st half of 2024;
- Finalizing the signature of new global or regional licensing and/or distribution agreements with major players in nutrition and health, in addition to the global strategic partnership already signed for TOTUM•63 in February 2020 with Nestlé Health Science, bearing in mind that discussions are underway with over 60 identified prospects,

while continuing its research efforts to prepare tomorrow's pipeline and complete clinical processes enabling proprietary health claims to be obtained for the majority of them, without this "label" constituting a prerequisite for marketing the products concerned.

The Company is entering a new deployment phase with the start of commercialization, which, in view of the Company's expectations, requires additional financing. The company plans to use the net proceeds from the issuance (approximately €13.0 million) to finance:

- **At 45% of net revenue, working capital requirements**, mainly a result of the need to build up inventories of raw materials to be supplied by Valbiotis to Nestlé Health Science under the supply contract, with a 1st order expected in the 1st half of 2024, and subsequently under future agreements relating to other products, as well as the financing of trade receivables.
- **At 35% of net revenue, sales, and marketing activities in France** (excluding TOTUM•63), including:
 - a) Finalizing the Company's structure with a view to starting direct marketing in France. This strategic development involves:
 - The need to finalize the buildup of sales and marketing teams to over 40 employees by 2026, with a gradual operational ramp-up;
 - The enhancement of IT tools, with the implementation of a CRM, an e-commerce site, the integration of a sales module into the ERP and, finally, the interfacing of the various tools with those of the Company's logistics partner;
 - Continued securing of the supply chain;
 - b) Financing working capital requirements linked to the buildup of raw materials and finished goods inventories. And finally,
- **At 20% of net revenue, the completion of a number of clinical trials not financed by partnerships** (including the Phase II/III HEART 2 trial for TOTUM•070), for an amount that is rather insignificant compared with the amounts devoted to this subject by the Company since its creation.

After taking into account 100% of the net proceeds of the Offer, i.e., €13.0 M, and taking into account the anticipated ramp-up in activity, the Company considers that it will be able to finance its own growth in the future within the current scope of its activities, without ruling out recourse to bank financing should the need arise.

Terms and conditions of the issue of new shares

The new shares not subscribed for under the priority subscription period were the subject of a global offering (the "Global Offering") comprising (a) a public offering in France (the "Public Offering") primarily aimed at individuals, and (b) a Global Placement.

The subscription price for the new shares was set by the Company's Board (*Directoire*) on December 8, 2023, at €4.46 per share, representing a discount of 20.1% relative to the closing price of €5.58 on December 8, 2023, and of 16.5% relative to the volume-weighted average share price of €5.34 for the five trading days preceding the Board's decision on December 8, 2023 (inclusive).

The capital increase, with a total gross amount of €15.0 M including issue premium, will give rise to the issue of 3,363,229 new shares, i.e., 100% of the initial offer, it being specified that no possibility of implementing an extension clause had been decided by the Company's Board (*Directoire*) on December 8, 2023.

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In the context of the priority period, the request from existing shareholders of the Company amounted to €3.9 M, representing 26% of the total amount of the capital increase.

As part of the Offering, a total subscription demand of €4 M (representing 27% of the total issuance amount) was observed, broken down as follows, including:

- A demand of €3.5 M as part of the Global Placement; and
- A demand of €0.5 M as part of the Public Offering.

In addition to a total subscription request for a gross amount (excluding fees) of €7.9 M, including the €2.1M subscription commitments obtained prior to the launch of the operation, it is recalled that the commitments received under the guarantee amounted to €11.6 M (bringing the total coverage of the operation to 130% of the issuance) and could be triggered as soon as the total subscription demand did not cover 100% of the initial offering.

In light of all these elements, the allocation of the 3,363,229 shares, representing 100% of the Offering, was as follows:

- 883,692 shares were allocated for subscriptions during the priority period;
- 773,745 shares were allocated for subscriptions as part of the Global Placement;
- 120,468 shares were allocated for subscriptions in the context of the Public Offering; and finally
- An allocation from the guarantors of 1,585,324 new shares, representing a service rate of approximately 61% of their initial commitments.

Impact on ownership structure and voting rights

In the Company's knowledge, the impact of the issuance on the distribution of its capital and voting rights is as follows (current and diluted basis):

Shareholding structure following the Offering

Shareholders	Before Offering		After the 100% Offering		After the Offering and on a diluted basis (3)	
	Nb. of shares	% capital	Nb. of shares	% capital	Nb. of shares	% capital
Shareholdings of Board (Directoire) (1)	652 891	5.25%	652 891	4.14%	1 680 313	9.43%
Of which Djanka Investissement (controlled by Sébastien PELTIER)	627 101	5.05%	627 101	3.97%	627 101	3.52%
Of which Sébastien PELTIER	3 830	0.03%	3 830	0.02%	385 009	2.16%
Shareholdings of Supervisory Board members	-	0.00%	-	0.00%	518 180	2.91%
Employees (2)	13 768	0.11%	13 768	0,09%	505 669	2.84%
Public	11 742 327	94.50%	15 105 556	95.67%	15 105 556	84.74%
Liquidity contract	16 392	0.13%	16 392	0.10%	16 392	0.09%
TOTAL	12 425 378	100.00%	15 788 607	100.00%	17 826 110	100.00%

(1) Not bound by any concerted action.

(2) In registered form.

(3) Including the creation of 2,037,503 new shares likely to result from the exercise in full of currently outstanding BSPCEs and BSAs.

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Breakdown of voting rights following the Offering

Shareholders	Before Offering		After the 100% Offering		After the Offering and on a diluted basis (3)	
	Nb. of voting rights	% of voting rights	Nb. of voting rights	% of voting rights	Nb. of voting rights	% of voting rights
Shareholdings of Board (Directoire) (1)	1 276 841	9.72%	1 276 841	7.74%	2 304 263	12.43%
Of which Djanka Investissement (controlled by Sébastien PELTIER)	1 232 101	9.38%	1 232 101	7.47%	1 232 101	6.65%
Of which Sébastien PELTIER	3 830	0.03%	3 830	0.02%	385 009	2.08%
Shareholdings of Supervisory Board members	-	0.00%	-	0.00%	518 180	2.80%
Employees (2)	23 461	0.18%	23 461	0.14%	515 362	2.78%
Public	11 836 650	90.10%	15 199 879	92.12%	15 199 879	81.99%
Liquidity contract	-	0.00%	-	0.00%	-	0.00%
TOTAL	13 136 952	100.00%	16 500 181	100.00%	18 537 684	100.00%

(1) Not bound by any concerted action.

(2) In registered form.

(3) Including the creation of 2,037,503 new shares likely to result from the exercise in full of currently outstanding BSPCEs and BSAs.

Given the number of shares issued, a shareholder who held 1% of the capital prior to the Offering saw his/her stake reduced to 0.79% after the Offering (and 0.70% on a fully-diluted basis).

Settlement and Delivery of the new shares

Settlement and delivery of the new shares and their admission to trading on the Euronext Growth multilateral trading facility in Paris are scheduled for December 28, 2023. The new shares will be listed on the same line as the Company's existing ordinary shares, will carry dividend rights and will be immediately fungible with the Company's existing shares.

Abstention and Retention Agreements

None.

Availability of the prospectus

This capital increase was the subject of a prospectus approved by the AMF on December 11, 2023, under No. 23-509:

- (i) The universal registration document filed with the Autorité des Marchés Financiers on April 26, 2023, under number D. 23-0347 ("2022 URD").
- (ii) The 1st amendment to the 2022 URD filed with the AMF on December Monday, December 11, 2023, under No. D. 23-0347-A01 ("the Amendment").
- (iii) An offering circular (the "Offering Circular").
- (iv) And the summary of the Prospectus (included in the Offering Circular).

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Copies of the AMF-approved Prospectus are available free of charge at Valbiotis' head office - 12F rue Paul Vatiné – ZI des Quatre Chevaliers, 17180 Périgny - France. This document can also be consulted online on the AMF (www.amf-france.org) and Valbiotis (www.valbiotis.com) websites.

Approval of the prospectus should not be construed as a favorable opinion by the AMF on the shares offered. Investors should carefully consider the risk factors described in Chapter 3 "Risk factors" of the 2022 URD, in particular the sections "Business risks", "Organizational risks" and "Legal risks", as well as in Chapter 4 of the Amendment and Chapter 3 "Risk factors relating to the Offer" of the Offering Circular.

Partners in the operation



Lead manager and joint bookrunner



Lead manager and joint bookrunner



Listing Sponsor

About Valbiotis

Valbiotis is a commercially oriented company, specializing in dietary supplements, committed to scientific innovation for preventing and combating metabolic and cardiovascular 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 and cardiovascular diseases, relying on a multi-target strategy enabled by the use of plant-based terrestrial and marine resources.

Internationally, its products are intended to be the subject of licensing and/or distribution agreements with global and regional health and nutrition players. In France, Valbiotis will be responsible for marketing its own products.

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 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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Name: Valbiotis
ISIN Code: FR0013254851
Ticker Symbol: ALVAL
EnterNext® PEA-PME 150
Listing Market: Euronext Growth Paris

Disclaimer

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, they are in no way guarantees of future performance and may be called into question by changes in economic conditions, financial markets and by a number of risks and uncertainties, including those described in its URD 2022 and its Amendment mentioned above. Valbiotis does not accept any liability regarding the update or revision of these forward-looking statements.

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This press release is a promotional announcement and does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (the "Prospectus Regulation"). The AMF-approved Prospectus is available on the AMF website (www.amf-france.org) and on the Company's website (www.valbiotis.com).

In France, a public offering of securities may only be made pursuant to a prospectus approved by the AMF. With regard to member states of the European Economic Area other than France (the "Member States"), no action has been or will be taken to permit a public offering of securities requiring the publication of a prospectus in any of these Member States. Consequently, the securities cannot and will not be offered in any of the Member States (other than France), except in accordance with the exemptions provided for in Article 1(4) of the Prospectus Regulation, or in other cases not requiring the publication by Valbiotis of a prospectus under the Prospectus Regulation and/or the regulations applicable in those Member States.

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