Teva to participate in MedinCell Initial Public Offering

Jacou, France, September 26, 2018, 6.00 pm CEST - MedinCell, a technological pharmaceutical company that develops a portfolio of long-acting injectable products in various therapeutic areas, announced today that its partner Teva Pharmaceutical Industries Ltd. ("TEVA") will participate in its Initial Public Offering by subscribing an amount anticipated to equal 20% of the Offering. All shares subscribed by TEVA within the Offering will be subject to the same lock-up commitment as other existing shareholders of MedinCell (i.e. 360 days following the settlement-delivery date of the initial public offering).

Terms of Teva's participation

TEVA informed the Company on September 26 of its intention to subscribe to the capital increase as part of MedinCell's Initial Public Offering in the limits set by the financing agreement executed with the Company on 25 July, 2016. In accordance with the terms of this financing agreement (see section E.3 from the summary of the prospectus and Chapters 10 and 22 of the Document de base) the shares will be subscribed through debt compensation. The total number of shares to be subscribed by TEVA will be subject to the Offering price and anticipated to equal 20% of the number of shares issued (excluding shares issued upon exercise of the greenshoe option, as the case may be) and provided that it does not exceed 5% of the share capital of the Company after completion of the Initial Public Offering.

All shares subscribed by TEVA within the Offering will be subject to the same lock-up commitment as other existing shareholders of MedinCell (i.e. 360 days following the settlement-delivery date of the initial public offering). In the context of TEVA's participation in the Initial Public Offering and its lock-up undertaking, the Company committed to maintain at least 10% of the remaining debt until its maturity date.

The number of new shares issued and subscribed by TEVA, as well as TEVA's shareholder position in the Company's capital, will be notified in the press release dedicated to the results of the Offer, planned on September 27, 2018 (as indicated in the indicative timetable below).

The purpose of the Offering remains unchanged and the Company reminds that it expects to use the net proceeds of the Offering as follows:

- the development and expansion of its product portfolio (funding of formulation research activities and preclinical and clinical phases, including external studies and staff costs) of approximately two-thirds of the net proceeds of the Offering;
- accelerating the development of its technology platform to other applications for approximately one-fifth of the net proceeds of the Offering;
- the potential partial repayment of the bonds subscribed by TEVA up to a maximum of one-tenth of the net proceeds of the Offering, in accordance with its contractual commitments, it being however specified that TEVA did not make such request at this time. In the absence of such a request from TEVA, the balance of the net proceeds of the Offering will be mainly allocated to the first objective mentioned above.

Indicative timetable

September 14, 2018	AMF approval of the Prospectus
September 17, 2018	Issuance of the press release announcing the Offering and the availability to the public of the Prospectus
	Publication by Euronext of the issue notice for the Open Price Offer
	Opening of the Offering
October 2, 2018	Closing of the Open Price Offer at 5:00 pm (Paris time) for subscriptions over the counter and at 8:00 pm (Paris time) for internet subscriptions
October 3, 2018	Closing of the Global Placement at noon (Paris time)
	Determination of the Offering Price and potential exercise of the Extension Clause
	Signing of the Underwriting Agreement
	Issuance of the press release indicating the Offering Price, the definitive number of New Shares and the results of the Offering
	Publication by Euronext of the Offering results notice
	Start of the exercise period for the Over-Allotment Option
	Start of the potential stabilization period
October 5, 2018	Settlement of the Offering
	Repayment of ORAs
October 8, 2018	Commencement of trading for the Company's Shares on Euronext Paris (on a single listing line entitled “MEDCL”)
November 2, 2018	Deadline for the exercise of the Over-Allotment Option
	End of the potential stabilization period

Availability of the prospectus

Copies of the prospectus approved by the AMF on September 14, 2018 under the number 18-434 consisting of the base document registered by the AMF on September 4, 2018 under the number I.18-062, a securities note (including a summary of the prospectus) are available free of charge upon request from MedinCell's head office (3 rue des Frères Lumière, 34 830 Jacou, France) and on the MedinCell (investors.medincell.com) and AMF (www.amf-france.org) websites.

About MedinCell

MedinCell is a pharmaceutical company that develops a portfolio of long-acting injectable products in various therapeutic areas by combining its proprietary BEPO® technology with active ingredients already known and marketed. Through the controlled and extended release of the active pharmaceutical ingredient, MedinCell makes medical treatments more efficient, particularly thanks to improved adherence, i.e. adherence with medical prescriptions, and to a significant reduction in the quantity of medication required as part of a one-off or chronic treatment. The BEPO® technology allows to control and guarantee the regular delivery of a drug at the optimal therapeutic dose for several days, weeks or months starting from the subcutaneous or local injection of a simple depot of a few millimetres, fully bioresorbable. Based in Montpellier, MedinCell currently employs approximately 100 people representing over 25 different nationalities.

www.medincell.com

Contacts

MedinCell
David Heuzé
Communication leader
david.heuze@medincell.com
+33 (0)6 83 25 21 86

NewCap
Louis-Victor Delouvrier / Alexia Faure
Investor relations
medincell@newcap.eu
+33 (0)1 44 71 94 94

NewCap
Nicolas Merigeau
Media relations
medincell@newcap.eu
+33 (0)1 44 71 94 94

Disclaimer

No communication or other information related to this transaction or to MedinCell may be transmitted to the public in a country in which any approval or registration is required. No steps to such end have been taken or will be taken by the Company in any country in which such steps would be required (other than France).

This press release does not constitute an offer or a solicitation to sell or subscribe requiring a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and Council dated 4 November 2003, as amended (the "Prospectus Directive").

With respect to the member states of the European Economic Area other than France (the "Member States") having implemented the Prospectus Directive into law, no action has been or will be taken in order to permit a public offer of the securities which would require the publication of a prospectus in one of such Member States. As a result, the securities of MedinCell may not and will not be offered in any Member State other than France, except in accordance with the exemptions set forth in Article 3 of the Prospectus Directive.

This press release must not be published, released or distributed, directly or indirectly, in the United States, Australia, Canada or Japan. This press release and the information contained herein do not constitute an offer to sell or subscribe, nor the solicitation of an order to purchase or subscribe, securities in such countries.

This press release does not constitute or form part of an offer of securities or a solicitation for purchase, subscription or sale of securities in the United States. Securities may not be offered, subscribed or sold in the United States without registration under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act",) and other applicable state securities law, except pursuant to an exemption from registration. MedinCell shares have not been and will not be registered under the U.S. Securities Act, and MedinCell does not intend to undertake a public offering of its securities in the United States.

This press release is not an invitation nor an inducement to engage in investment activity for the purpose of Section 21 of the Financial Services and Markets Act 2000, as amended ("FSMA"). This press release is directed only at (i) persons outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), (iii) persons referred to in Article 49(2)(a) to (d) of the Order (high net worth entities, non-registered associations, etc.) and (iv) other persons to whom this document may be lawfully communicated (all persons listed in (i), (ii), (iii) and (iv) above being referred to as "Relevant Persons"). The securities of MedinCell described herein are available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with Relevant Persons. Any person who is not a Relevant Person must not act or rely on this document or any of its contents.

The release, publication or distribution of this press release in certain jurisdictions may be restricted by laws or regulations. Persons in such jurisdictions into which this press release is released, published or distributed must inform themselves about and comply with such laws or regulations.

Crédit Agricole Corporate and Investment Bank, acting as Stabilization Agent, may, for a period of 30 days following the date of public disclosure of the offering price (i.e., according to the indicative time schedule, to November 2, 2018 inclusive) (but not under any circumstances), in accordance with the applicable laws and regulations, in particular those of Delegated Regulation No 2016/1052 of the European Commission of March 8, 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament European Union and the Council and concerning the conditions applicable to buyback programs and stabilization measures, carry out stabilization operations in order to stabilize or support the price of MedinCell shares on the regulated market of Euronext Paris. In accordance with Article 7 of Delegated Regulation No 2016/1052 of the European Commission of March 8, 2016, stabilization operations may not be carried out at a price higher than the offer price. Such interventions may affect the price of the shares and may result in the determination of a higher market price than would otherwise prevail. Even if stabilization operations were carried out, Crédit Agricole Corporate and Investment Bank could, at any time, decide to discontinue such operations. The information will be provided to the competent market authorities and to the public in accordance with Article 6 of the abovementioned Regulation. Pursuant to the provisions of Article 8 of the abovementioned Regulation, Crédit Agricole Corporate and Investment Bank, acting on behalf of the underwriters, may make over-allotments in connection with the offer up to the number of shares covered by the over-allotment option, plus, if applicable, 5% of the offer (excluding exercise of the over-allotment option).

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Shares offered in the global offering have been subject to a product approval process, which has determined that the New Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the New Shares may decline and investors could lose all or part of their investment; the New Shares offer no guaranteed income and no capital protection; and an investment in the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the global offering.

Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment for any particular client of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the New Shares and determining appropriate distribution channels.