



Successful IPO of MedinCell Capital increase of €30.0m to accelerate the development of its product portfolio

- Initial public offering price set at €7.25 per share
- Oversubscribed capital increase allowing to raise €30.0m, which may be increased to a maximum of €32.5m if the over-allotment option is fully exercised
- Market capitalisation of approximately €144.1m (following the capital increase)
- Strong support from historical investors and partners (CM-CIC Innovation, BNP Paribas Développement, Seventure Partners) and from TEVA
- First trading day on Euronext Paris on Monday October 8th

Jacou, France, October 3, 2018, 10.00 pm CEST - MedinCell, a technological pharmaceutical company that develops a portfolio of long-acting injectable products in various therapeutic areas, announced today the success of its initial public offering on the Compartment C of the regulated market Euronext in Paris ("Euronext Paris").

*"The potential of our products, in development, our vision and our powerful business model have enabled us to gather a solid basis of international and French investors, either generalists, healthcare specialists or socially responsible focused," says **Christophe Douat, Chairman of MedinCell's Executive Board**. "This success confirms the commitment and the tenacity of the entire MedinCell team. It will enable us to accelerate our development, with most of the capital increase intended to expand our product portfolio to increase our impact on global health."*

Reminder of the reasons for the initial public offering

The initial public offering of MedinCell on Euronext Paris is intended to provide MedinCell with additional resources to finance its development plan and to become a major global actor for long-acting injectable treatments.

MedinCell 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) for 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 within the timeframe initially set. 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.

Availability of the prospectus

Copies of the prospectus approved by the AMF on September 14, 2018 under the number 18-434 consisting of the registration document ("*document de base*") 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 millimeters, fully bioresorbable. Based in Montpellier, MedinCell currently employs approximately 100 people representing over 25 different nationalities.

Risk Factors

The public's attention is drawn to Chapter 4 « Risk factors » of the *document de base* registered with the AMF and on Chapter 2 «Risks factors related to the offering» of the *note d'opération*.

MedinCell security identification codes

- **Name:** MEDINCELL
- **ISIN Code:** FR000404065605
- **Ticker:** MEDCL
- **Compartment:** Euronext Paris (Compartment C)
- **Sector classification:** 4573 Biotechnology

Financial intermediaries

Bryan, Garnier & Co and Crédit Agricole Corporate and Investment Bank, act as Joint Global Coordinators and Joint Bookrunners. Allegra Finance acts as financial advisor to the issuer.

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

Definitive Offering details

Offering price

- The price for the Open Price Offer (the “OPO”) and the Global Placement is set at €7.25 per share.
- On this basis, MedinCell’s post-money market capitalisation will amount to approximately €144.1m after capital increase, based on a number of 19,878,372 shares.

Size and proceeds from the Offering

- 4,137,931 new shares were issued through the Offer
- The gross proceeds amount to approximately €30.0m (and to approximately €24.0m excluding TEVA’s subscription of 20% of the Offering by offsetting debt)

Breakdown of the shares subscribed via the Offering (excluding Over-allotment Option)

- 3,902,086 new shares allocated to the Global Placement (representing approximately €28.3m and approximately 94% of the total number of offered shares)
- 235,845 new shares allocated to the OPO (representing approximately €1.7m and approximately 6% of the total number of offered shares), corresponding to the total demand in connection with the OPO. Orders A1 and A2 will be executed at 100%

Breakdown of the ownership structure after the Offering (to the Company’s knowledge)

- On completion of the Offering (excluding over-allotment option), and after ORAs’ conversion, MedinCell’s shareholding will be as follows:

Shareholders	Number of shares Ex Ante	% capital Ex Ante	Subscription to the Offer	Conversion of the ORAs*	Number of shares Ex Post	% capital Ex Post
Anh Nguyen	1,998,243	13.8%	0	0	1,998,243	10.1%
Sabine Nguyen	2,322,300	16.0%	0	0	2,322,300	11.7%
Total Nguyen Family	4,320,543	29.8%	0	0	4,320,543	21.7%
Christophe Douat	609,060	4.2%	0	0	609,060	3.1%
Nicolas Heuzé	322,226	2.2%	0	0	322,226	1.6%
Jaime Arango	25,001	0.2%	0	0	25,001	0.1%
Managers	699,602	4.8%	0	0	699,602	3.5%
Franck Sturtz	1,187,200	8.2%	0	0	1,187,200	6.0%
Other members of the Supervisory Board	111,290	0.8%	0	0	111,290	0.6%
Total Executive Board + Supervisory Board + Managers	2,954,379	20.4%	0	0	2,954,379	14.9%
Employees	2,371,878	16.4%	0	0	2,371,878	11.9%
CM-CIC Innovation	894,568	6.2%	648,276	34,604	1,577,448	7.9%
BNP Paribas Développement	0	0.0%	413,793	523,533	937,326	4.7%
Seventure Partners Funds	0	0.0%	550,345	700,704	1,251,049	6.3%
Former employees and consultants and affiliated	3,879,299	26.8%	0	0	3,879,299	19.5%
Other	60,933	0.4%	0	0	60,933	0.3%
Total Free Float	0	0.0%	2,525,517	0	2,525,517	12.7%
including TEVA	0	0.0%	827,586	0	827,586	4.2%
TOTAL	14,481,600	100%	4,137,931	1,258,841	19,878,372	100%

* Conversion of the ORAs after a 25% premium on the nominal amount of the ORAs.

Note: the total number of shares not subject to lock-up commitments represents 16.7% of the post-Offering capital.

A shareholders' agreement not constituting a concerted action was entered into by all the Company's historical shareholders prior to the initial public offering. This agreement provides, in particular, for mechanisms organizing the future liquidity of the securities held by these shareholders.

Over-allotment option

The Over-allotment option represents a maximum of €2.5m, i.e. a maximum number of additional new shares that can be issued, which would bring the amount of the Offer to €32.5m, i.e. a maximum of 346,259 additional new shares (the "Over-allotment Option"). This Over-allotment Option may be exercised in part or in full until November 2, 2018 (included).

Lock-up commitment of the existing shareholders, holders of BSA and BSPCE, TEVA, and mandatory convertible bonds ("ORA")

From the date of the prospectus and for a period that expires 360 days following the settlement-delivery date of the Offering, for the integrality of their shares, subject to certain usual exceptions, it being understood that this lock-up undertaking covers all the shares held on the settlement-delivery date of the Offering, including the Shares resulting from the redemption of the ORA, but excluding the New Shares subscribed within 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, including CM-CIC Innovation and BNP Paribas Développement (i.e. 360 days following the settlement-delivery date of the initial public offering).

The Company's lock-up commitment

From the signing of the Underwriting Agreement and for a period that expires 180 days following the settlement-delivery date of the Offering subject to certain usual exceptions.

Stabilization

Crédit Agricole Corporate and Investment Bank (or any entity acting on its behalf), acting as the stabilization agent (the "**Stabilization Agent**"), in the name and on behalf of the Joint Global Coordinators and Joint Bookrunners, may (but is in no case bound to) carry out stabilization actions in accordance with applicable laws and regulations, in particular EU Regulation No. 596/2014 of April 16, 2014 on market abuse, and Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016 (the "**Delegated Regulation**"). It is to be noted that there is no assurance that such operations will be launched and, in any event, an end may be brought to these operations at any time, without notice.

The purpose of stabilization measures is to support the market price of shares. This may affect the market price of the shares and may lead to setting a market price higher than in the absence of such measures. Should they be implemented, such measures may be carried out at any time for a 30-calendar day period from the date the Offering Price is set, i.e., according to the indicative timetable, up until and on November 2nd, 2018 (included).

If the Over-Allotment Option is exercised in whole or in part, the Company will publish a press release.

The Stabilization Agent will inform the competent market authorities and the public in accordance with Article 6 of the Delegated Regulation. During the stabilization period, the Stabilization Agent will ensure appropriate publication of the details on all stabilization operations at the latest at the end of the seventh day of trading that follows the execution of said operations.

In the framework of the Offering, the Joint Global Coordinators and Joint Bookrunners may over-allot up to the number of shares covered by the Over-Allotment Option, increased, if applicable, by a number of shares representing not more than 5% of the size of the Offering (excluding the exercise of the Over-Allotment Option), in accordance with Article 8 (b) of the Delegated Regulation.

In accordance with Article 7.1 of the Delegated Regulation, stabilization operations may not take place at a price that is higher than the Offering Price.

Indicative timetable

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

Forward-looking Statements

This press release may contain forward-looking statements. These statements do not constitute guarantees regarding the future performance of MedinCell. This forward-looking information covers the future outlook, growth and commercial strategy of MedinCell and is based on the analysis of future result forecasts and estimates of amounts that cannot yet be determined. By nature, forward-looking information involves risks and uncertainties, as it relates to events and depends on circumstances that may or may not occur in the future. MedinCell draws your attention to the fact that forward-looking statements provide no guarantee of future performance and that its actual financial position, results and cash flow, as well as changes in the sector in which MedinCell operates, may differ significantly from those proposed or suggested by the forward-looking statements contained in this document. Moreover, even if MedinCell's financial position, results, cash flow and changes in the sector in which MedinCell operates were to be in accordance with the forward-looking information contained in this document, these results or changes may not be a reliable indicator of MedinCell's future results or developments. A description of events that could have a material adverse impact on MedinCell's business, financial position or results, or on its ability to achieve its targets, is given in Chapter 4 "Risk Factors" of the Document de base

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 October 27, 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.