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AUSTRALIA AND JAPAN**



The first connected all-in-one Diabetes Management System

Press Release

## Cellnovo successfully raises €17.5 million from healthcare investors

**Paris, France, July 7, 2017** – Cellnovo Group (“**Cellnovo**” or the “**Company**” CLNV:EN Paris), a medical technology company marketing the first mobile, connected, all-in-one diabetes management system, today announces a capital raise of €17.5 million, by means of a capital increase reserved to a category of persons through an accelerated book-building offering.

Top-tier institutional investors specialising in the life sciences and healthcare technologies sector have participated in the capital raise, allowing the Company to reinforce its shareholder base. Edmond de Rothschild Investment Partners (EDRIP), Air Liquide Investissements d’Avenir et Démonstration (ALIAD) and ForCe-Novo B.V. (Forbion Capital Partners), the Company’s main shareholders, have also subscribed to the capital increase in a total amount of €1.2m, equal to 6,8% of the transaction gross proceeds, confirming their confidence in and their support of the Company.

The net proceeds will reinforce the Company’s cash position and extend financial visibility to the end of the first half of 2019. As announced, the funds raised will be allocated to financing the following projects:

- Boosting sales in Europe, Latin America and in Oceania (in particular, marketing costs and working capital requirements);
- Targeted US launch of the Cellnovo System in certain key territories;
- Increasing insulin cartridge production capacity with Flex by acquiring additional production lines;
- An optimisation programme to pursue the reduction in production costs of consumables (insulin cartridges); and
- Activities needed to finalise the development of artificial pancreas solutions (in particular, regulatory activities).

**Sophie Baratte, Chief Executive Officer of Cellnovo, commented:** *“We are delighted with the success of this transaction, which will allow us to finance the increase in production capacity with Flex and the commercial development of our pump in new countries, notably the United States. It will also enable us to finance the finalisation of artificial pancreas solutions, in which the Cellnovo pump is involved, and which are strategic projects for the Company. Lastly, the backing of top-tier specialist institutional investors will allow us to strengthen our shareholder base.”*

### Key characteristics of the offering

A total of 4,069,769 new shares (the “**New Shares**”), representing approximately 24.6% of the Company’s share capital (on a non-diluted basis after the capital increase), were issued by a decision of the Company’s Board of Directors, using the delegation granted under the 14th resolution of the

extraordinary general meeting of June 22, 2017, and in accordance with article L. 225-138 of the French Commercial Code. The capital increase was reserved for a category of persons defined in the 14th resolution mentioned above, namely (i) one or more French or foreign companies or investment funds, (a) investing primarily, or having invested more than €5 million during the 24 months preceding the capital increase in question, in the life sciences and healthcare technologies sector, (b) for a unit subscription amount of over €50,000 (including additional paid-in capital) or (ii) strategic or financial partners of the Company, located in France or abroad, that have signed or are due to sign one or more commercial or financing partnership agreements (development, joint development, distribution, production, etc.) with the Company.

The New Shares were subscribed for at a price of €4.30 per share, corresponding to a discount of 17.2% to the weighted average share price for the last five (5) trading days preceding the date the price was set, in accordance with the 14<sup>th</sup> resolution of the general meeting referred to above.

### The Company's shareholding structure after issuing of the New Shares

After settlement-delivery of the New Shares, the Company's share capital will amount to €16,545,356, equal to 16,545,356 shares with a par value of €1.

On an illustrative basis, a shareholder holding 1% of Cellnovo's capital before the offering will now hold a stake of 0.75%.

The capital increase benefited from the support of the Company's historic shareholders – EDRIP, ALIAD and Forbion, for a total amount of €1,189,999, representing 6.8% of the placement, as follows:

Investors	Number of shares before placement (to the Company's knowledge)	% of share capital and voting rights	Number of shares after placement (to the Company's knowledge)	% of share capital and voting rights	Subscription (in €)
<b>Shareholders holding more than 5% of share capital at the start of the offering</b>					
<b>ForCe-Novo B.V. (Forbion Capital Partners)</b>	1,786,308	14.3%	1,885,145	11.4%	425,000
<b>Funds managed by Edmond de Rothschild Investment Partners</b>	1,720,520	13.8%	1,819,357	11.0%	425,000
<b>Funds managed by Advent Venture Partners</b>	1,122,458	9.0%	1,122,458	6.8%	-
<b>Sub-total</b>	<b>4,629,286</b>	<b>37.1%</b>	<b>4,826,960</b>	<b>29.2%</b>	<b>850,000</b>
ALIAD	423,330	3.4%	502,400	3.0%	339,999
Others (incl. shareholders)	7,422,971	59.5%	11,215,996	67.8%	16,310,009
<b>TOTAL</b>	<b>12,475,587</b>	<b>100%</b>	<b>16,545,356</b>	<b>100%</b>	<b>17,500,008</b>

### Admission to listing of the new shares

The New Shares will carry dividend rights as from their issue date and be immediately fungible in all respects with the Company's existing shares.

A listing prospectus containing the Company's 2016 reference document ("*document de référence*") registered by the Autorité des Marchés Financiers (the "AMF") on July 5, 2017, under number R.17-053, available free of charge on the Company's website ([www.cellnovo.com/](http://www.cellnovo.com/)) and/or the AMF website ([www.amf-france.org](http://www.amf-france.org)), as well as a securities note ("*note d'opération*"), including a summary of the prospectus, will be the object of a request for approval ("*visa*") from the AMF. Subject to this approval being obtained, it is planned that the New Shares shall be listed for trading under the same code as the Company's existing shares (ISIN FR 0012633360) July 12, 2017 on the regulated market of Euronext in Paris.

### Standstill and lock-up provisions

Within the framework of the capital increase, the Company has signed a standstill agreement expiring 90 days after the settlement-delivery date, subject to certain customary exceptions. In addition, EDRIP, ALIAD and ForCe-Novo B.V. (Forbion Capital Partners) have signed lock-up agreements expiring 90 days after the settlement-delivery date, concerning shares in the Company subscribed within the framework of the capital increase.

### Risk factors and publicly available information

Attention is drawn to the risk factors related to the Company and its activities presented in section 2 of the securities note ("*note d'opération*") and the risk factors relating to the Company and its business activities, as set out in Section 4 of the Company's 2016 reference document ("*document de référence*") registered by the AMF on July 5, 2017, under number R.17-053, which is available on the Company's website ([www.cellnovo.com](http://www.cellnovo.com)) or on the Autorité des Marchés Financiers website ([www.amf-france.org](http://www.amf-france.org)).

Oddo BHF acted as the sole Global Coordinator and the sole Bookrunner for the transaction, and Agile Capital Markets acted as a financial advisor to the Company.

This announcement does not constitute a prospectus within the meaning of the Prospectus Directive or an offer to the public.



### About Cellnovo

An independent medical technology company specialising in diabetes, Cellnovo has developed and markets the first mobile, connected, all-in-one diabetes management system that helps make life easier for patients. Compact, intuitive and entirely connected, Cellnovo's insulin pump comprises a mobile touchscreen controller with an integrated blood-glucose meter. This unique device allows optimal management of insulin injections whilst ensuring extensive freedom of movement and peace of mind for patients. Thanks to the automatic transmission of data, it also allows the patient's condition to be continually monitored by family members and healthcare professionals in real time. Cellnovo is currently participating in several major Artificial Pancreas projects with Diabeloop, TypeZero and Horizon 2020 to develop automated insulin delivery systems.

For further information please visit [www.cellnovo.com](http://www.cellnovo.com)

### About the Cellnovo Diabetes Management System

Compact, intuitive and entirely connected, Cellnovo's insulin pump comprises a mobile touchscreen controller with an integrated blood-glucose meter. This unique device allows optimal management of insulin injections with drop-by-drop precision, whilst ensuring extensive freedom of movement and peace of mind for patients. Thanks to the automatic transmission of data, it also allows the patient's condition to be continually monitored by family members and healthcare professionals in real time.

Cellnovo is listed on Euronext, Compartment C  
ISIN: FR0012633360 – Ticker: CLNV



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In France, the offer and sale of Cellnovo shares described above will take place solely through a private placement for the benefit of a category of persons meeting specific characteristics pursuant to Article L. 225-138 of the French Code monétaire et financier and applicable regulations. The offer and sale do not constitute a public offering in France, as defined in Article L. 411-1 of the French Code monétaire et financier.

With respect to Member States of the European Economic Area that have transposed European Directive 2003/71/EC of the European Parliament and European Council (as amended in particular by Directive 2010/73/EU to the extent that the said Directive has been transposed into each Member State of the European Economic Area) (the "Prospectus Directive"), no action has been taken or will be taken to permit a public offering of the securities referred to in this press release. Therefore, such securities may not be and shall not be offered in any Member State other than in accordance with the exemptions of Article 3(2) of the Prospective Directive to the extent they have been transposed by the relevant Member State or, otherwise, in cases not requiring the publication of a prospectus under Article 3(2) of the Prospective Directive and/or the applicable regulations in such Member State.

This press release and the information it contains are being distributed to and are only intended for persons who are (i) outside the United Kingdom, (ii) outside the United States, (iii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), (iv) high net worth entities and other such persons falling within Article 49(2)(a) to (d) of the Order ("high net worth companies", "unincorporated associations", etc.) or (v) other persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000) may otherwise lawfully be communicated or caused to be communicated (all such persons in (i), (ii), (iii), (iv) and (v) together being referred to as "Relevant Persons"). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire securities to which this press release relates will only be engaged with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this press release or any of its contents.

This press release and the information it contains do not, and will not, constitute an offer to subscribe for or sell, nor the solicitation of an offer to subscribe for or buy, securities of Cellnovo in the United States of America or any other jurisdiction where restrictions may apply. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), it being specified that the securities of Cellnovo have not been and will not be registered within the U.S. Securities Act. Cellnovo does not intend to register securities or conduct a public offering in the United States of America.

In accordance with Article 211-3 of the General Regulation of the AMF, it is recalled that:

- the offer does not require a prospectus to be submitted for approval to the AMF. However, a prospectus will be registered with the AMF in connection with the admission to trading of the shares to be issued in connection with the transaction.

- persons or entities referred to in Point 2°, Section II of Article L. 411-2 of the Monetary and Financial Code may take part in the offer solely for their own account, as provided in Articles D. 411-1, D. 411-2, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the Monetary and Financial Code.
- the financial instruments thus acquired cannot be distributed directly or indirectly to the public otherwise than in accordance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the Monetary and Financial Code.

Any decision to subscribe for or purchase the shares or other securities of Cellnovo must be made solely based on information publicly available about Cellnovo. Such information is not the responsibility of Oddo BHF SCA and has not been independently verified by Oddo BHF SCA.

### **Forward looking statements**

This press release implicitly or expressly contains certain forward-looking statements concerning Cellnovo and its business activities. These statements involve certain known or unknown risks, uncertainties and other factors that may result in a material difference between Cellnovo's actual results, financial conditions, performance or achievements and the results, financial conditions, performance or achievements expressed or implied in these forward-looking statements. Cellnovo issues this press release as of the present date and makes no undertaking to update the forward-looking statements it contains, whether as a result of new information, future events or other factors. For a non-exhaustive description of the risks and uncertainties that may result in a difference between Cellnovo's actual results, financial conditions, performance and achievements and those contained in the forward-looking statements, please refer to Section 4 "Risk Factors" of the 2016 reference document registered with the AMF on July 5, 2017, under number R.17-053, which is available on the AMF website ([www.amf-france.org](http://www.amf-france.org)) and the Cellnovo website ([www.cellnovo.com](http://www.cellnovo.com)).