

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



Press release

Valbiotis announces the launch of a capital increase with the cancellation of preferential subscription rights with the introduction of a priority period for a gross amount of €15.0M secured by subscription agreements of up to 91.7% of its gross amount

- **Terms of Operation**

- An issue for an initial amount of €15.0M secured by subscription agreements of 91.7%.
- Subscription price per New Share: €4.46 representing a discount of 20.1% relative to the closing price on the day the terms and conditions are set by the Board of Directors.
- Priority subscription period open from December 13, 2023, to December 19, 2023, open to the Company's shareholders at the close of trading on December 12, 2023.
- Subscription period under the Public Offering and the Global Investment: From December 13, 2023, to December 19, 2023, inclusive.

- **Capital increase secured by subscription and guarantee commitments for a total value of €13.8M, i.e., 91.7% of the amount of the operation**

La Rochelle, December 11, 2023 (09:00 pm 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 launch of a capital increase with cancellation of preferential subscription rights and implementation of a priority subscription period for existing shareholders in the amount of €15.0M through the issue of 3,363,229 New Shares at a unit price of €4.46, representing a discount of 20.1% relative to the closing price on December 8, 2023 (€5.58), and a discount of 16.5% relative to the volume-weighted average of the 5 trading sessions preceding the Board's decision to set the issue price (€5.34).**

Sébastien PELTIER, Chairman of the Board of Directors and Co-Founder of Valbiotis: *"After a decade devoted to R&D, Valbiotis is now at the forefront of innovation, with a portfolio of four plant-based dietary supplements boasting a high level of scientific proof in the prevention of metabolic and cardiovascular diseases. The time has come for Valbiotis to make these advances a reality, with the launch of commercialization scheduled for the first half of 2024. To support this major transition, the Company is launching a capital increase designed to ensure its future growth and enable it to finance its own growth, while maintaining its focus on its current activities. With considerable target markets, as reported in the news, the Company is positioned to meet the immediate needs of millions of patients in the prevention of metabolic and cardiovascular diseases. With this capital increase open to all, Valbiotis hopes to attract a wide range of investors, and aims to become a major European player in 100% plant-based dietary supplements."*

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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:

- Preparing to market TOTUM•63 alongside Nestlé Health Science;
- Launching direct marketing of other products in France, including TOTUM•070 from 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 net proceeds of the issue will be around €13.0M. The Company intends to use the net proceeds to finance:

- **At 45% of net proceeds, 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 proceeds, 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 build up 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 build-up of raw materials and finished goods inventories; and finally
- **At 20% of net proceeds, 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.

Should the Offer be limited to the commitments received, i.e., net proceeds of €12.0M, the relative share of funds allocated to each objective would remain unchanged and be reduced proportionately.

After taking into account 100% of the net proceeds of the Offer, i.e., €13.0M, 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.

A dedicated website has been created for the occasion:
<https://investir.valbiotis.com/>
and a toll-free number is available to call free of charge: 0 805 651 652

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Terms of the proposed issue of new shares

Nature of the Operation and Legal Framework

The fundraising proposed by Valbiotis concerns a share increase through the issue of new shares with cancellation of preferential subscription rights (DPS) but with a priority subscription period decided by the Company's Board (*Directoire*) acting on a delegation of authority from the General Meeting of May 5, 2022 (11th resolution).

Size of the Operation – Gross and Net proceeds from the Issue

- Amount of the Capital Increase

The number of new shares (hereinafter "New Shares") is 3,363,229 shares, representing gross proceeds of €15.0M for the issue.

Based on these assumptions, gross and net proceeds from this operation would amount to:

In M€	91.7% issue	100% issue
Gross proceeds	13.8	15.0
Issue expenses(*)	1.8	2.0
Net proceeds	12.0	13.0

(*) Including the amount of the compensation relating to subscription agreements under the guarantee (i.e., €812,000 = 7.0% x €11.6M), as well as other expenses relating to the issue.

- Extension Clause

None, as the Company's Board has waived its right to increase the number of New Shares pursuant to Article L225-135-1 of the French Commercial Code.

Subscription Price

The subscription price has been set at €4.46 per New Share, comprising a par value of €0.10 and a share premium of €4.36, to be paid in full, in cash at the time of subscription. This price represents:

- A discount of 20.1% relative to the closing price preceding the Board's decision to set the issue price (i.e., €5.58 on December 8, 2023), and
- A discount of 16.5% relative to the volume-weighted average share price on the Euronext Growth Paris market over the last 5 consecutive trading days preceding December 8, 2023, the date on which the issue price is set by the Board of Directors (€5.34).

Terms of the Offer

Shareholders of the Company who are recorded on December 12, 2023, will benefit from a priority subscription period on an irreducible basis of 5 trading days from December 13, 2023, to December 19, 2023 (inclusive), at 5:00 p.m. (Paris time) and at 8:00 p.m. for online subscriptions.

The shares not subscribed for under the priority subscription period will be the subject of a global offering (the "Offering") comprising (a) a public offering in France (the "Public Offering") primarily aimed at individuals, and (b) a global offering (the "Global Offering") (i) in the European Union (including France) and certain other countries (excluding the United States, Canada, Australia and Japan); and (ii) in the United States.

Orders placed as part of the Offering may be reduced according to the results of irreducible subscriptions within the priority period.

Subscription within the Priority Period

The Company's shareholders benefit from a priority subscription period on an irreducible basis only, i.e., up to the amount of their share in the Company's capital.

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The Capital Increase is for gross proceeds (including issue premium) of €15.0M, i.e., 3,363,229 New Shares.

In practice, each shareholder will be able to place an irreducible priority subscription order for a maximum number of Initial New Shares corresponding to (i) 3,363,229 multiplied by (ii) the number of shares they hold in the Company, divided by (iii) 12,425,378.

By way of example, a shareholder with 100 shares in the Company may place a priority irreducible subscription order for a maximum number of shares equal to: $3,363,229 \times 100 / 12,425,378 = 27$ New Shares.

The number of New Shares allotted will be equal to the amount of each shareholder's priority subscription order within the priority period divided by the Subscription Price, rounded down to the nearest whole number. Any shareholder entitled to subscribe for less than one New Share under this rule will be entitled to subscribe for one New Share.

This priority period is neither transferable nor negotiable, and will only benefit shareholders of the Company on record on December 12, 2023.

Indicative timetable for the operation

December 11, 2023 (after market close)	Prospectus approval by the AMF Distribution of Valbiotis press release describing the main features of the capital increase
December 12, 2023	Publication by EURONEXT of the notice of issue Accounting day at the end of which shareholders will be entitled to a priority period
December 13, 2023	Opening of subscriptions under the priority subscription period, the Public Offering and the Global Offering
December 19, 2023	Closing of subscriptions under the priority subscription period, the Public Offering and the Global Offering at 5p.m. (Paris time) and 8p.m. for online subscriptions.
December 21, 2023	Board (<i>Directoire</i>) to set the final terms and conditions of the issue.
December 22, 2023 Pre-market	Publication by Valbiotis of a press release announcing the results of subscriptions. Publication by Euronext Paris of the notice of admission of the new shares, indicating the final amount of the capital increase.
December 28, 2023	Issuance of new shares - Settlement and delivery of the operation Listing of the New Shares on Euronext Growth in Paris

Guarantee

The offering will not be subject to a firm guarantee within the meaning of Article L.225-145 of the French Commercial Code. Trading in the shares will therefore only begin once settlement and delivery have been completed and the depositary's certificate has been issued.

It should be noted, however, that the Company has received subscription and guarantee commitments representing 91.7% of the initial amount of this Offer, to secure the completion of the issue (see "*Subscription Agreements*" section).

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Subscription Agreements

- Subscription intentions of the Company's main shareholders, members of its administrative, management or supervisory bodies

Members of the Management and Supervisory Boards will not subscribe to the Offer. With the exception of agreements received by way of guarantee from 2 shareholders for an amount of €8.4 million described in the summary table below, the Company has not been informed of any other intention to subscribe on the part of its main shareholders.

- Other Agreements

Under the terms of subscription and guarantee commitments, 14 investors have irrevocably agreed to subscribe to the capital increase for a total amount of €5.4M.

Summary Table of Agreements

Name	Guarantee commitment	Subscription agreement	Total
Vatel Capital*	6 800 000 €		6 800 000 €
Eiffel Investment*	1 600 000 €		1 600 000 €
Cély Finance	1 000 000 €		1 000 000 €
Friedland Gestion	530 000 €		530 000 €
Gestys	450 000 €		450 000 €
MW Gestion	367 000 €		367 000 €
Nyenburgh	200 000 €		200 000 €
Maitice Gestion	200 000 €		200 000 €
WBS Hünicke	200 000 €		200 000 €
TVB Invest	100 000 €		100 000 €
Sully Patrimoine Gestion 1	150 000 €		150 000 €
OFI Invest		1 000 000 €	1 000 000 €
Hermitage Gestion Privée		512 900 €	512 900 €
Tocqueville Finance		356 800 €	356 800 €
Pure Capital		200 000 €	200 000 €
Sully Patrimoine Gestion 2		90 000 €	90 000 €
Total	11 597 000 €	2 159 700 €	13 756 700 €

*Shareholder

These agreements will enable the Offer to reach at least a 91.7% completion threshold. They would be triggered in the event that the total amount of subscriptions for New Shares (irreducible subscriptions under the priority subscription period and subscriptions under the public offering and the Global Offering) represented less than 100% of the Offering.

All guarantors will be compensated by a commission equal to 7% of the amount of their commitment, irrespective of the number of shares allocated to them. In the event of partial exercise of these subscription agreements, the guarantors will be allocated their initial commitment on a pro rata basis.

Abstention and Retention Agreements

None.

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Paying Agents - Subscription Payments

Subscriptions for New Shares and payments of funds by shareholders whose shares are held in administered registered or bearer form will be received until December 19, 2023 (inclusive), by their authorized intermediary for subscriptions under the priority subscription period and under the Public Offering.

Subscriptions for New Shares and payments of funds by shareholders whose shares are held in pure registered form will be received free of charge until December 19, 2023 (inclusive), by UPTEVIA as part of the priority subscription period and as part of the Public Offering.

Each subscription must be accompanied by a deposit. Subscriptions for which payments have not been made will be canceled ipso jure, without the need for formal notice.

Amounts paid at the time of subscription and remaining available after the allocations will be reimbursed without interest to the subscribers by the authorized intermediaries who will have received them. The indicative delivery date for the New Shares is December 28, 2023.

Impact on ownership structure and voting rights

Impact of the Operation on the Owning Structure

Shareholders	Before Offering		After the 91.7% Offering		After the 100% Offering	
	Nb. of shares	% capital	Nb. of shares	% capital	Nb. of shares	% capital
Shareholdings of Board (Directoire) (1)	652 891	5.25%	652 891	4.21%	652 891	4.14%
Of which Djanka Investissement (controlled by Sébastien PELTIER)	627 101	5.05%	627 101	4.04%	627 101	3.97%
Of which Sébastien PELTIER	3 830	0.03%	3 830	0.02%	3 830	0.02%
Shareholdings of Supervisory Board members	-	0.00%	-	0.00%	-	0.00%
Employees (2)	13 768	0.11%	13 768	0.09%	13 768	0.09%
			-			
Public	11 742 327	94.50%	14 826 784	95.60%	15 105 556	95.67%
			-			
Liquidity contract	16 392	0.13%	16 392	0.11%	16 392	0.10%
TOTAL	12 425 378	100.00%	15 509 835	100.00%	15 788 607	100.00%

(1) Members not bound by any concerted action.

(2) Registered shares.

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Impact of the Operation on the Breakdown of Voting Rights

Shareholders	Before Offering		After the 91.7% Offering		After the 100% Offering	
	Number of voting rights	% capital	Number of voting rights	% capital	Number of voting rights	% capital
Shareholdings of Board (Directoire) (1)	1 276 841	9.72%	1 276 841	7.87%	1 276 841	7.74%
Of which Djanka Investissement (controlled by Sébastien PELTIER)	1 232 101	9.38%	1 232 101	7.60%	1 232 101	7.47%
Of which Sébastien PELTIER	3 830	0.03%	3 830	0.02%	3 830	0.02%
Shareholdings of Supervisory Board members	-	0.00%	-	0.00%	-	0.00%
Employees (2)	23 461	0.18%	23 461	0.14%	23 461	0.14%
			-			
Public	11 836 650	90.10%	14 921 107	91.98%	15 199 879	92.12%
			-			
Liquidity contract	-	0.00%	-	0.00%	-	0.00%
TOTAL	13 136 952	100.00%	16 221 409	100.00%	16 500 181	100.00%

(1) Not bound by any concerted action.

(2) In registered form.

Impact of the issue on the situation of a shareholder with 1% of the capital and not subscribing to the offering

<i>(in euros per share)</i>	Shareholder Participation	
	Non-Diluted basis	Diluted basis ⁽¹⁾
Before the Offering	1.00%	0.86%
After the Offering in the event of a 91.7% limit	0.80%	0.71%
After the 100% Offering	0.79%	0.70%

(1) After taking into account the creation of 2,037,503 new Company shares on exercise of all outstanding BSA and BSPCE stock subscription warrants currently outstanding.

Availability of prospectus

The prospectus, approved by the AMF on December 11, 2023, under No. 23-509, comprises:

- (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 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 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 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.

This press release does not constitute, and shall not be deemed to constitute, an offer to the public or an offer to purchase, or an offer to solicit public interest in connection with an offering to the public.

No communication or information relating to this operation or to Valbiotis may be distributed to the public in any country in which any registration or approval is required. No steps have been taken (or will be taken) in any country (other than France) in which such steps would be required. The purchase of Valbiotis shares may be subject to specific legal or regulatory restrictions in certain countries. Valbiotis assumes no liability for any violation by any person of such restrictions.

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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The prospectus approved by the French Financial Markets Authority (AMF) on December 11, 2023, under the number 23-509: <https://www.valbiotis.com/en/regulatory-information/>