

DEINOVE CONFIRMS ITS FINANCING OPTIONS BY RENEWING ITS EQUITY LINE

- The equity line funding set up in December 2014 expired. It has enabled DEINOVE to raise €9.4 million net in a flexible, optimized manner.
- The new equity line, once again structured by KEPLER CHEUVREUX, adds up to a maximum amount of €12 million over 36 months.
- The 2,100,000 new shares allowed to be subscribed within the scope of the resolutions passed by the 2018 General Meeting add up to approximately €4 million, based on current stock price.
- The remaining €8 million remain subjected to resolutions that will be put to the vote of the 2019 General Meeting.
- This new equity line can be suspended or terminated at any time.
- This new program gives DEINOVE additional financial flexibility particularly in light of the upcoming start of the Phase IIa clinical trial of its antibiotic candidate, DNV3837.

Montpellier, November 21th, 2018 (7:00 am CET) – DEINOVE (Euronext Growth Paris : ALDEI), a biotech company that discovers, develops and produces high value-added compounds based on rare bacteria, announces the set-up of a new equity line with KEPLER CHEUVREUX for a maximum amount of €12 million over 36 months.

The previous equity line set up in December 2014 covered a maximum amount of €15 million. Since then, DEINOVE has chosen to raise €9.4 million (net of associated costs). As this line has expired, DEINOVE decided to maintain the financial flexibility provided by this mechanism. The Company has therefore set up a new equity line on the basis of the 12th resolution of the General Meeting of 23 May 2018 and of the article L. 411-2 of the Monetary and Financial Code. Considering the ceiling set by the General Meeting of 23 May 2018, only 2,100,000 new shares, enabling a €4.1 million capital increase, based on an issuance price of 1.94€¹, may be issued by the next Annual General Meeting. The issuance of the remaining shares will be subjected to a resolution put to the vote of the 2019 General meeting.

Thanks to this new equity line, DEINOVE will benefit from a reserve funding capability of up to €12 million. Contrat terms provide that DEINOVE may suspend or terminate this agreement at any time. This means that DEINOVE is under no obligation to implement all tranches and will rely on the equity line only when needed and always in the best interest of the Company and its shareholders.

This reserve funding capability will reinforce DEINOVE's cash position² and allow the Company to finance its operations over the next twelve months, in case this equity line is used up to the authorization currently in force (2,100,000 new shares). This occurs within the context of the upcoming start of the Phase IIa clinical trial of its antibiotic candidate, DNV3837. It will also contribute to the financing of DEINOVE's other operations in both the pharmaceutical and cosmetics fields.

¹ Market price of 16 November 2018 taken as a reference, minus a 6.5% discount

² +€9.9 million on 30 June 2018. This amount does not include the refundable tax credit for 2017 research and development costs (€2.4 million)

Julien Coste, Administrative and Financial Director at DEINOVE, said *"Complementing the existing cash and the alternative sources of financing, this new equity line reinforces our financial position. This tool enables us to adjust the funds raised to the Company's real needs, under favorable financial conditions. We are very satisfied with the relationship we have developed with KEPLER CHEUVREUX and have chosen to maintain this financing option while actively studying all non-dilutive financing possibilities."*

As KEPLER CHEUVREUX acts as a financial intermediary that will not intend to retain any of the Company's capital, and as a guarantor within its underwriting commitment, the shares will be issued based on the volume-weighted average price of the two trading days preceding the issue, minus a discount of 6.5% or less.

As an indication, assuming this equity financing facility was to be used up to 2,100,000 new shares, and with an issuance price of 1.94€³ (post-discount), a shareholder owning 1.00% of DEINOVE' share capital prior to the transaction would see a reduction in their shareholding to 0.88%⁴.

The number of shares issued under this new equity line and admitted to trading will be published in a Euronext market notice and on DEINOVE's website. This operation does not give rise to an obligation to issue a prospectus approved by the French Financial Markets Authority (*Autorité des Marchés Financiers*).

³ Market price of 16 November 2018 taken as a reference

⁴ On the basis of 15,574,701 shares comprising DEINOVE's share capital on 31 October 2018

ABOUT DEINOVE

DEINOVE (Euronext Growth Paris: ALDEI) is a biotech company that discovers, develops and produces high added-value compounds from rare microorganisms for use in the fields of health, nutrition and cosmetic markets. To do so, DEINOVE draws on two key assets:

- a unique library of 6,000 rare or unexploited bacterial strains;
- a metabolic and fermentation engineering platform capable of leveraging these natural "micro-factories" to turn them into new industrial standards.

Based in Montpellier, DEINOVE employs approximately 60 employees and has nearly 260 international patent applications. The Company has been listed on Euronext Growth since April 2010.



deinove.com



twitter.com/Deinove



fr.linkedin.com/company/deinove

CONTACTS

Emmanuel Petiot

CEO

Tel.: +33 (0)4 48 19 01 28

emmanuel.petiot@deinove.com

Coralie Martin

Communication and Investor Relations

Tel.: +33 (0)4 48 19 01 60

coralie.martin@deinove.com

Julien Coste

CFO

Tel.: +33 (0)4 48 19 01 00

julien.coste@deinove.com

ALIZE RP, Press Relations

Caroline Carmagnol / Aurore Gangloff

Tel.: +33 (0)1 44 54 36 66

deinove@alizerp.com

ALDEI

EURONEXT

GROWTH