



Tremendous success for MedinCell's €30 million capital increase for qualified investors

Euronext: MEDCL • Montpellier - France • February 11, 2021 – 7.30am CET

Offer widely oversubscribed: 2.5 times the total amount of the capital increase

Strong support from French and international leading shareholders and investors

MedinCell (FR0004065605 - MEDCL), a clinical stage pharmaceutical company developing a portfolio of long-acting injectable products in various therapeutic areas (the "Company"), is today announcing the successful completion of its €29.8 million capital increase via a placement with French and international qualified investors through an accelerated bookbuilding process (the "Offering").

Bryan, Garnier & Co. Limited¹ and ODDO BHF SCA are acting as Joint Global Coordinators and Joint Bookrunners.

Buoyed by very strong interest during the book building process, the capital increase was priced at a modest discount of 8% to the closing price of the Company's shares on the Euronext Paris regulated market on February 10, 2021 and accounted for 10,9% of the Company's share capital through the issuance of 2,414,255 new shares.

"We are sincerely grateful to all the investors who have again placed their trust in us and to those who have just joined us. We have completed with great success a capital increase on what we regard as highly favorable terms, with a small discount respecting the interests of all our shareholders", stated Christophe Douat, CEO of MedinCell. "We are excited about continuing to expand and ramp up our portfolio and further developing our people-centric pharma model that aims at having a real impact on patient health around the world."

"These new resources will boost our solid cash position, which amounted to €27.5 million at September 30, 2020, and provide a major opportunity to step up the pace of our development ventures," added Jaime Arango, Chief Financial Officer of MedinCell. "They will cover the Company's funding requirements out to mid-2023."

Summary of the rationale behind the Offering

The proceeds from the issue are intended to provide the Company with additional resources for the purposes of:

- funding formulation and R&D activities along with pre-clinical and clinical trials for several of the Company's programs in various therapeutic areas such as organ transplantation, pain management, prevention (prophylaxis) of Covid-19 and its variants, and animal health;
- accelerating development of its technological platform for other applications; and
- covering the Company's general corporate purposes.

Principal terms and conditions of the Offering

The gross proceeds of the Offering totaled 29.8 million.

MedinCell issued a total of 2,414,255 new ordinary shares, each with a par value of €0.01, to qualified investors pursuant to article L. 411-2(1) of the French Monetary and Financial Code in accordance with the 22nd resolution voted by its Combined Shareholders' Meeting on September 10, 2020. The order book was highly covered (2.5x) as a result of strong demand from institutional investors, french and International, who were already shareholders (notably Crédit Mutuel Innovation) or not.

The new shares accounting for around 10.9% of the Company's share capital on an undiluted basis prior to the Offering were issued by order of the Company's Management Board pursuant to and within the limits of (i) the authorization of the Company's Supervisory Board granted to the Management Board in the context of the Offer and (ii) the delegation of authority granted by the Company's shareholders' meeting to the Management Board at the date of this press release.

¹ Acting via Bryan Garnier Securities SAS.

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The issue price of the new shares was set at €12.33 per share, representing a discount of 8.0% to the closing price (€13.40) of MedinCell shares on February 10, 2021.

For illustrative purposes, a shareholder holding 1% of MedinCell's share capital prior to the launch of the Offering would now own 0.902% interest.

To the best of the Company's knowledge, the Company's ownership structure before and after completion of the Offering is as follows:

MedinCell's ownership structure on an undiluted basis	Pre-Offering				Post-Offering			
	Number of shares	% share capital	Voting rights	% voting rights	Number of shares	% share capital	Voting rights	% voting rights
Nguyen family	4,044,524	18%	8,089,048	22%	4,044,524	16%	8,089,048	21%
Total Management Board + Supervisory Board + F. Sturtz	1,934,655	9%	3,869,156	11%	1,934,655	8%	3,869,156	10%
Employees	950,154	4%	1,867,367	5%	950,154	4%	1 867 367	5%
Crédit Mutuel Innovation	1,469,452	7%	2,364,020	7%	1,526,224	6%	2,420,792	6%
BNP Paribas Développement	1,066,358	5%	2,003,684	6%	1,090,688	4%	2,028,014	5%
Funds managed by Seventure Partners	1,106,989	5%	1,106,989	3%	1,106,989	4%	1,106,989	3%
Former employees, consultants and affiliates	5,381,712	24%	10,700,961	30%	5,381,712	22%	10,700,961	28%
Other registered shareholders	80,878	0.4%	80,878	0%	80,878	0%	80,878	0%
Treasury shares	10,555	0.1%	-	0%	10,555	0%	-	0%
Total Free float including:	6,142,936	28%	6,142,936	17%	8,476,089	34%	8,476,089	22%
Mirova	2,074,432	9%	2,074,432	6%	2,074,432	8%	2,074,432	5%
TOTAL	22,188,213	100%	36,225,039	100%	24,602,468	100%	38,639,294	100%

Admission to trading of the new shares

The new shares will rank for dividends immediately and will be admitted to trading on the Euronext Paris regulated market under the same ISIN code FR0004065605 - MEDCL. Settlement-delivery of the new shares and their admission to trading on the Euronext Paris regulated market are scheduled for February 15, 2021.

Standstill commitment

MedinCell has entered into a 90-day standstill commitment from the settlement-delivery date of the Offering, subject to the customary exceptions, restricting its ability to issue any new shares during said period.

MedinCell has today notified shareholders party to the shareholder agreement of July 13, 2018 (the "Agreement"), who currently hold 55% of the Company's share capital, that the co-ordinated disposal procedure provided for by the Agreement has been suspended for a maximum period of 30 days.

Underwriting of the Offering

The Offering has not been underwritten. That said, the Offering is covered by a placement agreement between the Company, Bryan, Garnier & Co. Limited² and ODDO BHF SCA acting as Joint Global Coordinators and Joint Bookrunners.

The placement agreement may be terminated by the Joint Global Coordinators and Joint Bookrunners at any time up to (and including) the settlement-delivery date of the Offering, scheduled to be February 15, 2021, subject to the customary terms and conditions for this type of agreement.

Should the placement agreement be terminated in accordance with its terms, all investor orders placed as part of the Offering would be null and void.

² Acting via Bryan Garnier Securities SAS.

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Prospectus

In accordance with article L. 411-2(1) of the French Monetary and Financial Code, no prospectus requiring the AMF's approval will be issued concerning the Offering.

About MedinCell

MedinCell is a clinical stage 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 compliance, i.e. compliance 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 makes it possible 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 deposit of a few millimeters, fully bioresorbable. Based in Montpellier, MedinCell currently employs more than 130 people representing over 25 different nationalities.

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In France, the offering of the Company's securities as described above will be carried exclusively through an offer to the benefit of qualified investors, as defined in Article 2(1)(e) of the Prospectus Regulation and in accordance with article L. 411-2 (1) of the French Monetary and Financial code (code monétaire et financier) and applicable regulatory provisions. No prospectus will require to be approved or subject to approval from the AMF (Autorité des Marchés Financiers).

*With respect to Member States of the European Economic Area other than France (the "**Member States**"), no action has been taken or will be taken to permit a public offering of the securities referred to in this press release requiring the publication of a prospectus in any Member State. Therefore, such securities may not be and shall not be offered in any Member State (other than France) other than in accordance with the exemptions of Article 1(4) of the Prospectus Regulation or, otherwise, in cases not requiring the publication by MedinCell of a prospectus under Article 3 of the Prospectus Regulation and/or the applicable regulations in such Member State.*

*In the United Kingdom, this press release has been prepared on the basis that any offering of the Company's securities in the United Kingdom will benefit from an exemption under Regulation (EU) 2017/1129, which is part of UK law under the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"), regarding the obligation to publish a prospectus for offerings of the Company's securities. This press release is not a prospectus within the meaning of the UK Prospectus Regulation.*

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