

## Cellnovo launches its IPO on the Euronext regulated market in Paris

- **Capital increase of approximately €35.0 million, which may be increased to a maximum of €46.3 million (based on the midpoint of the indicative price range)**
- **Subscription commitments totaling a maximum of €16.5 million**
- **Indicative price range : between €10.63 and €14.37 per share**

**Paris, France, June 29, 2015** – Cellnovo Group (« Cellnovo »), a medical technology company that has developed and markets the first connected all-in-one diabetes management system, today announces the launch of its initial public offering on the regulated market of Euronext Paris ("Euronext Paris").

Following the registration of its document de base under number I.15-008 on February 27, 2015, the Autorité des marchés financiers (AMF) granted visa n°15-313 on June 26<sup>th</sup>, 2015, for the prospectus relative to the listing of Cellnovo.

### **A medtech company specialising in the management of diabetes and with the necessary key assets to establish itself on the insulin pump market**

Established in 2002 and based in France and the United Kingdom, Cellnovo is a company that manufactures and distributes a proprietary diabetes management system consisting of a patch (i.e. tubeless) pump, a touchscreen mobile handset/controller and secure access to an online clinical management tool.

Founded on the concept of e-health, Cellnovo's insulin patch pump represents a major breakthrough in the way diabetes is treated. With Cellnovo's device, certain aspects of diabetes management still require an action from the patient (blood glucose monitoring and injection of insulin just before meals). The Cellnovo pump allows patients and healthcare professionals to monitor the patient's use of insulin, activity and food intake in real time and the patient's blood-glucose level. These are four key factors in the management of diabetes.

### **The Cellnovo Pump: a breakthrough technology in the management of Type 1 diabetes**

- **The first connected device for managing diabetes differently**
  - Cellnovo's insulin pump is discreet, compact, silent, tubeless, entirely connected and has intuitive features; the pump also incorporates a 3D accelerometer enabling the patient's physical activity to be tracked;
  - This pump is connected to a touchscreen mobile handset with an integrated blood-glucose meter, and all the information is directly accessible via a secure online portal;
  - Thanks to the automatic transmission of data (results of blood-glucose readings, use of insulin, physical activity, food) and the possibility for the patient to measure at anytime his blood glucose level, the first connected insulin pump allows the user to be continually monitored to the benefit of all stakeholders: the patient is more independent and better manages his condition<sup>(1)</sup>, his family has real-time information about the patient's condition, clinicians can be more responsive and productive, and paying agencies and health authorities can be assured of the quality of care provided, the improvement in disease management, the potential reduced risk of complications and lower costs.



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- **Use of high-precision technology that has notably proven itself in the aerospace sector**
  - The pumping mechanism incorporated within the Cellnovo pump is based on the use of paraffin wax, a phase-change material, which enables insulin to be administered extremely accurately in basal mode continuously throughout the day and in bolus mode during meals.

All in all, the major innovation of the Cellnovo insulin pump lies in its ability to manage diabetes simply and efficiently while reducing the potential constraints and risks associated with this illness. The current version of the Cellnovo System is patented and has obtained CE marking; furthermore, it complies with existing reimbursement schemes governing insulin pumps and their consumables.

## Insulin Pumps: a growing market with substantial potential in one of the most extensive global diseases in terms of prevalence and health expenditure

Cellnovo first and foremost addresses<sup>(1)</sup> patients with Type 1 diabetes who require insulin on a daily basis, i.e. 3.5 million people in North America and major European countries alone. The pump market targeted by Cellnovo is extensive and well identified. It concerns more than 610,000 people in the aforementioned regions, i.e. a 2.2 billion dollar market <sup>(2)</sup>. This market has substantial growth potential, as on average only 17%<sup>(3)</sup> of people with Type 1 diabetes are currently using insulin pumps, the other patients still having to rely on multiple daily injections.

Furthermore, 9.2 million<sup>(4)</sup> patients with Type 2 diabetes also use insulin therapy. Half of these patients have poorly regulated diabetes, and having a Cellnovo Pump would be beneficial for their therapy. At the current time, only 1% of them use insulin pumps.

## A clearly-defined international expansion strategy

Cellnovo launched the marketing of its insulin pump in the United Kingdom and France in 2014 via a direct sales force. Its commercialisation will be extended to other European countries in 2015-2017 via a network of distributors, including Air Liquide Santé, with whom Cellnovo recently signed a framework agreement, followed by the United States in 2017. By 2020, Cellnovo's target is for 45,000 patients to be equipped with its pump.

## Cellnovo goes public to:

- Finance the operational expenditure and the working capital requirement of the Company;
- Scale-up its production capabilities;
- Pursue its R&D investments;
- Accelerate its commercial expansion, through proprietary sales force and specialized distributors; and
- Finance the obtainment of market approvals in the United States and in other key geographies.

(1) 50 patients under contract as of 26.06.2015

(2) Renub research analysis, *Insulin Pump Market and Forecast – Worldwide analysis*, Janv. 2014

(3) Company estimates

(4) *Société francophone de diabétologie*, Sept. 2014



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## Terms of the IPO

### Structure of the offering

The offering of Cellnovo shares (the “**Offering**”) will comprise:

- A public offering in France in the form of an open-price offer (“**French Public Offering**”), mainly for individuals; and
- An international offering o (the “**International Offering**”) for institutional investors including:
  - A private placement in France; and
  - An international private placement in certain countries (excluding notably the United States of America, Japan, Canada and Australia).

The allocation of the offered shares between the French Public Offering, on the one hand, and the International Offering, on the other hand, will be determined according to the nature and amount of demand.

If the demand within the French Public Offering is sufficient, the number of shares allocated in response to the orders placed in the French Public Offering will at least equal 10% of the total number of shares offered in the Offering before potential exercise of the Overallotment Option.

### Initial size of the Offering

2,800,000 new shares to be issued.

### Indicative price range

€10.63 à €14.37 per share<sup>1</sup>

The price of the shares offered in the French Public Offering will equal the price of the shares offered in the International Offering (the “**Offer Price**”).

### Extension option

15% of the number of new shares initially offered, representing a maximum of 483,000 new shares (the “**Extension Option**”). The Extension Option may be exercised in whole or in part on one single occasion on July 9, 2015.

### Overallotment option

15% of the number of new shares offered after exercise of the Extension Option, as the case may be, representing up to 483,000 additional new shares (the “**Overallotment Option**”). The Overallotment Option may be exercised in whole or in part until August 7, 2015 (included).

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1. The Offer Price may be fixed outside this range. In the event that the upper limit of this range is raised or that the Offer Price is fixed above the upper limit of the range, the closing date of the French Public Offering will be postponed or a new public subscription period will be opened, as appropriate, so that there are no fewer than two business days between the date of publication of the press release giving notice of this modification and the new French Public Offering closing date. Orders placed in the French Public Offering before publication of the above mentioned press release will remain valid unless they have been specifically revoked before the new French Public Offering closing date. The Offer Price may be set freely below the lower limit of the indicative price range or the indicative price range may be modified downwards (subject to there being no significant impact on the other terms of the Offering).



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### Gross proceeds of the Offering

About €35m, which can be increased up to around €40,3m if the Extension Option is exercised in full, and to around €46,3m if the Extension Option and the Overallotment Option are exercised in full (based on an Offer Price of €12.50, the mid-range price).

### Estimated net proceeds of the Offering

About €31,1m which can be increased up to around €36,1m if the Extension Option is exercised in full, and to around €41,9m if the Extension Option and the Overallotment Option are exercised in full (based on the mid-range price of the Offer).

### Subscription commitments from existing shareholders and new investor

A number of investment funds managed by Edmond de Rothschild Investment Partners, Omnes Capital, Advent Ventures Partners, HealthCare Ventures, Auriga Partners, Forbion II Management BV and Nesta, have undertaken to place subscription orders for a maximum total amount of €12 million, or around 34% of the gross size of the Offering (excluding exercise of the increase option and the over-allotment option) based on the mid-range price of the Offer.

Furthermore, one new investor – ALIAD (Air Liquide Venture Capital) – has undertaken to place subscription orders for a maximum of €4.5 million.

Altogether, the subscription commitments received so far total €16.5 million, or around 47% of the gross size of the Offering based on the midpoint of the price range excluding exercise of the Extension Option and the Over-allotment Option, or around 35% of the gross size of the Offering based on the midpoint of the price range after exercise of the Extension Option and the Over-allotment Option.

### Lock-up commitments from the Company and the shareholders

- 180 calendar days standstill for the Company
- Existing financial shareholders: 180 calendar days for 100%, 270 calendar days for 66.66% and 360 calendar days for 33.33%
- Founders / management / directors: 360 calendar days

### Expected timetable

June 26 2015	<ul style="list-style-type: none"><li>• AMF visa on the Prospectus</li></ul>
June 29 2015	<ul style="list-style-type: none"><li>• Press Release announcing the Offer</li><li>• French Public Offering and International Offering open</li></ul>
July 8 2015	<ul style="list-style-type: none"><li>• French Public Offering closed at 5.00 p.m. (Paris time) for over-the-counter orders and 8.00 p.m. (Paris time) for Internet orders</li></ul>

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July 9 2015	<ul style="list-style-type: none"><li>• International Offering closed at 12.00 p.m. (Paris time)</li><li>• Determination of the Offer Price for the Offering and exercise of the Extension Option, as the case may be</li><li>• Press release regarding the Offer Price, the final number of shares issued and the results of the Offering</li><li>• Euronext notice of the results of the Offering</li><li>• Underwriting agreement signed</li><li>• Beginning of stabilization period, if any</li></ul>
July 10 2015	<ul style="list-style-type: none"><li>• Beginning of conditional trading in the Company's shares on Euronext Paris (in the form of undertakings to deliver shares (<i>promesses d'actions</i>) until July 13 inclusive, 2015)</li></ul>
July 13 2015	<ul style="list-style-type: none"><li>• Settlement and delivery of the Offering</li></ul>
July 14 2015	<ul style="list-style-type: none"><li>• Beginning of unconditional trading in the Company's shares on Euronext Paris on the line "CLNV "</li></ul>
August 7 2015	<ul style="list-style-type: none"><li>• Deadline for exercise of the Overallotment Option</li><li>• End of stabilization period, if any</li></ul>

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### Terms of subscription

Anyone wishing to participate in the French Public Offering must place orders through a financial intermediary registered in France, no later than 5.00p.m (Paris time) for over-the-counter orders and 8.00p.m (Paris time) for Internet orders on July 8, 2015. To be accepted, orders placed under the International Offering must be received by the Lead Managers and Bookrunners no later than 12.00 p.m. (Paris time) on July 9, 2015.

### Cellnovo codes

- Name: CELLNOVO GROUP
- ISIN code: FR0012633360
- Mnemonic: CLNV
- Section: Compartment C
- Business sector :
  - NAF Code: 4651Z – Wholesale trade (business to business) of computers, IT peripheral equipment and software
  - ICB classification: 4535 – Medical Equipment

### Financial intermediaries

**CM=CIC Securities**

 **SOCIETE GENERALE**  
Corporate & Investment Banking

*Lead Managers and Bookrunners*

**CANACCORD** Genuity

*Joint Lead Manager*



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## Advisors to the Company



**Information available to the Public** - Copies of the prospectus in the French language (the “**Prospectus**”), which received a visa from the AMF on June 26, 2015 under number 15-313, comprising a document de base registered with the AMF on February 27, 2015 under number I.15-008 (the “**Document de Base**”) and a securities note (the “**Securities Note**”) including the summary of the Prospectus, may be obtained free of charge at the company’s headquarter, (26-28 rue de Londres 75009 Paris, France) as well as from the company’s ([www.cellnovo-corp.com](http://www.cellnovo-corp.com)) and the AMF’s ([www.amf-france.org](http://www.amf-france.org)) websites.

**Risk factors** - Cellnovo draws the public’s attention to the business-related risks described in Chapter 4 “Risk Factors” of the *Document de Base* as updated by Chaptour 10 “Additional Information” of the Securities Note and the offer-related risks described in Chapter 2 “Offer-related Risk Factors” of the *Securities Note*.

## About Cellnovo

An independent medical technology company specialising in diabetes, Cellnovo has developed and markets the first connected all-in-one diabetes management system that helps make life easier for patients. Compact, tubeless, intuitive and entirely connected, Cellnovo’s insulin pump comprises a mobile touchscreen controller with an integrated blood-glucose meter. With Cellnovo’s device, certain aspects of diabetes management still require an action from the patient (blood glucose monitoring and injection of insulin just before meals). 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 aims to improve the quality of life of patients with type 1 diabetes and more generally all people living with insulin dependency, by using its technology to minimise the constraints and risks associated with this illness.

The current version of the system has already received CE Marking, is reimbursed in most countries and is already being marketed in France and the United Kingdom. Cellnovo has a clearly-defined expansion strategy that involves accelerating the product’s commercialisation, initially in Europe and then in the United States and Asia, and increasing its production capacity to cope with the expected high level of demand.

The insulin pump market is currently estimated to be worth around 2.2 billion dollars, and has substantial potential given that only 17% of the 3.5 million people with type 1 diabetes (in the US/Canada and main European countries) currently use a pump.

Based in France and the United Kingdom, Cellnovo has a 75-strong workforce.

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

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This communication is an advertisement and does not constitute a prospectus for the purposes of the Prospectus Directive (as defined below). A prospectus prepared pursuant to the Prospectus Directive may be published, which, as and when published, can be obtained in accordance with the Prospectus Directive.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), no action has been taken or will be taken to offer securities to the public that requires the publication of a prospectus in any Relevant Member State other than France. Cellnovo securities may be offered in a Relevant Member State (other than France) only (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive; (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive, *provided, that* no such offer of securities shall require Cellnovo to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expressions "public offering" and "offer to the public" in relation to any Cellnovo securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

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