



PRESS RELEASE

Adocia obtains additional financial resources to accelerate its growth

- Establishment of a debt financing plan for a maximum amount of 15 million euros, with IPF Partners
- First tranche of EUR 7.5 million is subscribed immediately
- Current cash position above EUR 39 million as of October 14, 2019

Lyon, France, October 14, 2019 – 7:30 am CEST - Adocia (Euronext Paris: FR0011184241 – ADOC), a clinical stage biopharmaceutical company focused on the treatment of diabetes and other metabolic diseases with innovative formulations of proteins and peptides, today announced that it has obtained additional resources from IPF Partners to finance its growth.

This financing line consists in a bond issue, structured in two tranches of equal amounts, for a total amount of EUR 15 million. The first EUR 7.5 million tranche was subscribed on October 11, 2019, at the signing of the contract. Adocia may decide to subscribe the second tranche by the end of 2019.

Adocia's current cash position following the issue of the first tranche amounts to more than EUR 39 million.

"We welcome the execution of this funding tool, which will enable us, in the next eighteen months, on the one hand to accelerate the development of our M1Pram (ADO09), our combination of pramlintide with prandial insulin, whose first clinical results showed promise, and on the other hand to move into clinical testing one or two additional programs that generated very encouraging results in preclinical testing." said Gérard Soula, President and CEO of Adocia. *"Of course, we continue with determination our efforts to license-out our most advanced programs: BioChaperone Lispro, BioChaperone Combo and BioChaperone Glucagon."*

Issuance of the bonds with warrants attached

The Company's board of directors dated October 3, 2019, using the delegation granted to it by the nineteenth resolution of the shareholders' meeting of May 16, 2019 in accordance with article L. 225-138 of the French Commercial code,

- approved, the principle of an issue of 15,000,000 bonds (the "**Bonds**") with attached warrants (*bons de souscription d'actions* or "**BSA**" and, with the Bonds, the "**OBSAs**"), without shareholders' pre-emptive right, reserved to the IPF Fund II SCA, SICAV FIAR fund, which meets the characteristics determined by said shareholders' meeting, and
- has sub-delegated its powers to the Chief Executive Officer to set the terms and conditions and issue of the OBSAs.

The Chief Executive Officer, using this sub-delegation, decided on October 11, 2019 to issue the first tranche of OBSAs representing a total amount of EUR 7,500,000 by issuing, at a price of EUR 1 each, 7,500,000 OBSAs.

The number of ordinary shares likely to be issued as a result of the exercise of the total amount of warrants represents less than 20% of the Company's share capital, as the Company has not carried out any other issues during the last 12 months. Consequently, there is no requirement to submit for approval a prospectus to the *Autorité des marchés financiers*.

Main terms and conditions of the OBSAs

The terms and conditions of the Bonds are as follows:

- Nominal Amount of the bond issue: Tranche A: EUR 7,500,000; Tranche B: EUR 7,500,000.
- Initial par value: EUR 1 euro per Bond.
- Issue date: Tranche A: October 11, 2019; Tranche B: no later than December 31, 2019.
- Maturity: the twentieth quarter falling after the issue date of each tranche.
- Interest: EURIBOR + 8% (Cash margin) +3% (PIK margin).
- First redemption deferred for a 12-month period.
- Early redemption possible at any time, subject to early redemption fee.
- Security: customary security interests granted to the benefit of the bondholders.
- Assignment: the bonds can be freely assigned to any fund or financial institution, to the exclusion of any competitor of the Company or any fund managing or having invested in a competitor of the Company.

The main terms and conditions of the warrants are as follows:

- Number of warrants: 7,500,000 under Tranche A and 7,500,000 under Tranche B.
- Exercise price: EUR 8.57, it being specified that, in the event the Company issues new shares (excluding employee and manager incentive scheme) at a lower price during the warrants' exercise period, the IPF warrants exercise price shall be reduced to 95% of the lower of the said issue prices.

- Number of shares that may be issued upon exercise of the warrants: in respect of each tranche, 131,271 ordinary shares representing 1.89% of the Company's share capital as of the date of this press release¹.
- Exercise period: in whole or in part, for a minimum aggregate exercise price of EUR 100,000 euros, once or several times, at any time from their issue date until October 10, 2026.
- Listing of the warrants: the warrants shall not be listed but can be detached from the OBSAs at any time and, from that date, freely assigned under the same conditions as the Bonds.

Use of proceeds

The Company intends to use the proceeds to finance the development of its activities, and notably to initiate clinical studies.

About Adocia

Adocia is a clinical-stage biotechnology company that specializes in the development of innovative formulations of already-approved therapeutic proteins and peptides for the treatment of diabetes and other metabolic diseases. In the diabetes field, Adocia's portfolio of injectable treatments is among the largest and most differentiated of the industry, featuring six clinical-stage products. Additionally, Adocia expanded its portfolio to include the development of treatments of obesity and short bowel syndrome.

The proprietary BioChaperone[®] technological platform is designed to enhance the effectiveness and/or safety of therapeutic proteins while making them easier for patients to use. Adocia customizes BioChaperone to each protein for a given application. Adocia's clinical pipeline includes five novel insulin formulations for the treatment of diabetes: two ultra-rapid formulations of insulin analog lispro (BioChaperone[®] Lispro U100 and U200), a combination of basal insulin glargine and rapid-acting insulin lispro (BioChaperone[®] Combo), a combination of a prandial insulin with amylin analog pramlintide (M1 pram - ADO09) and a rapid-acting formulation of human insulin (HinsBet[®] U100). It also includes an aqueous formulation of human glucagon (BioChaperone[®] Glucagon) for the treatment of hypoglycemia. Adocia preclinical pipeline includes combinations of insulin glargine with GLP-1 receptor agonists (BioChaperone[®] Glargine GLP-1) for the treatment of diabetes, a ready-to-use combination of glucagon and a GLP-1 receptor agonist (BioChaperone[®] Glucagon GLP1) for the treatment of obesity and a ready-to-use aqueous formulation of teduglutide (BioChaperone[®] Teduglutide) for the treatment of short bowel syndrome.

In 2018, Adocia and Chinese insulin leader Tonghua Dongbao entered a strategic alliance. In April 2018, Adocia granted Tonghua Dongbao licenses to develop and commercialize BioChaperone Lispro and BioChaperone Combo in China and other Asian and Middle Eastern territories. The licensing agreements included 50 million dollars upfront and up to 85 million dollars development milestones, plus double-digit royalties on sales. In June 2018, Tonghua Dongbao agreed to manufacture and supply active pharmaceutical ingredients insulin lispro and insulin glargine to Adocia globally, excluding China, to support Adocia's portfolio development in these territories.

¹ excluding any adjustment of the exercise price of the warrants under the above conditions.

Adocia aims to deliver “Innovative medicine for everyone, everywhere.”

To learn more about Adocia, please visit us at www.adocia.com

About IPF Partners

IPF Partners is a leading alternative financing provider focused on the healthcare sector with over €200 million under management. IPF invests directly in emerging pharma/biotech, digital health, medtech and diagnostics companies. Founded in 2011 by a seasoned multi-disciplinary team combining over fifty years of finance and investment and over thirty years of healthcare experience, IPF provides bespoke, medium-term financing solutions. For more information visit www.ipfpartners.com.



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Disclaimer

This press release contains certain forward-looking statements concerning Adocia and its business. Such forward-looking statements are based on assumptions that Adocia considers to be reasonable. However, there can be no assurance that the estimates contained in such forward-looking statements will be verified, which estimates are subject to numerous risks including the risks set forth in the “Risk Factors” section of the Reference Document filed with the French Autorit  des march s financiers on April 12, 2019 (a copy of which is available at www.adocia.com) and to the development of economic conditions, financial markets and the markets in which Adocia operates. The forward-looking statements contained in this press release are also subject to risks not yet known to Adocia or not currently considered material by Adocia. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of Adocia to be materially different from such forward-looking statements.

This press release and the information contained herein do not constitute an offer to sell or the solicitation of an offer to buy Adocia shares in any jurisdiction.