

Cellnovo raises circa EUR 5.4m in capital increase without preferential subscription rights

Proceeds will finance development and commercial launch of artificial pancreas in Europe

Paris, France, September 16th, 2016 – Cellnovo Group (“Cellnovo” CLNV: EN Paris or the “Company”), a medical technology company marketing the first mobile, connected, all-in-one diabetes management system, announces today that it has raised circa EUR 5.4 million from European and US institutional investors through a capital increase without preferential subscription rights.

In line with its participation in three major artificial pancreas projects and considering the estimated market potential, Cellnovo has chosen to accelerate the development and commercialisation of an artificial pancreas based on its mobile diabetes management system and micro-pump.

Cellnovo will use the net proceeds of the capital increase to finance its artificial pancreas (“AP”) project, from development to commercial launch, initially in Europe. The artificial pancreas is designed to enable the complete automation of insulin pump function for more accurate regulation of blood-sugar levels in insulin-dependent people with Type 1 diabetes, and to prevent hypoglycemic and hyperglycemic events and long-term complications that may arise from diabetes. Integrated into Cellnovo’s insulin pump, the artificial pancreas system will use information from the patient’s continuous blood glucose monitor (CGM) to calculate and deliver in real time the optimal insulin dose to patients.

The proceeds from the capital increase should enable Cellnovo to:

- acquire licensing rights from one of its partners;
- finalise product developments;
- develop a new patient interface and clinical portal on its unique e-health web-based App;
- fund the additional clinical trials necessary for regulatory submissions; and
- prepare the launch of the AP-Cellnovo product in European markets.

The anticipated timeline for the completion of the key milestones of these projects is 18 months.

Terms of the capital increase

The Company will issue 1,078,852 new shares, each with a par value of EUR 1.00, representing 9.9% of the share capital of the Company. Following settlement and delivery of the capital increase expected to occur on September 20th, 2016, the issued share capital of the Company will amount to EUR 12,004,449.

The issue price was set at EUR 5.00 per share, implying a discount level of 15.9% to the volume weighted average price over the last 20 trading days on Euronext Paris (“VWAP”).

On an illustrative basis, a shareholder holding 1% of Cellnovo’s share capital prior to the issue will hold a stake of 0.91%.

The new shares bear current dividend eligibility and will be admitted to trading on the regulated market of Euronext in Paris under the ISIN code FR0012633360.

The issue is carried out by way of a capital increase with no preferential subscription rights, based on the resolution of the Board of Directors adopted on September, 14th, 2016, pursuant to the delegation granted by the 14th resolution of the general shareholders meeting held on June 24th, 2016.

Cellnovo has agreed to a lock-up on the shares of the Company for a period of 90 calendar days starting on the settlement and delivery date, subject to certain usual exceptions.

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The First Connected All-in-one Diabetes Management System

This transaction was led by CM-CIC Market Solutions and Société Générale Corporate & Investment Banking as Joint Lead Managers and Joint Bookrunners. Sponsor Finance and Agile Capital Markets acted as financial advisors to the Company.

Public information

The transaction is not subject to a prospectus approved by the French Financial Market Authority (*Autorité des marchés financiers*) (AMF). Detailed information on Cellnovo, including its business, results, perspectives and related risk factors appear in the Company's prospectus registered by the AMF on June 27th, 2016 under number R.16-0060, which is available together with all the press releases and other regulated information about the Company, at the Company's website (www.cellnovo.com).

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About Cellnovo (Euronext: CLNV)

An independent medical technology company specialising in diabetes, Cellnovo has developed and markets the first mobile, 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. 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.

For further information please visit www.cellnovo.com

About the Cellnovo Diabetes Management System

Compact, tubeless, intuitive and entirely connected, Cellnovo's insulin pump comprises a mobile touchscreen controller with an integrated blood-glucose meter. This unique device allows optimal management of insulin injections with drop-by-drop precision, 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.

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The First Connected All-in-one Diabetes Management System

Important Notice

This press release contains certain forward-looking statements. Although Cellnovo believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in such forward-looking statements.

For a discussion of risks factors which are likely to have a material effect on Cellnovo's business, please refer to the Risk Factors section of Cellnovo's Reference Document, which is available on the AMF website (www.amf-france.org) and on Cellnovo's website (www.Cellnovo.com).

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