



**PRESS RELEASE**

## **Biom'up raises €3 million from the €10 million credit line granted in March 2018 by Athyrium**

- **Issue of bonds with warrants attached, fully subscribed by Athyrium within the framework of the debt financing round announced on April 3, 2018.**

**Saint-Priest, France, December 31, 2018, 6:00 PM (CET)** – Biom'up (the “**Company**”), a specialist in surgical hemostasis, today announces the success of the partial issue of the second tranche of its bond financing for €3 million out of the €10 million available.

This issue was carried out as part of the bond financing subscribed by Athyrium Opportunities III Acquisition LP, a fund managed by Athyrium Capital Management, LP (“**Athyrium**”) for an aggregate amount of up to €35 million, with €25 million issued on March 29, 2018 and including an option for an additional €10 million subject to completion of certain conditions within 12 months of the initial issue. The deadline to call the €7 million balance of the second tranche was extended to December 31, 2019.

Following the success of the capital increase by private placement in the amount of €7.67 million on December 10, 2018, this new financing round is in line with the Company's cash management policy and medium-term solvency. These additional funds will notably be used to finance HEMOBLAST Bellows' commercial ramp up in the United States and Europe, continuing regulatory efforts to both maintain the authorizations already obtained in Europe and the United States and obtain authorizations in new countries (Australia, Japan) and continuing efforts to pursue clinical developments necessary for the product's authorization in the year ahead for new therapeutic targets including spinal surgery in the United States.

**Etienne Binant, Chief Executive Officer of Biom'up, commented:** *“The success of this financing round, which gives us additional resources to maintain our medium-term growth momentum, offers further testimony of Athyrium's confidence in the quality of our growth model and development opportunities. I wish to extend my sincerest thanks to Laurent Hermouet and the entire Athyrium team for their unwavering support”.*

**Laurent Hermouet, Managing Director of Athyrium Capital Management, LP, added:** *“Alongside Etienne Binant and the Biom'up teams for nearly one year, we applaud the Company's success in achieving its objectives in 2018. We are delighted that this financing operation provided for in our agreement of last March was able to be completed and will contribute to Biom'up's development in 2019.”*



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On December 31, 2018, Biom'up and Athyrium Capital Management, LP amended the bond subscription agreement of March 29, 2018, as follows:

- the interest rate on the bonds, all maturing on March 29, 2023, is 10 % p.a. (increased to 13% p.a. in the event of default that goes unremedied, where no waiver has been granted and that has not ceased), representing an annual interest charge of €2.2 million (assuming no early redemption) on average over the life of the bonds, taking into account the amortization of the bonds starting on the third anniversary of the initial issue (increased to € 2.5 million per year on average over the life of the bonds, in case of the exercise of the option for € 7 million in additional financing between now and December 31, 2019). Interest is payable quarterly;
- to guarantee all obligations assumed by the Company under the terms of the initial bond issue and this partial issue of the second tranche, the Company granted Athyrium a senior and subordinated security agreements for on-going business (*fonds de commerce*), bank accounts, intellectual property rights and patents. In addition, the US subsidiary of the Company, Biom'up USA, Inc. guarantees the bonds of its parent company;
- the partial drawing of the second tranche of the bond subscribed by Athyrium amounts to €3 million and was made in application of the third resolution (issuances through private placements) adopted by the extraordinary general meeting of June 5, 2018, resulting in the issuance of 3,000 bonds with a par value of €1,000 each with 112 share warrants attached, or a total of 336,000 warrants, of which 300,000 were issued as consideration in exchange for Athyrium's waiver to the right of the warrants attached to the bonds issued on March 29, 2018 and 36,000 issued for the newly issued 3,000 bonds;
- the balance of the second tranche of the bond issue, for €7 million, may be called in one or more installments up to December 31, 2019, subject to conditions;
- the exercise ratio of the warrants now equals 1 share for each warrant, or a total of 336,000 shares to be issued, from the exercise of 336,000 warrants (or 2.35 % of the Company's share capital on a non-diluted basis and 2.12% on a diluted basis);
- the exercise price of the stock warrants is equal to the volume-weighted average for the five trading days preceding their issue plus a premium of 2 %, i.e. €4.4597 per stock warrant. Each warrant confers a right to 1 new share;
- the warrants, which will not be admitted for trading on the regulated market of Euronext Paris, may be exercised during the period running from January 1, 2019 until maturity of the bonds, i.e. until March 29, 2023;
- the transferability of the stock warrants will be restricted to affiliates of the bondholders for the first two years only, except in the event of a default by the Company; and



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- the shares issued upon exercise of the warrants will be admitted to trading on the regulated market of Euronext Paris.

The bond issue is not made in the context of a public offering (*offre au public*) of financial instruments in France within the meaning of Article L. 411-1 of the French monetary and financial code (*code monétaire et financier*) and therefore no prospectus has been submitted for approval (*visa*) by the *Autorité des marchés financiers*.

### Contacts

#### Biom'up

Chief Financial Officer

Jean-Yves Quentel

[investisseurs@biomup.com](mailto:investisseurs@biomup.com)

+33 4 86 57 36 10

#### MC Services AG

Public Relations and International Investor Relations

Anne Hennecke

[anne.hennecke@mc-services.eu](mailto:anne.hennecke@mc-services.eu)

+49 211 529252-22

#### Alizé RP

Investor Relations

Caroline Carmagnol

[biomup@alizerp.com](mailto:biomup@alizerp.com)

+33 6 64 18 99 59

### About Biom'up

Founded in 2005 and based in the Lyon suburb of Saint-Priest (France), Biom'up designs hemostatic products based on patented biopolymers that aim to simplify surgical procedures in numerous specialties (spine, cardiothoracic, general, orthopedic, plastic) and give patients a better quality of life.

Since its creation, Biom'up has benefited from the support of prominent European investors such as Bpifrance, Innobio, Gimv, Lundbeckfond, Mérieux Participation, SHAM and ACG, as well as all the company's managers, who have invested €2 million in equity. Biom'up successfully completed its IPO on Euronext Paris, raising €42.5 million in October 2017.

Since then, the Company carried out a €16 million capital increase in February 2018 and a €7.67 million capital increase by means of a private placement in December 2018. It also entered into a €25 million bond financing agreement with Athyrium, a US fund specializing in innovative companies in the healthcare sector, in March 2018.

### About HEMOBLAST

HEMOBLAST Bellows is a hemostatic product to control bleeding in a broad range of surgical procedures, such as cardiac surgery, general surgery, and orthopedic surgery, etc.. Biom'up conducted a successful clinical trial in the United States with 412 patients admitted to cardio-thoracic, abdominal



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or orthopedic (lower limb) surgeries which met all of its primary and secondary endpoints. Given the compelling preliminary results (93 % effectiveness at 6 minutes, compared with 74 % for the control arm), the Independent Data Monitoring Committee (IDMC) unanimously recommended to stop the study before the initially planned date after an interim analysis of the data, which allowed the company to accelerate the submission of its filing for premarket approval (PMA) to regulatory authorities in June 2017 for the United States.

After obtaining expedited FDA approval for HEMOBLAST Bellows in December 2017, 7 months ahead of original plan, Biom'up's efforts are focused on industrial and commercial activities and the recruitment of sales and marketing teams in the U.S. to prepare the planned commercial roll-out of our lead product in the United States.

On July 12, 2018, Biom'up obtained CE Marking for its HEMOBLAST Bellows Laparoscopic Applicator designed to deliver the HEMOBLAST Bellows powder in minimally-invasive procedures. This has opened the way for the Company in a new market segment representing approximately 500,000 surgeries per year in Europe. In addition, on July 2, 2018 the Company filed a PMA supplement to obtain approval for HEMOBLAST Bellows for all laparoscopic surgical procedures in the United States.

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