

STENTYS launches a €11.8 million rights issue to finance the acquisition of MINVASYS

- Subscription ratio: 13 new shares for 28 existing shares
- Subscription price: €1.42 per share, i.e. a discount of 30.39%
- Detachment of preemptive rights on February 23, 2018 – subscription period from February 27 to March 8, 2018
- Subscription commitments of €8.9 million, representing 75.15% of the planned capital increase, from a number of investors, including Bpifrance

PARIS – February 21, 2018 – 7 am CET – STENTYS (FR0010949404 – STNT), a medical technology company commercializing the Xposition S self-apposing coronary stent, today announces the launch of a rights issue for a gross amount of approximately €11.8 million. The *Autorité des Marchés Financiers* (AMF, the French financial markets authority) granted visa number 18-052 dated February 20, 2018 for the Prospectus relating to this operation, comprising the *Document de Référence* filed on November 29, 2017 under number D.17-1084 and the *Note d'Opération* (including a summary of the Prospectus).

This operation follows the definitive agreements concluded on February 15, 2018 with a view to acquiring 100% of the French company MINVASYS, independent specialist in innovative coronary devices marketed worldwide. The proposed terms of this merger were the subject of a previous press release dated January 30, 2018 (see [press release of January 30, 2018](#)). The proceeds of this issue will principally be used to finance the acquisition and integration of MINVASYS.

This merger, subject to the success of the rights issue, would result in the creation of a benchmark French player in interventional cardiology with a portfolio of complementary proprietary products and in significant marketing, organizational and production synergies.

Christophe Lottin, Chief Executive Officer of STENTYS, says: *"I am delighted to be able to present the MINVASYS acquisition project that would make STENTYS a benchmark French group in interventional cardiology. The new group would have a complementary proprietary product offer covering not only a broad spectrum of coronary stent indications, but also a substantial portion of coronary angioplasty procedures with a range of coronary balloons and accessories. Furthermore, STENTYS would considerably increase its commercial strength thanks to MINVASYS' distribution network. As you can see, this acquisition represents a real expansion opportunity for STENTYS, which would notably record estimated pro-forma consolidated revenues of €12 million¹ over the year to December 31, 2017. In order to finance this operation, we are today launching a €11.8 million capital increase that has already attracted much interest, notably from our core shareholder Bpifrance."*

MAIN TERMS OF THE ACQUISITION OF MINVASYS

This acquisition, for approximately €7.5 million, would be paid for partly in cash (for approximately €6.5 million) and partly in STENTYS shares (for approximately €1 million). The terms of the contribution of MINVASYS shares to the benefit of STENTYS will be the subject of reports drafted by asset auditors, one pertaining to the valuation of the contribution and the other pertaining to the fairness of compensation. It is also not planned to appoint a MINVASYS director to the STENTYS Board of Directors.

¹ Unaudited data

MAIN TERMS OF THE RIGHTS ISSUE

To carry out this acquisition, STENTYS launches €11.8 million rights issue with 13 New Shares for every 28 existing shares at a par value of €0.03 euro per share. Each shareholder will receive one preemptive subscription right per share registered in the holder's account at close of accounting on February 22, 2018, as per the indicative schedule below.

Subscription period

The subscription period for New Shares will run from February 27, 2018 to March 8, 2018 inclusive.

Subscription price for the New Shares

€1.42 per share, including a par value of €0.03 per share and an issue premium of €1.39 per share, to be fully paid upon subscription, representing a discount of 30.39% on the STENTYS share price at close of trading on February 19, 2018, i.e. €2.04.

Gross proceeds of the rights issue

The gross proceeds of the capital increase, issue premium included, will be €11,803,823.84 (€249,376.56 par value and €11,554,447.28 issue premium) corresponding to the number of New Shares issued, i.e. 8,312,552 New Shares, multiplied by the subscription price of a new share, i.e. €1.42 (comprising a par value of €0.03 and an issue premium of €1.39).

Preemptive subscription rights

Subscriptions to New Shares will be reserved, in priority:

- to holders of existing shares registered in the holder's account at close of accounting on February 22, 2018,
- to transferors of preemptive subscription rights.

Holders of preemptive subscription rights will be able to subscribe:

- on an irreducible basis to 13 New Shares for every 28 existing shares they hold. 28 preemptive subscription rights will enable the holder to subscribe to 13 New Shares at a price of €1.42 per share;
- and, on a reducible basis, to the number of New Shares they want on top of the one they are entitled to through the exercise of their preemptive subscription rights on an irreducible basis.

Theoretical value of a preemptive subscription right

€0.20 (on the basis of the STENTYS share price at close of trading on February 19, 2018, i.e. €2.04). The subscription price of the New Shares represents a discount of 22.97% on the theoretical ex-right value of a share.

Listing and procedure for the exercise of preemptive subscription rights

Preemptive subscription rights may be acquired or divested on the market during their listing period, i.e. between February 23 and March 6, 2018 inclusive, under ISIN code FR0013319076. Should no subscription be forthcoming by March 8, 2018 or should these preemptive subscription rights be divested by March 6, 2018, they would become null and void with no value.

To exercise their preemptive subscription rights, holders must send a request to their authorized financial intermediary at any time from February 27, 2018 to March 8, 2018 inclusive and pay the corresponding subscription price. Preemptive subscription rights that are not exercised shall automatically be rendered null and void at the end of the subscription period, i.e. at the end of trading on March 8, 2018.

Subscription commitments

Bpifrance Participations, which held, on the date of the Prospectus, 884,077 shares representing 4.94% of the Company's share capital and 4.90% of its voting rights, has given an irrevocable commitment, for a total subscription representing a maximum of 33.82% of the New Shares issued within the framework of this rights issue up to a maximum of €3,000,000:

- to exercise the 884,077 preemptive subscription rights attached to the shares held on the date hereof enabling it to subscribe on an irreducible basis to a total of 410,462 shares, giving a total subscription amount of €582,856.04; and
- to place a subscription order on an irreducible basis for a sum of €2,417,143.88.

This subscription commitment represents approximately 25.42% of the total size of the offering.

According to the terms of subscription commitments signed on February 12 and 13, 2018, six qualified investors (the “Investors”) have pledged to subscribe to any shares not subscribed to following the subscription period up to a maximum of €5,870,000 representing a maximum of approximately 49.73% of the number of New Shares.

These Investors’ subscription commitments are summarized below:

	Amount (€)
Vatel Capital	3,000,000
Grosvenor	1,500,000
Karakoram	700,000
IM Hotel	250,000
ING Luxembourg	220,000
Aurore Invest	200,000
TOTAL	5,870,000

In relation to these subscription commitments for approximately 49.73% of the total size of the offering, the Investors will receive a commission of a total of €410,900 deducted from the gross proceeds of the issuance of New Shares.

Underwriting

Whilst the issuance is not covered by a firm underwriting, it is the subject of subscription commitments covering approximately 75.15% of the total amount of the offering.

Abstention and lock-up commitments

- Abstention commitment by the Company: 180 days from the date of settlement/delivery, subject to certain standard exceptions as detailed in the Prospectus.
- Lock-up commitments: there are no lock-up commitments regarding the New Shares.

Impact of the issue on the shareholder structure and a shareholder’s situation

The table below presents the capital distribution after the Capital Increase using the following assumptions: (i) no Company shareholder, apart from those who have committed to doing so (see Subscription Commitments paragraph above), exercises their preemptive subscription rights, (ii) 100% of the initially-planned Capital Increase is realized, and (iii) STENTYS issues 596,805 shares in exchange for the MINVASYS shares contributed.

	Number of shares	% of share capital	% of voting rights ⁽²⁾⁽³⁾
Bpifrance Participations SA ⁽¹⁾	2,996,753	11.18%	11.12%
Investors	4,133,801	15.42%	15.34%
Former MINVASYS shareholders	596,805	2.23%	2.21%
Public – Others	19,085,958	71.18%	71.33%
TOTAL	26,813,317	100%	100%

(1) Bpifrance Participations SA is 100% held by Bpifrance SA and is represented on the Board by an observer (*censeur*).

(2) Based on the number of double voting rights at February 5, 2018.

(3) Including the 10,995 Treasury shares held with respect to the liquidity contract at December 31, 2017.

For informative purposes, the impact of the issue on a shareholder holding 1% of the Company’s share capital prior to the issue and not taking part in the issue (calculated on the basis of the number of shares constituting the Company’s share capital on the date the Prospectus was granted a visa, i.e. 17,903,960 shares) would be as follows:

	Shareholder's stake (as a %)	
	Non-diluted basis	Diluted basis ⁽¹⁾
Before the issue of New Shares pursuant to this Capital Increase	1.00%	0.94%
Following the issue of 6,246,479 New Shares pursuant to this Capital Increase ⁽²⁾	0.74%	0.71%
Following the issue of 8,312,552 New Shares pursuant to this Capital Increase ⁽³⁾	0.68%	0.65%
Following the issue of 8,909,357 New Shares pursuant to this Capital Increase and the issue of STENTYS shares in exchange for the shares contributed by MINVASYS ⁽³⁾⁽⁴⁾	0.67%	0.64%

- (1) Assuming exercise of all rights giving access to capital, whether exercisable or not, and definitive acquisition of all shares allocated for free and still in the acquisition period on the date the Prospectus was granted a visa, and excluding adjustments relating to this Capital Increase.
- (2) Capital increase for 75.15% of the initial number of New Shares to be issued.
- (3) Capital increase for 100% of the initial number of New Shares to be issued.
- (4) On the basis of the contribution of MINVASYS shares being paid for via the issue of 596,805 STENTYS shares, subject to the condition precedent of the contribution.

Indicative timetable

February 22, 2018	Business day following which holders of existing shares registered in their securities accounts will be allocated preemptive subscription rights.
February 23, 2018	Detachment of, and start of trading in, preemptive subscription rights on Euronext Paris.
February 27, 2018	Opening of the subscription period.
March 6, 2018	End of the listing of preemptive subscription rights.
March 8, 2018	Closing of the subscription period.
March 14, 2018	Publication of a press release from the Company announcing the result of subscriptions. Publication by Euronext of the notice of admission to trading of the New Shares, indicating the definitive amount of the Capital Increase and the allocation scale for subscriptions on an irreducible basis.
March 16, 2018	Issue of New Shares – Settlement-delivery. New Shares admitted for trading on Euronext Paris.
April 20, 2018	Scheduled date of the delivery of the asset auditor's report.
April 30, 2018	Scheduled date of the realization of the Divestment and of the Contribution of MINVASYS shares.
By May 18, 2018, 11.59 pm CET	Resumption of the ability to exercise stock options, business creator share warrants and stock warrants.

STENTYS share identification codes

Company name: STENTYS
 ISIN: FR0010949404
 Ticker: STNT
 ICB Classification: 4535 Medical Equipment
 Listed on: Euronext Paris (compartment C)

Financial intermediary

GROUPE SOCIÉTÉ GÉNÉRALE

Lead Manager and Bookrunner

Availability of the Prospectus

Copies of the Prospectus granted a visa by the AMF French financial markets authority on February 20, 2018 under number 18-052, comprising the *Document de Référence* registered on November 29, 2017 under number D.17-1084 and a *Note d'Opération* (including a summary of the Prospectus), may be obtained free of charge and upon request from STENTYS' head offices. An online version is also available on the Company's website (www.stentys.com) and the AMF's website (www.amf-france.org).

Risk Factors

Investors are invited, before making a decision on whether to invest, to make themselves aware of the risks described in section 4 of the *Document de Référence* and chapter 2 of the *Note d'Opération*.

Forward-looking Statements

This press release contains forward-looking statements about the Company that are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which it will operate in the future which may not be accurate. Such forward-looking statements involve known and unknown risks which may cause the Company's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks associated with the development and commercialization of the Company's products, market acceptance of the Company's products, its ability to manage growth, the competitive environment in relation to its business area and markets, its ability to enforce and protect its patents and proprietary rights, uncertainties related to the U.S. FDA approval process, slower than expected rates of patient recruitment for clinical trials, the outcome of clinical trials, and other factors, including those described in the Section 4 "Risk Factors" of the Company's 2016 Registration Document (*document de référence*) filed with the French *Autorité des Marchés Financiers* (AMF) on November 29, 2017 under number D.17-1084.

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under the Securities Act of 1933, as amended (the “Securities Act”). The shares of Stentys have not been and will not be registered under the Securities Act and Stentys does not intend to conduct a public offering of its shares in the United States of America.

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