



PRESS RELEASE

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Very successful capital increase for NFL Biosciences with over €3 million raised

- Strong success of the placement with professional investors with a diversified base of French and international investors for an amount of €2.45 million
- Exceptional participation of retail investors via the PrimaryBid platform with an offer oversubscribed nearly 3 times and almost 1,000 orders received, for a total amount of €1.6M, with €0.6M being allocated to the retail tranche¹.
- Subscription price set at €2.23 per new share, in the middle of the offering range.
- Cash horizon secured for more than 12 months, allowing NFL Biosciences to reach in 2023 the key milestones of the two ongoing studies on NFL-101 as a smoking cessation aid.
- Settlement and delivery of the new shares on February 2, 2023.

NFL BIOSCIENCES (Euronext Growth Paris – FR0014003XT0 – ALNFL), a biopharmaceutical company that is developing botanical drugs for the treatment of addictions (the “Company”), is today announcing that it has successfully completed its fundraising round for a total of 3,059,910.11 euros through capital increases with preferential subscription rights waived for current shareholders. The offer was subscribed, on the one hand, by professional investors for 2.5 million euros, and, on the other hand, by retail investors through the PrimaryBid platform for 0.6 million euros (the “Transaction”).

Ignacio Faus, NFL Biosciences CEO: *“On behalf of NFL Biosciences, I would like to warmly thank all of the professional investors and the many retail investors, through PrimaryBid, who took part in this fundraising round. We have now secured the resources needed to reach the validation milestones of our two main clinical programs on NFL-101 in 2023, and we will also be able to move forward with the development of NFL-301. As always, we will take the greatest care to effectively allocate these resources and we are confident that we will be able to demonstrate the efficacy of NFL-101 in helping people stop smoking”.*

Allocation of the funds

Specifically, the funds raised in connection with the Transaction will make it possible to supplement the financing for the CESTO II phase II/III trial, aiming to demonstrate the efficacy of its botanical drug candidate NFL-101 for smoking cessation, and the PRECESTO trial, assessing the potential of NFL-101 to be associated with nicotine replacement therapies, as well as the continued development of NFL-301, aimed at reducing alcohol consumption.

(1) It is reminded that the PrimaryBid Offer may only represent a maximum of 20% of the amount of the Global Offer.

CESTO II • The CESTO II trial is progressing in line with the schedule set, with 75% of the 318 smokers recruited at the nine clinical investigation centers that are taking part in the study. NFL Biosciences expects to finalize recruitments at the end of the second quarter, which would enable results to be obtained for the main criteria at the end of 2023. CESTO II's objectives are to select the best dose and assess the efficacy of NFL-101 versus placebo. The primary end-point for assessment is the subjects' continued abstinence for four weeks (US Food & Drug Administration (FDA) accepted end-point). Many other secondary end-points will also be assessed, including the subjects' continued abstinence for six months (European Medicines Agency (EMA) accepted end-point), the number of cigarettes smoked, withdrawal symptoms and level of craving. About 55% of the funds raised will be allocated to finalizing this Phase II/III clinical trial.

PRECESTO • This Phase IIa clinical trial aims primarily to validate the complementarity of NFL-101 with other smoking cessation treatments and particularly nicotine replacement therapies (transdermal patches, tablets, chewing gums, inhalers and nicotine sprays) with a view to developing an innovative treatment method by associating NFL-101 with other smoking cessation methods. The PRECESTO trial will compare against a placebo the capacity of NFL-101 to reduce smoking satisfaction and cravings. This is a randomized, double-blind trial that will include 34 smokers who are not looking to stop smoking and get great satisfaction from smoking with a cross-over design. This trial is expected to further strengthen the appeal of NFL-101 for pharmaceutical companies that sell smoking cessation drugs and could be interested in taking out licenses. About 20% of the funds raised will be allocated to putting in place and carrying out this Phase IIa clinical trial. The PRECESTO trial results are expected for the third quarter of 2023.

NFL-301 • This natural drug candidate to reduce alcohol consumption is subject to a co-development agreement with ATHENA Pharmaceutiques, set up in February 2022. Under this partnership, ATHENA Pharmaceutiques, a market leader for the development and manufacturing of oral delivery drugs, will manage the development and manufacturing of NFL-301, while NFL Biosciences will draw up and lead the clinical program, which could be launched in the United States over the coming months. By allocating about 15% of the funds raised to this project, NFL Biosciences will be able to continue developing NFL-301 and file a pre-IND application with the US Food and Drug Administration (FDA) prior to a future clinical trial application. The partnership aims to develop NFL-301 at least until its placebo-controlled efficacy has been demonstrated as a treatment for reducing alcohol consumption. NFL Biosciences and ATHENA Pharmaceutiques will make a joint investment and will share future revenues based on their respective investments.

The balance of the funds raised, approximately 10%, will be allocated to the day-to-day operations of the Company.

Before carrying out this round of fundraising, NFL Biosciences' cash horizon was the end of the second quarter of 2023. Considering the current level of cash and the estimated proceeds from this round of fundraising, NFL Biosciences is pushing back its cash horizon to March 2024. In addition, two other applications for subsidies for a combined total of 1.7 million euros are currently being reviewed by Bpifrance, with an outcome expected in the first quarter of 2023, thus extending the cash horizon even further. NFL Biosciences will also continue to apply for non-dilutive financing solutions with French and European institutions.

Reminder of the Transaction's key features

The Transaction was put in place and carried out under the 10th, 12th and 13th resolutions from the Company's Extraordinary General Shareholders' Meeting on May 25, 2022 (the "General Meeting") at a price of 2,23 euros per share, representing a discount of 24.87% compared to the volume-weighted average price of NFL Biosciences shares over the last 5 trading sessions (i.e. from Monday, January 23 to Friday, January 27, 2023) equal to 2.9680 euros and 29.21% compared to the closing price of NFL Biosciences shares on Monday, January 30, 2023 which is 3.15 euros.

The Transaction, for a total of 3,059,910.11 euros, including the issue premium, was carried out by issuing, with preferential subscription rights waived, 1,372,157 new ordinary shares, representing 26.2% of the Company's share capital prior to the Transaction, with:

- (i) 1,097,726 new shares issued for a total of 2,447,928.98 euros (including the issue premium), representing 80% of the Transaction, for professional investors under the 10th and 12th resolutions from the General Meeting (the "Reserved Offer"), and
- (ii) 274,431 new shares issued for a total of 611,981.13 euros (including the issue premium), representing 20% of the Transaction, for retail investors that subscribed through the PrimaryBid platform (the "PrimaryBid Offer").

The settlement-delivery of these new shares and their admission to Euronext Growth Paris under ISIN FR0014003XT0 will take place on February 2nd, 2023.

The newly issued shares will be assimilated with the existing shares and will accrue dividends immediately.

It is reminded that in connection with the Transaction, NFL Biosciences has made a commitment, on the one hand, to not carry out any capital increase based on new shares for a period of 6 months from the completion of the Transaction without prior approval from Invest Securities and, on the other hand, to not issue any bonds that could be exchanged for or converted into new shares, whether or not these are combined with stock warrants, until December 31, 2023.

Following the Transaction, the Company's share capital will represent 198,203 euros, split into 6,606,769 ordinary shares with a par value of 0.03 euros, all of the same category.

The breakdown of the Company's shareholding structure before the Transaction was as follows:

	On a non-diluted basis		On a diluted basis	
	In quantity of shares	In % of ownership	In quantity of shares	In % of ownership
Joël BESSE	1,111,253	21.2%	1,361,253	17.9%
Bruno LAFONT	325,279	6.2%	1,075,279	14.1%
Gérard LEDUC	76,550	1.5%	1,076,550	14.1%
Family MEREAU	544,588	10.4%	669,588	8.8%
Eric MOREL D'ARLEUX	372,803	7.1%	372,803	4.9%
Family NICOLAS	275,320	5.3%	275,320	3.6%
Other private investors	775,246	14.8%	1,036,976	13.6%
Public	1,753,573	33.5%	1,753,573	23.0%
Total	5,234,612	100.0%	7,621,342	100.0%

The breakdown of the Company's shareholding structure following the Transaction is as follows:

	On a non-diluted basis		On a diluted basis	
	In quantity of shares	In % of ownership	In quantity of shares	In % of ownership
Joël BESSE	1,111,253	16.8%	1,361,253	15.1%
Bruno LAFONT	325,279	4.9%	1,075,279	12.0%
Gérard LEDUC	76,550	1.2%	1,076,550	12.0%
Family MEREAU	544,588	8.2%	669,588	7.4%
Eric MOREL D'ARLEUX	372,803	5.6%	372,803	4.1%
Family NICOLAS	275,320	4.2%	275,320	3.1%
Other private investors	775,246	11.7%	1,036,976	11.5%

Public	3,125,730	47.3%	3,125,730	34.8%
Total	6,606,769	100.0%	8,993,499	100.0%

It is specified that subscriptions, for a cumulative amount of €2.2 million, were subject to a remuneration of 5% of the amount subscribed.

Transaction partners

Investment services provider and
bookrunner



Consulting



PrimaryBid

Legal advisory

FONTAINE
AVOCATS

Financial communication

CALYPTUS

Disclaimer

Pursuant to the provisions of Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, the Transaction did not give rise to the publication of a Prospectus subject to approval by the Autorité des Marchés Financiers (AMF).

This press release does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended, or a public offering.

In certain countries, the distribution of this press release may be subject to specific regulations. Consequently, persons in such jurisdictions where the press release is released, published or distributed must inform themselves about and comply with such legislation and regulations.

This press release constitutes a promotional communication and not a prospectus within the meaning of the Prospectus Regulation.

This press release does not constitute an offer to sell securities or a solicitation for an offer to purchase or subscribe for securities in the United States of America. The shares or any other securities of the Company may only be offered or sold in the United States of America following a registration under the U.S. Securities Act of 1933 (the "Securities Act"), as amended, or pursuant to an exemption from such registration requirement. The Transaction may exceptionally be aimed at a limited number (i) of qualified institutional buyers in the United States of America ("qualified institutional buyers" or "QIB") within the meaning of Rule 144A ("Rule 144A") under the U.S. Securities Act of 1933, as amended and/or (ii) institutional accredited investors ("institutional accredited investors" or "IAI") within the meaning of Rule 501 (a) (1), (2), (3), (7), (8), (12) or (13) of Regulation D of the Securities Act pursuant to an exemption from registration in accordance with Section 4(a)(2) of the Securities Act, notably within the framework of the Issue Reserved for a Category of Persons, subject to entering into the categories determined in accordance with Article L. 225-138 of the French commercial code (Code de commerce). The shares of the Company will only be offered or sold outside the United States of America and in the framework of offshore transactions in accordance with Regulation S of the Securities Act. The Company does not intend to register the Transaction in whole or in part in the United States of America or to make a public offering in the United States of America.

With respect to Member States of the European Economic Area, no action has been or will be taken to permit a public offering of the securities covered by this press release requiring the publication by the Company of a prospectus in a Member State other than France. Accordingly, the shares of the Company may not be offered and will not be offered in any Member State other than France, except in cases not requiring the publication by the Company of a prospectus under the Prospectus Regulation and/or the regulations applicable in that Member State.

This press release can be distributed (A) outside the United States in accordance with Regulation S of the US Securities Act solely to (i) persons in the United Kingdom (a) who are investment professionals within the meaning of Section 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as currently in force, hereinafter the “Financial Promotion Order”), or (b) high net worth entities referred to in Section 49(2) (a) to (d) of the Financial Promotion Order, or (c) persons to whom an invitation or inducement to engage in investment activities (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities of the Company or any member of its group may lawfully be communicated, directly or indirectly; (ii) persons in any other Member States of the European Economic Area who are “qualified investors” within the meaning of Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129, as amended); (iii) certain qualified and/or institutional investors in other selected jurisdictions, in accordance with the restrictions applicable; and persons in the United States who are “qualified institutional buyers”, within the meaning and on the basis of Rule 114A of the US Securities Act or another exemption from registration or a transaction that is not subject to registration under the US Securities Act.

About NFL Biosciences

NFL Biosciences is a biopharmaceutical company based in the Montpellier area which develops botanical drug candidates for the treatment of addictions. NFL Biosciences' ambition is to bring new, natural, safer and more effective therapeutic solutions to the entire world population, including low- and middle-income countries. Its most advanced product, called NFL-101, is a standardized, nicotine-free tobacco leaf extract protected by two patent families. NFL Biosciences intends to offer smokers who want to quit a natural, safe, easy-to-administer and personalized alternative. NFL Biosciences is also developing NFL-301, a natural drug candidate for the reduction of alcohol consumption and has a drug development project for the treatment of cannabis use disorders.

The shares of NFL Biosciences are listed on Euronext Growth Paris (FR0014003XT0 – ALNFL). Find out more at www.nflbiosciences.com

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