Biophytis

Press release

Biophytis shares resume trading following the implementation of measures ordered in connection with a dispute with NEGMA

Paris, (France), Cambridge (Massachusetts, United States), May 19, 2020, 11:00 p.m. CEST - Biophytis SA (Euronext Growth Paris: ALBPS), a clinical-stage biotechnology company specialized in the development of drug candidates for treatment of aged related diseases, amongst which neuromuscular diseases, today announces that its shares will resume trading following the suspension requested on May 7, 2020, pending the issuance of a summary judgment by the President of the Paris Commercial Court, the same day, in connection with a dispute with NEGMA Group LTD ("**Negma**").

Biophtyis entered into an ORNANE-BSA contract with Negma (the "**Negma Contract 2019**") on August 21, 2019. In the course of negotiation of an amendment to this contract initiated in February 2020, the relationship between the parties became difficult, leading to Biophytis terminating the contract, as announced in the press release dated April 7, 2020.

Following this termination, Negma undertook legal action in order to claim damages of €910,900 from Biophytis as well as the delivery of 7,000,000 Biophytis shares, that Negma considers it was entitled to pursuant to the only Biophytis ORNANES still held by Negma, issued in consideration for a loan of €1,400,000 in principal. The sum of €910,900 claimed by Negma corresponds to the contractual penalties alleged by Negma under the terms of the Negma Contract 2019, which provided for the payment of such penalties in the event of conversion of bonds into shares when the stock price is below the par value of the shares. Biophytis vigorously disputes this legal action and these requests for payment and delivery of shares.

Pursuant to a summary judgment dated May 7, 2020, Negma obtained a decision partially responding to its claims ordering, under penalty, Biophytis to (i) pay damages in an amount of €378,067, and (ii) deliver 2,050,000 Biophytis shares.

The judgment also required, pending their delivery, an escrowover the same number of shares.

In order to avoid any obstacle to Biophytis' ability to deliver the shares resulting from the exercise of securities giving access to capital, Biophytis and Stanislas Veillet have entered into a related-party agreement authorized by the Board of Directors on May 18, 2020, as a result of which they have made irrevocable undertakings with a view to establishing an escrow over 2,050,000 shares. In connection with this, Stanislas Veillet has irrevocably undertaken to exercise 1,680,000 Share Subscription Warrants (BSA), subscribed in connection with the public offering announced on April 27, 2020.

As a result of the exercise of these BSAs, the company's capital is increased to 41,437,325 shares, resulting in a dilution of 4.05% which has already been accounted for in the dilution relating to the BSA issuance announced on April 7, 2020. These figures do not take into account the possible exercise of BSA by other holders.

Under the above-mentioned related-party agreement, Biophytis undertook to indemnify Stanislas Veillet for any direct damage (including consultancy or legal fees) that he may suffer in his capacity as shareholder arising from the establishment of this escrow.

Biophytis intends to refer the matter to the Paris Commercial Court as soon as possible to decide on the merits of its position with regards to Negma and the faults committed by the latter.

Furthermore, considering Negma's initial claims which were partially rejected in the above summary judgment, Biophytis does not rule out that Negma may take further judicial action in the context of this dispute.

Although Biophytis intends to appeal the May 7, 2020 judgment mentioned above, it is enforceable. In order to perform its obligation to deliver the 2,050,000 shares to Negma, Biophytis favors the issuance of new shares and envisages, in the days following the combined General Meeting, and subject to the passing of the delegation of competence conferred by the tenth resolution of the combined general meeting, to proceed with a capital increase reserved for Negma. It is specified that this issuance of new shares will involve Negma's intervention in the materialization of the receivable which will allow a subscription in accordance with the above-mentioned delegation of competence (including issue price). As a result of the issuance of the new shares, Biophytis' capital would be increased to 43,437,325 shares, resulting in a dilution of 4.72%. This figure takes into account the shares issued as a result of the partial exercise of its BSAs by Biophytis CEO, as indicated above. Given the existence of several prerequisites for the issuance, there is a risk that it may not take place.

In the event that Biophytis is unable to deliver the 2,050,000 shares via the issuance of new shares, it could make this delivery by redeeming its own securities on the market, in compliance with regulatory requirements supervising the redemption by a company of its own shares. The financial impact of this transaction will be based on the price at which the securities can be purchased by Biophytis. As an illustration, on the basis of the closing price prior to the suspension of trading on May 7, 2020, i.e. €1,1640, the acquisition of 2,050,000 shares by Biophytis would have a financial impact of €2,386,200.

The performance of the May 7, 2020 decision will not jeopardize the financial position of the Company, which has sufficient cash to meet its obligations and needs until the end of the fiscal year. As of April 30, 2020, Biophytis' cash position was at €7,2 million (compared to €6,3 million as at December 31, 2019).

In addition, Biophytis announced on April 7th the execution of a financing line of up to €24 million raised from Atlas, a specialized investment fund based in New York (USA). This contract provides for the issuance of 960 bonds redeemable in cash or new or existing shares (ORNANEs), with a nominal value of €25,000 each, and allows Biophytis to finance its activities for the next 18 months. This funding includes 8 tranches of €3 million each over a total period of 3 years, with no obligation to draw. Biophytis drew the first tranche of €3 million during the month of April 2020.

As a reminder, Biophytis announced on April 7, 2020, the launch of a new clinical development program: COVA, with Sarconeos (BIO101) as a potential treatment for respiratory failure associated with Covid-

19. Applications for authorization to launch this clinical study were made in France, the UK, Belgium and the US. Biophytis received the approval from the Belgian Regulatory Agency (FAMHP) to initiate the COVA clinical study in Belgium. This approval is addressed in a separate press release which outlines COVA's clinical and regulatory development plan in more detail.

Biophytis combined General Meeting took place on May 11, 2020 behind closed doors, due to the COVID-19 pandemic. The shareholders taking part in the vote owned collectively 6,649,625 shares, or 16.74 % of the share capital, and 19.92 % of the voting rights. The 20% quorum necessary for holding an ordinary general meeting on first call and the 25% quorum necessary for holding an extraordinary general meeting on first call were not reached and as a result the general meeting has been adjourned.

Biophytis has therefore convened a new combined General Meeting to be held on May 28, 2020. Biophytis strongly encourages its shareholders to exercise their voting rights on this occasion. It is specified that the 2,050,000 shares placed in escrow will not be taken into account for the exercise of the voting right.

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About BIOPHYTIS

Biophytis SA is a clinical-stage biotechnology company specialized in the development of drug candidates to slow down degenerative processes and improve functional abilities in patients with age-related diseases, especially neuromuscular diseases.

Sarconeos (BIO101), our leading drug candidate, is a small molecule, administered orally, currently in clinical Phase 2b in sarcopenia (SARA-INT) in the United States and Europe. A pediatric formulation of Sarconeos (BIO101) is being developed for the treatment of Duchenne Muscular Dystrophy (DMD). The company plans to start the clinical development (MYODA) in H2 2020.

Sarconeos (BIO101) will also be developed as a treatment for Covid-19 (Coronavirus). The Company has received approval from the Belgian Regulatory Authority (FAMHP) to begin the Phase 2/3 clinical trial (COVA) with Sarconeos (BIO101), evaluating it as a potential treatment for respiratory failure associated with Covid-19. The Company also filed clinical trial applications with the FDA in the US, MHRA in the UK and the French regulatory agency, ANSM in France.

The company is based in Paris, France, and Cambridge, Massachusetts. The company's common shares are listed on the Euronext Growth Paris market (Ticker: ALBPS -ISIN: FR0012816825). For more information www.biophytis.com.

Disclaimer

This press release contains forward-looking statements. While the Company considers its projections to be based on reasonable assumptions, these forward-looking statements may be called into question by a number of

hazards and uncertainties, so that actual results may differ materially from those anticipated in such forward-looking statements. For a description of the risks and uncertainties likely to affect the results, BIOPHYTIS' financial position, performance or achievements and thus cause a change from the forward-looking statements, please refer to the "Risk Factors" section of the Company's 2018 Annual Report available on BIOPHYTIS website (www.biophytis.com).
This press release, and the information contained in it, does not constitute an offer to sell or subscribe, nor the solicitation of a purchase or subscription order, of BIOPHYTIS shares in any country. The elements contained in this communication may contain forward-looking information involving risks and uncertainties. The Company's actual achievements may differ materially from those anticipated in this information due to different risk and uncertainty factors. This press release was written in French and English; If there is a difference between the texts, the French version will prevail.

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