

PRESS RELEASE FROM NEGMA GROUP

THE PARIS COURT OF APPEAL CONFIRMS THE CONVICTION OF BIOPHYTIS, OPENING THE RIGHT FOR NEGMA GROUP TO CLAIM COMPENSATION FOR ITS ENTIRE LOSS

In a judgment delivered on January 17, 2023, the Paris Court of Appeal dismissed the appeal by Biophytis against the judgment of the Paris Commercial Court dated March 16, 2021, in favour of Negma. The judgment of the lower court had found Biophytis to be in breach of a financing agreement entered into on August 21, 2019, and ordered Biophytis to deliver to Negma Group 7,000,000 Biophytis shares, and to comply with various financial obligations under that arrangement.

The Paris Court of Appeal also confirmed the first judgment, considering that the unilateral termination by Biophytis of the financing agreement with Negma Group was wrongful. The Court, on the other hand, determined that Negma Group had respected the terms of its contract with Biophytis and been accommodating towards the company when it sought an adjustment to the terms.

The Court of Appeal also ordered Biophytis to pay Negma Group 75,000 euros under Article 700 of the French Code of Civil Procedure in respect of its costs in contesting the appeal.

The dispute originally arose when the financing contract, which included an exclusivity clause, was terminated by Biophytis on April 7, 2020, although it was stipulated to run for 48 months, i.e. until August 21, 2023.

The original judgment held that by wrongfully terminating the financing agreement and withholding the delivery of the 7,000,000 shares due to Negma Group and valued at the time at approximately EUR 15,000,000, so that Biophytis could immediately enter into a similar financing agreement with Atlas Capital, Biophytis breached a number of material obligations under the agreement and in particular the exclusivity clause in favour of Negma Group.

Biophytis has already, on March 16, 2021, complied with the lower court's judgment, but following this decision by the Paris Court of Appeal, Negma Group now intends to seek compensation from Biophytis for the entire loss it suffered as result of the company's conduct.

The decision of the Paris Court of Appeal dated January 17, 2023, is available under the number RG 21/05879 at the registry of Pole 5 Chamber 16.

Biophytis has the right to appeal this decision.